



AGENDA

Gainesville Work Session
Thursday, December 12, 2019, 10:00 AM
Administration Building, Board Room
300 Henry Ward Way, 3rd Floor
Mayor or Mayor Pro Tem Presides

DEPARTMENT ISSUES

Community Service Center	2019 Employees' Community Trust Fund Campaign	Jasmine Mays
Community Service Center	Resolution: Apply For and Accept FY2021 Section 5307 Grant	Phillippa Moss
Retirement Plan A	Fiscal Year 2019 Actuarial Valuation	Malichi Waterman
Finance	FY2019 Audit Results and Comprehensive Annual Financial Report (CAFR)	Chris Hollifield
Finance	Resolution: Fourth Quarter Budget Adjustment for Fiscal Year 2019	Kevin Hutcheson
Finance	Resolution: First Quarter Budget Adjustment for Fiscal Year 2020	Kevin Hutcheson

CITY MANAGER ISSUES

Ordinance: Amend Chapter 6-7 entitled "Amusements, Public Demonstrations, Parades, Special Events, etc."	Angela Sheppard
Resolution: Special Event Policy & Permit Application	Angela Sheppard
Ordinance: Amend Chapter 6-9 entitled "Permits"	Angela Sheppard
Resolution: Property Acquisition from Liberty Utilities Corp.	Bryan Lackey
Resolution: Tax Allocation District (TAD) Funding for Wimberly Funeral Home	Angela Sheppard
Resolution: Tax Allocation District (TAD) Funding for Liberty Midland	Angela Sheppard

MAYOR/COUNCIL ISSUES

Appointment(s): Chattahoochee Golf Course Advisory Committee	Danny Dunagan
Appointment(s): Friends of the Parks Board	Danny Dunagan
Appointment(s): Parks and Recreation Board	Danny Dunagan
Ex-Officio Report(s)	

CITY ATTORNEY ISSUES

Resolution: Agreement Regarding Term of Municipal Court Judge - Year 2020	Abb Hayes
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Public Hearing Item: December 17, 2019 Council Meeting

Request from the **City of Gainesville** to amend the Unified Land Development Code for the City of Gainesville, Georgia to amend Table 9-6-1 of Article 9-6 entitled "Permitted and Special Uses for Nonresidential Zoning Districts"; to amend Table 9-6-2 of Article 9-6 entitled "Dimensional Requirements for Nonresidential Zoning Districts"; to amend Section 9-8-7-6 entitled "Prohibited and Permitted Uses" within the Midtown Overlay Zone; to amend Article 9-10 entitled "Specific Use Provisions"; to adopt a new Section 9-10-6-2 entitled "Hookah, E-Cigarette and/or Vapor

Abb Hayes

Lounge/Bar"; to adopt a new Section 9-10-6-13 entitled "Special Event Facility"; to adopt a new Section 9-10-6-14 entitled "Food Processing Plant"; to adopt a new Section 9-10-6-15 entitled "Lodging Services"; to adopt a new Section 9-10-6-16 entitled "Extended Stay Lodging Services"; to amend Section 9-10-1-2 entitled "Fences and Walls"; to amend Section 9-20-14-15 entitled "Suspension of Permits and Certificates"; and to amend Section 9-9-1-4 entitled "General Requirements".

CITY CLERK ISSUES

2020 Organizational Meeting

Denise Jordan

EXECUTIVE SESSION

ADJOURNMENT

Final: Tuesday, December 10, 2019, 4:05 PM

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 11/15/2019
Presenter: Jasmine Mays
Item of Business: 2019 Employees' Community Trust Fund Campaign
Meeting Date: 12/12/2019

Purpose of Request:

To announce the results of the 2019 Employees' Community Trust Fund Campaign.

History/Background:

The City of Gainesville has had an Employees' Community Trust Fund campaign for more than two decades. This year, employees raised money that will be redistributed to local nonprofit agencies and some charitable city programs such as Children At Play, Meals on Wheels, You're The Reason Scholarship Fund, and Employee Trust Fund.

Facts & Issues for Consideration:

City employees are invited each year to donate monies to various nonprofit agencies and charitable city programs. The results of the 2019 campaign will be announced during the work session.

Department Recommendation:

Acknowledge department and division representatives for their success with the campaign.

Department Director:

Phillippa Lewis Moss

If funding is involved, are funds approved within the current budget?

No

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/3/2019
Presenter: Phillippa Moss
Item of Business: Resolution: Apply For and Accept FY2021 Section 5307 Grant
Meeting Date: 12/12/2019

Purpose of Request:

Approve submission of FY2021 Section 5307 Grant application and, if approved, acceptance of grant award. This grant provides capital and operating funds for the Gainesville Connection & Dial-A-Ride Bus Services.

History/Background:

An application must be made to GDOT/FTA each year for state/federal funding for the Gainesville Connection & Dial-A-Ride bus services.

Facts & Issues for Consideration:

The FY2021 Section 5307 funds 50% of the urban operational expenses for Gainesville Connection and Dial-A-Ride bus services.

Department Recommendation:

Approve the resolution for the FY2021 Section 5307 Grant Application Submission and Grant Award Acceptance.

Department Director:

Phillippa Moss

If funding is involved, are funds approved within the current budget?

No

Amount Requested:

The operating match will be included in the CSC's FY21 budget request.

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ Apply For and Accept FY2021 Section 5307 Grant	Resolution

RESOLUTION PR-2019 - ____

Request to Apply For and Accept an FY2021 Section 5307 Grant

WHEREAS, each year the Federal Transit Administration (FTA) makes operating funds available to small urban transit systems like Gainesville Connection and Dial-A-Ride through its Section 5307 program; and

WHEREAS, staff of the Georgia Department of Transportation Intermodal Office packages the Section 5307 application requests of all small urban transit systems in Georgia and presents them to the Federal Transit Administration for consideration; and

WHEREAS, a successful application will result in funding that will cover fifty percent (50%) of the urban operational expenses for Gainesville Connection and Dial-A-Ride.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves submittal of the FY2021 Section 5307 application and acceptance of the grant funds if awarded.

BE IT FURTHER RESOLVED THAT the governing body for the City of Gainesville hereby authorizes the Mayor, City Manager and City Attorney to execute all contracts and associated documents related to said grant.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 11/22/2019
Presenter: Malichi Waterman
Item of Business: Fiscal Year 2019 Actuarial Valuation
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to present the Fiscal Year 2019 Actuarial Valuation report from Segal Consulting.

History/Background:

Retirement Plan A submits data to the actuarial firm on an annual basis for the purpose of preparing an Actuarial Valuation. The fiscal year end data was submitted to Segal Consulting in September 2019.

Facts & Issues for Consideration:

Segal Consulting presented the report to the Retirement Board on November 12, 2019. The Board accepted the report as presented and recommended presentation to the governing body.

Department Recommendation:

No action is required by the governing body.

Department Director:

Tommy Hunt

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ FY 2019 Actuarial Valuation Presentation	Presentation
☐ FY 2019 Actuarial Valuation Report	Report



City of Gainesville Retirement Plan A Actuarial Review as of July 1, 2019

December 12, 2019

Presented by:
Malichi S. Waterman, FCA, MAAA, EA
Consulting Actuary

 **Segal Consulting**

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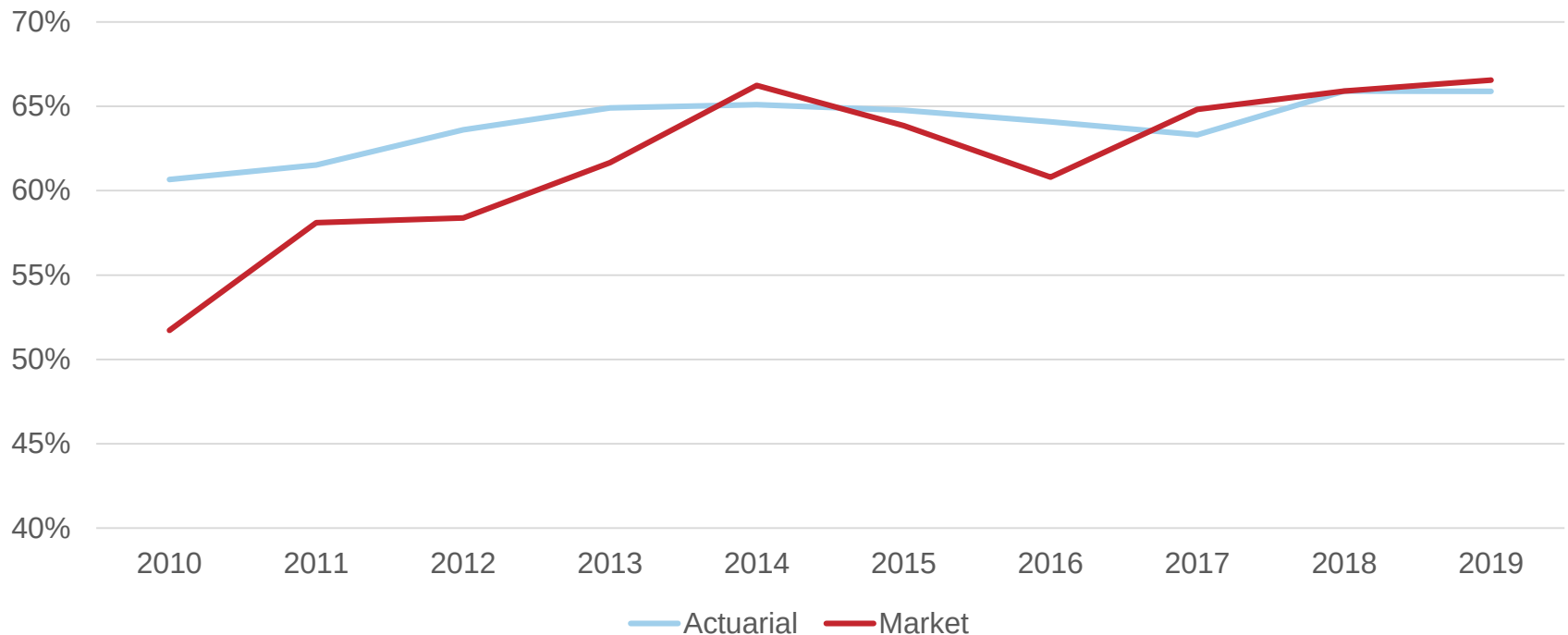
Highlights

- As of July 1, 2019, the Plan continues to meet all Georgia funding requirements as well as standards established by the Government Accounting Standards Board (GASB).
- There were no changes to assumptions or methods reflected in this year's valuation.
- The recommended contribution for the Fiscal Year ending June 30, 2020 is \$9.8 million, or 35.62% of payroll.
- The actuarial value of assets used for funding reflects a five-year smoothing of gains and losses. As of June 30, 2019, the actuarial value of assets was 99.0% of market value, and there are \$1,073,259 in deferred investment gains that will be recognized in future years. Last year the actuarial value of assets was set to 100% of market value. The market value return for the year ended June 30, 2019 was 8.36%; the return on a smoothed actuarial basis was 7.37%. The assumed rate of return was 7.00%.
- The disclosures required for compliance with GASB Statement No. 67 *Financial Reporting for Pension Plans*, and Statement No. 68, *Accounting and Financial Reporting for Pensions* were released to the City's Finance Department on October 14, 2019.

Funding

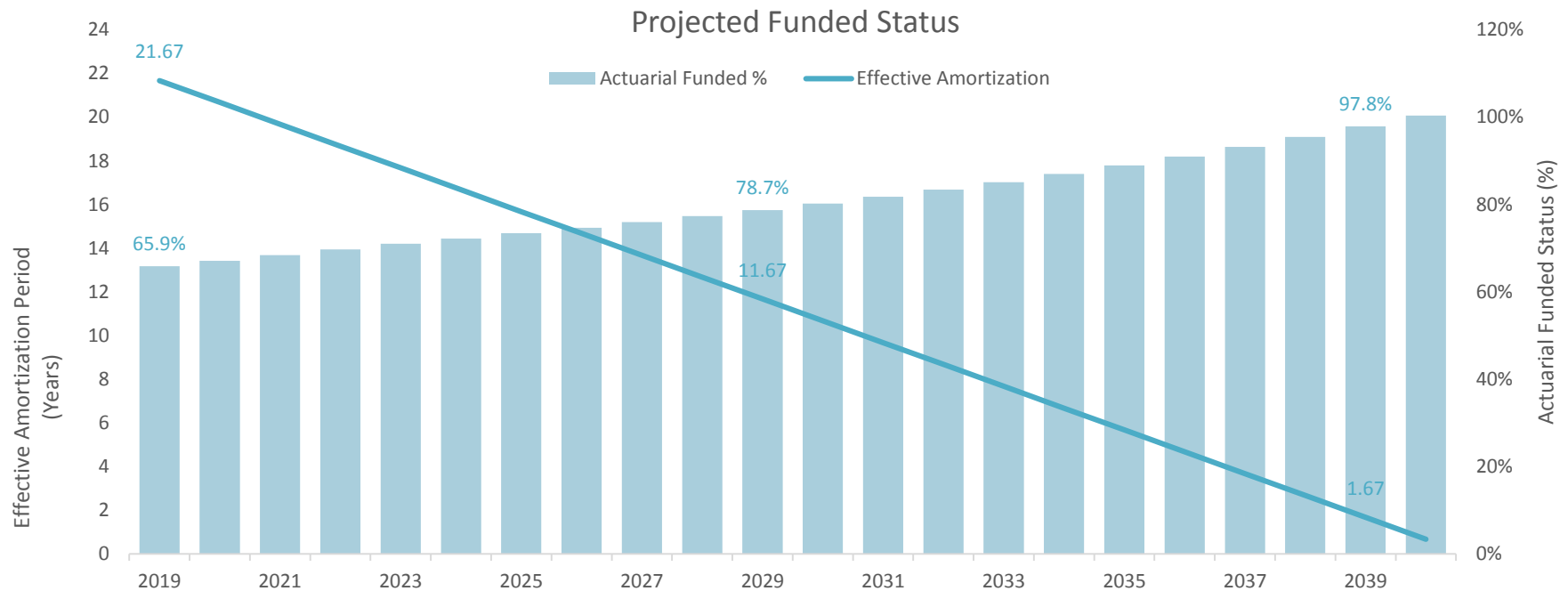
- Due to the decrease in the discount rate assumption and experience losses in the past year, there was an increase in the Recommended Contribution; however, **if total contributions remain unchanged, funding obligations will be met for the 2019-2020 fiscal year.**
- Unfunded Actuarial Accrued Liability increased from \$51.5 Million to \$53.1 Million
- Actuarial Funded Percentage was unchanged at 65.9%

Historical Funding Percentage



Funding (Continued)

- The funding of the Plan is the joint responsibility of the employer and employees. City and employee contributions combined are 26.40% of payroll.
- Based on the current contribution level of 26.40%, the effective amortization period is 21.7 years. This is decreased from 22.8 years last year and is well short of the maximum period of 30 years, as required under Georgia Law and current GASB standards
- Based on the recommended contribution amount of 35.62%, the net effective period for amortizing the unfunded actuarial accrued liability for the plan is 10.8 years, down from 11.5 years in the prior valuation



Conclusion

- The market value return on assets for the year ended June 30, 2019 was 8.36%. The smoothed actuarial return was 7.27%. The assumed rate of return was 7.00%.
- The funded ratio has remained flat at 65.90%, but is projected to gradually improve.
- The net effective period for amortizing the unfunded actuarial accrued liability is 21.7 years, assuming contribution rates remain unchanged.
- On November 12, 2019 the RPA Board received the valuation results and made no changes to the contribution levels.
- The Plan continues to meet all Georgia funding requirements as well as standards established by the Government Accounting Standards Board (GASB).

The Small Print

- This presentation is intended for the use of interested parties of the Plan, and is a supplement to Segal Consulting's full valuation report for the Plan as of July 1, 2019.
- Please refer to the full valuation report for a full description of assumptions and plan provisions reflected in the results shown in this presentation. The report also includes more comprehensive information regarding the Plan's membership, assets, and experience during the most recent plan year.
- Projections, by their nature, are not a guarantee of future results. They are intended to serve as estimates of future financial outcomes that are based on assumptions about future experience and the information available to us at the time the modeling is undertaken and completed. The projected future results included in this presentation show how the System would be affected if specific investment return, salary, mortality, turnover, disability and retirement assumptions are met. Actual results may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.
- The calculations included in this presentation were completed under the supervision of Malichi S. Waterman, FCA, MAAA, EA.

Thank You!

 Segal Consulting

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**City of Gainesville
Retirement Plan A**

**Actuarial Valuation and Review as of
July 1, 2019**

This report has been prepared at the request of the Board of Trustees to assist in administering the Retirement Plan. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety, unless expressly authorized by Segal. The measurements shown in this actuarial valuation may not be applicable for other purposes.

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October 30, 2019

Board of Trustees
City of Gainesville Retirement Plan A
300 Henry Ward Way
Gainesville, GA 30503-2496

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of July 1, 2019. It summarizes the actuarial data used in the valuation, analyzes the 2018-2019 year's experience, and establishes the funding requirements for fiscal 2021.

This report was prepared in accordance with generally accepted actuarial principles and practices at the request of the Board to assist in administering the Retirement Plan. The census information and financial information on which our calculations were based was prepared by the staff of the City of Gainesville. That assistance is gratefully acknowledged.

The actuarial calculations were directed under my supervision. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate. Further, in my opinion, the assumptions as approved by the Board are reasonably related to the experience of and the expectations for the Retirement Plan.

I hereby certify that the City of Gainesville Retirement Plan A has been funded in conformity with the minimum funding standards specified in Code Section 47-20-10 of the Official Code of Georgia Annotated known as the Public Retirement Systems Standards Law. This certification covers the 2018-2019 plan year.

I look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely,

Segal Consulting, a Member of The Segal Group, Inc.

By:  _____

Malichi S. Waterman, FCA, MAAA, ASA
Consulting Actuary
Enrolled Actuary 17-7141

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Section 1: Actuarial Valuation Summary

Purpose and Basis

This report was prepared by Segal Consulting to present a valuation of the City of Gainesville Retirement Plan A as of July 1, 2019. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits. The measurements shown in this actuarial valuation may not be applicable for other purposes. In particular, the measures herein are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

Certain disclosure information required by GASB Statements No 67 and 68 as of June 30, 2019 for the Retirement Plan is provided in a separate report.

The contribution requirements presented in this report are based on:

- The benefit provisions of the Retirement Plan, as administered by the Board;
- The characteristics of covered active participants, inactive vested participants, and retired participants and beneficiaries as of June 30, 2019, provided by the City;
- The assets of the Plan as of June 30, 2019, provided by the City;
- Economic assumptions regarding future salary increases and investment earnings;
- Other actuarial assumptions regarding employee terminations, retirement, death, etc. and
- The funding policy adopted by the Board.

Significant Issues

1. Segal Consulting (“Segal”) strongly recommends an actuarial funding method that targets 100% funding of the actuarial accrued liability. Generally, this implies payments that are ultimately at least enough to cover normal cost, interest on the unfunded actuarial accrued liability and the principal balance. The funding policy adopted by the Board meets this standard. The contribution developed under the funding policy is called the recommended contribution. This amount is the total normal cost plus the sum of the amortization payments for bases as determined under Georgia law (See Page 24 for details).
2. The recommended contribution for the fiscal year ending June 30, 2020 is \$9,828,302, an increase of \$893,620 from last year. The contribution as a percentage of payroll increased from 35.17% of payroll to 35.62% of payroll.
3. Actual contributions to The Plan are set by statute, and are the joint responsibility of the employer and the employees. These statutory contributions are compared to the recommended contribution in order to assess the appropriateness of the statutory contributions. Based upon this comparison, the Board will decide what action to take, if any. City and employee contributions combined are 26.40% of payroll, which is 9.22% less than the recommended contribution. The average period for the bases in the determination of the recommended contribution is 10.8 years. The current contribution rate of 26.40% of pay is amortizing the unfunded actuarial accrued liability over an effective period of 21.7 years. The longest amortization period currently allowed by state law is 30 years. Therefore, the Plan is in compliance.
4. Actual contributions made during the fiscal year ending June 30, 2019 were \$6,918,932. In the prior fiscal year, actual contributions were \$6,419,248.
5. The funded ratio (the ratio of the actuarial value of assets to actuarial accrued liability) is 65.88%, compared to the prior year funded ratio of 65.90%. This ratio is one measure of funding status, and its history is a measure of funding progress. Using the market value of assets, the funded ratio is 66.56%, compared to 65.90% as of the prior valuation date. These measurements are not necessarily appropriate for assessing the sufficiency of Retirement Plan assets to cover the estimated cost of settling the Retirement Plan’s benefit obligation or the need for or the amount of future contributions.
6. The employer normal cost is 11.81% of payroll and is fully covered by the 13.20% employee contribution rate.
7. The unfunded actuarial accrued liability is \$54,131,422, which is an increase of \$3,000,356 since the prior valuation. When compared to an expected unfunded actuarial accrued liability of \$51,088,094, this yields an actuarial loss from investment and other experience of \$3,043,328, or 1.92% of actuarial accrued liability.
8. The net experience loss from sources other than investment experience was 2.09% of the actuarial accrued liability. This loss primarily was due to greater salary increases than expected, less turnover than expected for participants hired prior to July 1, 2008, and fewer deaths than expected.

9. The rate of return on the market value of assets was 8.36% for the July 1, 2018 to June 30, 2019 plan year. The return on the actuarial value of assets was 7.27% for the same period due to the recognition of prior years' investment gains and losses. This resulted in an actuarial gain when measured against the assumed rate of return of 7.00%. This actuarial investment gain decreased the recommended contribution rate by 0.09% of pay. Given the low fixed income interest rate environment, target asset allocation and expectations of future investment returns for various classes, we advise the Board to continue to monitor actual and anticipated investment returns relative to the assumed long-term rate of return on investments of 7.00%.
10. The actuarial value of assets is 99.0% of the market value of assets. The investment experience in the past years has only been partially recognized in the actuarial value of assets. As the deferred net gain is recognized in future years, the cost of the Plan is likely to decrease unless the net gain is offset by future experience. The recognition of the market gains of \$1,073,259 will also have an impact on the future funded ratio. If the net deferred gains were recognized immediately in the actuarial value of assets, the recommended contribution would decrease from 35.62% to about 35.26% of payroll.
11. There were no actuarial assumptions changes or plan changes reflected for the first time with this valuation.
12. The Retirement Plan uses the Entry Age Cost Method with the normal cost determined on a "replacement life" basis. This methodology allows reductions in the plan of benefits for new hires to be reflected in the normal cost for current employees even though the plan of benefits for current employees is unchanged. As a result, the actuarial accrued liability increases to offset the decrease in normal cost, and the recommended contribution is generally less than it would be if the "replacement life" approach was not used.
13. This report constitutes an actuarial valuation for the purpose of determining the actuarially determined contribution under the Retirement Plan's funding policy and measuring the progress of that funding policy. The Net Pension Liability (NPL) and Pension Expense under Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68, for inclusion in the plan and employer's financial statements as of June 30, 2019, were released to the City's Finance Department in a separate report dated October 14, 2019. The accounting disclosures utilize different methodologies from those employed in the funding valuation, as required by the GASB. However, the contributions in this valuation are used as the actuarially determined contribution (ADC) for GASB financial reporting.
14. This actuarial report as of July 1, 2019 is based on financial and demographic data as of that date. Changes subsequent to that date are not reflected and will affect future actuarial costs of the plan. We are prepared to work with the City to model the effects of these and other subsequent developments.
15. Since the actuarial valuation results are dependent on a given set of assumptions, there is a risk that emerging results may differ significantly as actual experience proves to be different from the assumptions. We have included a brief discussion of some risks that may affect the Retirement Plan in Section 2. A more detailed assessment of the risks would provide the Board with a better understanding of the inherent risks. This could be important because the Board has not had a detailed risk assessment in several years.

Summary of Key Valuation Results

		2020	2019
Contributions for fiscal year beginning July 1:	• Recommended total contributions	\$9,828,302	\$8,934,682
	• Recommended total contributions as a percent of payroll	35.62%	35.17%
	• Actual contribution rate	26.40%	26.40%
Plan Year Beginning:		July 1, 2018	July 1, 2017
Actuarial accrued liability for plan year beginning July 1:	• Retired participants and beneficiaries	\$86,782,127	\$83,865,944
	• Inactive vested participants	1,368,671	1,678,627
	• Active participants	70,255,259	65,369,971
	• Inactive participants due a refund of employee contributions	239,405	223,340
	• Total	158,645,462	151,137,882
	• Normal cost including administrative expenses for plan year beginning July 1	3,171,837	2,907,427
Assets for plan year beginning July 1:	• Market value of assets (MVA)	\$105,587,299	\$99,606,816
	• Actuarial value of assets (AVA)	104,514,040	99,606,816
	• Actuarial value of assets as a percentage of market value of assets	98.98%	100.00%
Funded status for plan year beginning July 1:	• Unfunded actuarial accrued liability on market value of assets	\$53,058,163	\$51,531,066
	• Funded percentage on MVA basis	66.56%	65.90%
	• Unfunded actuarial accrued liability on actuarial value of assets	\$54,131,422	\$51,531,066
	• Funded percentage on AVA basis	65.88%	65.90%
Key assumptions:	• Effective amortization period on an AVA basis	21.7 years	22.8 years
	• Net investment return	7.00%	7.00%
	• Inflation rate	2.75%	2.75%
	• Payroll increase	2.75%	2.75%
Demographic data for plan year beginning July 1:	• Number of retired participants and beneficiaries	282	277
	• Number of inactive vested participants	9	12
	• Number of active participants	505	489
	• Number of inactive participants entitled to a refund of employee contributions	33	34
	• Projected total payroll	\$26,855,193	\$24,721,900
	• Projected average payroll	53,179	50,556
	• Projected payroll for fiscal year	\$27,593,711	\$25,401,752

Important Information About Actuarial Valuations

An actuarial valuation is a budgeting tool with respect to the financing of future projected obligations of a pension plan. It is an estimated forecast – the actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

In order to prepare a valuation, Segal Consulting (“Segal”) relies on a number of input items. These include:

Plan of benefits	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
Participant data	An actuarial valuation for a plan is based on data provided to the actuary by the City. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Assets	The valuation is based on the market value of assets as of the valuation date, as provided by the City. The City uses an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.
Actuarial assumptions	In preparing an actuarial valuation, Segal projects the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This projection requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of each participant for each year. In addition, the benefits projected to be paid for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments. The projected benefits are then discounted to a present value, based on the assumed rate of return that is expected to be achieved on the plan’s assets. There is a reasonable range for each assumption used in the projection and the results may vary materially based on which assumptions are selected. It is important for any user of an actuarial valuation to understand this concept. Actuarial assumptions are periodically reviewed to ensure that future valuations reflect emerging plan experience. While future changes in actuarial assumptions may have a significant impact on the reported results, that does not mean that the previous assumptions were unreasonable.

The user of Segal’s actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared at the request of the Retirement Board. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement of the plan’s assets and liabilities at a specific date. Accordingly, except where otherwise noted, Segal did not perform an analysis of the potential range of future financial measures. The actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.
- Actuarial results in this report are not rounded, but that does not imply precision.
- If the City is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- Segal does not provide investment, legal, accounting, or tax advice. Segal’s valuation is based on our understanding of applicable guidance in these areas and of the plan’s provisions, but they may be subject to alternative interpretations. The Retirement Board should look to their other advisors for expertise in these areas.

As Segal Consulting has no discretionary authority with respect to the management or assets of the Retirement Plan, it is not a fiduciary in its capacity as actuaries and consultants with respect to the Retirement Plan.

Section 2: Actuarial Valuation Results

Participant Data

The Actuarial Valuation and Review considers the number and demographic characteristics of covered participants, including active participants, inactive vested participants, retired participants and beneficiaries.

This section presents a summary of significant statistical data on these participant groups.

More detailed information for this valuation year and the preceding valuation can be found in *Section 3, Exhibits A, B and C*.

PARTICIPANT POPULATION: 2010 – 2019

Year Ended June 30	Active Participants	Inactive Vested Participants*	Retired Participants and Beneficiaries	Total Non- Actives	Ratio of Non-Actives to Actives
2010	472	9	197	206	0.44
2011	477	11	202	213	0.45
2012	484	11	210	221	0.46
2013	487	13	217	230	0.47
2014	476	15	230	245	0.51
2015	488	25	239	264	0.54
2016	489	29	247	276	0.56
2017	486	35	265	300	0.62
2018	489	46	277	323	0.66
2019	505	42	282	324	0.64

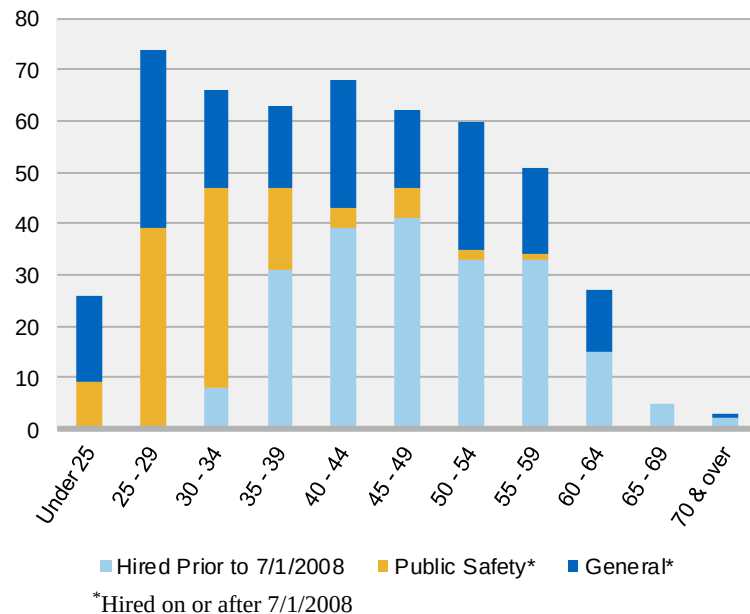
*Includes terminated participants due a refund of employee contributions

Active Participants

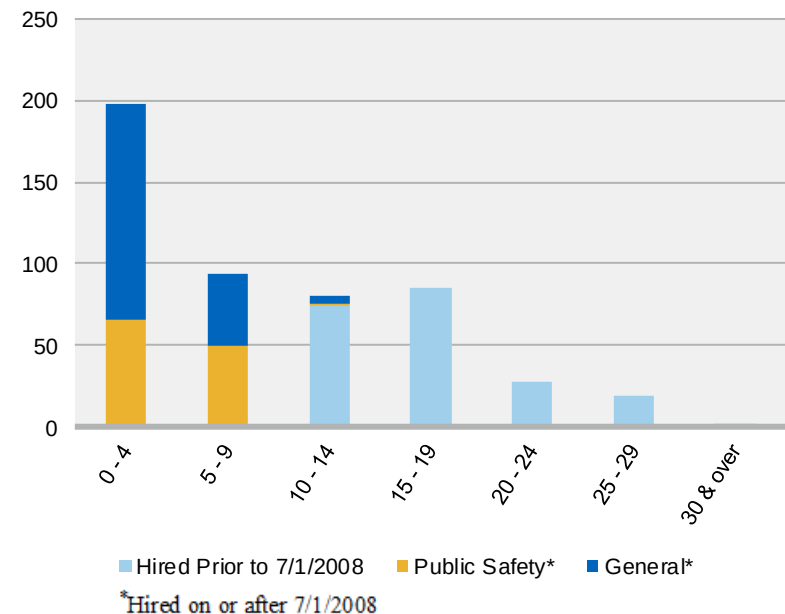
Plan costs are affected by the age, years of service and payroll of active participants. In this year's valuation, there were 505 active participants with an average age of 42.1, average years of benefit service of 9.4 years and average payroll of \$53,179. The 489 active participants in the prior valuation had an average age of 41.6, average benefit service of 9.3 years and average payroll of \$50,556.

Distribution of Active Participants as of June 30, 2019

ACTIVES BY AGE



ACTIVES BY YEARS OF SERVICE



Inactive Participants

In this year's valuation, there were nine participants with a vested right to a deferred or immediate vested benefit. In addition, there were 33 participants entitled to a return of their employee contributions.

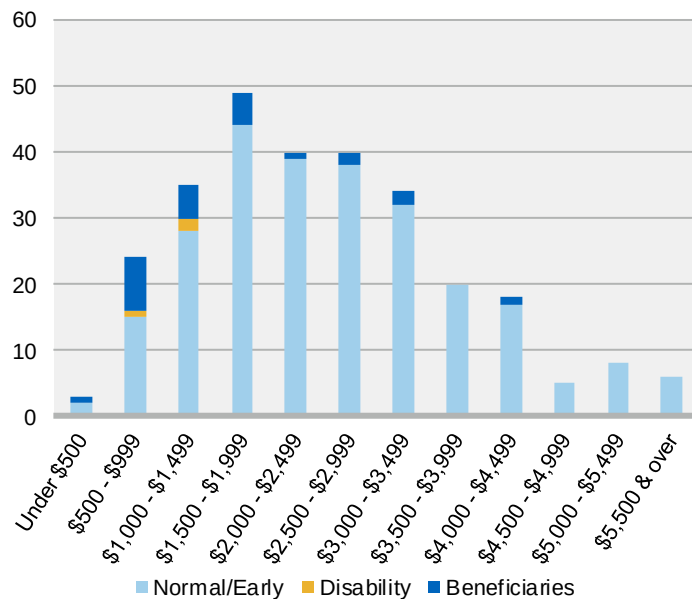
Retired Participants and Beneficiaries

As of June 30, 2019, 257 retired participants and 25 beneficiaries were receiving total monthly benefits of \$719,109. For comparison, in the previous valuation, there were 253 retired participants and 24 beneficiaries receiving monthly benefits of \$692,655.

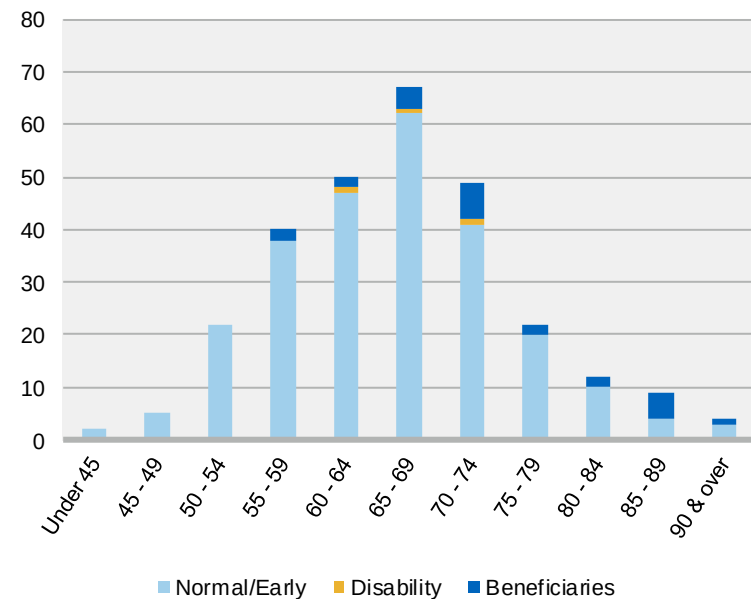
As of June 30, 2019, the average monthly benefit for retired participants and beneficiaries is \$2,550, compared to \$2,501 in the previous valuation. The average age for retired participants and beneficiaries is 66.8 in the current valuation, compared with 66.3 in the prior valuation.

Distribution of Pensioners and Beneficiaries as of June 30, 2019

PENSIONERS BY TYPE AND MONTHLY AMOUNT



PENSIONERS BY TYPE AND AGE



Historical Plan Population

The chart below demonstrates the stability of the active population over the last ten years. The chart also shows the growth among the retired population over the same time period.

PARTICIPANT DATA STATISTICS: 2010 – 2019

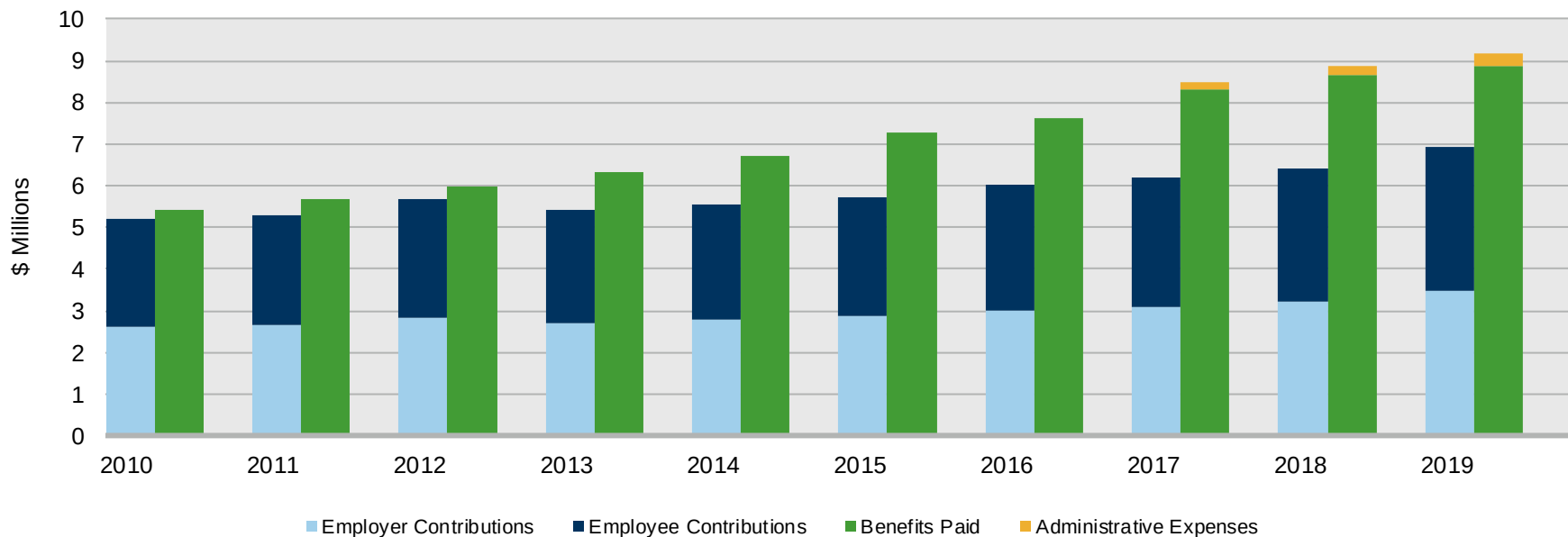
Year Ended June 30	Active Participants			Retired Participants and Beneficiaries		
	Count	Average Age	Average Benefit Service	Count	Average Age	Average Monthly Amount
2010	472	41.4	9.0	197	64.7	\$2,138
2011	477	41.9	9.1	202	64.5	2,211
2012	484	42.3	9.3	210	64.5	2,250
2013	487	42.7	9.5	217	64.9	2,290
2014	476	42.8	9.8	230	65.3	2,308
2015	488	42.3	9.5	239	65.3	2,372
2016	489	42.7	9.6	247	65.7	2,413
2017	486	42.2	9.3	265	66.0	2,454
2018	489	41.6	9.3	277	66.3	2,501
2019	505	42.1	9.4	282	66.8	2,550

Financial Information

Retirement plan funding anticipates that, over the long term, both contributions (less administrative expenses) and investment earnings (less investment fees) will be needed to cover benefit payments. Retirement plan assets change as a result of the net impact of these income and expense components.

Additional financial information, including a summary of transactions for the valuation year, is presented in *Section 3, Exhibits D, E and F*.

COMPARISON OF CONTRIBUTIONS MADE WITH BENEFITS AND EXPENSES PAID FOR YEARS ENDED JUNE 30, 2010 – 2019



Prior to the year ended June 30, 2017, administrative expenses were treated as an offset to investment income for valuation purposes.

The negative cash flow position means that the Retirement Plan is becoming more dependent on investment returns to meet benefit payments. This trend can be expected to continue as the retiree population grows.

It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable. The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

With 2018 valuation, the actuarial value of assets was reset to market value, and asset method was revised to reflect a five-year smoothing method with a 20% corridor. Market value gains and losses will be recognized prospectively over a five-year period.

DETERMINATION OF ACTUARIAL VALUE OF ASSETS FOR YEAR ENDED JUNE 30, 2019

1. Market value of assets, June 30, 2019					\$105,587,299
		Original Amount¹	Percent Deferred	Unrecognized Amount²	
2. Calculation of unrecognized return					
(a)	Year ended June 30, 2019	\$1,341,574	80%	\$1,073,259	
(b)	Year ended June 30, 2018	N/A	60%	N/A	
(c)	Year ended June 30, 2017	N/A	40%	N/A	
(d)	Year ended June 30, 2016	N/A	20%	N/A	
(e)	Year ended June 30, 2015	N/A	0%	N/A	
(f)	Total unrecognized return				1,073,259
3. Preliminary actuarial value: (1) - (2f)					\$104,514,040
4. Adjustment to be within 20% corridor					0
5. Final actuarial value of assets as of June 30, 2019: (3) + (4)					<u>104,514,040</u>
6. Actuarial value as a percentage of market value: (5) ÷ (1)					99.0%
7. Amount deferred for future recognition ³ : (1) - (5)					\$1,073,259

¹Total return minus expected return on a market value basis

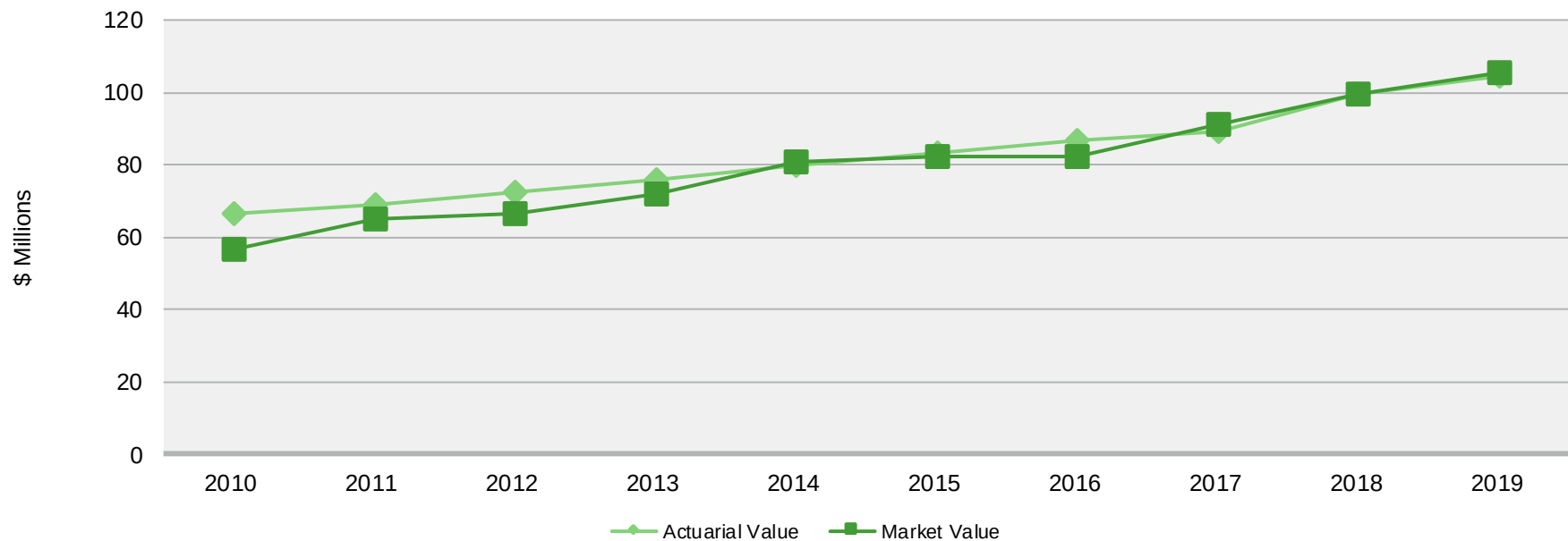
²Recognition at 20% per year over five years

³Deferred return as of June 30, 2019 recognized in each of the next four years:

(a)	Amount recognized on June 30, 2020	\$268,315
(b)	Amount recognized on June 30, 2021	268,315
(c)	Amount recognized on June 30, 2022	268,315
(d)	Amount recognized on June 30, 2023	268,315

Both the actuarial value and market value of assets are representations of the Retirement Plan’s financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The actuarial asset value is significant because the Retirement Plan’s liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the unfunded actuarial accrued liability is an important element in determining the contribution requirement.

ACTUARIAL VALUE OF ASSETS VS. MARKET VALUE OF ASSETS AS OF JUNE 30, 2010 – 2019



Actuarial Experience

To calculate any recommended contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), any contribution requirement will decrease from the previous year. On the other hand, any contribution requirement will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

The total loss is \$3,043,328, which includes \$268,315 from investment gains and \$3,311,643 in losses from all other sources. The net experience variation from individual sources other than investments and contribution shortfall was 2.1% of the actuarial accrued liability. A discussion of the major components of the actuarial experience is on the following pages.

ACTUARIAL EXPERIENCE FOR YEAR ENDED JUNE 30, 2019

1	Net gain from investments*	\$268,315
2	Net loss from administrative expenses	-105,520
3	Net loss from other experience	-3,206,123
4	Net experience loss: 1 + 2 + 3	-\$3,043,328
*Details on next page.		

Investment Experience

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the Retirement Plan's investment policy. The rate of return on the market value of assets was 8.36% for the year ended June 30, 2019.

For valuation purposes, the assumed rate of return on the actuarial value of assets is 7.00%. The actual rate of return on an actuarial basis for the 2018-2019 plan year was 7.27%. Since the actual return for the year was greater than the assumed return, the Retirement Plan experienced an actuarial gain during the year ended June 30, 2019 with regard to its investments.

INVESTMENT EXPERIENCE

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Market Value	Actuarial Value	Market Value	Actuarial Value
1 Net investment income	\$8,235,138	\$7,161,879	\$10,757,165	\$12,875,003
2 Average value of assets	98,479,489	98,479,489	90,080,640	87,962,802
3 Rate of return: 1 ÷ 2	8.36%	7.27%	11.94%	14.64%
4 Assumed rate of return	7.00%	7.00%	7.25%	7.25%
5 Expected investment income: 2 x 4	6,893,564	6,893,564	6,530,846	6,377,303
6 Actuarial gain/(loss): 1 – 5	<u>\$1,341,574</u>	<u>\$268,315</u>	<u>\$4,226,319</u>	<u>\$6,497,700</u>

Because actuarial planning is long term, it is useful to see how the assumed investment rate of return has followed actual experience over time. The chart below shows the rate of return on an actuarial basis compared to the actual market value investment return for the last 20 years, including averages over select time periods.

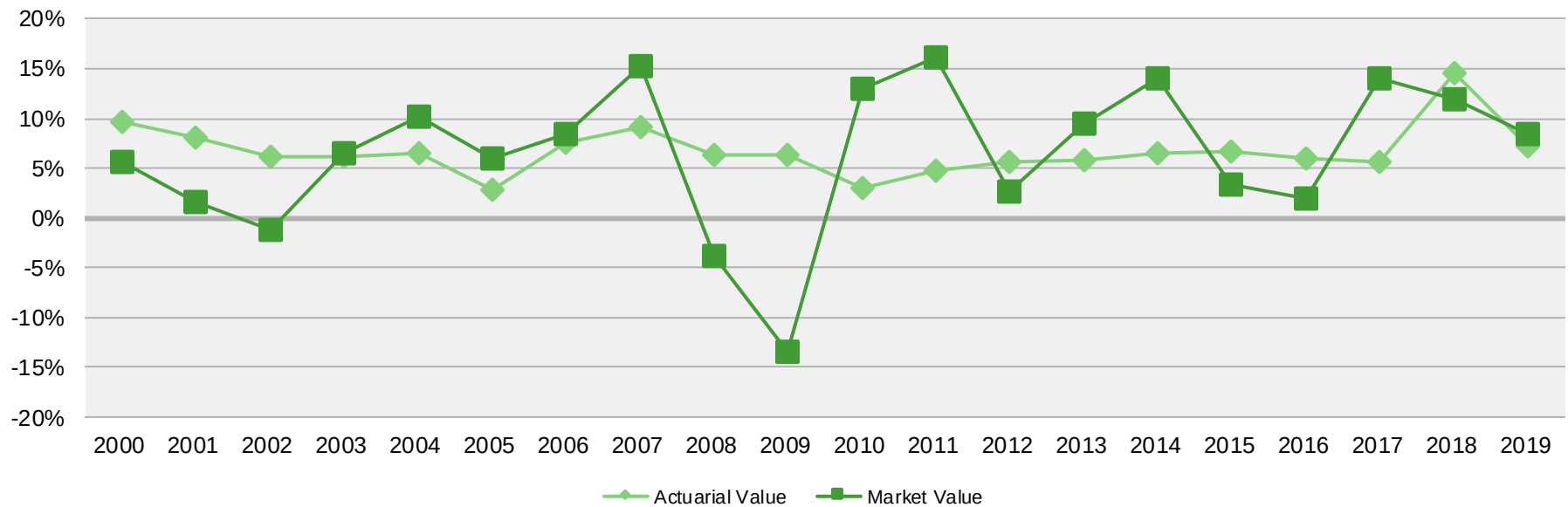
INVESTMENT RETURN – ACTUARIAL VALUE VS. MARKET VALUE: 2000 - 2019

Year Ended June 30	Actuarial Value Investment Return		Market Value Investment Return		Year Ended June 30	Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
2000	\$3,442,889	9.71%	\$2,174,186	5.55%	2010	\$1,988,431	3.09%	\$6,509,428	13.00%
2001	3,047,108	8.00	631,692	1.56	2011	3,182,793	4.82	9,108,468	16.18
2002	2,483,031	6.17	-469,295	-1.17	2012	3,878,386	5.63	1,779,127	2.74
2003	2,603,212	6.20	2,531,446	6.49	2013	4,140,011	5.74	6,298,042	9.51
2004	2,864,351	6.52	4,156,258	10.16	2014	4,897,014	6.50	10,066,981	14.08
2005	1,280,348	2.86	2,886,018	5.91	2015	5,293,030	6.71	2,740,115	3.42
2006	3,569,024	7.53	4,000,983	8.51	2016	4,887,490	5.92	1,651,839	2.03
2007	4,621,770	9.06	7,773,002	15.22	2017	4,819,702	5.64	11,348,553	13.99
2008	3,556,073	6.32	-2,293,335	-3.86	2018	12,875,003	14.64	10,757,165	11.94
2009	3,813,918	6.31	-7,822,179	-13.53	2019	7,161,879	7.27	8,235,138	8.36
Total						\$84,405,463		\$82,063,632	
Most recent five-year average return							8.09%	8.05%	
Most recent ten-year average return							6.81%	9.25%	
Most recent 15-year average return							6.73%	7.27%	
Most recent 20-year average return							6.81%	6.81%	

Note: Each year's yield is weighted by the average asset value in that year.

As described earlier in this section, the actuarial asset valuation method gradually recognizes fluctuations in the market value rate of return. The goal of this is to stabilize the actuarial rate of return and to produce more level pension plan costs.

MARKET AND ACTUARIAL RATES OF RETURN FOR YEARS ENDED JUNE 30, 2000 - 2019



Administrative Expenses

Administrative expenses for the year ended June 30, 2019 totaled \$292,750 compared to the assumption of \$190,000. This resulted in a loss of \$105,520 for the year when adjusted for timing. We have maintained the current assumption of \$190,000 for the current year and may increase this assumption in a future valuation if the administrative expenses remain elevated.

Contributions

Contributions for the year ended June 30, 2019 totaled \$6,918,932, compared to the projected amount of \$8,934,682. This resulted in a loss of \$1,828,514 for the year, when adjusted for timing.

Other Experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- the extent of turnover among participants,
- retirement experience (earlier or later than projected),
- mortality (more or fewer deaths than projected),
- the number of disability retirements (more or fewer than projected), and
- salary increases (greater or smaller than projected).

The net loss from this other experience for the year ended June 30, 2019 amounted to \$3,206,123, which is 2.0% of the actuarial accrued liability.

LIABILITY CHANGES DUE TO DEMOGRAPHIC EXPERIENCE FOR YEAR ENDED JUNE 30, 2019

Salary increases for active participants	-\$1,424,636
New active participants	-753,124
Turnover	-490,276
Pay status experience	-303,265
Pre-retirement mortality	-43,132
Disablement	15,828
Retirement	-13,250
Miscellaneous	<u>-194,268</u>
Total	-\$3,206,123

Changes in the Actuarial Accrued Liability

The actuarial accrued liability as of July 1, 2019 is \$158,645,462, an increase of \$7,507,580, or 5.0%, from the actuarial accrued liability as of the prior valuation date. The liability is expected to grow each year with normal cost and interest, and to decline due to benefit payments made. Additional fluctuations can occur due to actual experience that differs from expected (as discussed in the previous subsection).

Actuarial Assumptions

- There are no assumption changes reflected in this report.
- Details on actuarial assumptions and methods are in *Section 4, Exhibit I*.

Plan Provisions

- There were no changes in plan provisions since the prior valuation.
- A summary of plan provisions is in *Section 4, Exhibit II*.

Development of Unfunded Actuarial Accrued Liability

DEVELOPMENT FOR YEAR ENDED JUNE 30, 2019

1	Unfunded actuarial accrued liability at beginning of year	\$51,531,066
2	Normal cost at beginning of year	2,907,427
3	Total contributions	-6,918,932
4	Interest	
	• For whole year on 1 + 2	\$3,810,695
	• For half year on 3	<u>-242,162</u>
	Total interest	<u>3,568,533</u>
5	Expected unfunded actuarial accrued liability	\$51,088,094
6	Changes due to experience gains and losses:	<u>\$3,043,328</u>
7	Unfunded actuarial accrued liability at end of year	<u>\$54,131,422</u>

Recommended Contribution

The recommended contribution for the Plan is comprised of a normal cost payment and a payment on the unfunded actuarial accrued liability. As of July 1, 2019, the recommended contribution is \$9,828,302. This total amount is then divided by the projected payroll for active members to determine the funding rate of 35.62% of payroll.

The City has adopted financing periods of 15 years for experience gains and losses, 30 years for assumption and method changes, 20 years for benefit improvements affecting active employees and 10 years for benefit improvements affecting inactive employees. The current average period for the bases in the determination of the recommended contribution is 10.8 years.

The total statutory contribution rate of 26.40% of pay is amortizing the unfunded actuarial accrued liability over an effective period of 21.7 years. This is a reasonable amortization period under the funding requirements of Georgia state laws.

The contribution requirements as of July 1, 2019 are based on the data previously described, the actuarial assumptions and Plan provisions described in *Section 4*, including all changes affecting future costs adopted at the time of the actuarial valuation, actuarial gains and losses, and changes in the actuarial assumptions and methods.

RECOMMENDED CONTRIBUTION FOR YEAR BEGINNING JULY 1

	2020		2019	
	Amount	% of Projected Payroll	Amount	% of Projected Payroll
1. Total normal cost	\$2,987,604	10.83%	\$2,723,194	10.72%
2. Administrative expenses	<u>184,233</u>	<u>0.66%</u>	<u>184,233</u>	<u>0.73%</u>
3. Employer normal cost: (1) + (2)	\$3,171,837	11.49%	\$2,907,427	11.45%
4. Actuarial accrued liability	158,645,462		151,137,882	
5. Actuarial value of assets	104,514,040		99,606,816	
6. Unfunded actuarial accrued liability: (4) - (5)	54,131,422		51,531,066	
7. Payment on projected unfunded actuarial accrued liability	6,069,957	22.00%	5,494,075	21.63%
8. Total recommended contribution: (3) + (7), adjusted for timing*	<u>\$9,828,302</u>	<u>35.62%</u>	<u>\$8,934,682</u>	<u>35.17%</u>
9. Valuation payroll projected to fiscal year	\$27,593,711		\$25,401,752	

*Fiscal year contributions are based on the valuation liabilities and assets determined one year prior.

Reconciliation of Recommended Contribution

The chart below details the changes in the recommended contribution from the prior valuation to the current year's valuation.

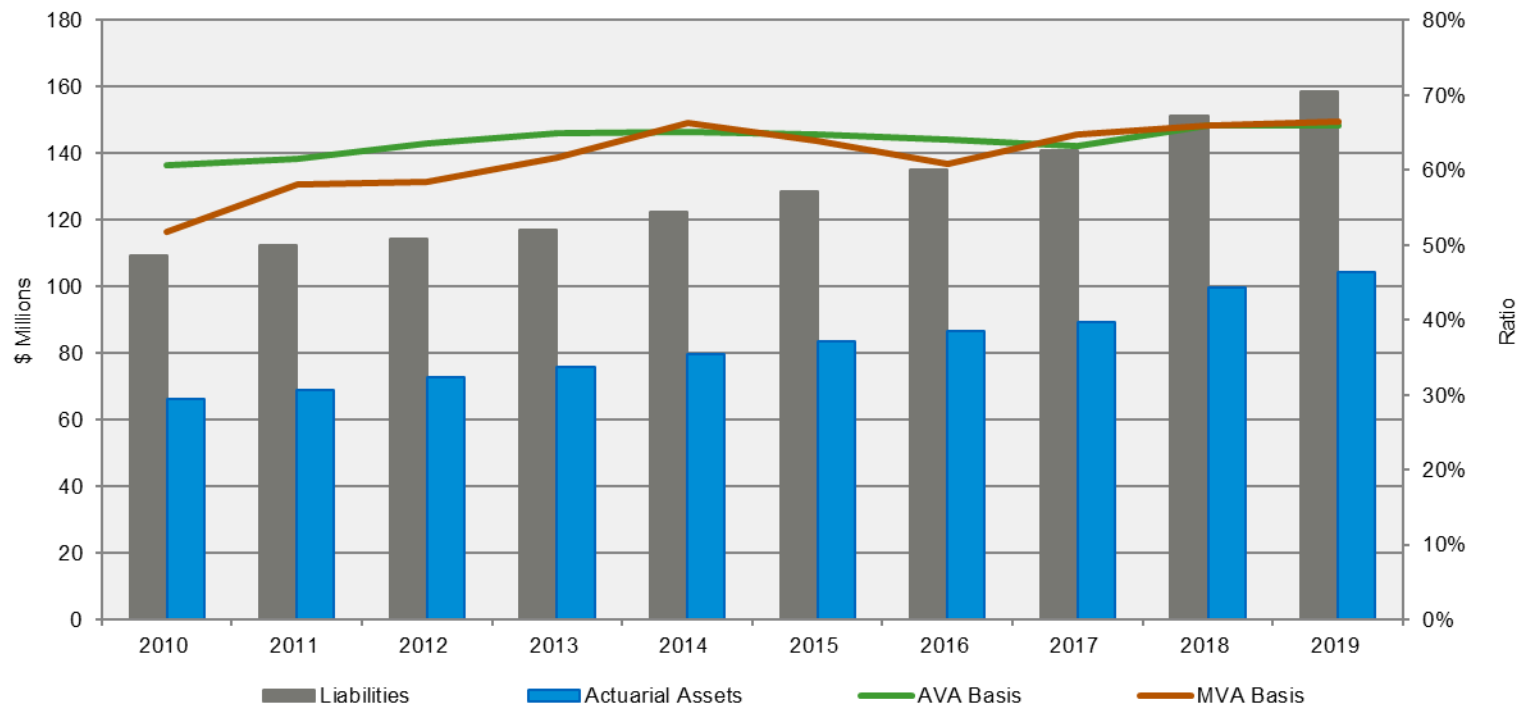
RECONCILIATION OF RECOMMENDED CONTRIBUTION FROM JULY 1, 2019 TO JULY 1, 2020

	Amount
Recommended Contribution as of July 1, 2019	\$8,934,682
• Effect of expected change in amortization payment due to payroll growth	160,675
• Effect of investment gain	-24,880
• Effect of gains and losses on accrued liability	451,751
• Net effect of other changes, including composition and number of participants	306,074
Total change	\$893,620
Recommended Contribution as of July 1, 2020	\$9,828,302

Funded Ratio

A critical piece of information regarding the Retirement Plan's financial status is the funded ratio. This ratio compares the actuarial value of assets to the actuarial accrued liabilities of the Plan as calculated. High ratios indicate a well-funded plan with assets sufficient to cover the plan's actuarial accrued liabilities. Lower ratios may indicate recent changes to benefit structures, funding of the plan below actuarial requirements, poor asset performance, or a variety of other factors.

The chart below depicts a history of the funded ratios for this plan. Funded ratios are shown on both an actuarial value (AVA) and a market value (MVA) basis.



Risk

Since the actuarial valuation results are dependent on a given set of assumptions and data as of a specific date, there is a risk that emerging results may differ significantly as actual experience differs from the assumptions.

This report does not contain a detailed analysis of the potential range of future measurements, but does include a brief discussion of some risks that may affect the Retirement Plan. Upon request, a more detailed assessment of the risks can be provided to enable a better understanding of the risks inherent in the Plan. This assessment may include scenario testing, sensitivity testing, stress testing and stochastic modeling.

- Investment Risk (the risk that returns will be different than expected)

If the actual return on market value for the next plan year were 1% different from the assumed (either higher or lower), the projected unfunded actuarial liability would change by 0.4%, or about \$200,000, with similar increases over the next four years due to recognition under the asset smoothing method.

Since the Plan's assets are much larger than contributions, investment performance may create volatility in contribution requirements. For example, for each 1% difference in return from the assumed return, the recommended contribution would increase or decrease by \$19,000 (0.07% of payroll), with similar increases over the next four years due to recognition under the asset smoothing method.

The market value rate of return over the last 20 years has ranged from a low of -13.53% to a high of 16.18%.

- Longevity Risk (the risk that mortality experience will be different than expected)

The actuarial valuation includes an expectation of future improvement in life expectancy. Emerging plan experience that does not match these expectations will result in either an increase or decrease in the recommended contribution.

- Contribution Risk (the risk that actual contributions will be different from recommended contribution)

The Retirement Plan's funding policy establishes a fixed contribution rate of 26.40% which is compared against the recommended contribution developed in this report. As shown in Exhibit H, the funding policy has historically been adjusted in response to significant changes in the recommended contribution. In this context, contribution risk refers to the potential effects of current and future funding policy decisions on funding outcomes. The recommended contribution is used as a benchmark for funding progress based on using reasonable amortization periods for different sources in change in the unfunded liability.

If contributions remain at current level and future experience matches the current assumptions, we project the unfunded actuarial accrued liability will be paid off in 21.7 years rather than the Board's recommended amortization policy of 10.8 years.

➤ Demographic Risk (the risk that participant experience will be different than assumed)

Examples of this risk include:

- Actual retirements occurring earlier or later than assumed. The value of retirement plan benefits is sensitive to the rate of benefit accruals and any early retirement subsidies that apply.
- More or less active participant turnover than assumed.

➤ Actual Experience Over the Last Ten Years and Implications for the Future

Past experience can help demonstrate the sensitivity of key results to the Retirement Plan's actual experience. Over the past ten years:

The investment gain/(loss) for a year has ranged from a loss of \$4,450,612 to a gain of \$5,469,492. If all investment returns were equal to the assumed return over the last ten years, the market value of assets as of the current valuation date would be approximately \$98,606,757 as opposed to the actual value of \$105,587,299.

The non-investment gain/(loss) for a year has ranged from a loss of \$3,311,643 to a gain of \$3,249,673.

The funded percentage on the actuarial value of assets has ranged from a low of 60.7% to a high of 65.9% since 2010.

➤ Maturity Measures

As pension plans mature, the cash need to fulfill benefit obligations will increase over time. Therefore, cash flow projections and analysis should be performed to assure that the Retirement Plan's asset allocation is aligned to meet emerging pension liabilities.

Currently the Retirement Plan has a non-active to active participant ratio of 0.64. For the prior year benefits and expenses paid were \$2,254,655 more than contributions received. As the Retirement Plan matures, more cash will be needed from the investment portfolio to meet benefit payments.

GFOA Solvency Test

The Actuarial Accrued Liability represents the present value of benefits earned, calculated using the plan's actuarial cost method. The Actuarial Value of Assets reflects the financial resources available to liquidate the liability. The portion of the liability covered by assets reflects the extent to which accumulated plan assets are sufficient to pay future benefits, and is shown for liabilities associated with employee contributions, pensioner liabilities, and other liabilities. The Government Finance Officers Association (GFOA) recommends that the funding policy aim to achieve a funded ratio of 100 percent.

GFOA SOLVENCY TEST AS OF JUNE 30

	2019	2018
Actuarial accrued liability (AAL)		
• Active member contributions	\$23,290,961	\$24,117,954
• Retirees and beneficiaries	86,782,127	83,865,944
• Active and inactive members (employer-financed)	48,572,374	43,153,984
Total	\$158,645,462	\$151,137,882
Actuarial value of assets	\$104,514,040	\$99,606,816
Cumulative portion of AAL covered		
• Active member contributions	100.00%	100.00%
• Retirees and beneficiaries	93.59%	90.01%
• Active and inactive members (employer-financed)	0.00%	0.00%

Volatility Ratios

Retirement plans are subject to volatility in the level of required contributions. This volatility tends to increase as retirement plans become more mature.

The Asset Volatility Ratio (AVR), which is equal to the market value of assets divided by total payroll, provides an indication of the potential contribution volatility for any given level of investment volatility. A higher AVR indicates that the plan is subject to a greater level of contribution volatility. This is a current measurement since it is based on the current level of assets.

The current AVR is about 3.9. This means that a 1% asset gain or loss (relative to the assumed investment return) translates to about 3.9% of one-year's payroll. Since actuarial gains and losses are amortized over 15 years, there would be a 0.4% of payroll decrease/(increase) in the required contribution for each 1% asset gain or loss. The Liability Volatility Ratio (LVR), which is equal to the Actuarial Accrued Liability divided by payroll, provides an indication of the longer-term potential for contribution volatility for any given level of investment volatility. This is because, over an extended period of time, the plan's assets should track the plan's liabilities. For example, if a plan is 50% funded on a market value basis, the liability volatility ratio would be double the asset volatility ratio and the plan sponsor should expect contribution volatility to increase over time as the plan becomes better funded.

The LVR also indicates how volatile contributions will be in response to changes in the Actuarial Accrued Liability due to actual experience or to changes in actuarial assumptions. The current LVR is about 5.9. This is about 51% higher than the AVR. Therefore, we would expect that contribution volatility will increase over the long term.

VOLATILITY RATIOS FOR YEARS ENDED 2010 - 2019

Year Ended June 30	Asset Volatility Risk	Liability Volatility Risk
2010	2.8	5.4
2011	3.2	5.4
2012	3.0	5.1
2013	3.4	5.4
2014	3.7	5.7
2015	3.6	5.6
2016	3.5	5.7
2017	3.8	5.9
2018	4.0	6.1
2019	3.9	5.9

State Minimum Funding Requirements

The Retirement Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). This minimum contribution is determined as the sum of 1) the normal cost (including administrative expenses), 2) the 30-year level percentage of payroll amortization of the unfunded actuarial accrued liability or the 10-year level percentage of payroll amortization of the surplus, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The Retirement Board has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the City contributes the recommended contribution developed under the actuarial funding policy each year, the Retirement Plan will meet applicable state funding standards.

Section 3: Supplemental Information

EXHIBIT A – TABLE OF PLAN COVERAGE

Category	Year Ended June 30		Change From Prior Year
	2019	2018	
Active participants in valuation:			
• Number	505	489	3.3%
• Average age	42.1	41.6	0.5
• Average years of eligibility service	9.9	9.7	0.2
• Average years of benefit service	9.4	9.3	0.1
• Projected total payroll	\$26,855,193	\$24,721,900	8.6%
• Projected average payroll	53,179	50,556	5.2%
• Account balances	23,290,961	24,117,954	-3.4%
• Total active vested participants	231	234	-1.3%
Inactive vested participants	9	12	-25.0%
Inactive nonvested participants due a refund	33	34	-2.9%
Retired participants:			
• Number in pay status	254	250	1.6%
• Average age	66.0	65.6	0.4
• Average monthly benefit	\$2,664	\$2,607	2.2%
Disabled participants:			
• Number in pay status	3	3	0.0%
• Average age	68.5	67.5	1.0
• Average monthly benefit	\$1,053	\$1,053	0.0%
Beneficiaries:			
• Number in pay status	25	24	4.2%
• Average age	74.6	74.2	0.4
• Average monthly benefit	\$1,573	\$1,571	0.1%

**EXHIBIT B – PARTICIPANTS IN ACTIVE SERVICE AS OF JUNE 30, 2019
BY AGE, YEARS OF SERVICE, AND AVERAGE PAYROLL**

Age	Years of Service							
	Total	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34
Under 25	26	26	--	--	--	--	--	--
	\$38,632	\$38,632	--	--	--	--	--	--
25 - 29	74	62	12	--	--	--	--	--
	42,589	41,721	\$47,074	--	--	--	--	--
30 - 34	66	37	21	8	--	--	--	--
	47,449	43,053	51,769	\$56,441	--	--	--	--
35 - 39	63	14	18	18	13	--	--	--
	51,500	38,234	51,836	55,947	\$59,166	--	--	--
40 - 44	68	17	9	13	25	4	--	--
	61,561	56,332	45,967	71,905	64,100	\$69,385	--	--
45 - 49	62	12	8	7	14	12	9	--
	63,891	42,919	62,411	61,318	67,607	70,220	\$80,951	--
50 - 54	60	14	11	11	16	5	3	--
	54,783	43,074	50,253	51,139	62,385	67,638	77,438	--
55 - 59	51	9	9	13	10	4	6	--
	56,254	58,644	43,263	57,490	59,271	59,424	62,334	--
60 - 64	27	6	6	5	6	1	1	2
	59,596	46,348	61,572	53,022	64,389	43,789	70,748	\$97,801
65 - 69	5	--	--	3	1	1	--	--
	56,516	--	--	55,976	76,112	38,540	--	--
70 & over	3	1	--	2	--	--	--	--
	42,679	50,378	--	38,830	--	--	--	--
Total	505	198	94	80	85	27	19	2
	\$53,179	\$43,693	\$51,167	\$58,039	\$63,194	\$65,867	\$73,980	\$97,801

EXHIBIT C – RECONCILIATION OF PARTICIPANT DATA

	Active Participants	Inactive Vested Participants	Inactives Due Refund	Disableds	Retired Participants	Beneficiaries	Total
Number as of July 1, 2018	489	12	34	3	250	24	812
• New participants	52	N/A	0	N/A	N/A	N/A	52
• Terminations – with vested rights	0	0	0	0	0	0	0
• Terminations – without vested rights	-4	N/A	4	N/A	N/A	N/A	0
• Retirements	-7	-2	0	N/A	9	N/A	0
• New disabilities	0	0	0	0	N/A	N/A	0
• Return to work	1	0	-1	0	0	N/A	0
• Deceased	0	0	0	0	-5	0	-5
• New beneficiary	0	0	0	0	0	1	1
• Lump sum cash-outs	-26	-1	-4	0	0	0	-31
• Data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Number as of July 1, 2019	505	9	33	3	254	25	829

EXHIBIT D – SUMMARY STATEMENT OF INCOME AND EXPENSES ON A MARKET VALUE BASIS

	Year Ended June 30, 2019	Year Ended June 30, 2018
Net assets at market value at the beginning of the year	\$99,606,816	\$91,311,628
Contribution income:		
• City contributions	\$3,459,466	\$3,209,624
• Member contributions	3,459,466	3,209,624
• Less administrative expenses	<u>-292,750</u>	<u>-219,595</u>
<i>Net contribution income</i>	\$6,626,182	\$6,199,653
Investment income:		
• Interest, dividends and other income	\$1,950,530	\$1,621,214
• Asset appreciation	<u>6,284,608</u>	<u>9,135,951</u>
<i>Net investment income</i>	<u>\$8,235,138</u>	<u>\$10,757,165</u>
Total income available for benefits	\$14,861,320	\$16,956,818
Less benefit payments:		
• Benefit payments	-\$8,484,302	-\$8,022,423
• Refunds	<u>-396,535</u>	<u>-639,207</u>
<i>Net benefit payments</i>	-\$8,880,837	-\$8,661,630
Change in reserve for future benefits	\$5,980,483	\$8,295,188
Net assets at market value at the end of the year	\$105,587,299	\$99,606,816

EXHIBIT E – SUMMARY STATEMENT OF PLAN ASSETS

	Year Ended June 30, 2019	Year Ended June 30, 2018
Cash equivalents	\$863,064	\$2,821,498
Investments:		
• Equities	\$64,906,927	\$63,863,861
• Fixed Income	30,192,195	28,601,077
• Other	<u>9,708,790</u>	<u>4,351,920</u>
Total investments at market value	\$104,807,912	\$96,816,858
Total assets	\$105,670,976	\$99,638,356
Total accounts payable	-83,677	-31,540
Net assets at market value	\$105,587,299	\$99,606,816
Net assets at actuarial value	\$104,514,040	\$99,606,816

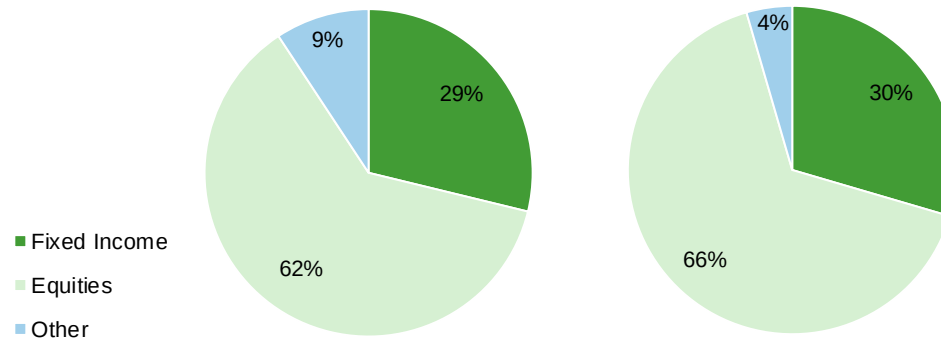


EXHIBIT F – DEVELOPMENT OF THE FUND THROUGH JUNE 30, 2019

Year Ended June 30	City Contributions	Employee Contributions	Net Investment Return ¹	Admin. Expenses	Benefit Payments	Market Value of Assets at Year-End	Actuarial Value of Assets at Year-End	Actuarial Value as a Percent of Market Value
2010	\$2,599,539	\$2,599,539	\$6,509,428	\$0	\$5,419,654	\$56,489,070	\$66,265,931	117.3%
2011	2,637,591	2,637,591	9,108,468	0	5,667,926	65,204,794	69,055,980	105.9%
2012	2,829,095	2,829,095	1,779,127	0	5,969,131	66,672,980	72,623,425	108.9%
2013	2,720,450	2,720,450	6,298,042	0	6,313,184	72,098,738	75,891,152	105.3%
2014	2,766,404	2,766,404	10,066,981	0	6,715,366	80,983,161	79,605,608	98.3%
2015	2,862,539	2,862,539	2,740,115	0	7,282,407	82,165,947	83,341,309	101.4%
2016	3,021,182	3,021,182	1,651,839	0	7,642,229	82,217,921	86,628,934	105.4%
2017	3,079,855	3,132,278	11,348,553	165,260	8,301,719	91,311,628	89,193,790	97.7%
2018	3,209,624	3,209,624	10,757,165	219,595	8,661,630	99,606,816	99,606,816	100.0%
2019	3,459,466	3,459,466	8,235,138	292,750	8,880,837	105,587,299	104,514,040	99.0%

¹On a market basis, net of investment fees. Years prior to 2017 are also net of administrative expenses.

EXHIBIT G – TABLE OF AMORTIZATION BASES

Type ¹	Date Established	Initial Period	Initial Amount	Annual Payment ²	Years Remaining	Outstanding Balance
Method Change	07/01/2005	30	\$32,986,302	\$2,934,317	16	\$35,250,553
Experience Loss	07/01/2006	15	1,026,061	136,002	2	266,602
Experience Loss	07/01/2007	15	2,683,283	344,053	3	991,704
Experience Loss	07/01/2008	15	1,981,229	245,738	4	925,923
Plan Amendment	07/01/2008	20	2,971,384	302,479	9	2,327,584
Experience Loss	07/01/2009	15	6,539,294	784,585	5	3,623,424
Change in Asset Method	07/01/2009	30	-4,257,814	-331,329	20	-4,633,051
Experience Loss	07/01/2010	15	649,697	75,402	6	409,799
Experience Loss	07/01/2011	15	1,822,083	204,550	7	1,272,086
Change in Assumptions	07/01/2011	30	-1,863,464	-135,613	22	-2,014,504
Experience Gain	07/01/2012	15	-1,960,521	-212,888	8	-1,484,246
Plan Amendment	07/01/2012	20	455,797	40,607	13	418,716
Experience Gain	07/01/2013	15	-764,499	-80,297	9	-617,889
Experience Loss	07/01/2014	15	1,624,012	164,986	10	1,384,131
Experience Loss	07/01/2015	15	2,710,071	266,297	11	2,411,629
Experience Loss	07/01/2016	15	2,150,436	204,378	12	1,981,737
Change in Assumptions	07/01/2016	30	1,077,026	66,277	27	1,110,014
Experience Loss	07/01/2017	15	4,409,885	406,924	13	4,195,925
Experience Loss	07/01/2018	15	4,361,401	390,744	14	4,259,793
Change in Assumptions	07/01/2018	30	3,511,941	203,721	29	3,545,630
Change in Asset Method	07/01/2018	30	-6,305,493	-365,769	29	-6,365,980
Experience Loss	07/01/2019	15	4,871,842	424,793	15	4,871,842
Total				\$6,069,957		\$54,131,422

¹Experience gain/loss bases established on or after July 1, 2017 include the impact of resetting the credit balance to \$0 and subsequent losses due to contributions lower than the recommended contribution.

²Level percentage of payroll.

EXHIBIT H – HISTORY OF CONTRIBUTION RATES

Fiscal Year Ended June 30	Member Percentage of Pay	City Percentage of Pay	Total Policy Percentage	Recommended Contribution Percentage
1998	9.50%	9.50%	19.00%	18.90%
1999	9.50%	9.50%	19.00%	19.60%
2000	9.50%	9.50%	19.00%	19.20%
2001	9.50%	9.50%	19.00%	19.30%
2002	9.50%	9.50%	19.00%	19.50%
2003	9.50%	9.50%	19.00%	19.80%
2004	10.50%	10.50%	21.00%	21.10%
2005	10.50%	10.50%	21.00%	22.10%
2006	10.50%	10.50%	21.00%	22.10%
2007	13.20%	13.20%	26.40%	26.40%
2008	13.20%	13.20%	26.40%	26.80%
2009	13.20%	13.20%	26.40%	26.24%
2010	13.20%	13.20%	26.40%	25.07%
2011	13.20%	13.20%	26.40%	27.26%
2012	13.20%	13.20%	26.40%	28.98%
2013	13.20%	13.20%	26.40%	29.32%
2014	13.20%	13.20%	26.40%	28.12%
2015	13.20%	13.20%	26.40%	28.97%
2016	13.20%	13.20%	26.40%	30.22%
2017	13.20%	13.20%	26.40%	30.88%
2018	13.20%	13.20%	26.40%	31.80%
2019	13.20%	13.20%	26.40%	33.96%
2020	13.20%	13.20%	26.40%	35.17%
2021	13.20%	13.20%	26.40%	35.62%

EXHIBIT I – DEFINITION OF PENSION TERMS

The following list defines certain technical terms for the convenience of the reader:

Actuarial Accrued Liability for Actives:	The equivalent of the accumulated normal costs allocated to the years before the valuation date.
Actuarial Accrued Liability for Pensioners and Beneficiaries:	The single-sum value of lifetime benefits to existing pensioners and beneficiaries. This sum takes account of life expectancies appropriate to the ages of the annuitants and the interest that the sum is expected to earn before it is entirely paid out in benefits.
Actuarial Cost Method:	A procedure allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Actuarial Accrued Liability that are used to determine the recommended contribution.
Actuarial Gain or Loss:	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings have been forecasted. To the extent that actual experience differs from that assumed, Actuarial Accrued Liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., assets earn more than projected, salary increases are less than assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results yield in actuarial liabilities that are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.
Actuarially Equivalent:	Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.
Actuarial Present Value (APV):	The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. Each such amount or series of amounts is: Adjusted for the probable financial effect of certain intervening events (such as changes in compensation levels, marital status, etc.) Multiplied by the probability of the occurrence of an event (such as survival, death, disability, withdrawal, etc.) on which the payment is conditioned, and Discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Actuarial Present Value of Future Plan Benefits:	The Actuarial Present Value of benefit amounts expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age, anticipated future compensation, and future service credits. The Actuarial Present Value of Future Plan Benefits includes the liabilities for active members, retired members, beneficiaries receiving benefits, and inactive members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
Actuarial Valuation:	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the Actuarially Determined Contribution (ADC) and the Net Pension Liability (NPL).
Actuarial Value of Assets (AVA):	The value of the Fund's assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets, but commonly plans use a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the ADC.
Actuarially Determined:	Values that have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.
Actuarially Determined Contribution (ADC):	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under the Plan's funding policy. The ADC consists of the Employer Normal Cost and the Amortization Payment.
Amortization Method:	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the assumed rate at which total covered payroll of all active members will increase.
Amortization Payment:	The portion of the pension plan contribution, or ADC, that is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Assumptions or Actuarial Assumptions:	The estimates upon which the cost of the Fund is calculated, including: <u>Investment return</u> - the rate of investment yield that the Fund will earn over the long-term future; <u>Mortality rates</u> - the death rates of employees and pensioners; life expectancy is based on these rates; <u>Retirement rates</u> - the rate or probability of retirement at a given age or service; <u>Disability rates</u> - the probability of disability retirement at a given age; <u>Withdrawal rates</u> - the rates at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement; <u>Salary increase rates</u> - the rates of salary increase due to inflation and productivity growth.
Closed Amortization Period:	A specific number of years that is counted down by one each year, and therefore declines to zero with the passage of time. For example, if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc. See Open Amortization Period.
Decrements:	Those causes/events due to which a member's status (active-inactive-retiree-beneficiary) changes, that is: death, retirement, disability, or withdrawal.
Defined Benefit Plan:	A retirement plan in which benefits are defined by a formula applied to the member's compensation and/or years of service.
Defined Contribution Plan:	A retirement plan, such as a 401(k) plan, a 403(b) plan, or a 457 plan, in which the contributions to the plan are assigned to an account for each member, the plan's earnings are allocated to each account, and each member's benefits are a direct function of the account balance.
Employer Normal Cost:	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
Experience Study:	A periodic review and analysis of the actual experience of the Fund that may lead to a revision of one or more actuarial assumptions. Actual rates of decrement and salary increases are compared to the actuarially assumed values and modified as deemed appropriate by the Actuary.
Funded Ratio:	The ratio of the actuarial value of assets (AVA) to the actuarial accrued liability (AAL). Plans sometimes calculate a market funded ratio, using the market value of assets (MVA), rather than the AVA.

GASB 67 and GASB 68:	Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68. These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
Investment Return:	The rate of earnings of the Fund from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.
Net Pension Liability (NPL):	The Net Pension Liability is equal to the Total Pension Liability minus the Plan Fiduciary Net Position.
Normal Cost:	That portion of the Actuarial Present Value of pension plan benefits and expenses allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an Unfunded Actuarial Accrued Liability is not part of Normal Cost (see Amortization Payment). For pension plan benefits that are provided in part by employee contributions, Normal Cost refers to the total of employee contributions and employer Normal Cost unless otherwise specifically stated.
Open Amortization Period:	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. If the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period with level percentage of payroll is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never decrease, but will become smaller each year, in relation to covered payroll, if the actuarial assumptions are realized.
Plan Fiduciary Net Position:	Market value of assets.
Total Pension Liability (TPL):	The actuarial accrued liability under the entry age normal cost method and based on the blended discount rate as described in GASB 67 and 68.
Unfunded Actuarial Accrued Liability:	The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. This value may be negative, in which case it may be expressed as a negative Unfunded Actuarial Accrued Liability, also called the Funding Surplus.
Valuation Date or Actuarial Valuation Date:	The date as of which the value of assets is determined and as of which the Actuarial Present Value of Future Plan Benefits is determined. The expected benefits to be paid in the future are discounted to this date.

Section 4: Actuarial Valuation Basis

EXHIBIT I – ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

Rationale for Assumptions:	The investment return, inflation, and administrative expense assumptions used in the July 1, 2019 valuation were approved by the Board in October, 2018, based on the results of an actuarial study conducted by Segal. The mortality and other actuarial assumptions used in the July 1, 2019 valuation were approved by the Board in August, 2016, based on the results of an actuarial experience study for the five-year period ended June 30, 2015. Current data is reviewed in conjunction with each annual valuation.	
Net Investment Return:	7.00%, net of investment expenses The net investment return assumption was chosen by the Retirement Plan's Board of Trustees, with input from the actuary. This assumption is a long-term estimate derived from historical data, current and recent market expectations, and input from Plan professionals. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes, as well as the Retirement Plan's target asset allocation.	
Administrative Expenses:	\$190,000 payable mid-year, equivalent to \$184,233 at the beginning of the year.	
Salary Increases:	Service	Rate (%)
	0-1	13.75
	1-2	5.75
	2-5	4.75
	5-14	3.75
	15-24	3.25
	25+	2.75
<i>Above rates reflect a 2.75% inflation assumption.</i>		
The salary increase assumptions are based on the City's pay plan, along with analysis completed in conjunction with an actuarial experience study for the five-year period ended June 30, 2015.		

Inflation Rate:	2.75%																																																					
Payroll Growth:	2.75%																																																					
Cost-of-Living Adjustments:	0.00%																																																					
Mortality Rates:																																																						
<i>Pre-retirement:</i>	RP-2014 Employee Mortality Table																																																					
<i>Healthy annuitants:</i>	RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates multiplied by 120%, set forward two years for males only																																																					
<i>Disabled annuitants:</i>	RP-2014 Disabled Retiree Mortality Table																																																					
	The tables above, with adjustments shown, reasonably reflect the mortality experience of the Retirement Plan as of the measurement date. The mortality tables were then adjusted to future years using generational projection under Scale MP-2015 from 2014 to reflect future mortality improvement.																																																					
Annuitant Mortality Rates:	<table><tr><th rowspan="3">Age</th><th colspan="4">Rate (%)</th></tr><tr><th colspan="2">Healthy¹</th><th colspan="2">Disabled¹</th></tr><tr><th>Male</th><th>Female</th><th>Male</th><th>Female</th></tr><tr><td>55</td><td>0.83</td><td>0.48</td><td>2.34</td><td>1.45</td></tr><tr><td>60</td><td>1.18</td><td>0.69</td><td>2.66</td><td>1.70</td></tr><tr><td>65</td><td>1.80</td><td>1.05</td><td>3.17</td><td>2.09</td></tr><tr><td>70</td><td>2.84</td><td>1.68</td><td>4.03</td><td>2.82</td></tr><tr><td>75</td><td>4.60</td><td>2.76</td><td>5.43</td><td>4.10</td></tr><tr><td>80</td><td>7.64</td><td>4.58</td><td>7.66</td><td>6.10</td></tr><tr><td>85</td><td>12.84</td><td>7.80</td><td>11.33</td><td>9.04</td></tr><tr><td>90</td><td>21.32</td><td>13.42</td><td>17.30</td><td>13.27</td></tr></table> ¹Rates shown do not include generational projection.	Age	Rate (%)				Healthy ¹		Disabled ¹		Male	Female	Male	Female	55	0.83	0.48	2.34	1.45	60	1.18	0.69	2.66	1.70	65	1.80	1.05	3.17	2.09	70	2.84	1.68	4.03	2.82	75	4.60	2.76	5.43	4.10	80	7.64	4.58	7.66	6.10	85	12.84	7.80	11.33	9.04	90	21.32	13.42	17.30	13.27
Age	Rate (%)																																																					
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55	0.83	0.48	2.34	1.45																																																		
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85	12.84	7.80	11.33	9.04																																																		
90	21.32	13.42	17.30	13.27																																																		

Mortality and Disability Rates before Retirement:

Age	Rate (%)		
	Mortality ¹		Disability
	Male	Female	Male and Female
20	0.04	0.02	0.02
25	0.05	0.02	0.03
30	0.05	0.02	0.03
35	0.05	0.03	0.03
40	0.06	0.04	0.04
45	0.10	0.07	0.05
50	0.17	0.11	0.08
55	0.28	0.17	0.15
60	0.47	0.24	0.30

¹Rates shown do not include generational projection.

On the Job Disability:

Employees hired prior to July 1, 2008:

100% of disabilities

General Employees hired on or after July 1, 2008:

30% of disabilities

Public Safety Employees hired on or after July 1, 2008:

80% of disabilities

Termination Rates before Retirement:

Age	Employees hired prior to July 1, 2008	General Employees hired on or after July 1, 2008	Years of Service	Public Safety Employees hired on or after July 1, 2008
20	24.61	29.51	0-1	18.00%
25	15.00	22.48	1-2	16.00
30	8.15	16.28	2-3	14.00
35	5.07	12.64	3-4	12.00
40	4.04	10.07	4-5	10.00
45	3.24	8.07	5-6	8.00
50	2.58	6.44	6-7	6.00
55	2.03	5.06	7-10	4.00
60	1.55	3.86	11-19	2.00
65	1.13	2.81	20+	0.00

Retirement Rates:

Employees hired before July 1, 2008		General Employees hired on or after July 1, 2008		Public Safety Employees hired on or after after July 1, 2008	
Age	Rate%	Age	Rate%	Age	Rate%
40-49	15.0	55-59	5	50-54	5
50-59	12.5	60-64	30	55-59	10
60	15.0	65	100	60-64	30
61	20.0			65	100
62	40.0				
63	35.0				
64	20.0				
65-69	35.0				
70	100.0				

Note: Rates are increased an additional 30% at age when participant first becomes eligible for unreduced benefits.

Retirement Age for Inactive Vested Participants:	Earliest eligibility for Normal Retirement, but not before age 60
Weighted Average Retirement Age:	Age 58.7, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the July 1, 2019 actuarial valuation.
Form of payment	Life annuity
Percent Married:	90%
Age of Spouse:	Females two years younger than males
Unknown Data for Participants:	Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.
Actuarial Value of Assets:	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value. Set to market value on July 1, 2018.
Actuarial Cost Method:	Entry Age Actuarial Cost Method. Entry Age is the age at the time the participant commenced employment. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined as if the current benefit accrual rate had always been in effect.
Changes in Actuarial Assumptions:	There have been no changes in actuarial assumptions since the last valuation.

EXHIBIT II – SUMMARY OF PLAN PROVISIONS

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year:	July 1 through June 30
Normal Retirement:	
<u>Employees hired prior to July 1, 2008</u>	
<i>Eligibility Requirement</i>	The later of age 60 and the completion of 10 years of service, or any age and the completion of 25 years of service, if earlier. (If hired on or after age 55, participant is eligible for Normal Retirement after 5 years of participation.)
<i>Amount</i>	3% of Average Monthly Compensation times years of service (maximum 99%)
<i>Average Monthly Compensation</i>	Based on total compensation for the 60 consecutive completed service months that yield the highest average
<u>Employees hired on or after July 1, 2008</u>	
<i>Eligibility Requirement</i>	
General Employees	The later of age 65 and the completion of 10 years of service, or age 60 and the completion of 25 years of service, if earlier
Public Safety Employees	The later of age 65 and the completion of 10 years of service, or age 50 and the completion of 25 years of service, if earlier
<i>Amount</i>	2.5% of Average Monthly Compensation times years of service (maximum 82.5%)
<i>Average Monthly Compensation</i>	Based on total compensation for the 60 consecutive completed service months that yield the highest average.

Early Retirement:	
<u>Employees hired before July 1, 2008</u>	
<i>Eligibility Requirement</i>	Any age and the completion of 20 years of service
<i>Amount</i>	Normal pension accrued reduced by 2% for each year by which the benefit commencement date precedes the normal retirement date
<u>Employees hired on or after July 1, 2008</u>	
<i>Eligibility Requirement</i>	Any age and the completion of 20 years of service
<i>Amount</i>	Normal pension accrued reduced by 5% for each year by which the benefit commencement date precedes the normal retirement date
Disability:	
<u>Employees hired before July 1, 2008</u>	
<i>Eligibility Requirement</i>	Any age and one year of credited service, and either eligible for benefits under the Social Security Act or determined to be disabled by the Pension Board.
<i>Amount</i>	50% of average monthly compensation, but not less than the unreduced normal pension accrued
<u>Employees hired on or after July 1, 2008</u>	
<u>On-the-job</u>	
<i>Eligibility Requirement</i>	Any age and one year of credited service, and either eligible for benefits under the Social Security Act or determined to be disabled by the Pension Board
<i>Amount</i>	50% of average monthly compensation, but not less than the unreduced normal pension accrued
<u>Not-on-the-job</u>	
<i>Eligibility Requirement</i>	Any age and 10 years of credited service, and either eligible for benefits under the Social Security Act or determined to be disabled by the Pension Board.
<i>Amount</i>	The unreduced normal pension accrued

Termination Benefits: <i>Within the first ten years of eligibility service (five years if hired on or after age 55)</i> <i>After ten years of eligibility service</i>	The participant's contributions will be returned without interest. The participant who terminates employment prior to their Normal Retirement Date and elects to leave contributions in the fund shall receive a monthly benefit to commence at age 60. The benefit payable is based on credited service and average monthly compensation as of the date of termination.
Pre-Retirement Death Benefit: A. Less than 25 years of Eligibility Service <i>Requirement</i> <i>Amount</i> B. At least 25 years of Eligibility Service <i>Requirement</i> <i>Amount</i>	Death prior to termination of employment and completion of at least 10 years but less than 25 years of eligibility service. 50% of accrued Normal Retirement benefit payable. Death prior to termination of employment and after completion of at least 25 years of eligibility service. The amount of pension computed as if the decedent had retired under the normal retirement provision and elected a 100% Joint and Survivor option. Note: For all participants, the minimum death benefit is equal to the participant's contributions converted to an actuarially equivalent life time pension.
Post-Retirement Death Benefits:	If married, pension benefits are paid in the form of a joint and survivor annuity (One hundred, seventy-five, or fifty percent) unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If not rejected, and the spouse predeceases the employee, the employee's benefit amount will subsequently be increased to the unreduced amount payable had the joint and survivor coverage been rejected. If rejected, or if not married, benefits are payable for the life of the employee, or in any other available optional form elected by the employee in an actuarially equivalent amount.

Participation:	Any person who performs a service for the City of Gainesville, Georgia who is not covered by Social Security is eligible to participate. Independent contractors, “leased employees” and temporary, casual or part-time employees are not eligible to participate in this plan.
Contributions:	Each participant contributes 13.2% of pay. The City contributes 13.2% as well, for a total of 26.4%.
Changes in Plan Provisions:	There have been no changes in plan provisions since the last valuation.

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CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 11/21/2019
Presenter: Chris Hollifield
Item of Business: FY2019 Audit Results and Comprehensive Annual Financial Report (CAFR)
Meeting Date: 12/12/2019

Purpose of Request:

Chris Hollifield of Rushton and Company will present the results from the FY2019 audit and review the highlights of the 2019 CAFR.

History/Background:

Upon completion of the annual audit, results are reported to the governing body at a Work Session.

Facts & Issues for Consideration:

Hard copies of the CAFR document will be distributed to the governing body when they become available. An electronic copy of the document will be available on the City's website.

Department Recommendation:

N/A

Department Director:

Jeremy Perry

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ FY2019 COG Audit Presentation	Powerpoint Presentation
☐ FY2019 Audit Results and Comprehensive Annual Financial Report (CAFR)	Report

***Audit Report Presentation
For the fiscal year ended June 30, 2019***



December 12, 2019

AUDIT OPINION – P.1-3

City of Gainesville's Responsibilities

The financial statements are the responsibility of the City of Gainesville, Georgia's management.

Rushton & Company's Responsibilities

As independent auditors for the City of Gainesville, Georgia, our responsibility is to express opinions on the fair presentation of the financial statements.

Auditing Standards

We audited the City's financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.

Unmodified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the City of Gainesville, Georgia, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows for the fiscal year then ended.

Government-wide Statements

These statements provide the reader with information on the City as a whole, using the full accrual basis of accounting. Columns for the governmental activities, the business-type activities, and the component units.

Two statements:

Statement of Net Position – Pages 21 - 22

- Presents the assets, liabilities, and residual net position of the City

Statement of Activities – Page 23

- Presents the results of operations of the City

Net Position – Last 5 Fiscal Years

Fiscal Year	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position	Total Net Position	Revenues over Expenses	
2015	\$ 381,589,409	\$ 57,057,694	\$ (2,384,040)	\$ 436,263,063	\$ 16,063,781	
2016	393,150,494	75,191,482	(5,256,152)	463,085,824	22,940,202	¹
2017	408,287,950	85,063,287	4,497,891	497,849,128	26,822,761	²
2018	441,615,856	91,958,754	2,432,283	536,006,893	40,205,997	³
2019	460,292,603	95,871,221	17,887,327	574,051,151	38,044,258	

¹ Increase of \$4.2 million in SPLOST revenues and increase in revenue in Department of Water Resources

² Increase in SPLOST revenues, increase in governmental charges for services, reduction of governmental expenditures, and an increase in Department of Water Resources revenue

³ Large capital contributions received in FY2018

Notes: - GASB 68 for Pensions was implemented in 2015 resulting in a negative Unrestricted Net Position
 - In FY2018, the implementation of GASB 75 for OPEB further reduced Unrestricted Net Position
 - Changes in actuarial assumptions reduced the OPEB liability in FY2019 which increased the unrestricted net position.

General Fund – Pages 130 - 134

Revenues

- Decreased \$2,326,430, 7.72%
 - Property taxes decreased \$2,831,022, due to new Fire Fund in 2019
 - Local Option Sales Taxes increased \$350,704, 5.95%
 - Intergovernmental revenue decreased \$1,092,436 due to \$1,175,476 tax equity payments from Hall County in prior year
 - Charges for services increased \$449,882, 19.38%

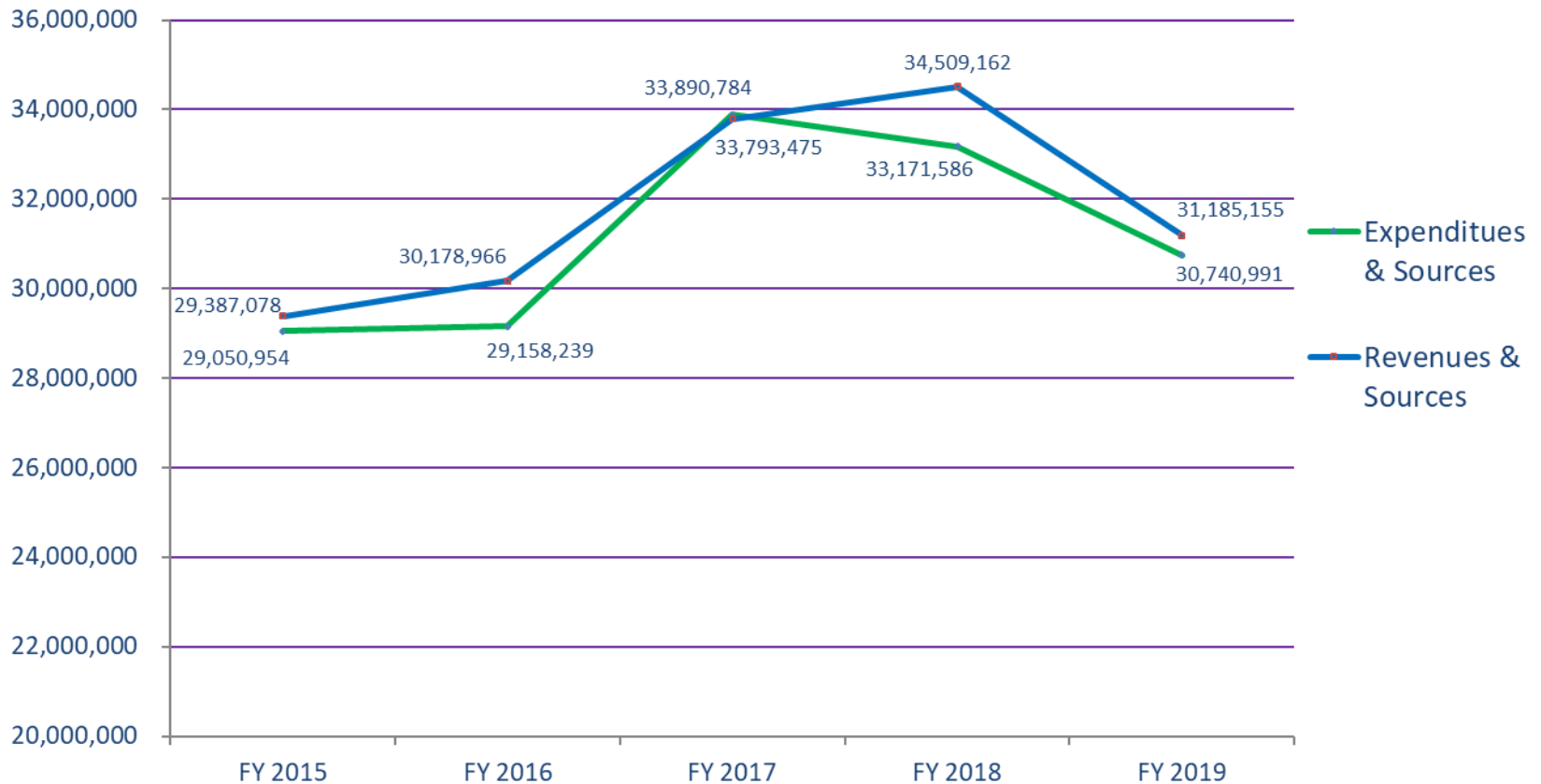
Expenditures

- Decreased \$7,235,306, 25.32%
 - Fire decreased \$7,945,662, now allocated to Fire Fund in 2019
 - Information Technologies increased \$173,522, 23.90%
 - Engineering increased \$102,931, 11.32%
 - Planning increased \$176,845, 32.39%

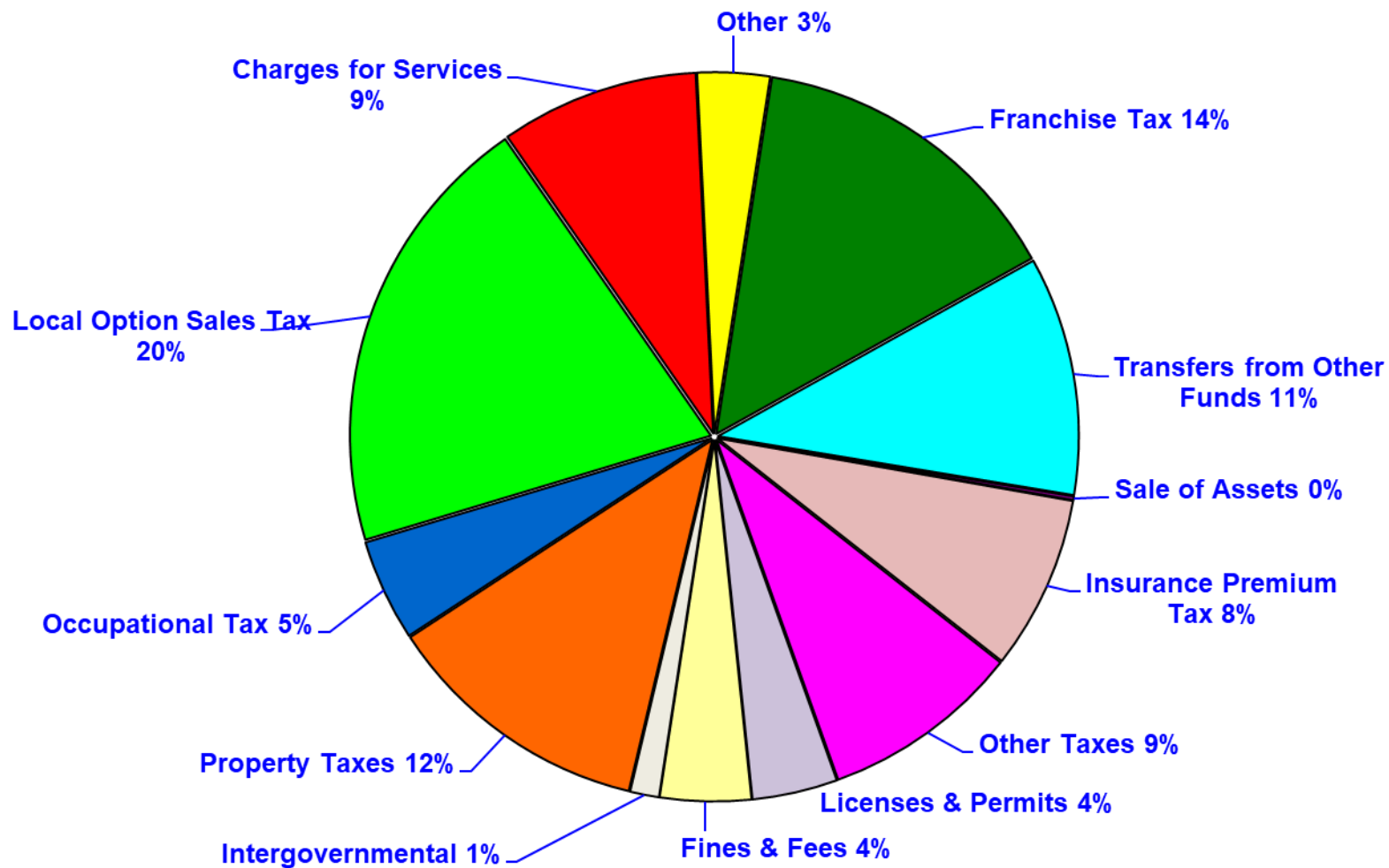
Unassigned Fund Balance

- FY 2019, \$9,873,498, 32.1% of expenditures/transfers (3.8 months)
- FY 2018, \$9,087,006, 27.4% of expenditures/transfers (3.3 months)

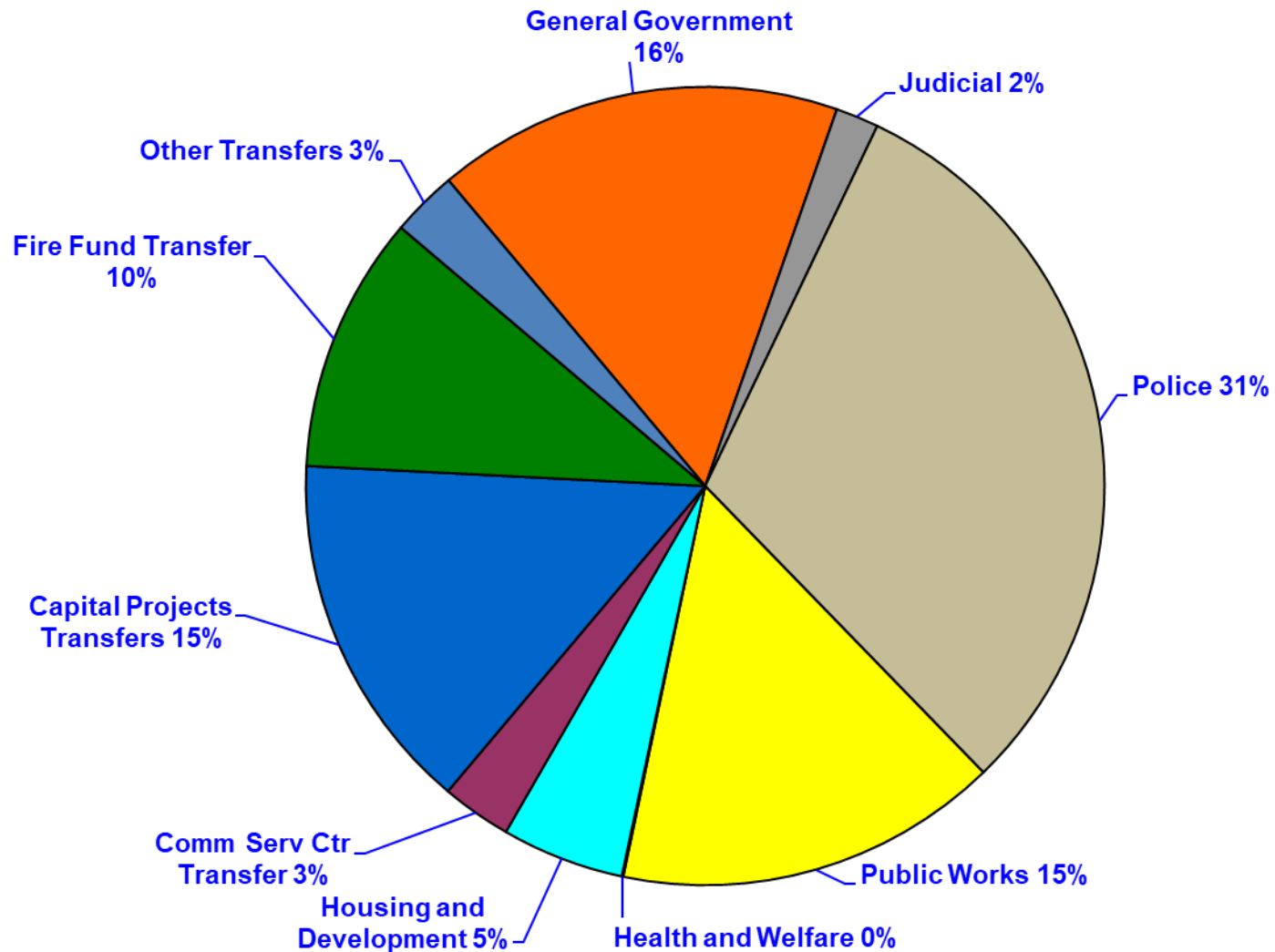
General Fund – Last 5 Fiscal Years



General Fund – Revenues by Source



General Fund – Expenditures by Function



Department of Water Resources Fund

Pages 169 - 173

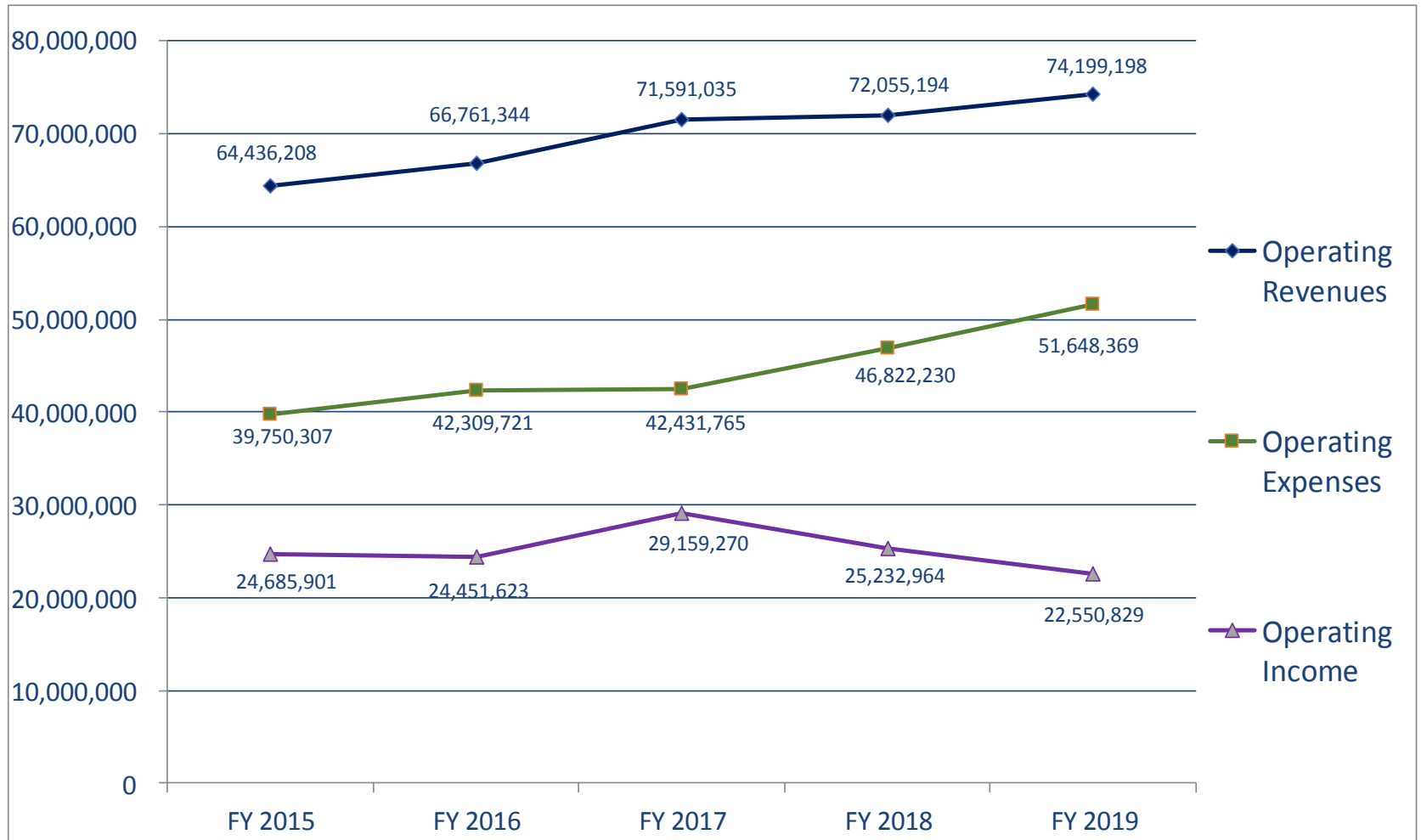
Operating Revenue

- Increased \$2,144,004, 2.97%
 - Water consumption increased by 2.48%
 - Number of customers increased by 985

Operating Expenses

- Increased \$4,826,139, 10.31%
 - Cost of Services increased \$4,119,533, 22.56%, noncapital repairs
 - Personal Services increased \$473,462, 3.52%

Department of Water Resources Fund Operating Revenues and Expenses Last 5 Fiscal Years



Report on Internal Control and Other Matters

P. 247-248

In accordance with *Government Auditing Standards*, we have issued our report on our consideration of the City of Gainesville's internal controls and our tests of compliance.

This report describes the scope of our testing of internal control and compliance, and the results of that testing, but is not intended to provide an opinion on the internal control or compliance.

Report on Compliance and Internal Controls over Major Programs – P. 249-250

In accordance with Uniform Guidance, we have issued our report on our consideration of the City of Gainesville's compliance with requirements applicable to each major program and on internal control over compliance.

This report describes the scope of our testing of compliance requirements and internal controls over major programs, and the results of that testing. We are required to express an opinion on the City's compliance with requirements; our opinion is unmodified. This report is not intended to provide an opinion on the internal control.

Current and Future Reporting Changes

GASB 88

The Governmental Accounting Standards Board (GASB) has issued Statement No. 88, *Certain Disclosures Related to Debt, Including Debt Borrowings and Direct Placements*. This statement was implemented during fiscal year 2019.

The Statement defines debt and increases disclosure in notes to financial statements of all state and local governments.

Current and Future Reporting Changes

GASB 84

The Governmental Accounting Standards Board (GASB) has issued Statement No. 84, *Fiduciary Activities*. Effective for City of Gainesville for fiscal year 2020.

The statement establishes guidance regarding the identification of fiduciary activities and a financial reporting model for fiduciary activities for state and local governments. The statement requires governments to report fiduciary activities in specific fiduciary fund types.

The statement requires fiduciary activities to be reported in financial statement of fiduciary net position and a statement of changes in fiduciary net position.

Current and Future Reporting Changes

GASB 87

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*. Effective for City of Gainesville for fiscal year 2021.

The statement establishes a single approach to accounting for and reporting leases for state and local governments. The statement requires governments to recognize certain lease assets and liabilities that previously were classified as operating leases.

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CITY OF
GAINESVILLE

FINANCIAL SERVICES

**Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019**

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CITY OF GAINESVILLE, GEORGIA
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019



CITY OF GAINESVILLE, GEORGIA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019

Prepared by the Financial Services Group
Jeremy Perry,
Chief Financial Officer



CITY OF GAINESVILLE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2019

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CITY OF GAINESVILLE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2019

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OFFICIALS OF THE CITY OF GAINESVILLE

LEGISLATIVE BRANCH

CITY COUNCIL

Danny Dunagan	Mayor
Sam Couvillon (WARD 1)	Council Member
Zack Thompson (WARD 2)	Council Member
Barbara B. Brooks (WARD 3)	Council Member
George Wangemann (WARD 4)	Council Member
Ruth Bruner (WARD 5)	Council Member

OFFICERS OF THE COUNCIL

Denise Jordan	City Clerk
Abbott S. Hayes, Jr.	City Attorney

JUDICIAL BRANCH

G. Hammond Law, III	Municipal Court Judge and Administrative Hearing Officer
Anne M. Bishop	City Solicitor

EXECUTIVE BRANCH

CITY MANAGER AND DEPARTMENT DIRECTORS

Bryan Lackey	City Manager
Angela Sheppard	Assistant City Manager
Jeremy Perry	Chief Financial Officer
Rodger Hogan	Director of Chattahoochee Golf Course
Robyn Lynch	Director of Gainesville CVB
Perry R. Ligon	Director of Community Development
Phillippa L. Moss	Director of Community Service Center
Janeann Allison	Administrative Services Director
Jerome Yarbrough	Chief of Fire
Kate Mattison	Director of Parks and Recreation
Jay Parrish	Chief of Police
Linda MacGregor	Director of Water Resources
Chris Rotalsky	Director of Public Works



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June 30, 2018

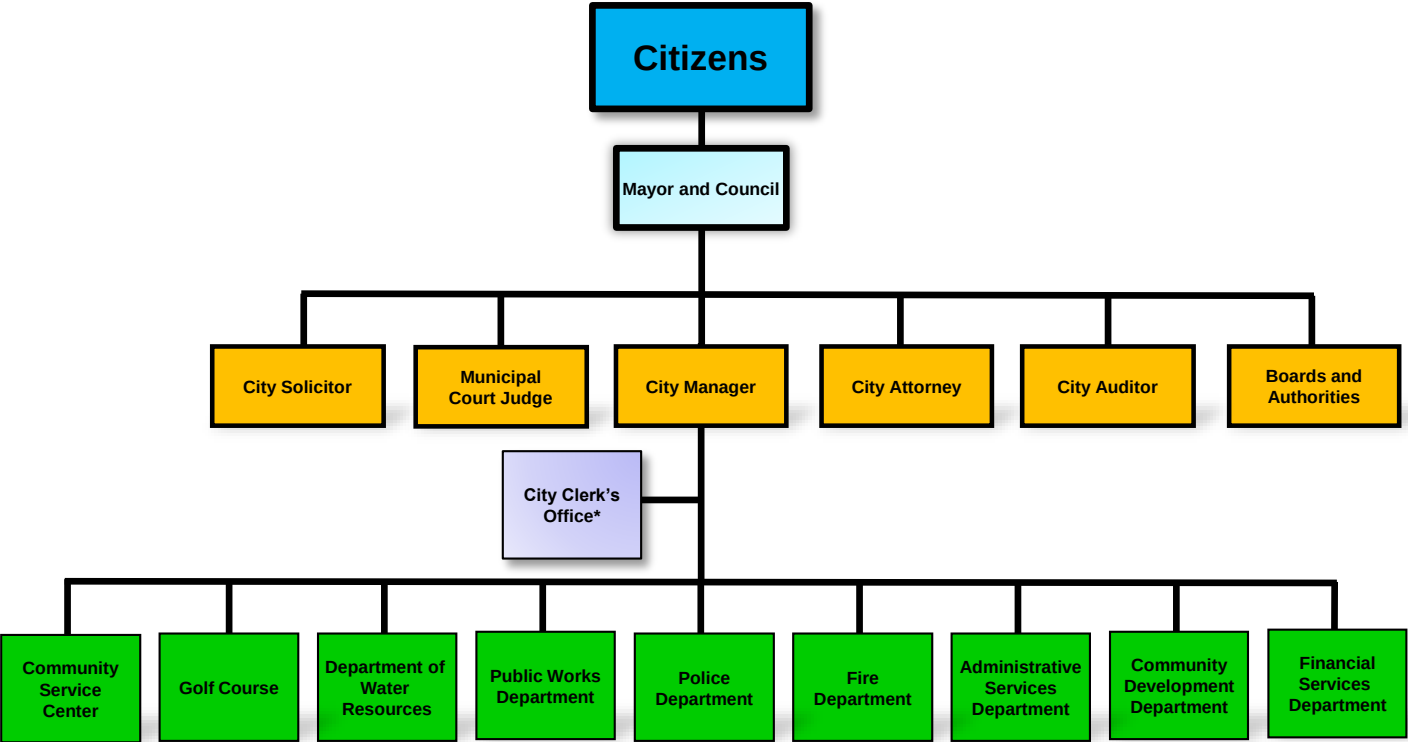
Christopher P. Morill

Executive Director/CEO

CITY OF

GAINESVILLE

Organizational Chart



 = Appointed by Mayor and Council

* Division within the City Manager's Office

CITY OF
GAINESVILLE

OFFICE OF THE CITY MANAGER

PO BOX 2496 GAINESVILLE, GA 30503

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November 25, 2019

To the Honorable Mayor, Distinguished Members of the City Council and Citizens of the City of Gainesville:

It is our pleasure to present the Comprehensive Annual Financial Report (CAFR) of the City of Gainesville (City) for the fiscal year ended June 30, 2019. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. These statements are to be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we submit this report for your consideration.

This report is published to provide you and other interested parties with detailed information concerning the financial condition of the City of Gainesville. The report consists of management's representations concerning the finances of the City of Gainesville, and was prepared by the staff of the Financial Services Group. This report was prepared using the requirements as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Gainesville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the financial report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City.

Rushton and Company, LLC, a firm of certified public accountants, has audited the City of Gainesville's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Gainesville for the fiscal year ended June 30, 2019, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by Management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City of Gainesville's financial statements for the fiscal year ended June 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Gainesville was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the Single Audit section of this report.

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

Profile of the Government

The City of Gainesville is located in Northeast Georgia, approximately 50 miles north-east of Atlanta. Gainesville is the principal city and county seat of Hall County. Bordered on the west by Lake Sidney Lanier, Hall County lies at the southern edge of the Chattahoochee National Forest and the foothills of the Blue Ridge Mountains. According to the 2010 U.S. Census, Gainesville has a population of 33,804, while Hall County's population is 179,684. Census Bureau estimates for 2018 show Gainesville and Hall County's population at 41,464 and 202,148, respectively, with over 150,000 people either living or employed in the City during workday hours. The City of Gainesville is empowered to levy a property tax on real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Gainesville was incorporated on November 30, 1821 and operates under a Council-Manager form of government. Gainesville's City Council is composed of an elected Mayor and five council members responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing the members of various statutory and advisory boards and the City Manager. The City Manager is the chief executive officer of the City and is responsible for enforcement of laws and ordinances, as well as appointments and supervision of the various department directors of the municipal government. The City, under the guidance of the City Manager and the Council, provides a full range of services. These services include police and fire protection; the maintenance of streets and infrastructure; parks; municipal golf course; recreational activities and cultural events; planning, zoning, and building inspection services; water and water pollution control services; solid waste collection; and an airport. The City provides a full range of municipal services to the citizens of Gainesville and water and sewer service to most of Hall County. The Comprehensive Annual Financial Report includes all funds and activities directly under the control of the City Council.

Gainesville Parks and Recreation and Gainesville Convention and Visitors Bureau (Gainesville CVB) both meet the current guidelines of GASB Statement No. 14, and are, therefore, included as component units in the CAFR as part of the City of Gainesville's reporting entity.

City Council appoints the Board members and exercises budgetary review for both entities, and establishes a designated tax levy for Gainesville Parks and Recreation. These agencies serve both the residents of the City and Hall County with their program activities. Additional information on these legally separate entities can be found in the Notes to the Financial Statements.

The Community Service Center is jointly funded by the City and Hall County, but is included in this report because of the City's ability to establish its authority over the Center, as all employees of the Center are City employees. In addition, the City exercises fiduciary responsibility over the Employees' Pension Trust Fund.

The annual budget serves as the foundation for the City of Gainesville's financial planning and control. The City of Gainesville budget is adopted by City Council on or before June 30 at a regular Council meeting that is open to the public. The level of legal budgetary control is the department level. Department directors may request budget adjustments through the Financial Services Department, provided that the budget adjustment does not increase the overall budget or personal services allocation for that department. Equipment adjustments under \$5,000 must be approved by the City Manager, while equipment adjustments over \$5,000 and changes in personal services budgets require City Council approval.

Local Economy

As the regional employment center for Northeast Georgia, Gainesville-Hall County holds the distinction of being rated by Forbes Magazine as a "Best Small Places for Business and Careers". In addition, the 2018 Milliken Institute study placed Gainesville as the 3rd best-performing small city in America, keeping the current spot from the 2017 study; based on salary and employment growth. Milliken Institute also named Gainesville-Hall County as the top ranking Metro area in Georgia. Recent statistics substantiate these accolades; July 2019 numbers show Metro Gainesville as the lowest unemployment rate in the state. Gainesville's July 2019 rate was 2.9%, down from the July 2018 3.4% rate. Overall, Gainesville-Hall County gained 4,200 jobs over the last year, which factored to a 4.56% growth rate. Growth occurred in both the service and goods producing industries. This positive news is fueled by growth from both new and existing businesses from a variety of sectors.



New business construction-Downtown

The Gainesville community continues to see impressive growth in both manufacturing and retail sectors. 2018 was another year of substantial capital investment reported by the Greater Hall Chamber of Commerce. More than 1,440 jobs are anticipated from the 12 new and existing projects reported for the Gainesville/Hall County area, with a total investment of over \$254.4 million. Several of these projects are multi-year projects where investment and job creation will take place over a number of years, creating an ongoing positive ripple effect.

Approximately 45 international firms operate in the community, and Gainesville-Hall County serves as the international headquarters for many of these companies. Business growth opportunities abound; expanding and new industry have a number of developing business parks to choose from.

Gainesville-Hall County's designation as a leading Food and Agribusiness employer continues in 2019. Hall County's poultry and manufacturing sectors has by far the highest economic impact in the state. In a 2016 report by Gartner, Gainesville-Hall MSA ranked as the highest concentrated metro area for food manufacturing and processing in the United States, with over 10,000 employees.

Also, downtown Gainesville continues to flourish as popular restaurants and a mix of both trendy and traditional retail establishments dot the brick lined sidewalks of what is known as the City's historic "Downtown Square". Main Street Gainesville hosts First Friday events monthly on the Square, attracting as many as 1,000 visitors downtown to shop, eat, and enjoy the quaint atmosphere. A local farmers market and summer concerts are part of the event, which is designed to showcase the City's booming downtown. Main Street Gainesville typically hosts an estimated 50 events yearly, bringing about 100,000 visitors to the downtown business district.

In addition to the aforementioned robust business activity, Gainesville-Hall County holds the privilege of being the medical nucleus for the 14 county Northeast Georgia area with its top ranked hospital, Northeast Georgia Medical Center (NEGMC), and a number of highly-recognized physician group practices. The excellent reputation of the City's medical facilities has drawn some of the finest physicians to the Gainesville area; nearly 600 physicians practicing more than 50 specialties were on staff in 2018. NEGMC has earned recognition as Georgia's top hospital for the fourth consecutive year by CareChex, a national healthcare ratings agency. NEGMC has also been ranked as Georgia's #1 Heart, Stroke Care, and Women's Health hospital. NEGMC has expanded its footprint in North Georgia by acquiring Chestatee Regional Hospital in Dahlonega and a plan is in place to acquire Habersham Medical Center in the coming years.

Business development and employment opportunities continue to bring healthy growth to the Gainesville-Hall County area, and this is reflected in both the real estate and new construction market. Construction permits continued to signal growth during 2018 in both the residential and commercial categories. Residential permits totaled 288 for 2018. This number includes 192 single-family homes and 96 multi-family permits totaling 708 units. Commercial permits saw an increase in new construction with more than 24 projects with a construction valuation of over \$40.5 million. Along with the increase in building permits, the Inspection Services Division conducted 13,761 inspections in 2018. The building permit data reflects Gainesville's robust economy and the desire for businesses to operate within the City. The City's various commercial sectors continue to lead the region in output and keeps Gainesville's unemployment rate the lowest in the state.

Impressive growth in the Gainesville area is also reflected in recent Census numbers. According to 2010 Census totals, the County recognized a 29% population increase over the past decade, and between 2010 and 2015, predicted growth has clocked in at 39.2%. With an estimated 41.6% of the City's population listed as Hispanic or Latino per 2010 Census numbers, the City takes great pride in and embraces its cultural diversity. The sense of community found in Gainesville, combined with a multitude of beautiful parks and recreational activities, along with easy access to large metropolitan areas makes Gainesville an attractive place to call home.

Major Initiatives

In the latter half of 2015, the City released findings from a Renaissance Strategic Vision and Plan on Downtown Gainesville. This study was performed under the guidance of the Georgia Downtown Renaissance Partnership with the purpose of promoting strategic ideas and work programs for selected Georgia communities. The study focused on identifying downtown Gainesville's positive attributes and unique features, and with this information, creating a shared community vision and implementation work plan.

Aligning with the goals of the Renaissance Strategic Vision and Plan, a new mixed-use development project totaling an estimated \$44.0 million is currently planned for the downtown area. This venture is led by Terwilliger Pappas, who was selected as the winning bid for an RFP issued by the City. The City View site project, dubbed "Solis Gainesville", plans to include 10,000 square feet of retail along with 220 market rate apartments. The City View project will incorporate the existing Highlands to Islands trail along with a gathering space or plaza. The City View site will be built alongside other City amenities such as the new skate park, which is currently under construction, and existing facilities such as the City's Public Safety Complex. The project will include direct access to the Downtown Square via the pedestrian bridge that spans across Jesse Jewell Parkway. Access to more retail space will enhance the Downtown area's appeal and provide more shopping and entertainment outlets to surrounding residents.



Rendering of the City View mixed-use development-Aerial View

As the City moves forward with its Renaissance Strategic Vision and Plan, an important aspect of the plan is more greenspace and walking paths to create a more pedestrian friendly space. Roosevelt Square is frequently used by fitness groups, students, and other pedestrians looking for a quiet place to relax and enjoy the outdoors. The 2019 Main Street Concert Series saw many free concerts on the lawn of Roosevelt Square. The renovation of Roosevelt Square has proved to be a valuable asset in the City. Many people enjoy the space everyday and it continues to grow as a popular spot for community events.

The Connectivity side of the City's work plan includes creating a more pedestrian friendly environment to downtown Gainesville. Long-term solutions include the addition of attractive streetscaping and other infrastructure improvements that would create safe and inviting connections for both pedestrians and commuters alike. In addition, a number of viable short-term solutions that have been implemented include adjusting signal timing and the installation of flashing cross-walk systems at critical intersections, and improved demarcation at pedestrian crossings. Other connectivity improvements included the installation of uniform way-finding signage, the extension of the Midtown Greenway, and aesthetic improvements to the City's gateway corridors coming into the City.

One of the top improvements cited in the study was to celebrate the walk-ability of Downtown and to encourage greater use of parking decks by implementing a parking hierarchy, along with improving aesthetics and visible security. New and creative entertainment options were also suggested, such as food truck festivals at nearby parks on the lake, and the utilization of historical and architecturally interesting buildings as entertainment venues. In addition, redevelopment opportunities of existing unsightly and vacant sites was suggested, as well as innovative development and the expanded awareness of the possibilities available in the segment of town known as Midtown, just south of the Downtown City Square.



Streetscaping construction on the Square



New constructed Downtown Parking Garage

As for Design priorities, focus groups reiterated the importance of newly constructed or re-modeled downtown buildings “fitting” the existing character and charm of adjacent structures. While feelings were strong that Downtown Gainesville continue with more traditional design, locals expressed a desire to build upon the industrial feel of the Midtown character while encouraging new development and the reuse of historic warehouses. It was also idealized that Midtown, which already is home to a number of lively art galleries, could be promoted as a creative district with a scattering of public art in all forms.

Economic development means building on and strengthening the community’s existing economic assets while diversifying the economic base. Focus groups listed downtown housing as one of the top Economic Development priorities. New mixed-use developments on the City-owned Main Street lots, and the south side of the pedestrian bridge were also recognized as crucial to the vitality of Downtown Gainesville. The final step of the strategic planning process involved creating an implementation plan that makes the vision a reality.

Action items identifying the “who, what, when, where, and why” were noted as part of the process, allowing the achievement of the vision through practical and attainable steps. Action items also noted potential partners, obstacles, and proposed funding sources required to achieve the community’s visions for Downtown. To learn more about Gainesville’s vision for its downtown, refer to the City’s website to view the full 146-page study on the City’s Community Development Department web page.



Rendering of the City View mixed-use development-Bradford Street View

Long-Term Financial Planning

The City of Gainesville maintains a flexible, yet thorough, five year capital improvement plan whereby capital needs are identified several years before funding and implementation, to allow adequate time for planning. This plan also provides for the orderly purchase of needed equipment. A prime example of the equipment is the recently installed gateway corridor signage around the city. The new signage was designed to highlight the entrance to the City at several key locations.

The City's current five year general government capital improvements plan has identified \$46.1 million in projected expenditures through fiscal year 2024; \$9.3 million of this has been approved to be expended in FY2020. Leading the way in 2020 are projected expenditures totaling \$1.2 million for the Midtown Greenway Connectivity project. Other notable projected capital costs include \$660,000 for street paving, \$600,000 for the relocation of Fire Station #2 and \$771,000 for Administration Building renovations.

The City of Gainesville Department of Water Resources maintains a separate capital improvement plan. The most recently adopted plan indicates that \$13.3 million will be earmarked in the next fiscal year for maintenance and facility construction of the City's water, wastewater, and stormwater systems, with some allowance for growth. For 2020, Stormwater improvements are projected to cost \$843,816.

Relevant Financial Policies

The City of Gainesville's Investment and Cash Management policy states that the City shall seek competitive investment rates within its safety criteria. Maximum opportunity shall be provided to all local financial institutions to bid and compete for City investments due to the importance of the financial institutions to the local economy. Abiding by this policy proved highly beneficial to the City in FY2019, as the City enjoyed increased investment earnings by leveraging different strategies and investments.



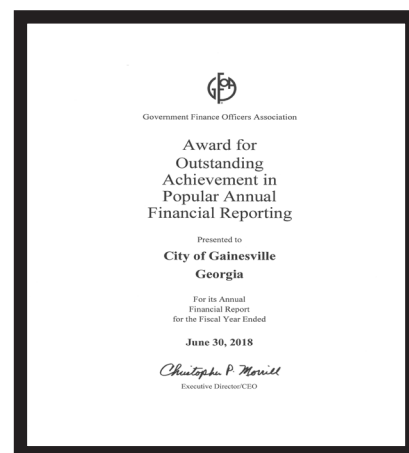
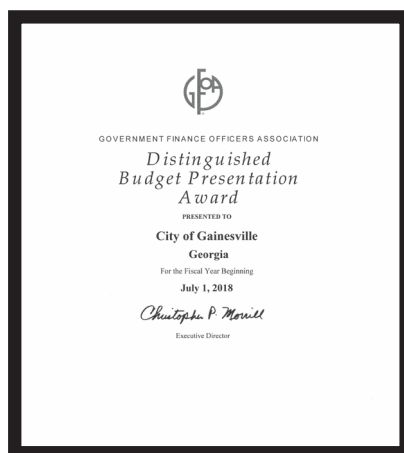
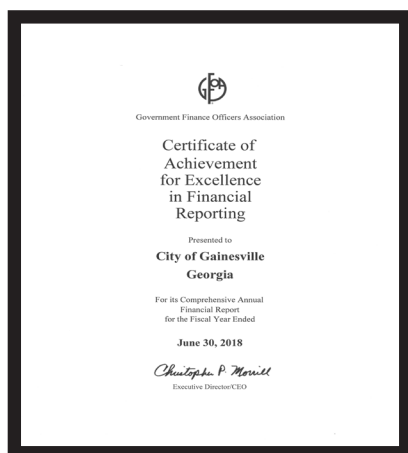
Traffic median beautification ceremony

Awards and Acknowledgment

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gainesville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This was the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, conforming to program standards and satisfying both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The GFOA presented a Distinguished Budget Presentation Award to the City of Gainesville for its annual budget for the fiscal year beginning July 1, 2018. This was the twenty-sixth year the City achieved this eminent award. In order to receive this honor, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. A Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget continues to conform to the standards of the Distinguished Budget Presentation Award Program's requirements, and we are submitting it to GFOA to determine its eligibility for another award.

The GFOA presented an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the City of Gainesville for its PAFR submitted for the fiscal year ended June 30, 2018. This was the fifth year the government achieved this esteemed award. The PAFR award was established to encourage governments to produce a high quality report based on CAFR information that would be easily understandable to the general public and other interested parties without a background in public finance. The Popular Annual Financial Reporting Award is valid for a period of one year only. The City intends to submit a PAFR for the fiscal year ending June 30, 2019.



The preparation of this report could not have been accomplished without the efficient and dedicated services of our entire staff of the Financial Services Group, who contributed to its preparation. Special recognition is given to the City's Financial Services Manager, Beverly Williams, who is the person primarily responsible for the CAFR preparation. Enormous thanks go to the staff of our accounting firm, Rushton and Company, CPAs (especially Chris Hollifield and Sam Latimer) for their technical guidance and assistance to make this a quality report.

We would like to also thank the City Council for their consistent support for maintaining the highest standards of professionalism in the management of the City's finances, and their continued support of the City's professional staff. The Council's vision and input are the guiding factors that enables the City staff to work toward keeping and enhancing the City of Gainesville as a great place to live, work, learn, and play.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bryan Lackey', with a long horizontal flourish extending to the right.

Bryan Lackey
City Manager

A handwritten signature in black ink, appearing to read 'Jeremy Perry', with a long horizontal flourish extending to the right.

Jeremy Perry
Chief Financial Officer

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Gainesville, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Gainesville, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Gainesville, Georgia, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons of the General Fund, Fire Special Revenue Fund, and Economic Development Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 4 through 20 and 103 through 117 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gainesville, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

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

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the City of Gainesville, Georgia's basic financial statements for the year ended June 30, 2018, which are not presented with the accompanying financial statements. In our report dated November 28, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gainesville, Georgia's basic financial statements as a whole. The individual fund financial statements and schedules, related to the 2018 financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of the City of Gainesville, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and, not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Gainesville, Georgia's internal control over financial reporting and compliance.

Ruskton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 25, 2019



CITY OF GAINESVILLE



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Gainesville, it is our pleasure to present this narrative discussion and analysis of the City of Gainesville's financial performance, providing an overview of the activities for the fiscal year ended June 30, 2019. The purpose of this narrative is to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about the City of Gainesville. This analytical information is designed to be read in conjunction with the Letter of Transmittal located on pages xi-xx of this Comprehensive Annual Financial Report and with the City's financial statements, which follow this section.

Financial Highlights

- The City of Gainesville's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources at June 30, 2019, by \$574.0 million (reported as *net position*). Of this amount, \$17.9 million (reported as *unrestricted net position*) may be used to meet the City's ongoing obligations.
- As of June 30, 2019, Gainesville's governmental funds reported combined ending fund balances of \$58.0 million. Approximately 17.1% of this total amount, \$9.9 million, is unassigned fund balance in the General Fund, which is available for spending at the City Council's discretion.

More detailed information regarding these activities and funds begins on page 9.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to the City of Gainesville's basic financial statements. The City of Gainesville's basic financial statements are composed of three elements: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the City as a whole)

The focus of the government-wide financial statements is on the overall financial position and activities of the City of Gainesville and is designed to provide readers with an overview of the City's financial activities in a manner similar to a private business enterprise.

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about the City of Gainesville using the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the **Statement of Net Position** (pages 21-22) is to attempt to report all of the assets and deferred outflow of resources held and liabilities and deferred inflow of deferred resources owed by the City. The City reports all of its assets and deferred outflows of resources when it acquires ownership over the elements and reports all of its liabilities and deferred inflow of resources when they are incurred. Net position is defined as the residual of all other financial statement elements presented in a statement of financial position. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

The **Statement of Activities** (page 23), on the other hand, presents the revenues and expenses of the City. This statement is prepared using the accrual basis of accounting mentioned earlier, where revenues are recognized when earned and expenses when incurred. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as change in net position. The primary focus of the Statement of Activities is on the net cost of various activities provided by the City and identifies the extent to which each function of the City draws from general revenues or is self-financing through fees, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide the City of Gainesville into three types of activities:

- **Governmental activities** – Most of the City's basic services are reported under this category, including police, fire, public works, and general administration. Sales tax, property taxes, and intergovernmental revenues finance most of these services.
- **Business-type activities** – The City charges fees to customers to assist in covering all or most of the cost for certain services it provides. The City's water and sewer system and garbage collection fees are reported in this category.
- **Discretely Presented Component Units** – Component units are legally separate organizations for which the elected officials of the City are financially accountable. The Parks and Recreation Department and

Gainesville Convention and Visitor's Bureau (Gainesville CVB), although legally separate, function for all practical purposes as departments of the City of Gainesville, and therefore have been included as an integral part of the primary government.

The City's government-wide financial statements are presented on pages 21-23.

Fund Financial Statements (Reporting the City's Major Funds)

The focus of fund financial statements is directed to specific activities of the City and its most significant funds, not the City as a whole. A fund is an entity with a self-balancing set of accounts that the City uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the City's non-major funds can be found beginning on page 118. The City's funds are divided into three broad categories – governmental, proprietary, and fiduciary – and use different accounting approaches.

- **Governmental Funds** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on the short-term view of the City's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these 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. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided after each statement.

The City of Gainesville maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Services Fund, Economic Development Fund, and the General Government Capital Projects Fund, which are considered major funds.

Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 118-121 of this report.

The City of Gainesville adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The City's basic governmental fund financial statements are presented on pages 24-32 of this report.

- **Proprietary Funds** – When the City charges customers for the services it provides – whether to outside customers or to other departments of the City – these services are generally reported in proprietary funds. The City maintains two different types of proprietary funds: Enterprise funds and Internal Service funds. These proprietary funds are prepared using the same accrual basis of accounting as the government-wide financial statements.

Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. The City of Gainesville uses enterprise funds to account for its Water and Sewer system, which is considered a major fund, for its Solid Waste functions, as well as the Lee Gilmer Airport and Chattahoochee Golf Course.

Internal service funds are an accounting device used to account for services provided and billed on an internal basis. The City utilizes internal services funds for Vehicle Services, General Insurance, and Employee Benefits. Because of the nature of the City's internal services funds, they are reported as governmental activities on the government-wide statement.

The City's proprietary fund financial statements are presented on pages 33-37.

- **Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Gainesville's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City acts as a trustee or fiduciary for its employee pension plan. It is also responsible for other assets that, because of the nature of the trust or agency arrangement, can be used only for the trust or agent beneficiaries. These include the Community Private-Purpose Trust, Employees' Pension Trust and Municipal Court Fund.

Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements.

The City's fiduciary fund financial statements are presented on pages 38-39.

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. The notes to the financial statements can be found on pages 43-102 of this report.

Other Supplementary Information

Following the basic financial statements is other supplementary information, which includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are combined by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 26 and 29), which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.
- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statement but are reported as deferred revenue on the fund statements.
- Internal service funds are reported as governmental activities on the government-wide statements but are reported as proprietary funds in the fund financial statements.
- Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Bond and note proceeds result in liabilities on the government-wide statements but are recorded as other financing sources on the governmental fund financial statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.
- Transfers of capital assets between governmental activities and business-type activities are not recorded in the governmental fund financial statements.

The City's overall financial position and operations for this fiscal year are summarized as follows based on the information included in the government-wide financial statements (see pages 21-23):

	Governmental Activities		Business Type Activities		Total	
	(In millions of dollars)					
	2019	2018	2019	2018	2019	2018
Current assets	\$ 68.4	\$ 58.2	\$ 140.3	\$ 128.6	\$ 208.7	\$ 186.8
Capital assets	106.1	103.5	483.6	483.6	589.7	587.1
Other noncurrent assets	0.1	-	-	-	0.1	-
Total assets	174.6	161.7	623.9	612.2	798.5	773.9
Deferred Outflows of Resources	5.9	5.6	4.1	4.2	10.0	9.8
Current liabilities	8.2	7.6	24.8	27.1	33.0	34.7
Noncurrent liabilities	64.0	64.7	121.8	140.0	185.8	204.7
Total liabilities	72.2	72.3	146.6	167.1	218.8	239.4
Deferred Inflows of Resources	9.4	5.0	6.3	3.3	15.7	8.3
Net position:						
Net investment in capital assets	85.3	85.2	375.0	356.5	460.3	441.7
Restricted	20.9	20.3	74.9	71.6	95.8	91.9
Unrestricted	(7.3)	(15.5)	25.2	17.9	17.9	2.4
Total net position	\$ 98.9	\$ 90.0	\$ 475.1	\$ 446.0	\$ 574.0	\$ 536.0

Net position may serve over time as a useful indicator of a government's financial position. The City of Gainesville reported an \$8.9 million increase in net position for governmental activities, while posting \$29.1 million in positive growth for business type activities. Overall, the City's net position rose \$38.0 million to close the current fiscal year with a \$574.0 million ending balance. However, much of the net position is restricted as to the purpose for which it can be used, or is invested in capital assets.

The largest portion of the City of Gainesville's net position (80.2%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire the assets. The net investment in capital assets increased by \$18.6 million from previous year totals, from \$441.7 million to \$460.3 million.

The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position comprises the next largest component, constituting 16.7% of total net position. Restricted net position experienced a \$3.9 million gain during the past year, jumping from \$91.9 million to \$95.8 million at the end of fiscal year 2019. Restricted net position represent amounts that are subject to limitation in the manner which funds may be spent; these constraints are imposed by external sources, enabling legislation or constitutional provision.

The remaining balance represents unrestricted net position. The statement reveals a \$17.9 million balance at the end of this year, an increase of \$15.5 million from fiscal year 2018. The indication of a positive unrestricted net position would not mean that the City had resources available beyond its long-term commitments. Rather, it would be the result of having currently available resources that are greater than long-term commitments.

Unrestricted net position for governmental activities improved by \$8.2 million between 2018 and 2019, decreasing the deficit balance from \$15.5 million to \$7.3 million. Business-type activities showed a \$7.3 million growth in unrestricted net position. The total unrestricted net position is comprised of the business-type activities funds only, and it should be noted that these resources cannot be used to add to the net asset surplus in governmental activities. The City generally can only use the resources in business-type unrestricted net position to finance the ongoing operations of the business-type activities.

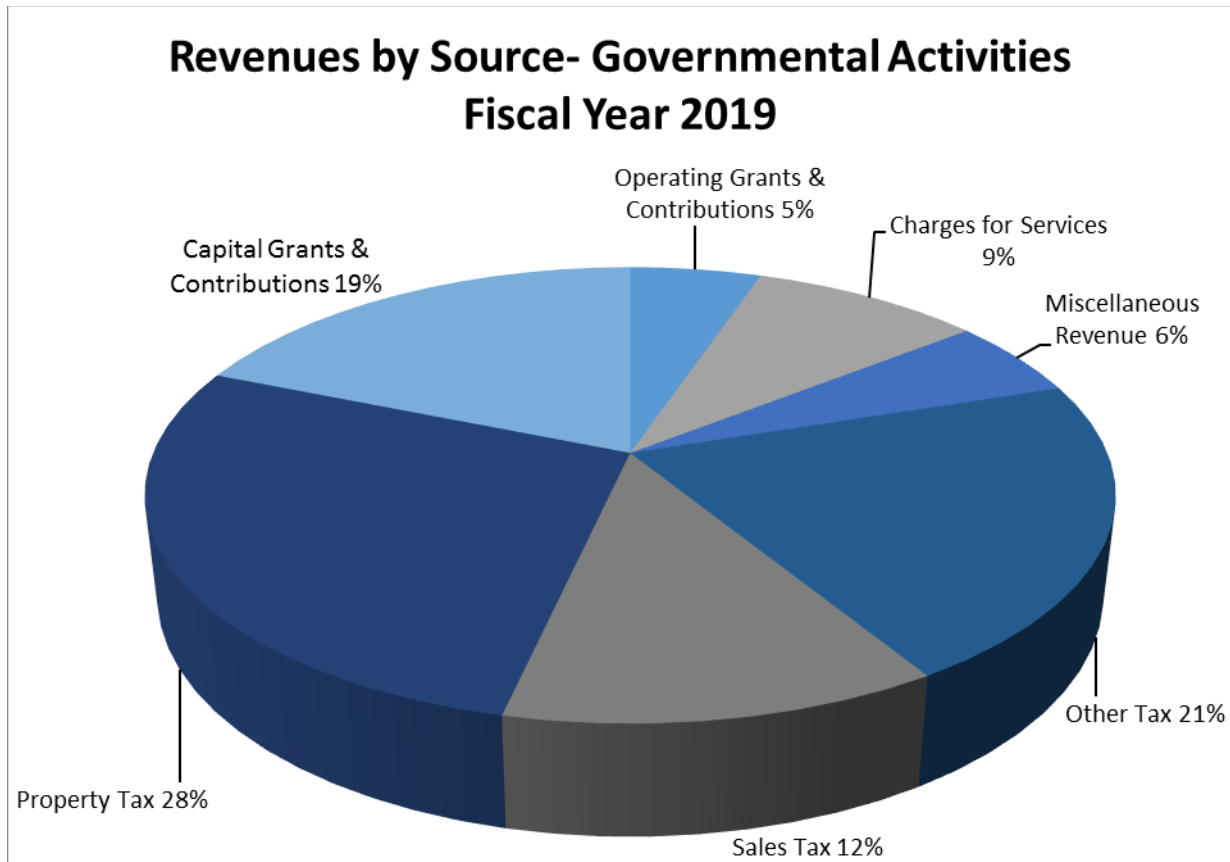
The City's overall financial position and operations for this fiscal year are summarized as follows based on the information included in the government-wide financial statements (see pages 21-23):

	Governmental Activities		Business Type Activities		Total	
	(In millions of dollars)					
	2019	2018	2019	2018	2019	2018
Current assets	\$ 68.4	\$ 58.2	\$ 140.3	\$ 128.6	\$ 208.7	\$ 186.8
Capital assets	106.1	103.5	483.6	483.6	589.7	587.1
Other noncurrent assets	0.1	-	-	-	0.1	-
Total assets	174.6	161.7	623.9	612.2	798.5	773.9
Deferred Outflows of Resources	5.9	5.6	4.1	4.2	10.0	9.8
Current liabilities	8.2	7.6	24.8	27.1	33.0	34.7
Noncurrent liabilities	64.0	64.7	121.8	140.0	185.8	204.7
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Deferred Inflows of Resources	9.4	5.0	6.3	3.3	15.7	8.3
Net position:						
Net investment in capital assets	85.3	85.2	375.0	356.5	460.3	441.7
Restricted	20.9	20.3	74.9	71.6	95.8	91.9
Unrestricted	(7.3)	(15.5)	25.2	17.9	17.9	2.4
Total net position	\$ 98.9	\$ 90.0	\$ 475.1	\$ 446.0	\$ 574.0	\$ 536.0

Net position may serve over time as a useful indicator of a government's financial position. The City of Gainesville reported an \$8.9 million increase in net position for governmental activities, while posting \$29.1 million in positive growth for business type activities. Overall, the City's net position rose \$38.0 million to close the current fiscal year with a \$574.0 million ending balance. However, much of the net position is restricted as to the purpose for which it can be used, or is invested in capital assets.

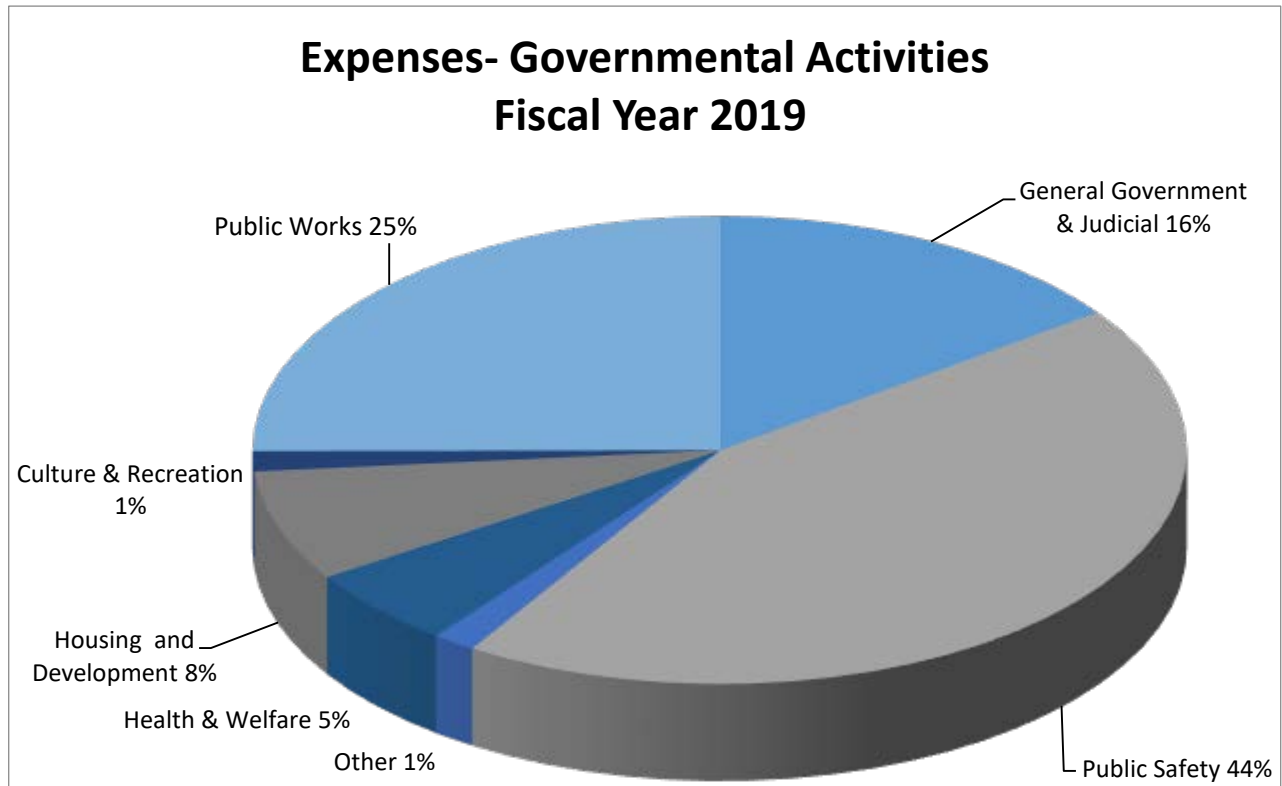
Governmental Activities –

The following chart depicts revenues of the governmental activities for the fiscal year:



The revenue chart indicates that Property Tax was the largest source of revenue for governmental activities during the fiscal year 2019. Property tax revenue surpassed FY18 collections by \$3.6 million. A \$3.3 million rise in tax collections on current real and personal property made up the bulk of this increase, followed by a \$100,382 jump in TAVT. Other tax, which includes franchise, insurance premium, hotel/motel and occupational taxes, represented 21% of governmental activities revenue. Other tax showed an increase from FY2018; this is due mainly to a \$299,159 upsurge in franchise fee collections. Capital Grants and Contributions exhibited a \$2.6 million reduction from FY18 totals; contributions were higher in FY18 due to SPLOST funding of the Senior Center. Sales tax, which comprised 12% of governmental activities revenue, experienced a \$350,704 boost over 2018 collections. Charges for services made up 9% of total revenue as well; this source showed a \$60,109 rise from 2018 totals.

The following chart depicts the expenses of the governmental activities for the fiscal year:



The expense chart illustrates that the most significant governmental activities expense for the City of Gainesville during fiscal year 2019 was providing Public Safety services such as fire and police protection, followed by Public Works. Overall, costs were up \$6.1 million when compared with FY18. The largest portion of increased expenditure stems from Public Works, which shows a \$4.4 million upturn for costs associated with various projects including \$1.1 million for street paving, \$797,503 for the Stormwater Rehabilitation Project, \$464,823 for the Information Technology project, and \$616,984 for the FY18 Street Resurfacing Program. Housing and Development costs, which make up 8% of governmental activities expense, showed a \$797,830 increase in costs from FY2018. Community Development Block Grant Program (CDBG) expenses were up considerably in FY2019, due partly to the Presley Davis Street Acquisition and the McDonald Street Buffer project. Public Safety had a \$29,590 reduction in costs when compared to fiscal year 2018. General Government and Judicial expense, which makes up 16% of total governmental activities, shows a \$455,563 rise in costs.

Business-type Activities –

Business-type activities increased the City of Gainesville's net position by \$29.1 million, expanding total net position to \$475.1 million. Key elements involving business-type activities are as follows:

- Total revenue for business-type activities was \$4.3 million higher than collections recorded in FY18. This gain is due predominantly to a \$2.3 million surge in charges for services, as well as an increase in interest revenue earned due to favorable investment rates. Water sales were up \$997,545 due to a 2.59% increase in water volume usage. Capital contributions were down \$1.1 million from FY18 totals.
- FY19 Solid Waste and Airport charges for services increased \$78,263 and \$43,898 from fiscal year 2018 totals, respectively, while Golf Course operating revenues tracked closely with 2018 collections.
- Overall expenses for business-type activities were up \$1.5 million from FY18 totals. Department of Water Resources experienced a \$1.2 million rise in costs, with the largest growth occurring in costs of sales and services; \$473,462 of this increase occurred with personal services cost, while \$495,954 is a result of higher repair and maintenance expense. Airport expenses increased \$213,223 over fiscal year 2018 totals, due largely to a \$136,975 upturn in capital outlay expense and a \$13,348 rise in depreciation expense. Solid Waste expenses were up \$126,015 with increases of \$42,706, \$38,882, and \$36,487 in personal services, landfill changes and depreciation expense respectively. Golf Course showed reduced expense of \$42,245.

Financial Analysis of the City's Funds

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

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

As the City completed this year, its governmental funds reported a combined ending fund balance of \$58.0 million. Of this amount, \$9.9 million or 17.1% constitutes unassigned fund balance, meaning that no constraints have been placed on how this money may be spent. The General Fund is the only governmental fund that can have positive unassigned fund balance. The remainder of fund balance is either nonspendable, restricted by a third party, committed to be spent in a specified matter by formal resolution, or assigned for a specific purpose, including the 2020 budget.

The **General Fund** is the chief operating fund of the City. Again, at the end of the current fiscal year, the unassigned fund balance of the General Fund was

\$9.9 million, while total fund balance reached \$13.7 million. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 46.5% of total General Fund expenditures, while total fund balance represents 64.3% of that same amount. Of the \$13.7 million total fund balance for the general fund, \$3.6 million is assigned, comprised predominantly of \$3.5 million which is assigned for budget.

The General Fund's fund balance increased by \$444,164 during the current fiscal year. This was due to better than projected revenue proceeds, combined with maintaining costs below budget. Other key factors regarding FY19 activity are as follows:

Total tax revenue exceeded the budget by \$2.1 million, \$1.7 million of this increase was due to better than anticipated Local Option Sales, Franchise, TAVT and Insurance Premium tax collections. In addition, investment income revenue totals came in \$635,151 ahead of budget. Expenditures came in under budget by \$1.4 million; personal services accounted for \$754,488 of this cost reduction. Public Works expense was \$464,052 less than budget; \$249,940 of this savings was in personal services costs due to unfilled positions. Police was under budget by \$409,245; \$316,923 of this total was attributable to personal services cost savings due to unfilled positions as well.

- Transfers to the General Fund totaled \$3.4 million, with \$3.3 million originating from Department of Water Resources for General Fund operations, followed by \$36,893 transferred from the Impact Fee fund for administrative fee services. Transfers out of the General Fund totaled \$9.4 million; \$4.5 million was transferred to the General Government Capital Projects for various projects, including \$825,000 for the Administration Building Renovation, \$900,000 for the Dawsonville Highway and McEver Road Connector, \$425,000 for road improvements on Park Hill Drive, and \$400,000 for Washington and Bradford Street streetscaping. In addition, \$3.2 million was transferred to the Fire Services District, while \$869,405 was transmitted to the Community Service Center (CSC), providing assistance with CSC operational costs.

The **Fire Services Fund** has a \$774,429 fund balance at fiscal year-end. Of this fund balance, \$474,429 is assigned for Public Safety, while \$300,000 is assigned for Budget. Among the fund's expenditures was \$7.3 million paid out in personal services expense, \$11,019 paid for the Hall County Joint Fire Training Facility as well as other general operating expenses. The largest source of revenue for the Fire Services Fund was \$5.9 million from Property and Real and Motor Vehicle tax collections. The Fire Services Fund also received \$3.2 million in transfers from the General Fund related to Insurance Premium Tax.

The **Economic Development Fund** has a \$6.0 million fund balance at fiscal year-end. \$65,000 of this amount is assigned for budget, with the remaining balance assigned for Housing and Development. The largest source of revenue for the Economic Development Fund was \$1.1 million from Investment Income revenue, of which \$1.0 million was due to the sale of the Industrial Park Property and the remaining \$96,483 was earned on invested cash.

The **General Government Capital Projects Fund** has a \$9.6 million fund balance at fiscal year-end. Of this fund balance, \$1.6 million is restricted for Health and Welfare projects; this restricted money is allocated to the Parking Deck Public Restroom and Washington and Bradford Street Streetscaping projects. Another \$858,332 is restricted for General Government projects; \$388,311 of this total is for City Signage projects. Of the \$4.2 million assigned for Public Works, \$1.5 million is for Streetscaping and \$900,000 for the Dawsonville Highway/McEver Road project. Among the fund's expenditures was \$3.9 million paid for the Parking Deck and Public Restroom, \$176,155 paid for Interchange Beautification, \$235,000 for the Washington and Bradford Streetscaping project, and \$231,423 for the Sidewalk Program. The largest source of revenue for the General Government Capital Projects Fund was transfers from various City funds, including \$4.5 million from the General Fund and \$684,380 from the Department of Water Resources. Also, \$4.9 million was received from the issuance of a capital lease for the Parking Deck Expansion project.

General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. In addition, Council approved several adjustments to prevent budget overruns. The following highlights the differences between the original and the final budget amount:

- Increased the Local Options Sales Tax revenue budget and the Public Land and Buildings budget by \$324,000 for costs associated with building improvements.
- Increased Transfer to Capital Projects budget by \$65,600 for the Fiber Cable Relocation on Jesse Jewell Parkway.
- Transfer to Fire Fund was increased by \$500,000 for capital projects.
- Contingency was adjusted \$446,196; \$200,000 was associated with the Turner, Wood and Smith Property, and another \$228,000 for project budget increases.
- Increased budgeted fund balance to cover FY20 reappropriations.
- Increased/decreased various expenditure budgets for adjustments as needed.

General Fund expenditures for fiscal 2019 were \$21.3 million, 93.9% of the final amended budget, and there were no net overexpenditures by General Fund departments. Total actual expenditures in the General Fund were lower than the final amended budget total by \$1.4 million; General Fund expenditures as a whole were less than the original budget numbers as well. Personal services costs came under the final budget by \$754,488.

Total actual revenues exceeded the final amended budget by a total of \$2.9 million; this is due mainly to tax collections, which came in \$2.1 million above projections.

Enterprise Funds

The City of Gainesville's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the City's four enterprise funds, prior to the adjustment to reflect the consolidation of internal service fund activities related to enterprise funds, totaled as follows:

▪ Department of Water Resources	\$20,630,515
▪ Nonmajor Funds (Airport, Solid Waste, Golf Course)	<u>\$3,270,314</u>
Total	<u>\$23,900,829</u>

Prior to the consolidation adjustment of internal service fund activity, the total increase in combined net position showed a growth of \$29.3 million, with net investment in capital assets showing an increase of \$18.5 million. Overall unrestricted net position for all four enterprise funds showed a \$7.3 million increase from FY18.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Capital Assets and Debt Administration

Capital Assets. The City of Gainesville has invested \$589.8 million in capital assets (net of accumulated depreciation). Capital assets include infrastructure, land, buildings, and machinery and equipment. Approximately 82.0% of this investment is related to business-type activities while only 18.0% relates to governmental activities.

Capital assets held by the City at the end of the current fiscal year are summarized as follows:

City of Gainesville
Capital Assets (net of accumulated depreciation)
Fiscal Years 2019 and 2018

	Governmental Activities		Business Type Activities		Total	
	(In millions of dollars)					
	2019	2018	2019	2018	2019	2018
Land	\$ 27.6	\$ 26.4	\$ 34.5	\$ 33.6	\$ 62.1	\$ 60.0
Buildings	58.8	58.7	53.0	52.2	111.8	110.9
Improvements other than buildings	3.3	3.1	10.1	10.2	13.4	13.3
Vehicles and equipment	23.3	22.8	40.2	38.4	63.5	61.2
Infrastructure	41.6	39.3	560.3	551.9	601.9	591.2
Intangibles	3.1	3.2	6.1	6.1	9.2	9.3
Construction in progress	6.6	3.8	39.2	35.9	45.8	39.7
Total	164.3	157.3	743.4	728.3	907.7	885.6
Accumulated depreciation	(58.2)	(54.0)	(259.7)	(244.7)	(317.9)	(298.7)
Net Capital Assets	\$ 106.1	\$ 103.3	\$ 483.7	\$ 483.6	\$ 589.8	\$ 586.9

Major capital asset expenditures during the current fiscal year for governmental activities included the following:

- Parking Deck Expansion and Public Restroom, \$3.9 million
- Midtown Greenway, \$303,825
- Asphalt Patch Truck, \$179,629
- Stormwater Rehabilitation Program, \$797,503

Major capital asset expenses during the current fiscal year for business-type activities included the following:

- Riverside Drive Water Treatment Plant Improvements, \$2.0 million
- Lanier Islands/Martin Road Utilities Relocation, \$1.2 million
- Downtown Utilities Improvements, \$1.3 million

Additional information on the City of Gainesville's capital assets can be found in Note 9 on pages 68-70 of this report.

Long-term debt. At June 30, 2019, the City of Gainesville had \$126.5 million in bonds, notes, and capital leases outstanding, net of unamortized bond premium and discount. This is a \$16.3 million decline from last year's totals. The decrease in debt was due to payments made to reduce bonds, notes, and capital leases outstanding.

**City of Gainesville
Outstanding Debt
Fiscal Years 2019 and 2018**

	Governmental Activities		Business Type Activities		Total	
	(In millions of dollars)					
	2019	2018	2019	2018	2019	2018
Capital Leases	\$ 20.6	\$ 17.8	\$ 17.6	\$ 19.5	\$ 38.2	\$ 37.3
Revenue Bonds	-	-	78.4	94.6	78.4	94.6
Unamortized Bond Premium	-	-	9.9	10.9	9.9	10.9
Total	\$ 20.6	\$ 17.8	\$ 105.9	\$ 125.0	\$ 126.5	\$ 142.8

The City maintains a bond credit rating of Aa2 from Moody's on both general obligation and senior-lien revenue bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10% of its total assessed valuation. The current debt limitation for the City of Gainesville is \$523.6 million, which is significantly in excess of the City's general obligation debt outstanding of \$20.6 million.

Additional information on the City's long-term debt can be found in Notes 10, 11, 12, and 13 on pages 71-78 of this report.

Economic Condition and Outlook

- According to the most recent U.S. Census numbers, the population for Gainesville is 41,464 with current estimates showing a 22.7% uptick in population since the 2010 census was released.
- Gainesville adopted a 3.322 tax millage rate for fiscal year 2020. The gross property tax digest for the City of Gainesville rose from \$5.2 billion for fiscal year 2019 to \$5.6 billion for fiscal year 2020, which computes to a 7.69% increase in the tax base.

- Local Option Sales Tax collections, along with other fees, are tracking closely to budget at the end of the first quarter of fiscal year 2020. Departments are spending conservatively and continue to monitor their 2020 budgeted costs closely.

These were among the many factors taken into consideration when preparing the 2020 budget. Of the \$13.7 million fund balance in the General Fund, \$3.5 million has been appropriated for spending in the 2020 fiscal budget.

Contacting the City's Financial Services Group

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Gainesville's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed as follows:

City of Gainesville
ATTN: Financial Services Department
Financial Services
PO Box 2496
Gainesville, GA 30503



BASIC FINANCIAL STATEMENTS

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF NET POSITION
June 30, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 64,252,178	\$ 42,853,485	\$ 107,105,663	\$ 4,251,899
Investments	10,842,064	0	10,842,064	0
Restricted assets				
Cash and cash equivalents	0	77,559,209	77,559,209	200,000
Receivables (net)				
Accounts	364,814	5,457,932	5,822,746	21,763
Intergovernmental	2,321,111	1,744,541	4,065,652	0
Taxes	1,311,357	0	1,311,357	40,912
Notes	101,915	0	101,915	0
Other	0	20,684	20,684	0
Internal balances	(11,032,945)	11,032,945	0	0
Inventories	128,186	1,663,480	1,791,666	0
Prepaid items	11,743	0	11,743	0
Other	140,000	0	140,000	0
Total current assets	68,440,423	140,332,276	208,772,699	4,514,574
Noncurrent assets				
Notes receivable	123,154	0	123,154	0
Capital assets				
Non-depreciable	34,163,534	73,761,290	107,924,824	4,898,825
Depreciable (net)	71,951,211	409,897,049	481,848,260	4,843,526
Total noncurrent assets	106,237,899	483,658,339	589,896,238	9,742,351
Total assets	174,678,322	623,990,615	798,668,937	14,256,925
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	0	274,960	274,960	0
Deferred outflows related to pensions	4,760,109	3,042,701	7,802,810	108,337
Deferred outflows related to other post employment benefits	1,108,929	750,327	1,859,256	122,616
Total deferred outflows of resources	5,869,038	4,067,988	9,937,026	230,953
LIABILITIES				
Current liabilities				
Payables				
Accounts	1,983,933	2,045,658	4,029,591	143,017
Retainages	57,189	179,320	236,509	0
Intergovernmental	0	827,429	827,429	8,585
Sales tax	0	9,272	9,272	9,305
Deposits	135,902	4,036	139,938	0
Interest	86,208	7,543	93,751	0
Accrued salaries	744,110	453,270	1,197,380	121,324
Compensated absences	1,247,639	730,737	1,978,376	110,343
Claims reserve	2,323,069	0	2,323,069	0
Capital lease payable	1,533,430	1,977,016	3,510,446	0
Other liabilities	104,167	47,450	151,617	15,271
Liabilities payable from restricted assets				
Payables				
Accounts	0	2,475,704	2,475,704	0
Retainages	0	779,916	779,916	0
Customer deposits	0	2,320,129	2,320,129	0
Interest	0	360,262	360,262	0
Bonds payable	0	12,615,000	12,615,000	0
Total current liabilities	8,215,647	24,832,742	33,048,389	407,845

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF NET POSITION
June 30, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 138,626	\$ 81,194	\$ 219,820	\$ 12,261
Net pension liability	28,834,209	19,603,777	48,437,986	538,475
Net OPEB liability	16,012,582	10,815,884	26,828,466	1,763,529
Capital lease payable	19,024,051	15,582,468	34,606,519	0
Bonds payable	0	75,695,630	75,695,630	0
Total noncurrent liabilities	64,009,468	121,778,953	185,788,421	2,314,265
Total liabilities	72,225,115	146,611,695	218,836,810	2,722,110
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	3,619,244	2,376,446	5,995,690	172,246
Deferred inflows related to other post employment benefits	5,771,635	3,950,677	9,722,312	655,247
Total deferred inflows of resources	9,390,879	6,327,123	15,718,002	827,493
NET POSITION				
Net investment in capital assets	85,297,394	374,995,209	460,292,603	9,732,068
Restricted for:				
General Government	918,694	0	918,694	0
Public Safety	4,774,596	0	4,774,596	0
Public Works	6,557,770	0	6,557,770	0
Health and Welfare	2,881,713	0	2,881,713	0
Culture and Recreation	2,676,736	0	2,676,736	5,255
Housing and Development	1,647,279	0	1,647,279	0
Debt Service	1,509,966	7,294,471	8,804,437	0
Capital Outlay	0	67,609,996	67,609,996	225
Unrestricted	(7,332,782)	25,220,109	17,887,327	1,200,727
Total net position	\$ 98,931,366	\$ 475,119,785	\$ 574,051,151	\$ 10,938,275



CITY OF GAINESVILLE, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Indirect Costs	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities						
General Government	\$ 7,672,674	\$ (1,444,339)	\$ 794,308	\$ 143,964	\$ 0	\$ (5,290,063)
Judicial	556,125	0	0	0	0	(556,125)
Public Safety	19,889,133	0	1,740,436	435,596	0	(17,713,101)
Public Works	11,350,947	0	216,335	28,217	8,533,153	(2,573,242)
Health and Welfare	2,484,051	0	93,394	1,682,618	0	(708,039)
Culture and Recreation	628,343	0	0	0	778,223	149,880
Housing and Development	3,481,766	0	1,808,750	346,717	236,681	(1,089,618)
Interest on long-term debt	652,514	0	0	0	0	(652,514)
Total governmental activities	46,715,553	(1,444,339)	4,653,223	2,637,112	9,548,057	(28,432,822)
Business-type activities						
Department of						
Water Resources	54,113,056	1,088,326	74,135,037	0	8,488,382	27,422,037
Airport	1,296,607	209,561	975,041	0	1,860,305	1,329,178
Solid Waste	2,400,048	146,452	2,965,987	0	0	419,487
Golf Course	1,307,389	0	1,063,022	0	0	(244,367)
Total business-type activities	59,117,100	1,444,339	79,139,087	0	10,348,687	28,926,335
Total primary government	105,832,653	0	83,792,310	2,637,112	19,896,744	493,513
Component Units						
Communication and Tourism						
Housing and Development	598,511	0	0	0	0	(598,511)
Parks and Recreation						
Culture and Recreation	5,758,370	0	1,836,045	637,121	0	(3,285,204)
Total Component Units	6,356,881	0	1,836,045	637,121	0	(3,883,715)
			Governmental Activities	Business-Type Activities	Total	Component Units
Change in net position						
Net (expense) revenue			\$ (28,432,822)	\$ 28,926,335	\$ 493,513	\$ (3,883,715)
General revenues						
Taxes						
Property			13,975,315	0	13,975,315	3,591,958
Intangibles			179,964	0	179,964	0
Franchise			4,507,256	0	4,507,256	0
Occupational			1,418,919	0	1,418,919	0
Insurance premium			2,433,437	0	2,433,437	0
Alcoholic beverages			1,160,672	0	1,160,672	0
Hotel/Motel			1,053,683	0	1,053,683	0
Local option sales			6,235,875	0	6,235,875	0
Investment			2,421,542	3,625,899	6,047,441	96,205
Payments from City of Gainesville			0	0	0	766,385
Gain on sale of assets			60,948	53,525	114,473	190,044
Miscellaneous			337,490	86,220	423,710	21,357
Transfers			3,577,520	(3,577,520)	0	0
Total general revenues and transfers			37,362,621	188,124	37,550,745	4,665,949
Change in net position			8,929,799	29,114,459	38,044,258	782,234
Net position - beginning			90,001,567	446,005,326	536,006,893	10,156,041
Net position - ending			\$ 98,931,366	\$ 475,119,785	\$ 574,051,151	\$ 10,938,275

CITY OF GAINESVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	<u>General</u>	<u>Fire</u>	<u>Economic Development</u>
ASSETS			
Cash and cash equivalents	\$ 12,697,067	\$ 1,030,184	\$ 5,502,188
Investments	0	0	10,548,835
Receivables (net)			
Accounts	97,729	403	1,748
Intergovernmental	372,892	491	0
Taxes	1,139,691	49,146	0
Notes	0	0	0
Prepaid items	2,424	0	0
Due from other funds	355,028	0	0
Inventory	0	0	0
Advances to other funds	223,370	0	0
Total assets	<u><u>\$ 14,888,201</u></u>	<u><u>\$ 1,080,224</u></u>	<u><u>\$ 16,052,771</u></u>
LIABILITIES			
Payables			
Accounts	\$ 585,000	\$ 54,313	\$ 3,684
Retainages	3,106	0	0
Accrued salaries	473,407	209,965	0
Due to other funds	0	0	10,017,622
Due to others	62,246	0	0
Total liabilities	<u><u>1,123,759</u></u>	<u><u>264,278</u></u>	<u><u>10,021,306</u></u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue -			
Property taxes	55,867	41,517	0
Notes receivable	0	0	0
Total deferred inflows of resources	<u><u>55,867</u></u>	<u><u>41,517</u></u>	<u><u>0</u></u>
FUND BALANCES			
Nonspendable	225,794	0	0
Restricted	0	0	0
Committed	4,957	0	0
Assigned	3,604,326	774,429	6,031,465
Unassigned	9,873,498	0	0
Total fund balances	<u><u>13,708,575</u></u>	<u><u>774,429</u></u>	<u><u>6,031,465</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 14,888,201</u></u>	<u><u>\$ 1,080,224</u></u>	<u><u>\$ 16,052,771</u></u>

General Government Capital Projects	Nonmajor Governmental Funds	Totals
\$ 9,593,742	\$ 26,836,978	\$ 55,660,159
0	293,229	10,842,064
238,489	30	338,399
0	1,939,221	2,312,604
0	122,520	1,311,357
0	225,069	225,069
0	9,319	11,743
0	1,500,472	1,855,500
0	34,002	34,002
0	0	223,370
<u>\$ 9,832,231</u>	<u>\$ 30,960,840</u>	<u>\$ 72,814,267</u>
\$ 224,303	\$ 897,309	\$ 1,764,609
15,453	38,630	57,189
0	49,521	732,893
0	1,774,912	11,792,534
0	41,922	104,168
<u>239,756</u>	<u>2,802,294</u>	<u>14,451,393</u>
0	27,003	124,387
0	225,069	225,069
0	252,072	349,456
0	43,321	269,115
2,491,346	18,223,337	20,714,683
0	385,580	390,537
7,101,129	9,254,236	26,765,585
0	0	9,873,498
<u>9,592,475</u>	<u>27,906,474</u>	<u>58,013,418</u>
<u>\$ 9,832,231</u>	<u>\$ 30,960,840</u>	<u>\$ 72,814,267</u>



CITY OF GAINESVILLE, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2019

Total fund balance - total governmental funds		\$ 58,013,418
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Amounts reported for governmental activities in the statement of net position are different because:

Some assets are not financial resources and, therefore, are not reported in the funds.

These are:

Capital assets, net of accumulated depreciation		106,114,745
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Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are unavailable in the funds.

These are:

Property taxes	\$ 124,387	
Notes receivable	225,069	349,456
	<u>225,069</u>	

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

These are:

Capital leases	\$ (20,557,481)	
Interest payable	(86,208)	
Compensated absences	(1,386,265)	
Net pension liability	(28,834,209)	
Net OPEB obligation	<u>(16,012,582)</u>	(66,876,745)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

These are:

Deferred outflows of resources:

Deferred outflows related to pensions	\$ 4,760,109	
Deferred outflows related to other post employment benefits	1,108,929	

Deferred inflows of resources:

Deferred inflows related to pensions	(3,619,244)	
Deferred inflows related to other post employment benefits	<u>(5,771,635)</u>	(3,521,841)

Internal service funds are used by management to charge the costs of certain activities, such as risk management, employee benefits, and vehicle maintenance, to individual funds. Assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Internal service funds net position	\$ 6,300,812	
Less internal balance resulting from allocation of internal service fund activities allocated to business-type activities	(1,319,280)	
Less capital assets included above	(159,742)	
Add compensated absences included above	<u>30,543</u>	<u>4,852,333</u>

Net position of governmental activities		<u><u>\$ 98,931,366</u></u>
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CITY OF GAINESVILLE, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	General	Fire	Economic Development
REVENUES			
Taxes	\$ 21,150,543	\$ 5,940,994	\$ 0
Licenses and permits	1,192,531	0	0
Fines, fees and forfeitures	1,270,227	0	0
Charges for services	2,771,075	0	0
Intergovernmental	404,061	3,298	0
Investment	745,151	23,591	1,137,320
Contributions	13,732	0	0
Other	251,353	0	0
Total revenues	27,798,673	5,967,883	1,137,320
EXPENDITURES			
Current			
General Government	5,060,187	0	0
Judicial	536,900	0	0
Public Safety	9,417,675	8,392,915	0
Public Works	4,783,471	0	0
Health and Welfare	19,500	0	0
Culture and Recreation	0	0	0
Housing and Development	1,525,495	0	206,827
Debt service			
Principal	0	0	0
Interest and other charges	0	0	0
Capital outlay	0	0	0
Total expenditures	21,343,228	8,392,915	206,827
Excess (deficiency) of revenues over (under) expenditures	6,455,445	(2,425,032)	930,493
Other financing sources (uses)			
Transfers in	3,334,595	3,199,225	0
Transfers out	(9,397,763)	0	0
Issuance of capital leases	0	0	0
Sales of capital assets	51,887	236	0
Total other financing sources (uses)	(6,011,281)	3,199,461	0
Net changes in fund balances	444,164	774,429	930,493
Fund balances, July 1	13,264,411	0	5,100,972
Fund balances, June 30	\$ 13,708,575	\$ 774,429	\$ 6,031,465

General Government Capital Projects	Nonmajor Governmental Funds	Totals
\$ 0	\$ 3,846,982	\$ 30,938,519
0	0	1,192,531
0	470,209	1,740,436
0	1,490,995	4,262,070
0	2,733,908	3,141,267
55,633	6,065,386	8,027,081
0	155,570	169,302
0	86,133	337,486
<u>55,633</u>	<u>14,849,183</u>	<u>49,808,692</u>
0	180,766	5,240,953
0	0	536,900
0	610,217	18,420,807
0	4,275	4,787,746
0	2,834,079	2,853,579
0	626,120	626,120
0	1,193,805	2,926,127
0	2,176,859	2,176,859
0	630,248	630,248
6,033,782	4,509,592	10,543,374
<u>6,033,782</u>	<u>12,765,961</u>	<u>48,742,713</u>
<u>(5,978,149)</u>	<u>2,083,222</u>	<u>1,065,979</u>
5,363,546	2,167,691	14,065,057
(104,226)	(985,549)	(10,487,538)
4,933,489	0	4,933,489
0	53,039	105,162
<u>10,192,809</u>	<u>1,235,181</u>	<u>8,616,170</u>
4,214,660	3,318,403	9,682,149
<u>5,377,815</u>	<u>24,588,071</u>	<u>48,331,269</u>
<u>\$ 9,592,475</u>	<u>\$ 27,906,474</u>	<u>\$ 58,013,418</u>

CITY OF GAINESVILLE, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2019

Net change in fund balances - total governmental funds	\$	9,682,149
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Amounts reported for governmental activities in the statement of activities are different because:

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.

Capital outlays	\$ 5,621,722	
Depreciation	<u>(4,776,676)</u>	845,046

In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources.

Cost of assets disposed	\$ (1,985,204)	
Related accumulated depreciation	<u>846,503</u>	(1,138,701)

Contributions of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

Component Unit	\$ 156,138	
Business-type activities	280,332	
Related accumulated depreciation	(280,332)	
Individual contributors	2,896,376	
Other governments	<u>64,696</u>	3,117,210

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable revenue. (20,121)

The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.

Debt principal repayments	\$ 2,184,363	
Debt proceeds	(4,933,489)	
Net change in interest payable	<u>(37,274)</u>	(2,786,400)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	\$ 3,773,121	
Cost of benefits earned net of employee contributions	<u>(4,655,742)</u>	(882,621)

Other post employment benefits are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

OPEB contributions	\$ 1,505,735	
Cost of benefits earned net of employee contributions	<u>(1,186,009)</u>	319,726

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Compensated absences	(99,308)
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Internal service funds are used by management to charge the cost of certain activities, such as risk management and vehicle maintenance, to individual funds. Net revenue (expense) of internal service funds is reported with governmental activities.

Change in net position of internal service funds	\$ (282,223)	
Add depreciation expense included above	37,581	
Add change in compensated absences included above	4,069	
Add consolidation of internal service fund activities allocated to business-type activities	178,935	
Subtract capital outlay included above	<u>(45,543)</u>	<u>(107,181)</u>
Change in net position of governmental activities		<u><u>\$ 8,929,799</u></u>

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 18,686,317	\$ 19,010,317	\$ 21,150,543	\$ 2,140,226
Licenses and permits	877,000	877,000	1,192,531	315,531
Fines, fees and forfeitures	1,360,000	1,360,000	1,270,227	(89,773)
Charges for services	2,887,335	2,887,335	2,771,075	(116,260)
Intergovernmental	404,951	421,362	404,061	(17,301)
Investment	110,000	110,000	745,151	635,151
Contributions	0	7,377	13,732	6,355
Other	270,400	270,400	251,353	(19,047)
Total revenues	24,596,003	24,943,791	27,798,673	2,854,882
EXPENDITURES				
Current				
General Government				
Mayor and Council	385,920	398,452	311,275	87,177
City Manager's Office	874,008	887,963	855,325	32,638
Finance	1,301,737	1,297,267	1,250,275	46,992
Information Technologies	802,994	963,622	899,540	64,082
Human Resources	811,732	809,279	739,588	69,691
Public Lands and Buildings	697,494	1,164,605	1,004,184	160,421
Judicial				
Municipal Court	572,498	563,649	536,900	26,749
Public Safety				
Police	9,867,761	9,826,920	9,417,675	409,245
Public Works				
Engineering	1,035,927	1,029,827	1,011,544	18,283
Traffic	1,384,048	1,340,448	1,238,104	102,344
Street Maintenance	1,832,964	1,854,746	1,656,208	198,538
Storm Water	415,255	415,255	303,972	111,283
Cemetery	609,247	607,247	573,643	33,604
Health and Welfare				
Agency allocations	12,500	19,500	19,500	0
Housing and Development				
Planning	589,824	734,104	722,800	11,304
Inspection	453,459	425,248	406,811	18,437
Code Enforcement	368,892	370,636	362,884	7,752
Agency allocations	33,000	33,000	33,000	0
Total expenditures	22,049,260	22,741,768	21,343,228	1,398,540
Excess (deficiency) of revenues over (under) expenditures	2,546,743	2,202,023	6,455,445	4,253,422
Other financing sources (uses)				
Transfers in (out)				
Transfers in	3,257,067	3,388,106	3,334,595	(53,511)
Transfers out	(8,648,974)	(9,496,735)	(9,397,763)	98,972
Contingency	(691,577)	(245,381)	0	245,381
Sales of capital assets	40,000	40,000	51,887	11,887
Total other financing sources (uses)	(6,043,484)	(6,314,010)	(6,011,281)	302,729
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,496,741)	(4,111,987)	444,164	4,556,151
Fund balances, July 1	3,496,741	4,111,987	13,264,411	9,152,424
Fund balances, June 30	\$ 0	\$ 0	\$ 13,708,575	\$ 13,708,575

CITY OF GAINESVILLE, GEORGIA
FIRE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
REVENUES				
Property taxes	\$ 5,777,256	\$ 5,777,256	\$ 5,892,252	\$ 114,996
Motor vehicle	60,719	60,719	48,742	(11,977)
Intergovernmental	0	0	3,298	3,298
Investment	20,000	20,000	23,591	3,591
Total revenues	<u>5,857,975</u>	<u>5,857,975</u>	<u>5,967,883</u>	<u>109,908</u>
EXPENDITURES				
Current				
Public Safety				
Fire	8,557,200	8,557,200	8,392,915	164,285
Debt Service	284,000	784,000	0	784,000
Total expenditures	<u>8,841,200</u>	<u>9,341,200</u>	<u>8,392,915</u>	<u>948,285</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,983,225)</u>	<u>(3,483,225)</u>	<u>(2,425,032)</u>	<u>1,058,193</u>
Other financing sources (uses)				
Transfers in (out)				
Transfers in	2,699,225	3,199,225	3,199,225	0
Sales of capital assets	0	0	236	236
Total other financing sources (uses)	<u>2,699,225</u>	<u>3,199,225</u>	<u>3,199,461</u>	<u>236</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(284,000)</u>	<u>(284,000)</u>	<u>774,429</u>	<u>1,058,429</u>
Fund balances, July 1	<u>284,000</u>	<u>284,000</u>	<u>0</u>	<u>(284,000)</u>
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 774,429</u>	<u>\$ 774,429</u>

CITY OF GAINESVILLE, GEORGIA
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Final
				Budget
REVENUES				
Investment	\$ 162,500	\$ 162,500	\$ 1,137,320	\$ 974,820
EXPENDITURES				
Current				
Housing and Development				
Other	220,500	220,500	206,827	13,673
Excess (deficiency) of revenues over (under) expenditures	(58,000)	(58,000)	930,493	988,493
Fund balances, July 1	58,000	58,000	5,100,972	5,042,972
Fund balances, June 30	\$ 0	\$ 0	\$ 6,031,465	\$ 6,031,465

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Business-Type Activities			Governmental Activities
	Department of Water Resources	Nonmajor Enterprise Funds	Totals	Internal Service
ASSETS				
Current assets				
Cash and cash equivalents	\$ 38,379,761	\$ 4,473,724	\$ 42,853,485	\$ 8,592,019
Restricted assets				
Cash and cash equivalents	77,559,209	0	77,559,209	0
Receivables (net)				
Accounts	5,167,628	290,304	5,457,932	26,415
Intergovernmental	216,266	1,528,275	1,744,541	8,507
Other	20,684	0	20,684	0
Due from other funds	10,017,622	0	10,017,622	0
Inventories	1,663,480	0	1,663,480	94,184
Other assets	0	0	0	140,000
Total current assets	133,024,650	6,292,303	139,316,953	8,861,125
Noncurrent assets				
Capital assets				
Non-depreciable	71,150,853	2,610,437	73,761,290	0
Depreciable (net)	399,036,144	10,860,905	409,897,049	159,742
Total noncurrent assets	470,186,997	13,471,342	483,658,339	159,742
Total assets	603,211,647	19,763,645	622,975,292	9,020,867
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	237,639	37,321	274,960	0
Deferred outflows related to pensions	2,921,361	121,340	3,042,701	0
Deferred outflows related to other post employment benefits	658,912	91,415	750,327	0
Total deferred outflow of resources	3,817,912	250,076	4,067,988	0
LIABILITIES				
Current liabilities				
Payables				
Accounts	1,596,364	449,294	2,045,658	219,324
Intergovernmental	827,429	0	827,429	0
Deposits	0	4,036	4,036	135,902
Retainage	0	179,320	179,320	0
Sales tax	0	9,272	9,272	0
Interest	0	7,543	7,543	0
Accrued salaries	395,785	57,485	453,270	11,217
Due to other funds	0	80,587	80,587	0
Compensated absences	656,721	74,016	730,737	27,489
Claims reserve	0	0	0	2,323,069
Capital lease payable	1,261,588	715,428	1,977,016	0
Other liabilities	0	47,450	47,450	0
Liabilities payable from restricted assets:				
Payables				
Accounts	2,475,704	0	2,475,704	0
Retainages	779,916	0	779,916	0
Customer deposits	2,320,129	0	2,320,129	0
Interest	360,262	0	360,262	0
Revenue bonds payable	12,615,000	0	12,615,000	0
Total current liabilities	23,288,898	1,624,431	24,913,329	2,717,001

See accompanying notes to the financial statements.

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Business-Type Activities			Governmental Activities
	Department of Water Resources	Nonmajor Enterprise Funds	Totals	Internal Service
Noncurrent liabilities				
Advances from other funds	\$ 0	\$ 223,370	\$ 223,370	\$ 0
Compensated absences	72,969	8,225	81,194	3,054
Net pension liability	19,093,839	509,938	19,603,777	0
Net OPEB liability	9,498,305	1,317,579	10,815,884	0
Capital leases payable	13,877,468	1,705,000	15,582,468	0
Revenue bonds payable	75,695,630	0	75,695,630	0
Total noncurrent liabilities	118,238,211	3,764,112	122,002,323	3,054
Total liabilities	141,527,109	5,388,543	146,915,652	2,720,055
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	2,116,025	260,421	2,376,446	0
Deferred inflows related to other post employment benefits	3,469,005	481,672	3,950,677	0
Total deferred inflows of resources	5,585,030	742,093	6,327,123	0
NET POSITION				
Net investment in capital assets	364,408,087	10,587,122	374,995,209	159,742
Restricted for:				
Capital outlay	67,584,347	25,649	67,609,996	0
Debt service	7,294,471	0	7,294,471	0
Unrestricted	20,630,515	3,270,314	23,900,829	6,141,070
Total net position	\$ 459,917,420	\$ 13,883,085	473,800,505	\$ 6,300,812
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,319,280	
Net position of business-type activities			\$ 475,119,785	

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2019

	Business-Type Activities			Governmental Activities
	Department of Water Resources	Nonmajor Enterprise Funds	Totals	Internal Service
OPERATING REVENUES				
Charges for sales and services	\$ 74,135,037	\$ 5,004,050	\$ 79,139,087	\$ 0
Interfund services provided	0	0	0	12,857,706
Other	64,161	22,059	86,220	8,561
Total operating revenues	74,199,198	5,026,109	79,225,307	12,866,267
OPERATING EXPENSES				
Costs of sales and services	22,379,999	1,945,579	24,325,578	12,913,582
Personal services	13,934,033	1,912,120	15,846,153	387,228
Depreciation	15,334,337	1,418,677	16,753,014	37,581
Total operating expenses	51,648,369	5,276,376	56,924,745	13,338,391
Operating income (loss)	22,550,829	(250,267)	22,300,562	(472,124)
Non-operating revenues (expenses)				
Investment revenue	3,529,834	133,313	3,663,147	186,986
Interest expense	(3,332,805)	(83,681)	(3,416,486)	0
Gain (loss) on sale of capital assets	(78,521)	53,525	(24,996)	2,915
Total non-operating revenues (expenses)	118,508	103,157	221,665	189,901
Income (loss) before capital contributions and transfers	22,669,337	(147,110)	22,522,227	(282,223)
Capital contributions				
Connection fees	4,363,061	0	4,363,061	0
Capital contributions	4,125,321	0	4,125,321	0
Intergovernmental revenue	0	1,860,305	1,860,305	0
Total capital contributions	8,488,382	1,860,305	10,348,687	0
Income (loss) before transfers	31,157,719	1,713,195	32,870,914	(282,223)
Transfers in (out)				
Transfers in	0	404,562	404,562	0
Transfers out	(3,982,082)	0	(3,982,082)	0
Total transfers in (out)	(3,982,082)	404,562	(3,577,520)	0
Change in net position	27,175,637	2,117,757	29,293,394	(282,223)
Net position, July 1	432,741,783	11,765,328	444,507,111	6,583,035
Net position, June 30	\$ 459,917,420	\$ 13,883,085	\$ 473,800,505	\$ 6,300,812
Change in net position - enterprise funds			\$ 29,293,394	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(178,935)	
Change in net position - business-type activities			\$ 29,114,459	

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2019

	Business-Type Activities			Governmental Activities
	Department of Water Resources	Nonmajor Enterprise Funds	Totals	Internal Service
Cash flows from operating activities:				
Receipts from customers	\$ 73,265,273	\$ 5,060,441	\$ 78,325,714	\$ 0
Receipts from interfund services provided	0	0	0	12,857,950
Payments to suppliers	(21,588,325)	(1,938,126)	(23,526,451)	(12,890,514)
Payments to employees	(13,497,090)	(1,995,863)	(15,492,953)	(381,013)
Other receipts	64,161	15,959	80,120	8,561
Net cash provided (used) by operating activities	38,244,019	1,142,411	39,386,430	(405,016)
Cash flows from non-capital financing activities:				
Receipts from other funds	0	404,562	404,562	0
Payments to other funds	(13,315,323)	(35,420)	(13,350,743)	0
Net cash provided (used) by non-capital financing activities	(13,315,323)	369,142	(12,946,181)	0
Cash flows from capital and related financing activities:				
Connection fees	4,363,061	0	4,363,061	0
Receipts from other funds	30,818	80,587	111,405	0
Payments to other funds	(984,980)	0	(984,980)	0
Receipts from other governments	0	440,986	440,986	0
Proceeds from sale of capital assets	119,611	58,278	177,889	7,373
Interest paid	(3,398,014)	(68,628)	(3,466,642)	0
Acquisition of capital assets	(8,521,582)	(2,251,334)	(10,772,916)	(50,000)
Payment of capital related accounts payable	(2,655,166)	(1,279)	(2,656,445)	0
Principal payments - bonds	(16,200,000)	0	(16,200,000)	0
Principal payments - capital leases and promissory notes	0	(704,475)	(704,475)	0
Net cash provided (used) by capital and related financing activities	(27,246,252)	(2,445,865)	(29,692,117)	(42,627)
Cash flows from investing activities:				
Interest received	2,719,658	133,313	2,852,971	186,986
Net increase (decrease) in cash and cash equivalents	402,102	(800,999)	(398,897)	(260,657)
Cash and cash equivalents, July 1	115,536,868	5,274,723	120,811,591	8,852,676
Cash and cash equivalents, June 30	\$ 115,938,970	\$ 4,473,724	\$ 120,412,694	\$ 8,592,019

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2019

	Business-Type Activities			Governmental Activities
	Department of Water Resources	Nonmajor Enterprise Funds	Totals	Internal Service
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 22,550,829	\$ (250,267)	\$ 22,300,562	\$ (472,124)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	15,334,337	1,418,677	16,753,014	37,581
(Increase) decrease in accounts receivable	(842,635)	48,681	(793,954)	169
(Increase) decrease in intergovernmental receivables	(47,249)	0	(47,249)	75
(Increase) decrease in inventory	(44,796)	0	(44,796)	24,050
(Increase) decrease in deferred outflows of resources	(167,240)	18,330	(148,910)	0
Increase (decrease) in accounts payable	14,111	7,463	21,574	(87,559)
Increase (decrease) in intergovernmental payables	822,359	0	822,359	0
Increase (decrease) in sales tax payable	0	1,611	1,611	0
Increase (decrease) in accrued salaries and benefits	83,912	7,771	91,683	6,216
Increase (decrease) in deposits payable	20,120	0	20,120	26,192
Increase (decrease) in claims reserve	0	0	0	60,384
Increase (decrease) in net pension liability	628,883	(97,184)	531,699	0
Increase (decrease) in deferred inflows of resources	2,656,574	329,334	2,985,908	0
Increase (decrease) in OPEB liability	(2,765,186)	(341,997)	(3,107,183)	0
Increase (decrease) in other liabilities	0	(8)	(8)	0
Total adjustments	15,693,190	1,392,678	17,085,868	67,108
Net cash provided (used) by operating activities	\$ 38,244,019	\$ 1,142,411	\$ 39,386,430	\$ (405,016)
Cash and cash equivalents reconciliation:				
Cash and cash equivalents	\$ 38,379,761	\$ 4,473,724	\$ 42,853,485	\$ 8,592,019
Restricted assets				
Cash and cash equivalents	77,559,209	0	77,559,209	0
Total cash and cash equivalents	\$ 115,938,970	\$ 4,473,724	\$ 120,412,694	\$ 8,592,019

Noncash investing, capital, and financing activities:

Contributions of capital assets from individuals totaled \$2,832,743.
Acquisition of capital assets through accounts payable totaled \$2,108,743.
Acquisition of capital assets through retainage payable totaled \$959,236.
Forgiveness of capital lease through capital contributions totaled \$1,261,588.

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2019

	Community Private-Purpose Trust Fund	Employees' Pension Trust Fund	Municipal Court Agency Fund
ASSETS			
Cash and cash equivalents	\$ 32,515	\$ 863,065	\$ 90,693
Accounts receivable	200	0	0
Investments, at fair value			
Mutual funds			
Equity	0	64,907,057	0
Fixed income	0	30,192,196	0
Real estate	0	9,708,659	0
Total assets	32,715	105,670,977	90,693
LIABILITIES			
Accounts payable	0	83,678	0
Due to other agencies	0	0	90,693
Total liabilities	0	83,678	90,693
NET POSITION			
Restricted for:			
Pensions	0	105,587,299	0
Employee assistance	32,715	0	0
Total net position	\$ 32,715	\$ 105,587,299	\$ 0

CITY OF GAINESVILLE, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the fiscal year ended June 30, 2019

	Community Private-Purpose Trust Fund	Employees' Pension Trust Fund
ADDITIONS		
Contributions		
Employer contributions	\$ 0	\$ 3,459,466
Employee contributions	0	3,459,466
Employee donations	50,804	0
Total contributions and donations	50,804	6,918,932
Investment Income		
Net appreciation (depreciation) in fair value of investments	0	6,284,608
Interest	3	11,828
Dividends	0	1,938,702
Investment expense	0	(292,750)
Net investment income (loss)	3	7,942,388
Total additions (reductions)	50,807	14,861,320
DEDUCTIONS		
Benefits	0	8,484,302
Refunds	0	396,535
Distributions for assistance	41,376	0
Total deductions	41,376	8,880,837
Change in net position	9,431	5,980,483
Net position held in trust for pension benefits and other purposes		
Net position, July 1	23,284	99,606,816
Net position, June 30	<u>\$ 32,715</u>	<u>\$ 105,587,299</u>

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2019

	City of Gainesville Parks and Recreation	Gainesville Convention and Visitor's Bureau	Total Component Units
ASSETS			
Current assets			
Cash and cash equivalents	\$ 3,586,014	\$ 665,885	\$ 4,251,899
Receivables			
Accounts	21,763	0	21,763
Taxes	40,912	0	40,912
Restricted assets			
Cash and cash equivalents	200,000	0	200,000
Total current assets	3,848,689	665,885	4,514,574
Noncurrent assets			
Capital assets			
Non-depreciable	4,898,825	0	4,898,825
Depreciable (net)	4,835,380	8,146	4,843,526
Total noncurrent assets	9,734,205	8,146	9,742,351
Total assets	13,582,894	674,031	14,256,925
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	32,417	75,920	108,337
Deferred outflows related to other post employment benefits	110,922	11,694	122,616
Total deferred outflows of resources	143,339	87,614	230,953
LIABILITIES			
Current liabilities			
Payables			
Accounts	125,950	17,067	143,017
Intergovernmental	8,585	0	8,585
Sales tax	9,305	0	9,305
Accrued salaries	112,683	8,641	121,324
Compensated absences	96,154	14,189	110,343
Other liabilities	15,271	0	15,271
Total current liabilities	367,948	39,897	407,845
Noncurrent liabilities			
Compensated absences	10,684	1,577	12,261
Net pension liability	75,170	463,305	538,475
Net OPEB liability	1,605,631	157,898	1,763,529
Total noncurrent liabilities	1,691,485	622,780	2,314,265
Total liabilities	2,059,433	662,677	2,722,110

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2019

	City of Gainesville Parks and Recreation	Gainesville Convention and Visitor's Bureau	Total Component Units
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 119,606	\$ 52,640	\$ 172,246
Deferred inflows related to other post employment benefits	567,549	87,698	655,247
Total deferred inflows of resources	687,155	140,338	827,493
NET POSITION			
Net investment in capital assets	9,723,922	8,146	9,732,068
Restricted for cultural and recreation	5,255	0	5,255
Restricted for capital outlay	225	0	225
Unrestricted	1,250,243	(49,516)	1,200,727
Total net position	\$ 10,979,645	\$ (41,370)	\$ 10,938,275

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
COMPONENT UNITS
For the fiscal year ended June 30, 2019

	City of Gainesville Parks and Recreation	Gainesville Convention and Visitor's Bureau	Total Component Units
Expenses			
Culture and Recreation	\$ 5,758,370	\$ 0	\$ 5,758,370
Housing and Development	0	598,511	598,511
Total expenses	5,758,370	598,511	6,356,881
Program revenues			
Charges for services	1,825,378	10,667	1,836,045
Operating grants and contributions	637,121	0	637,121
Total program revenues	2,462,499	10,667	2,473,166
Net (expense) revenue	(3,295,871)	(587,844)	(3,883,715)
General revenues			
Property taxes	3,591,958	0	3,591,958
Investment	84,420	11,785	96,205
Payments from City of Gainesville	2,223	764,162	766,385
Gain on sale of capital asset	190,044	0	190,044
Miscellaneous	987	20,370	21,357
Total general revenues	3,869,632	796,317	4,665,949
Change in net position	573,761	208,473	782,234
Net position, July 1	10,405,884	(249,843)	10,156,041
Net position, June 30	\$ 10,979,645	\$ (41,370)	\$ 10,938,275



1. Description of Government Unit

The City of Gainesville, Georgia (the City) is located in the Northeastern area of Georgia in Hall County about 50 miles northeast of Atlanta and about 100 miles southwest of Greenville, South Carolina, just north of Interstate 85 on the Chattahoochee River and Lake Sidney Lanier.

The City provides a full range of governmental services, including public safety, health and social services, recreational programs and economic development as well as water and sewer service, the operation of an airport, and funding support for certain other local agencies. The City is governed by an elected mayor and five-member council.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Gainesville (the primary government) and material component units. The component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationship with the City. In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of the following component units have been included as discretely presented component units.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

City of Gainesville Parks and Recreation Board

The City of Gainesville Parks and Recreation Board was established as a legally separate entity through a special election in 1924 and operates pursuant to the Official Code of Georgia Annotated section 36-64-1. The Board consists of nine members appointed by the City Council. The City Council levies a recreation tax which can be not less than 0.75 mills and not greater than 1.0 mills. The Parks and Recreation Board provides leisure services to the citizens of the City of Gainesville and the citizens of Hall County. The Board undertakes special projects and assignments for City management. In many respects it functions similar to a City department through regular participation in department director meetings, budget approval, accounting, payroll, etc.

The City of Gainesville Parks and Recreation is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Comprehensive Annual Report in the section labeled "Component Unit". (See Exhibits K-1 to K-4). Gainesville Parks and Recreation has a June 30 year-end. There is no separately issued stand-alone financial report for this component unit.

Gainesville Convention and Visitor's Bureau

The Gainesville Convention and Visitor's Bureau was established as a legally separate entity through presentation of House Bill 1132 approved by the Governor on April 29, 2014 and operates pursuant to the Official Code of Georgia Annotated section 48-13-51. The Board consists of up to seven directors appointed by the City Council. The City of Gainesville collects hotel/motel taxes as authorized by OCGA 48-13-51. Under this law the City levies a tax at a rate of 6%, of which 43 1/3 percent of the total tax is expended for promoting tourism, conventions, and trade shows through a contract or contracts with a convention and visitors bureau authority created by local Act of the General Assembly for a municipality, or a private sector nonprofit organization. The Gainesville Convention and Visitor's Bureau has the responsibility and authority to promote tourism, conventions, and trade shows in the City of Gainesville, Georgia for the citizens of Hall County. The Board undertakes special projects and assignments from City management. In many respects it functions similar to a City department through regular participation in department director meetings, budget approval, accounting, payroll, etc.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Gainesville Convention and Visitor's Bureau

The Gainesville Convention and Visitor's Bureau is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Comprehensive Annual Report in the section labeled "Component Units". (See Exhibits K-5 and K-6). The Gainesville Convention and Visitor's Bureau has a June 30 year-end. There is no separately issued stand-alone financial report for this component unit.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The government has two discretely presented component units. Parks and Recreation component unit and the Convention and Visitor's Bureau component unit are combined and are shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Department of Water Resources Enterprise Fund and the other functions of the government. Elimination of these charges would distort the direct costs of program revenues reported for the various functions concerned.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

Fire Fund – This fund is used to account for valorem property tax collections derived from the City's special tax district for Fire Services and the costs associated with the operation of the City's Fire Department.

Economic Development Fund - This fund is used to account for activities of economic development.

General Government Capital Projects Fund - This fund is used to account for general purpose long-term capital projects financed from various revenue sources.

The City reports the following major proprietary fund:

Department of Water Resources Fund - This fund is used to account for activities connected with the development, operation, and maintenance of water and sewer service in the City of Gainesville and parts of Hall County.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds - This fund type is used to account for financial resources to be used for the acquisition or construction of capital assets (other than those financed by the proprietary or fiduciary funds).

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Internal Service Funds - These funds are used to account for the financing of goods and services provided to the departments of the government on a cost reimbursement basis. The City's internal service funds are used to account for the financing of employee benefits, risk management services and vehicle repair and maintenance services to other departments or funds of the City on a cost-reimbursement basis.

Fiduciary Fund Types

Trust Funds - These funds are used to account for assets held by the City as a trustee or agent to be expended or invested in accordance with the conditions of a trust or in its agency capacity. The City has a private-purpose trust fund to account for the activity of the Community Trust Fund, and a pension trust fund to account for a single employer retirement system administered by the City for the benefit of its eligible employees.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Fiduciary Fund Types (continued)

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the City or for others. The City has an agency fund to account for the activity of the Municipal Court.

Component Units

The Gainesville Parks and Recreation Component Unit is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e. when they both become measurable and available).

The Gainesville Convention and Visitor's Bureau Component Unit is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e. when they both become measurable and available).

Interfund Activity

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses, continued

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

Proprietary funds and internal service funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Department of Water Resources Fund, Airport Fund, Solid Waste Fund, and Chattahoochee Golf Course Fund, and internal service funds are charges to customers for sales and services. The Department of Water Resources Fund also recognizes as operating revenue a portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Budgets and Budgetary Accounting

The City Council adopts an operating budget for all governmental fund types, except for the Capital Projects Funds, for the upcoming fiscal year, prior to July 1. Capital budgets are adopted for Capital Projects Funds; additional capital projects are budgeted by the City Council as capital projects are approved throughout the year. The adopted budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

The budget process begins each year with a budget priority-setting workshop in which members of the City Council indicate various issues of importance to be considered in the budget. Once the priorities are established, the Budget Officer prepares estimates of both the current and proposed fiscal year revenue for all funds. Expenditure estimates for the current and proposed fiscal year are initially prepared by the respective department directors. All budget estimates are then reviewed by the City Manager, who makes the final decisions regarding the proposed budget. The proposed budget is then presented to the City Council and interested citizens during public hearings. These hearings are publicized in the local newspaper at least one week before the first hearing, and the budget document is made available for public inspection during this period. The final proposed budget is then adopted by the City Council on or before June 30 during a regular Council meeting, which is also open to the public.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Changes may be made within an operating budget by departmental request through the Budget and Purchasing Manager, except for equipment requests under \$5,000, which must be approved by the City Manager, and equipment requests over \$5,000 and changes in personal services budgets, which must be approved by the City Council. All operating budget transfers between departments and all changes to Capital Projects budgets must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditure of money are recorded in order to reserve that portion of the applicable appropriation) is employed as an extension of formal budgetary integration in all funds. Encumbrances outstanding at year-end are reported as restrictions, commitments, or assignments of fund balances since they do not constitute expenditures or liabilities.

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

I. Intergovernmental Receivables

Receivables for state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

J. Inventories

Inventories for the General Fund are valued at average cost and recorded as expenditures when consumed. Inventories in the Enterprise and Internal Service Funds are valued at cost on the first-in, first-out method.

2. Summary of Significant Accounting Policies (continued)

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal year, are recorded as prepaid items. Prepaid items in the governmental funds are recorded as expenditures when consumed.

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the City. Prior to July 1, 2006, neither their historical costs, nor related depreciation, had been reported in the financial statements. The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The City elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

2. Summary of Significant Accounting Policies (continued)

L. Capital Assets, continued

Land and construction-in-progress are not depreciated. The other property, plant equipment, and infrastructure of the primary government are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life	Capitalization
	in Years	Threshold
Buildings	10 to 60	\$ 10,000
Sewer lines	40 to 50	\$ 25,000
Water lines	40 to 50	\$ 25,000
Water and sewer treatment facilities	60	\$ 25,000
Roads	30 to 50	\$ 200,000
Storm drains	25 to 40	\$ 50,000
Sidewalks	25 to 30	\$ 50,000
Bridges/culverts	40 to 50	\$ 100,000
Bike paths	20 to 30	\$ 50,000
Parking lots	15 to 35	\$ 100,000
Traffic signals	15 to 25	\$ 60,000
Airport runways	20 to 40	\$ 25,000
Equipment	5 to 20	\$ 10,000
Vehicles	5 to 15	\$ 10,000
Furniture and fixtures	3 to 8	\$ 10,000
Intangibles	3 to 15	\$ 10,000
Computer software	3 to 5	\$ 20,000

All land will be valued and capitalized. The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports deferred outflows of resources for deferred charges on bond refunding and their defined benefit pension plans and OPEB plan. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to their defined benefit pension plans and OPEB plan.

N. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

2. Summary of Significant Accounting Policies (continued)

O. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed, fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

P. Restricted Assets and Restricted Net Position

Restricted assets of the Enterprise Funds primarily represent unexpended money collected and receivables consisting of extension and renewal receipts which remain restricted for future construction of specific projects for the improvement and expansion of the Water and Sewer system. Restricted assets for debt redemption of the Department of Water Resources Fund represent resources set aside for the repayment of revenue bonds and notes payable outstanding. The assets are maintained in a separate bank account and their use is limited by application of debt covenants.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

2. Summary of Significant Accounting Policies (continued)

Q. Fund Balances – Governmental Funds

The City of Gainesville implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Gainesville's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 120 days of fiscal year-end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City's adopted policy, amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. The City Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

2. Summary of Significant Accounting Policies (continued)

Q. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report positive amounts this category of fund balance.

R. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off (PTO) benefits which will be paid to the employees upon separation from City service. Accumulated unpaid PTO amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured (ie, unused reimbursable leave still outstanding following an employee's resignation or retirement) and is expected to be liquidated with expendable available financial resources.

S. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Issuance costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

2. Summary of Significant Accounting Policies (continued)

T. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

U. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

V. Use of Estimates in the Preparation of the Financial Statements

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

W. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain prior fiscal year amounts have been reclassified to conform to the current fiscal year presentation.

3. Deposit and Investment Risk

Custodial credit risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned. The City's policies require that all deposits be federally insured or fully collateralized. The Employees' Pension Trust Fund is exempt from the City's policy requiring that all deposits be federally insured or fully collateralized.

Investment policies - Credit, concentration of credit, and interest rate risk

The City's financial policies authorize investment in any securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, pooled investment programs of the State of Georgia, and no-load mutual funds of direct obligations of the United States. The City has no investment policy that would further limit its investment choices. The City places no limits on the amount the City may invest in any one issuer of equity or debt securities. Investments are reported at fair market value.

The City's financial policies limit investments to a maximum one year maturity to minimize interest rate risk. The City Manager may approve exceptions to the one-year maturity limit, and such exceptions will be disclosed to City Council.

In general, the Employees' Pension Trust Fund is exempt from the City investment and cash management policies. The City has adopted a separate investment policy for the Pension Trust Fund.

The City participates in the State of Georgia Local Government Investment Pool (Georgia Fund 1). The City policy limits investments in Georgia Fund 1 to 50% of the City's investments. Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AA+ rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability.

3. Deposit and Investment Risk (continued)

The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

The Georgia Fund 1 is rated AA+ by Standard & Poor's. The weighted average maturity at the end of the current fiscal year was 39 days. At the end of the current fiscal year, the City's balance in Georgia Fund 1 was \$47,596,246.

Investment policies – Employees' Pension Trust Fund

The assets of the Employees' Pension Trust Fund are held in several mutual funds and separate account portfolios, which are all overseen by one investment consultant. Pension Trust Fund investments follow State of Georgia Code Sections 47-20-82, 47-20-83, and 47-20-84 for authorized investments.

City policy limits investment in equity securities to 55% (at cost) of the Fund's total asset value. No more than 5% (at cost) of an investment manager's equity portfolio may be invested in the shares of a single corporate issuer. Direct investment in foreign equities traded on foreign exchanges is prohibited. Equities may be managed through the purchase of open-ended, no-load mutual funds or commingled funds as long as these funds in aggregate adhere to the equity guidelines of the policy.

City policy requires that fixed income portfolio should bear an average credit quality of "A" or higher. Investments in Collateralized Mortgage Obligations shall be limited to 15% of the market value of the investment manager's total portfolio. No more than 5% (at cost) of an investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer. There is no limit imposed on investments in fixed income securities issued directly by the US government or any agency or instrumentality thereof. Investments in corporate fixed income securities shall be limited to securities issued by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia. The duration of the fixed income portfolio should be less than 135% of the duration of the Barclays Capital US Aggregate Bond Index. At the end of the current fiscal year, the duration for the index was 5.70 years.

3. Deposit and Investment Risk (continued)

Investment policies – Employees’ Pension Trust Fund (continued)

Investments in corporate fixed income securities shall be limited to those securities rated “BAA” or higher by Moody’s or “BBB” or higher by Standard & Poor’s rating services. Fixed income securities may be managed through the purchase of open-ended, no-load mutual funds or commingled funds as long as these funds in aggregate adhere to the fixed income guidelines of the policy.

Investment	Fair Value	Average Maturity (in years)	Standard and Poor’s Credit Rating
PIMCO Investment Grade Corporate Bond Fund	\$ 7,280,296	11.29	N/A
PIMCO Total Return Fund	6,801,434	7.13	N/A
	<u>\$ 14,081,730</u>		

Foreign currency risk

The City has no investments denominated in a foreign currency.

Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

Debt and equity securities categorized as Level 1 are based on prices quoted in active markets for those securities. Debt securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices. The real estate investments and properties held for resale are quoted as a level 3 input. There is no active market for these investments. Fair value of these investments approximates the cost.

At the end of the current fiscal year, the City had the following recurring fair value measurements in the Employees’ Pension Trust Fund. The investments reported in the Economic Development, Grants, and HUD Grant Special Revenue funds are classified as “Property held for resale.”

CITY OF GAINESVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019

3. Deposit and Investment Risk (continued)

<u>Investment by fair value level</u>	<u>Fair Value</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Debt Securities				
Mutual Funds	\$ 30,192,196	\$ 0	\$ 30,192,196	\$ 0
Equities				
Mutual Funds	64,907,057	64,907,057	0	0
Other				
Real Estate Funds	9,708,659	0	0	9,708,659
Property held for resale	10,842,064	0	0	10,842,064
Total Investments	<u>\$ 115,649,976</u>	<u>\$ 64,907,057</u>	<u>\$ 30,192,196</u>	<u>\$ 20,550,723</u>

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Primary Government:

Major Funds

General Fund		\$ 97,729
Fire Special Revenue Fund		403
Economic Development Special Revenue Fund		1,748
General Government Capital Projects Fund		238,489
Department of Water Resources Fund	\$ 6,373,646	
Less: Allowance for Uncollectibles	<u>(1,206,018)</u>	5,167,628

Nonmajor Funds

Special Revenue Funds		
Community Service Center Fund		30
Enterprise Funds		
Airport Fund	22,232	
Solid Waste Fund	310,738	
Less: Allowance for Uncollectibles	(84,672)	
Golf Course Fund	<u>42,006</u>	290,304
Internal Service Funds		
General Insurance Fund	1,861	
Employee Benefits Fund	<u>24,554</u>	26,415
Total Primary Government		<u>\$ 5,822,746</u>

Component Units:

City of Gainesville Parks and Recreation		<u>\$ 21,763</u>
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5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Primary Government:

Major Funds

General Fund		\$ 372,892
Fire Special Revenue Fund		491
Department of Water Resources Enterprise Fund		216,266

Nonmajor Funds

Special Revenue Funds		
Community Service Center Fund	\$ 409,365	
Grants Fund	346,934	
Government Access Cable TV Channel Fund	7,525	
HUD Grant Fund	<u>30,227</u>	794,051
Debt Service Funds		
Debt Service Fund		449
Capital Projects Funds		
SPLOST Fund	1,115,259	
Grants Fund	<u>29,462</u>	1,144,721
Enterprise funds		
Airport Fund		1,528,275
Internal Service Funds		
Vehicle Services		<u>8,507</u>
Total Primary Government		<u><u>\$ 4,065,652</u></u>

6. Property Taxes

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2019, based upon the assessments of January 1, 2018 and the levy date of October 1, 2018, were final billed on October 1, 2018, and due on December 1, 2018. Tax liens are issued 90 days after the due date. The City of Gainesville bills and collects its own property taxes with property tax collections appearing as revenues to the respective funds (General, Fire, Tax Allocation District, Debt Service, and Parks and Recreation Component Unit) according to the tax rates set by City Council.

7. Intradepartmental Billings

Total operating revenues and total operating expenses in the Department of Water Resources Enterprise Fund includes \$169,110 of intradepartmental billings for water and sewer usage for the current fiscal year.

8. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current fiscal year is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 355,028
Department of Water Resources	Economic Development	10,017,622
Nonmajor Governmental	Nonmajor Governmental	1,419,884
Nonmajor Governmental	Nonmajor Enterprise	80,587
		<u>\$ 11,873,121</u>

The balance reported as Due to/Due from represent loans between the borrower funds and the lender. Balances reported between the General Fund and nonmajor governmental funds resulted from transactions to alleviate equity in pooled cash deficits at year-end.

At the end of the current fiscal year, the City reported an advance due to/from other funds. \$223,370 is reported in the General Fund as advances to other funds and as advances from other funds in the Chattahoochee Golf Course Enterprise Fund. This balance is not expected to be repaid with one year.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

8. Interfund Receivables, Payables, and Transfers (continued)

A summary of interfund transfers is as follows:

<u>Transfer Out Fund</u>	<u>Transfer In Fund</u>	<u>Amount</u>
General	Fire Special Revenue Fund	\$ 3,199,225
	General Government Capital Projects	4,504,799
	Nonmajor Governmental	1,289,177
	Nonmajor Enterprise	404,562
General Government Capital Projects	Nonmajor Governmental	104,226
Department of Water Resources	General	3,297,702
	General Government Capital Projects	684,380
Nonmajor Governmental	General	36,893
	General Government Capital Projects	174,367
	Nonmajor Governmental	774,288
		<u>\$ 14,469,619</u>

Interfund transfers were used to transfer unrestricted revenues from payor funds to subsidize operations in payee funds in accordance with budgetary authorizations, to transfer City matching funds in accordance with grant agreements, to transfer funds to Capital Projects Funds for capital projects in accordance with budgetary authorizations, and to move capital assets between governmental activities and business-type activities. The transfer from the Department of Water Resources Fund to the General Fund is in accordance with City policy, and is common practice for government-owned utility systems. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

CITY OF GAINESVILLE, GEORGIA
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9. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Governmental activities				
Non-depreciable assets				
Land	\$ 26,389,441	\$ 1,059,442	\$ 0	\$ 27,448,883
Easements	0	132,500	0	132,500
Construction in progress	3,772,112	5,569,468	(2,759,429)	6,582,151
Total non-depreciable assets	30,161,553	6,761,410	(2,759,429)	34,163,534
Depreciable assets				
Buildings	58,749,805	19,850	0	58,769,655
Land improvements	3,124,046	171,788	0	3,295,834
Vehicles and equipment	22,831,116	1,363,117	(849,936)	23,344,297
Intangibles	3,156,035	0	(43,696)	3,112,339
Infrastructure	39,307,902	2,325,419	0	41,633,321
Total depreciable assets	127,168,904	3,880,174	(893,632)	130,155,446
Less accumulated depreciation				
Buildings	(18,219,993)	(1,469,227)	0	(19,689,220)
Land improvements	(1,817,839)	(118,317)	0	(1,936,156)
Vehicles and equipment	(16,128,205)	(1,909,082)	802,807	(17,234,480)
Intangibles	(2,148,010)	(243,665)	43,696	(2,347,979)
Infrastructure	(15,679,683)	(1,316,717)	0	(16,996,400)
Total accumulated depreciation	(53,993,730)	(5,057,008)	846,503	(58,204,235)
Total depreciable assets, net	73,175,174	(1,176,834)	(47,129)	71,951,211
Governmental activities capital assets, net	\$ 103,336,727	\$ 5,584,576	\$ (2,806,558)	\$ 106,114,745
Business-type activities				
Non-depreciable assets				
Land	\$ 31,534,028	\$ 973,511	\$ 0	\$ 32,507,539
Easements	2,056,998	0	0	2,056,998
Construction in progress	35,945,359	12,378,603	(9,127,209)	39,196,753
Total non-depreciable assets	69,536,385	13,352,114	(9,127,209)	73,761,290
Depreciable assets				
Buildings	52,213,906	730,579	0	52,944,485
Land improvements	10,211,827	0	(115,214)	10,096,613
Vehicles and equipment	38,350,324	3,523,494	(1,652,157)	40,221,661
Intangibles	6,089,224	0	0	6,089,224
Infrastructure	551,945,947	8,568,609	(243,000)	560,271,556
Total depreciable assets	658,811,228	12,822,682	(2,010,371)	669,623,539
Less accumulated depreciation				
Buildings	(13,911,753)	(1,170,488)	0	(15,082,241)
Land improvements	(5,806,313)	(425,173)	95,178	(6,136,308)
Vehicles and equipment	(20,923,678)	(2,221,888)	1,574,229	(21,571,337)
Intangibles	(2,549,397)	(297,512)	0	(2,846,909)
Infrastructure	(201,516,647)	(12,637,953)	64,905	(214,089,695)
Total accumulated depreciation	(244,707,788)	(16,753,014)	1,734,312	(259,726,490)
Total depreciable assets, net	414,103,440	(3,930,332)	(276,059)	409,897,049
Business-type activities capital assets, net	\$ 483,639,825	\$ 9,421,782	\$ (9,403,268)	\$ 483,658,339

CITY OF GAINESVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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9. Capital Assets (continued)

Capital asset activity for the Parks and Recreation Component Unit and the Convention and Visitor's Bureau Component Unit for the current fiscal year was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Parks & Recreation Component Unit				
Non-depreciable assets				
Land	\$ 4,615,183	\$ 0	\$ (19,353)	\$ 4,595,830
Construction in progress	325,199	551,858	(574,062)	302,995
Total non-depreciable assets	4,940,382	551,858	(593,415)	4,898,825
Depreciable assets				
Buildings	9,054,971	0	0	9,054,971
Land improvements	4,101,587	0	0	4,101,587
Vehicles and equipment	1,574,661	163,530	(50,397)	1,687,794
Intangibles	281,365	0	0	281,365
Infrastructure	3,120,059	0	0	3,120,059
Total depreciable assets	18,132,643	163,530	(50,397)	18,245,776
Less accumulated depreciation				
Buildings	(7,134,403)	(108,593)	0	(7,242,996)
Land improvements	(2,625,362)	(306,619)	0	(2,931,981)
Vehicles and equipment	(1,224,983)	(88,955)	0	(1,313,938)
Intangibles	(234,600)	(9,353)	0	(243,953)
Infrastructure	(1,534,969)	(142,559)	0	(1,677,528)
Total accumulated depreciation	(12,754,317)	(656,079)	0	(13,410,396)
Total depreciable assets, net	5,378,326	(492,549)	(50,397)	4,835,380
Parks & Recreation Component Unit capital assets, net	<u>\$ 10,318,708</u>	<u>\$ 59,309</u>	<u>\$ (643,812)</u>	<u>\$ 9,734,205</u>
Convention and Visitor's Bureau Component Unit				
Depreciable assets				
Vehicles and equipment	\$ 22,216	\$ 0	\$ 0	\$ 22,216
Less accumulated depreciation				
Vehicles and equipment	(9,627)	(4,443)	0	(14,070)
Convention and Visitor's Bureau Component Unit capital assets, net	<u>\$ 12,589</u>	<u>\$ (4,443)</u>	<u>\$ 0</u>	<u>\$ 8,146</u>

Decreases in construction in progress for the governmental activities consist of projects placed into service in the amount of \$1,667,857 and projects abandoned in the amount of \$1,091,572.

Decreases in construction in progress for the business-type activities consist of projects placed into service in the amount of \$7,554,136, \$973,511 reclassified to land, and projects abandoned in the amount of \$599,562.

CITY OF GAINESVILLE, GEORGIA
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9. Capital Assets (continued)

Decreases in construction in progress for the Parks and Recreation Component Unit consist of projects placed into service in the amount of \$244,667 and projects abandoned in the amount of \$329,748.

Certain amounts of accumulated depreciation were reclassified from infrastructure to vehicles and equipment. This reclassification had no effect on the net value of capital assets.

Depreciation expense was charged to functions/programs as follows:

Primary Government

Governmental activities

General Government	\$	2,083,612
Public Safety		1,189,461
Public Works		1,016,218
Health and Welfare		254,919
Housing and Development		194,884
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		37,582
Total depreciation expense for governmental activities	\$	4,776,676

Business-type activities

Department of Water Resources	\$	15,334,337
Airport		909,967
Solid Waste		206,644
Golf Course		302,066
Total depreciation expense for business-type activities	\$	16,753,014

Component Unit

Parks and Recreation	\$	656,079
Convention and Visitor's Bureau		4,443

	Primary Government		Component Units	
	Governmental Activities	Business-type Activities	Parks and Recreation	Convention and Visitor's Bureau
Current year depreciation expense	\$ 4,776,676	\$ 16,753,014	\$ 656,079	\$ 4,443
Prior accumulated depreciation on assets transferred between governmental, business-type activities, and component unit	280,332	0	0	0
Additions to accumulated depreciation	\$ 5,057,008	\$ 16,753,014	\$ 656,079	\$ 4,443

10. Capital and Operating Leases Agreements

The City has entered into agreements for the lease of certain equipment. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at the end of the current fiscal year are \$20,557,481 and \$17,559,484 for governmental and business-type activities, respectively.

Total assets leased under capital leases are \$28,285,350 and \$39,586,921 for governmental and business-type activities, respectively, and are classified as follows:

	Governmental Activities		Business-type Activities	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Airport improvements	\$ 0	\$ 0	\$ 5,332,220	\$ 2,666,110
Golf Course improvements	0	0	2,715,000	1,629,000
Water and sewer system	0	0	31,539,701	16,400,645
Land	745,413	0	0	0
Buildings	16,516,041	2,721,691	0	0
Vehicles and equipment	211,069	42,214	0	0
Infrastructure	6,703,765	1,877,054	0	0
Construction in progress	4,109,062	0	0	0
Total assets under capital leases	<u>\$ 28,285,350</u>	<u>\$ 4,640,959</u>	<u>\$ 39,586,921</u>	<u>\$ 20,695,755</u>

Amortization of leased equipment under capital leases is included with depreciation expense.

10. Capital and Operating Leases Agreements (continued)

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments at the end of the current fiscal year:

Year Ending June 30,	Governmental Activities	Business-type Activities
2020	\$ 2,150,754	\$ 2,029,219
2021	2,423,614	1,567,368
2022	3,726,854	1,570,372
2023	2,352,399	1,568,181
2024	2,381,564	1,570,838
2025-2029	8,925,862	6,918,487
2030-2034	2,189,587	2,523,176
Total minimum lease payments	24,150,634	17,747,641
Less amounts representing interest	(3,593,153)	(188,157)
Present value of minimum lease payments	<u>\$ 20,557,481</u>	<u>\$ 17,559,484</u>

The City has entered into an agreement to participate in a pooled lease program sponsored by the Georgia Municipal Association. Certificates of Participation in the amount of \$150,126,000 were issued in connection with the lease program, with the City's pro rata share of the principal being \$1,166,000. At the end of the current fiscal year, the City has a balance of \$238,489 of the certificate proceeds for the purpose of financing the acquisition of equipment and is included with other leases above. These amounts are presented as capital leases in the governmental activities on the Government-wide Statement of Net Position. The remaining balance of the certificate proceeds is held in trust pursuant to the certificate and is not considered legal debt of the City.

10. Capital and Operating Leases Agreements (continued)

On January 17, 2006, the City of Gainesville entered into an intergovernmental lease and management agreement with Hall County, Georgia, for the operation of the Hall County Water System. The lease, in the original amount of \$31,539,701, has a 25 year term with an interest rate of 0.00%. In the lease agreement, the City received \$34,781,050 in capital assets, \$156,739 in intergovernmental receivables from White County, Georgia, and assumed \$3,398,088 in notes payable and accrued interest. Hall County will transfer 1/25th of the system value, \$1,261,588, annually, beginning January 17, 2007, to offset the lease payment. If the lease agreement is terminated prior to the end of the lease term, Hall County will pay the City for all costs associated with capital improvements made to the system after January 17, 2006, plus the percentage change in the Consumer Price Index since January 17, 2006. Hall County will also pay the City for the portion of the system already transferred at the time of termination.

On May 20, 2009, the Gainesville Redevelopment Authority issued \$6,230,000 in the Series 2009A Revenue Bonds, with interest rates of 3.00-4.625%. An intergovernmental lease became effective, on the date of issuance, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be applied to construct and equip the 2009A Project, which includes the construction of the Downtown Parking Garage, to be made by the City, and the 2009 Project will be leased to the City. In return, the City will make payments to the trustee for the bonds on behalf of the Authority sufficient to pay the principal and interest on the bonds. In conjunction with the issuance of the bonds, the City conveyed title to land and the Parking Garage thereon to the Authority. The City will continue to operate, maintain, repair and have use of the Parking Garage.

On September 25, 2012, the Gainesville Redevelopment Authority issued \$1,295,000 in the Series 2012A Revenue Refunding Bonds, with an interest rate of 0.993%. An intergovernmental lease became effective, on the date of issue, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be applied for refunding all of the Authority's Nontaxable Revenue Bonds (Lee Gilmer Airport Project), Series 2004A and paying the cost of issuing the Series 2012A Bonds. In return, the City will make payments to the trustee for the bonds, on behalf of the Authority, sufficient to pay the principal and interest on the bonds. The City will continue to operate, maintain, repair and have use of the Lee Gilmer Airport.

10. Capital and Operating Leases Agreements (continued)

On September 25, 2012, the Gainesville, Redevelopment Authority issued \$8,950,000 in the Series 2012B Revenue Bonds, with an interest rate of 2.542%. An intergovernmental lease became effective, on the date of issuance, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be for acquiring certain properties located in the City of Gainesville, Georgia; for future redevelopment purposes; for refunding all of the Authority's Taxable Revenue Bonds (Lee Gilmer Memorial Airport Project), Series 2004B; and paying the costs of issuing the Series 2012B Bonds. In return, the City will make payments to the trustee for the bonds, on behalf of the Authority, sufficient to pay the principal and interest on the bonds. In conjunction with the issuance of the bonds, the City conveyed title to the land and the facility thereon to the Authority. The City will continue to operate, maintain, repair and have use of the Lee Gilmer Airport and the correction facility.

On June 1, 2015, the Gainesville Redevelopment Authority issued \$11,230,000 in the Series 2015 Revenue Refunding Bonds, with an interest rate of 2.556%. An intergovernmental lease became effective, on the date of issue, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be applied for refunding all of the Authority's Nontaxable Revenue Bonds, Series 2005 (Golf Course Project) and Series 2007 (Frances Meadows Project) and paying the cost of issuing the Series 2015 Bonds. In return, the City will make payments to the trustee for the bonds, on behalf of the Authority, sufficient to pay the principal and interest on the bonds. The City will continue to operate, maintain, repair and have use of the Golf Course and Frances Meadows Center.

On November 29, 2016, the Gainesville Redevelopment Authority issued \$1,680,000 in the Series 2016 Revenue Refunding Bonds, with an interest rate of 2.53%. An intergovernmental lease became effective, on the date of issuance, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be applied toward the purchase of land and a building at 300 Brenau Avenue, and the property will be leased to the City. In return, the City will make payment to the trustee for the bonds on behalf of the Authority sufficient to pay the principal and interest on the bonds. In conjunction with the issuance of the bonds, the City conveyed title to land and building thereon to the Authority. The City will continue to maintain, repair and have use of the property. The property is currently leased out to the former property owners in the short-term, while retained for future redevelopment by the City in accordance to the City's adopted urban redevelopment plan.

10. Capital and Operating Leases Agreements (continued)

On August 6, 2018, the Gainesville Redevelopment Authority issued \$4,695,000 in the Series 2018 Revenue Refunding Bonds, with an interest rate of 3.99%. An intergovernmental lease became effective, on the date of issuance, between the Gainesville Redevelopment Authority and the City of Gainesville. Under the lease, bond proceeds of the Authority issue will be applied toward the construction of two additional floors for parking in the Original Parking Garage Project and that a pocket park be constructed, installed, and equipped adjacent to the Original Parking Garage Project, and the property will be leased to the City. In return, the City will make payment to the trustee for the bonds on behalf of the Authority sufficient to pay the principal and interest on the bonds. The City will continue to maintain, repair and have use of the property.

The City's lease agreements, other than such agreements described above, are relatively minor commitments (generally for office machines) and are in compliance with state law.

11. Long-Term Debt

Revenue Bonds

Revenue bonds have been issued for business-type activities and are comprised of the following individual issues at the end of the current fiscal year:

- \$83,650,000 2014 Water and Sewer System Refunding series bonds due in annual installments of \$3,715,000 to \$7,710,000 through November 15, 2028; interest at 5.00% (\$55,870,000 outstanding).
- \$17,865,000 2015 Water and Sewer System Refunding series bonds due in annual installments of \$2,240,000 to \$5,260,000 through November 15, 2019; interest at 1.82% (\$2,240,000 outstanding).
- \$26,910,000 2016 Water and Sewer System Refunding series bonds due in annual installments of \$3,250,000 to \$8,595,000 through November 15, 2021; interest at 1.27% (\$20,325,000 outstanding)

11. Long-Term Debt (continued)

Revenue Bonds, continued

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 12,615,000	\$ 2,770,244	\$ 15,385,244
2021	14,615,000	2,449,024	17,064,024
2022	14,965,000	2,025,828	16,990,828
2023	6,300,000	1,654,500	7,954,500
2024	5,640,000	1,356,000	6,996,000
2025-2029	24,300,000	2,735,800	27,035,800
Totals	\$ 78,435,000	\$ 12,991,396	\$ 91,426,396

The Water and Sewerage Revenue Bonds Series 2014 (\$83,650,000), Water and Sewerage Revenue Bonds Series 2015 (\$17,865,000), and Water and Sewerage Revenue Bonds Series 2016 (\$26,910,000) are collateralized by operating income from the water and sewerage system of the City of Gainesville, Georgia. Upon the occurrence of an event of default, all outstanding principal and accrued interest on the Water and Sewerage Revenue Bonds Series 2014, 2015 and 2016 may be declared immediately due and payable. Proceeds from the Series 2014 were used to refund a portion of the Series 2005 water and sewerage revenue bond issue and retire the debt on 13 water and sewerage notes payable, and to pay expenses necessary to accomplish the Series 2014 refunding issue. Proceeds from the Series 2015 were used to refund a portion of the Series 2005 water and sewerage revenue bond issue and to pay expenses necessary to accomplish the Series 2015 refunding issue. Proceeds from the Series 2016 were used to refund a portion of the Series 2006 water and sewerage revenue bond issue and to pay expenses necessary to accomplish the Series 2016 refunding issue.

The bonds are payable solely from the water and sewer operating income, and are payable through the fiscal years ending 2029, 2020, and 2022, respectively. Total principal and interest remaining to be paid on the bonds is \$68,387,400, \$2,260,384, and \$20,778,612, respectively. Principal and interest paid for the current year was \$10,485,950, \$5,242,679, and \$3,614,305, respectively. Water and sewer operating revenue totaled \$74,199,198 for the current year.

CITY OF GAINESVILLE, GEORGIA
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12. Long-Term Liabilities

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Capital lease obligations	\$ 17,808,355	\$ 4,933,489	\$ (2,184,363)	\$ 20,557,481	\$ 1,533,430
Compensated absences	1,286,957	1,705,496	(1,606,188)	1,386,265	1,247,639
Total governmental activities	<u>\$ 19,095,312</u>	<u>\$ 6,638,985</u>	<u>\$ (3,790,551)</u>	<u>\$ 21,943,746</u>	<u>\$ 2,781,069</u>
Business-type activities					
Revenue bonds	\$ 94,635,000	\$ 0	\$ (16,200,000)	\$ 78,435,000	\$ 12,615,000
Unamortized bond premium	10,924,369	0	(1,048,739)	9,875,630	0
Capital lease obligations	19,525,547	0	(1,966,063)	17,559,484	1,977,016
Compensated absences	725,295	1,123,729	(1,037,093)	811,931	730,737
Total business-type activities	<u>\$ 125,810,211</u>	<u>\$ 1,123,729</u>	<u>\$ (20,251,895)</u>	<u>\$ 106,682,045</u>	<u>\$ 15,322,753</u>
Component Units					
City of Gainesville					
Parks and Recreation					
Compensated absences	\$ 116,428	\$ 145,789	\$ (155,379)	\$ 106,838	\$ 96,154
Gainesville Convention and Visitor's Bureau					
Compensated absences	7,057	20,005	(11,296)	15,766	14,189
Total Component Units	<u>\$ 123,485</u>	<u>\$ 165,794</u>	<u>\$ (166,675)</u>	<u>\$ 122,604</u>	<u>\$ 110,343</u>

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General and Special Revenue Funds.

Total interest incurred and expensed in the governmental activities and the business-type activities for the current fiscal year was \$652,514 and \$3,416,486, respectively.

12. Long-Term Liabilities (continued)

The City is subject to a legal debit margin of 10% of total assessed property value. The City's net assessed value is \$523,585,630. The City has \$23,700,756 of outstanding general obligation debt. The City has a total of \$499,884,874 (95.5%) of outstanding legal debt margin remaining.

13. Conduit Debt

From time to time, the City has issued Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City nor the State, or any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

At the end of the current fiscal year, there were 14 series of Revenue Bonds outstanding. The current aggregate principal amount payable for the series totaled \$92,652,953. The original issue amounts totaled \$97,872,430.

CITY OF GAINESVILLE, GEORGIA
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14. Nonspendable, Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds at the end of the current fiscal year:

	General	Fire	Economic Development	General Government Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Inventories	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,002	\$ 34,002
Prepaid items	2,424	0	0	0	9,319	11,743
Advances to other funds	223,370	0	0	0	0	223,370
	<u>225,794</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>43,321</u>	<u>269,115</u>
Restricted for:						
TV 18 operations	0	0	0	0	60,363	60,363
Police facilities and equipment	0	0	0	0	649,025	649,025
Fire facilities and equipment	0	0	0	0	549,654	549,654
Streets facilities and equipment	0	0	0	0	19,150	19,150
Community Service Center operations	0	0	0	0	1,248,699	1,248,699
Recreation facilities and equipment	0	0	0	0	2,423,339	2,423,339
Neighborhood improvements	0	0	0	0	419,027	419,027
Midtown development	0	0	0	0	836,342	836,342
Capital projects	0	0	0	2,491,346	10,534,775	13,026,121
Debt service	0	0	0	0	1,482,963	1,482,963
	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,491,346</u>	<u>18,223,337</u>	<u>20,714,683</u>
Committed for:						
Cemetery improvements	0	0	0	0	380,712	380,712
Tree replacement	4,957	0	0	0	0	4,957
Energy efficiency retrofits	0	0	0	0	4,868	4,868
	<u>4,957</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>385,580</u>	<u>390,537</u>
Assigned for:						
TV 18 operations	0	0	0	0	62,376	62,376
Matching funds for grants	0	0	0	0	75,369	75,369
Fire facilities and equipment	0	0	0	0	100,000	100,000
Fire operations	0	474,429	0	0	0	474,429
City Hall improvements	139,017	0	0	0	0	139,017
Cemetery improvements	0	0	0	0	381,861	381,861
Community Service Center operations	0	0	0	0	1,533,804	1,533,804
Youth sports complex	0	0	0	0	3,750,000	3,750,000
Economic development	0	0	5,966,465	0	0	5,966,465
Tourism and City promotion	0	0	0	0	121,841	121,841
Budget	3,465,309	300,000	65,000	0	473,227	4,303,536
Capital projects	0	0	0	7,101,129	839,222	7,940,351
Debt service	0	0	0	0	1,916,536	1,916,536
	<u>3,604,326</u>	<u>774,429</u>	<u>6,031,465</u>	<u>7,101,129</u>	<u>9,254,236</u>	<u>26,765,585</u>

15. Self-Insurance

General Insurance

During fiscal year 1993, the City established its General Insurance Internal Service Fund, which includes workers' compensation, property, and general liability. Property and liability claims are insured through a private insurance carrier, and subject to various deductibles that are paid from City funds. On January 1, 2013, the City established a self-insurance program for workers' compensation.

As part of the newly established self-insurance program, the City has utilized the services of a broker and a third-party administrator. The broker and third-party administrator assist to determine the self-insurance funding requirements using data from the City's claim history. The third-party administrator files claims and forms required by the State of Georgia and provides risk control services. The City has also established excess workers' compensation coverage with Midwest Employers Casualty to assist with claims exceeding \$650,000.

Settled claims in the past three years have not exceeded the coverages.

Health Insurance

The City provides health care benefits to its active and retired employees and their dependents through a self-insured plan administered by Healthgram. Under this arrangement, the City is responsible for paying all claims but purchases reinsurance policies through an insurance provider that is responsible for paying claims in excess of agreed-upon specific and aggregate levels.

Liabilities

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Changes in the balances of claims liabilities during the past two fiscal years are as follows:

15. Self-Insurance (continued)

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
General Insurance Internal Service Fund		
Balance, beginning of year	\$ 1,902,661	\$ 1,074,978
Current year claims and changes in estimate	(242,176)	2,176,038
Claim payments	<u>(109,627)</u>	<u>(1,348,355)</u>
Balance, end of year	<u>\$ 1,550,858</u>	<u>\$ 1,902,661</u>
Employee Benefits Internal Service Fund		
Balance, beginning of year	\$ 360,024	\$ 682,627
Current year claims and changes in estimate	6,729,004	5,140,268
Claim payments	<u>(6,316,817)</u>	<u>(5,462,871)</u>
Balance, end of year	<u>\$ 772,211</u>	<u>\$ 360,024</u>

16. Pension Plans

Defined Benefit Pension Plans

The City contributes and participates in two pension plans: a single-employer, defined benefit plan (Pension Plan A) and an agent multiple-employer, defined benefit plan (Pension Plan B). Each plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan. See Note 2 – Summary of Significant Accounting Policies and Note 3 - Cash and Investments for basis of accounting and reporting of investments.

Pension Plan A

Plan Description. The City of Gainesville Retirement Plan A was established February 24, 1941 and was restated July 1, 1994. The Plan was established by the City to provide retirement benefits to substantially all full-time civil service employees. Employees in Pension Plan A do not participate in Federal Social Security with the City. Pension Plan A provides pension benefits, death and disability benefits. This plan was established in accordance with the City Charter and State statutes. The City Council provides for the benefits and funding policy through a City ordinance and maintains the authority to change the policy. Costs of administering the plan are financed through contributions and earnings.

Management of the Retirement Plan A is vested in the Retirement Plan A Board ("Board"), which consists of seven members – six members are elected by active and retired plan members and one is appointed by position.

16. Pension Plans (continued)

Pension Plan A (continued)

Each Board member represents different groups of participants which are retirees, Water Resources department, Police department, Fire department, and three representatives for all other employees.

At July 1, 2019, the date of the most recent actuarial valuation, there were 829 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	282
Terminated vested participants entitled to but not yet receiving benefits	42
Active participants	<u>505</u>
Total number of participants	<u><u>829</u></u>

Benefits Provided. Employees hired before July 1, 2008, are eligible for normal retirement upon completion of twenty-five years of service or age 60 with at least five years of service. The normal retirement benefit payable for life is 3.0% of the average monthly salary for the highest consecutive five years of service multiplied by the years of service, not to exceed thirty-three years. Benefits vest after ten years of service. An early retirement option is available upon completion of twenty years of service. However, benefits are reduced by 2% for each year the commencement date precedes the normal retirement date. Public safety employees hired on or after July 1, 2008, are eligible for normal retirement upon age 50 and completion of twenty-five years of service or age 65 with at least ten years of service. The normal retirement benefit payable for life is 2.5% of the average monthly salary for the highest consecutive five years of service multiplied by the years of service, not to exceed thirty-three years. Benefits vest after ten years of service. An early retirement option is available upon completion of twenty years of service. However, benefits are reduced by 5% for each year the commencement date precedes the normal retirement date. All other employees hired on or after July 1, 2008, are eligible for normal retirement upon age 60 and completion of twenty-five years of service or age 65 with at least ten years of service. The normal retirement benefit payable for life is 2.5% of the average monthly salary for the highest consecutive five years of service multiplied by the years of service, not to exceed thirty-three years. Benefits vest after ten years of service. An early retirement option is available upon completion of twenty years of service.

16. Pension Plans (continued)

Pension Plan A (continued)

However, benefits are reduced by 5% for each year the commencement date precedes the normal retirement date.

Contributions. The contribution requirements of plan members and the City are established by plan policy and may be amended under requirements by City Council. Plan members are required to contribute 13.2% of their annual covered salary. The City is required to contribute a matching percentage of 13.2% of annual covered payroll, actuarially determined as an amount that, when combined with plan member contributions is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. Contributions are recognized when due pursuant to formal or contractual commitments. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment Policy. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the City's adopted asset allocation policy at the end of the current fiscal year:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	55%
Fixed Income (core)	35%
Fixed Income (high yield)	5%
Real Estate	5%
Totals	100%

Rate of return. For the current fiscal year, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.408 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

16. Pension Plans (continued)

Pension Plan A (continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension liability of \$48,846,329. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. For the current fiscal year, the City recognized pension expense of \$5,194,588.

The components of the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 6/30/2018	\$ 146,519,987	\$ 99,606,815	\$46,913,172
Changes for the year:			
Service cost	3,457,259	0	3,457,259
Interest	10,187,578	0	10,187,578
Differences between expected and actual experience	3,149,640	0	3,149,640
Contributions-employer	0	3,459,466	(3,459,466)
Contributions-employee	0	3,459,466	(3,459,466)
Net investment income	0	8,235,138	(8,235,138)
Benefit payments, including refunds of employee contribution	(8,880,837)	(8,880,837)	0
Administrative expense	0	(292,750)	292,750
Net changes	<u>7,913,640</u>	<u>5,980,483</u>	<u>1,933,157</u>
Balances at 6/30/2019	<u>\$ 154,433,627</u>	<u>\$105,587,298</u>	<u>\$48,846,329</u>
Plan fiduciary net position as a percentage of the total pension liability		68.37%	
Covered payroll		\$ 26,208,076	
Employer's net pension liability as percentage of covered payroll		186.38%	

16. Pension Plans (continued)

Pension Plan A (continued)

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,358,836	\$ 0
Changes of assumptions	2,292,664	(82,222)
Net difference between projected and actual earnings on pension plan investments	0	(4,936,399)
Totals	<u><u>\$ 7,651,500</u></u>	<u><u>\$ (5,018,621)</u></u>

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2020	\$ 518,477
2021	(341,972)
2022	695,305
2023	1,236,129
2024	524,940
Totals	<u><u>\$ 2,632,879</u></u>

16. Pension Plans (continued)

Pension Plan A (continued)

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	2.75% plus service based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.00%
Actuarial cost method	Entry age
Amortization method	Level percent of payroll, using 2.75% annual increases
Remaining amortization period	4-29 years (closed periods)

Pre-retirement mortality rates are based on the sex-distinct RP-2014 Employee Mortality Table. Healthy annuitant mortality rates are based on the sex-distinct RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates adjusted 120%, set forward two years for males only. Disabled mortality rates were based on the sex-distinct RP-2014 Disabled Retiree Mortality Table. All mortality tables are projected generationally with Scale MP-2015.

The mortality and economic actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period of July 1, 2010 through June 30, 2015, and a subsequent review of economic assumptions as of July 1, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

16. Pension Plans (continued)

Pension Plan A (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation at the end of the current fiscal year are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	55%	6.41%
Fixed income (core)	35%	1.96%
Fixed income (high yield)	5%	16.00%
Real Estate	5%	4.76%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan members and the City will each contribute 13.2 percent of pay, for a total of 26.4 percent. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to the projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00 percent) or one percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.00%	\$67,229,657
Current discount rate	7.00%	48,846,329
1% increase	8.00%	33,534,469

Plan Fiduciary Net Position. The financial statements of this plan are included as an employee pension trust fund within this report (Exhibits J-3 and J-4). There is no separately issued stand-alone financial report for this pension plan.

16. Pension Plans (continued)

Pension Plan B

Plan Description. Pension Plan B is the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer plan that acts as a common investment and administrative agent for municipalities in the State. The plan is administered by the Georgia Municipal Association (GMA) and provides pension benefits, death and disability benefits, which were established and may be amended by City Council Ordinance and change of contract with GMA. The City elected to participate in GMEBS as of July 1, 1994 as the result of City Ordinance and a contract between the City and the GMEBS.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder.

At January 1, 2019, the date of the most recent actuarial valuation, there were 236 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	70
Terminated vested participants entitled to but not yet receiving benefits	40
Active participants	<u>126</u>
Total number of participants	<u><u>236</u></u>

Benefits Provided. Regular full-time employees who are non-civil service and who are not eligible to participate in any other retirement program of the City may participate in Plan B when they have completed one year of service. Pension Plan B employees also participate in Social Security. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 with no reduction in benefit. Members are eligible for early retirement with reduced benefits based on the early retirement at age 55 with ten years of total service. The benefit formula is 1.25% - 2.00% with a five-year vesting schedule.

16. Pension Plans (continued)

Pension Plan B (continued)

Contributions. Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The City's actuarially determined contributions rate for the current fiscal year was \$319,859 or 5.71% of covered payroll. The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. The Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension liability of \$130,132. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. For the current fiscal year, the City recognized pension income of \$193,372. The Governmental Activities' net pension liability is liquidated by the General Fund, Community Service Center Special Revenue Fund, and Fire Special Revenue Fund.

The components of the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 9/30/2017	\$ 7,949,513	\$ 7,394,114	\$ 555,399
Changes for the year:			
Service cost	152,472	0	152,472
Interest	589,263	0	589,263
Differences between expected and actual experience	(168,376)	0	(168,376)
Contributions-employer	0	313,655	(313,655)
Net investment income	0	717,673	(717,673)
Benefit payments, including refunds of employee contributions	(490,307)	(490,307)	0
Administrative expense	0	(32,702)	32,702
Net changes	83,052	508,319	(425,267)
Balances at 9/30/2018	\$ 8,032,565	\$ 7,902,433	\$ 130,132

Plan fiduciary net position as a percentage of the total pension liability

98.38%

Covered payroll

\$ 4,330,598

Net pension liability as a percentage of covered payroll

3.00%

16. Pension Plans (continued)

Pension Plan B (continued)

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,110	\$ (237,520)
Changes of assumptions	71,430	(16,566)
Net difference between projected and actual earnings on pension plan investments	0	(895,229)
Contributions subsequent to the measurement date	183,108	0
Totals	<u>\$ 259,648</u>	<u>\$ (1,149,315)</u>

The \$183,108 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2020	\$ (413,226)
2021	(439,791)
2022	(151,893)
2023	(67,865)
Totals	<u>\$ (1,072,775)</u>

16. Pension Plans (continued)

Pension Plan B (continued)

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	2.75% plus service-based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.50%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar
Remaining amortization period	10 years

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

16. Pension Plans (continued)

Pension Plan B (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.40%
Global fixed income	5%	3.03%
Domestic fixed income	20%	1.75%
Real estate	10%	5.10%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50 percent) or one percentage-point higher (8.50 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.50%	\$ 954,723
Current discount rate	7.50%	130,132
1% increase	8.50%	(568,681)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

16. Pension Plans (continued)

Other Plans

In addition to the plan above, various City employees are also covered under the pension plans of the Georgia Firefighters' Pension Fund and the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

17. Post-Employment Benefits Other Than Pensions

Plan Description. The City of Gainesville Other Postemployment Benefits Plan (the "OPEB Plan") is a defined benefit postretirement health care and prescription drug plan. The OPEB plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer OPEB Plan administered by the Georgia Municipal Association (GMA). The City has established provisions, which assign the authority to the City Council members to establish and amend the benefit provisions of the plan.

At July 1, 2018, the date of the most recent actuarial valuation, there were 802 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	196
Vested terminated members entitled to but not yet receiving benefits	0
Active participants	606
Total number of participants	<u>802</u>

Benefits Provided. City employees become eligible after 20 years of service. Benefits valued herein are for Retiree Medical and Prescription Drug. Life Insurance, Vision, and Dental are optional, paid in full by retirees and are not valued here. Coverage is for the retiree's lifetime for retirees hired before 2002, but ceases at age 65 if hired after 2001; spouses have the same coverage provisions. Retirees hired before July 1, 2008, or those with 25 years of service, get a 50% City-paid Supplement. Retirees hired after June 30, 2008 with 20 years of service get a 25% City-paid Supplement, which increases up to 50% with additional service.

17. Post-Employment Benefits Other Than Pensions (continued)

Contributions. The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. The City Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. At the end of the current fiscal year, the City reported a net OPEB liability of \$28,591,995. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined from actuarial valuations using data as of July 1, 2017 and measured by an actuarial valuation as of July 1, 2018. During the current fiscal year, the City recognized OPEB expense of \$929,692. The Governmental Activities' net OPEB liability is liquidated by the General Fund, Community Service Center Special Revenue Fund, and Fire Special Revenue Fund.

The components of the net OPEB liability are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/2017	\$ 36,849,149	\$ 0	\$ 36,849,149
Changes for the year:			
Service cost	1,565,644	0	1,565,644
Interest	1,344,332	0	1,344,332
Differences between expected and actual experience	(103,835)	0	(103,835)
Contributions-employer	0	1,727,236	(1,727,236)
Changes in assumptions	(9,336,059)	0	(9,336,059)
Benefit payments, including refunds of member contributions	(1,727,236)	(1,727,236)	0
Net changes	(8,257,154)	0	(8,257,154)
Balances at 6/30/2018	\$ 28,591,995	\$ 0	\$ 28,591,995
Plan fiduciary net position as a percentage of the total OPEB liability		0.00%	
Covered employee payroll		\$ 29,628,098	
Plan net OPEB liability as a percentage of covered employee payroll		96.50%	

17. Post-Employment Benefits Other Than Pensions (continued)

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 476,136	\$ (86,529)
Changes of assumptions	0	(10,291,030)
Contributions subsequent to the measurement date	1,505,736	0
Totals	<u>\$ 1,981,872</u>	<u>\$ (10,377,559)</u>

The \$1,505,736 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30	
2020	\$ (1,980,285)
2021	(1,980,285)
2022	(1,980,285)
2023	(1,980,285)
2024	<u>(1,980,283)</u>
Totals	<u>\$ (9,901,423)</u>

17. Post-Employment Benefits Other Than Pensions (continued)

Actuarial Assumptions. The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	3.25% to 8.25%, including inflation
Actuarial cost method	Entry age
Discount rate	3.87%, 3.58% in previous year
Healthcare cost trend rates	Pre-65 Medical: 6.75% trended down to 4.50% by 2027 Medicare Advantage: 5.50% trended down to 4.50% by 2022. Pre-65 Prescription Drug: 6.75% trended down to 4.50% by 2027. Administrative Expenses: 3.00%
Mortality rates	Healthy mortality rates were based on RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.
Amortization method	Open 30 years, level percent of payroll
Remaining amortization period	30 years
Asset valuation method	Market value

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

17. Post-Employment Benefits Other Than Pensions (continued)

Development of Long-Term Rate. Since the City funds this plan on a pay-as-you-go basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 3.87%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2018.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (2.87%) or one percentage-point higher (4.87%) than the current rate. Also, shown is the Net OPEB Liability as if it were calculated using healthcare cost trend rates that were on percentage point lower or on percentage point higher than the current healthcare trend rates:

<u>Discount Rate</u>		<u>Net OPEB Liability</u>
1% decrease	2.87%	\$ 32,133,171
Current discount rate	3.87%	28,591,995
1% increase	4.87%	25,577,556
<u>Healthcare Cost Trend Rates</u>		<u>Net OPEB Liability</u>
1% decrease		\$ 25,204,273
Current discount rate		28,591,995
1% increase		32,665,906

OPEB Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

18. Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax in accordance with OCGA 48-13-51(a)(4). The City is required to spend an amount equal to at least 60% for the purpose of promoting tourism, conventions, and trade shows or for facilities used for these purposes. A summary of the transactions for the current fiscal year follows:

Lodging Tax Receipts	\$ 1,053,683	
Disbursements for tourism and visitor programs	\$ 1,155,899	109.70% of tax receipts

The City increased the levy of its Hotel Motel lodging tax from 6% to 8%. The collection of the taxes based on the 8% rate will begin in July 2019.

19. Major Users/Taxpayers

The ten major customers of the water and sewer system are primarily from the poultry and food processing industry. The major users represent approximately 38 percent of the water sales and sewer charges from the system in current fiscal year.

The ten major taxpayers of the City for the current fiscal year represent approximately 13 percent of the current year tax levy. The ten largest taxpayers are comprised of various types of entities including manufacturing and food processing.

20. Joint Ventures

The City of Gainesville participates in three different task forces with various other governments throughout northeast Georgia, including Hall County, Forsyth County, Cherokee County, the Drug Enforcement Agency, and the Federal Bureau of Investigation.

The Hall County Multi Agency Narcotics Squad (MANS) Task Force investigates crimes involving narcotics, prostitution, gang violence, and organized crime, and it conducts both undercover and traditional investigations to effectively prosecute cases in court. The Hall County Sheriff's Office is responsible for the funding and reporting for the Hall County MANS Task Force. During the current fiscal year, the City paid \$84,525 in personnel costs for one police officer assigned to the MANS unit.

The Organized Crime Drug Enforcement Task Force (OCDETF) Strike Force Group One Task Force disrupts illicit drug traffic, gathers and reports intelligence related to drug trafficking, and conducts both undercover and traditional investigations to effectively prosecute cases in court. The Drug Enforcement Agency is responsible for the funding and reporting for the OCDETF Strike Force Group One Task Force. During the current fiscal year, the City paid \$107,677 in personnel costs for one police officer assigned to the OCDETF Strike Force Group One Task Force.

The Safe Streets Task Force identifies and targets for prosecution criminal enterprises affecting northeast Georgia, such as organized crime groups responsible for drug trafficking, money laundering and crimes of violence. The Federal Bureau of Investigation is responsible for the funding and reporting for the Safe Streets Task Force. During the current fiscal year, the City paid \$92,613 in personnel costs for one police officer assigned to the Safe Streets Task Force.

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current fiscal year, the city paid \$33,000 in such dues. Membership in a regional commission (RC) is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RCs in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, GA 30501.

21. Related Organizations

The City of Gainesville Housing Authority is considered a related organization to the City of Gainesville. The City appoints members to the Authority but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Gainesville. The City received \$83,485 as payment-in-lieu-of-taxes during the current fiscal year.

22. Risk Pools

The City participates in the State of Georgia Local Government Investment Pool. Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

23. Commitments and Contingencies

Commitments

Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, special revenue funds, and capital projects funds. At the end of the current fiscal year, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	<u>Restricted</u>	<u>Assigned</u>
General Fund	\$ 0	\$ 34,408
Nonmajor governmental funds	21,715	0
	<u>\$ 21,715</u>	<u>\$ 34,408</u>

The City has active construction projects at the end of the current fiscal year. At fiscal year end, the City's commitments with contractors are as follows:

Project	<u>Amount Expended to Date</u>	<u>Remaining Commitment</u>
Expansion of the water and sewer distribution system	\$ 15,033,267	\$ 13,540,046
Safety improvements to airport runway	1,762,379	220,435
Improvements to recreational facilities	166,401	52,263
City buildings and facilities improvements	4,108,086	177,917
Improvements to roadways & sidewalks	3,226,512	1,403,274
City equipment & vehicles	0	237,883
Totals	<u>\$ 24,296,645</u>	<u>\$ 15,631,818</u>

Contingencies

The City is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The City's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

24. Tax Abatements

The City is subject to tax incentives granted by the Gainesville and Hall County Development Authority (the "Authority"), an entity created by the State of Georgia and activated by the City of Gainesville and the Board of Commissioners of Hall County, Georgia. The authority can enter into agreements with companies for industrial projects to encourage the creation of jobs and new capital investment through an "Investment Assistance Program." Each agreement, negotiated on an individual basis, provides a property tax benefit to the company through a schedule of discounted valuation that reduces the fair market value of real and personal property and requires the company to enter into a sale-leaseback transaction with the Authority. The incentives may be granted to new and existing industrial businesses meeting an established set of criteria established by the Investment Assistance Committee. In return for a property tax benefit, a company is required to commit to creating jobs and capital investment within a defined period as part of a performance and accountability agreement with the Authority that includes provisions for the company to pay back a prorated portion of the benefit if they fail to meet the performance criteria by a specified date. For the City of Gainesville's current fiscal year, the cumulative property tax not collected by the City due to abatement programs was \$339,693.

25. Subsequent Events

On July 15, 2019, the City took possession of a 2019 Pierce 107 foot Ascendant Tiller Heavy Duty Aerial Ladder Fire truck at a lease price, including interest, of \$1.4 million.

On November 5, 2019, Council approved the adoption of a Real Estate Agreement between the City and Gainesville MER/APRS, LLC and FRS-GA, LLC for the acquisition of 88.9 acres on 2490 Old Cornelia Highway at the purchase price of \$777,875, for the construction of a Youth Sports Complex Center.

26. New Accounting Standards

The City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for the City's current fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, GEORGIA
PENSION TRUST FUND (PENSION PLAN A)
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Total pension liability		
Service cost	\$ 3,457,259	\$ 3,272,080
Interest	10,187,578	9,800,092
Differences between expected and actual experience	3,149,640	2,438,030
Changes of assumptions	0	3,438,994
Benefit payments, including refunds of employee contributions	(8,880,837)	(8,661,630)
Net change in total pension liability	7,913,640	10,287,566
Total pension liability - beginning	146,519,987	136,232,421
Total pension liability - ending (a)	\$ 154,433,627	\$ 146,519,987
Plan fiduciary net position		
Contributions - employer	\$ 3,459,466	\$ 3,209,624
Contributions - employee	3,459,466	3,209,624
Net investment income	8,235,138	10,757,165
Benefit payments, including refunds of employee contributions	(8,880,837)	(8,661,630)
Administrative expense	(292,750)	(219,596)
Net change in total pension liability	5,980,483	8,295,187
Plan fiduciary net position - beginning	99,606,815	91,311,628
Plan fiduciary net position - ending (b)	\$ 105,587,298	\$ 99,606,815
Net pension liability (asset) - ending : (a) - (b)	\$ 48,846,329	\$ 46,913,172
Plan's fiduciary net position as a percentage of the total pension liability	68.37%	67.98%
Covered payroll	\$ 26,208,076	\$ 24,315,333
Net pension liability as a percentage of covered payroll	186.38%	192.94%

Note: This schedule is intended to report ten years of information; however, fiscal year 2014 was the first year of implementation. Additional years' information will be displayed as it becomes available.

Fiscal Year End			
2017	2016	2015	2014
\$ 3,292,073	\$ 3,650,560	\$ 3,522,833	\$ 3,500,226
9,366,300	9,061,392	8,576,549	8,177,872
1,826,638	586,393	1,827,514	636,486
0	(246,666)	0	0
(8,301,719)	(7,642,229)	(7,282,407)	(6,715,366)
6,183,292	5,409,450	6,644,489	5,599,218
130,049,129	124,639,679	117,995,190	112,395,972
<u>\$ 136,232,421</u>	<u>\$ 130,049,129</u>	<u>\$ 124,639,679</u>	<u>\$ 117,995,190</u>
\$ 3,079,855	\$ 3,021,182	\$ 2,862,539	\$ 2,766,404
3,132,277	3,021,182	2,862,539	2,766,404
11,348,553	1,794,845	2,909,159	10,171,570
(8,301,719)	(7,642,229)	(7,282,407)	(6,715,366)
(165,260)	(143,004)	(169,045)	(104,589)
9,093,706	51,976	1,182,785	8,884,423
82,217,922	82,165,946	80,983,161	72,098,738
<u>\$ 91,311,628</u>	<u>\$ 82,217,922</u>	<u>\$ 82,165,946</u>	<u>\$ 80,983,161</u>
<u>\$ 44,920,793</u>	<u>\$ 47,831,207</u>	<u>\$ 42,473,733</u>	<u>\$ 37,012,029</u>
67.03%	63.22%	65.92%	68.63%
\$ 23,729,379	\$ 22,887,742	\$ 21,685,902	\$ 20,957,606
189.30%	208.98%	195.86%	176.60%

CITY OF GAINESVILLE, GEORGIA
PENSION TRUST FUND (PENSION PLAN A)
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Actuarially determined contribution	\$ 4,859,686	\$ 4,509,116
Contributions in relation to the actuarially determined contribution	(3,459,466)	(3,209,624)
Contribution deficiency (excess)	<u>\$ 1,400,220</u>	<u>\$ 1,299,492</u>
Covered payroll	\$ 26,208,076	\$ 24,315,333
Contributions as a percentage of covered payroll	13.20%	13.20%

Note: This schedule is intended to report ten years of information; however, fiscal year 2014 was the first year of implementation. Additional years' information will be displayed as it becomes available.
The above recommended contribution is the City's portion.
The Fund has accumulated a Georgia Minimum Funding Credit Balance, which has been used to offset any shortfall of the recommended contribution.

CITY OF GAINESVILLE, GEORGIA
PENSION TRUST FUND (PENSION PLAN A)
SCHEDULE OF INVESTMENTS RETURNS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Annual money-weighted rate of return, net of investment expense	7.408%	7.353%

Note: This schedule is intended to report ten years of information; however, fiscal year 2014 was the first year of implementation. Additional years' information will be displayed as it becomes available.

Fiscal Year End			
2017	2016	2015	2014
\$ 4,170,598 (3,079,855)	\$ 3,736,793 (3,021,182)	\$ 3,579,097 (2,862,539)	\$ 3,703,299 (2,766,404)
<u>\$ 1,090,743</u>	<u>\$ 715,611</u>	<u>\$ 716,558</u>	<u>\$ 936,895</u>
\$ 23,729,379	\$ 22,887,742	\$ 21,685,902	\$ 20,957,606
12.98%	13.20%	13.20%	13.20%

Fiscal Year End			
2017	2016	2015	2014
7.765%	7.660%	7.835%	8.065%

CITY OF GAINESVILLE, GEORGIA
GMEBS (PENSION PLAN B)
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Total pension liability		
Service cost	\$ 152,472	\$ 179,299
Interest	589,263	572,572
Differences between expected and actual experience	(168,376)	(74,578)
Benefit payments, including refunds of employee contributions	(490,307)	(469,718)
Other changes	0	119,050
Net change in total pension liability	83,052	326,625
Total pension liability - beginning	7,949,513	7,622,888
Total pension liability - ending (a)	\$ 8,032,565	\$ 7,949,513
Plan fiduciary net position		
Contributions - employer	\$ 313,655	\$ 350,507
Net investment income	717,673	968,510
Benefit payments, including refunds of employee contributions	(490,307)	(469,718)
Administrative expense	(32,702)	(33,775)
Net change in total pension liability	508,319	815,524
Plan fiduciary net position - beginning	7,394,114	6,578,590
Plan fiduciary net position - ending (b)	\$ 7,902,433	\$ 7,394,114
Net pension liability (asset) - ending : (a) - (b)	\$ 130,132	\$ 555,399
Plan's fiduciary net position as a percentage of the total pension liability	98.38%	93.01%
Covered payroll	\$ 4,330,598	\$ 4,862,847
Net pension liability as a percentage of covered payroll	3.00%	11.42%

Note: This schedule is intended to report ten years of information; however, fiscal year 2015 was the first year of implementation. Additional years' information will be displayed as it becomes available.

Fiscal Year End		
2017	2016	2015
\$ 175,050	\$ 178,348	\$ 168,281
549,573	535,078	532,517
12,775	(102,827)	(142,791)
(411,541)	(435,594)	(415,541)
0	0	(99,394)
325,857	175,005	43,072
7,297,031	7,122,026	7,078,954
<u>\$ 7,622,888</u>	<u>\$ 7,297,031</u>	<u>\$ 7,122,026</u>
\$ 314,938	\$ 371,738	\$ 393,721
1,745,662	48,579	396,786
(411,541)	(435,594)	(415,541)
(20,454)	(23,058)	(18,652)
1,628,605	(38,335)	356,314
4,949,985	4,988,320	4,632,006
<u>\$ 6,578,590</u>	<u>\$ 4,949,985</u>	<u>\$ 4,988,320</u>
<u>\$ 1,044,298</u>	<u>\$ 2,347,046</u>	<u>\$ 2,133,706</u>
86.30%	67.84%	70.04%
\$ 5,080,284	\$ 4,890,737	\$ 4,779,243
20.56%	47.99%	44.65%

CITY OF GAINESVILLE, GEORGIA
GMEBS (PENSION PLAN B)
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Actuarially determined contribution	\$ 319,859	\$ 324,651
Contributions in relation to the actuarially determined contribution	(293,203)	(324,651)
Contribution deficiency (excess)	<u>\$ 26,656</u>	<u>\$ 0</u>
Covered payroll	\$ 5,602,873	\$ 5,099,054
Contributions as a percentage of covered payroll	5.23%	6.37%

Note: This schedule is intended to report ten years of information; however, fiscal year 2015 was the first year of implementation. Additional years' information will be displayed as it becomes available.

Fiscal Year End		
2017	2016	2015
\$ 319,859 (319,859)	\$ 324,651 (324,651)	\$ 347,773 (347,773)
\$ 0	\$ 0	\$ 0
\$ 5,179,922	\$ 5,272,975	\$ 4,845,902
6.17%	6.16%	7.18%

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Total OPEB liability		
Service cost	\$ 1,565,644	\$ 1,789,852
Interest	1,344,332	1,123,997
Differences between expected and actual experience	(103,835)	666,587
Changes in assumptions	(9,336,059)	(3,515,374)
Benefit payments, including refunds of member contributions	(1,727,236)	(1,729,093)
Net change in total OPEB liability	(8,257,154)	(1,664,031)
Total OPEB liability - beginning	36,849,149	38,513,180
Total OPEB liability - ending (a)	\$ 28,591,995	\$ 36,849,149
Plan fiduciary net position		
Contributions - employer	\$ 1,727,236	\$ 1,729,093
Benefit payments, including refunds of member contributions	(1,727,236)	(1,729,093)
Net change in plan fiduciary net position	0	0
Plan fiduciary net position - beginning	0	0
Plan fiduciary net position - ending (b)	\$ 0	\$ 0
Net OPEB liability (asset) - ending : (a) - (b)	\$ 28,591,995	\$ 36,849,149
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 29,628,098	\$ 27,547,554
Plan net OPEB liability as a percentage of covered employee payroll	96.50%	133.77%

Note: Fiscal year 2018 was the first year of implementation. Therefore, years prior are not reported.

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF OPEB CONTRIBUTIONS
LAST TEN FISCAL YEARS
For the fiscal year ended June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Actuarially determined contribution	\$ 2,110,072	\$ 2,883,950
Contributions in relation to the actuarially determined contribution	(1,550,735)	(1,727,236)
Contribution deficiency (excess)	<u>\$ 559,337</u>	<u>\$ 1,156,714</u>
Covered employee payroll	\$ 31,755,811	\$ 29,628,098
Contributions as a percentage of covered employee payroll	4.88%	5.83%

Note: Fiscal year 2018 was the first year of implementation. Therefore, years prior are not reported.

Pension Trust Fund (Pension Plan A)

1. Valuation Date

The actuarially determined contribution rate was determined as of July 1, 2019, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2019.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age normal

Amortization method = Level percent of payroll, using 2.75% annual increases

Remaining amortization period = 4-29 years (closed periods)

Asset valuation method = Market value of assets less unrecognized returns of each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.

Net investment rate of return = 7.00% including inflation, net of pension plan investment expense

Inflation rate = 2.75%

Projected salary increases = Inflation plus merit increases that vary by service, ranging from 0.00% to 11.00%

Cost of living adjustments = 0.00%

Retirement age for inactive vested participants = Earliest eligibility for normal retirement, not before age 60

Mortality = Pre-retirement mortality rates are based on the sex-distinct RP-2014 Employee Mortality Table. Healthy annuitant mortality rates are based on the sex-distinct RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates adjusted 120%, set forward two years for males only. Disabled mortality rates were based on the sex-distinct RP-2014 Disabled Retiree Mortality Table. All mortality tables are projected generationally with Scale MP-2015.

Pension Trust Fund (Pension Plan A), continued

3. Changes in Benefits

There have been no changes in benefits since the last valuation.

4. Changes of Assumptions

There have been no changes in assumptions since the last valuation.

GMEBS (Pension Plan B)

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2019, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2019.

GMEBS (Pension Plan B), continued

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected unit credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 10 years

Asset valuation method = Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.50%

Projected salary increases = 2.75% plus service-based merit increases

Cost of living adjustments = 0.00%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

3. Changes in Benefits

There were no changes in benefit provisions since the last valuation.

GMEBS (Pension Plan B), continued

4. Changes of Assumptions

There have been no changes in assumptions since the last valuation.

OPEB Plan

1. Valuation Date

The actuarially determined contribution rates are determined as of June 30, 2018, based on the most recent valuation date, one year prior to the end of the fiscal year in which contributions are reported.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age level

Amortization method = Open 30 years, level percent of payroll

Remaining amortization period = 30 years

Asset valuation method = Market value

Projected salary increases = 3.25% to 8.25%, including inflation

Projected payroll increases = 2.75%

Inflation = 2.75%

Funding discount rate = 3.87%

OPEB Plan, continued

2. Methods and Assumptions Used to Determine Contribution Rates (continued)

Discount rate = 3.87%

Retirement age = 65

Healthcare cost trend rates = Pre-65 Medical: 6.75% trended down to 4.50% by 2027 Medicare Advantage: 5.50% trended down to 4.50% by 2022. Pre-65 Prescription Drug: 6.75% trended down to 4.50% by 2027. Administrative Expenses: 3.00%

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

3. Changes in Benefits

There have been no benefit changes since GASB 75 implementation.

4. Changes of Assumptions

The projected claims trend rate changes from 7.00% to 4.50% in 2016 to 6.75% to 4.50% in 2018

The effective discount rate is 3.87% for June 30, 2018. It was 3.58% at June 30, 2017.

The inflation rate assumption changes from 3.25% to 2.75%.

Medical and Rx claims were modeled together for this valuation since claims were not provided separately.

The active participation rate assumption for employees/spouses was changed from 90%/50% to 70%/18%.

COMBINING STATEMENTS

Nonmajor Governmental Funds

Nonmajor Enterprise Funds

Internal Service Funds

CITY OF GAINESVILLE, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Special Revenue						
	Community Service Center	Hotel/Motel Tax	Government Access Cable TV Channel	Confiscated Assets	Grants	HUD Grant	Revolving Loan
ASSETS							
Cash and cash equivalents	\$ 2,651,117	\$ 30,124	\$ 120,280	\$ 610,288	\$ 300	\$ 0	\$ 125,341
Investments	0	0	0	0	200,332	92,897	0
Receivables (net)							
Accounts	30	0	0	0	0	0	0
Intergovernmental	409,365	0	7,525	0	346,934	30,227	0
Taxes	0	91,717	0	0	0	0	0
Notes	0	0	0	0	0	0	225,069
Due from other funds	0	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0	0
Inventory	34,002	0	0	0	0	0	0
Total assets	\$ 3,094,514	\$ 121,841	\$ 127,805	\$ 610,288	\$ 547,566	\$ 123,124	\$ 350,410
LIABILITIES							
Payables							
Accounts	\$ 83,855	\$ 0	\$ 1,423	\$ 90,458	\$ 0	\$ 2,413	\$ 0
Retainages	0	0	0	0	0	0	0
Accrued salaries	44,154	0	3,643	0	0	0	0
Due to other funds	0	0	0	0	247,083	27,357	0
Due to others	0	0	0	41,922	0	0	0
Total liabilities	128,009	0	5,066	132,380	247,083	29,770	0
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue -							
Property taxes	0	0	0	0	0	0	0
Notes receivable	0	0	0	0	0	0	225,069
Total deferred inflows of resources	0	0	0	0	0	0	225,069
FUND BALANCES							
Nonspendable	34,002	0	0	0	0	0	0
Restricted	1,248,699	0	60,363	154,681	220,246	93,354	125,341
Committed	0	0	0	0	4,868	0	0
Assigned	1,683,804	121,841	62,376	323,227	75,369	0	0
Total fund balances	2,966,505	121,841	122,739	477,908	300,483	93,354	125,341
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,094,514	\$ 121,841	\$ 127,805	\$ 610,288	\$ 547,566	\$ 123,124	\$ 350,410

Special Revenue					Capital Projects		Total
Impact	Tax	Information	Cemetery	Debt	SPLOST	Grants	Nonmajor
Fee	Allocation	Technology	Trust	Service			Governmental
	District						Funds
\$ 3,244,265	\$ 2,602,357	\$ 228,906	\$ 381,129	\$ 1,629,235	\$ 14,232,064	\$ 981,572	\$ 26,836,978
0	0	0	0	0	0	0	293,229
0	0	0	0	0	0	0	30
0	0	0	0	449	1,115,259	29,462	1,939,221
0	0	0	0	30,803	0	0	122,520
0	0	0	0	0	0	0	225,069
0	0	0	0	1,500,472	0	0	1,500,472
0	0	0	0	9,319	0	0	9,319
0	0	0	0	0	0	0	34,002
<u>\$ 3,244,265</u>	<u>\$ 2,602,357</u>	<u>\$ 228,906</u>	<u>\$ 381,129</u>	<u>\$ 3,170,278</u>	<u>\$ 15,347,323</u>	<u>\$ 1,011,034</u>	<u>\$ 30,960,840</u>
\$ 0	\$ 0	\$ 6,598	\$ 417	\$ 0	\$ 707,174	\$ 4,971	\$ 897,309
0	0	0	0	0	38,630	0	38,630
0	0	0	0	0	1,724	0	49,521
0	1,500,472	0	0	0	0	0	1,774,912
0	0	0	0	0	0	0	41,922
<u>0</u>	<u>1,500,472</u>	<u>6,598</u>	<u>417</u>	<u>0</u>	<u>747,528</u>	<u>4,971</u>	<u>2,802,294</u>
0	0	0	0	27,003	0	0	27,003
0	0	0	0	0	0	0	225,069
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,003</u>	<u>0</u>	<u>0</u>	<u>252,072</u>
0	0	0	0	9,319	0	0	43,321
3,244,265	836,342	222,308	0	1,482,963	10,367,934	166,841	18,223,337
0	0	0	380,712	0	0	0	385,580
0	265,543	0	0	1,650,993	4,231,861	839,222	9,254,236
<u>3,244,265</u>	<u>1,101,885</u>	<u>222,308</u>	<u>380,712</u>	<u>3,143,275</u>	<u>14,599,795</u>	<u>1,006,063</u>	<u>27,906,474</u>
<u>\$ 3,244,265</u>	<u>\$ 2,602,357</u>	<u>\$ 228,906</u>	<u>\$ 381,129</u>	<u>\$ 3,170,278</u>	<u>\$ 15,347,323</u>	<u>\$ 1,011,034</u>	<u>\$ 30,960,840</u>

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	Special Revenue						
	Community Service Center	Hotel/Motel Tax	Government Access Cable TV Channel	Confiscated Assets	Grants	HUD Grant	Revolving Loan
REVENUES							
Taxes	\$ 0	\$ 1,053,683	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, fees, and forfeitures	0	0	0	408,417	0	0	0
Charges for services	342,918	0	0	0	0	0	14,487
Intergovernmental	1,615,779	0	80,749	0	88,372	338,783	0
Investment	58,416	1,592	2,346	15,385	0	0	6,410
Contributions	105,070	0	0	0	0	0	0
Other	86,102	0	0	0	0	0	31
Total revenues	2,208,285	1,055,275	83,095	423,802	88,372	338,783	20,928
EXPENDITURES							
Current							
General Government	0	0	180,766	0	0	0	0
Public Safety	0	0	0	497,906	102,617	0	0
Public Works	0	0	0	0	0	0	0
Health and Welfare	2,834,079	0	0	0	0	0	0
Culture and Recreation	0	0	0	0	0	0	0
Housing and Development	0	764,162	0	0	7,934	135,123	1,368
Debt service:							
Principal	0	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0	0
Total expenditures	2,834,079	764,162	180,766	497,906	110,551	135,123	1,368
Excess (deficiency) of revenues over (under) expenditures	(625,794)	291,113	(97,671)	(74,104)	(22,179)	203,660	19,560
Other financing sources (uses)							
Transfers in	869,405	0	100,018	0	22,943	0	0
Transfers out	0	(304,237)	0	0	0	(203,203)	0
Sale of capital assets	51,327	0	0	1,712	0	0	0
Total other financing sources (uses)	920,732	(304,237)	100,018	1,712	22,943	(203,203)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	294,938	(13,124)	2,347	(72,392)	764	457	19,560
Fund balances, July 1	2,671,567	134,965	120,392	550,300	299,719	92,897	105,781
Fund balances, June 30	\$ 2,966,505	\$ 121,841	\$ 122,739	\$ 477,908	\$ 300,483	\$ 93,354	\$ 125,341

Special Revenue					Capital Projects		Total Nonmajor Governmental Funds
Impact Fee	Tax Allocation District	Information Technology	Cemetery Trust	Debt Service	SPLOST	Grants	
\$ 0	\$ 60,329	\$ 0	\$ 0	\$ 2,732,970	\$ 0	\$ 0	\$ 3,846,982
0	0	61,792	0	0	0	0	470,209
1,075,030	0	0	58,560	0	0	0	1,490,995
0	207,299	0	0	0	0	402,926	2,733,908
76,694	40,557	3,963	7,654	56,747	5,795,622	0	6,065,386
0	0	0	25,500	0	0	25,000	155,570
0	0	0	0	0	0	0	86,133
1,151,724	308,185	65,755	91,714	2,789,717	5,795,622	427,926	14,849,183
0	0	0	0	0	0	0	180,766
0	0	9,694	0	0	0	0	610,217
0	0	0	4,275	0	0	0	4,275
0	0	0	0	0	0	0	2,834,079
626,120	0	0	0	0	0	0	626,120
0	285,218	0	0	0	0	0	1,193,805
0	0	0	0	2,176,859	0	0	2,176,859
0	0	0	0	630,248	0	0	630,248
0	0	0	0	0	4,142,136	367,456	4,509,592
626,120	285,218	9,694	4,275	2,807,107	4,142,136	367,456	12,765,961
525,604	22,967	56,061	87,439	(17,390)	1,653,486	60,470	2,083,222
3,575	0	41,250	0	360,452	411,845	358,203	2,167,691
(36,893)	0	0	0	0	0	(441,216)	(985,549)
0	0	0	0	0	0	0	53,039
(33,318)	0	41,250	0	360,452	411,845	(83,013)	1,235,181
492,286	22,967	97,311	87,439	343,062	2,065,331	(22,543)	3,318,403
2,751,979	1,078,918	124,997	293,273	2,800,213	12,534,464	1,028,606	24,588,071
\$ 3,244,265	\$ 1,101,885	\$ 222,308	\$ 380,712	\$ 3,143,275	\$ 14,599,795	\$ 1,006,063	\$ 27,906,474

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2019

	Airport	Solid Waste	Chattahoochee Golf Course	Total Nonmajor Enterprise Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 0	\$ 4,076,200	\$ 397,524	\$ 4,473,724
Receivables				
Accounts (net)	22,232	226,066	42,006	290,304
Intergovernmental	1,528,275	0	0	1,528,275
Total current assets	1,550,507	4,302,266	439,530	6,292,303
Noncurrent assets				
Capital assets				
Non-depreciable	2,558,286	0	52,151	2,610,437
Depreciable (net)	7,271,777	984,719	2,604,409	10,860,905
Total noncurrent assets	9,830,063	984,719	2,656,560	13,471,342
Total assets	11,380,570	5,286,985	3,096,090	19,763,645
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	4,270	0	33,051	37,321
Deferred outflows related to pensions	16,136	91,375	13,829	121,340
Deferred outflows related to other post employment benefits	3,169	72,400	15,846	91,415
Total deferred outflows of resources	23,575	163,775	62,726	250,076
LIABILITIES				
Current liabilities				
Payables				
Accounts	106,289	254,776	88,229	449,294
Deposits	4,036	0	0	4,036
Sales tax	0	0	9,272	9,272
Retainage	179,320	0	0	179,320
Interest	1,125	0	6,418	7,543
Accrued salaries	1,938	30,895	24,652	57,485
Compensated absences	1,545	47,068	25,403	74,016
Due to other funds	80,587	0	0	80,587
Capital lease payable	455,428	0	260,000	715,428
Other liabilities	0	0	47,450	47,450
Total current liabilities	830,268	332,739	461,424	1,624,431
Noncurrent liabilities				
Advances from other funds	0	0	223,370	223,370
Compensated absences	172	5,230	2,823	8,225
Net pension liability	125,600	382,356	1,982	509,938
Net OPEB liability	45,875	1,042,328	229,376	1,317,579
Capital leases payable	0	0	1,705,000	1,705,000
Total noncurrent liabilities	171,647	1,429,914	2,162,551	3,764,112
Total liabilities	1,001,915	1,762,653	2,623,975	5,388,543

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2019

	Airport	Solid Waste	Chattahoochee Golf Course	Total Nonmajor Enterprise Funds
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	\$ 10,199	\$ 188,490	\$ 61,732	\$ 260,421
Deferred inflows related to other post employment benefits	16,215	384,379	81,078	481,672
Total deferred inflows of resources	26,414	572,869	142,810	742,093
NET POSITION				
Net investment in capital assets	9,101,114	789,242	696,766	10,587,122
Restricted for capital outlay	0	0	25,649	25,649
Unrestricted	1,274,702	2,325,996	(330,384)	3,270,314
Total net position	\$ 10,375,816	\$ 3,115,238	\$ 392,031	\$ 13,883,085

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the fiscal year ended June 30, 2019

	Airport	Solid Waste	Chattahoochee Golf Course	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for sales and services	\$ 975,041	\$ 2,965,987	\$ 1,063,022	\$ 5,004,050
Other	240	14,415	7,404	22,059
Total operating revenues	975,281	2,980,402	1,070,426	5,026,109
OPERATING EXPENSES				
Costs of sales and services	500,169	1,057,054	388,356	1,945,579
Personal services	71,345	1,282,802	557,973	1,912,120
Depreciation	909,967	206,644	302,066	1,418,677
Total operating expenses	1,481,481	2,546,500	1,248,395	5,276,376
Operating income (loss)	(506,200)	433,902	(177,969)	(250,267)
Non-operating revenues (expenses)				
Interest revenue	36,686	85,417	11,210	133,313
Interest expense	(24,687)	0	(58,994)	(83,681)
Gain (loss) on sale of capital assets	(1,253)	53,431	1,347	53,525
Total non-operating revenues (expenses)	10,746	138,848	(46,437)	103,157
Income (loss) before capital contributions and transfers	(495,454)	572,750	(224,406)	(147,110)
Capital contributions				
Intergovernmental revenue	1,860,305	0	0	1,860,305
Income (loss) before transfers	1,364,851	572,750	(224,406)	1,713,195
Transfers in (out)				
Transfers in	0	0	404,562	404,562
Change in net position	1,364,851	572,750	180,156	2,117,757
Net position, July 1 (original)	9,010,965	2,542,488	211,875	11,765,328
Net position, June 30	\$ 10,375,816	\$ 3,115,238	\$ 392,031	\$ 13,883,085

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the fiscal year ended June 30, 2019

	<u>Airport</u>	<u>Solid Waste</u>	<u>Chattahoochee Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash flows from operating activities:				
Receipts from customers	\$ 976,720	\$ 3,015,611	\$ 1,068,110	\$ 5,060,441
Payments to suppliers	(511,638)	(1,043,143)	(383,345)	(1,938,126)
Payments to employees	(68,244)	(1,346,639)	(580,980)	(1,995,863)
Other receipts	240	14,415	1,304	15,959
	<u>397,078</u>	<u>640,244</u>	<u>105,089</u>	<u>1,142,411</u>
Net cash provided (used) by operating activities				
Cash flows from non-capital financing activities:				
Receipts from other funds	0	0	404,562	404,562
Payments to other funds	0	0	(35,420)	(35,420)
	<u>0</u>	<u>0</u>	<u>369,142</u>	<u>369,142</u>
Net cash provided (used) by non-capital financing activities				
Cash flows from capital and related financing activities:				
Receipts from other funds	80,587	0	0	80,587
Receipts from other governments	440,986	0	0	440,986
Proceeds from sale of capital assets	3,496	53,435	1,347	58,278
Payment of capital related accounts payable	0	0	(1,279)	(1,279)
Interest paid	(14,387)	0	(54,241)	(68,628)
Acquisition of capital assets	(1,546,632)	(280,473)	(424,229)	(2,251,334)
Principal payments - capital leases	(449,475)	0	(255,000)	(704,475)
	<u>(1,485,425)</u>	<u>(227,038)</u>	<u>(733,402)</u>	<u>(2,445,865)</u>
Net cash provided (used) by capital and related financing activities				
Cash flows from investing activities:				
Interest received	36,686	85,417	11,210	133,313
	<u>36,686</u>	<u>85,417</u>	<u>11,210</u>	<u>133,313</u>
Net increase (decrease) in cash and cash equivalents	(1,051,661)	498,623	(247,961)	(800,999)
Cash and cash equivalents, July 1	1,051,661	3,577,577	645,485	5,274,723
Cash and cash equivalents, June 30	<u>\$ 0</u>	<u>\$ 4,076,200</u>	<u>\$ 397,524</u>	<u>\$ 4,473,724</u>

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the fiscal year ended June 30, 2019

	<u>Airport</u>	<u>Solid Waste</u>	<u>Chattahoochee Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (506,200)	\$ 433,902	\$ (177,969)	\$ (250,267)
Adjustments to reconcile operating income to net cash provided (used) by operating activities				
Depreciation	909,967	206,644	302,066	1,418,677
(Increase) decrease in accounts receivable	1,680	49,625	(2,624)	48,681
(Increase) decrease in deferred outflows of resources	(975)	13,518	5,787	18,330
Increase (decrease) in accounts payable	(11,469)	13,911	5,021	7,463
Increase (decrease) in sales tax payable	0	0	1,611	1,611
Increase (decrease) in accrued salaries and benefits	695	1,418	5,658	7,771
Increase (decrease) in other liabilities	0	0	(8)	(8)
Increase (decrease) in net pension liability	3,675	(36,850)	(64,009)	(97,184)
Increase (decrease) in deferred inflows of resources	12,508	265,319	51,507	329,334
Increase (decrease) in OPEB liability	(12,803)	(307,243)	(21,951)	(341,997)
Total adjustments	903,278	206,342	283,058	1,392,678
Net cash provided (used) by operating activities	\$ 397,078	\$ 640,244	\$ 105,089	\$ 1,142,411

Noncash investing, capital, and financing activities:

Acquisition of capital assets through accounts payable totaled \$321,793.

Acquisition of capital assets through retainage payable totaled \$179,320.

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2019

	General Insurance Fund	Employee Benefits Fund	Vehicle Services Fund	Totals
ASSETS				
Current assets				
Cash and cash equivalents	\$ 2,119,638	\$ 6,206,634	\$ 265,747	\$ 8,592,019
Receivables				
Accounts	1,861	24,554	0	26,415
Intergovernmental	0	0	8,507	8,507
Inventory	0	0	94,184	94,184
Other assets	140,000	0	0	140,000
Total current assets	2,261,499	6,231,188	368,438	8,861,125
Noncurrent assets				
Depreciable capital assets (net)	0	0	159,742	159,742
Total assets	2,261,499	6,231,188	528,180	9,020,867
LIABILITIES				
Current liabilities				
Payables				
Accounts	55,788	83,442	80,094	219,324
Deposits	0	135,902	0	135,902
Accrued salaries	0	0	11,217	11,217
Compensated absences	0	0	27,489	27,489
Claims reserves	1,550,858	772,211	0	2,323,069
Total current liabilities	1,606,646	991,555	118,800	2,717,001
Noncurrent liabilities				
Compensated absences	0	0	3,054	3,054
Total liabilities	1,606,646	991,555	121,854	2,720,055
NET POSITION				
Investment in capital assets	0	0	159,742	159,742
Unrestricted	654,853	5,239,633	246,584	6,141,070
Total net position	\$ 654,853	\$ 5,239,633	\$ 406,326	\$ 6,300,812

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the fiscal year ended June 30, 2019

	General Insurance Fund	Employee Benefits Fund	Vehicle Services Fund	Totals
OPERATING REVENUES				
Interfund services provided	\$ 1,170,652	\$ 9,418,336	\$ 2,268,718	\$ 12,857,706
Other	7,522	0	1,039	8,561
Total operating revenues	1,178,174	9,418,336	2,269,757	12,866,267
OPERATING EXPENSES				
Costs of services	1,178,174	9,887,545	1,847,863	12,913,582
Personal services	0	0	387,228	387,228
Depreciation	0	0	37,581	37,581
Total operating expenses	1,178,174	9,887,545	2,272,672	13,338,391
Operating income (loss)	0	(469,209)	(2,915)	(472,124)
Non-operating revenues (expenses)				
Investment revenue	51,701	135,285	0	186,986
Gain (loss) on sale of capital assets	0	0	2,915	2,915
Total non-operating revenues (expenses)	51,701	135,285	2,915	189,901
Change in net position	51,701	(333,924)	0	(282,223)
Net position, July 1	603,152	5,573,557	406,326	6,583,035
Net position, June 30	\$ 654,853	\$ 5,239,633	\$ 406,326	\$ 6,300,812

CITY OF GAINESVILLE, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the fiscal year ended June 30, 2019

	General Insurance Fund	Employee Benefits Fund	Vehicle Services Fund	Totals
Cash flows from operating activities:				
Receipts from interfund services provided	\$ 1,171,611	\$ 9,417,546	\$ 2,268,793	\$ 12,857,950
Payments to suppliers	(1,523,006)	(9,526,780)	(1,840,728)	(12,890,514)
Payments to employees	0	0	(381,013)	(381,013)
Other receipts	7,522	0	1,039	8,561
Net cash provided (used) by operating activities	(343,873)	(109,234)	48,091	(405,016)
Cash flows from capital and related financing activities:				
Payments to other funds	0	0	7,373	7,373
Acquisition of capital assets	0	0	(50,000)	(50,000)
Net cash provided (used) by capital and related financing activities	0	0	(42,627)	(42,627)
Cash flows from investing activities:				
Receipts from investments	51,701	135,285	0	186,986
Net increase (decrease) in cash and cash equivalents	(292,172)	26,051	5,464	(260,657)
Cash and cash equivalents, July 1	2,411,810	6,180,583	260,283	8,852,676
Cash and cash equivalents, June 30	\$ 2,119,638	\$ 6,206,634	\$ 265,747	\$ 8,592,019
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 0	\$ (469,209)	\$ (2,915)	\$ (472,124)
Adjustments to reconcile operating income to net cash provided (used) by operating activities				
Depreciation	0	0	37,581	37,581
(Increase) decrease in accounts receivable	959	(790)	0	169
(Increase) decrease in intergovernmental receivables	0	0	75	75
(Increase) decrease in inventory	0	0	24,050	24,050
Increase (decrease) in accounts payable	6,971	(77,614)	(16,916)	(87,559)
Increase (decrease) in deposits payable	0	26,192	0	26,192
Increase (decrease) in accrued salaries and benefits	0	0	6,216	6,216
Increase (decrease) in claims reserve	(351,803)	412,187	0	60,384
Total adjustments	(343,873)	359,975	51,006	67,108
Net cash provided (used) by operating activities	<u>\$ (343,873)</u>	<u>\$ (109,234)</u>	<u>\$ 48,091</u>	<u>\$ (405,016)</u>



GENERAL FUND

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

The General Fund is presented as a major fund in the basic financial statements.

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 12,697,067	\$ 12,345,180
Receivables (net)		
Accounts	97,729	66,992
Intergovernmental	372,892	32,670
Taxes	1,139,691	1,170,461
Prepaid items	2,424	1,268
Due from other funds	355,028	885,971
Advances to other funds	223,370	258,790
Total assets	\$ 14,888,201	\$ 14,761,332
LIABILITIES		
Payables		
Accounts	\$ 585,000	\$ 752,012
Intergovernmental	3,106	0
Due to others	62,246	27,994
Accrued salaries	473,407	639,397
Total liabilities	1,123,759	1,419,403
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	55,867	77,518
FUND BALANCES		
Nonspendable:		
Prepaid items	2,424	1,268
Advances to other funds	223,370	258,790
Committed for Housing and Development	4,957	4,957
Assigned for:		
Public Works	139,017	131,649
Budget	3,465,309	3,780,741
Unassigned	9,873,498	9,087,006
Total fund balances	13,708,575	13,264,411
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,888,201	\$ 14,761,332

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
REVENUES		
Taxes	\$ 21,150,543	\$ 23,181,523
Licenses and permits	1,192,531	1,143,187
Fines, fees and forfeitures	1,270,227	1,345,500
Charges for services	2,771,075	2,321,193
Intergovernmental	404,061	1,496,497
Interest	745,151	271,934
Contributions	13,732	8,597
Other	251,353	356,672
Total revenues	27,798,673	30,125,103
EXPENDITURES		
Current		
General Government	5,060,187	4,861,539
Judicial	536,900	523,018
Public Safety	9,417,675	17,302,604
Public Works	4,783,471	4,612,451
Health and Welfare	19,500	12,500
Housing and Development	1,525,495	1,266,422
Total expenditures	21,343,228	28,578,534
Excess (deficiency) of revenues over (under) expenditures	6,455,445	1,546,569
Other financing sources (uses)		
Transfers in (out)		
Community Service Center Fund	(869,405)	(665,631)
Government Access Cable TV Channel Fund	(100,018)	(123,636)
Grants Special Revenue Fund	(22,943)	(52,443)
Fire Fund	(3,199,225)	0
Impact Fee Fund	36,893	30,871
SPLOST Capital Projects Fund	(16,411)	(100,000)
General Government Capital Projects Fund	(4,504,799)	(3,176,581)
Grants Capital Projects Fund	(155,000)	(25,000)
Debt Service Fund	(125,400)	(156,000)
Department of Water Resources Fund	3,297,702	3,446,222
Chattahoochee Golf Course Fund	(404,562)	(293,765)
Sales of capital assets	51,887	906,970
Total other financing sources (uses)	(6,011,281)	(208,993)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	444,164	1,337,576
Fund balances, July 1	13,264,411	11,926,835
Fund balances, June 30	\$ 13,708,575	\$ 13,264,411

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current year levy	\$ 3,634,407	\$ 3,723,355	\$ 88,948	\$ 6,603,492
Prior years' levies	36,282	63,785	27,503	14,670
Motor vehicle/TAVT tax	949,324	1,401,626	452,302	1,330,150
Cost, penalties, and interest	10,140	25,654	15,514	33,341
Total general property taxes	4,630,153	5,214,420	584,267	7,981,653
Intangibles tax	126,000	179,964	53,964	213,556
Franchise tax	4,007,864	4,507,256	499,392	4,208,097
Insurance premium tax	2,100,000	2,433,437	333,437	2,346,272
Occupational tax	1,352,300	1,418,919	66,619	1,394,517
Alcohol tax	1,093,000	1,160,672	67,672	1,152,257
Local option sales tax	5,701,000	6,235,875	534,875	5,885,171
Total taxes	19,010,317	21,150,543	2,140,226	23,181,523
Licenses and permits	877,000	1,192,531	315,531	1,143,187
Fines, fees and forfeitures	1,360,000	1,270,227	(89,773)	1,345,500
Charges for services	2,887,335	2,771,075	(116,260)	2,321,193
Intergovernmental	421,362	404,061	(17,301)	1,496,497
Investment	110,000	745,151	635,151	271,934
Contributions	7,377	13,732	6,355	8,597
Other				
Rents	235,400	218,520	(16,880)	226,045
Miscellaneous	35,000	32,833	(2,167)	130,627
Total other	270,400	251,353	(19,047)	356,672
Total revenues	<u>\$ 24,943,791</u>	<u>\$ 27,798,673</u>	<u>\$ 2,854,882</u>	<u>\$ 30,125,103</u>

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	\$ 245,970	\$ 226,398	\$ 19,572	\$ 230,243
Other	152,482	84,877	67,605	87,096
Total Mayor and Council	398,452	311,275	87,177	317,339
City Manager's Office				
Personal services	655,970	638,370	17,600	614,544
Other	231,993	216,955	15,038	186,848
Total City Manager's Office	887,963	855,325	32,638	801,392
Finance				
Personal services	1,033,186	1,029,781	3,405	956,641
Other	264,081	220,494	43,587	201,590
Total Finance	1,297,267	1,250,275	46,992	1,158,231
Information Technologies				
Personal services	662,708	615,866	46,842	511,846
Other	300,914	283,674	17,240	214,172
Total Information Technologies	963,622	899,540	64,082	726,018
Human Resources				
Personal services	655,681	629,769	25,912	578,401
Other	153,598	109,819	43,779	77,864
Total Human Resources	809,279	739,588	69,691	656,265
Public Lands and Buildings				
Personal services	372,374	325,270	47,104	261,604
Other	792,231	678,914	113,317	640,690
Capital outlay	0	0	0	300,000
Total Public Lands and Buildings	1,164,605	1,004,184	160,421	1,202,294
Total General Government	5,521,188	5,060,187	461,001	4,861,539
Judicial				
Municipal Court				
Personal services	472,671	455,418	17,253	432,256
Other	90,978	81,482	9,496	90,762
Total Judicial	563,649	536,900	26,749	523,018
Public Safety				
Police				
Personal services	8,308,793	7,991,870	316,923	7,843,229
Other	1,518,127	1,425,805	92,322	1,513,713
Total Police	9,826,920	9,417,675	409,245	9,356,942
Fire				
Personal services	0	0	0	7,209,361
Other	0	0	0	736,301
Total Fire	0	0	0	7,945,662
Total Public Safety	9,826,920	9,417,675	409,245	17,302,604

CITY OF GAINESVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Public Works				
Engineering				
Personal services	\$ 910,854	\$ 905,006	\$ 5,848	\$ 830,982
Other	118,973	106,538	12,435	77,632
Total Engineering	1,029,827	1,011,544	18,283	908,614
Traffic				
Personal services	439,421	429,326	10,095	443,891
Other	901,027	808,778	92,249	811,694
Capital outlay	0	0	0	12,180
Total Traffic	1,340,448	1,238,104	102,344	1,267,765
Street Maintenance				
Personal services	1,351,073	1,182,214	168,859	1,104,398
Other	483,673	462,143	21,530	409,877
Capital outlay	20,000	11,851	8,149	69,146
Total Street Maintenance	1,854,746	1,656,208	198,538	1,583,421
Storm Water				
Personal services	308,625	253,696	54,929	268,946
Other	106,630	50,276	56,354	32,875
Total Storm Water	415,255	303,972	111,283	301,821
Cemetery				
Personal services	411,778	401,569	10,209	379,334
Other	195,469	172,074	23,395	171,496
Total Cemetery	607,247	573,643	33,604	550,830
Total Public Works	5,247,523	4,783,471	464,052	4,612,451
Health and Welfare				
Agency allocations	19,500	19,500	0	12,500
Housing and Development				
Planning				
Personal services	531,671	528,465	3,206	468,991
Other	202,433	194,335	8,098	76,964
Total Planning	734,104	722,800	11,304	545,955
Inspection				
Personal services	358,637	355,312	3,325	330,917
Other	66,611	51,499	15,112	29,204
Total Inspection	425,248	406,811	18,437	360,121
Code Enforcement				
Personal services	284,532	281,124	3,408	260,987
Other	86,104	81,760	4,344	67,422
Total Code Enforcement	370,636	362,884	7,752	328,409
Agency allocations	33,000	33,000	0	31,937
Total Housing and Development	1,562,988	1,525,495	37,493	1,266,422
Total expenditures	\$ 22,741,768	\$ 21,343,228	\$ 1,398,540	\$ 28,578,534

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Community Service Center Fund - This fund is used to account for local, state and federal grant revenues legally restricted for community service projects.

Economic Development Fund - This fund is used to account for activities of economic development.

The Economic Development Fund is presented as a major fund in the basic financial statements.

Hotel/Motel Tax Fund - This fund is used to collect Hotel/Motel taxes which are used to help support tourism.

Government Access Cable TV Channel Fund - This fund is used to account for costs associated with the operation of the City/County governmental cable television channel.

Confiscated Assets Fund - This fund is used to account for the cash received either from a cash confiscation or cash received from a sale of assets acquired from a drug raid.

Grants Fund - This fund is used to account for all grants used to finance general government operations.

HUD Grant Fund - This fund is used to account for activities connected with the US Department of Housing and Urban Development Community Development Block Grant/ Entitlement Grant. The objective of the grant is to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income.

Revolving Loan Fund - This fund is used to record activities connected with notes receivable for loans made with monies recorded in the HUD Grant Fund. As funds are accumulated, loans will be made for the development of the City of Gainesville's urban community using the criteria established by the US Department of Housing and Urban Development Community Development Block Grant/ Entitlement Grant.

Impact Fee Fund - This fund is used to account for activities connected with impact fees, whereby new development assists in covering the additional cost of providing public safety and recreational services needed as a result of growth.

Tax Allocation District Fund - This fund is used to account for ad valorem property tax collections derived from the City tax allocation districts for the purpose of stimulating private redevelopment within these areas.

Information Technology Fund - This fund is used to account for the fee collected through the Municipal Court, as authorized by City ordinance, for the purpose of improving/enhancing information technology in the Police Department, Municipal Court, and Code Enforcement.

Cemetery Trust Fund - This fund is used to account for activities connected with the receipt and disbursements of funds restricted for support of the activities of the City cemetery.

Fire Fund – This fund is used to account for ad valorem property tax collections derived from the City's special tax district for Fire Services and the costs associated with the operation of the City's Fire Department.

The Fire Fund is presented as a major fund in the basic financial statements.

CITY OF GAINESVILLE, GEORGIA
COMMUNITY SERVICE CENTER SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 2,651,117	\$ 2,615,463
Receivables		
Accounts	30	3,290
Intergovernmental	409,365	210,039
Inventory	34,002	34,002
Total assets	\$ 3,094,514	\$ 2,862,794
LIABILITIES		
Accounts payable	\$ 83,855	\$ 149,605
Accrued salaries	44,154	41,622
Total liabilities	128,009	191,227
FUND BALANCES		
Nonspendable:		
Inventories	34,002	34,002
Restricted for Health and Welfare	1,248,699	1,264,418
Assigned for:		
Health and Welfare	1,533,804	1,373,147
Budget	150,000	0
Total fund balances	2,966,505	2,671,567
Total liabilities and fund balances	\$ 3,094,514	\$ 2,862,794

CITY OF GAINESVILLE, GEORGIA
COMMUNITY SERVICE CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 431,907	\$ 342,918	\$ (88,989)	\$ 359,270
Intergovernmental	2,320,858	1,615,779	(705,079)	1,473,755
Interest	5,000	58,416	53,416	22,877
Contributions	129,700	105,070	(24,630)	146,393
Other	84,710	86,102	1,392	84,209
Total revenues	2,972,175	2,208,285	(763,890)	2,086,504
EXPENDITURES				
Current				
Health and Welfare				
Personal services	1,679,850	1,506,210	173,640	1,417,879
Other	1,396,261	1,281,019	115,242	1,259,844
Capital outlay	892,000	46,850	845,150	0
Total expenditures	3,968,111	2,834,079	1,134,032	2,677,723
Excess (deficiency) of revenues over (under) expenditures	(995,936)	(625,794)	370,142	(591,219)
Other financing sources (uses)				
Transfers in (out)				
General Fund	869,405	869,405	0	665,631
General Government Capital Projects Fund	0	0	0	(28,301)
SPLOST Capital Projects Fund	0	0	0	(15,135)
Sale of capital assets	0	51,327	51,327	6,494
Total other financing sources (uses)	869,405	920,732	51,327	628,689
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(126,531)	294,938	421,469	37,470
Fund balance, July 1	126,531	2,671,567	2,545,036	2,634,097
Fund balances, June 30	\$ 0	\$ 2,966,505	\$ 2,966,505	\$ 2,671,567

CITY OF GAINESVILLE, GEORGIA
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 5,502,188	\$ 4,174,878
Accounts receivable	1,748	0
Investments	10,548,835	933,619
Total assets	\$ 16,052,771	\$ 5,108,497
LIABILITIES		
Accounts payable	\$ 3,684	\$ 7,525
Due to other funds	10,017,622	0
	10,021,306	7,525
FUND BALANCES		
Assigned for:		
Housing and Development	5,966,465	5,042,972
Budget	65,000	58,000
Total fund balances	6,031,465	5,100,972
Total liabilities and fund balances	\$ 16,052,771	\$ 5,108,497

CITY OF GAINESVILLE, GEORGIA
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 0	\$ 0	\$ 0	\$ 243,830
Investment	162,500	1,137,320	974,820	39,016
Total revenue	<u>162,500</u>	<u>1,137,320</u>	<u>974,820</u>	<u>282,846</u>
EXPENDITURES				
Current				
Housing and Development				
Other	220,500	206,827	13,673	95,816
Excess (deficiency) of revenues over (under) expenditures	<u>(58,000)</u>	<u>930,493</u>	<u>988,493</u>	<u>187,030</u>
Other financing sources (uses)				
Transfers in (out)				
General Government				
Capital Projects Fund	0	0	0	(30,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(58,000)</u>	<u>930,493</u>	<u>988,493</u>	<u>157,030</u>
Fund balances, July 1	<u>58,000</u>	<u>5,100,972</u>	<u>5,042,972</u>	<u>4,943,942</u>
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 6,031,465</u>	<u>\$ 6,031,465</u>	<u>\$ 5,100,972</u>

CITY OF GAINESVILLE, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 30,124	\$ 52,843
Taxes receivable	91,717	82,122
Total assets	\$ 121,841	\$ 134,965
FUND BALANCES		
Assigned for Housing and Development	\$ 121,841	\$ 134,965

CITY OF GAINESVILLE, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	\$ 962,114	\$ 1,053,683	\$ 91,569	\$ 965,037
Investment	200	1,592	1,392	753
Total revenues	<u>962,314</u>	<u>1,055,275</u>	<u>92,961</u>	<u>965,790</u>
EXPENDITURES				
Current				
Housing and Development				
Other	<u>764,162</u>	<u>764,162</u>	<u>0</u>	<u>472,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>198,152</u>	<u>291,113</u>	<u>92,961</u>	<u>493,007</u>
Other financing sources (uses)				
Transfers in (out)				
Debt Service Fund	(175,652)	(175,652)	0	(160,869)
General Government				
Capital Projects Fund	<u>(128,585)</u>	<u>(128,585)</u>	<u>0</u>	<u>(260,500)</u>
Total other financing sources (uses)	<u>(304,237)</u>	<u>(304,237)</u>	<u>0</u>	<u>(421,369)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(106,085)</u>	<u>(13,124)</u>	<u>92,961</u>	<u>71,638</u>
Fund balances, July 1	<u>106,085</u>	<u>134,965</u>	<u>28,880</u>	<u>63,327</u>
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 121,841</u>	<u>\$ 121,841</u>	<u>\$ 134,965</u>

CITY OF GAINESVILLE, GEORGIA
GOVERNMENT ACCESS CABLE TV CHANNEL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 120,280	\$ 101,722
Intergovernmental receivables	7,525	33,825
Total assets	\$ 127,805	\$ 135,547
LIABILITIES		
Accounts payable	\$ 1,423	\$ 306
Accrued salaries	3,643	14,849
Total liabilities	5,066	15,155
FUND BALANCES		
Restricted for:		
General Government	60,363	55,977
Capital outlay	0	6,425
Assigned for General Government	62,376	57,990
Total fund balances	122,739	120,392
Total liabilities and fund balances	\$ 127,805	\$ 135,547

CITY OF GAINESVILLE, GEORGIA
GOVERNMENT ACCESS CABLE TV CHANNEL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 128,686	\$ 80,749	\$ (47,937)	\$ 123,636
Investment	1,194	2,346	1,152	1,035
Total revenues	129,880	83,095	(46,785)	124,671
EXPENDITURES				
Current				
General Government				
Personal services	181,091	113,136	67,955	174,521
Other	77,475	67,630	9,845	67,092
Total expenditures	258,566	180,766	77,800	241,613
Excess (deficiency) of revenues over (under) expenditures	<u>(128,686)</u>	<u>(97,671)</u>	<u>31,015</u>	<u>(116,942)</u>
Other financing sources (uses)				
Transfers in (out)				
General Fund	128,686	100,018	(28,668)	123,636
General Government				
Capital Projects Fund	0	0	0	(5,660)
Total other financing sources (uses)	128,686	100,018	(28,668)	117,976
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>2,347</u>	<u>2,347</u>	<u>1,034</u>
Fund balance, July 1	<u>0</u>	<u>120,392</u>	<u>120,392</u>	<u>119,358</u>
Fund balances, June 30	\$ 0	\$ 122,739	\$ 122,739	\$ 120,392

CITY OF GAINESVILLE, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 610,288	\$ 601,053
Receivables	0	3,257
Total assets	\$ 610,288	\$ 604,310
LIABILITIES		
Accounts payable	\$ 90,458	\$ 0
Due to others	41,922	54,010
Total liabilities	132,380	54,010
FUND BALANCES		
Restricted for Public Safety	154,681	282,350
Assigned for Budget	323,227	267,950
Total fund balances	477,908	550,300
Total liabilities and fund balances	\$ 610,288	\$ 604,310

CITY OF GAINESVILLE, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 408,416	\$ 408,417	\$ 1	\$ 265,130
Investment	15,382	15,385	3	5,710
Total revenues	423,798	423,802	4	270,840
EXPENDITURES				
Current				
Public Safety				
Other	450,258	322,878	127,380	208,294
Capital outlay	183,500	175,028	8,472	60,808
Total expenditures	633,758	497,906	135,852	269,102
Excess (deficiency) of revenues over (under) expenditures	(209,960)	(74,104)	135,856	1,738
Other financing sources (uses)				
Sales of capital assets	1,712	1,712	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(208,248)	(72,392)	135,856	1,738
Fund balance, July 1	208,248	550,300	342,052	548,562
Fund balances, June 30	\$ 0	\$ 477,908	\$ 477,908	\$ 550,300

CITY OF GAINESVILLE, GEORGIA
GRANTS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 300	\$ 300
Investments	200,332	200,332
Intergovernmental receivables	346,934	756,414
Total assets	\$ 547,566	\$ 957,046
LIABILITIES		
Accounts payable	\$ 0	\$ 11,538
Due to other funds	247,083	645,789
Total liabilities	247,083	657,327
FUND BALANCES		
Restricted for		
Public Safety	764	6,459
Public Works	19,150	19,150
Housing and Development	200,332	200,332
Committed for Housing and Development	4,868	4,868
Assigned for General Government	75,369	68,910
Total fund balances	300,483	299,719
Total liabilities and fund balances	\$ 547,566	\$ 957,046

CITY OF GAINESVILLE, GEORGIA
GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 1,175,232	\$ 88,372	\$ (1,086,860)	\$ 808,738
EXPENDITURES				
Current				
General Government	0	0	0	11,834
Public Safety	149,159	102,617	46,542	115,000
Public Works	0	0	0	418,674
Culture and Recreation	0	0	0	15,982
Housing and Development	1,049,266	7,934	1,041,332	98,265
Total expenditures	1,198,425	110,551	1,087,874	659,755
Excess (deficiency) of revenues over (under) expenditures	(23,193)	(22,179)	1,014	148,983
Other financing sources (uses)				
Transfers in (out)				
General Fund	23,193	22,943	(250)	52,443
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	764	764	201,426
Fund balance, July 1	0	299,719	299,719	98,293
Fund balances, June 30	\$ 0	\$ 300,483	\$ 300,483	\$ 299,719

CITY OF GAINESVILLE, GEORGIA
HUD GRANT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Investments	\$ 92,897	\$ 92,898
Intergovernmental receivables	30,227	244,220
Total assets	\$ 123,124	\$ 337,118
LIABILITIES		
Payables		
Accounts	\$ 2,413	\$ 3,741
Accrued salaries	0	298
Due to other funds	27,357	240,182
Total liabilities	29,770	244,221
FUND BALANCES		
Restricted for Housing and Development	93,354	92,897
Total liabilities and fund balances	\$ 123,124	\$ 337,118

CITY OF GAINESVILLE, GEORGIA
HUD GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 837,818	\$ 338,783	\$ (499,035)	\$ 315,096
EXPENDITURES				
Current				
Housing and Development				
Personal services	166,090	35,391	130,699	39,459
Other	395,072	99,732	295,340	275,637
Total expenditures	561,162	135,123	426,039	315,096
Excess (deficiency) of revenues over (under) expenditures	276,656	203,660	(72,996)	0
Other financing sources (uses)				
Transfers in (out)				
General Government				
Capital Projects Fund	(276,656)	(203,203)	73,453	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	457	457	0
Fund balances, July 1	0	92,897	92,897	92,897
Fund balances, June 30	\$ 0	\$ 93,354	\$ 93,354	\$ 92,897

CITY OF GAINESVILLE, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 125,341	\$ 105,781
Notes receivable	<u>225,069</u>	<u>267,390</u>
Total assets	<u><u>\$ 350,410</u></u>	<u><u>\$ 373,171</u></u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - notes receivable	\$ 225,069	\$ 267,390
 FUND BALANCES		
Restricted for Housing and Development	<u>125,341</u>	<u>105,781</u>
Total deferred inflows of resources and fund balances	<u><u>\$ 350,410</u></u>	<u><u>\$ 373,171</u></u>

CITY OF GAINESVILLE, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 19,985	\$ 14,487	\$ (5,498)	\$ 20,595
Investment	4,333	6,410	2,077	1,070
Other	0	31	31	0
Total revenues	24,318	20,928	(3,390)	21,665
EXPENDITURES				
Current				
Housing and Development				
Other	82,800	1,368	81,432	18,281
Excess (deficiency) of revenues over (under) expenditures	(58,482)	19,560	78,042	3,384
Fund balances, July 1	58,482	105,781	47,299	102,397
Fund balances, June 30	\$ 0	\$ 125,341	\$ 125,341	\$ 105,781

CITY OF GAINESVILLE, GEORGIA
IMPACT FEE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 3,244,265	\$ 2,751,979
FUND BALANCES		
Restricted for:		
Public Safety	820,926	596,163
Cultural and Recreation	2,423,339	2,155,816
Total fund balances	\$ 3,244,265	\$ 2,751,979

CITY OF GAINESVILLE, GEORGIA
IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 547,960	\$ 1,075,030	\$ 527,070	\$ 892,597
Investment	25,468	76,694	51,226	23,107
Total revenues	573,428	1,151,724	578,296	915,704
EXPENDITURES				
Current				
Culture and Recreation				
Other	650,000	626,120	23,880	230,000
Excess (deficiency) of revenues over (under) expenditures	(76,572)	525,604	602,176	685,704
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	(36,893)	(36,893)	(30,871)
General Government				
Capital Projects Fund	(350,000)	3,575	353,575	0
Total other financing sources (uses)	(350,000)	(33,318)	316,682	(30,871)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(426,572)	492,286	918,858	654,833
Fund balances, July 1	426,572	2,751,979	2,325,407	2,097,146
Fund balances, June 30	\$ 0	\$ 3,244,265	\$ 3,244,265	\$ 2,751,979

CITY OF GAINESVILLE, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 2,602,357	\$ 1,080,438
	<u>2,602,357</u>	<u>1,080,438</u>
LIABILITIES		
Accounts payable	\$ 0	\$ 1,520
Due to other funds	1,500,472	0
	<u>1,500,472</u>	<u>1,520</u>
Total liabilities	1,500,472	1,520
FUND BALANCES		
Restricted for Housing and Development	836,342	687,006
Assigned for Budget	265,543	391,912
	<u>1,101,885</u>	<u>1,078,918</u>
Total fund balances	1,101,885	1,078,918
Total liabilities and fund balances	<u>\$ 2,602,357</u>	<u>\$ 1,080,438</u>

CITY OF GAINESVILLE, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Property taxes	\$ 33,137	\$ 60,329	\$ 27,192	\$ 42,545
Intergovernmental	188,956	207,299	18,343	247,900
Investment	1,650	40,557	38,907	8,296
Total revenues	223,743	308,185	84,442	298,741
EXPENDITURES				
Current				
Housing and Development	615,655	285,218	330,437	137,350
Excess (deficiency) of revenues over (under) expenditures	(391,912)	22,967	414,879	161,391
Fund balances, July 1	391,912	1,078,918	687,006	917,527
Fund balances, June 30	\$ 0	\$ 1,101,885	\$ 1,101,885	\$ 1,078,918

CITY OF GAINESVILLE, GEORGIA
INFORMATION TECHNOLOGY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	<u>\$ 228,906</u>	<u>\$ 124,997</u>
LIABILITIES		
Accounts payable	<u>\$ 6,598</u>	<u>\$ 0</u>
FUND BALANCES		
Restricted for Public Safety	<u>222,308</u>	<u>124,997</u>
Total liabilities and fund balances	<u><u>\$ 228,906</u></u>	<u><u>\$ 124,997</u></u>

CITY OF GAINESVILLE, GEORGIA
INFORMATION TECHNOLOGY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 55,000	\$ 61,792	\$ 6,792	\$ 69,745
Investment	1,000	3,963	2,963	1,841
Total revenues	56,000	65,755	9,755	71,586
EXPENDITURES				
Current				
Public Safety				
Other	56,000	9,694	46,306	28,574
Excess (deficiency) of revenues over (under) expenditures	0	56,061	56,061	43,012
Other financing sources (uses)				
Transfers in (out)				
General Government				
Capital Projects Fund	41,250	41,250	0	(181,500)
Contingency	(41,250)	0	41,250	0
Total other financing sources (uses)	0	41,250	41,250	(181,500)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	97,311	97,311	(138,488)
Fund balances, July 1	0	124,997	124,997	263,485
Fund balances, June 30	\$ 0	\$ 222,308	\$ 222,308	\$ 124,997

CITY OF GAINESVILLE, GEORGIA
CEMETERY TRUST SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	<u>\$ 381,129</u>	<u>\$ 293,273</u>
LIABILITIES		
Accounts payable	\$ 417	\$ 0
FUND BALANCES		
Committed for Public Works	<u>380,712</u>	<u>293,273</u>
Total liabilities and fund balances	<u><u>\$ 381,129</u></u>	<u><u>\$ 293,273</u></u>

CITY OF GAINESVILLE, GEORGIA
CEMETERY TRUST SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Sales and services	\$ 40,000	\$ 58,560	\$ 18,560	\$ 46,104
Contributions	0	25,500	25,500	4,500
Investment	2,704	7,654	4,950	2,834
Total revenues	42,704	91,714	49,010	53,438
EXPENDITURES				
Public Works				
Other	5,000	4,275	725	648
Total expenditures	5,000	4,275	725	648
Excess (deficiency) of revenues over (under) expenditures	37,704	87,439	49,735	52,790
Other financing sources (uses)				
Transfers in (out)				
General Government				
Capital Projects Fund	(37,704)	0	37,704	(49,652)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	87,439	87,439	3,138
Fund balances, July 1	0	293,273	293,273	290,135
Fund balances, June 30	\$ 0	\$ 380,712	\$ 380,712	\$ 293,273

CITY OF GAINESVILLE, GEORGIA
FIRE SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2019

ASSETS

Cash and cash equivalents	\$ 1,030,184
Receivable	
Accounts	403
Taxes	49,146
Intergovernmental	491
Total assets	\$ 1,080,224

LIABILITIES

Accounts payable	\$ 54,313
Accrued salaries	209,965
Total liabilities	264,278

DEFERRED INFLOWS OF RESOURCES

Unavailable revenue - property taxes	41,517
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FUND BALANCES

Assigned for Public Safety	474,429
Assigned for Budget	300,000
Total fund balances	774,429
Total liabilities and fund balances	\$ 1,080,224

CITY OF GAINESVILLE, GEORGIA
FIRE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

	Final Budget	Actual	Variance
REVENUES			
Property taxes	\$ 5,777,256	\$ 5,892,252	\$ 114,996
Motor vehicle taxes	60,719	48,742	(11,977)
Intergovernmental	0	3,298	3,298
Investment	20,000	23,591	3,591
Total revenues	5,857,975	5,967,883	109,908
EXPENDITURES			
Current			
Public Safety			
Personal services	7,430,171	7,300,574	129,597
Other	1,127,029	1,092,341	34,688
Debt Service	784,000	0	784,000
Total expenditures	9,341,200	8,392,915	948,285
Excess (deficiency) of revenues over (under) expenditures	(3,483,225)	(2,425,032)	1,058,193
Other financing sources (uses)			
Transfers in (out)			
General Fund	3,199,225	3,199,225	0
Sales of capital assets	0	236	236
Total other financing sources (uses)	3,199,225	3,199,461	236
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(284,000)	774,429	1,058,429
Fund balances, July 1	284,000	0	(284,000)
Fund balances, June 30	\$ 0	\$ 774,429	\$ 774,429



DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

CITY OF GAINESVILLE, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 1,629,235	\$ 2,777,893
Receivables		
Intergovernmental	449	414
Taxes	30,803	35,823
Due from other funds	1,500,472	0
Prepaid items	9,319	10,752
Total assets	<u><u>\$ 3,170,278</u></u>	<u><u>\$ 2,824,882</u></u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	\$ 27,003	\$ 24,669
FUND BALANCES		
Nonspendable prepaid items	9,319	10,752
Restricted for debt service	1,482,963	1,195,216
Assigned for debt service	1,650,993	1,594,245
Total fund balances	<u><u>3,143,275</u></u>	<u><u>2,800,213</u></u>
Total deferred inflows and fund balances	<u><u>\$ 3,170,278</u></u>	<u><u>\$ 2,824,882</u></u>

CITY OF GAINESVILLE, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Property taxes	\$ 2,559,265	\$ 2,732,970	\$ 173,705	\$ 2,477,682
Investment	10,151	56,747	46,596	28,522
Total revenues	<u>2,569,416</u>	<u>2,789,717</u>	<u>220,301</u>	<u>2,506,204</u>
EXPENDITURES				
Debt Service				
Principal	2,177,732	2,176,859	873	1,462,303
Interest and fiscal charges	734,819	630,248	104,571	517,843
Total expenditures	<u>2,912,551</u>	<u>2,807,107</u>	<u>105,444</u>	<u>1,980,146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(343,135)</u>	<u>(17,390)</u>	<u>325,745</u>	<u>526,058</u>
Other financing sources (uses)				
Transfers in (out)				
General Fund	125,400	125,400	0	156,000
Hotel/Motel Tax Fund	158,335	175,652	17,317	160,869
General Governmental Capital Projects Fund	59,400	59,400	0	0
Total other financing sources (uses)	<u>343,135</u>	<u>360,452</u>	<u>17,317</u>	<u>316,869</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>343,062</u>	<u>343,062</u>	<u>842,927</u>
Fund balances, July 1	<u>0</u>	<u>2,800,213</u>	<u>2,800,213</u>	<u>1,957,286</u>
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 3,143,275</u>	<u>\$ 3,143,275</u>	<u>\$ 2,800,213</u>



CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by the proprietary or fiduciary funds).

General Government Capital Projects Fund - *This fund is used to account for general purpose long-term capital projects financed from various revenue sources.*

The General Government Capital Projects Fund is presented as a major fund in the basic financial statements.

Special Purpose Local Option Sales Tax Capital Projects Fund - *This fund is used to account for long-term projects financed by the passage of a special purpose local option sales tax.*

Grants Capital Projects Fund – *This fund is used to account for capital grants used to finance major capital projects.*

CITY OF GAINESVILLE, GEORGIA
GENERAL GOVERNMENT CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 9,593,742	\$ 5,636,365
Other receivable	238,489	0
Total assets	\$ 9,832,231	\$ 5,636,365
LIABILITIES		
Accounts payable	\$ 224,303	\$ 241,906
Retainages payable	15,453	16,644
Total liabilities	239,756	258,550
FUND BALANCES		
Restricted for capital projects:		
General Government	858,332	778,781
Public Safety	0	52,862
Health and Welfare	1,633,014	196,511
Assigned for capital projects:		
General Government	2,583,870	2,268,433
Public Safety	300,671	73,412
Public Works	4,216,588	2,007,816
Total fund balances	9,592,475	5,377,815
Total liabilities and fund balances	\$ 9,832,231	\$ 5,636,365

CITY OF GAINESVILLE, GEORGIA
GENERAL GOVERNMENT CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
REVENUES		
Investment	\$ 55,633	\$ 0
Contributions	0	5,660
Other	0	447
Total revenues	55,633	6,107
EXPENDITURES		
Capital outlay		
General Government	4,447,045	2,224,982
Public Safety	271,857	892,027
Public Works	1,069,710	602,024
Housing and Development	245,170	152,517
Total expenditures	6,033,782	3,871,550
Excess (deficiency) of revenues over (under) expenditures	(5,978,149)	(3,865,443)
Other financing sources (uses)		
Transfers in (out)		
General Fund	4,504,799	3,176,581
Community Service Center Fund	0	28,300
Hotel/Motel Tax Fund	128,585	260,500
Government Access Cable TV Channel Fund	0	5,660
Information Technology Fund	(41,250)	181,500
Impact Fees Fund	(3,576)	0
Cemetery Trust Fund	0	49,652
Grants Capital Projects Fund	45,782	(35,000)
SPLOST Capital Projects Fund	0	(272,416)
Department of Water Resources Fund	684,380	553,513
Solid Waste Fund	0	5,660
Debt Service Fund	(59,400)	0
Issuance of capital leases	4,933,489	10,932
Total other financing sources (uses)	10,192,809	3,964,882
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4,214,660	99,439
Fund balances, July 1	5,377,815	5,278,376
Fund balances, June 30	\$ 9,592,475	\$ 5,377,815

CITY OF GAINESVILLE, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 14,232,064	\$ 11,556,248
Intergovernmental receivables	1,115,259	1,009,788
Total assets	\$ 15,347,323	\$ 12,566,036
LIABILITIES		
Accounts payable	\$ 707,174	\$ 31,572
Retainages payable	38,630	0
Accrued salaries	1,724	0
Total liabilities	747,528	31,572
FUND BALANCES		
Restricted for capital projects:		
Public Safety	3,575,917	3,745,632
Public Works	6,538,620	7,617,762
Culture and Recreation	253,397	255,620
Assigned for capital projects:		
Public Safety	100,000	100,000
Public Works	381,861	365,450
Health and Welfare	3,750,000	450,000
Total fund balances	14,599,795	12,534,464
Total liabilities and fund balances	\$ 15,347,323	\$ 12,566,036

CITY OF GAINESVILLE, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
REVENUES		
Intergovernmental	\$ 5,795,622	\$ 6,777,358
Contributions	0	44,000
Total revenues	5,795,622	6,821,358
EXPENDITURES		
Capital outlay		
Public Safety	169,715	680,768
Public Works	3,970,198	1,157,625
Health and Welfare	0	1,322,029
Culture and Recreation	2,223	54,619
Total expenditures	4,142,136	3,215,041
Excess (deficiency) of revenues over (under) expenditures	1,653,486	3,606,317
Other financing sources (uses)		
Transfers in (out)		
General Fund	16,411	100,000
Department of Water Resources Fund	0	208,440
Community Service Center Fund	0	15,135
Grants Capital Projects Fund	395,434	366,984
General Government Capital Projects Fund	0	272,416
Total other financing sources (uses)	411,845	962,975
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,065,331	4,569,292
Fund balances, July 1	12,534,464	7,965,172
Fund balances, June 30	\$ 14,599,795	\$ 12,534,464

CITY OF GAINESVILLE, GEORGIA
GRANTS CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 981,572	\$ 782,546
Accounts receivable	0	27,958
Intergovernmental receivables	<u>29,462</u>	<u>229,825</u>
Total assets	<u><u>\$ 1,011,034</u></u>	<u><u>\$ 1,040,329</u></u>
LIABILITIES		
Accounts payable	<u>\$ 4,971</u>	<u>\$ 11,723</u>
FUND BALANCES		
Restricted for capital projects:		
Public Works	166,841	195,448
Assigned for capital projects:		
Public Works	<u>839,222</u>	<u>833,158</u>
Total fund balances	<u>1,006,063</u>	<u>1,028,606</u>
Total liabilities and fund balances	<u><u>\$ 1,011,034</u></u>	<u><u>\$ 1,040,329</u></u>

CITY OF GAINESVILLE, GEORGIA
GRANTS CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
REVENUES		
Intergovernmental	\$ 402,926	\$ 396,696
Contributions	25,000	5,000
Total revenues	427,926	401,696
EXPENDITURES		
Capital outlay		
General Government	303,324	114,838
Public Works	64,132	133,368
Total expenditures	367,456	248,206
Excess (deficiency) of revenues over (under) expenditures	60,470	153,490
Other financing sources (uses)		
Transfers in (out)		
General Fund	155,000	25,000
Economic Development Special Revenue Fund	0	30,000
HUD Grant Special Revenue Fund	203,203	0
SPLOST Capital Projects Funds	(395,434)	(366,984)
General Government Capital Projects Fund	(45,782)	35,000
Total other financing sources (uses)	(83,013)	(276,984)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(22,543)	(123,494)
Fund balances, July 1	1,028,606	1,152,100
Fund balances, June 30	\$ 1,006,063	\$ 1,028,606



ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Department of Water Resources Fund is used to account for activities connected with the development, operation and maintenance of water and sewer service in the City of Gainesville and parts of Hall County.

The Department of Water Resources Fund is presented as a major fund in the basic financial statements.

Airport Fund is used to account for activities connected with the operation of the Lee Gilmer Memorial Airport.

Solid Waste Fund is used to account for activities connected with the collection and disposal of residential, commercial, industrial and institutional solid waste, and for the maintenance of street rights-of-way.

Chattahoochee Golf Course Fund is used to account for activities connected with the operation of a public golf course owned by the City of Gainesville, Georgia.

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 38,379,761	\$ 41,197,857
Receivables		
Accounts (net)	5,167,628	4,345,677
Intergovernmental	216,266	169,017
Other	20,684	0
Inventories	1,663,480	1,618,684
Total current assets	45,447,819	47,331,235
Restricted assets		
Extension and Renewal		
Cash and cash equivalents	67,584,347	62,272,212
Debt Redemption		
Cash and cash equivalents	7,654,733	9,766,790
Customer Deposits		
Cash and cash equivalents	2,320,129	2,300,009
Total restricted assets	77,559,209	74,339,011
Noncurrent assets		
Advance to other fund	10,017,622	0
Capital assets		
Land	31,951,003	30,977,493
Nondepreciable intangibles	2,056,998	2,056,998
Land improvements	2,069,290	2,184,504
Buildings	45,161,849	44,835,815
Distribution system	550,257,703	541,932,094
Vehicles and equipment	35,919,958	34,422,825
Depreciable intangibles	5,971,224	5,971,224
Construction in progress	37,142,852	35,700,858
Accumulated depreciation	(240,343,880)	(226,584,307)
Total noncurrent assets	480,204,619	471,497,504
Total assets	603,211,647	593,167,750
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding	237,639	476,203
Deferred outflows related to pensions	2,921,361	2,648,054
Deferred outflows related to other post employment benefits	658,912	764,979
Total deferred outflows of resources	3,817,912	3,889,236

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
LIABILITIES		
Current liabilities		
Payables		
Accounts	\$ 1,596,364	\$ 2,271,008
Intergovernmental	827,429	5,070
Accrued salaries	395,785	396,366
Compensated absences	656,721	580,677
Capital lease payable	1,261,588	1,261,588
Total current liabilities	4,737,887	4,514,709
Current liabilities payable from restricted assets		
Payables		
Accounts	2,475,704	1,207,819
Retainages	779,916	1,447,347
Customer deposits	2,320,129	2,300,009
Revenue bonds payable	12,615,000	16,200,000
Interest payable	360,262	425,471
Total liabilities payable from restricted assets	18,551,011	21,580,646
Noncurrent liabilities		
Net pension liability	19,093,839	18,464,956
Net OPEB liability	9,498,305	12,263,491
Compensated absences	72,969	64,520
Capital leases payable	13,877,468	15,139,056
Revenue bonds payable	75,695,630	89,359,369
Total noncurrent liabilities	118,238,211	135,291,392
Total liabilities	141,527,109	161,386,747
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	2,116,025	1,925,663
Deferred inflows related to other post employment benefits	3,469,005	1,002,793
Total deferred inflows of resources	5,585,030	2,928,456
NET POSITION		
Net investment in capital assets	364,408,087	347,358,527
Restricted for:		
Capital outlay	67,584,347	62,272,212
Debt service	7,294,471	9,341,319
Unrestricted	20,630,515	13,769,725
Total net position	\$ 459,917,420	\$ 432,741,783

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Charges for sales and services		
Water sales	\$ 38,035,078	\$ 36,988,937
Sewer charges	33,256,009	32,137,911
Tap fees	1,315,289	1,437,760
Other	1,528,661	1,398,901
Other	64,161	91,685
Total operating revenues	74,199,198	72,055,194
OPERATING EXPENSES		
Costs of sales and services	22,379,999	18,260,466
Personal services	13,934,033	13,460,571
Depreciation	15,334,337	15,101,193
Total operating expenses	51,648,369	46,822,230
Operating income (loss)	22,550,829	25,232,964
Non-operating revenues (expenses)		
Investment revenue	3,492,586	2,123,320
Interest expense	(3,332,805)	(3,852,573)
Gain (loss) on sale of capital assets	(41,273)	(3,543,647)
Total non-operating revenues (expenses)	118,508	(5,272,900)
Net income (loss) before capital contributions and transfers	22,669,337	19,960,064
Capital contributions		
Connection fees	4,363,061	4,173,891
Capital contributions	4,125,321	5,247,758
Total capital contributions	8,488,382	9,421,649
Net income (loss) before transfers	31,157,719	29,381,713
Transfers in (out)		
General Fund	(3,297,702)	(3,446,222)
General Government Capital Projects Fund	(684,380)	(553,513)
SPLOST Capital Projects Fund	0	(208,440)
Total transfers in (out)	(3,982,082)	(4,208,175)
Change in net position	27,175,637	25,173,538
Net position, July 1 (original)	432,741,783	407,983,339
Prior period adjustment	0	(415,094)
Net position, July 1 (restated)	432,741,783	407,568,245
Net position, June 30	\$ 459,917,420	\$ 432,741,783

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 73,265,273	\$ 71,962,211
Payments to suppliers	(21,588,325)	(17,596,302)
Payments to employees	(13,497,090)	(12,962,475)
Other receipts	64,161	91,685
Net cash provided (used) by operating activities	38,244,019	41,495,119
Cash flows from non-capital financing activities:		
Payments to other funds	(13,315,323)	(3,446,222)
Net cash provided (used) by non-capital financing activities	(13,315,323)	(3,446,222)
Cash flows from capital and related financing activities:		
Connection fees	4,363,061	4,173,891
Receipts of capital contributions	30,818	56,400
Payments to other funds	(984,980)	(761,953)
Interest paid	(3,398,014)	(3,916,336)
Acquisition of capital assets	(8,521,582)	(21,227,024)
Payment of capital related accounts payable	(2,655,166)	(1,705,218)
Proceeds from sale of capital assets	119,611	57,796
Principal payments - bonds	(16,200,000)	(15,940,000)
Net cash provided (used) by capital and related financing activities	(27,246,252)	(39,262,444)
Cash flows from investing activities:		
Interest received	2,719,658	1,313,144
Net increase (decrease) in cash and cash equivalents	402,102	99,597
Cash and cash equivalents, July 1	115,536,868	115,437,271
Cash and cash equivalents, June 30	\$ 115,938,970	\$ 115,536,868

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 22,550,829	\$ 25,232,964
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	15,334,337	15,101,193
(Increase) decrease in accounts receivable	(842,635)	(62,153)
(Increase) decrease in intergovernmental receivables	(47,249)	(3,949)
(Increase) decrease in inventory	(44,796)	81,502
(Increase) decrease in prepaid items	0	3,800
(Increase) decrease in deferred outflows of resources	(167,240)	(1,661,882)
Increase (decrease) in accounts payable	14,111	577,481
Increase (decrease) in intergovernmental payables	822,359	1,381
Increase (decrease) in deposits payable	20,120	64,804
Increase (decrease) in accrued salaries and benefits	83,912	66,446
Increase (decrease) in net pension liability	628,883	600,454
Increase (decrease) in deferred inflows of resources	2,656,574	2,046,871
Increase (decrease) in OPEB liability	(2,765,186)	(553,793)
Total adjustments	15,693,190	16,262,155
Net cash provided (used) by operating activities	\$ 38,244,019	\$ 41,495,119
Cash and cash equivalents reconciliation:		
Cash and cash equivalents	\$ 38,379,761	\$ 41,197,857
Extension and Renewal		
Cash and cash equivalents	67,584,347	62,272,212
Debt Redemption		
Cash and cash equivalents	7,654,733	9,766,790
Customer Deposits		
Cash and cash equivalents	2,320,129	2,300,009
Total cash and cash equivalents	\$ 115,938,970	\$ 115,536,868

Noncash investing, capital, and financing activities:

Contributions of capital assets from individuals totaled \$2,832,915 and \$3,929,770 for the fiscal years ended June 30, 2019 and 2018, respectively.

Contributions of capital assets from other governments totaled \$1,261,588 and \$1,261,588 for the fiscal years ended June 30, 2019 and 2018, respectively.

Acquisition of capital assets through accounts payable totaled \$1,786,949 and \$1,207,819 for the fiscal years ended June 30, 2019 and 2018, respectively.

Acquisition of capital assets through retainage payable totaled \$779,916 and \$1,447,347 for the fiscal years ended June 30, 2019 and 2018, respectively.

Forgiveness of capital lease through capital contributions totaled \$1,261,588 and \$1,261,588 for the fiscal years ended June 30, 2019 and 2018, respectively.

CITY OF GAINESVILLE, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 0	\$ 1,051,661
Receivables		
Accounts	22,232	23,912
Intergovernmental	1,528,275	108,956
Total current assets	1,550,507	1,184,529
Capital assets		
Land	504,385	504,385
Land improvements	12,641,581	12,641,581
Buildings	6,637,588	6,637,588
Vehicles and equipment	503,925	526,982
Intangibles	118,000	118,000
Construction in progress	2,053,901	229,476
Accumulated depreciation	(12,629,317)	(11,737,657)
Total capital assets (net of accumulated depreciation)	9,830,063	8,920,355
Total assets	11,380,570	10,104,884
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding	4,270	15,658
Deferred outflows related to pensions	16,136	14,670
Deferred outflows related to other post employment benefits	3,169	3,660
Total deferred outflows of resources	23,575	33,988
LIABILITIES		
Current liabilities		
Payables		
Accounts	106,289	19,287
Retainage	179,320	0
Interest	1,125	2,213
Customer deposits	4,036	4,036
Due to other funds	80,587	0
Accrued salaries	1,938	1,864
Compensated absences	1,545	986
Capital leases payable	455,428	435,000
Total current liabilities	830,268	463,386
Noncurrent liabilities		
Net pension liability	125,600	121,925
Net OPEB liability	45,875	58,677
Compensated absences	172	110
Capital leases payable	0	469,903
Total noncurrent liabilities	171,647	650,615
Total liabilities	1,001,915	1,114,001
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	10,199	9,108
Deferred inflows related to other post employment benefits	16,215	4,798
Total deferred inflows of resources	26,414	13,906
NET POSITION		
Net investment in capital assets	9,101,114	8,031,110
Unrestricted	1,274,702	979,855
Total net position	\$ 10,375,816	\$ 9,010,965

CITY OF GAINESVILLE, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Charges for sales and services		
Fuel sales	\$ 47,731	\$ 42,685
Rent	927,310	888,458
Other	240	235
Total operating revenues	<u>975,281</u>	<u>931,378</u>
OPERATING EXPENSES		
Costs of sales and services	500,169	310,953
Personal services	71,345	60,686
Depreciation	909,967	896,619
Total operating expenses	<u>1,481,481</u>	<u>1,268,258</u>
Operating income (loss)	<u>(506,200)</u>	<u>(336,880)</u>
Non-operating revenues (expenses)		
Investment revenue	36,686	23,777
Interest expense	(24,687)	(33,275)
Gain (loss) on sale of capital assets	(1,253)	0
Total non-operating revenues (expenses)	<u>10,746</u>	<u>(9,498)</u>
Net income (loss) before capital contributions	(495,454)	(346,378)
Capital contributions		
Intergovernmental revenue	<u>1,860,305</u>	<u>98,172</u>
Change in net position	<u>1,364,851</u>	<u>(248,206)</u>
Net position, July 1 (original)	9,010,965	9,293,751
Prior period adjustment	<u>0</u>	<u>(34,580)</u>
Net position, July 1 (restated)	<u>9,010,965</u>	<u>9,259,171</u>
Net position, June 30	<u><u>\$ 10,375,816</u></u>	<u><u>\$ 9,010,965</u></u>

CITY OF GAINESVILLE, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 976,720	\$ 821,713
Payments to suppliers	(511,638)	(302,175)
Payments to employees	(68,244)	(62,012)
Other receipts	240	235
Net cash provided (used) by operating activities	397,078	457,761
Cash flows from capital and related financing activities:		
Receipts from other governments	440,986	207,218
Receipts from other funds	80,587	0
Sale of capital assets	3,496	0
Interest paid	(14,387)	(22,938)
Acquisition of capital assets	(1,546,632)	(150,653)
Principal payments - capital leases	(449,475)	(420,000)
Net cash provided (used) by capital and related financing activities	(1,485,425)	(386,373)
Cash flows from investing activities:		
Interest received	36,686	9,303
Net increase (decrease) in cash and cash equivalents	(1,051,661)	80,691
Cash and cash equivalents, July 1	1,051,661	970,970
Cash and cash equivalents, June 30	\$ 0	\$ 1,051,661
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (506,200)	\$ (336,880)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	909,967	896,619
(Increase) decrease in accounts receivable	1,680	(11,258)
(Increase) decrease in intergovernmental receivable	0	(98,172)
(Increase) decrease in deferred outflows of resources	(975)	(8,127)
Increase (decrease) in accounts payable	(11,469)	8,778
Increase (decrease) in accrued payroll liabilities	695	(3,880)
Increase (decrease) in net pension liability	3,675	3,575
Increase (decrease) in deferred inflows of resources	12,508	9,756
Increase (decrease) in OPEB liability	(12,803)	(2,650)
Total adjustments	903,278	794,641
Net cash provided by operating activities	\$ 397,078	\$ 457,761
Noncash investing, capital, and financing activities:		
Acquisition of capital assets through accounts payable totaled \$98,472 and \$0 for the fiscal years ended June 30, 2019 and 2018, respectively.		
Acquisition of capital assets through retainage payable totaled \$179,320 and \$0 for the fiscal years ended June 30, 2019 and 2018, respectively.		

CITY OF GAINESVILLE, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,076,200	\$ 3,577,577
Accounts receivable (net)	226,066	275,692
Total current assets	4,302,266	3,853,269
Capital assets		
Buildings	25,051	25,051
Vehicles and equipment	2,828,026	2,524,732
Accumulated depreciation	(1,868,358)	(1,834,369)
Total capital assets (net of accumulated depreciation)	984,719	715,414
Total assets	5,286,985	4,568,683
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	91,375	93,108
Deferred outflows related to other post employment benefits	72,400	84,184
Total deferred outflows of resources	163,775	177,292
LIABILITIES		
Current liabilities		
Accounts payable	254,776	45,389
Accrued salaries	30,895	29,352
Compensated absences	47,068	47,177
Total current liabilities	332,739	121,918
Noncurrent liabilities		
Net pension liability	382,356	419,206
Net OPEB liability	1,042,328	1,349,571
Compensated absences	5,230	5,242
Total noncurrent liabilities	1,429,914	1,774,019
Total liabilities	1,762,653	1,895,937
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	188,490	197,195
Deferred inflows related to other post employment benefits	384,379	110,355
Total deferred inflows of resources	572,869	307,550
NET POSITION		
Net investment in capital assets	789,242	715,414
Unrestricted	2,325,996	1,827,074
Total net position	\$ 3,115,238	\$ 2,542,488

CITY OF GAINESVILLE, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Charges for sales and services	\$ 2,965,987	\$ 2,887,724
Other	14,415	11,328
Total operating revenues	2,980,402	2,899,052
OPERATING EXPENSES		
Costs of sales and services	715,024	707,084
Costs of sales and services - landfill	342,030	303,148
Personal services	1,282,802	1,240,096
Depreciation	206,644	170,157
Total operating expenses	2,546,500	2,420,485
Operating income (loss)	433,902	478,567
Non-operating revenues (expenses)		
Investment revenue	85,417	32,834
Gain (loss) on sale of capital assets	53,431	6,296
Total non-operating revenues (expenses)	138,848	39,130
Net income (loss) before transfers	572,750	517,697
Transfers in (out)		
General Government Capital Projects Fund	0	(5,660)
Change in net position	572,750	512,037
Net position, July 1 (original)	2,542,488	2,183,199
Prior period adjustment	0	(152,748)
Net position, July 1 (restated)	2,542,488	2,030,451
Net position, June 30	\$ 3,115,238	\$ 2,542,488

CITY OF GAINESVILLE, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 3,015,611	\$ 2,841,251
Payments to suppliers	(1,043,143)	(1,005,218)
Payments to employees	(1,346,639)	(1,253,984)
Other receipts	14,415	11,328
Net cash provided (used) by operating activities	640,244	593,377
Cash flows from noncapital and related financing activities:		
Payments to other funds	0	(5,660)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(280,473)	(201,555)
Proceeds from sale of capital asset	53,435	6,296
Net cash provided (used) by capital and related financing activities	(227,038)	(195,259)
Cash flows from investing activities:		
Receipts from investments	85,417	32,834
Net increase (decrease) in cash and cash equivalents	498,623	425,292
Cash and cash equivalents, July 1	3,577,577	3,152,285
Cash and cash equivalents, June 30	\$ 4,076,200	\$ 3,577,577
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 433,902	\$ 478,567
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	206,644	170,157
(Increase) decrease in accounts receivable	49,625	(46,473)
(Increase) decrease in deferred outflows of resources	13,518	(56,659)
Increase (decrease) in accounts payable	13,911	5,015
Increase (decrease) in accrued payroll liabilities	1,418	1,923
Increase (decrease) in net pension liability	(36,850)	(50,507)
Increase (decrease) in deferred inflows of resources	265,319	152,299
Increase (decrease) in OPEB liability	(307,243)	(60,945)
Total adjustments	206,342	114,810
Net cash used by operating activities	\$ 640,244	\$ 593,377

Noncash investing, capital, and financing activities:

Acquisition of capital assets through accounts payable totaled \$195,477 and \$0 for the fiscal years ended June 30, 2019 and 2018, respectively.

CITY OF GAINESVILLE, GEORGIA
CHATTAHOOCHEE GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 397,524	\$ 645,485
Accounts receivable (net)	42,006	39,382
Total current assets	439,530	684,867
Capital assets		
Land	52,151	52,151
Land improvements	5,399,594	5,399,594
Buildings	1,119,997	715,452
Vehicles and equipment	969,756	875,788
Construction in progress	0	15,024
Accumulated depreciation	(4,884,938)	(4,551,457)
Total capital assets (net of accumulated depreciation)	2,656,560	2,506,552
Total assets	3,096,090	3,191,419
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	33,051	38,637
Deferred outflows related to pensions	13,829	17,161
Deferred outflows related to other post employment benefits	15,846	18,302
Total deferred outflows of resources	62,726	74,100
LIABILITIES		
Current liabilities		
Payables		
Accounts	88,229	56,644
Sales tax	9,272	7,661
Interest	6,418	7,251
Accrued salaries	24,652	20,637
Compensated absences	25,403	23,925
Capital lease payable	260,000	255,000
Other liabilities	47,450	47,458
Total current liabilities	461,424	418,576
Noncurrent liabilities		
Advances from other funds	223,370	258,790
Net pension liability	1,982	23,932
Net OPEB liability	229,376	293,385
Compensated absences	2,823	2,658
Capital leases payable	1,705,000	1,965,000
Total noncurrent liabilities	2,162,551	2,543,765
Total liabilities	2,623,975	2,962,341
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	61,732	67,313
Deferred inflows related to other post employment benefits	81,078	23,990
Total deferred inflows of resources	142,810	91,303
NET POSITION		
Net investment in capital assets	696,766	323,910
Restricted for capital outlay	25,649	25,649
Unrestricted	(330,384)	(137,684)
Total net position	\$ 392,031	\$ 211,875

CITY OF GAINESVILLE, GEORGIA
CHATTAHOOCHEE GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Charges for sales and services		
Greens fees	\$ 658,376	\$ 692,174
Cart fees	322,478	291,593
Handicap fees	20,720	20,740
Practice range	61,448	56,519
Rent revenue	6,100	11,950
Other	1,304	13,743
Total operating revenues	1,070,426	1,086,719
OPERATING EXPENSES		
Costs of sales and services	388,356	421,489
Personal services	557,973	565,521
Depreciation	302,066	303,630
Total operating expenses	1,248,395	1,290,640
Operating income (loss)	(177,969)	(203,921)
Non-operating revenues (expenses)		
Investment revenue	11,210	4,967
Interest expense	(58,994)	(65,555)
Gain (loss) on sale of capital assets	1,347	292,669
Total non-operating revenues (expenses)	(46,437)	232,081
Net income (loss) before transfers	(224,406)	28,160
Transfers in (out)		
General Fund	404,562	293,765
Change in net position	180,156	321,925
Net position, July 1 (original)	211,875	(95,528)
Prior period adjustment	0	(14,522)
Net position, July 1 (restated)	211,875	(110,050)
Net position, June 30	\$ 392,031	\$ 211,875

CITY OF GAINESVILLE, GEORGIA
CHATTAHOOCHEE GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 1,068,110	\$ 1,099,718
Payments to suppliers	(383,345)	(419,425)
Payments to employees	(580,980)	(577,956)
Other receipts	1,304	13,743
Net cash provided (used) by operating activities	105,089	116,080
Cash flows from non-capital financing activities:		
Receipts from other funds	404,562	293,765
Payments to other funds	(35,420)	(34,134)
Net cash provided (used) by non-capital financing activities	369,142	259,631
Cash flows from capital and related financing activities:		
Interest paid	(54,241)	(60,788)
Principal payments - capital leases	(255,000)	(250,000)
Sale of capital assets	1,347	293,405
Payment of capital related accounts payable	(1,279)	(49,925)
Acquisition of capital assets	(424,229)	(64,123)
Net cash provided (used) by capital and related financing activities	(733,402)	(131,431)
Cash flows from investing activities:		
Receipts from investments	11,210	4,967
Net increase (decrease) in cash and cash equivalents	(247,961)	249,247
Cash and cash equivalents, July 1	645,485	396,238
Cash and cash equivalents, June 30	\$ 397,524	\$ 645,485
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (177,969)	\$ (203,921)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	302,066	303,630
(Increase) decrease in accounts receivable	(2,624)	26,661
(Increase) decrease in deferred outflows of resources	5,787	(7,117)
Increase (decrease) in accounts payable	5,021	(114)
Increase (decrease) in sales tax payable	1,611	81
Increase (decrease) in accrued salaries and benefits	5,658	3,554
Increase (decrease) in other liabilities	(8)	2,178
Increase (decrease) in net OPEB liability	(21,951)	(13,249)
Increase (decrease) in deferred inflows of resources	51,507	33,494
Increase (decrease) in net pension liability	(64,009)	(29,117)
Total adjustments	283,058	320,001
Net cash provided (used) by operating activities	\$ 105,089	\$ 116,080
Noncash investing, capital, and financing activities:		
Acquisition of capital assets through accounts payable totaled \$27,845 and \$1,279 for the fiscal years ended June 30, 2019 and 2018, respectively.		



INTERNAL SERVICE FUNDS

These funds are used to account for the financing of goods and services provided to the departments of the government on a cost reimbursement basis.

General Insurance Fund - *This fund is used to account for property, liability, and workers' compensation insurance provided to the City departments.*

Employee Benefits Fund - *This fund is used to account for the cost of providing life and health insurance benefits to City employees and participating dependents.*

Vehicle Services Fund - *This fund is used to account for the cost of providing maintenance and repairs on all City owned vehicles.*

CITY OF GAINESVILLE, GEORGIA
GENERAL INSURANCE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,119,638	\$ 2,411,810
Accounts receivable	1,861	2,820
Other assets	<u>140,000</u>	<u>140,000</u>
Total assets	<u>2,261,499</u>	<u>2,554,630</u>
LIABILITIES		
Current liabilities		
Accounts payable	55,788	48,817
Claims reserves	<u>1,550,858</u>	<u>1,902,661</u>
Total liabilities	<u>1,606,646</u>	<u>1,951,478</u>
NET POSITION		
Unrestricted	<u>\$ 654,853</u>	<u>\$ 603,152</u>

CITY OF GAINESVILLE, GEORGIA
GENERAL INSURANCE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Interfund services provided	\$ 1,170,652	\$ 2,292,312
Other	7,522	49,136
Total operating revenue	1,178,174	2,341,448
OPERATING EXPENSES		
Costs of services		
Insurance	883,360	795,007
Claims	109,627	1,348,355
Administrative fees	185,187	198,086
Total operating expenses	1,178,174	2,341,448
Operating income (loss)	0	0
Non-operating revenues (expenses)		
Investment revenue	51,701	16,347
Change in net position	51,701	16,347
Net position, July 1	603,152	586,805
Net position, June 30	\$ 654,853	\$ 603,152

CITY OF GAINESVILLE, GEORGIA
GENERAL INSURANCE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 1,171,611	\$ 2,231,917
Payments to suppliers	(1,523,006)	(1,441,159)
Other receipts	<u>7,522</u>	<u>49,136</u>
Net cash provided (used) by operating activities	(343,873)	839,894
Cash flows from investing activities:		
Receipts from investments	<u>51,701</u>	<u>16,347</u>
Net increase (decrease) in cash and cash equivalents	(292,172)	856,241
Cash and cash equivalents, July 1	<u>2,411,810</u>	<u>1,555,569</u>
Cash and cash equivalents, June 30	<u><u>\$ 2,119,638</u></u>	<u><u>\$ 2,411,810</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ 0</u>	<u>\$ 0</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
(Increase) decrease in accounts receivable	959	(2,820)
Increase (decrease) in accounts payable	6,971	15,030
Increase (decrease) in claims reserve	<u>(351,803)</u>	<u>827,684</u>
Total adjustments	<u>(343,873)</u>	<u>839,894</u>
Net cash provided (used) by operating activities	<u><u>\$ (343,873)</u></u>	<u><u>\$ 839,894</u></u>

CITY OF GAINESVILLE, GEORGIA
EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 6,206,634	\$ 6,180,583
Accounts receivable	24,554	23,764
Total assets	6,231,188	6,204,347
LIABILITIES		
Current liabilities		
Accounts payable	83,442	161,056
Deposits payable	135,902	109,710
Claims reserves	772,211	360,024
Total liabilities	991,555	630,790
NET POSITION		
Unrestricted	\$ 5,239,633	\$ 5,573,557

CITY OF GAINESVILLE, GEORGIA
EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Interfund services provided	\$ 9,418,336	\$ 9,505,521
OPERATING EXPENSES		
Costs of services		
Insurance	1,776,449	1,785,895
Claims	6,316,817	5,462,871
Wellness program	1,385,658	1,078,448
Administrative fees	408,621	481,897
Total operating expenses	9,887,545	8,809,111
Operating income (loss)	(469,209)	696,410
Non-operating revenues (expenses)		
Investment revenue	135,285	55,425
Change in net position	(333,924)	751,835
Net position, July 1	5,573,557	4,821,722
Net position, June 30	\$ 5,239,633	\$ 5,573,557

CITY OF GAINESVILLE, GEORGIA
EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 9,417,546	\$ 9,498,983
Payments to suppliers	(9,526,780)	(9,013,470)
Net cash provided (used) by operating activities	(109,234)	485,513
Cash flows from investing activities:		
Receipts from investments	135,285	55,426
Net increase (decrease) in cash and cash equivalents	26,051	540,939
Cash and cash equivalents, July 1	6,180,583	5,639,644
Cash and cash equivalents, June 30	\$ 6,206,634	\$ 6,180,583
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (469,209)	\$ 696,410
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
(Increase) decrease in accounts receivable	(790)	(6,537)
Increase (decrease) in accounts payable	(77,614)	84,470
Increase (decrease) in deposits payable	26,192	33,774
Increase (decrease) in claims reserve	412,187	(322,604)
Total adjustments	359,975	(210,897)
Net cash provided (used) by operating activities	\$ (109,234)	\$ 485,513

CITY OF GAINESVILLE, GEORGIA
VEHICLE SERVICES FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 265,747	\$ 260,283
Intergovernmental receivables	8,507	8,582
Inventory	94,184	118,234
Total current assets	368,438	387,099
Capital assets		
Buildings	266,254	266,254
Vehicles and equipment	506,648	465,896
Accumulated depreciation	(613,160)	(580,371)
Capital assets (net of accumulated depreciation)	159,742	151,779
Total assets	528,180	538,878
LIABILITIES		
Current liabilities		
Accounts payable	80,094	97,007
Accrued salaries	11,217	9,069
Compensated absences	27,489	23,828
Total current liabilities	118,800	129,904
Noncurrent liabilities		
Compensated absences	3,054	2,648
Total liabilities	121,854	132,552
NET POSITION		
Investment in capital assets	159,742	151,779
Unrestricted	246,584	254,547
Total net position	\$ 406,326	\$ 406,326

CITY OF GAINESVILLE, GEORGIA
VEHICLE SERVICES FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Interfund services provided	\$ 2,268,718	\$ 2,182,144
Other	1,039	1,957
Total operating revenues	2,269,757	2,184,101
OPERATING EXPENSES		
Costs of services	1,847,863	1,790,354
Personal services	387,228	367,314
Depreciation	37,581	34,022
Total operating expenses	2,272,672	2,191,690
Operating income (loss)	(2,915)	(7,589)
Non-operating revenues (expenses)		
Gain (loss) on sale of capital assets	2,915	7,589
Change in net position	0	0
Net position, July 1	406,326	406,326
Net position, June 30	\$ 406,326	\$ 406,326

CITY OF GAINESVILLE, GEORGIA
VEHICLE SERVICES FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 2,268,793	\$ 2,195,076
Payments to suppliers	(1,840,728)	(1,776,376)
Payments to employees	(381,013)	(365,627)
Other receipts	1,039	1,957
Net cash provided (used) by operating activities	48,091	55,030
Cash flows from capital and related financing activities:		
Sale of capital assets	7,373	7,589
Acquisition of capital assets	(50,000)	(41,235)
Net cash provided (used) by capital and related financing activities	(42,627)	(33,646)
Net increase (decrease) in cash and cash equivalents	5,464	21,384
Cash and cash equivalents, July 1	260,283	238,899
Cash and cash equivalents, June 30	\$ 265,747	\$ 260,283
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (2,915)	\$ (7,589)
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation expense	37,581	34,022
(Increase) decrease in intergovernmental receivables	75	12,933
(Increase) decrease in inventory	24,050	(22,872)
Increase (decrease) in accounts payable	(16,916)	36,848
Increase (decrease) in accrued salaries and benefits	6,216	1,688
Total adjustments	51,006	62,619
Net cash provided (used) by operating activities	\$ 48,091	\$ 55,030

TRUST AND AGENCY FUNDS

These funds are used to account for assets held by the City as a trustee or agent to be expended or invested in accordance with the conditions of a trust or in its agency capacity.

Trust Funds

Community Private-Purpose Trust Fund - *This is a private-purpose trust fund whereby City of Gainesville employees make voluntary donations to provide assistance to local families and individuals in need, as well as contribute funding to both local and national nonprofit agencies.*

Employees' Pension Trust Fund - *This is a pension trust fund used to account for a single employer retirement system administered by the City for the benefit of its eligible employees.*

Agency Fund

Municipal Court Agency Fund – *This fund is used to account, on a temporary basis, for fines collected by the Municipal Court that ultimately are transmitted to the general fund or another agency.*

CITY OF GAINESVILLE, GEORGIA
COMMUNITY PRIVATE-PURPOSE TRUST FUND
COMPARATIVE STATEMENTS OF TRUST NET POSITION
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 32,515	\$ 23,284
Accounts receivable	<u>200</u>	<u>0</u>
	<u>\$ 32,715</u>	<u>\$ 23,284</u>
NET POSITION		
Restricted for employee assistance	<u>\$ 32,715</u>	<u>\$ 23,284</u>

CITY OF GAINESVILLE, GEORGIA
COMMUNITY PRIVATE-PURPOSE TRUST FUND
COMPARATIVE STATEMENTS OF CHANGES IN TRUST NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
ADDITIONS		
Employee donations	\$ 50,804	\$ 49,502
Investment revenue	3	3
Total additions	50,807	49,505
DEDUCTIONS		
Distributions for assistance	41,376	57,913
Net increase (decrease)	9,431	(8,408)
Net position held in trust for employee assistance		
Net position, July 1	23,284	31,692
Net position, June 30	\$ 32,715	\$ 23,284

CITY OF GAINESVILLE, GEORGIA
EMPLOYEES' PENSION TRUST FUND
COMPARATIVE STATEMENTS OF PLAN NET POSITION
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 863,065	\$ 821,251
Investments		
Mutual funds		
Equity	64,907,057	65,864,108
Fixed income	30,192,196	28,601,077
Real estate	9,708,659	4,351,920
Total assets	<u>105,670,977</u>	<u>99,638,356</u>
LIABILITIES		
Accounts payable	<u>83,678</u>	<u>31,540</u>
NET POSITION		
Restricted for pensions	<u>\$ 105,587,299</u>	<u>\$ 99,606,816</u>

CITY OF GAINESVILLE, GEORGIA
EMPLOYEES' PENSION TRUST FUND
COMPARATIVE STATEMENTS OF CHANGES IN PLAN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
ADDITIONS		
Contributions		
Employer contributions	\$ 3,459,466	\$ 3,209,624
Employee contributions	3,459,466	3,209,624
Total contributions	<u>6,918,932</u>	<u>6,419,248</u>
Investment Income		
Net appreciation (depreciation) in fair value of investments	6,284,608	9,135,951
Interest	11,828	4,419
Dividends	1,938,702	1,616,795
Investment expense	<u>(292,750)</u>	<u>(219,595)</u>
Net investment income (loss)	<u>7,942,388</u>	<u>10,537,570</u>
Total additions (reductions)	<u>14,861,320</u>	<u>16,956,818</u>
DEDUCTIONS		
Benefits	8,484,302	8,022,423
Refunds	<u>396,535</u>	<u>639,207</u>
Total deductions	<u>8,880,837</u>	<u>8,661,630</u>
Net increase (decrease)	5,980,483	8,295,188
Net position held in trust for pension benefits		
Net position, July 1	<u>99,606,816</u>	<u>91,311,628</u>
Net position, June 30	<u><u>\$ 105,587,299</u></u>	<u><u>\$ 99,606,816</u></u>

CITY OF GAINESVILLE, GEORGIA
MUNICIPAL COURT AGENCY FUND
COMPARATIVE STATEMENTS OF ASSETS AND LIABILITIES
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	<u>\$ 90,693</u>	<u>\$ 75,967</u>
LIABILITIES		
Due to other agencies	<u>\$ 90,693</u>	<u>\$ 75,967</u>

CITY OF GAINESVILLE, GEORGIA
MUNICIPAL COURT AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2019

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
ASSETS				
Cash and cash equivalents	<u>\$ 75,967</u>	<u>\$ 1,867,099</u>	<u>\$ (1,852,373)</u>	<u>\$ 90,693</u>
LIABILITIES				
Due to other agencies	<u>\$ 75,967</u>	<u>\$ 1,867,099</u>	<u>\$ (1,852,373)</u>	<u>\$ 90,693</u>



COMPONENT UNITS

Parks and Recreation - This component unit is used to account for the government's share of tax revenues legally restricted for operation and maintenance of the government's recreation facilities and parks.

Gainesville Convention and Visitor's Bureau - This component unit's primary purpose is to promote tourism, conventions, and trade shows, as well as showcase the City of Gainesville as a whole.

CITY OF GAINESVILLE, GEORGIA
PARKS AND RECREATION (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 3,586,014	\$ 2,753,238
Receivables		
Accounts	21,763	9,706
Property tax	40,912	47,883
Restricted assets		
Cash and cash equivalents	200,000	100,000
Total assets	\$ 3,848,689	\$ 2,910,827
LIABILITIES		
Payables		
Accounts	\$ 125,950	\$ 194,104
Sales tax	9,305	11,984
Retainage	0	34,316
Intergovernmental	8,585	2,968
Accrued salaries	112,683	111,644
Unearned revenue	0	905
Other	15,271	13,576
Total liabilities	271,794	369,497
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	35,905	33,145
FUND BALANCES		
Restricted for:		
Clarks Bridge Legacy	5,255	6,161
Capital projects	225	30,239
Committed for:		
Booster Club	219,256	237,548
Development Fund	200,000	100,000
Civic Center	70,000	60,000
Children at Play Fund	20,000	10,000
Assigned for:		
Capital projects	0	167,236
Culture and Recreation	3,026,254	1,897,001
Total fund balances	3,540,990	2,508,185
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,848,689	\$ 2,910,827

CITY OF GAINESVILLE, GEORGIA
PARKS AND RECREATION (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Property taxes	\$ 3,476,933	\$ 3,589,199	\$ 112,266	\$ 3,264,627
Charges for sales and services				
Recreation Division	183,550	173,281	(10,269)	169,715
Lanier Point/Ivey Watson	128,150	131,095	2,945	126,315
Youth Sports Booster Club	95,540	116,828	21,288	93,935
Gainesville Civic Center	360,600	382,525	21,925	387,350
Allen Creek Soccer Complex	14,250	15,945	1,695	20,304
Frances Meadows Community Center	1,010,000	1,005,704	(4,296)	1,015,966
Intergovernmental	626,120	626,120	0	230,000
Interest	8,200	84,420	76,220	35,389
Contributions	11,750	11,000	(750)	21,000
Other	1,000	984	(16)	902
Total revenues	5,916,093	6,137,101	221,008	5,365,503
EXPENDITURES				
Current				
Culture and recreation				
Administration Division	992,055	980,203	11,852	1,007,661
Recreation Division	390,380	352,360	38,020	379,318
Parks Division	953,211	855,756	97,455	849,598
Maintenance Shop	115,652	100,487	15,165	92,461
Lanier Point/Ivey Watson	219,759	189,129	30,630	198,275
Youth Sports Booster Club	158,256	140,511	17,745	97,677
Gainesville Civic Center	613,418	546,615	66,803	492,840
Allen Creek Soccer Complex	52,720	49,946	2,774	47,235
Frances Meadows Center	1,633,022	1,549,054	83,968	1,521,084
Capital outlay	1,016,133	549,636	466,497	616,595
Total expenditures	6,144,606	5,313,697	830,909	5,302,744
Excess (deficiency) of revenues over (under) expenditures	(228,513)	823,404	1,051,917	62,759
Other financing sources (uses)				
Sale of capital assets	200,500	209,401	8,901	6,475
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(28,013)	1,032,805	1,060,818	69,234
Fund balances, July 1	28,013	2,508,185	2,480,172	2,438,951
Fund balances, June 30	\$ 0	\$ 3,540,990	\$ 3,540,990	\$ 2,508,185

CITY OF GAINESVILLE, GEORGIA
PARKS AND RECREATION (A COMPONENT UNIT)
OPERATING ACTIVITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Property taxes	\$ 3,476,933	\$ 3,589,199	\$ 112,266	\$ 3,264,627
Charges for sales and services				
Recreation Division	183,550	173,281	(10,269)	169,715
Lanier Point/Ivey Watson	128,150	131,095	2,945	126,315
Youth Sports Booster Club	95,540	116,828	21,288	93,935
Gainesville Civic Center	360,600	382,525	21,925	387,350
Allen Creek Soccer Complex	14,250	15,945	1,695	20,304
Frances Meadows Center	1,010,000	1,005,704	(4,296)	1,015,966
Investment	8,200	84,420	76,220	35,389
Contributions	11,750	11,000	(750)	21,000
Other	1,000	984	(16)	902
Total revenues	5,289,973	5,510,981	221,008	5,135,503
EXPENDITURES				
Current				
Culture and recreation				
Administrative services	992,055	980,203	11,852	1,007,661
Recreational services	390,380	352,360	38,020	379,318
Park services	953,211	855,756	97,455	849,598
Maintenance shop	115,652	100,487	15,165	92,461
Lanier Point/Ivey Watson	219,759	189,129	30,630	198,275
Booster Club	158,256	140,511	17,745	97,677
Civic Center	613,418	546,615	66,803	492,840
Allen Creek Soccer Complex	52,720	49,946	2,774	47,235
Frances Meadows Center	1,633,022	1,549,054	83,968	1,521,084
Total expenditures	5,128,473	4,764,061	364,412	4,686,149
Excess (deficiency) of revenues over (under) expenditures	161,500	746,920	585,420	449,354
Other financing sources (uses)				
Transfers in (out)				
Capital Projects Activity	(192,764)	(192,764)	0	(506,023)
Sales of capital assets	200,500	209,401	8,901	6,475
Total other financing sources (uses)	7,736	16,637	8,901	(499,548)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	169,236	\$ 763,557	\$ 594,321	\$ (50,194)
Fund balances, July 1	(169,236)			
Fund balances, June 30	\$ 0			

CITY OF GAINESVILLE, GEORGIA
PARKS AND RECREATION (A COMPONENT UNIT)
CAPITAL PROJECTS ACTIVITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 626,120	\$ 626,120	\$ 0	\$ 230,000
EXPENDITURES				
Current				
Culture and recreation				
Capital outlay	1,016,133	549,636	466,497	616,595
Excess (deficiency) of revenues over (under) expenditures	(390,013)	76,484	466,497	(386,595)
Other financing sources (uses)				
Transfers in (out)				
Operating Activity	192,764	192,764	0	506,023
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(197,249)	\$ 269,248	\$ 466,497	\$ 119,428
Fund balances, July 1	197,249			
Fund balances, June 30	\$ 0			

CITY OF GAINESVILLE, GEORGIA
CONVENTION AND VISITOR'S BUREAU (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 665,885	\$ 434,240
LIABILITIES		
Accounts payable	\$ 17,067	\$ 15,370
Accrued salaries	8,641	9,773
Total liabilities	25,708	25,143
FUND BALANCES		
Restricted for Housing and Development	233,177	0
Assigned for:		
Budget	0	4,555
Housing and Development	407,000	404,542
Total fund balances	640,177	409,097
Total liabilities and fund balances	\$ 665,885	\$ 434,240

CITY OF GAINESVILLE, GEORGIA
CONVENTION AND VISITOR'S BUREAU (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	\$ 764,162	\$ 764,162	\$ 0	\$ 461,533
Charges for sales and services	0	10,667	10,667	17,098
Investment revenue	4,263	11,785	7,522	4,423
Contributions	0	0	0	250
Other	14,000	20,370	6,370	11,645
Total revenues	782,425	806,984	24,559	494,949
EXPENDITURES				
Current				
Housing and Development				
Personal services	337,238	314,216	23,022	351,380
Other	262,242	261,688	554	278,835
Total expenditures	599,480	575,904	23,576	630,215
Excess (deficiency) of revenues over (under) expenditures	182,945	231,080	48,135	(135,266)
Other financing sources (uses)				
Contingency	(182,945)	0	182,945	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	231,080	231,080	(135,266)
Fund balances, July 1	0	409,097	409,097	544,363
Fund balances, June 30	\$ 0	\$ 640,177	\$ 640,177	\$ 409,097



STATISTICAL SECTION



CITY OF GAINESVILLE, GEORGIA
Introduction to the Statistical Section
(Unaudited)

This part of the City of Gainesville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information reveals about the City's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends.....	204-217
These tables/schedules contain trend information designed to assist the reader in understanding how the City has performed from a financial perspective over time.	
Revenue Capacity.....	218-225
These tables/schedules contain information that may assist the reader in assessing the viability of the City's most significant revenue sources.	
Debt Capacity.....	226-231
These tables/schedules present information designed to assist the reader in analyzing the affordability of the City's current levels of outstanding debt, and the City's ability to issue additional debt in the future.	
Demographic and Economic Information.....	232-233
These tables/schedules offer demographic, economic and statistical information intended to assist the reader in understanding the environment in which the City's financial activities take place.	
Operating Information.....	234-238
These tables/schedules contain service and infrastructure data to assist the reader in understanding how the information in the City's financial report relates to the services the government provides and the activities it performs.	
Miscellaneous Information.....	239-246
These tables/schedules present various data relevant to the overall City and are intended to supply the reader with additional information regarding the City's facilities and services, as well as provide data that is required by bond covenants.	

Source: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the relevant year.

CITY OF GAINESVILLE, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 60,193,753	\$ 63,722,901	\$ 70,549,134	\$ 74,015,737
Restricted	19,518,264	4,913,949 ⁽¹⁾	11,586,492	12,560,215
Unrestricted	2,534,296	19,692,245 ⁽¹⁾	11,878,957	9,380,465
Total governmental activities net position	<u>\$ 82,246,313</u>	<u>\$ 88,329,095</u>	<u>\$ 94,014,583</u>	<u>\$ 95,956,417</u>
Business-type activities				
Net investment in capital assets	\$ 248,507,489	\$ 259,477,278	\$ 271,791,712	\$ 282,968,294
Restricted	44,475,796	43,710,594	40,623,794	28,713,968
Unrestricted	14,276,555	16,169,226	20,918,748	29,468,343
Total business-type activities net position	<u>\$ 307,259,840</u>	<u>\$ 319,357,098</u>	<u>\$ 333,334,254</u>	<u>\$ 341,150,605</u>
Primary government				
Net investment in capital assets	\$ 308,701,242	\$ 323,200,179	\$ 342,340,846	\$ 356,984,031
Restricted	63,994,060	48,624,543	52,210,286	41,274,183
Unrestricted	16,810,851	35,861,471	32,797,705	38,848,808
Total primary government net position	<u>\$ 389,506,153</u>	<u>\$ 407,686,193</u>	<u>\$ 427,348,837</u>	<u>\$ 437,107,022</u>

Note (1): Prior to FY11, certain elements of fund balance reported in special revenue, debt service, and capital projects funds were reported as restricted net position. Beginning in FY13, those elements of fund balance were reported as unrestricted net position.

Note (2): GASB67/68: Accounting and Financial Reporting for Pensions was implemented in FY15; with an ongoing negative impact to unrestricted net position.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 80,039,885	\$ 78,338,733	\$ 78,415,202	\$ 77,972,132	\$ 85,186,895	\$ 85,297,394
4,642,578	6,827,434	12,149,291	14,551,356	20,319,574	20,966,754
10,217,825	(14,451,203)	(17,773,240)	(15,275,584)	(15,504,902)	(7,332,782)
<u>\$ 94,900,288</u>	<u>\$ 70,714,964</u>	<u>\$ 72,791,253</u>	<u>\$ 77,247,904</u>	<u>\$ 90,001,567</u>	<u>\$ 98,931,366</u>
\$ 295,579,225	\$ 303,250,676	\$ 314,735,292	\$ 330,315,818	\$ 356,428,961	\$ 374,995,209
43,776,271	50,230,260	62,960,499	70,511,931	71,639,180	74,904,467
18,915,019	12,067,163	12,598,780	19,773,475	17,937,185	25,220,109
<u>\$ 358,270,515</u>	<u>\$ 365,548,099</u>	<u>\$ 390,294,571</u>	<u>\$ 420,601,224</u>	<u>\$ 446,005,326</u>	<u>\$ 475,119,785</u>
\$ 375,619,110	\$ 381,589,409	\$ 393,150,494	\$ 408,287,950	\$ 441,615,856	\$ 460,292,603
48,418,849	57,057,694	75,109,790	85,063,287	91,958,754	95,871,221
29,132,844	(2,384,040) ⁽²⁾	(5,174,460)	4,497,891	2,432,283	17,887,327
<u>\$ 453,170,803</u>	<u>\$ 436,263,063</u>	<u>\$ 463,085,824</u>	<u>\$ 497,849,128</u>	<u>\$ 536,006,893</u>	<u>\$ 574,051,151</u>

**CITY OF GAINESVILLE, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Expenses	Fiscal Year			
	2010	2011	2012	2013
Governmental activities:				
General Government	\$ 3,578,661	\$ 4,064,412	\$ 4,031,095	\$ 4,376,553
Judicial	434,137	404,862	460,066	450,165
Public Safety	16,930,483	16,160,112	17,932,227	16,423,939
Public Works	7,023,969	6,641,424	7,646,177	7,480,636
Health and Welfare	3,724,473	3,360,632	3,391,482	2,686,449
Culture and Recreation	1,883,742	1,211,214	1,185,988	1,686,715
Housing and Development	2,108,631	1,363,356	1,196,185	1,104,631
Interest on long-term debt	1,837,734	1,668,489	1,396,524	1,201,196
Total governmental activities expenses	<u>37,521,830</u>	<u>34,874,501</u>	<u>37,239,744</u>	<u>35,410,284</u>
Business-type activities:				
Water and Sewer	44,812,789	43,974,519	46,692,190	45,332,806
Airport	912,187	967,856	1,207,743	983,083
Solid Waste	2,142,384	1,901,016	1,944,248	1,866,955
Golf Course	1,346,564	1,396,446	1,241,853	1,193,905
Total business-type activities expenses	<u>49,213,924</u>	<u>48,239,837</u>	<u>51,086,034</u>	<u>49,376,749</u>
Total primary government expenses	<u>\$ 86,735,754</u>	<u>\$ 83,114,338</u>	<u>\$ 88,325,778</u>	<u>\$ 84,787,033</u>
Indirect Costs				
Governmental activities:				
General Government	(1,215,314)	(1,343,539)	(1,304,961)	(1,369,231)
Business-type activities:				
Water and Sewer	1,115,314	1,106,596	1,022,416	1,086,686
Airport	100,000	200,000	200,000	200,000
Solid Waste	0	36,943	82,545	82,545
Total Business-type activities indirect cost	<u>1,215,314</u>	<u>1,343,539</u>	<u>1,304,961</u>	<u>1,369,231</u>
Total primary government indirect cost	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	623,419	681,743	708,578	814,922
Public Safety	1,320,003	1,590,400	1,369,278	1,800,569
Public Works	38,110	36,030	36,795	37,070
Health and Welfare	416,661	438,537	410,052	440,824
Housing and Development	48,135	154,849	158,773	703,972
Culture and Recreation	435,955	506,750	377,754	159,336
Operating grants and contributions	3,776,757	3,739,620	3,862,903	2,744,521
Capital grants and contributions	8,177,269 ⁽²⁾	7,718,212 ⁽²⁾	9,565,586 ⁽²⁾	1,419,674
Total governmental activities program revenues	<u>14,836,309</u>	<u>14,866,141</u>	<u>16,489,719</u>	<u>8,120,888</u>
Business-Type activities:				
Charges for services:				
Water and Sewer	50,039,158	55,401,138	57,492,303	56,832,305
Airport	865,739	818,874	832,971	913,459
Solid Waste	1,769,329	2,057,883	2,299,960	2,272,930
Golf Course	907,160	1,012,377	1,031,717	1,006,129
Operating grants and contributions	69,070	0	0	0
Capital grants and contributions	3,794,048 ⁽¹⁾	4,009,685	5,257,388	3,546,989
Total business-type activities program revenues	<u>57,444,504</u>	<u>63,299,957</u>	<u>66,914,339</u>	<u>64,571,812</u>
Total primary government program revenues	<u>\$ 72,280,813</u>	<u>\$ 78,166,098</u>	<u>\$ 83,404,058</u>	<u>\$ 72,692,700</u>

Note (1): Department of Water Resources contributions revenue was much lower due to diminished building activity.

Note (2): Significant increase due to SPLOST revenues received for the Public Safety Facilities.

Note (3): Level Two SPLOST funds from Hall County.

Note (4): Effective FY17, PLB expenses were included in General Government, in prior years these expenses were charged to Public Works.

Note (5): Effective FY17, Code Enforcement expenses were included in Housing and Development, in prior years these expenses were charged to Public Safety.

Note (6): Significant increase due to large repair and maintenance expenses for Water and Sewer.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 3,933,108	\$ 3,675,464	\$ 4,368,490	\$ 6,429,519 ⁽⁴⁾	\$ 7,228,783	\$ 7,672,674
510,221	486,947	523,970	544,083	544,453	556,125
18,460,345	17,460,335	19,480,809	18,168,500 ⁽⁵⁾	19,918,725	19,889,133
8,900,466	8,745,852	10,317,369	7,199,267 ⁽⁴⁾	6,908,200	11,350,947
3,173,758	2,765,034	2,591,485	2,726,152	2,416,453	2,484,051
224,853	440,482	436,250	348,180	415,439	628,343
1,591,303	2,136,524	2,406,705	3,769,857 ⁽⁵⁾	2,683,936	3,481,766
883,628	1,198,530	533,058	619,743	509,730	652,514
37,677,682	36,909,168	40,658,136	39,805,301	40,625,719	46,715,553
47,020,782	46,183,666	47,333,997	46,270,110	52,940,044 ⁽⁶⁾	54,113,056 ⁽⁶⁾
1,014,521	1,045,716	1,109,029	1,526,612	1,091,970	1,296,607
1,965,935	2,072,012	2,210,416	2,195,951	2,274,033	2,400,048
1,234,260	1,287,229	1,290,865	1,304,992	1,356,195	1,307,389
51,235,498	50,588,623	51,944,307	51,297,665	57,662,242	59,117,100
\$ 88,913,180	\$ 87,497,791	\$ 92,602,443	\$ 91,102,966	\$ 98,287,961	\$ 105,832,653
(1,390,442)	(1,394,235)	(1,376,788)	(1,370,895)	(1,398,722)	(1,444,339)
1,034,429	1,038,222	1,020,775	1,014,882	1,042,707	1,088,326
209,561	209,561	209,561	209,561	209,563	209,561
146,452	146,452	146,452	146,452	146,452	146,452
1,390,442	1,394,235	1,376,788	1,370,895	1,398,722	1,444,339
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
674,536	723,777	719,185	748,458	762,256	794,308
1,639,954	1,930,830	1,735,868	1,944,818	1,680,375	1,740,436
90,135	129,956	134,580	219,680	198,769	216,335
423,368	134,570	144,162	106,322	93,300	93,394
661,299	1,057,304	1,216,162	2,259,780 ⁽³⁾	1,858,414 ⁽³⁾	1,808,750
0	0	0	0	0	0
2,813,369	2,577,766	2,782,085	3,602,699	4,397,910	2,637,112
2,044,189	2,322,290	6,087,822	7,932,793	12,067,786	9,548,057
8,346,850	8,876,493	12,819,864	16,814,550	21,058,810	16,838,392
58,759,620	64,315,416	66,596,028	71,521,460	71,963,509	74,135,037
944,120	897,226	925,009	919,344	931,143	975,041
2,369,815	2,462,485	2,619,559	2,769,222	2,887,724	2,965,987
992,168	983,932	1,034,234	1,089,431	1,061,026	1,063,022
0	0	0	0	0	0
8,646,783	8,445,809	9,142,616	9,020,084	9,519,821	10,348,687
71,712,506	77,104,868	80,317,446	85,319,541	86,363,223	89,487,774
\$ 80,059,356	\$ 85,981,361	\$ 93,137,310	\$ 102,134,091	\$ 107,422,033	\$ 106,326,166

CITY OF GAINESVILLE, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2010	2011	2012	2013
Net (expense)/revenue				
Governmental activities	\$ (21,470,207)	\$ (18,664,821)	\$ (19,445,064)	\$ (25,920,165)
Business-type activities	7,015,266	13,716,581	15,828,305	13,825,832
Total primary government net (expense)/revenue	(14,454,941)	(4,948,240)	(3,616,759)	(12,094,333)
General revenues and other changes in net position				
Governmental activities:				
Taxes				
Property	7,253,570	7,886,437	7,338,537	7,825,290
Intangibles	97,161	59,343	81,841	80,720
Franchise	3,866,595	4,072,511	4,240,193	4,092,271
Occupational	1,114,317	1,111,954	1,139,926	1,199,374
Insurance premium	1,418,124	1,376,910	1,585,550	1,684,119
Alcoholic beverages	942,016	999,642	994,573	979,409
Hotel/Motel	444,852	517,456	563,902	591,793
Local option sales	4,943,847	5,030,213	5,259,684	5,300,279
Investment earnings	498,737	450,031	426,185	448,728
Gain on sale of assets	40,591	0	0	67,897
Miscellaneous	363,279	236,416	245,524	1,057,074 ⁽¹⁾
Special Item-loss on demolition of building	0	0	0	0
Transfers	2,190,747	3,006,690	3,254,637	5,122,095
Total governmental activities	23,173,836	24,747,603	25,130,552	28,449,049
Business-type activities				
Investment earnings	401,971	355,561	314,147	334,347
Gain on sale of assets	19,569	20,718	33,411	12,331
Miscellaneous	1,023,096	1,011,088	1,055,930	1,042,459
Transfers	(2,190,747)	(3,006,690)	(3,254,637)	(5,122,095)
Total business-type activities	(746,111)	(1,619,323)	(1,851,149)	(3,732,958)
Total primary government	22,427,725	23,128,280	23,279,403	24,716,091
Change in net position				
Governmental activities	1,703,629	6,082,782	5,685,488	2,528,884
Business-type activities	6,269,155	12,097,258	13,977,156	10,092,874
Total primary government	\$ 7,972,784	\$ 18,180,040	\$ 19,662,644	\$ 12,621,758

Note (1): Miscellaneous revenue included CCA Rental Revenue 2013 and 2014.

Note (2): Includes proceeds from the sale of Gainesville Business Park property.

Note (3): Demolition of jail facility.

Note (4): \$2.4 million is comprised of \$1.0 million from the sale of Business Park property, and \$1.4 million in higher returns on invested cash.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (27,940,390)	\$ (26,638,440)	\$ (26,461,484)	\$ (21,619,856)	\$ (18,168,187)	\$ (28,432,822)
19,086,566	25,122,010	26,996,351	32,650,981	27,302,259	28,926,335
(8,853,824)	(1,516,430)	534,867	11,031,125	9,134,072	493,513
8,363,877	8,654,493	9,409,584	9,808,840	10,457,466	13,975,315
105,044	133,186	129,075	190,764	213,556	179,964
4,014,946	4,371,358	4,381,245	4,501,181	4,208,097	4,507,256
1,263,534	1,268,021	1,368,983	1,373,680	1,394,517	1,418,919
1,743,745	1,823,481	1,948,090	2,203,406	2,346,272	2,433,437
1,022,245	1,067,611	1,129,284	1,166,259	1,152,257	1,160,672
715,260	828,925	911,847	929,035	965,036	1,053,683
4,983,807	5,094,727	5,281,804	5,439,313	5,885,171	6,235,875
246,266	142,917	72,796	2,001,892	(2) 481,963	2,421,542
0	0	605	574,310	887,411	60,948
1,017,590	122,294	183,512	373,513	441,322	337,490
0	0	0	(6,491,937)	(3) 0	0
3,407,947	2,395,089	3,720,948	4,006,251	3,920,070	3,577,520
26,884,261	25,902,102	28,537,773	26,076,507	32,353,138	37,362,621
292,577	775,365	1,274,329	1,399,356	2,184,898	3,625,899
53,471	17,322	5,120	154,692	325,018	53,525
1,095,243	156,932	191,620	107,875	128,941	86,220
(3,407,947)	(2,395,089)	(3,720,948)	(4,006,251)	(3,920,070)	(3,577,520)
(1,966,656)	(1,445,470)	(2,249,879)	(2,344,328)	(1,281,213)	188,124
24,917,605	24,456,632	26,287,894	23,732,179	31,071,925	37,550,745
(1,056,129)	(736,338)	2,076,289	4,456,651	14,184,951	8,929,799
17,119,910	23,676,540	24,746,472	30,306,653	26,021,046	29,114,459
\$ 16,063,781	\$ 22,940,202	\$ 26,822,761	\$ 34,763,304	\$ 40,205,997	\$ 38,044,258

CITY OF GAINESVILLE, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Intangible Tax	Franchise Tax	Occupational Tax
2010	\$ 7,253,570	\$ 97,161 ⁽¹⁾	\$ 3,866,595	\$ 1,114,317
2011	7,886,437 ⁽²⁾	59,343 ⁽¹⁾	4,072,511	1,111,954
2012	7,338,537	81,841	4,240,193	1,139,926
2013	7,825,290	80,720	4,092,271	1,199,374
2014	8,363,877 ⁽³⁾	105,044	4,014,946	1,263,534
2015	8,654,493	133,186	4,371,358	1,268,021
2016	9,409,584	129,075	4,381,245	1,368,983
2017	9,808,840	190,764	4,501,181	1,373,680
2018	10,457,466	213,556	4,208,097	1,394,517
2019	13,975,315	179,964	4,507,256	1,418,919

Note (1): Intangible tax that is levied on certain types of property, such as money, stocks, and bonds has decreased significantly due to the economic downturn.

Note (2): General Fund millage rate was increased to provide funding for increased Public Safety fire protection.

Note (3): Tax reform, Title Ad Valorem Tax (TAVT), became effective on March 1, 2013. TAVT is a one-time tax that is paid at the time the vehicle is titled. It replaced sales tax and annual ad valorem tax.

Insurance Premium Tax	Alcoholic Beverages Tax	Hotel/Motel Tax	Local Option Sales Tax	Total
\$ 1,418,124	\$ 942,016	\$ 444,852	\$ 4,943,847	\$ 20,080,482
1,376,910	999,642	517,456	5,030,213	21,054,466
1,585,550	994,573	563,902	5,259,684	21,204,206
1,684,119	979,409	591,793	5,300,279	21,753,255
1,743,745	1,022,245	715,260	4,983,807 ⁽³⁾	22,212,458
1,823,481	1,067,611	828,925	5,094,727	23,241,802
1,948,090	1,129,284	911,847	5,281,804	24,559,912
2,203,406	1,166,259	929,035	5,439,313	25,612,478
2,346,272	1,152,257	965,036	5,885,171	26,622,372
2,433,437	1,160,672	1,053,683	6,235,875	30,965,121

CITY OF GAINESVILLE, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2010	2011	2012	2013
General fund				
Reserved	\$ 27,622			
Unreserved	4,164,074			
Nonspendable		\$ 406,166	\$ 384,796	\$ 367,035
Committed			10,054	6,583
Assigned		2,996,014	3,040,356	2,321,338
Unassigned		5,134,064	5,874,076	6,565,665
Total general fund	<u>\$ 4,191,696</u>	<u>\$ 8,536,244</u>	<u>\$ 9,309,282</u>	<u>\$ 9,260,621</u>
All other governmental funds				
Reserved	\$ 10,815,234 ⁽¹⁾			
Unreserved, reported in:				
Special revenue funds	10,546,826			
Capital project funds	9,403,152			
Debt service funds	1,293,247			
Nonspendable				\$ 130,769
Restricted		\$ 10,854,556	\$ 11,214,865	6,385,355
Committed		91,939	115,428	174,187
Assigned		11,457,922	11,225,020	16,162,739
Total all other governmental funds	<u>\$ 32,058,459</u>	<u>\$ 22,404,417</u>	<u>\$ 22,555,313</u>	<u>\$ 22,853,050</u>

Note (1): Fluctuations due to SPLOST revenue collections reserved for debt service on Public Safety Facilities.

Note (2): The City adopted GASB 54 for reporting of fund balance classifications in 2011.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 352,744	\$ 475,231	\$ 321,639	\$ 295,256	\$ 260,058	\$ 225,794
6,208	5,848	4,957	4,957	4,957	4,957
3,295,367	2,457,217	4,216,717	3,966,341	3,912,390	3,604,326
7,012,974	8,065,121	7,480,831	7,660,281	9,087,006	9,873,498
<u>\$ 10,667,293</u>	<u>\$ 11,003,417</u>	<u>\$ 12,024,144</u>	<u>\$ 11,926,835</u>	<u>\$ 13,264,411</u>	<u>\$ 13,708,575</u>
\$ 132,816	\$ 99,367	\$ 81,390	\$ 67,377	\$ 44,754	\$ 43,321
4,174,002	6,868,770	11,805,659	14,227,632	20,027,515	20,714,683
174,285	221,019	244,531	275,253	298,141	385,580
12,850,447	11,591,868	10,803,666	13,953,838	14,696,448	23,161,259
<u>\$ 17,331,550</u>	<u>\$ 18,781,024</u>	<u>\$ 22,935,246</u>	<u>\$ 28,524,100</u>	<u>\$ 35,066,858</u>	<u>\$ 44,304,843</u>

CITY OF GAINESVILLE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes	\$ 20,073,154	\$ 21,039,421	\$ 21,205,179	\$ 21,798,180
Licenses and permits	526,787	540,906	533,141	727,631
Fines, fees and forfeitures	1,179,773	1,390,242	1,142,066	1,663,768
Charges for services	2,405,885	2,935,491	2,740,521	2,910,952
Intergovernmental	12,994,964	12,190,933	12,456,574	4,067,439
Interest	110,152	56,785	35,839	52,479
Contributions	140,042	152,829	574,090	96,754
Other	363,276	235,905	245,210	1,057,730 ⁽²⁾
Total revenues	<u>37,794,033</u>	<u>38,542,512</u>	<u>38,932,620</u>	<u>32,374,933</u>
Expenditures				
General Government	2,985,636	3,289,626	3,317,143	3,287,366
Judicial	385,823	367,454	417,255	421,756
Public Safety	14,010,732	14,555,914	15,880,473	14,617,996
Public Works	4,358,836	4,334,170	4,415,291	4,325,418
Health and Welfare	4,095,212	3,073,671	3,053,511	2,529,431
Culture and Recreation	1,204,508	764,611	1,052,118	592,617
Housing and Development	1,649,911	1,750,971	1,726,625	1,639,307
Debt Service				
Principal	3,119,832 ⁽¹⁾	8,034,940 ⁽¹⁾	7,112,064 ⁽¹⁾	7,349,754 ⁽¹⁾
Interest	1,962,450	1,772,225	1,478,240	1,266,876
Capital Outlay	13,690,589	8,874,469	3,491,050	9,500,033
Total expenditures	<u>47,463,529</u>	<u>46,818,051</u>	<u>41,943,770</u>	<u>45,530,554</u>
Excess of revenues over (under) expenditures	<u>(9,669,496)</u>	<u>(8,275,539)</u>	<u>(3,011,150)</u>	<u>(13,155,621)</u>
Other financing sources (uses)				
Transfers in	6,738,573	17,371,193	14,414,525	21,464,150
Transfers out	(4,240,053)	(14,788,283)	(11,222,388)	(16,413,039)
Issuance of notes payable	0	0	0	0
Refunding of notes payable	0	0	0	0
Issuance of capital leases	0	346,228	721,833	8,220,268
Issuance of bonds	0	0	0	0
Sale of capital assets	50,888	36,907	10,891	70,410
Total other financing sources (uses)	<u>2,549,408</u>	<u>2,966,045</u>	<u>3,924,861</u>	<u>13,341,789</u>
Net change in fund balances	<u>\$ (7,120,088)</u>	<u>\$ (5,309,494)</u>	<u>\$ 913,711</u>	<u>\$ 186,168</u>
Debt service as a percentage of noncapital expenditures	15.4%	25.6%	22.7%	23.6%

Note (1): Increase due to Public Safety Facilities and GMC Parking Deck debt service payments; Public Safety Debt paid off in 2014.

Note (2): 2013-2014 miscellaneous revenue includes CCA rent from the Main Street property.

Note (3): Refunded Frances Meadows debt in 2015 with GRA Bond.

Note (4): Includes sale of investment property at Gainesville Business Park.

Note (5): Effective FY17, PLB expenses were included in General Government, in prior years these expenses were charged to Public Works.

Note (6): Effective FY17, Code Enforcement expenses were included in Housing and Development; in prior years these expenses were charged to Public Safety.

Note (7): Borrowing for Downtown Parking Deck Expansion.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 22,193,025	\$ 23,263,514	\$ 24,610,752	\$ 25,624,333	\$ 26,666,787	\$ 30,938,519
768,827	1,008,077	1,020,055	1,304,203	1,143,187	1,192,531
1,635,471	1,778,770	1,735,869	1,944,818	1,680,375	1,740,436
3,004,541	3,331,778	3,589,559	4,295,317	3,883,589	4,262,070
3,959,460	4,689,473	7,821,598	9,388,179	11,639,676	3,141,267
41,823	126,712	54,687	1,975,871 ⁽⁴⁾	406,995	8,027,081
96,860	147,384	105,628	171,116	214,150	169,302
1,017,595 ⁽²⁾	122,291	183,516	373,513	441,324	337,486
32,717,602	34,467,999	39,121,664	45,077,350	46,076,083	49,808,692
3,228,407	3,431,244	3,550,990	5,997,537 ⁽⁵⁾	5,115,043	5,240,953
460,849	465,915	470,043	521,707	523,018	536,900
14,934,311	15,462,822	16,187,899	16,466,971 ⁽⁶⁾	17,713,931	18,420,807
4,491,711	4,672,187	4,994,225	4,436,888 ⁽⁵⁾	5,032,748	4,787,746
3,391,256	2,968,229	2,737,379	2,895,919	2,690,223	2,853,579
165,000	433,682	400,000	234,283	245,982	626,120
2,082,930	2,148,470	2,438,677	3,438,904 ⁽⁶⁾	2,404,326	2,926,127
8,382,841 ⁽¹⁾	10,111,549 ⁽³⁾	1,222,585	3,928,813	1,462,303	2,176,859
964,579	1,386,912	538,091	523,047	517,843	630,248
2,128,323	3,829,201	5,141,709	8,377,243	7,334,797	10,543,374
40,230,207	44,910,211	37,681,598	46,821,312	43,040,214	48,742,713
(7,512,605)	(10,442,212)	1,440,066	(1,743,962)	3,035,869	1,065,979
7,477,632	10,698,274	7,835,912	10,656,899	9,950,013	14,065,057
(4,112,658)	(7,435,982)	(4,149,965)	(6,627,648)	(6,029,944)	(10,487,538)
0	0	0	0	0	4,933,489 ⁽⁷⁾
0	0	0	0	0	0
0	8,917,392	0	807,264	10,932	0
0	0	0	1,630,000	0	0
32,803	48,126	48,936	768,992	913,464	105,162
3,397,777	12,227,810	3,734,883	7,235,507	4,844,465	8,616,170
\$ (4,114,828)	\$ 1,785,598	\$ 5,174,949	\$ 5,491,545	\$ 7,880,334	\$ 9,682,149
24.7%	27.1%	5.0%	11.5%	5.4%	6.5%

CITY OF GAINESVILLE, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Intangibles Tax	Franchise Tax	Insurance Premium Tax
2010	\$ 7,246,242	\$ 97,161 ⁽¹⁾	\$ 3,866,595	\$ 1,418,124
2011	7,871,392 ⁽²⁾	59,343 ⁽¹⁾	4,072,511	1,376,910
2012	7,339,510	81,841	4,240,193	1,585,550
2013	7,870,215	80,720	4,092,271	1,684,119
2014	8,344,444 ⁽³⁾	105,044	4,014,946	1,743,745
2015	8,676,206	133,186	4,371,358	1,823,481
2016	9,460,424	129,075	4,381,245	1,948,090
2017	9,823,521	190,764	4,501,181	2,203,406
2018	10,506,185	213,556	4,208,097	2,346,272
2019	13,953,114	179,964	4,507,256	2,433,437

Note (1): Intangible tax that is levied on certain types of property, such as money, stocks, and bonds has decreased significantly due to the economic downturn.

Note (2): General Fund millage rate was increased to provide funding for increased Public Safety fire protection.

Note (3): Tax reform, Title Ad Valorem Tax (TAVT), became effective on March 1, 2013. TAVT is a one-time tax that is paid at the time the vehicle is titled. It replaced sales tax and annual ad valorem tax.

Occupational Tax	Alcoholic Beverages Tax	Hotel/Motel Tax	Local Option Sales Tax	Total
\$ 1,114,317	\$ 942,016	\$ 444,852	\$ 4,943,847	\$ 20,073,154
1,111,954	999,642	517,456	5,030,213	21,039,421
1,139,926	994,573	563,902	5,259,684	21,205,179
1,199,374	979,409	591,793	5,300,279	21,798,180
1,263,534	1,022,245	715,260	4,983,807 ⁽³⁾	22,193,025
1,268,021	1,067,611	828,925	5,094,727	23,263,515
1,368,983	1,129,284	911,847	5,281,804	24,610,752
1,373,680	1,166,259	929,035	5,439,313	25,627,159
1,394,517	1,152,257	965,036	5,885,171	26,671,091
1,418,919	1,160,672	1,053,683	6,235,875	30,942,920

CITY OF GAINESVILLE, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30	Real Property	Personal Property			Digest Adjustments
		Inventory/ Business Property	Motor Vehicles	Utilities	
2010	\$ 2,827,936,920	\$ 958,733,945	\$ 183,722,440	\$ 64,903,013	\$ (314,926,076)
2011	2,809,905,328	842,398,443	156,029,890	56,924,528	(224,302,316)
2012	2,626,851,558	845,534,643	153,096,940	68,615,798	(260,718,939)
2013	2,483,471,963	891,542,860	159,990,090	72,487,558	(336,283,393)
2014	2,398,619,850	969,047,745	172,898,560	74,816,730	(336,173,382)
2015	2,567,954,515	1,069,907,483	185,665,960	68,523,120	(312,134,457)
2016	2,953,976,780	1,055,500,805	122,903,835 ⁽³⁾	86,348,763	(298,500,191)
2017	3,036,116,245	1,102,797,493	87,802,225 ⁽³⁾	79,112,033	(329,203,623)
2018	3,414,339,560	1,176,119,518	65,383,400 ⁽³⁾	67,319,268	(343,066,757)
2019	3,809,200,370	1,302,230,195	51,130,100 ⁽³⁾	73,295,630	(372,366,269)

Source: Hall County Tax Commissioner's Digest - Gainesville District.

Note (1): The total assessed value amounts are based on the original tax digest prior to additions, deletions, and corrections to accounts. The adjusted assessed value is used to calculate the tax levy amount on the Property Tax Levies and Collections (See Exhibit L-10) in order to indicate a more fair presentation of taxes billed and collected. All property is assessed as of January 1st of each year.

Note (2): Starting in fiscal year 2010 Homeowners Tax Relief Credit is no longer in effect.

Note (3): Effective March 1, 2013, the Title Ad Valorem Tax was enacted, imposing a one-time tax on new vehicle purchases. Over time, motor vehicle taxes should progressively decline.

Exemption Adjustments	Total Taxable Assessed Value⁽¹⁾	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ (550,000) ⁽²⁾	\$ 3,719,820,242	2.660	\$ 3,719,820,242	100%
(550,000)	3,640,405,873	2.920	3,640,405,873	100%
(800,000)	3,432,580,000	2.920	3,432,580,000	100%
(800,000)	3,270,409,078	3.060	3,270,409,078	100%
(1,234,240)	3,277,975,263	3.060	3,277,975,263	100%
(1,486,210)	3,578,430,411	3.020	3,578,430,411	100%
(1,902,555)	3,918,327,437	2.980	3,918,327,437	100%
(2,210,476)	3,974,413,897	2.980	3,974,413,897	100%
(2,937,666)	4,377,157,323	2.864	4,377,157,323	100%
(3,556,440)	4,859,933,586	3.364	4,859,933,586	100%

CITY OF GAINESVILLE, GEORGIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Tax Year	Fiscal Year	City of Gainesville				
		Operating Millage	Recreation Millage	Debt Service Millage	Fire Service Millage	Total City Millage
2009	2010	1.430	0.750	0.480	0.000	2.660
2010	2011	1.690	0.750	0.480	0.000	2.920
2011	2012	1.690	0.750	0.480	0.000	2.920
2012	2013	1.770	0.790	0.500	0.000	3.060
2013	2014	1.770	0.790	0.500	0.000	3.060
2014	2015	1.750	0.780	0.490	0.000	3.020
2015	2016	1.630	0.750	0.600	0.000	2.980
2016	2017	1.630	0.750	0.600	0.000	2.980
2017	2018	1.545	0.750	0.569	0.000	2.864
2018	2019	(3) 0.795	0.750	0.569	1.250	3.364

Source: City of Gainesville Tax Office and Hall County Tax Commissioners Office.

Note 1: Property tax rate is per \$1,000 assessed value.

Note 2: The City of Gainesville taxes on 100% of assessed value.
Hall County taxes on 40% of assessed value.

Note 3: The City of Gainesville added Fire Services in Fiscal Year 2019.

Note 4: On June 20, 2017, the City Council approved the updated 2017 Service Delivery Strategy. Within the Service Delivery Strategy, it is agreed that the delivery of emergency medical services within Hall County and the City of Gainesville does not result in any overlapping or duplication of services. As a result, the Emergency Services Special Tax District, along with General M&O, is included with Hall County millage rate.

Overlapping Rates							
Gainesville City Schools			State of Georgia	Hall County			Total Direct & Overlapping Rates
Operating Millage	Debt Service Millage	Total School Millage		Operating Millage	Emergency Service Millage (4)	Total County Millage	
7.410	0.300	7.710	0.250	6.250	0.000	6.250	16.870
7.390	0.300	7.690	0.250	6.250	0.000	6.250	17.110
7.390	0.000	7.390	0.250	6.250	0.000	6.250	16.810
7.590	0.000	7.590	0.250	6.250	0.000	6.250	17.150
7.590	0.000	7.590	0.150	6.250	0.000	6.250	17.050
7.590	0.000	7.590	0.150	5.989	0.000	5.989	16.749
6.890	0.000	6.890	0.050	5.735	0.000	5.735	15.655
6.850	0.000	6.850	0.000	5.716	0.000	5.716	15.546
6.850	0.000	6.850	0.000	6.700	0.000	6.700	16.414
6.850	0.000	6.850	0.000	5.360	0.571	5.931	16.145

CITY OF GAINESVILLE, GEORGIA
PRINCIPAL TAXPAYERS
June 30, 2019

Taxpayer	Fiscal Year 2019			Fiscal Year 2010		
	Taxable Assessed Value ⁽¹⁾	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value ⁽¹⁾	Rank	Percentage of Total Taxable Assessed Value
Kubota Manufacturing of America Corporation/	\$ 125,235,823	1	2.58%	\$ 150,875,596	1	4.06%
Cargill, Inc.	114,573,172	2	2.36%	85,544,749	2	2.30%
Mid-America Apartments LP	65,700,016	3	1.35%	41,550,897	6	1.12%
Z F Wind Power LLC	62,034,973	4	1.28%		NR*	
Fieldale Corp	61,599,884	5	1.27%	35,871,272	7	0.96%
Merial Select	49,231,805	6	1.01%		NR*	
Branch Gainesville Associates LP	40,828,600	7	0.84%		NR*	
Pilgrims Pride Corp	40,805,602	8	0.84%		NR*	
Georgia Power	39,491,482	9	0.81%		NR*	
Marel Stork Poultry Processing Inc	38,607,270	10	0.79%		NR*	
Continental Tire				78,035,320	3	2.10%
ZF Industries, Inc.				49,919,674	4	1.34%
Ace Hardware Corporation				49,275,147	5	1.32%
First Republic Group Realty (Shopping Center)				30,230,570	8	0.81%
Inland Western Gainesville Village (Shopping Center)				27,319,779	9	0.73%
Stork Gamco (Manufacturer)				26,711,376	10	0.72%
Total	<u>\$ 638,108,627</u>		<u>13.13%</u>	<u>\$ 575,334,380</u>		<u>15.46%</u>

Source: Tax Year 2018 and 2009 Hall County Tax Commissioner's Digest - Gainesville District.

Note (1): Assessed valuation for principal taxpayers includes real property, personal property and utilities taxes, but does not include motor vehicle taxes. Selection is based on the taxpayers with the largest assessed valuation. Values shown are assessed totals before Freeport exemption is deducted for fiscal years prior 2012. Fiscal year 2012 and forward are net assessed value.

* Not Ranked

CITY OF GAINESVILLE, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Adjustments Made After Tax Levy (1)	Collected within the		Collections in Subsequent Years	Total Collections to Date	
			Fiscal Year of the Levy			Percentage	
			Percentage			Percentage	
			Amount	of Levy		Amount	of Levy
2010	\$ 9,894,722	\$ (67,119)	\$ 9,579,640	97.48%	\$ 247,963	\$ 9,827,603	100.00%
2011	10,629,985	(208,997)	10,239,192	98.26%	181,796	10,420,988	100.00%
2012	10,023,134	(317,398)	9,518,471	98.07%	187,265	9,705,736	100.00%
2013	9,294,659	333,059	9,333,018	96.94%	294,632	9,627,650	100.00%
2014	9,272,596	271,630	9,363,036	98.10%	174,697	9,537,733	99.93%
2015	10,039,209	(82,937)	9,762,578	98.05%	186,948	9,949,526	99.93%
2016	11,053,043	(182,723)	10,829,944	99.63%	31,625	10,861,569	99.92%
2017	11,346,349	(17,143)	11,280,816	99.57%	37,386	11,318,202	99.90%
2018	12,156,116	183,214	12,212,440	98.97%	116,498	12,328,938	99.92%
2019	14,041,006	1,985,931	15,894,676	99.17%		15,894,676	99.17%

Source: Hall County Tax Commissioner's Digest - Gainesville District.

Note (1): Adjustments made after tax billing within the fiscal year of the levy.

CITY OF GAINESVILLE, GEORGIA
LOCAL OPTION SALES TAX DISTRIBUTION COMMODITY REPORT - HALL COUNTY
June 30, 2019

Commodity	2018			2008		
	Total Distributed	Rank	% of Total	Total Distributed	Rank	% of Total
Food	\$ 7,029,385	1	20.74%	\$ 6,333,245	1	27.12%
Other Retail	4,621,725	2	13.64%		NR*	0.00%
General	4,045,575	3	11.94%	3,914,052	3	16.76%
Wholesale	3,983,107	4	11.75%		NR*	0.00%
Miscellaneous Service	3,178,735	5	9.38%	1,843,388	7	7.89%
Home	3,060,499	6	9.03%	1,660,495	8	7.11%
Utilities	2,266,319	7	6.69%	2,911,221	4	12.46%
Manufacturer	1,684,060	8	4.97%	1,107,192	9	4.74%
Other Services	1,657,313	9	4.89%		NR*	0.00%
Auto	1,600,993	10	4.72%	5,585,993	2	23.92%
Accommodations	486,970	11	1.44%		NR*	0.00%
Construction	276,879	12	0.82%		NR*	0.00%
Total	<u>\$ 33,891,559</u>		<u>100.00%</u>	<u>\$ 23,355,586</u>		<u>100.00%</u>

Source: Information provided by Georgia Department of Revenue - Local Government Services.
This information is reported on a calendar year basis.

Note (1): Data is not available for City of Gainesville; Hall County totals are reported on this schedule.

Note (2): State of Georgia established different categories for the 2009 Calendar year.

* Not Ranked

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES TEN LARGEST SYSTEM CUSTOMERS
JUNE 30, 2019

Customer	Type of Business	Total Water Billings	Total Sewer Billings	Total Billings	Percentage of System Revenues
Fieldale Farms Corporation	Manufacturer - Poultry Products	\$ 3,376,486	\$ 7,580,233	\$ 10,956,719	15.37%
Pilgrim's Pride	Manufacturer - Poultry Products	1,432,489	3,913,973	5,346,462	7.50%
Mar-Jac Poultry, Inc.	Manufacturer - Poultry Products	1,478,467	3,831,479	5,309,946	7.45%
NE GA Health Systems	Hospital	500,970	784,006	1,284,976	1.80%
Cargill, Inc.	Manufacturer - Soybean Products	306,765	534,334	841,099	1.18%
Hall County Commissioners	Local Government	160,775	610,871	771,646	1.08%
Gold Greek LLC	Manufacturer - Poultry Products	208,310	561,655	769,965	1.08%
North GA Linen Service	Service	222,321	324,694	547,016	0.77%
Shasta Beverages Inc.	Manufacturer- Beverages	244,223	302,539	546,763	0.77%
Prime Pak Foods, Inc.	Food Further Processing	202,860	296,272	499,133	0.70%
Total		<u>\$ 8,133,667</u>	<u>\$ 18,740,057</u>	<u>\$ 26,873,724</u>	<u>37.70%</u>

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

CITY OF GAINESVILLE, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita ⁽¹⁾
	General Obligation Bonds	Capital Leases	Water & Sewer Bonds	Notes Payable	Capital Leases			
2010	\$ 945,000	\$ 42,862,532	\$ 104,719,329	\$ 119,786,181	\$ 34,048,349	\$ 302,361,391	28.01%	8,458
2011	0	35,737,268	97,030,523	113,800,132	32,321,761	278,889,683	28.41%	8,250
2012	0	28,964,712	89,089,423	107,536,775	30,575,173	256,166,083	24.16%	7,442
2013	0	29,451,699	80,918,760	101,142,593	28,945,860	240,458,912	21.60%	6,913
2014	0	20,872,774	72,356,947	94,539,646 ⁽¹⁾	27,094,798	214,864,165	18.44%	6,047
2015	0	21,998,379	155,139,294	-	25,093,735	202,231,408	16.41%	5,570
2016	0	20,766,180	139,039,842	-	23,412,672	183,218,694	13.34%	4,733
2017	0	19,267,230	122,548,109	-	21,471,610	163,286,949	10.85%	4,082
2018	0	17,808,355	105,559,369	-	19,525,547	142,893,271	9.06%	3,541
2019	0	20,557,481	88,310,630	-	17,559,484	126,427,595	7.40%	3,049

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See the Schedule of Demographic and Economic Statistics on Exhibit L-18 for personal income and population data.

Note (1): The decrease in notes payable is due to a Series 2014 Water Sewer Bond Refunding which refunded the total amount of the GEFA notes payable and \$5,900,000 of the Series 2005 Water Sewer Bonds.

CITY OF GAINESVILLE, GEORGIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property⁽¹⁾	Per Capita⁽²⁾
2010	945,000	0.03%	26.43
2011	0	0.00%	0
2012	0	0.00%	0
2013	0	0.00%	0
2014	0	0.00%	0
2015	0	0.00%	0
2016	0	0.00%	0
2017	0	0.00%	0
2018	0	0.00%	0
2019	0	0.00%	0

Source: Hall County Tax Commissioner's Digest - Gainesville District.

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Note (1): See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Exhibit L-7 for property value data.

Note (2): Population data can be found in the Schedule of Demographic and Economic Statistics on Exhibit L-18.



CITY OF GAINESVILLE, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Available	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Gainesville City Schools	\$ 20,744,772	100%	\$ 20,744,772
Hall County	3,890,891	21%	817,087
Subtotal, overlapping debt			21,561,859
City of Gainesville direct debt			20,557,481
Total direct and overlapping debt			<u>\$ 42,119,340</u>

Source: Debt outstanding data provided by Gainesville City Schools and Hall County Finance Offices.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Gainesville. The process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Note: The outstanding debt reported from overlapping authorities includes bonds, notes, and capital leases as reported on their Governmental Activities Sheet.

CITY OF GAINESVILLE, GEORGIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Debt Limit	\$ 403,529,632	\$ 386,525,819	\$ 369,409,894	\$ 360,749,247
Total net debt applicable to limit	42,514,285	34,302,996	27,431,657	20,877,219
Legal debt margin	<u>\$ 361,015,347</u>	<u>\$ 352,222,823</u>	<u>\$ 341,978,237</u>	<u>\$ 339,872,028</u>
Total net debt applicable to the limit as a percentage of debt limit	10.54%	8.87%	7.43%	5.79%

Note: Under state finance law, the City of Gainesville's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 361,538,289	\$ 389,205,108	\$ 421,873,018	\$ 430,582,800	\$ 472,316,175	\$ 523,585,630
15,770,863	15,289,643	14,030,339	17,309,944	20,608,568	23,700,756
<u>\$ 345,767,426</u>	<u>\$ 373,915,465</u>	<u>\$ 407,842,679</u>	<u>\$ 413,272,856</u>	<u>\$ 451,707,607</u>	<u>\$ 499,884,874</u>
4.36%	3.93%	3.33%	4.02%	4.36%	4.53%

Legal Debt Margin Calculation for Fiscal Year 2019

Total Assessed value	\$ 5,235,856,295
Debt limit (10% of total assessed value)	523,585,630
Debt applicable to limit:	
General obligation debt	20,557,481
Less: Amount set aside for repayment of general obligation debt	<u>3,143,275</u>
Total net debt applicable to limit	<u>23,700,756</u>
Legal debt margin	<u>\$ 499,884,874</u>

**CITY OF GAINESVILLE, GEORGIA
 PLEDGED-REVENUE COVERAGE
 DEPARTMENT OF WATER RESOURCES
 LAST TEN FISCAL YEARS**

Fiscal Year	Department of Water Resources Revenue Bonds					
	Gross Revenue ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Coverage
				Principal	Interest ⁽³⁾	
2010	\$ 52,531,389	\$ 24,141,817	\$ 28,389,572	\$ 7,150,000	\$ 4,865,079	2.36
2011	57,629,294	23,713,795	33,915,499	7,470,000	4,540,916	2.82
2012	59,739,770	24,261,826	35,477,944	7,710,000	4,174,996	2.99
2013	59,662,895	23,442,197	36,220,698	7,955,000	3,768,351	3.09
2014	62,860,604	26,083,825	36,776,779	8,360,000	3,368,156	3.14
2015	68,485,989	24,660,926	43,825,063	8,740,000	4,396,256	3.34
2016	72,032,080	26,866,263	45,165,817	8,140,000	6,271,250	3.13
2017	77,874,539	27,479,460	50,395,079	15,940,000 ⁽³⁾	5,658,796	2.33
2018	78,352,405	31,721,037	46,631,368	16,200,000	3,142,934	2.41
2019	82,054,845	36,314,032	45,740,813	12,615,000	2,770,244	2.97

Note (1): Gross revenue is comprised of operating revenue, connection fees, and interest on investments.

Note (2): Total operating expenses exclusive of depreciation.

Note (3): New refunding bond issues included GEFA notes payable that were not included in prior year totals.

**CITY OF GAINESVILLE, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	City of Gainesville Population^(a)	Estimated City of Gainesville Personal Income (amounts expressed in thousands)^(b)	Hall County Per Capita Personal Income^(c)	Gainesville City Public School Enrollment^(d)	Hall County Unemployment Rate^(e)
2010	35,750	\$ 1,079,471	\$ 30,195	6,977	9.2%
2011	33,804	981,601	29,038	7,145	8.9%
2012	34,422	1,060,404	30,806	7,464	7.5%
2013	34,786	1,113,187	32,001	7,702	7.6%
2014	35,533	1,165,092	32,789	7,983	6.4%
2015	36,306	1,232,407	33,945	8,056	4.8%
2016	38,712	1,373,928	35,491	7,973	4.2%
2017	40,000	1,505,480	37,637	7,997	4.2%
2018	40,359	1,576,624	39,065	8,069	3.5%
2019	41,464	1,709,105	41,219	8,068	3.1%

Source (a): Fiscal year 2010, 2012-2013 are estimates and fiscal year 2011 is based on 2010 Census provided by the U.S. Census Bureau. Fiscal year 2014-2019 is based on Population Estimates Program.

Source (b): Based on City population multiplied by Hall County per capita personal income.

Source (c): Bureau of Economic Analysis, U.S. Department of Commerce; information is provided on Hall County only.

Source (d): Gainesville City Schools, September enrollment.

Source (e): Georgia Department of Labor, Gainesville MSA unemployment rate.

CITY OF GAINESVILLE, GEORGIA
PRINCIPAL EMPLOYERS/HALL COUNTY
June 30, 2019

<u>Employer</u>	2019			2010		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Northeast Georgia Medical Center	8,331	1	8.42%	3,330	1	4.09%
Fieldale Farms	2,550	2	2.58%	2,410	2	2.96%
Kubota Manufacturing of America	1,695	3	1.71%	610	7	0.75%
Foundation Food Group	1,500	4	1.52%		NR*	
Pilgrims Pride	1,380	5	1.39%	1,600	3	1.97%
Gold Creek Foods	1,300	6	1.31%		NR*	
Mar-Jac	1,280	7	1.29%	1,100	4	1.35%
Cottrell, Inc.	1,070	8	1.08%		NR*	
ZF Gainesville, LLC	1,045	9	1.06%		NR*	
Wal-Mart	970	10	0.98%		NR*	
Coleman Natural Foods (Kings Delight)				850	5	1.04%
Wrigley Manufacturing Company, LLC				850	6	1.04%
Koch Foods, Inc.				520	8	0.64%
The Longstreet Clinic				440	9	0.54%
PFG Milton's Institutional Foods				420	10	0.52%
Total	<u>21,121</u>		<u>21.34%</u>	<u>12,130</u>		<u>14.90%</u>

Source: Greater Hall Chamber of Commerce.

Note (1): Excludes governmental and educational employers.

* Not Ranked

CITY OF GAINESVILLE, GEORGIA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Primary government										
General Government	45	46	48	51	50	51	51	53	52	53
Judicial	7	8	8	10	10	10	10	10	10	10
Public Safety										
Police	113	113	113	113	114	114	114	116	117	118
Fire	102	103	103	103	103	103	103	103	103	103
Code Enforcement	3	3	3	5	4	4	4	4	5	6
Public Works	53	52	54	53	53	55	55	59	60	60
Health and Welfare	45	47	39	37	32	32	32	40	40	43
Culture and Recreation	7	7	5	0	0	0	0	0	0	0
Housing and Development	17	17	17	13	13	13	13	13	13	13
General Insurance	0	0	0	0	0	0	0	0	0	0
Vehicle Services	5	5	6	6	6	6	6	6	6	6
Water and Sewer	225	229	229	229	230	233	233	233	234	234
Solid Waste	24	24	24	24	24	24	24	24	24	25
Golf Course	7	4	4	4	4	4	4	4	5	5
Total primary government	653	658	653	648	643	649	649	665	669	676
Component unit										
City of Gainesville										
Parks and Recreation										
Culture and Recreation	36	36	37	37	38	39	39	37	37	38
Gainesville Convention and Visitor's Bureau										
Housing and Development	0	0	0	0	0	4	4	4	4	4
Total Component units	36	36	37	37	38	43	43	41	41	42
Total employees	689	694	690	685	681	692	692	706	710	718

Source: Annual City of Gainesville Budget Document.

Note (1) Gainesville Convention and Visitor's Bureau became a component unit in FY15.

CITY OF GAINESVILLE, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2010	2011	2012	2013
Police				
Number of citations issued	12,307	13,671	9,306	11,353
Number of calls for service	75,866	67,879	63,839	62,744
Fire				
Number of calls answered	6,020	6,566	6,962	7,031
Number of inspections conducted	2,848	1,439	1,725	1,325
Highways and streets				
Square feet of sidewalks replaced	3,552	445	9,063	4,500
Linear feet curb and gutter installed	217	50	698	211
Sanitation				
Refuse collected (tons)	5,015	4,897	4,743	4,857
Recyclables collected (tons)	688	657	726	759
Culture and Recreation				
Enrolled in youth athletics	1,139	1,507	1,553	1,398
Civic Center/Cabin rentals	969	992	1,068	1,223
Water System (MGD -Millions of Gallons per Day)				
Number of service connections	46,674	46,632	47,018	47,892
Daily average consumption in gallons	17.13 MGD	17.64 MGD	17.7 MGD	16.74 MGD
Sewer System (MGD -Millions of Gallons per Day)				
Number of service connections	8,840	8,716	8,847	9,157
Daily average treatment in gallons	9.20 MGD	8.50 MGD	8.1 MGD	8.50 MGD

Source: Various City Departments.

Fiscal Year					
2014	2015	2016	2017	2018	2019
11,622	9,734	12,060	13,431	11,606	11,340
60,380	70,534	68,007	68,952	83,252	100,750
7,174	7,814	8,108	8,592	8,550	10,317
1,862	2,019	3,850	3,543	3,764	3,672
11,727	8,217	2,562	2,360	1,951	8,210
544	241	329	227	50	660
4,989	5,374	5,791	6,392	6,763	7,621
794	772	697	858	820	859
1,424	1,181	1,388	2407	2,366	2,371
1,169	1,230	991	879	1,213	1,424
53,676	55,274	50,950	54,572	55,638	56,934
16.74 MGD	16.74 MGD	17.40 MGD	18.69 MGD	18.75 MGD	19.03 MGD
10,977	11,580	10,020	10,687	11,101	11,445
8.90 MGD	8.00 MGD	9.1 MGD	9 MGD	10.0 MGD	11.4 MGD

CITY OF GAINESVILLE, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2010	2011	2012	2013
Public safety				
Number of police stations	3	2 ⁽¹⁾	2	2
Number of fire stations	4	4	4	4
Solid Waste				
Collection Trucks	9	9	10	10
Highways and streets				
Miles of streets	136	136	136	136
Miles of storm sewers	20.20	20.20	20.47	20.47
Number of street lights	2,414	2,627	2,694	2,700
Culture and Recreation				
Community/Civic Centers	2	2	2	2
Parks	21	21	21	22
Park acreage	445	445	445	450+
Golf courses	1	1	1	1
Swimming pools	5	5	5	5
Baseball/Softball fields	10	10	11	11
Soccer fields	10	10	10	10
Multipurpose fields	1	1	1	1
Tennis courts	16	16	16	16
Water and Sewerage System-Gainesville and Hall County (MGD - Millions of Gallons per Day)				
Water System:				
Miles of water mains	1,315	1,344	1,344	1,344
Number of fire hydrants	8,719	8,803	8,855	8,735
Number of water treatment plants	2	2	2	2
Maximum daily capacity of treatment plants in gallons	35MGD	35 MGD	35 MGD	35 MGD
Sewer System:				
Miles of sanitary sewers	280	280	286	286
Number of wastewater treatment plants	2	2	2	2
Maximum daily capacity of treatment plants in gallons	17 MGD	17 MGD	17 MGD	17 MGD

Source: Various City Departments.

Note (1): Elimination of Community Police Precincts in Housing Developments during FY11.

Fiscal Year					
2014	2015	2016	2017	2018	2019
2	2	2	2	1	1
4	4	4	4	4	4
12	13	13	13	14	9
140	140	141	143	147	149
20.49	20.52	20.81	21.68	24.18	69.00
2,676	2,639	2,679	2,668	2,769	2,825
2	2	2	2	2	2
22	22	22	22	22	21
450+	450+	454+	454+	454+	458+
1	1	1	1	1	1
4	4	4	4	4	4
10	10	10	10	10	9
10	10	10	10	10	10
2	2	2	2	2	2
15	15	15	15	15	15
1,355	1,363	1,372	1,390	1,383	1,411
8,772	8,838	8,885	9,096	9,557	9,728
2	2	2	2	2	2
35 MGD	35 MGD	35 MGD	35 MGD	35 MGD	35 MGD
289	291	294	301	306	318
2	2	2	2	2	2
17 MGD	17 MGD	17 MGD	21.25 MGD	17 MGD	17 MGD

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES
WATER RATES AND MINIMUM DEMAND CHARGES
JUNE 30, 2019

Water Rates (Monthly Charges):

	Inside City Limits	Outside City Limits
Account Servicing Fee	\$ 6.17	\$ 6.17
Quantity Used Per Month In Cubic Feet		
Per Hundred Cubic feet	\$2.53 Per 100 cf ⁽¹⁾	\$ 5.06 per 100 cf ⁽¹⁾

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

Note (1): 748 gallons equals 100 cubic feet.

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES
WATER TAP/METER, CONNECTION AND ADMINISTRATIVE FEES
JUNE 30, 2019

Inside and Outside City Limits:

Tap Size (Meter Inches)	Tap and Meter	Connection Fee	Administrative Fee	Total
3/4 inch	\$ 1,073	\$ 1,726	\$ 51	\$ 2,850
1 inch	1,198	4,315	129	5,642
1 1/2 inch	2,700	8,630	258	11,588
2 inch	3,500	13,808	414	17,722
3 inch	7,405	27,616	828	35,849
4 inch	Cost of Tap and Meter +	43,150	1,294	N/A
6 inch	Cost of Tap and Meter +	86,300	2,589	N/A
8 inch	Cost of Tap and Meter +	138,080	4,142	N/A

The water connection and administrative fees shall be in addition to the cost of the meter and water and sewer tapping fees.

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES
SEWER RATES AND CHARGES
JUNE 30, 2019

Sewer Rates (Monthly Charges by Volume):

	<u>Inside City Limits</u>	<u>Outside City Limits</u>	<u>Oakwood</u>
Commodity charge Per Cubic Foot	\$ 7.39	\$ 7.39	\$ 7.54

Industrial Surcharges:

<u>Pollutant</u>	<u>Concentration (mg/l)</u>	<u>Surcharge (dollars per mg/l per 100 cubic feet)</u>
BOD	250-500	\$ 0.0019
	501-700	0.0050
	701-900	0.0057
	Over 900	0.0112
Suspended Solids	250-500	0.0014
	501-700	0.0035
	701-900	0.0039
	Over 900	0.0072
Oil and Grease	101-125	0.0050
	126-150	0.0120
	151-175	0.0140
	Over 175	0.0280
Phosphorus	7-11	0.0220
	12-15	0.0490
	16-20	0.0580
	Over 20	0.1120
Nitrogen	40-75	0.0050
	76-100	0.0130
	101-135	0.0160
	Over 135	0.0320

Accounts billed for sewer only shall pay a monthly account servicing fee of \$6.17 inside the City and \$6.17 outside the City. In addition, sewer only customers pay an additional fee per 100 cubic feet. The rate is \$7.39 for inside city customers, \$7.39 for outside city customers, \$7.54 for Oakwood customers.

Residential sewer charges are based on 93% of monthly metered water consumption.

Commercial, Industrial and Multi-Unit sewer charges are based on 100% of monthly water meter readings.

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES
SEWER TAPPING, CONNECTION AND ADMINISTRATIVE FEES
JUNE 30, 2019

Sewer Tapping Fees:

For a six inch (6") service line serving a single dwelling or commercial unit the cost is \$900.

Service lines over 6" shall be charged an additional fee at actual cost per inch.

Sewer Connection and Administrative Fees:

<u>Size of Sewer (Meter Inches)</u>	<u>Connection</u>	<u>Administrative</u>
3/4 inch	\$ 3,570	\$ 107
1 inch	8,925	267
1 1/2 inch	17,850	535
2 inch	28,560	856
3 inch	57,120	1,713
4 inch	89,250	2,677
6 inch	178,500	5,355
8 inch	285,600	8,568

The sewer connection and administrative fees shall be in addition to the cost of the meter and water and sewer tapping fees.

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

CITY OF GAINESVILLE, GEORGIA
DEPARTMENT OF WATER RESOURCES CAPITAL IMPROVEMENTS
LAST TEN FISCAL YEARS

Year	Total Cost of Capital Improvements	Funding Sources	
		System Revenues and Capital Contributions	Debt Proceeds and Investment Earnings
2010	\$ 11,853,472	\$ 11,853,472	\$ 0
2011	8,284,333	8,284,333	0
2012	9,688,399	9,688,399	0
2013	10,633,627	10,633,627	0
2014	7,643,488	7,643,488	0
2015	4,840,617	4,840,617	0
2016	8,136,724	8,136,724	0
2017	13,052,152	13,052,152	0
2018	26,133,018	26,133,018	0
2019	16,251,036	16,251,036	0

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF INSURANCE COVERAGE
June 30, 2019

	<u>Amount</u>	
Property Coverage		
Blanket building and contents (\$10,000 deductible)	Replacement Cost ⁽¹⁾	
Flood (\$50,000 deductible)	\$ 5,000,000	
Equipment Breakdown (\$10,000 deductible)	\$ 100,000	
Automobile (Fire Trucks 1994 or newer) (\$5,000 deductible)	Actual cash value	(\$7,324,896)
Inland Marine (Contractor's Equipment) (\$2,500 deductible)	Actual cash value	(\$6,505,385)
EDP Equipment (\$10,000 deductible)	Replacement Cost	(\$1,854,448)
Casualty		
General Liability ⁽²⁾		
Personal and advertising injury (\$10,000 deductible)	\$ 1,000,000	per occurrence
Products-completed operations (\$10,000 deductible)	\$ 3,000,000	per occurrence
Law enforcement (\$10,000 deductible)	\$ 1,000,000	per occurrence
Public official (\$25,000 deductible)	⁽³⁾ \$ 1,000,000	per occurrence
Employee benefits (\$1,000 deductible)	\$ 1,000,000	per occurrence
Employment Practices Liability benefits (\$25,000 deductible)	⁽³⁾ \$ 1,000,000	per occurrence
Automobile Liability		
Single limit liability (\$10,000 deductible)	\$ 1,000,000	
Public Employee Dishonesty (\$1,000 deductible)	\$ 500,000	
Airport Liability (\$1,000 deductible) (Includes TRIA)	\$ 10,000,000	

Note: This information is included to comply with continuing disclosure requirements of 2005, 2006, 2014, 2015, and 2016 Water and Sewerage bond issues.

Note (1): Maximum property limit of \$304,050,339.

Note (2): Aggregate annual amount of \$3,000,000 for General Liability, Law Enforcement Liability, Public Officials Liability, and Employment Practices Liability.

Note (3): Retro date 7/1/2000 applies.

CITY OF GAINESVILLE, GEORGIA
PROPERTY VALUE - CONSTRUCTION
LAST TEN CALENDAR YEARS

Hall County

	Number of Residential Permits		Total Estimated Value	Number of Commercial Permits	Total Estimated Value
	Single Family	Multi-Family ⁽¹⁾ / Number of Units			
2009	180	1	29,629,500	50	10,319,500 ⁽²⁾
2010	152	0	23,615,800	24	11,775,300 ⁽²⁾
2011	140	0	23,159,500	17	4,653,000 ⁽²⁾
2012	167	0	28,447,800	17	3,873,000 ⁽²⁾
2013	264	0	47,710,100	26	132,020,900 ⁽³⁾
2014	341	0	67,877,695	17	7,685,100
2015	352	0	75,544,500	25	34,139,300
2016	410	0	91,138,400	20	15,171,000
2017	548	0	118,793,900	28	16,236,000
2018	581	0	135,819,495	28	20,823,000

City of Gainesville

	Number of Residential Permits		Total Estimated Value	Number of Commercial Permits	Total Estimated Value
	Single Family	Multi-Family ⁽¹⁾ / Number of Units			
2009	19	0	4,431,080	25	55,633,500 ⁽²⁾
2010	35	0	5,544,591	12	31,119,415 ⁽²⁾
2011	45	0	7,086,101	14	19,138,000 ⁽²⁾
2012	122	2/88	29,873,617	7	18,033,377 ⁽²⁾
2013	262	2/4	47,189,890	14	57,498,595
2014	266	12/3	46,952,571	23	67,932,217
2015	405	8/34	76,109,044	21	37,344,159
2016	435	19/556	118,707,947 ⁽⁴⁾	31	58,129,477
2017	412	4/96	70,021,683	31	234,766,657 ⁽⁵⁾
2018	288	96/708	63,131,144	24	40,504,564

Source: Hall County Building and Zoning Department.

Note (1): Multifamily housing includes duplexes, triplexes, and apartment buildings.

Note (2): Economic decline contributed to decreased numbers beginning in 2008.

Note (3): Northeast Georgia Medical Center acquired permits for new hospital in Braselton and new medical office building.

Note (4): Totals reflect an increase in multi-family housing projects and single-family dwelling permits.

Note (5): Includes \$175 million for construction of Enota Elementary.

CITY OF GAINESVILLE, GEORGIA
MISCELLANEOUS STATISTICS

Source: Various city departments and local institutions

Date of Incorporation	1821
Form of Government	Council/Manager
City Population (2018 Estimate)	41,464
Hall County Population, including City (2018 Estimate)	202,148
Area of City in square miles	34.99
Number of full time employees	647

Government facilities and services:

Public Safety:

ISO Fire Classification	Class I
Number of fire personnel and officers	104
Number of police personnel and officers	117
Number of police patrol units	76

Facilities and services not included in the reporting entity:

Education:

Number of elementary schools	6
Number of elementary school instructors	272
Number of middle schools	1
Number of middle school instructors	113
Number of secondary schools	1
Number of secondary school instructors	126
Number of technical institutions (in Hall County, outside City)	1
Number of universities	2

Hospitals:

Number of hospitals	1
Number of patient beds	884

Bond Rating (Moody's):

General Obligation Bonds	Aa2
Revenue Bonds	Aa2



SINGLE AUDIT SECTION



**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with *Government Auditing Standards***

Honorable Mayor and
Members of the City Council
City of Gainesville, Georgia

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Gainesville, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Gainesville, Georgia's basic financial statements and have issued our report thereon dated November 25, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 25, 2019

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Honorable Mayor and
Members of the City Council
City of Gainesville, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Gainesville, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Gainesville's major federal programs for the year ended June 30, 2019. The City of Gainesville, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Gainesville, Georgia's major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Gainesville, Georgia's, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City of Gainesville, Georgia's, compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Gainesville, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the City of Gainesville, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Gainesville, Georgia's, internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing

an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Gainesville Georgia's, internal control over compliance.

Report on Internal Control over Compliance

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

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 25, 2019

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2019

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass- Through Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grant/Entitlement Grants	14.218	N/A	\$ 338,783	\$ 0
Passed through Georgia Department of Community Affairs Home Investment Partnerships Program	14.239	SF2014-102	7,934	0
Total U.S. Department of Housing and Urban Development			346,717	0
U.S. Department of Justice				
Bulletproof Vest Partnership Program	16.607	N/A	11,263	0
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	12,765	
Equitable Sharing for State and Local Law Enforcement Agencies	16.922	N/A	437,924	0
Total U.S. Department of Justice			461,952	0
U.S. Department of Transportation				
Passed through the Georgia Department of Transportation: Airport Improvement Program	20.106	AP017-9031-33(139) AP018-9034-34(139)	17,742 1,648,825 1,666,567	0 0 0
Federal Transit Cluster				
Federal Transit - Formula Grants	20.507	T006041	407,812	0
Highway Safety Cluster				
Passed through Hall County, Georgia: State and Community Highway Safety	20.600	GA-2017-402PT-144 GA-2018-402PT-005 GA-2019-402PT-022	38 6,927 46,720 53,685	0 0 0 0
Total Highway Safety Cluster				
Total U.S. Department of Transportation			2,128,064	0
U.S. Department of Health and Human Services				
Aging Cluster of Programs				
Passed through Legacy Link, Inc.: Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	Gainesville - Title III, C1 Gainesville - Title III, C2	229,350 153,126 382,476	0 0 0
Nutrition Services Incentive Program	93.053	Gainesville - NSIP	113,486	0
Total Aging Cluster of Programs			495,962	0
Passed through Legacy Link, Inc.: Social Services Block Grant	93.667	Gainesville - SSBG	24,923	0
Total U.S. Department of Health and Human Services			520,885	0
U.S. Department of Homeland Security				
Passed through the Georgia Emergency Management Agency: Disaster Grants - Public Assistance - Homeland Security Grant Program	97.067	EMW-2018-SS-00067-S01	3,450	0
Total U.S. Department of Homeland Security			3,450	0
Appalachian Regional Commission				
ARC Grant Program	23.002	N/A	29,382	0
Total Appalachian Regional Commission			29,382	0
Total Expenditures of Federal Awards			\$ 3,490,450	\$ 0

CITY OF GAINESVILLE, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2019

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Gainesville, Georgia, under programs for the federal government for the current fiscal year. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The City of Gainesville, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2019

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Noncompliance material to financial statements noted?	None reported

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported
Identification of major programs:	
16.922 Equitable Sharing Program	
20.106 Airport Improvement Program	
Dollar threshold used to distinguish Between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2019

2. Financial Statement Findings

A. Current Year Audit Findings

None reported

B. Prior Year Audit Findings Follow-Ups

None reported

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

STATE REPORTING SECTION

CITY OF GAINESVILLE, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2019

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST VII					
Public Safety Fire Station	\$ 3,750,000	\$ 3,750,000	\$ 574,225	\$ 169,715	\$ 743,940
Public Safety Fire Vehicle	1,750,000	1,750,000	1,461,219	0	1,461,219
Roads, Bridges, Stormwater	12,914,482	12,914,482	2,645,422	3,970,198	6,615,620
Youth Sports Athletic Complex	6,750,000	6,750,000	169,060	2,223	171,283
Park Improvements	250,000	250,000	0	0	0
Total	<u>\$ 25,414,482</u>	<u>\$ 25,414,482</u>	<u>\$ 4,849,926</u>	<u>\$ 4,142,136</u>	<u>\$ 8,992,062</u>

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax.
Actual costs that are in excess of these amounts have been financed through alternative funds.



CITY OF

GAINESVILLE

FINANCIAL SERVICES

PO BOX 2496 GAINESVILLE, GA 30503 | GAINESVILLE.ORG

HIGHLANDS
TO ISLANDS



DOWNTOWN
GREENWAY



CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/3/2019
Presenter: Kevin Hutcheson
Item of Business: Resolution: Fourth Quarter Budget Adjustment for Fiscal Year 2019
Meeting Date: 12/12/2019

Purpose of Request:

This request is to approve the budget adjustments associated with the fourth quarter of fiscal year 2019.

History/Background:

The City of Gainesville Code states in part:

Sec. 2-3-87 - Budget amendments

(a) General amendment. The council may amend the budget as deemed necessary or advantageous during the fiscal year, provided additional revenues or funding sources are identified for any net increase in expenditure. Following the end of each fiscal year quarter, any approved adjustments, including budgets for any projects authorized during the quarter shall be enacted through a budget adjustment resolution upon favorable vote of the city council. The supplemental budget resolutions shall be balanced for each and every fund that is amended.

Facts & Issues for Consideration:

Department Recommendation:

Financial Services recommends the approval of the fourth quarter budget adjustment for fiscal year 2019.

Department Director:

Jeremy Perry

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ BA RESO- Q4-FY2019	Resolution
☐ Attachment A-Charts for 4th Qtr BA for FY2019	Backup Material
☐ Attachment B-Descriptions for 4th Qtr BA for FY2019	Backup Material

RESOLUTION AR-2019 - ____

**REGARDING FOURTH QUARTER BUDGET ADJUSTMENT
FOR FISCAL YEAR 2019**

WHEREAS, the governing body approved a budget for fiscal year 2019 for the City of Gainesville on June 19, 2018; and

WHEREAS, the budget is a dynamic rather than static revenue and spending plan which requires adjustment from time to time as circumstances change; and

WHEREAS, these adjustments maintain a balanced budget for all funds.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby adopts the adjustments to the budget listed on "Attachment A" and "Attachment B", attached hereto and made a part of the Resolution.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

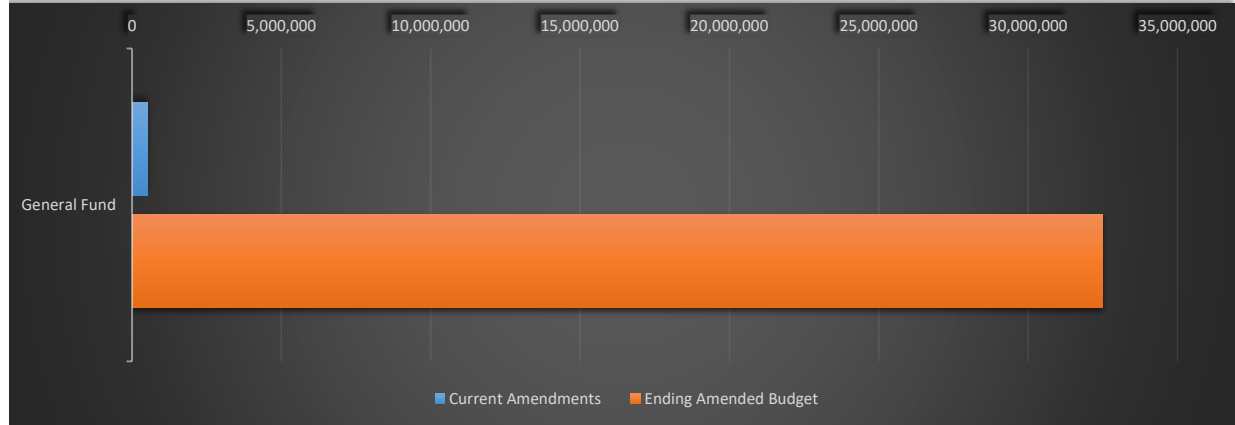
This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

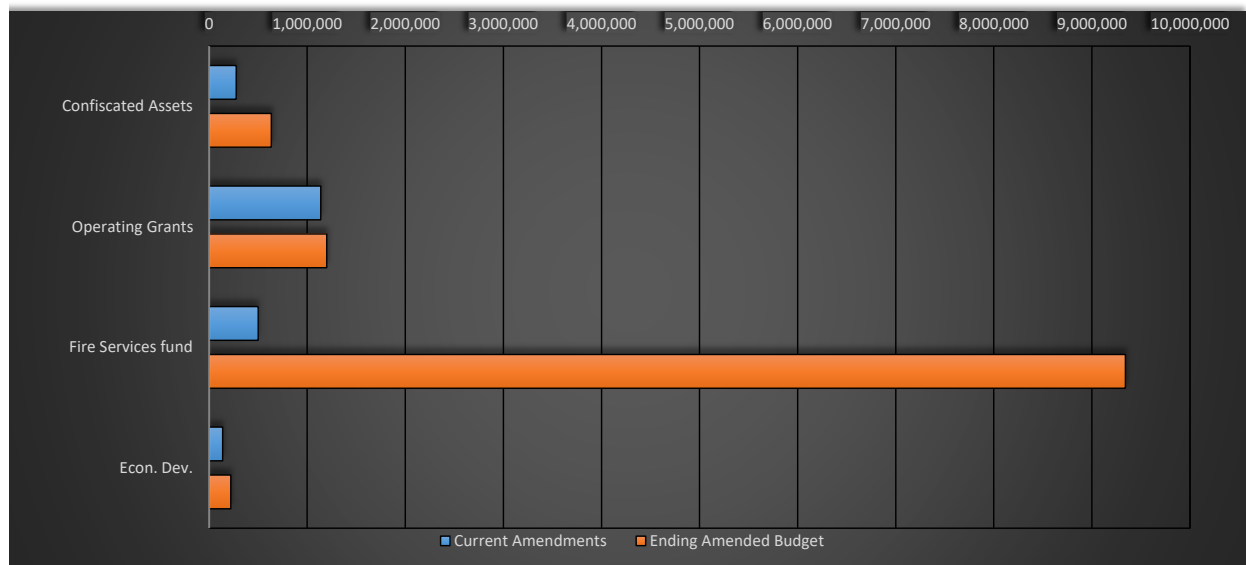
Denise O. Jordan, City Clerk

ATTACHMENT A

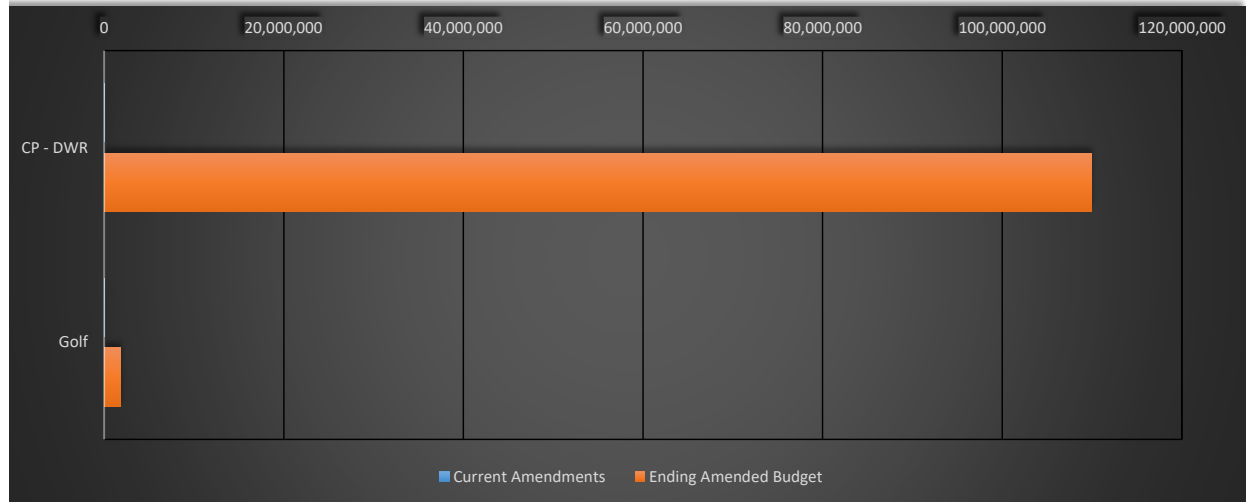
General Fund			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
General Fund	31,966,196	517,688	32,483,884
Grand Total	31,966,196	517,688	32,483,884



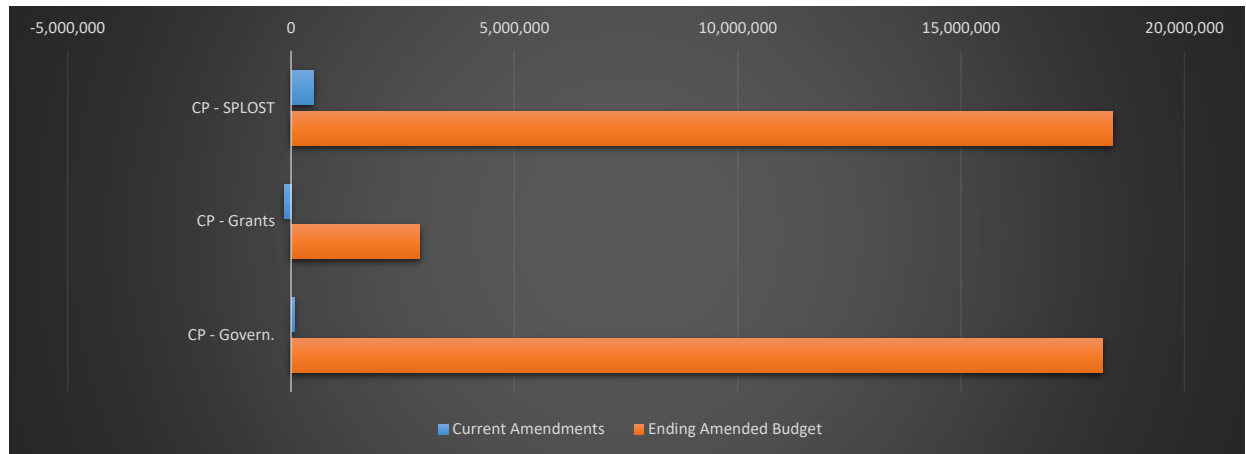
Special Revenue Funds			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
CSC	3,968,111	0	3,968,111
Cemetery Trust	42,704	0	42,704
Confiscated Assets	357,758	276,000	633,758
Operating Grants	60,646	1,137,779	1,198,425
HUD Grants	837,818	0	837,818
HUD Rev. Loan	82,800	0	82,800
Fire Services fund	8,841,200	500,000	9,341,200
Econ. Dev.	83,000	137,500	220,500
TV-18	258,566	0	258,566
TAD	615,655	0	615,655
H/M Tax Fund	1,132,497	23,402	1,155,899
Impact Fee	670,350	16,543	686,893
Info. Tech. Fund	56,000	0	56,000
Grand Total	17,007,105	2,091,224	19,098,329



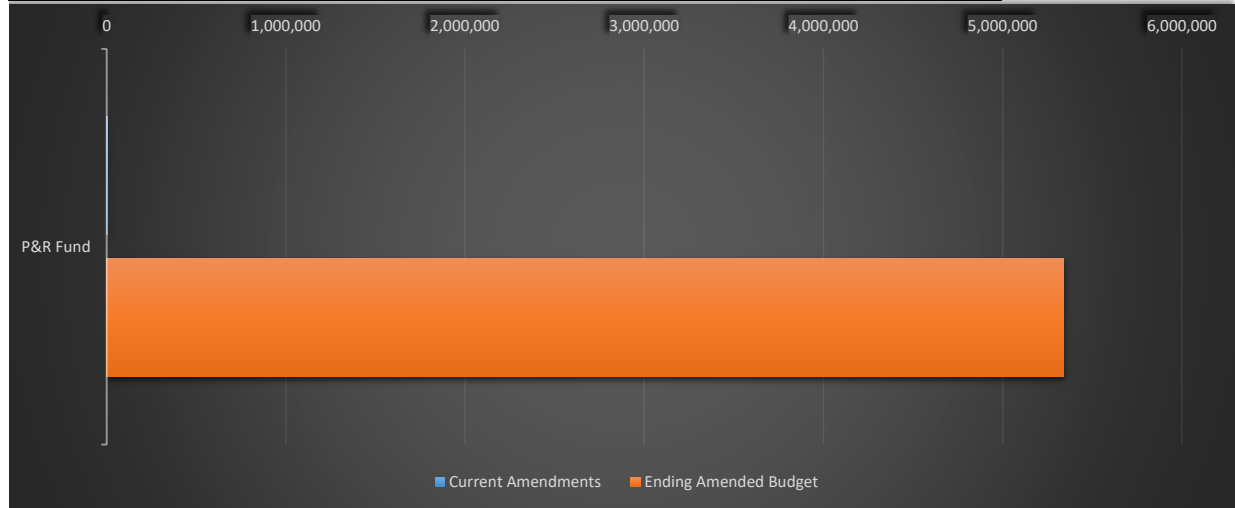
Enterprise Funds			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
DWR	72,088,184	0	72,088,184
CP - DWR	109,899,344	65,600	109,964,944
Solid Waste	3,272,816	0	3,272,816
Airport	5,497,024	0	5,497,024
Golf	1,799,107	40,000	1,839,107
Grand Total	192,556,475	105,600	192,662,075



Capital and Debt Funds			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
CP - SPLOST	17,881,240	511,405	18,392,645
CP - Grants	3,020,271	-147,167	2,873,104
CP - Govern.	18,106,201	68,091	18,174,292
Debt. Serv.	2,912,551	0	2,912,551
Grand Total	41,920,263	432,329	42,352,592



Component Unit			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
CVB	599,480	0	599,480
P&R Fund	5,331,473	7,000	5,338,473
CP - P&R	1,057,249	0	1,057,249
Grand Total	5,930,953	7,000	5,937,953



Non-Profit			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
Non-Profit	25,507	1,108,909	1,134,416
Grand Total	25,507	1,108,909	1,134,416

Internal Service Fund			
Fund	Beginning Amended Budget	Current Amendments	Ending Amended Budget
Gen. Insurance	1,915,514	0	1,915,514
Employee Ben.	9,387,614	522,500	9,910,114
Veh. Serv.	2,587,312	0	2,587,312
Grand Total	13,890,440	522,500	14,412,940

**ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS**

GENERAL FUND

GENERAL FUND

The General fund recognized a total increase of \$517,688 during the fourth quarter of fiscal year 2019. The adjustments associated with this increase are as follows:

- Transfer a portion of the Fire Services Fund Balance to the Fire Services Fund in the amount of \$500,000 for FY2020 capital projects.
- Gainesville City Schools BOE reimbursement for road patching co-op project in the amount of \$16,411.
- Correction of revenue coding for contributions to Police's Community Outreach program in the amount of \$1,277.

Other notable adjustments, which did not affect the total budget, but represent transfers within department accounts or from one department to another are as follows:

- Transfer of \$68,000 from 3200-Police salary accounts to cover overages in other operating accounts.
- Transfer of \$1,900 to 4100-Public Works-Engineering salary accounts to cover salary adjustments for FY2019.
- Transfer of \$39,500 from 4200-Public Works-Street Maintenance salary accounts to cover overages in other operating accounts.
- Transfer of \$8,000 to 7220-Inspections salary accounts to cover salary adjustments for FY2019.
- Transfer of \$33,000 to 7410-Planning and Zoning salary accounts to cover salary adjustments for FY2019.
- Transfer of \$9,000 to 7450-Code Enforcement salary accounts to cover salary adjustments for FY2019.

SPECIAL REVENUE FUNDS

COMMUNITY SERVICE CENTER FUND

The Community Service Center fund had no increase or decrease during the fourth quarter of fiscal year 2019. The notable adjustment associated with the fund as follows:

ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS

- Transfer of \$6,000 from 5431-General Assistance Services salary accounts to cover overages in other operating accounts.

CONFISCATED ASSETS FUND

The Confiscated Assets fund recognized a total increase of \$276,000 during the fourth quarter of fiscal year 2019. The adjustments associated with this increase are as follows:

- Decrease of \$149,509 from Confiscated Assets Budgeted Fund Balance.
- Recognize revenue in the amount of \$48,183 for Local Confiscations.
- Recognize revenue in the amount of \$30,724 for State Confiscations.
- Recognize revenue in the amount of \$346,602 for Federal Confiscations.

GRANTS FUND

The Grants fund recognized a total increase of \$1,137,779 during the fourth quarter of fiscal year 2019. The adjustments associated with this increase are as follows:

- Re-Establish JAG 2018 Grant in the amount of \$12,765.
- Re-Establish GOHS HEAT 2018 and 2019 in the amount of \$75,748.
- Re-Establish CHIP 2018 in the amount of \$612,000.
- Re-Establish HOME/NOFA 2014 grants in the amount of \$437,266.

FIRE SERVICES FUND

The Fire Services fund recognized a total increase of \$500,000 during the fourth quarter of fiscal year 2019. The adjustment associated with this increase is as follows:

- Transfer from the General Fund to the Fire Services Fund Balance in the amount of \$500,000 for FY2020 capital projects.

ECONOMIC DEVELOPMENT FUND

The Economic Development fund recognized a total increase of \$137,500 during the fourth quarter of fiscal year 2019. The adjustment associated with this increase is as follows:

- Recognize gain on investments in the amount of \$137,500.

ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS

HOTEL/MOTEL TAX

The Hotel/Motel Tax fund recognized a total increase of \$23,402 during the fourth quarter of fiscal year 2019. The adjustments associated with this increase are as follows:

- Recognize increase of revenue from 1% tax in the amount of \$17,317.
- Increase in Budgeted Fund Balance in the amount of \$6,068 to cover final project costs from project 91044-Highlands to Islands Trail Signage.

IMPACT FEE

The Impact Fee fund recognized a total increase of \$16,543 during the fourth quarter of fiscal year 2019. The adjustments associated with this increase is as follows:

- Recognize administrative fee revenue in the amount of \$16,543.

ENTERPRISE FUNDS

CHATTAHOOCHEE GOLF COURSE FUND

The Chattahoochee Golf Course fund recognized a total increase of \$40,000 during the fourth quarter of FY2019. The adjustment associated with this increase is as follows:

- Increase of \$40,000 to Budgeted Fund Balance for project 30000-Golf Course Renovations.

CAPITAL AND DEBT FUNDS

DWR CAPITAL PROJECTS FUND

The Department of Water Resources Capital Project fund recognized a total increase of \$65,600 during the fourth quarter of FY2019. The adjustment associated with this increase is as follows:

- Transfer from General Fund in the amount of \$65,600 for project 18918- Jesse Jewell Parkway & Queen City Utilities Relocation for the installation of new fiber.

**ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS**

SPLOST CAPITAL PROJECTS FUND

The SPLOST Capital Project fund recognized a total increase of \$511,405 during the fourth quarter of FY2019. The adjustments associated with this increase are as follows:

- Gainesville City Schools BOE reimbursement for road patching co-op project in the amount of \$16,411.
- Increase Budgeted Fund Balance in the amount of \$119,994 for establishing project budgets.
- Recognize grant revenue in the amount of \$375,000 for project 93127-Prior Street Turn Lane.

GRANTS CAPITAL PROJECTS FUND

The Grants Capital Project fund recognized a total decrease of \$-147,167 during the fourth quarter of FY2019. The adjustment associated with this increase is as follows:

- Reduce budget for project 93160-Davis Street Extension in the amount \$147,167.

GENERAL GOVERNMENT CAPITAL PROJECTS FUND

The General Government Capital Projects fund recognized a total increase of \$68,091 during the fourth quarter of FY2019. The adjustments associated with this increase are as follows:

- Transfer from General Fund in the amount of \$185,006 for CIP projects.
- Decrease in Budgeted Fund Balance in the amount of \$123,000.
- Transfer from Hotel/Motel Tax Fund in the amount of \$6,085 for project 91044-Highlands to Islands Trail signage project.

COMPONENT UNIT

PARKS AND RECREATION FUND

The Parks and Recreation fund recognized a total increase of \$7,000 during the fourth quarter of FY2019. The adjustment associated with the increase is revenue recognized for Grand Ballroom rentals.

ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS

NON-PROFIT

NON-PROFIT FUND

The Non-Profit fund recognized a total increase of \$1,108,909 during the fourth quarter of FY2019. The adjustments associated with this increase are as follows:

- Re-Establish CHIP 2018 Grant in the amount of \$612,000.
- Re-Establish HOME/NOFA Grant in the amount of \$437,266.
- Recognize revenue from Rehab and reimbursements in the amount of \$31,203.
- Recognize interest revenue in the amount of \$23,292.
- Recognize miscellaneous revenue for the Non-Profit Housing Festival in the amount of \$5,148.

INTERNAL SERVICE FUND

The Employee Benefits fund recognized a total increase of \$522,500 during the fourth quarter of FY2019. The adjustments associated with this increase are as follows:

- Recognize Internal Service Fund charges in the amount of \$409,637.
- Recognize interest revenue in the amount of \$105,678.
- Increase Budgeted Fund Balance in the amount of \$7,185.

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/3/2019
Presenter: Kevin Hutcheson
Item of Business: Resolution: First Quarter Budget Adjustment for Fiscal Year 2020
Meeting Date: 12/12/2019

Purpose of Request:

This request is to approve the budget adjustments associated with the first quarter of fiscal year 2020.

History/Background:

The City of Gainesville Code states in part:

Sec. 2-3-87 - Budget amendments

(a) General amendment. The council may amend the budget as deemed necessary or advantageous during the fiscal year, provided additional revenues or funding sources are identified for any net increase in expenditure. Following the end of each fiscal year quarter, any approved adjustments, including budgets for any projects authorized during the quarter shall be enacted through a budget adjustment resolution upon favorable vote of the city council. The supplemental budget resolutions shall be balanced for each and every fund that is amended.

Facts & Issues for Consideration:

Department Recommendation:

Financial Services recommends the approval of the first quarter budget adjustment for fiscal year 2020.

Department Director:

Jeremy Perry

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ BA RESO- Q1-FY2020	Resolution
☐ Attachment A - Charts for 1st Quarter Budget Adjustments for FY2020	Backup Material
☐ Attachment B - Description of 1st Quarter Budget Adjustments for FY2020	Backup Material
☐ AR-2019-11-FY2020 Budget Resolution	Backup Material

RESOLUTION AR-2019 - ____

**REGARDING FIRST QUARTER BUDGET ADJUSTMENT
FOR FISCAL YEAR 2020**

WHEREAS, the governing body approved a budget for fiscal year 2020 for the City of Gainesville on June 18, 2019; and

WHEREAS, the budget is a dynamic rather than static revenue and spending plan which requires adjustment from time to time as circumstances change; and

WHEREAS, these adjustments maintain a balanced budget for all funds.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby adopts the adjustments to the budget listed on "Attachment A" and "Attachment B", attached hereto and made a part of the Resolution.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

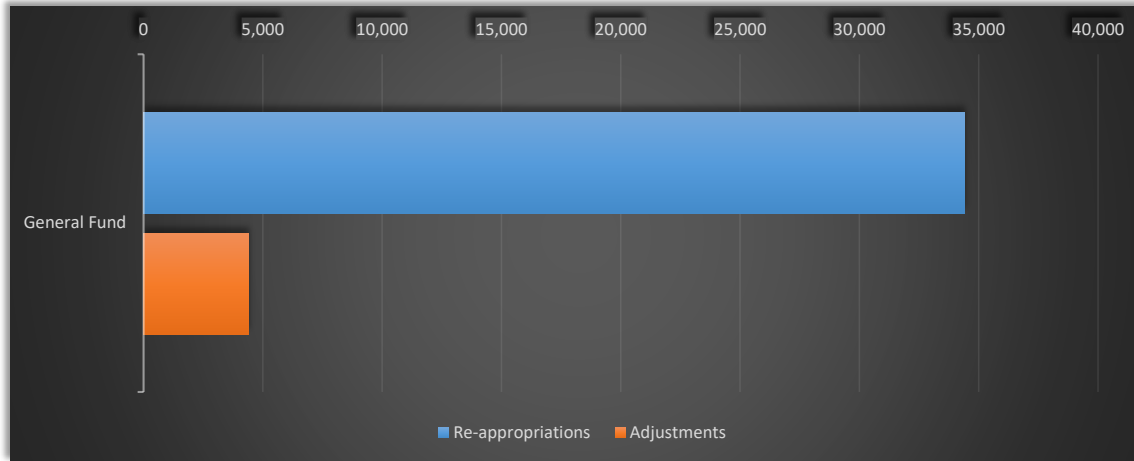
This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

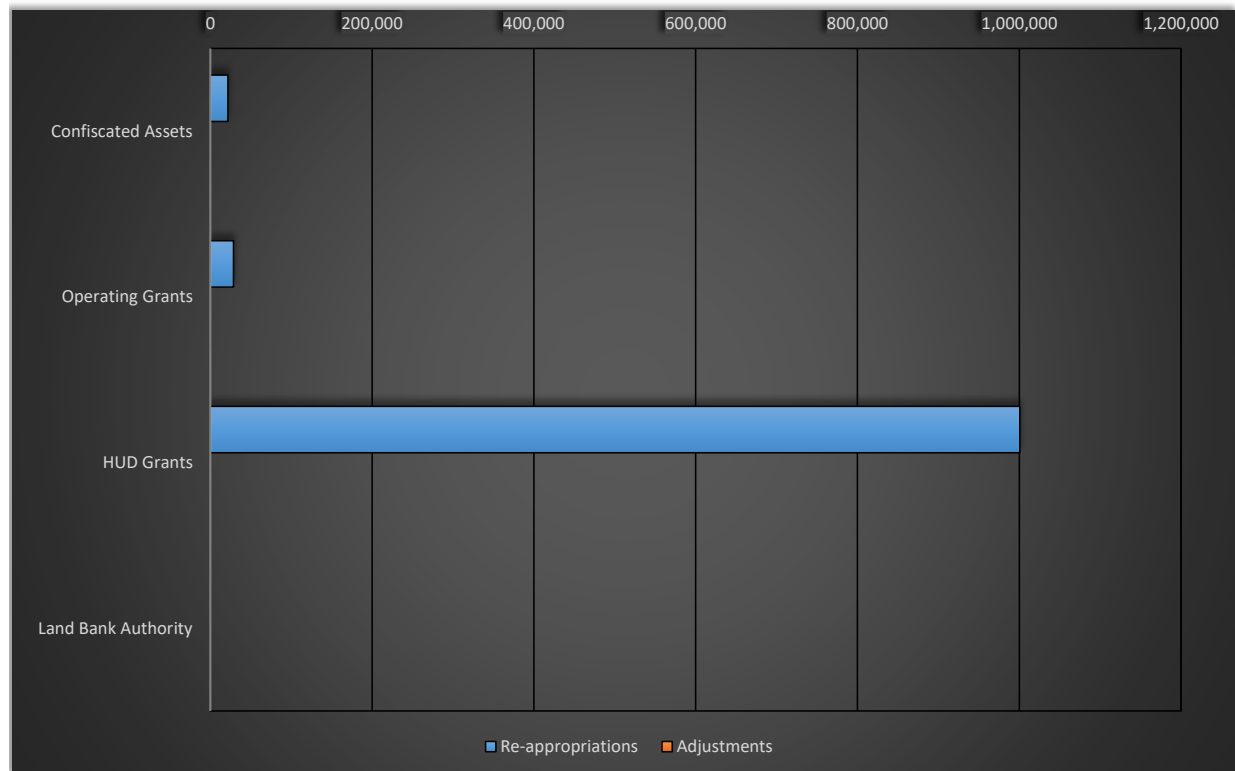
Denise O. Jordan, City Clerk

ATTACHMENT A

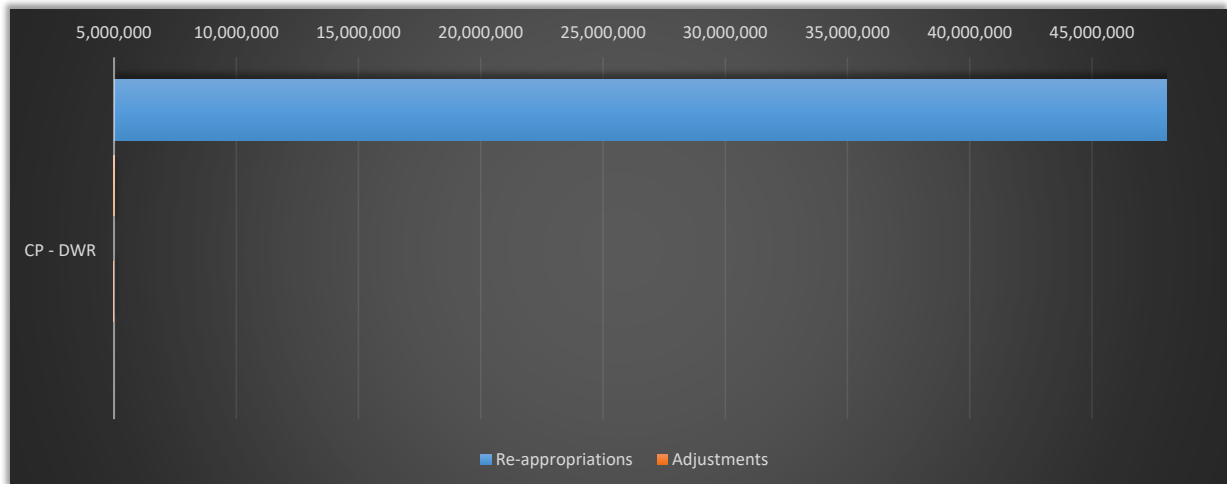
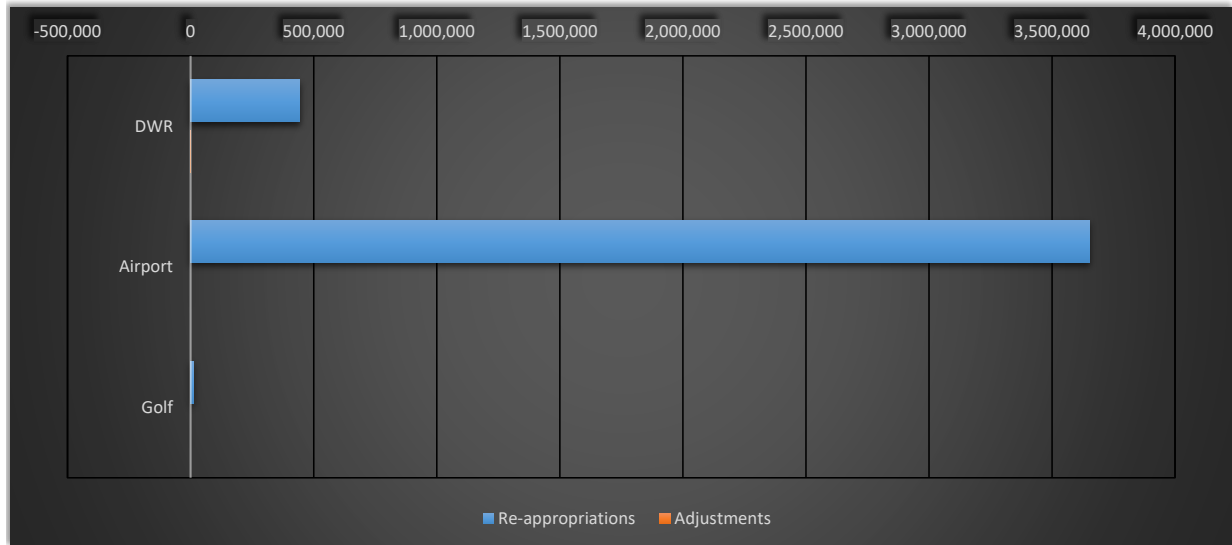
General Fund				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
General Fund	31,959,412	34,408	4,388	31,998,208
Grand Total	31,959,412	34,408	4,388	31,998,208



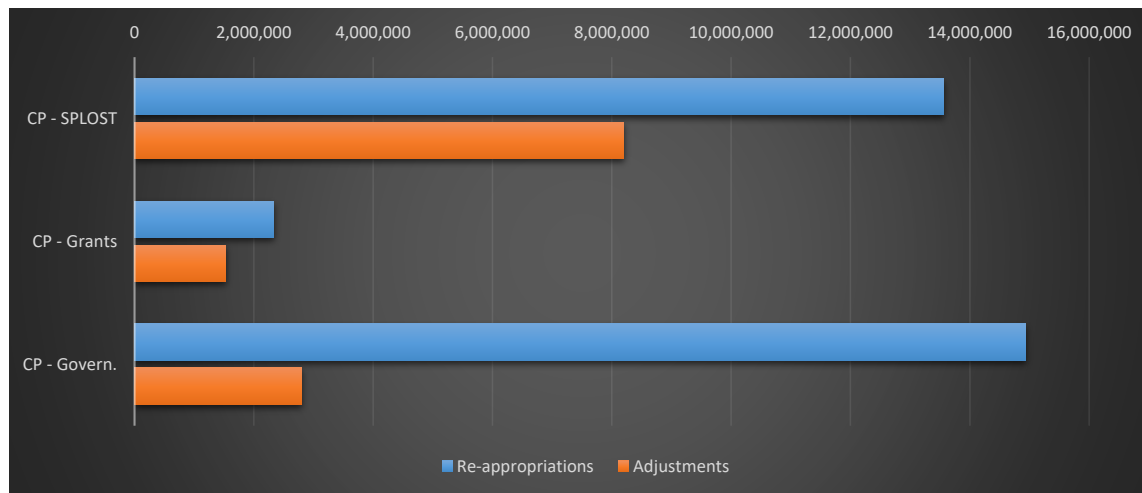
Special Revenue Funds				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
CSC	3,539,544	0	0	3,539,544
Cemetery Trust	47,500	0	0	47,500
Confiscated Assets	323,227	21,715	0	344,942
Operating Grants	0	28,629	0	28,629
HUD Grants	0	1,000,655	0	1,000,655
HUD Rev. Loan	0	0	0	0
Econ. Dev.	108,000	0	0	108,000
Fire Services Fund	9,341,432	0	6,311	9,347,743
Land Bank Authority	75,000	0	0	75,000
TAD	551,743	0	0	551,743
H/M Tax Fund	1,289,311	0	0	1,289,311
Impact Fee	3,187,519	0	0	3,187,519
Info. Tech. Fund	44,784	0	0	44,784
Grand Total	18,508,060	1,050,999	6,311	19,565,370



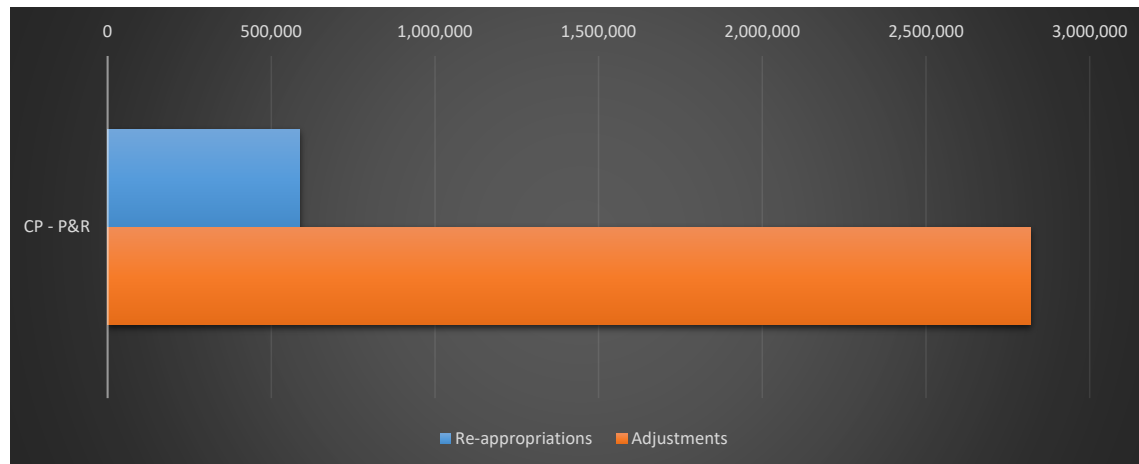
Enterprise Funds				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
DWR	73,370,570	442,963	-1	73,813,532
CP - DWR	13,385,000	91,427,425	0	104,812,425
Solid Waste	3,481,353	0	0	3,481,353
Airport	1,009,463	3,653,311	0	4,662,774
Golf	1,545,817	13,866	0	1,559,683
Grand Total	92,792,203	95,537,565	-1	188,329,767



Capital and Debt Funds				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
CP - SPLOST	0	13,555,384	8,201,810	21,757,194
CP - Grants	0	2,325,987	1,525,000	3,850,987
CP - Govern.	0	14,932,144	2,804,872	17,737,016
Debt. Serv.	3,013,725	0	0	3,013,725
Grand Total	115,227,561	221,445,682	12,531,681	349,204,924



Component Unit				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
CVB		0	0	0
P&R Fund	5,791,258	0	15,000	5,806,258
CP - P&R	0	585,811	2,820,000	3,405,811
Grand Total	5,791,258	0	15,000	5,806,258



Non-Profit				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
Non-Profit	25,507	0	0	25,507
Grand Total	25,507	0	0	25,507

Internal Service Fund				
Fund	Adopted budget	Re-appropriations	Adjustments	Amended Budget
Gen. Insurance	1,915,514	0	0	1,915,514
Employee Ben.	9,387,614	0	0	9,387,614
Veh. Serv.	2,587,312	0	0	2,587,312
Grand Total	13,890,440	0	0	13,890,440

**ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS**

GENERAL FUND

GENERAL FUND

The General fund recognized a total increase of \$38,796 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-appropriations of open balances from purchase orders in the amount of \$34,408.
- Recognize revenues in the amount of \$4,388 for qualifying fees.

SPECIAL REVENUE FUNDS

CONFISCATED ASSETS FUND

The Confiscated Assets fund recognized a total increase of \$21,715 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open balances from purchase orders

GRANTS FUND

The Grants fund recognized a total increase of \$28,629 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open grant and projects budgets.

HUD GRANT FUND

The HUD Grant fund recognized a total increase of \$1,000,655 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open grant and projects budgets.

FIRE SERVICES FUND

The Impact Fee fund recognized a total increase of \$6,311 during the first quarter of fiscal year 2019. The adjustment associated with this increase is as follows:

- Recognize reimbursement in the amount of \$6,311 for a Hydro Extrusion.

ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS
ENTERPRISE FUNDS

DEPARTMENT OF WATER RESOURCES OPERATING FUND

The Department of Water Resources Operating fund recognized a total increase of \$442,962 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open balances from purchase orders.

AIRPORT FUND

The Airport Fund recognized a total increase of \$3,653,311 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open balances from purchase orders.

CHATTAHOOCHEE GOLF COURSE FUND

The Chattahoochee Golf Course Fund recognized a total increase of \$13,866 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- FY19-20 Anticipated re-appropriations of open balances from purchase orders.

CAPITAL AND DEBT FUNDS

DWR CAPITAL PROJECTS FUND

The Department of Water Resources Capital Project fund recognized a total increase of \$91,427,425 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-establishing project budgets for open projects not closed during FY2019.

SPLOST CAPITAL PROJECTS FUND

The SPLOST Capital Project fund recognized a total increase of \$21,757,194 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-establishing project budgets for open projects not closed during FY2019.
- Establishment of FY2020 Capital Projects per Resolution AR-2019-11.

ATTACHMENT B
QUARTERLY BUDGET ADJUSTMENT RESOLUTION
ADJUSTMENT DESCRIPTIONS

GRANTS CAPITAL PROJECTS FUND

The Grants Capital Project fund recognized a total increase of \$3,850,987 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-establishing project budgets for open projects not closed during FY2019.
- Establishment of FY2020 Capital Projects per Resolution AR-2019-11.

GENERAL GOVERNMENT CAPITAL PROJECTS FUND

The General Government Capital Projects fund recognized a total increase of \$17,737,016 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-establishing project budgets for open projects not closed during FY2019.
- Establishment of FY2020 Capital Projects per Resolution AR-2019-11.

COMPONENT UNIT

PARKS AND RECREATION FUND

The Parks and Recreation Operating fund recognized a total increase of \$15,000 during the first quarter of fiscal year 2020. The adjustment associated with this increase is as follows:

- Increase in fund balance in the amount of \$15,000 for AR-2019-04-Frances Meadows Boiler.

PARKS & RECREATION CAPITAL PROJECTS FUND

The Parks & Recreation Capital Projects fund recognized an increase of \$3,405,811 during the first quarter of fiscal year 2020. The adjustments associated with this increase are as follows:

- FY19-20 Anticipated re-establishing project budgets for open projects not closed during FY2019.
- Establishment of FY2020 Capital Projects per Resolution AR-2019-11.

RESOLUTION AR-2019-11

FISCAL YEAR 2020 BUDGET

WHEREAS, the City Manager has presented a proposed fiscal year 2020 Budget to the City Council on each of the various funds of the City; and

WHEREAS, the Budget lists proposed expenditures/expenses for the fiscal year 2020; and

WHEREAS, each of these budgets is a balanced budget, so that anticipated revenues for each fund equal proposed expenditures/expenses.

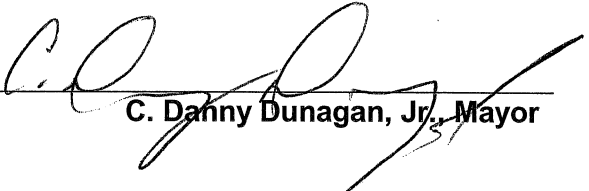
NOW, THEREFORE, BE IT RESOLVED THAT "Attachment A" & "Attachment B" attached hereto and by reference made part of this resolution, shall be the City of Gainesville's budget for the fiscal year 2020; and

BE IT FURTHER RESOLVED THAT the governing body for the City of Gainesville hereby approves this budget, and the several items of revenues shown in the budget for each fund in the amounts shown anticipated are adopted, and that the several amounts shown in the budget for each fund as proposed expenditures/expense are hereby appropriated to the departments named in the fund; and

BE IT FURTHER RESOLVED THAT the expenditures/expenses shall not exceed the appropriations authorized by this budget or amendments thereto provided; however, that expenditures/expenses for the fiscal year shall not exceed actual funding available; and

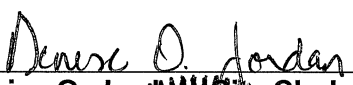
BE IT FURTHER RESOLVED THAT this budget contains appropriations for Intergovernmental and Agency agreements, and that the governing body for the City of Gainesville authorizes the Mayor and/or City Manager to execute such agreements.

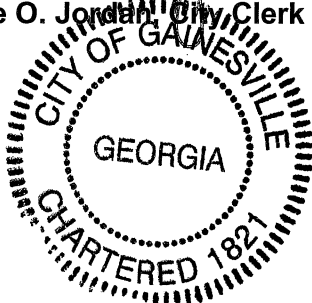
Adopted this 18th day of June, 2019.


C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:


Denise O. Jordan, City Clerk



**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

GENERAL FUND

REVENUES AND OTHER SOURCES

Ad Valorem Taxes @ 0.771 Mills	\$ 3,883,092
Railroad Equipment Tax	6,500
Intangible Tax	95,000
Real Estate Transfer Tax	35,000
Insurance Premium Tax	2,100,000
Local Option Sales Tax	5,400,000
Title Ad Valorem Tax	1,033,000
Local Option Energy Tax	80,000
Payment in Lieu of Taxes	81,000
Occupational Tax	1,105,000
Alcoholic Beverage Tax	1,093,000
Franchise Fees	4,078,000
Fines, Fees, and Forfeitures	1,318,200
Permits and Zoning Fees	503,400
Other Fees and Licenses	422,000
Interest on Investments	324,081
Intergovernmental	281,614
Cemetery Lot Sales	120,000
Miscellaneous - Rent	156,600
Miscellaneous	506,140
Charges for Services - Indirect Charges	2,494,474
Transfers In	3,338,002
Sales of General Fixed Assets	40,000
Budgeted Fund Balance	3,465,309

TOTAL REVENUES AND OTHER SOURCES

\$ 31,959,412

EXPENDITURES AND OTHER USES

City Council	\$ 398,275
City Manager's Office	933,938
Financial Services	1,346,754
Municipal Court	591,500
Information Technology	1,078,198
Human Resources & Risk Management	809,608
Community Development	1,580,093
Police	9,930,208
Public Lands and Buildings	887,154
Engineering Services	1,058,242
Traffic Services	1,475,094
Street Maintenance and Construction	1,921,348
Stormwater	442,147
Cemetery	645,540
Agency Allocations - Other	181,983
Contingency	617,000
Transfers out	8,062,330

TOTAL EXPENDITURES AND OTHER USES

\$ 31,959,412

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

COMMUNITY SERVICE CENTER FUND

REVENUES AND OTHER SOURCES

Intergovernmental - Federal/State/Other	\$ 1,633,584
Intergovernmental - County	667,377
Interest Revenue	8,000
Transfer from General Fund	751,163
Other: (Fees, Donations, Fares, Misc.)	329,420
Budgeted Fund Balance	150,000

TOTAL REVENUES AND OTHER SOURCES	\$ 3,539,544
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EXPENDITURES AND OTHER USES

Senior Adult Services	\$ 541,149
Meals on Wheels	893,292
Hall Area Transit System - F.R.	1,290,719
Hall Area Transit System - D.A.R	574,364
Building Operations	240,020

TOTAL EXPENDITURES AND OTHER USES	\$ 3,539,544
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CEMETERY TRUST FUND

REVENUES AND OTHER SOURCES

Interest on Investments	\$ 2,500
Sales & Services	45,000

TOTAL REVENUES AND OTHER SOURCES	\$ 47,500
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EXPENDITURES AND OTHER USES

Available for Capital Projects	\$ 47,500
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TOTAL EXPENDITURES AND OTHER USES	\$ 47,500
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CONFISCATED ASSETS

REVENUES AND OTHER SOURCES

Cash Confiscations - State	\$ -
Cash Confiscations - Local	-
Cash Confiscations - Federal	-
Budgeted Fund Balance	323,227

TOTAL REVENUES AND OTHER SOURCES	\$ 323,227
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EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 15,000
Purchased/Contracted Services	68,727
Supplies & Operating Charges	159,500
Capital outlay	80,000

TOTAL EXPENDITURES AND OTHER USES	\$ 323,227
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**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

ECONOMIC DEVELOPMENT FUND

REVENUES AND OTHER SOURCES

Interest on Investments	\$ 43,000
Budgeted Fund Balance	65,000
TOTAL REVENUES AND OTHER SOURCES	\$ 108,000

EXPENDITURES AND OTHER USES

Professional & Other Services	\$ 108,000
Transfers out	-
TOTAL EXPENDITURES AND OTHER USES	\$ 108,000

FIRE SERVICES FUND

REVENUES AND OTHER SOURCES

Property Taxes @ 1.250 Mills	\$ 6,182,923
Delinquent Property Taxes	61,829
Motor Vehicle Taxes	50,794
Penalties & Interest	15,860
Interest on Investments	30,026
Transfer from General Fund	2,700,000
Budgeted Fund Balance	300,000
TOTAL REVENUES AND OTHER SOURCES	\$ 9,341,432

EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 7,566,045
Purchased/Contracted Services	493,555
Supplies & Operating Charges	368,815
Repairs & Maintenance	22,000
Indirect Cost Allocation	373,505
Capital Outlay	132,700
Debt	282,812
Transfers out	102,000
TOTAL EXPENDITURES AND OTHER USES	\$ 9,341,432

TAX ALLOCATION DISTRICT FUND

REVENUES AND OTHER SOURCES

Property Tax - Current	\$ 62,100
Intergovernmental	209,100
Interest on Investments	15,000
Budgeted Fund Balance	265,543
TOTAL REVENUES AND OTHER SOURCES	\$ 551,743

EXPENDITURES AND OTHER USES

Payments to Others	\$ 533,843
Transfers out	17,900
TOTAL EXPENDITURES AND OTHER USES	\$ 551,743

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

HOTEL/MOTEL TAX FUND

REVENUES AND OTHER SOURCES

Hotel/Motel Taxes CVB	\$ 563,811
Hotel/Motel Taxes- Tourism Development	241,633
Hotel/Motel Taxes Unrestricted	483,267
Interest on Investments	600
TOTAL REVENUES AND OTHER SOURCES	\$ 1,289,311

EXPENDITURES AND OTHER USES

Gainesville Convention and Visitor's Bureau	\$ 942,589
Transfer to Capital Projects	85,000
Transfer to Debt Service	158,355
Available for Capital outlay	103,367
TOTAL EXPENDITURES AND OTHER USES	\$ 1,289,311

IMPACT FEES FUND

REVENUES AND OTHER SOURCES

Impact Fees - Police	\$ 127,871
Impact Fees - Fire	233,574
Impact Fees - Parks	359,800
Administrative Fees	37,519
Interest on Investments	24,908
Budgeted Fund Balance	2,403,847
TOTAL REVENUES AND OTHER SOURCES	\$ 3,187,519

EXPENDITURES AND OTHER USES

Transfer to General Fund	\$ 37,519
Transfer to Capital Projects Fund	3,150,000
TOTAL EXPENDITURES AND OTHER USES	\$ 3,187,519

INFORMATION TECHNOLOGY FUND

REVENUES AND OTHER SOURCES

Technology fees	\$ 44,784
Interest on Investments	-
Budgeted Fund Balance	-
TOTAL REVENUES AND OTHER SOURCES	\$ 44,784

EXPENDITURES AND OTHER USES

Transfer to General Gov't Capital Projects Fund	\$ 31,000
Supplies and Operating Charges	13,784
TOTAL EXPENDITURES AND OTHER USES	\$ 44,784

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

PARKS AND RECREATION FUND

REVENUES AND OTHER SOURCES

Ad Valorem Taxes @ .750 Mills	\$ 3,780,828
Charges for Services	1,866,825
Interest on Investments	27,250
Other	21,500
Transfers in	94,855

TOTAL REVENUES AND OTHER SOURCES	\$ 5,791,258
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EXPENDITURES AND OTHER USES

Non Departmental	\$ 50,000
Maintenance	124,184
Recreation Services	400,978
Allen Creek	49,220
Other Recreational Facilities	2,309,500
Youth Sports Booster Club	167,351
Park Services	1,614,898
Administration	805,127
Transfer to Parks and Recreation Capital Projects Fund	270,000

TOTAL EXPENDITURES AND OTHER USES	\$ 5,791,258
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GAINESVILLE CONVENTION AND VISITOR'S BUREAU

REVENUES AND OTHER SOURCES

Intergovernmental - COG Hotel/Motel Tax	\$ 942,589
Charges for Services	17,700
Interest on Investments	5,000
Misc Revenue	145,689

TOTAL REVENUES AND OTHER SOURCES	\$ 1,110,978
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EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 518,413
Purchased/Contracted Services	316,563
Supplies & Operating Charges	276,002

TOTAL EXPENDITURES AND OTHER USES	\$ 1,110,978
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LAND BANK AUTHORITY

REVENUES AND OTHER SOURCES

Transfers in	\$ 75,000
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TOTAL REVENUES AND OTHER SOURCES	\$ 75,000
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EXPENDITURES AND OTHER USES

Purchased/Contracted Services	\$ 75,000
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TOTAL EXPENDITURES AND OTHER USES	\$ 75,000
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**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

CAPITAL PROJECTS FUND

REVENUES AND OTHER SOURCES

SPLOST VII	\$ 5,948,816
Intergovernmental (Federal, State & Local)	1,670,050
Lease Proceeds	275,000
Transfers in (various funds)	8,864,322
Budgeted Fund Balance - Various capital projects funds	14,718,000
TOTAL REVENUES AND OTHER SOURCES	\$ 31,476,188

EXPENDITURES AND OTHER USES

City Manager's Office

City Campus Improvements	\$ 525,000
Municipal Code Update	30,000
Multi-Purpose Room Enhancements	96,000

Financial Services

New Software and Enhanced Systems	100,000
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Information Technologies

Expansion of Disk Storage	200,000
Vehicle Replacement	30,000
Network Upgrade	100,250

Community Development Department

Park Hill Dr. Neighborhood Plan	35,000
Vehicle Replacement	89,100
ULDC Update	70,000

Police Department

Police Department Fleet replacement	275,000
Portable Radios	93,522
Video/Audio Recording Equipment	55,000

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

Fire Services	
Replacement Radios	60,000
Fire Station #2 Relocation	600,000
Fleet Replacement	42,000
Public Lands & Buildings	
Administration Building Renovation	771,000
Parking Deck Design	250,000
Fleet Replacement - Service Truck	45,000
Fleet Replacement - Fleet Vehicle	30,000
Public Works - Engineering Services	
Transportation Plan Implementation	350,000
Street Resurfacing Program (LMIG)	550,000
Paving Program	660,000
Downtown Alley and Plaza Program	50,000
Greenway Connectivity	1,200,000
Bridge Maintenance Program	25,000
Sidewalk Program	75,000
Roadway Patching Program	125,000
Traffic Calming and Road Safety Devices Program	40,000
Roadway Beautification	100,000
Fleet Replacement	60,000
Asphalt Preservation Program	50,000
Green Street Study Implementation	50,000
Public Works - Traffic Engineering	
Intelligent Transportation Systems (ITS)	300,000
Traffic Signal Upgrades	50,000
Thermoplastic Restriping of City Streets	25,000
Replacement Bucket Truck	70,000
Public Works - Street Maintenance	
Replacement Crew Truck	40,000
Replacement ROW Crew Truck	40,000
Brine Dump Truck	180,000
Brine Maker	35,000
Hook Lift Dump Truck	180,000
Stormwater	
Stormwater Rehabilitation Program	843,816
Cemetery	
Replacement Crew Cab Truck	30,000
Community Service Center	
Hall Area Transit Buses Gainesville Connection	240,000
MOW Kitchen Flooring	25,000
CSC Building Roof Project	150,000
CSC Building Renovation	235,500
MOW Fleet Replacement	35,000

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

Department of Water Resources

Athens Highway Sanitary Sewer Extension	1,000,000
Automated Meter Infrastructure	150,000
Asset Management Implementation and Improvements	300,000
IT Upgrades	250,000
Lift Station Improvements	850,000
Riverside WTP Improvements	1,265,000
Water Reclamation Facilities Electrical Control Upgrades	250,000
Water Treatment Plants Electrical Control Upgrades	250,000
Downtown Utilities Improvements	2,700,000
Inert Landfill Closure	1,000,000
Maintenance Facility Relocation	4,000,000
Meter Maintenance Program	750,000
Riverside Contract Rehabilitation	620,000

Solid Waste

Replacement Packer Truck	208,000
Replacement Knuckleboom Trash Loader	175,000
Replacement Light Duty Garbage Truck	76,000
Replacement Street Sweeper	250,000
Leaf Vacuum Machine	40,000
Lift Gate Truck	42,000
Replacement Fleet Truck	35,000

Golf

Maintenance Building Extension	200,000
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Parks & Recreation

Youth Sports Complex	3,445,000
Tennis Court Resurfacing	60,000
Park Signage-Systemwide	100,000
Software Upgrade	55,000
Skate Park	1,550,000
Concessions/Restroom Building Replacement	600,000
Lake Lanier Olympic Park Improvements	250,000
Park Vehicles	55,000

Gainesville Convention and Visitor's Bureau

Gainesville Website Redesign	85,000
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Capital Reserves

1,554,000

TOTAL EXPENDITURES AND OTHER USES

\$ 31,476,188

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

DEBT SERVICE FUND

REVENUES AND OTHER SOURCES

Ad Valorem Taxes @ 0.551 Mills	\$ 2,790,540
Interest on Investments	46,930
Transfers in	176,235
TOTAL REVENUES AND OTHER SOURCES	\$ 3,013,705

EXPENDITURES AND OTHER USES

Bond Principal & Interest	\$ 2,107,325
Lease Principal & Interest	159,000
Other Costs	2,200
Available for Future Debt Service	745,200
TOTAL EXPENDITURES AND OTHER USES	\$ 3,013,725

DEPARTMENT OF WATER RESOURCES

REVENUES AND OTHER SOURCES

Water Revenue	\$ 30,807,235
Water Connection Fees	2,113,487
Water Connection Administration Fees	102,882
Water Tapping Fees	1,230,237
Account Service Fees	4,029,882
Other Service Fees	829,979
Late Payment Penalty	512,206
Sewer Revenue	31,258,521
Surcharge	889,667
Sewer Tapping Fees	20,520
Sewer Connection Fees	1,098,846
Sewer Connection Administration Fees	32,935
Interest on Investments	400,000
Miscellaneous	44,173
TOTAL REVENUES AND OTHER SOURCES	\$ 73,370,570

EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 17,254,685
Professional & Other Services	10,009,971
Supplies & Operating Charges	10,462,208
Indirect Cost Allocation	1,302,571
Capital Outlay	388,500
Debt Service	15,385,244
Transfers out	18,567,391
TOTAL EXPENDITURES AND OTHER USES	\$ 73,370,570

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

SOLID WASTE FUND

REVENUES AND OTHER SOURCES

Residential Collections	\$ 2,834,920
Commercial - Franchise Fee	165,000
Special Services	10,000
Interest on Investments	7,500
Budgeted Net Assets	463,933

TOTAL REVENUES AND OTHER SOURCES	\$ 3,481,353
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EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 1,444,115
Purchased/Contracted Services	1,108,982
Supplies & Operating Charges	201,804
Indirect Cost Allocation	146,452
Capital Outlay	580,000

TOTAL EXPENDITURES AND OTHER USES	\$ 3,481,353
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AIRPORT FUND

REVENUES AND OTHER SOURCES

T-Hangar Rent	\$ 378,557
Corporate Hangar Rent	390,092
Industrial Park Rent	158,645
Fuel	39,000
Interest on Investments	1,200
Fixed Base Operator	37,958
Miscellaneous Revenue	4,011

TOTAL REVENUES AND OTHER SOURCES	\$ 1,009,463
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EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 70,020
Purchased/Contracted Services	165,004
Supplies & Operating Charges	55,900
Indirect Cost Allocation	209,561
Debt Service	454,500
Capital Outlay	54,478

TOTAL EXPENDITURES AND OTHER USES	\$ 1,009,463
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**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

CHATTAHOOCHEE GOLF COURSE FUND

REVENUES AND OTHER SOURCES

Greens Fees	\$ 650,977
Cart Fees	314,515
Other Revenue	106,885
Transfer from General Fund	473,440
TOTAL REVENUES AND OTHER SOURCES	\$ 1,545,817

EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 598,595
Purchased/Contracted Services	176,419
Supplies & Operating Charges	249,600
Capital Outlay	213,500
Debt Service	307,703
TOTAL EXPENDITURES AND OTHER USES	\$ 1,545,817

GENERAL INSURANCE FUND

REVENUES AND OTHER SOURCES

Premiums & Losses Paid by Department	\$ 1,916,732
Interest on Investments	9,273
Budgeted Retained Earnings	59,074
TOTAL REVENUES AND OTHER SOURCES	\$ 1,985,079

EXPENDITURES AND OTHER USES

Professional & Other Services	\$ 1,807,408
Indirect Cost Allocation	177,671
TOTAL EXPENDITURES AND OTHER USES	\$ 1,985,079

**FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION
ATTACHMENT A**

EMPLOYEE BENEFITS FUND

REVENUES AND OTHER SOURCES

Premiums	\$ 9,044,155
Interest on Investments	55,000
Budgeted Fund Balance	705,120
TOTAL REVENUES AND OTHER SOURCES	\$ 9,804,275

EXPENDITURES AND OTHER USES

Health Claims/Premiums Expense	\$ 6,977,423
Life Insurance Premiums	237,542
Vision Insurance Premiums	45,334
Dental Insurance Premiums	359,530
Long & Short-term Disability Premiums	100,614
Short-term Disability Expense	120,000
Medical Clinic Operations	870,000
Other Costs	1,093,832
TOTAL EXPENDITURES AND OTHER USES	\$ 9,804,275

VEHICLE SERVICES FUND

REVENUES AND OTHER SOURCES

Charges For Services	\$ 1,068,460
Sales - Fuel	1,536,625
TOTAL REVENUES AND OTHER SOURCES	\$ 2,605,085

EXPENDITURES AND OTHER USES

Personal Services & Employee Benefits	\$ 406,587
Purchased/Contracted Services	61,633
Supplies & Operating Charges	2,136,865
TOTAL EXPENDITURES AND OTHER USES	\$ 2,605,085

GRAND TOTAL	\$ 185,661,263
LESS TRANSFERS COUNTED TWICE	(36,413,302)
TOTAL NET BUDGET	\$ 149,247,961

FISCAL YEAR 2020 APPROPRIATIONS RESOLUTION

ATTACHMENT B

CITY OF GAINESVILLE

AUTHORIZED POSITIONS BY FUND

(5-year Summary)

DEPARTMENTS	Budget									
	FY2016		FY2017		FY2018		FY2019		FY2020	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
City Council		8		7		6		6		6
City Manager	6		6		6		6		6	
Financial Services	15		15		14		14		14	
Information Technology	6		7		7		9		9	
Human Resources Department	9		9		10		10		10	
Municipal Court	8	2	8	2	8	2	8	2	8	2
Community Development Dept.	14	7	15	7	15	7	16	7	17	7
Police Department	115	2	115	2	116	2	117	2	118	2
Public Land and Buildings	4		4		5		6		6	
Engineering Services	10		10		11		11		11	
Traffic Services	7		7		7		7		7	
Streets	24		24		25		25		25	
Stormwater	2		6		5		5		5	
Cemetery	8		8		8		8		8	
Total General Fund	228	19	234	18	237	17	242	17	244	17
Fire Services	103		103		103		103		103	
Community Service Center	26	12	26	14	26	14	26	17	25	16
Cable TV	2	1	2	1	2	1	2	1	-	-
Parks and Recreation	39	Varies	37	Varies	37	Varies	40	Varies	44	Varies
Airport	1		1		1		1		1	
Department of Water Resources	233	-	233	-	234	-	232	-	234	
Solid Waste Department	24	-	24	-	24	-	25	-	25	
Golf Course	4	Various	4	Various	5	Various	5	Various	5	Various
Vehicle Services	6	-	6	-	6	-	6	-	6	
Gainesville Convention and Visitor's Bureau	4	-	4	-	4	-	4	-	7	
Non-Profit Housing	2	-	2	-	2	-	1	-	2	
TOTAL AUTHORIZED POSITIONS	569	32	573	33	578	32	584	35	593	33

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 11/21/2019

Presenter: Angela Sheppard

Item of Business: Ordinance: Amend Chapter 6-7 entitled "Amusements, Public Demonstrations, Parades, Special Events, etc."

Meeting Date: 12/12/2019

Purpose of Request:

To amend Chapter 6-7 entitled "Amusements, Public Demonstrations, Parades, Special Events, etc.".

History/Background:

The Special Events Review Committee discussed and reviewed the ordinance. The ordinance will standardize certain procedures and standardize fees for services. Along with a revised ordinance, the City will establish a revised policy and application with fee schedule.

Facts & Issues for Consideration:

Department Recommendation:

Adoption of the Ordinance.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 Ordinance to Amend Chapter 6-7	Ordinance

Passed: _____

AN ORDINANCE

No. 2019-

AN ORDINANCE TO AMEND CHAPTER 6-7 OF THE CODE OF ORDINANCES, WHICH CHAPTER IS ENTITLED “AMUSEMENTS, PUBLIC DEMONSTRATIONS, PARADES, SPECIAL EVENTS, ETC.,” BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF GAINESVILLE, GEORGIA, AS FOLLOWS:

SECTION I.

Chapter 6-7 of the Code of Ordinances is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

CHAPTER 6-7. SPECIAL EVENTS AND SPECIAL EVENT PERMITS

ARTICLE 1. PURPOSE AND DEFINITIONS

Section 6-7-1. Purpose.

The purpose of this Chapter is to provide for and regulate the use of public property for private purposes, to ensure proper care of public property, and to provide for the safety and well-being of special event participants and the general public.

Section 6-7-2. Definitions.

The following words, terms and phrases, when used in this Chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (a) *Applicant* is any person who applies for a permit to hold a special event as required by this Chapter.
- (b) *City* means the City of Gainesville.
- (c) *Fee schedule* means the special event schedule of fees that is kept on file at the City Police Department.
- (d) *Parade* means any march, demonstration, procession or motorcade consisting of persons, animals, or vehicles, or a combination thereof, upon public property that interferes with or has a tendency to interfere with the normal flow or regulation of pedestrian or vehicular traffic upon public property. For the purposes of this Chapter, a parade is considered a

ORDINANCE NO. 2019-

special event. If the specific purpose of a demonstration, whether on private or public property, is to protest, then the demonstration would fall under the definition of picketing.

- (e) *Permittee* means a person that has been granted and issued a special event permit under this Chapter.
- (f) *Permit review committee* means the committee that will review special event permit applications, which committee shall be comprised of the City's chief of police, fire chief, human resources/risk manager, public works director, tourism director, business services manager, and the assistant City manager, or their designated representative(s). The chief of police or his designated representative shall be the chairperson of the committee.
- (g) *Person* is any individual, firm, partnership, association, corporation, company or other entity or organization.
- (h) *Picketing* means a form of demonstration in which participants (called *pickets*) congregate outside a place of work or other location to protest with an intent of attracting public attention.
- (i) *Public property* means any City street, sidewalk, park, beach, or other public space within the City, including but not limited to the downtown square.
- (j) *Race or Run* means a special event involving ten (10) or more participants running or walking along a defined route upon public property as part of a competition, fundraiser or other organized event for a fee or donation. This definition would include, for example, a marathon, 5K or 1-mile fun run.
- (k) *Sidewalk* is any area set aside or open to the general public for the purpose of pedestrian traffic, whether or not the area is paved.
- (l) *Sound-amplifying system* means any loudspeaker system or equipment, sound-amplifying system, and/or any apparatus, equipment, device, instrument or machine designed for or intended to be used for the purpose of amplifying sound or increasing the volume of the human voice, musical tone, vibration or sound wave.
- (m) *Special event* means any gathering of people for a common purpose upon public property that has a tendency to interfere with the normal flow or regulation of pedestrian or vehicular traffic and is planned by a person other than the City. The definition of a special event includes, but is not limited to, picketing on public property, parades, races, and carnivals. The definition of special event specifically excludes a facility rental through the City's Parks and Recreation.
- (n) *Special event permit* means a permit to hold a special event as required by this Chapter.
- (o) *Special event policy* means the policy maintained by the permit review committee regulating the terms and conditions of approval for special event permits and of conducting special events, which policy is authorized pursuant to this Chapter.
- (p) *Street* is any place set aside or open to the general public for purposes of vehicular traffic, including any right of way, parking space, alley, or median strip thereof.

ORDINANCE NO. 2019-

- (q) *Vehicle* shall include any device which moves on wheels or tracks whether under its own power or otherwise.

Sec. 6-7-3. - 6-7-20. Reserved.

ARTICLE 2. SPECIAL EVENTS, PARADES AND RACES

Sec. 6-7-21. Short title.

This Article shall be known and may be cited as the "special event ordinance" of the City.

Sec. 6-7-22. Permit required.

No person shall organize, produce, direct, conduct, manage, institute or carry on any special event without first applying for and obtaining a special event permit as provided for in Article 3 of this Chapter. A permit is required if a person desires to reserve and preempt public use of a portion of public property for a temporary period. A person shall not promote, advertise, encourage or solicit attendance or otherwise participate in a special event until a permit has been issued for such special event. A person shall not promote, advertise, encourage or solicit attendance or otherwise participate in a special event for which a special event permit has been suspended or revoked.

Sec. 6-7-23. Interference with special event prohibited.

No person shall knowingly join or participate in any special event in violation of any of the terms or conditions of the permit issued therefor or in violation of any regulations applicable to special events pursuant to this Chapter, or knowingly join or participate in any special event over the objection of the permittee, or in any manner interfere with the orderly conduct of any special event.

Sec. 6-7-24. Regulations for conduct of special events.

- (a) The special event policy maintained by the permit review committee shall include rules and regulations relating to the following:

- (1) Parking
- (2) Sanitation, including trash and restrooms
- (3) Signage
- (4) Security
- (5) First aid
- (6) Damage deposit
- (7) Tents
- (8) Insurance

ORDINANCE NO. 2019-

- (b) No stake, post, pole, or any other device may be driven into the ground and no hole may be dug on public property without written authorization from the City.
- (c) No paintings or other permanent or semi-permanent markings may be used or sprayed on any public property, including streets.
- (d) No illegal drugs are allowed on public property.
- (e) A permittee must notify the City immediately of any serious injury, death, property damage, or vandalism occurring at a special event.
- (f) A permittee must comply with all laws, ordinances, and regulations adopted or established by federal, state, or local government agencies or bodies and by all City facilities policies and procedures.
- (g) A special event permit shall designate a start time and end time, including time for set up and break down, and the location for the special event, and no special event participant shall assemble prior to the set-up time at the location or shall remain after the break down time at the location.
- (h) No participant in a special event shall carry weapons (or facsimiles thereof), bricks, bats, sticks, rocks, bottles or any other instrument which could be used as a weapon.
- (i) It shall be the responsibility of the permittee to remove from the special event venue any discarded trash, bottles, literature, publications, or any other materials distributed to or used by participants at the special event venue.
- (j) Speeches shall be allowed only at a location designated in the special event permit and, in no event, shall speeches, rallies, be conducted in the streets.

Sec. 6-7-25. Public conduct during parades.

- (a) *Interference.* No person shall unreasonably hamper, obstruct or impede, or interfere with any parade or with any person, vehicle or animal participating in or used in a parade.
- (b) *Driving through parades.* No person shall drive a vehicle that is not part of a parade into a parade while the parade is in progress.
- (c) *Parking on parade route.* The City Police Department shall have the authority to prohibit or restrict the parking of vehicles along a street serving as part of a parade. If the City Police Department exercises this authority, the City Police Department shall post notice of the parking prohibition or restriction. It shall be unlawful for any person to park or leave unattended any vehicle in violation of the notice of parking prohibition or restriction.

Sec. 6-7-26. Regulations for conduct of parades and races.

- (a) For the purposes of controlling pedestrian and/or vehicle traffic and congestion and of providing for the public health, safety and general welfare, the following regulations shall pertain to all parades and races conducted within the City:

ORDINANCE NO. 2019-

- (1) All parades shall be conducted along the route specified in the parade permit. It shall be unlawful for any person or participant to deviate from the route.
 - (2) All races shall be conducted along a route that has been preapproved by the City, which preapproved route shall be reasonably identified in the race permit. A map of all preapproved routes shall be kept on file at the City Police Department. It shall be unlawful for any person or participant to deviate from the route specified in the permit.
 - (3) Parades and races shall be conducted between the hours of 7:00 a.m. and sunset.
 - (4) No participant in a parade or race shall drink alcoholic beverages at the parade or race or be under the influence of any alcoholic beverages or drugs at the parade or race.
 - (5) Materials used in the construction of floats in a parade shall be of fire-retardant materials and shall be subject to such requirements concerning fire safety as may be determined by the fire chief.
 - (6) Once commenced, a parade or race shall not stop along the route, but shall continue to move, and any willful delay or willful stopping of said parade or race, except when reasonably required for the safe and orderly conduct of the special event, shall constitute a violation of the permit.
 - (7) Any materials distributed at a parade or race shall be distributed in such a manner as not to unduly delay or hinder the progress of the special event.
 - (8) Speeches shall be allowed only at the location(s) designated in the permit. The permittee shall advise all participants in the parade or race, either orally or by written notice, of the terms and conditions of the permit prior to the commencement of the special event.
- (b) Any other reasonable regulation or restriction may be imposed by the permit review committee and/or the chief of police for the protection and safety of the parade or race participants and/or the viewing public, or for the public health, safety and general welfare of the citizens of the City. However, such additional regulations or restrictions shall be specified in writing to the permittee upon issuance of the permit with all reasons therefor clearly enumerated.

Sec. 6-7-27. Regulations for conduct of picketing.

- (a) For the purposes of controlling pedestrian and/or vehicle traffic and congestion and of providing for the public health, safety and general welfare, the following regulations shall pertain to all picketing conducted on public property:
- (1) All picketing shall be orderly, and shall take into consideration the rights of any residents in the immediate area of the picketing to the peaceable enjoyment of their residences. To the extent that any residence is located within three hundred (300) feet of the location of any picketing, the pickets shall not use any sound amplification system, except for one (1) hand-held bullhorn; provided, however, that no hand-held bullhorn may be used in any such picketing between sundown and sunrise.
 - (2) Picketing shall only be conducted between sunrise and sunset.

ORDINANCE NO. 2019-

- (3) When picketing is conducted on public sidewalks maintained by the City, only the five (5) feet of the sidewalk closest to the curb shall be used by the pickets. No picketing shall be conducted either on the remaining portion of the sidewalks, so that pedestrian traffic shall not be impeded, or on any portion of the streets.
- (4) Movement by pickets shall be spaced at a width of no more than five (5) feet, side to side, and shall not otherwise block access on the sidewalk.
- (5) Pickets shall carry only signs made of materials which could not be used as a weapon. No metal or wood may be attached to signs.
- (6) No vehicles shall be used in any picketing. All pickets shall be on foot.
- (7) No person participating in any picketing shall carry bricks, bats, sticks, rocks, bottles, torches, combustible material, or any other instrumentality which could be used as a weapon.
- (8) No person participating in any picketing shall drink alcoholic beverages while picketing or be under the influence of any alcoholic beverages or drugs while picketing.
- (9) Picketing is prohibited under the following conditions:
 - (a) Within two hundred feet of a hospital, nursing home or rest home;
 - (b) Within one hundred (100) feet of any public or private school, K-12;
 - (c) For more than forty-five (45) minutes in front of any residence;
 - (d) On a state or federal highway or road, unless there has been compliance with all rules, regulations, and requirements imposed by the appropriate state or federal governing authority for the use of a state or federal highway or road as a private route.
- (b) The chief of police shall be given at least forty-eight (48) hours' written notice by any person planning to picket on private property. This written notice shall include the name of the person planning to picket, the location(s), by street address, which will be picketed, and the hours the picketing will be conducted.

Sec. 6-7-28. Duty to disperse as directed by police.

Whenever the free passage of any street or sidewalk in the City shall be obstructed by a crowd, the persons composing such crowd shall disperse or move on when directed to do so by a sworn officer of the City Police Department or City Code Enforcement. It shall be unlawful for any person to refuse to so disperse or move on when directed to do so by a sworn officer as provided herein.

Sec. 6-7-29 - Sec. 6-7-30. Reserved.

ARTICLE 3. PERMITTING PROCESS

ORDINANCE NO. 2019-

Sec. 6-7-31. Permit review committee established.

There is hereby established a permit review committee that is responsible for the review of special event permit applications and the issuance and administration of permits required under this Chapter. The City's chief of police or his authorized representative shall be the chairperson of the committee.

Sec. 6-7-32. Permits generally.

- (a) The special event policy maintained by the permit review committee shall include rules and regulations relating to the deadlines for submitting applications and the method of determining priority of applications.
- (b) Special events organized by the City take precedence over other special events.
- (c) All special events must be conducted in accordance with the terms and conditions of the permit issued by the City, the regulations of this Chapter, and the City's special event policy. The special event policy is kept on file at the City's Police Department.
- (d) In addition to obtaining the special event permit, the applicant may be required by other laws to obtain additional permits. Obtaining a special event permit under this section will not substitute for any other permit required by law. Any state permits required by law or by the regulations of the state department of transportation must be obtained prior to the issuance of a permit by the City under this Article.

Sec. 6-7-33. Application for special event permit.

Applicants shall apply for a special event permit using the form provided by the City Police Department, and applications shall be reviewed by the permit review committee. The application shall contain the following information:

- (a) Applicant identifying information
- (b) Event
- (c) Sanitation plan
- (d) Security plan
- (e) Event map
- (f) City services requested
- (g) Property owner permission
- (h) Race route, for races
- (i) Signature of applicant
- (j) Other information: Such other information as the permit review committee may reasonably request in order to adequately evaluate the application.

An applicant is responsible for notifying the City immediately of any change to the information provided or requests made in the application for a special event permit. The City may not be able to honor last minute changes or requests.

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Sec. 6-7-34. Procedure for processing special event permit applications.

- (a) The City Police Department shall be responsible for processing all special event permit applications.
- (b) All special event permit applications shall be filed with the City Police Department to be forwarded to the members of the permit review committee. Applications may be submitted in person, mailed, e-mailed or completed on-line.
- (c) A special event permit application fee shall be due at the time the application is filed.
- (d) The permit review committee may request additional information from the applicant if such information is reasonably required to evaluate the application and may place conditions on the approval of a special event permit, including the payment of fees for City services required to conduct the event, to ensure the protection and safety of the parade or race participants and/or the viewing public, or the public health, safety and general welfare of the citizens of the City.
- (e) If any member of the permit review committee objects to the approval of the special event permit application, the chairperson shall promptly convene a meeting of the committee.
- (f) If, after a meeting of the permit review committee, the permit review committee does not unanimously approve the special event permit application, the permit shall be denied.
- (g) The City Police Department shall notify the applicant in writing of the approval or denial of the special event permit application. If the special event permit application is approved subject to any terms and/or conditions, said terms and/or conditions will be stated in writing, as will any costs that will be imposed upon the permittee. If the special event permit application is denied, the reasons for denial will be stated in writing.

Sec. 6-7-35. Surety and insurance.

Prior to the issuance of a permit, the permit review committee may require one or more of the following from the applicant:

- (a) An agreement that the City shall be compensated for any damage to public property, and that the special event location shall be cleaned and restored to the condition in which it was found prior to the holding of the special event;
- (b) The deposit of cash in an amount sufficient, in the opinion of the City, to guarantee the cleanup of the location and the removal of any debris left as a result of the special event;
- (c) Proof of general liability insurance and property damage insurance acceptable to the permit review committee in minimum limits as required by the permit review committee naming the City as an insured; and/or
- (d) Execution of a hold harmless agreement, indemnifying the City for any personal injury or property damage arising from such special event.

Sec. 6-7-36. Street Closure Requests.

- (a) An applicant may request that a street, or portion of a street, be closed to accommodate a special event. However, the permit review committee will determine if the street is to be

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closed, the portion of street to be closed, and the frequency of permitted road closures, based on impact to the public.

- (b) The same portion of any public street may not be closed for any special event more than once every thirty (30) days, unless specifically permitted by the permit review committee or closed by the City. In order for the permit review committee to consider closing the same portion of a public street more than once during a thirty (30)-day period, the applicant must submit a petition bearing the signatures of ninety (90) percent of property owners located on or within 500 feet of the impacted area or boundaries of the street proposed to be closed. The permit review committee may, but is not required to, allow the portion of the public street to be included in the application for street closure.
- (c) Any street closures must allow for access by emergency vehicles and are subject to review by emergency personnel.
- (d) If a street closure is approved, it is the permittee's responsibility to make arrangements for obtaining and placing of barricades or traffic control devices through Public Works and to pay any applicable fees for such City services.
- (e) Subsection (b) of this section shall not apply to parades and races.
- (f) Street closures may require additional permits and/or permission from the Georgia Department of Transportation, and it is the responsibility of the permittee to obtain any such required permits/permission.

Sec. 6-7-37. Conditions for granting permit.

- (a) The permit review committee may grant a special event permit subject to reasonable terms and conditions concerning, but not limited to, the following:
 - (1) Time and duration of the event;
 - (2) Area upon which the special event will take place and manner of conducting event;
 - (3) Number of participants;
 - (4) Use of City resources;
 - (5) Security;
 - (6) Traffic control;
 - (7) Road closure(s);
 - (8) Emergency access;
 - (9) First aid;
 - (10) Restroom access;
 - (11) Sanitation plan;
 - (12) Utility usage;
 - (13) Parking;
 - (14) Signage;

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- (15) Noise; and/or
- (16) Insurance Requirements.
- (b) At least fourteen (14) days prior to the date scheduled for the special event, the permittee will be required to pay for fees such as utility charges, increased public safety protection, solid waste services, or any additional City services required by the permit review committee and in accordance with the City's special event policy and the fee schedule. The applicant or permittee, as a condition of receiving approval of a special event permit, agrees to bear any and all such costs.
- (c) The permittee is responsible for restoring the special event location's grounds and public space to its condition immediately prior to the set-up time of the event designated in the permit. Should damage to the streets, grounds, monuments, plantings, benches, or other infrastructure of the public space occur as a result of, or arise from, the special event, the permittee is solely responsible for the cost of repairing the damage, or of replacing the damaged item(s) if the City finds that replacement is necessary. The damages or cost of repairs will be deducted from the damage deposit. If damages are in excess of the damage deposit, the permittee shall reimburse the City accordingly.
- (d) As an additional condition to the issuance of an approved special event permit, the applicant or permittee shall be required to ensure that participants and spectators of the special event abide by any terms and conditions of the permit, the rules and regulations of this Code, and all other applicable local, state and federal laws.

Sec. 6-7-38. Contents of granted permit.

If a special event permit is granted by the permit review committee, the special event permit will contain the following information:

- (a) The name of the permittee;
- (b) The address and telephone number of the permittee;
- (c) The type of activity for which the permit has been issued;
- (d) The date, hours, duration, and location for the special event;
- (e) Any approved road closures;
- (f) The permit's expiration date and/or times, including times for set up and break down, for the special event; and
- (g) Any terms and/or conditions imposed on the conduct of such special event.

Sec. 6-7-39. Grounds for denial of permit.

- (a) The permit review committee may deny a special event permit application for any of the following reasons:
 - (1) The application is not made on the form provided by the City or does not contain the required information;
 - (2) Proof of insurance, or agreements and/or deposits regarding damage to public property, as may be required by the permit review committee as a prerequisite to

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the holding of a special event, has not been filed with the City or executed by the permittee;

- (3) The applicant knowingly made a false, misleading or fraudulent statement of material fact in the application for the permit or in an application for a prior permit;
- (4) The conduct of the special event will be contrary to law;
- (5) The special event does not comply with or fails to meet all of the health, zoning, fire and safety requirements or standards of City Code of Ordinances or the Unified Land Development Code, or any applicable county or state law or regulations;
- (6) The conduct of the special event will unreasonably interfere with the preservation of the public peace, health, safety or welfare of the public;
- (7) The proposed activity or location of the proposed activity interferes with or unreasonably obstructs the free flow of vehicular traffic on any street, or of pedestrian traffic on the sidewalks;
- (8) The conduct of the special event will require too great a diversion of public resources so as to prevent the City from providing normal protection and services of the City;
- (9) The applicant has had a similar special event permit denied or revoked for good cause within one (1) year prior to the filing of the application, and, in the event of denial, can show no material change in circumstances since such denial;
- (10) The applicant failed to abide by or comply with all terms and conditions of a permit previously issued to the applicant in the twelve (12) months prior to the filing of the application;
- (11) The special event is to be held for the sole purpose of advertising or selling any product, good, or service and is designed to be held purely for private profit;
- (12) The applicant or permittee refuses to agree to, abide by, or comply with all terms and conditions and regulations imposed upon the applicant or permittee by the permit or law; and/or
- (13) Such special event will interfere or conflict with another special event for which a permit has already been issued, or will interfere or conflict with another event for which no permit is required by this Code.

- (b) The permit review committee shall notify the applicant in writing specifically stating all reasons for denial of the permit.

Sec. 6-7-40. Suspension or revocation of permit.

- (a) A permit for a special event issued under this Article shall be summarily suspended or revoked by the City's chief of police or his/her designee at any time:
 - (1) When the applicant fails to comply with or abide by any permit terms or conditions;
 - (2) When there is reasonable cause to believe that any of the grounds exist for which the original application for the permit would have been denied; or

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(3) When there is reasonable cause to believe that the health, safety and welfare of persons or property would be endangered because of inclement weather, real or threatened disaster, public calamity, riot or another public emergency.

(b) Notice of such suspension or revocation shall be made in writing to the permittee.

Sec. 6-7-41. Right to appeal.

An applicant whose application is denied or a permittee whose permit is suspended or revoked shall have the right to appeal the denial, suspension, or revocation to the permit appeals committee as set forth in Article 4 of this Chapter.

Sec. 6-7-42. - 6-7-50. Reserved.

ARTICLE 4. - PROCEDURE FOR APPEAL

Sec. 6-7-51. Permit appeals committee established.

There is hereby established a permit appeals committee that is authorized to receive and hear appeals and to affirm or overturn the denial, suspension or revocation of a special event permit by the permit review committee. The permit appeals committee shall consist of the City manager and the city attorney. Such appeal shall be a condition precedent to judicial review.

Sec. 6-7-52. Appeal of denial, suspension or revocation of permit.

An appeal from denial, suspension or revocation of a special event permit may be taken by the applicant or permittee to the permit appeals committee within three (3) days of the service of notice of such denial, suspension or revocation. Such appeal shall be in writing, setting forth fully the grounds upon which the appeal is based, and shall be filed with the City clerk, who shall immediately forward copies to the permit appeals committee and the permit review committee. Within five (5) business days of the filing of the appeal, the permit review committee shall submit to the permit appeals committee its entire file for and a report of the case appealed.

Sec. 6-7-53. Permit appeals committee's action on appeal.

- (a) Within ten (10) business days after the filing of an appeal with the City clerk, the permit appeals committee shall hear the appeal. Written notice of the time and place for the hearing at which the permit appeals committee will consider the appeal shall be mailed by the City clerk to the applicant or permittee who filed the appeal and to the permit review committee at least three (3) days before the date set for hearing, unless the applicant or permittee shall waive notice in writing. Within five (5) days after the hearing, the permit appeals committee shall issue its decision.
- (b) In any appeal, the permit appeals committee shall consider the application, the report submitted by the permit review committee, and other pertinent information presented either by the applicant or permittee and/or by the permit review committee, and may grant or deny the permit subject to the terms, conditions, and regulations set forth in this Chapter. The decision of the permit appeals committee shall be final.

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Sec. 6-7-54. Decision review by permit appeals committee.

- (a) The permit appeals committee may, on its own motion made within twenty (20) days after the decision of the permit review committee, review the issuance, denial, suspension or revocation of any permit, or review any term or condition attached thereto.
- (b) If, after review, the permit appeals committee determines that the matter should be heard on appeal before it, the permit appeals committee shall order the City clerk to notify the applicant or the permittee, and the permit review committee, of the time and place of the hearing, as provided in Section 6-7-63. After such hearing, the permit appeals committee may grant or deny the permit subject to the conditions, terms and regulations set forth in this Chapter.

ARTICLE 5. PENALTY FOR VIOLATION.

Any person violating any provision of this Article or a term or condition of a special events permit shall, upon conviction thereof, be punished as provided in section 1-1-7 of the City Code of Ordinances; and each person shall be guilty of a separate offense for each and every day or portion thereof during which any violation of any of the provisions of this Article is committed, continued or permitted.

SECTION II.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION III.

If any portion of this ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair the remaining portions unless it clearly appears that such other parts are wholly and necessarily dependent upon the part held to be invalid and unconstitutional.

SECTION IV.

The effective date of this ordinance shall be upon approval by the governing body of the City of Gainesville, Georgia.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this ordinance was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/10/2019
Presenter: Angela Sheppard
Item of Business: Resolution: Special Event Policy & Permit Application
Meeting Date: 12/12/2019

Purpose of Request:

To adopt the Special Event Policy, Application and associated Fee Schedule.

History/Background:

This resolution is to adopt the Special Event Policy and Special Event Permit Application, with associated fees. The resolution also authorizes the Special Event Permit Review Committee to update the policy and fees as needed from time to time.

Facts & Issues for Consideration:

The policy and application have been reviewed by the Special Event Review Committee.

Department Recommendation:

Adoption of the Resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ Adoption of Special Event Policy and Application	Resolution
☐ Special Event Policy	Policy
☐ Special Event Application	Backup Material

RESOLUTION BR-2019 - ____

ADOPT ION OF SPECIAL EVENT POLICY AND PERMIT APPLICATION

WHEREAS, the City provides for and regulates the use of public property for private purposes to ensure proper care of public property, and to provide for the safety and well-being of special event participants and the general public; and

WHEREAS, pursuant to Section 6-7-1 et seq. of the Code of Ordinances of the City of Gainesville, the City desires to implement and adopt policies, procedures and fees regarding holding special events; and

WHEREAS, the attached Special Event Policy and Special Event Permit Application with associated fee schedule have been reviewed by City staff; and

WHEREAS, the Special Event Policy and Special Event Permit Application with associated fee schedule may need to be amended from time to time by City staff.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body hereby adopts the Special Event Policy and Special Event Permit Application and associated fee schedule as attached hereto.

BE IT FURTHER RESOLVED that the governing body hereby authorizes the Special Event Permit Review Committee to amend the Special Event Policy and Special Event Permit Application with associated fee schedule, as necessary from time to time to effectuate the provisions of Section 6-7-1 et seq. of the Code of Ordinances of the City of Gainesville.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF GAINESVILLE SPECIAL EVENT POLICY

Policy Statement

The City of Gainesville recognizes the value of special events to create a sense of community, improve quality of life, encourage cultural activities, attract visitors to the city, and support local businesses. The purpose of this policy is to establish an organized process to manage third party special events that occur on public property, ensure proper care of the property, and not hamper public services, programs or activities.

Criteria

By definition, a special event is any gathering of people for a common purpose upon public property that has a tendency to interfere with the normal flow or regulation of pedestrian or vehicular traffic and is planned by a person other than the City. The definition of a special event includes, but is not limited to, picketing on public property, parades, races, and carnivals. The definition of special event specifically excludes a facility rental through the City's Parks and Recreation.

Application Procedures

Anyone interested in hosting a special event on public property must submit a completed Special Event Permit Application to the Police Department. All associated forms, fees, and documents must be submitted and be reviewed by the Permit Review Committee before a permit can be issued. Per city ordinance, the event organizer cannot advertise or promote a special event until a permit has been issued.

For single, non-recurring special events, the event organizer must file a Special Event Permit Application not less than thirty (30) or more than one hundred eighty (180) days before the date proposed for holding a special event.

For special events held on a regular or recurring basis, but not more than quarterly, at the same location by the same applicant, an application for a permit covering all such special events during that calendar year may be filed with the police department not less than sixty (60) or more than three hundred sixty-four (364) days before the date proposed for holding the first special event.

The scheduling of events is on a first-come, first-served basis, which will be based on the date the permit is approved. Events organized by the City take precedent over other special events.

If the application is approved, the Police Department will provide a permit outlining the terms of approval, any special conditions, as well as costs and requirements necessary for the organizer to host the described event.

Instructions and application forms are available at the Gainesville Police Department and online at www.gainesville.org. Completed application forms may be submitted in person, by mail, by email, or through the website. Payments can be made online or in person at the Police Department by card, check or cash.

Contents of Application

Application for a permit to hold a special event shall be made on forms provided by the City and approved by the special events review committee. The application shall contain the following:

- 1) Applicant information: The name, address and contact information of the applicant and, if applicable, the name of the organization for which the special event is to be conducted.
- 2) Event details: A detailed description of the special event proposed to be held, the date, hours and location where the event is proposed to be held, including hours needed for event set-up and breakdown, layout of the event, the number of persons participating in the event, number of spectators and vehicles expected, the purpose of the event, whether the event will be open to the public, whether any food or alcohol will be served and any other information required by the special event permit application.
- 3) Event Map: The event map should be detailed and include, but not be limited to, the following information: an outline of the entire event venue to include names of streets and areas surrounding the venue, all street and lane closures requested, the location of any fencing, first aid stations, emergency exits, portable/ temporary structures, food or cooking areas, source of electricity, locations of portable toilets, provisions for an emergency access lane through the venue, and any other related components not listed herein. If the event is a race, indicate which of the City pre-defined routes will be used.
- 4) Parking Plan: Parking areas for the special event should be outlined in the event map. If the special event requires the closure of public parking areas “No Parking Signs” detailing the date and times parking will be restricted must be posted at least 48 hours prior to the event, including set-up. The event organizer is required to check the signage 12 hours prior to the event to ensure they are still posted and in their correct locations. Any missing or damaged signs must be replaced daily prior to the event. Only a representative of the Gainesville Police Department can authorize towing or moving a vehicle on public property. The event organizer shall coordinate with the Gainesville Police Department in the event a vehicle is left parked and unattended in the special event area. It is the event organizers responsibility to make all arrangements and pay any fees applicable for the towing / moving of any vehicles. All “No Parking Signs” shall be removed by the organizer at the conclusion of the special event.
- 5) Sanitation Plan: A sanitation plan is required for all events. The permit review committee will review the application and determine if the sanitation plan is appropriate or reserves the right to require additional services. It is the event organizer’s responsibility to make arrangements for trash receptacles. Use of public trash cans cannot be the only planned sanitation component for an event. The event organizer is responsible for depositing and removal of any trash into appropriate trash receptacles following the event in order to ensure event area is restored to its original condition. It will be the event organizer’s

responsibility to pay any security deposits and make arrangements to pay fees for any additional sanitation services.

- 6) Restroom Access: For all events more than 2 hours in duration, portable toilets and/or public or private restrooms will be required. Portable toilets / public or private restrooms will be required for any event where alcohol is served, regardless of time.
 - a. As required by the Georgia Department of Public Health, two toilets per 250 persons will be the ratio to determine the number needed. In compliance with the Americans with Disabilities Act, at least one restroom is to be handicap accessible.
 - b. It is the event organizer's responsibility to make all arrangements for drop-off and pick-up and paying of any fees associated with portable toilets and or the cleaning of any public or private restrooms.
 - c. Portable toilet placement and or public or private restroom facilities must be included on the event map. Portable toilets must be removed by the end of the next business day.
 - d. Use of public restrooms will be allowed if restrooms and staff are available and the event organizer hires City staff to open, manage, clean and close the public restroom during and after the special event. The Permit Review Committee reserves the right to determine the appropriate number of staff needed for use of the public restrooms.
- 7) Signage: City of Gainesville ordinances must be followed regarding sign regulations. Unified Development Code Article 9-18.
- 8) Surety and insurance: Prior to the issuance of a permit, the permit review committee may require one or more of the following from the event organizer:
 - a. An agreement that the city shall be compensated for any damage to public property, and that the site shall be cleaned and restored to the condition in which it was found prior to the holding of the special event.
 - b. The deposit of cash in an amount sufficient, in the opinion of the City, to guarantee the cleaning up of the site and the removal of any debris left as a result of the holding of the special event.
 - c. That the applicant provide general liability insurance and property damage insurance acceptable to the special events committee in minimum limits as set by the special events committee naming the city as an insured; or
 - d. Execution a hold harmless agreement, indemnifying the city for any personal injury or property damage arising from such special event.

- 9) Property owner permission: If the special event requires a special event permit and any portion of the event will take place on private property, a written letter from the private property owner giving permission to use the property is required, unless the applicant is the property owner. The letter must be signed by the property owner or a business manager, if the property owner is an entity.
- 10) Race Route: If the special event is a race, applicant must indicate which of the pre-approved City routes will be used for the event;
- 11) First aid: For events with 1,000 and more attendees, first aid stations will be required. The permit review committee must approve the plan and reserves the right to require additional services in the interest of public safety.
- 12) Signature of applicant: The application shall be signed by the applicant under penalty of perjury.
- 13) City services requested: A detailed description of City services being requested to support the event including, but not limited to, security, traffic control, solid waste, and/or power connections. The City shall determine if the services can be provided and shall charge the applicant for the service based upon the fee schedule. Additional detail regarding these services is outlined below:

a) Security:

An event security plan must be approved by the Police Department for events involving street closures, alcohol, or having over 250 attendees. The security plan should include, but not be limited to, crowd control, venue security and safety, the number of any extra duty Gainesville Police Officers expected to be hired. The Gainesville Police Department reserves the right to require additional services in the interest of public safety.

b) Street closures:

- a. An applicant may request a street, or portion of a street, be closed as part of a special event. Street closures, traffic control, or barricades must be outlined in the description of the event and on the event map. The permit review committee will determine if the street is to be closed, the portion of street to be closed, and the frequency of permitted road closures, based on impact to the public.
- b. No portion of any public street may be closed for a special event more than once every thirty (30) days, unless done so by the City. In order for the permit review committee to consider closing the same portion of a public street more than once during a thirty (30)-day period, a petition is required

bearing the signatures of ninety (90) percent of tenants that are located within 500 feet of the impacted area or boundaries of the street proposed to be closed. The permit review committee may designate the impacted areas to be included in the petition for street closure.

- c. Any street closures must allow for access by emergency vehicles and are subject to review by emergency personnel.
- d. Street closures may require additional permits and/or permission from the Georgia Department of Transportation and it is the responsibility of the event organizers to obtain all such permits/permission.
- e. If a street closure is approved, it is also the event organizer's responsibility to make arrangements for obtaining and placement of any barricades or traffic control devices and the paying of any applicable fees through Public Works. Barricades or traffic control devices shall not be put in place prior to the permitted start time of the event.
- f. Approved races and parades are exempt from the 30-day limitation on street closures.

c) Utility usage:

Specific requirements for the use of electricity and/or water must be submitted in the event description. The City may not be able to accommodate all requests for utilities. Electricity and/or water at publicly owned venues is not available without permission from the City of Gainesville. For events that utilize electricity and/or water, the City of Gainesville will require additional payment for such. If generators are to be used, their location and size shall be outlined in the event description and on the event map.

Events Fees and Charges

Event organizers will be held responsible for all costs and requirements set forth by the City to ensure the event is safe, well organized, and does not represent a burden to the taxpayer. Fees are outlined in the Fee Schedule adopted by the City and kept on file at the Police Department. These can include, but are not limited to:

- Special Event Permit Fee
- Use of Street Barricades
- Repairs or maintenance
- Security
- Additional Permits for vending/concessions/alcohol, etc. that may be required.
- Use of City Staff, including police officers, sanitation workers, traffic services, etc. (paid directly to the individual)

The event organizer is responsible for describing the proposed event as accurately as possible on the Special Event Application and attaching all required documentation before submitting the request. This will help the Permit Review Committee determine if any additional resources or requirements are necessary to ensure the event runs as smoothly as possible.

A refundable damage deposit is required for all special events and must be paid at the same time as the event fee. The event grounds and public space must be left in the same condition in which it was found. Any damages or needed repairs will be the sole responsibility of the event organizer and will be deducted from the event security deposit. If no damages occur, this deposit will be returned as soon as possible after the event date.

Payments are due 14 days prior to the event. Should the event be canceled due to weather, all fees and deposits can be applied to the rescheduled date of the event or be refunded. Should the event be canceled for any other reason besides weather, the City will retain all fees for services rendered per the date and time of cancellation.

Application Denial and Revocation

An application may be denied or revoked for the following reasons:

1. The application is not on the form provided or does not contain the required information;
2. Proof of insurance, or agreements and/or deposits regarding damage to public property, as may be required by this article as a prerequisite to the holding of a special event, has not been executed or filed with the city;
3. The applicant has knowingly made any false, misleading or fraudulent statement of material fact in the application for a permit or in the application for a prior permit;
4. The conduct of the special event will be contrary to law;
5. The special event does not comply with or fails to meet all of the health, zoning, fire and safety requirements or standards of all of the ordinances of the city, the county or the state applicable thereto;
6. The conduct of the special event will unreasonably interfere with the preservation of the public peace, health, safety or welfare of the public;
7. The activity or location of the activity interferes with or unreasonably obstructs the free flow of vehicular traffic or other means of travel on any public street, or with pedestrian traffic on the sidewalks;
8. The conduct of the special event will require the diversion of so great a number of public safety resources as to prevent normal protection of the City.

9. The applicant has had a similar special event permit denied or revoked for good cause within one (1) year prior to the application, and can show no material change in circumstances since such denial;
10. The applicant failed to abide by or comply with all conditions and regulations of a permit previously issued to the applicant in the past twelve (12) months.
11. The special event is to be held for the sole purpose of advertising or selling any product, goods, or services and is designed to be held purely for private profit.
12. The applicant refuses to agree to, abide by or comply with all conditions and regulations attendant upon such permit; and
13. Such event will interfere or conflict with another event for which a permit has already been issued, or will interfere or conflict with another event for which no permit is required by this Code.

Any users found to be in violation of the guidelines outlined in this policy or City ordinance will be subject to all applicable fines and penalties, including the immediate closure of the event and loss of future application use privileges. If an event is shut down due to violations, no refund will be given.

Special Event Use Rules and Regulations

1. No permit will be issued until a complete application with all supporting documents including, but not limited to, permits, liability insurance, security plan, sanitation plan, etc. (as applicable) have been received.
2. Events or activities organized by the City of Gainesville will take priority over other requests.
3. The event organizer is also responsible for restoring the event grounds and public space to its condition immediately prior to the event or the event set-up. Should damage to the streets, grounds, monuments, plantings, benches, or other infrastructure of the public space occur as a result of, or arise from the event, the event organizer is responsible for reimbursing the City for the cost of repairing the damage, or replacing the damaged item(s) if the City finds that replacement is necessary. A Damage Deposit will be charged.
4. No stake, post, pole, or any other device may be driven into the ground and no hole may be dug without written authorization from the City. No painting or permanent markings may be used or sprayed on any facility, including streets.
5. Absolutely no illegal substances are allowed on City property.
6. The City of Gainesville must be notified immediately of any serious injury, death, property damage, or vandalism.
7. No refunds will be given if the event is cancelled by the City for failure to obtain appropriate permits or failure to abide by the terms of an approved permit.

8. The event organizer must comply with all laws, ordinances and regulations adopted or established by federal, state, or local government agencies or bodies and by all facility policies and procedures as provided by the City of Gainesville.
9. The event organizer is responsible for notifying the City immediately of any changes to the information provided or requests made in the application. City staff may not be able to honor last minute changes or requests.

SPECIAL EVENT PERMIT APPLICATION

Application Procedures

Any person interested in hosting a special event on City property must submit a completed Special Event Permit Application and the \$25.00 application fee to the City Police Department. The Special Event Permit Review Committee will review the application and may request additional information from the applicant. If the application is approved, the City Police Department will issue a permit containing the terms of approval, any special conditions, and fees required to conduct the special event. The Fee Schedule is as follows:

Fee Schedule

SCHEDULE OF FEES	
Application Fee	\$ 25.00
Damage Deposit	\$ 200.00
Electricity (per hook up)	\$ 25.00
Water	\$ 25.00
Barricades (each)	\$ 5.00
Traffic Cones (each)	\$ 1.00
Public Works Personnel (per employee/minimum 4 hours)	\$ 150.00, \$25 per additional hour
Security (per officer/minimum 4 hours)	\$ 160.00, \$40 per additional hour
Traffic Direction (per officer/minimum 4 hours)	\$ 180.00, \$45 per additional hour
Vehicle Fee (patrol, sanitation, etc./per hour)	\$ 10.00

Fees and the damage deposit will be due at least 14 days prior to the date scheduled for the special event. Should the event be canceled due to weather, all fees and deposits can be applied to the rescheduled date of the special event or be refunded. Should the event be canceled for any other reason besides weather, the City will refund the damage deposit but retain all fees for services rendered as of the date and time of cancellation.

Per the City's special event ordinance, no person, including the applicant, shall advertise or promote a special event until a permit has been issued.

Application Information

Event Organizer

Name: _____

Group/Organization (if applicable): _____

Applicant's relationship to organization: _____

Address: _____

Primary phone: _____ Cell phone: _____ E-mail: _____

If applicant will not be present during the special event, list name with contact information of an individual who will be present:

Event Details

Date(s) of event: _____

Type of event: _____

Examples: Walk/Run, Tournament, Festival, Concert, Wedding, Reunion, Parade.

Name of event: _____

Purpose: _____

Location: _____

Event start time: _____ Event end time: _____

Set up and break down times: _____

Number of attendees expected: _____

Is this event open to the public? Yes No

Will admission be charged? Yes No

If annual event, number of years in this location: _____

Event description for public distribution:

Public Resources Requested

Please detail what public resources may be needed for the special event. The Permit Review Committee will review this application to determine whether public resources are necessary and/or available for the special event. See Fee Schedule where applicable.

- ☐ **Street/sidewalk closure:** _____
The Permit Review Committee will determine if a special event warrants closure of public property. The same portion of any public street may not be closed for any special event more than once during a 30 day period, unless the applicant submits a petition to the City bearing the signatures of 90 percent of property owners on or within 500 feet of the impacted area or boundaries of the street proposed to be closed and the permit review committee allows the portion of the public street to be included in the application for street closure.

If your event requires police officer presence, you will be contacted directly by the City Police Department to coordinate appropriate arrangements. If your event requires the use barricades, you must so indicate on the application, in the blank above, and coordinate with the City's Public Works Department. Fees will apply.

- ☐ **Water:** _____
Not all parks or public spaces have utility connections. Fees will apply.

- ☐ **Electricity:** _____
Not all parks or public spaces have utility connections. Fees will apply.

- ☐ **Sanitation:** _____
A sanitation plan must be provided for any special event. Additional sanitation staff or trash receptacles may be necessary. The Permit Review Committee will determine if additional services are necessary, and additional fees may apply.

- ☐ **Security:** _____
An event security plan must be approved by the Permit Review Committee for any event involving street closures, if alcohol is being consumed, or for events having over 250 attendees. The City Police Department may determine that additional security services are necessary and additional fees will apply.

- ☐ **First Aid:** _____
For events expecting more than 1,000 or more attendees, first aid stations will be required. The Permit Review Committee must approve the plan and may require additional services in the interest of public safety.

- ☐ **Parking:** _____
Demonstrate access to sufficient parking based on the estimated attendance number.

- ☐ **Other:** _____

Public Health and Safety Requirements

- ☐ **Emergency access:** _____
Emergency vehicles must be able to access the special event in case of fire or other emergency. Emergency access shall be shown on the attached event map.
- ☐ **Restroom facilities:** _____
For events more than 2 hours in duration or events that will serve alcohol, two toilets per 250 persons must be provided at the special event location. At least one restroom must be ADA accessible. It is the permittee's responsibility to make arrangements for placement and removal of portable toilets. Locations of all restroom facilities should be noted on the event map.
- ☐ **Amplified sound:** _____
All amplified sound must comply with the City's Code or Ordinances and Unified Land Development Code. An amplification permit will be included with a special event permit, if granted.
- ☐ **Alcohol consumption:** _____
If alcohol is approved for consumption at the special event, the alcohol vendor shall work directly with the City's Business Services Manager to ensure that all appropriate permits are obtained. However, it is ultimately the permittee's responsibility to make sure that all laws and permit conditions are followed. Security is required for any event where alcohol is consumed.
- ☐ **Caterers/Vendors (any type):** _____
Other permits may be required by the City. All vendors must have a valid business license. Food vendors must present proof of recent health inspection. Additional requirements apply to alcohol vendors. It is the responsibility of the permittee to obtain proper documentation from each vendor and pay the required vendor permit fees.
- ☐ **Certificate of Insurance:** _____
The Permit Review Committee may require proof of general liability insurance and property damage insurance in an amount to be determined by the Permit Review Committee. In such event, the City of Gainesville must be named as an additional insured under the insurance policy. A certificate of insurance must be provided to the City prior to issuance of a special event permit. Insurance is to be placed with a duly licensed or approved non-admitted insurer in the State of Georgia with an "A.M. Best" rating of no less than A-VI. The City in no way warrants that the above required minimum insurer rating is sufficient to protect the Applicant from potential insurer insolvency.
- ☐ **Tents or staging:** _____
Tents, canopies, or stages shall be shown on the event map. Tents larger than 400 square feet must be inspected by the Fire Marshal and have restroom access. All tents must be weighted and shall not be staked into the ground.
- ☐ **Amusements:** _____
A valid certificate of liability insurance written by a carrier licensed to write insurance listing City of Gainesville as an "additional insured" must be provided for all play structures, petting zoos, or amusement rides on City property.
- ☐ **Race Route:** _____
If the special event is a race, indicate which of the pre-approved City routes will be used for the event.

Acknowledgement

Please check each box to indicate that you have read and understand the application process and your responsibilities as the applicant.

- ☐ I have completed this form to the best of my ability and affirm that all statements are accurate as of this date.
- ☐ I have attached an event map that shows all required items.
- ☐ I understand that once the special event application is accepted, fees and deposits outlined below must be paid to secure my permit and hold my event date for the selected venue.
- ☐ I understand that I must submit the required information and permit fees for any vendors associated with my event. Alcohol vendors must contact the Gainesville Financial Services Department to obtain temporary licenses and permits, as well as necessary state permits.
- ☐ It is my responsibility to obtain other state permits that may be necessary, such as a Georgia Department of Transportation permit to close a state road.
- ☐ I will not promote this event publicly until I receive an approved Special Event Permit.
- ☐ I understand that if the event does not comply with all of the terms and/or conditions stated on the permit, the City has the right to deny future event permits and to revoke any current permits.
- ☐ I understand and agree that the City shall be compensated for any damage to public property, and that the special event location shall be cleaned and restored to the condition in which it was found prior to the holding of the special event.
- ☐ I agree to hold the City harmless and indemnify the City for any personal injury or property damage arising from this special event.
- ☐ I understand that it is my responsibility to pay City staff directly for services provided. Failure to do so may result in the City denying future event permits.
- ☐ I have read and understand the City of Gainesville's Policy regarding Special Events.

Signature

Date

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/9/2019
Presenter: Angela Sheppard
Item of Business: Ordinance: Amend Chapter 6-9 entitled "Permits"
Meeting Date: 12/12/2019

Purpose of Request:

To amend Chapter 6-9 entitled "Permits." With the revision to Chapter 6-7, certain regulations were moved to be under Chapter 6-9.

History/Background:

Facts & Issues for Consideration:

No substantive changes were made to the regulatory provisions. This ordinance is mainly a restructuring of the Code.

Department Recommendation:

Adoption of the proposed Ordinance.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 Amend Chapter 6-9 entitled Permits	Ordinance

Passed: _____

AN ORDINANCE

No. 2019-

AN ORDINANCE TO AMEND CHAPTER 6-9 OF THE CODE OF ORDINANCES, WHICH CHAPTER IS ENTITLED "PERMITS," BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF GAINESVILLE, GEORGIA, AS FOLLOWS:

SECTION I.

Chapter 6-9 of the Code of Ordinances is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

CHAPTER 6-9. - PERMITS AND LICENSES

Sec. 6-9-1. - Grants generally.

The grant or denial of a permit or license under this Chapter shall be based on a consideration of the public welfare, peace, safety, health, good order and convenience. The person who grants such a permit or license may suspend or revoke it based on the same considerations.

Sec. 6-9-2. - Due process.

Any person who believes that he has been denied due process of law under this Chapter in the denial, suspension or revocation of a permit or license shall be entitled to a hearing in front of the administrative hearing officer as provided in section 1-8-1 of the City's Code of Ordinances. Unless such hearing is requested within five (5) working days after the alleged denial of due process, such person shall be presumed to have accepted the denial, suspension or revocation of such person's permit or license.

Sec. 6-9-3. - Sound trucks and sound amplifying systems.

(a) It shall be unlawful for any person to operate or permit to be operated in the City any sound amplifying system for any purpose whatever, whether the same be stationary or operated from a vehicle or other carriage unless a permit has been obtained from the chief of police to do so. However, it shall be unlawful for any person to make any loud and raucous noise to the disturbance of the peace. Any person to whom a permit has been issued under this section who abuses his discretion and causes or permits loud and raucous noises, shall subject the permit to immediate revocation.

(b) The words "sound amplifying system" as used in this section shall mean any loudspeaker system or equipment, sound-amplifying system, and/or any apparatus, equipment, device,

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instrument or machine designed for or intended to be used for the purpose of amplifying the sound or increasing the volume of the human voice, musical tone, vibration or sound wave.

Sec. 6-9-4. - Reserved.

Sec. 6-9-5. - Reserved.

Sec. 6-9-6. - Fortune-telling and related practices.

(a) Occupation tax certificate required, application.

(1) Any person, firm or corporation desiring to engage in the business, trade or profession of fortune-telling, astrology, phrenology, palmistry, clairvoyance, or related practices where a charge is made, or a donation is accepted for services, shall, before engaging in such business, trade or profession, make application for a business license in the form and manner prescribed by the City manager or his designee.

(2) The application shall include but shall not be limited to the information required on all business license applications submitted under Chapter 6-2 of the City's Code of Ordinances.

(b) Criminal background investigation required. Prior to the issuance of a business license, and for all renewal licenses issued, under this section, a criminal background investigation shall be required for every owner(s), manager(s), and employee(s) of the business.

(c) General operating provisions.

(1) It shall be the duty of all persons holding a business license under this section to annually file, along with the renewal application for the business license, the names of all employees, their home addresses, home telephone numbers, and any other places of employment. The holder of a business license issued under the provisions of this section must additionally report changes in the list of employees with the names and required supplemental information for new employees to be filed with the City manager or his designee within ten (10) days from the date of such change.

(2) It shall be the duty of any person granted a license under this section to maintain correct and accurate records of the names and addresses of the persons receiving services at such establishment; the type of service administered; and the name of the person at the establishment administering the services. The records shall be subject to inspection at any time by the City manager or his designee, or the City's chief of police.

(3) It shall be unlawful for any person under the age of eighteen (18) to patronize any fortune-telling or related establishment unless such person carries with him/her at the time of such patronage written permission of the underage person's parent or guardian. It shall be the duty of the holder of the business license to determine the age of the person attempting to patronize an establishment and to prohibit patronage by an underage person.

(4) Records required to be maintained under this section shall be kept for a minimum of two (2) years beyond the expiration date of the business license. Records shall be made available to the City manager or his designee, at a location in the City, within ten (10) business days of any such request.

(d) Inspection of registered establishments. The City manager or his designee or any City police officer shall have the authority to inspect establishments licensed under this section during the

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hours in which the premises are open for business. Such inspection shall be made for the purpose of verifying compliance with the requirements of this section.

(e) *Applicant disqualification.* No business license shall be granted to any person under the age of eighteen (18) or to any person who has been convicted, pled guilty or entered a plea of nolo contendere under any federal, state or local law of any crime involving moral turpitude, illegal gambling, any felony, criminal trespass, public indecency, misdemeanor involving any type of sex-related crime, any theft or violence against person or property, any crime of possession, sale or distribution of illegal drugs, distribution of material depicting nudity or sexual conduct as defined under state law, criminal solicitation to commit any of these listed offenses, attempts to commit any of these listed offenses, within the ten (10) year period preceding the date of application for such license and provided that the person has been released from parole or probation.

(f) *Permitted locations.* Fortune-telling, astrology, phrenology, palmistry, clairvoyance, or related businesses are permitted uses only in general business (G-B), light industrial (L-I), or heavy industrial (H-I) zoning districts. See Table 9-6-1 of the City's Unified Land Development Code. However, these businesses are not permitted in the midtown overlay district. See ULDC Sec. 9-8-7-6.

(g) *Violations; penalty; additional remedies.*

(1) Any person, firm, corporation, association or partnership violating any provisions of this section as the same exists or as it may hereinafter be amended, or failing to do anything required by this section as the same exists or as it may hereafter be amended, will be in violation of the law, and said violations shall be punishable as provided in section 1-1-7 of the City Code of Ordinances. Each person, firm, corporation, association or partnership shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this section is committed, continued or permitted by such person, firm, corporation, association or partnership and shall be punished accordingly.

(2) Any fortune-telling, astrology, phrenology, palmistry, clairvoyance, or related business operated, conducted, or maintained contrary to the provisions of this section shall be and is hereby declared to be unlawful and a public nuisance. In addition to or in lieu of any other penalties or remedies, the City may commence an action or actions to enjoin, abate, or remove any violations of the provisions of this section.

(3) Any violation of the provisions of this section shall be considered due cause for the suspension or revocation of any licenses issued by the City to the violating party. Such revocation or suspension shall occur by way of a hearing before the administrative hearing officer as provided in section 1-8-1 of the City Code of Ordinances.

Sec. 6-9-7. - Sale of goods, articles, or services.

It shall be unlawful for any person to sell goods, articles, or services of any nature on any street, park or other property of the City without first obtaining written permission from the City manager, or his designee, which permission will not be granted unless the request and proposed use of the property will be in full accordance and compliance with all written policies, procedures, guidelines and fees as mandated by the City's governing body.

Sec.6-9-8. - Poolrooms regulated.

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No person shall operate a poolroom or billiard room, except under the following rules:

- (1) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Licensee shall mean any person, firm or corporation who is duly licensed under the provisions of this section to conduct the business of a poolroom in the City of Gainesville.

Poolroom or billiard room shall mean any public place where there exists more than two (2) pool or billiard tables and where a person is permitted to play the game of pool or billiards for a charge imposed for the use of the equipment.

- (2) *License required.*

- a. A license shall be required to own and operate a poolroom or billiard room in the City. Licenses for the operation of a poolroom or billiard room in the City will be issued by the City manager or his designee and pursuant to this article.
- b. No person shall engage in the operation of a poolroom or billiard room without first obtaining all applicable licenses issued by the City.
- c. Upon the issuance of a license to operate a poolroom or billiard room, said license shall be displayed prominently at all times on the premises for which the license is issued.
- d. The City governing body designates the City manager for the purpose of administering this section. Any powers granted to or duties imposed upon the City manager may be delegated by the City manager to other City personnel.

- (3) *Application for license.*

- a.
 1. An application for a license under this section shall be filed with such City personnel and/or department as designated by the City manager upon forms provided by the City and shall be verified under oath.
 2. Each applicant is required to submit to a background investigation which shall include a criminal history check.
 3. If the applicant is a person other than the sole proprietor of the business, all owners, members, partners, officers, and/or stockholders holding a ten (10) percent or more interest in the entity shall be subject to the provisions of this section.
- b.
 1. The application shall be made in the owner's name.
 2. An applicant must be at least twenty-one (21) years of age and be a citizen of the United States or an alien admitted for permanent residence.
 3. An applicant, and if other than a sole proprietor, all owners, members, partners, officers, and/or stockholders shall not have been convicted, entered a plea of guilty or nolo contendere, been on probation, parole or been imprisoned within a period of ten (10) years prior to the date of the application for the violation of any of the following offenses of the United States, the State of Georgia, or any other state, or of any political subdivisions thereof:
 - i. Contributing to the delinquency of a minor;
 - ii. Any crime(s) involving children;

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- iii. Prostitution;
 - iv. Keeping a place of prostitution;
 - v. Possession, sale or distribution of illegal drugs;
 - vi. Driving under the influence of alcohol or drugs;
 - vii. Any felony;
 - viii. Criminal solicitation to commit any of these listed offenses;
 - ix. Attempts to commit any of these listed offenses.
- c. The applicant shall furnish proof that all licenses required by the State of Georgia have been obtained prior to the operation a poolroom or billiard room.
 - d. The applicant shall submit with the application both payment of the proper licensing fee as provided in title 10 of the City Code of Ordinances and the proper occupation tax calculated in accordance with Chapter 6-2 of the City's Code of Ordinances.
- (4) *Application; investigation.*
- a. The City manager or his designee shall conduct an investigation of the applicant.
 - b. The City will issue a license for the location designated in the application if it determines that:
 - 1. The required fees have been paid;
 - 2. The applicant meets all the requirements of this Chapter and other provisions of the City's Code of Ordinances;
 - 3. The applicant has not knowingly made any false statements in the application;
 - 4. The building, structure or location of the business as proposed by the applicant complies with all applicable zoning and building codes;
 - 5. The applicant has not had a poolroom license or other similar license or permit previously suspended or revoked; and
 - 6. The applicant, if a previous holder of any license to operate a business of this type, has not violated any law, regulation or ordinance relating to this type of business.
- (5) *General regulations.*
- a. The poolroom or billiard room shall always be open to the inspection by City code enforcement officers or City police officers during operating hours, and no disorder of any kind will be allowed under penalty of forfeiting the license granted to operate the same.
 - b. The poolroom or billiard room shall not permit any screens, curtains, blinds, partitions, or other obstructions to be used to prevent a clear view of the interior of the establishment from outside the establishment, which clear view must be maintained at all times. No partitions forming rooms, stalls or other enclosures shall be permitted within the establishment.
 - c. No billiard or pool tables shall be operated or played upon unless located on the ground floor of the business establishment.

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- d. No person under the age of eighteen (18) years shall be allowed on the premises of the poolroom or billiard room by the licensee, or an agent or employee of a licensee. It shall be the duty of the licensee, agent or employee to verify the age of persons patronizing the poolroom or billiard room.
 - e. No owner, operator, manager, employee or agent of a poolroom or billiard room open for public use, shall allow the use of any dice, cards, dominoes or other games of chance or any form of gambling on the premises, nor shall any checks, tokens or tickets be given which can be redeemed for merchandise or cash.
 - f. No poolroom shall allow any noise or music to be so loud as to be heard outside the walls or ceiling of the business establishment.
 - g. Alcoholic beverages are prohibited on the premises of any poolroom or billiard room.
 - h. No poolroom shall open on Sundays, or between the hours of midnight and 6:00 a.m. during any weekday.
- (2) *License; denial, transfer, revocation or suspension.*
- a. Before the denial of any application for a poolroom or billiard room license, or for the transfer of any poolroom or billiard room license, or the revocation or suspension of any existing poolroom or billiard room license, the applicant or licensee, as the case may be, shall be given notice in writing from the City manager or his designee to show cause before the administrative hearing officer at a time and place specified in the notice not less than three (3) days nor more than thirty (30) days from the date of service of the notice why such application for license or for transfer of license should not be denied, or why such license should not be revoked or suspended as the case may be, stating the grounds therefore, and at the appointed time and place the applicant or licensee shall have an opportunity to show cause, if any exist, why such application or transfer should not be denied or such license revoked or suspended, after which the administrative hearing officer shall take such actions as he or she, in his or her judgment and discretion, shall deem warranted under the facts. All decisions of the administrative hearing officer shall be in writing with reasons therefore stated and mailed or delivered to the applicant or licensee.
 - b. Any person aggrieved by the action or decision of the administrative hearing officer to deny an application or request to transfer a license applied for under the provisions of this section or the revocation or suspension of a license shall have the right to appeal such action or decision to the city council within thirty (30) days after the action or decision has been mailed to the applicant or licensee's address as shown on the license application form, or to his last known address.
 - c. An appeal shall be taken by filing with the City clerk a written statement setting forth the grounds for the appeal.
 - d. The clerk shall transmit the written statement to the City manager within ten (10) days of its receipt and the City manager shall set a time and place for a hearing on the appeal before the City governing body.
 - e. A hearing shall be set not later than thirty (30) days from the date of receipt of the appellant's appeal.
 - f. The hearing herein provided for need not be at a regular meeting of the City governing body, but may be at such time and place as shall be fixed in such notice of hearing.

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- g. At any hearing as provided herein, the party afforded the hearing shall have the opportunity to present evidence and cross-examine witnesses.
- h. The hearing herein provided shall be de novo.
- i. All decisions denying, approving, suspending or revoking any application or request for transfer of license shall be in writing with the reasons therefor stated and mailed or delivered to the applicant.
- j. The decision of the City governing body shall be final unless appealed by certiorari to the Superior Court of Hall County, Georgia.
- k. In all instances of a denial of any application for a poolroom or billiard room license or the revocation of any existing poolroom or billiard room license, the applicant, licensee or any person(s) with twenty-five (25) percent or more interest in the applicant or licensee, shall not reapply for a license for at least one (1) year from the final date of the denial or revocation.

Sec. 6-9-9. - Licensing of bingo games.

- (a) No nonprofit, tax exempt organization shall be permitted to operate a bingo game until it has obtained a license from the City authorizing it to do so.
- (b) Any nonprofit, tax exempt organization desiring to obtain a license to operate bingo games shall make application to the City on forms prescribed by the City and shall pay an annual fee as provided in Title 10 of the City Code of Ordinances. No license shall be issued to any nonprofit, tax exempt organization unless such organization has been in existence for twenty-four (24) months immediately prior to the issuance of the license. Such license will expire at midnight on December thirty-first, following the granting of such license. Renewal applications for each calendar year shall be filed with the City sixty (60) days prior to January first of each year and shall be on a form prescribed by the City. Each application for a license and each application for renewal of a license shall contain the following information:
 - (1) The name and home address of the applicant, and if the applicant is a corporation, association or other similar legal entity, the names and home addresses of each of the officers, members, partners, or shareholders of the organization as well as the names and addresses of the directors, or other persons similarly situated, of the organization.
 - (2) The names and home addresses of each of person who will be operating, advertising or promoting the bingo game.
 - (3) The names and home addresses of any person, organization or other legal entity that will act as surety for the applicant, or to whom the applicant is financially indebted, or to whom any financial obligation is owed by the applicant.
 - (4) A determination letter from the federal internal revenue service certifying that the applicant is an organization exempt under federal tax law.
 - (5) A determination letter from the state department of revenue certifying that the applicant is exempt under the tax laws of the state.
 - (6) The location at which the applicant will conduct the bingo games, and if the premises on which the games are to be conducted is to be leased, a copy of the lease or rental agreement.
 - (7) A statement showing the convictions, if any, for criminal offenses, other than minor traffic offenses, of each of the persons listed in (1), (2) and (3) above.

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The City shall refuse to grant a bingo license to any applicant who fails to fully provide the information required by this section.

- (c) Bingo games shall be operated only on premises owned by the nonprofit, tax exempt organization operating the bingo game, on property leased by the nonprofit, tax exempt organization and used regularly by that organization for purposes other than the operation of bingo games, or on property leased by the nonprofit, tax exempt organization operating the bingo game, from another nonprofit, tax exempt organization.
- (d) The licensee shall:
 - (1) Own all the equipment used to conduct a bingo game or lease such equipment from an organization that is also licensed to conduct a bingo game.
 - (2) Display its bingo license conspicuously at the location where the bingo game is conducted.
 - (3) Conduct bingo games only at the single location specified in the licensee's application.
 - (4) Not conduct more than one (1) bingo session during any one (1) calendar day and such session shall not exceed five (5) hours.
- (e) No person under the age of eighteen (18) years shall be permitted to play any game or games of bingo conducted pursuant to any license issued under this section or issued by the state unless accompanied by an adult. No person under the age of eighteen (18) years shall be permitted to conduct or assist in the conduct of any game of bingo pursuant to any license issued under this section or issued by the state.
- (f) The City manager or his designee shall have the specific authority to suspend or revoke any license for any violation of the provisions of this section after hearing before the administrative hearing officer in accordance with the rules and regulations governing the revocation and suspension of alcoholic beverage licenses.
- (g) By making applications for a license under this section, every applicant herewith consents that the City, as well as any of its agents for the City police department may come upon the premises of any licensee or upon the premises on which any licensee is conducting a bingo game for the purpose of examining the accounts and records of the licensee to determine if a violation of any provisions of this section have occurred.
- (h) The licensee shall provide to the City notice immediately upon receiving a suspension, notice of the violation, or revocation of its license issued by the state. In the event the licensee fails to provide such information to the City, then the licensee shall have its license revoked hereunder.
- (i) Notwithstanding the foregoing provisions, the licensee shall at all times comply with all state laws and rules and regulations issued by the state department of revenue pertaining to O.C.G.A. § 16-12-50 et seq.

Sec. 6-9-10. - Itinerant carnivals or amusements, to be permitted.

It shall be unlawful for any person to set up, maintain or exhibit any itinerant carnivals or similar forms of itinerant amusement within the City limits without first obtaining a special event permit as provided for in Chapter 6-7 of the City's Code or Ordinances.

ORDINANCE NO. 2019-

SECTION II.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION III.

If any portion of this ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair the remaining portions unless it clearly appears that such other parts are wholly and necessarily dependent upon the part held to be invalid and unconstitutional.

SECTION IV.

The effective date of this ordinance shall be upon approval by the governing body of the City of Gainesville, Georgia.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this ordinance was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/10/2019
Presenter: Bryan Lackey
Item of Business: Resolution: Property Acquisition from Liberty Utilities Corp.
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to authorize the purchase of property from Liberty Utilities (Peach State Natural Gas) Corp.

History/Background:

There is a desire to continue efforts to provide recreational opportunities for the citizens of Gainesville.

Facts & Issues for Consideration:

The proposed resolution authorizes the purchase of the property located at 422 SW Banks Street in the amount of \$95,000.00.

Department Recommendation:

Adopt the resolution as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested:

\$95,000

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
❑ Property Acquisition from Liberty Utilities (Peach State Natural Gas) Corp.	Resolution
❑ Liberty Utilities Real Estate Purchase and Sale Agreement	Contract/Agreement/MOU
❑ IGA Exhibit A	Attachments/Exhibits

RESOLUTION BR-2019-

Property Acquisition from Liberty Utilities (Peach State Natural Gas) Corp.

WHEREAS, the governing body of the City of Gainesville, Georgia (the "City") has a desire to continue its efforts to provide recreational opportunities for the citizens of Gainesville; and

WHEREAS, the property owned by Liberty Utilities (Peach State Natural Gas) Corp. (the "Seller"), located at 422 SW Bank Street, as more particularly described in the Real Estate Purchase and Sale Agreement described below, will be used by the City to provide recreational opportunities for the public; and

WHEREAS, the governing body for the City desires to purchase said property.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville does hereby adopt and ratify the Real Estate Purchase and Sale Agreement between the City and the Sellers, with an effective date of November 5, 2019, and does hereby authorize the purchase of the property owned by the Seller and directs the Mayor, the City Manager and the City Attorney to execute the Real Estate Purchase and Sale Agreement with Gainesville and the Seller, as well as all other such documents and agreements that may be necessary to complete the closing of the purchase of the property.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

STATE OF GEORGIA

COUNTY OF HALL

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (this "Agreement") is made and entered into by and between Liberty Utilities (Peach State Natural Gas) Corp., a domestic profit corporation of the State of Georgia (the "Seller"), and The City of Gainesville, Georgia (the "Purchaser");

WHEREAS, Seller is the owner of that certain parcel of real property located in the City of Gainesville, Hall County, Georgia, known as 422 SW Banks Street, being tax parcel number 01013 003009 and depicted as a portion of the property shown on the attached Exhibit "A" (collectively "the Property").

WHEREAS, Purchaser desires to purchase the Property and Seller desires to sell the Property pursuant to the terms and conditions of this Agreement;

W I T N E S S E T H:

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Purchaser hereby agree as follows:

1.1 Agreement of Purchase and Sale. Purchaser agrees to purchase and the Seller agrees to sell, subject to the terms and conditions set forth in this Agreement, the Property.

1.2 Purchase Price. The purchase price to be paid by the Purchaser to the Seller for the Property shall be Ninety-Five Thousand and no/100 (95,000.00) Dollars (the "Purchase Price") and shall be paid by Purchaser to Seller at Closing as follows: All cash at closing.

1.3 INTENTIONALLY OMITTED

1.4 Purchaser's obligations are contingent upon satisfactory completion of any and all inspections set forth below.

1.5 Effective Date. The parties hereto agree that for all purposes of this Agreement, the Effective Date of this Agreement shall be the date that this Agreement is executed by Seller.

1.6 Inspection Period. Purchaser, at Purchaser's sole cost and expense shall have the right to conduct an inspection of the Property for a period from the effective date,

through and including that date which is sixty (60) days after the Effective Date (the "Inspection Period"). The inspection may include economic, engineering, financing, environmental, regulatory and any other factor relating to Purchaser's use of the Property. During the Inspection Period, and thereafter if Purchaser does not terminate this Agreement, Seller shall give Purchaser and Purchaser's agent and representatives reasonable access to the Property during normal business hours for purposes of inspecting and conducting such tests as are reasonable and necessary for Purchaser to determine if the Property is satisfactory for Purchaser's intended use

All inspections conducted by Purchaser pursuant to this Contract shall be non-invasive in nature, and shall not include any invasive Phase II or other sampling or testing unless otherwise agreed to in writing by Seller, subject to Seller's review and approval of a proposed scope of work for such activities, which may be granted or withheld at Seller's sole discretion. Purchaser shall ensure that: (a) all of its affiliates, employees, advisors, contractors, representatives or agents ("Representatives") who enter the Property shall have adequate, commercially reasonable insurance; (b) no liens shall be placed on the Property or levied against Seller as a result of Purchaser's inspection; and (c) the Property is restored to the same or similar condition as existed prior to any entry.

Purchaser expressly agrees that the results of any environmental investigation, review, sampling or analyses obtained by Purchaser in the course of or in connection with the inspections conducted hereunder shall remain confidential to Purchaser and its Representatives through the date of Closing and shall not be disclosed to Seller, the Georgia Environmental Protection Division, any other governmental entity or to any other third parties prior to Closing. These confidentiality obligations shall survive the termination of this Contract.

Purchaser shall indemnify, hold harmless from and defend Seller, and his agents, affiliates, successors and assigns, from and against any and all liabilities, claims, causes of action, damages, losses, penalties, forfeitures, suits, costs and expenses (including without limitation, investigation costs, costs of defense, settlement and reasonable attorneys' fees) incurred or arising in connection with Purchaser's or any Representative's breach of the confidentiality and other obligations set forth in this Contract, entry onto the Property or enforcement of this indemnity. All indemnification obligations contained herein shall survive the Closing and any termination of this Contract.

"AS IS" PURCHASE

To the maximum extent permitted by applicable law and except for Seller's representations and warranties specifically set forth above ("Seller's Warranties"), the transactions contemplated by this Contract are made and will be made without representation, covenant, or warranty of any kind (whether express, implied, or, to the

maximum extent permitted by applicable law, statutory) by Seller. As a material part of the consideration for this Contract, Purchaser agrees to accept the Property on an "AS IS" and "WHERE IS" basis, with all faults and any and all latent and patent defects, and without any representation or warranty, all of which Seller hereby disclaims, except for Seller's Warranties. Except for Seller's Warranties, no warranty or representation is made by Seller as to (a) fitness for any particular purpose, (b) merchantability, (c) design, (d) quality, (e) condition, (f) operation or income, (g) compliance with drawings or specifications, (h) absence of defects, (i) absence of hazardous or toxic substances, (j) absence of faults, (k) flooding, or (l) compliance with laws and regulations including, without limitation, those relating to health, safety, and the environment. Purchaser acknowledges that Purchaser has entered into this Contract with the intention of making and relying upon its own investigation of the physical, environmental, economic use, compliance, and legal condition of the Property and that Purchaser is not now relying, and will not later rely, upon any representations and warranties made by Seller, respectively, or anyone acting or claiming to act, by, through or under or on Seller's behalf concerning the Property, except for Seller's Warranties.

From and after the date of Closing, Purchaser, for itself and its Representatives, successors-in-title, successors and assigns, hereby releases, indemnifies, holds harmless and forever discharges Seller and his agents, affiliates, successors and assigns (collectively the "releasees") from any and all rights, claims and demands, damages and losses at law or in equity, whether known or unknown at the time of this Contract, which Purchaser has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property, including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, et seq.) or any similar federal, state or local statute, rule or regulation and any and all matters affecting the Property.

1.7 Right of Termination. If Purchaser discovers any matter during the Inspection Period that is unacceptable to Purchaser for any reason, in Purchaser's sole discretion, Purchaser may terminate this Agreement by giving Seller written notice thereof (the "Termination Notice") at any time prior to the expiration of the Inspection Period. If Purchaser fails to timely give the Termination Notice prior to the expiration of the Inspection Period, upon expiration of the Inspection Period, Purchaser shall be deemed to have waived its rights to terminate this Agreement. If the Purchaser provides the Termination Notice prior to the expiration of the Inspection Period, the parties shall have no further right or obligation hereunder; provided however, Purchaser shall be obligated to comply with its restoration and indemnification obligations set forth in this Section. Time is of the essence in regard to termination as set forth herein.

1.8 Seller's Documentation Delivery. Not later than 5:00 P.M., on the second (2nd) business day after the Effective Date, Seller shall deliver to Purchaser and Purchaser's attorney any and all such documents concerning the title and condition of the Property as are known to Seller, including but not limited to all deeds, plats, surveys, maps, drawings, plats, title insurance policies, title reports, environmental reports, soils analysis, engineering reports, appraisals, tax bills, tax assessment notices, declarations of

covenants or conditions in effect on the Property, any permits applicable to the Property, and the reports of any other kind or nature. Seller will additionally deliver a full copy of any and all current leases, together with any amendments or extensions thereof, and rent rolls for the property. Purchaser may provide a list of additional requested documentation to Seller and Seller agrees to deliver all such available documents within five (5) business days. The information, other than matters of public record or matters generally known to the public, furnished to, or obtained through inspection of the Property by, Purchaser, its affiliates, lenders, employees, attorneys, accountants and other professionals or agents relating to the Property, will be treated by Purchaser, its affiliates, lenders, employees, agents, and current and prospective investors as confidential. Should the Closing fail to occur for any reason, Purchaser shall deliver to Seller all existing copies of the Property Information within three (3) business days of the Closing date.

1.9 Condition of Property. Seller represent that at the closing any and all improvements located thereon will be in the same condition as they are on the Effective Date of this Agreement. Seller shall convey title to the Property to Purchaser via limited warranty deed.

1.10 Permitted Exceptions. Title to the Property shall be free and clear of liens and encumbrances, except for: (i) zoning; (ii) current year's and future ad valorem taxes and assessments affecting the Property which are not yet due and payable; (iii) any liens, encumbrances or other title exceptions approved or waived by Purchaser as provided in Section 1.11.

1.11 Title Examination. Purchaser will complete its examination of the title to the Property during the Inspection Period. As part of this examination, Purchaser will obtain, and Purchaser will pay for at closing, a title insurance certificate and commitment showing Seller's title to the Property to be marketable in fact. Purchaser shall notify Seller in writing of any objections or defects to the title. If Purchaser delivers notice of any such objections or defects, then Seller, within ten (10) days after receipt of such notice, shall either elect: (i) not to cure any such defects or (ii) to promptly attempt to cure any such defects before Closing. Seller's failure to send written notice to Purchaser within such ten (10) day period electing to either not cure or attempt to cure such defects shall be deemed an election by Seller not to cure such defects. If Seller refuses to cure such defects, then, no later than ten (10) days after receipt of Seller's notice refusing to cure, or the deemed refusal to cure, Purchaser shall elect as its sole remedy to either: (i) terminate this Agreement by giving written notice thereof to Seller, in which event: (a) this Agreement shall thereupon be of no further force and effect; (b) no party hereto shall have any further rights, duties or obligations hereunder; and (c) Seller shall instruct the Escrow Agent to return the balance of the Earnest Money to Purchaser; or (ii) accept the title to the Property subject to the defects without adjustment to the Purchase Price and proceed to Closing as set forth herein. At closing, the Purchaser is to pay all premiums necessary to convert the title insurance commitment to a Purchaser's title insurance policy in the full amount of the purchase price.

1.12 Survey. Purchaser may obtain at its expense, as soon as practical after the effective date, an ALTA/ACSM Survey according to Purchaser's specifications, complete with utilities, and showing the Property and the total acreage to the nearest 1/100th acre.

Purchaser shall notify Seller in writing of any objections or defects to the Property revealed by the Survey. If Purchaser delivers notice of any such objections or defects, then Seller, within ten (10) days after receipt of such notice, shall either elect: (i) not to cure any such defects or (ii) to promptly attempt to cure any such defects before Closing. Seller's failure to send written notice to Purchaser within such ten (10) day period electing to either not cure or attempt to cure such defects shall be deemed an election by Seller not to cure such defects. If Seller refuses to cure such defects Purchaser shall elect as its sole remedy to either: (i) terminate this Contract by giving written notice thereof to Seller, in which event no party hereto shall have any further rights, duties or obligations hereunder; or (ii) accept the survey to the Property subject to the defects without adjustment to the Purchase Price and proceed to Closing as set forth herein.

1.13 INTENTIONALLY OMITTED

1.14 Utilities. Purchaser shall confirm the availability of any and all utilities servicing the Property, including, without limitation, public water, sanitary sewer, storm sewer, electric, natural gas, and telephone and that each such utility service has sufficient capacity to serve the intended use by Purchaser.

1.15 Existing Leases. Seller will not amend, modify, extend, alter or terminate any existing lease, contract or agreement affecting the Property, or enter into any new lease, contract or agreement affecting the Property during the term of this Agreement. Notwithstanding this prohibition, Seller will be permitted to extend any expired or expiring lease on a month to month basis.

1.16 Flood Determination. Purchaser shall confirm that the Property is not within the 100-year flood plain as established by FEMA.

1.17 INTENTIONALLY OMITTED

1.18 Closing Date. Closing shall be on or before thirty (30) days following the end of the Inspection Period.

1.19 Closing Location. Closing shall take place at Hulsey, Oliver & Mahar, LLP or at such other location as chosen by Purchaser.

1.20 Title. There shall be conveyed at closing, good and marketable, fee simple title to the Property by limited warranty deed. Good and marketable fee simple title is hereby defined as title which is insurable by First American Title Insurance Company at its standard rates on an ALTA Owner's Policy. The Property shall be described according to survey obtained pursuant to Section 1.12 above.

1.21 Seller's Obligations at Closing. At Closing, Seller, at its sole cost and expense, shall deliver to the Purchaser the following:

- a) Limited Warranty Deed in recordable form conveying good, marketable and insurable title to the Property;
- b) A Non-Foreign Affidavit;
- c) Seller's Affidavit acceptable to Purchaser's title insurance company;
- d) Affidavit allowing Purchaser to properly comply with 1099 reporting requirements;
- e) Certification that there are no existing leases encumbering all or any portion of the Property;
- f) Written confirmation that any and all management and service contracts have been terminated, or assigned to Purchaser, at Purchaser's sole election;
- g) An executed closing statement (the "Closing Statement") setting forth in reasonable detail the financial transaction contemplated by this Agreement, including without limitation the Purchase Price, all prorations, the allocation of costs specified herein, and the source, application and disbursement of all funds. Purchaser shall be responsible for preparing the Closing Statement.

1.22 Purchaser's Obligations at Closing. At Closing, Purchaser, at its sole cost and expense, shall deliver to Seller the following:

- a) Immediately available funds payable to the Seller representing the cash portion of the Purchase Price, prorations and other items reflected on the closing statements;
- b) Such documents as are reasonably required to fully authorize the purchase of the Property by Purchaser and execution of all Closing documents;
- c) The Closing Statement;

1.23 Costs. Purchaser shall pay all costs and fees related to any title policy, title commitment, survey, appraisal, environmental audits and the recording of the deed. Seller shall pay any real estate transfer tax associated with the conveyance that may be imposed on the transaction. Seller and Purchaser shall pay the fees of their own attorneys for services related to the preparation and negotiation of this Agreement and the purchase and sale of the Property.

1.24 Prorations. Ad valorem taxes on the Property for the year of closing shall be prorated at Closing, effective as of the Closing Date, based on actual amounts, if known, and if not, then on the best available estimates thereof. Provided that Seller receives the Purchase Price, the date of closing will be attributable to Purchaser. If tax assessments for the Property for the current year are unavailable as of the Closing Date, said ad valorem taxes shall be prorated or adjusted based upon the immediately preceding tax year figures. The parties shall cooperate to transfer all utility services to the Property, effective as of the Closing Date; provided, however, Seller will be responsible for all charges applicable to the period prior to the Closing Date, and Purchaser shall be responsible for all charges applicable to the period from and after the Closing Date. All taxes, assessments and charges due and payable with respect to the Property after Closing shall be the responsibility of Purchaser. The provisions of this Article shall survive closing.

Additionally, any and all rents and other operating expenses, if any, will be pro-rated at closing.

1.25 General Obligations of Purchaser and Seller. At Closing the Seller and Purchaser shall cause to be delivered such other instruments and documents as may be reasonable, necessary and appropriate to complete the Closing of this transaction.

1.26 Possession. Seller agrees to deliver possession of the Property to Purchaser on the Closing Date and after consummation and funding of the transaction described herein.

1.27 Default by Purchaser. If Purchaser fails to perform any of its obligations under this Agreement for any reason other than Seller's default or the permitted termination of this Agreement by either Seller or Purchaser as herein expressly provided, Seller shall be entitled, as its sole remedy, to terminate this Agreement and receive the balance of the Earnest Money deposited by Purchaser as liquidated damages for the breach of this Agreement, it being agreed between the parties that the actual damages to Seller in the event of such breach are impractical to ascertain and the amount of the Earnest Money is a reasonable estimate thereof.

1.28 Default by Seller. In the event that Seller fails to perform any of its obligations under this Agreement for any reason other than Purchaser's default or the permitted termination of this Agreement by Seller or Purchaser as herein expressly provided, Purchaser shall be entitled, as its sole remedy to seek to enforce specific performance of Seller's obligation to do all things reasonably necessary to execute the documents required by this Agreement and to convey title to the Property to Purchaser. Purchaser shall be deemed to have elected to terminate this Agreement if Purchaser fails to file suit for specific performance against Seller on or before thirty (30) days following the date upon which Closing was to have occurred.

1.29 Condemnation. If, at any time prior to the Closing, any action or proceeding is filed or threatened under which the Property, or any portion thereof, may be taken pursuant to condemnation, then, at the option of Purchaser: (a) this Agreement shall terminate and the balance of the Earnest Money shall immediately be returned to Purchaser, and no party hereto shall have any further rights, liabilities or obligations hereunder; or (b) this Agreement shall remain in full force and effect, and Seller, at the time of closing hereunder, shall transfer and assign to Purchaser all of Seller's right, title and interest in and to any proceeds received or which may be received by reason of such taking, or a sale in lieu thereof, said option to be exercisable by Purchaser by delivering to Seller written notice of such exercise on or before the fifteenth (15th) day following the date on which Purchaser receives from Seller written notice that such suit has been filed or is threatened, but in no event later than the date of closing hereunder. If Purchaser fails to exercise said option within said fifteen (15)-day period, then Purchaser shall be deemed to have elected the alternative set forth in subsection (a) above.

1.30 Commissions. Purchaser and Seller each warrant and represent to the other that such party has not employed a real estate broker or agent in connection with the transaction contemplated hereby. Each party agrees to indemnify and hold the other harmless from any loss or cost suffered or incurred by it as a result of the other's representation herein being untrue. This provision shall survive the Closing or any termination of this Agreement.

1.31 Assignment. Neither party may assign this Agreement without the prior written consent of the other. Any such prohibited assignment shall be void. Notwithstanding the foregoing Purchaser shall entitled to assign the rights of Purchaser to another entity controlled by the same owners created for the purpose of this transaction.

1.32 Entire Agreement. This Agreement embodies the entire agreement of the parties hereto and can be modified or varied only by a written instrument subscribed to by all parties hereto.

1.33 Time of Essence. Time is of the essence of this Agreement.

1.34 Notices. Any notice, request, demand, instruction, or other communication to be given to either party hereunder, except those required to be delivered at Closing, shall be in writing, and shall be deemed to be delivered upon receipt, if hand delivered or delivered by overnight delivery service, or upon deposit in certified mail, return receipt requested, addressed as follows:

If to Purchaser: City of Gainesville
 Attention: Bryan Lackey
 300 Henry Ward Way
 Gainesville, GA 30501
 Phone 770-535-6860
 Email: blackey@gainesville.org

With a copy to: Hulsey, Oliver and Mahar, LLP
 Attention: Abbott S. Hayes, Jr.
 200 E. E. Butler Parkway
 Gainesville, GA 30501
 Phone: 770-532-6312
 Email: ash@homlaw.com

If to Seller: Georgia Gas Company

With a copy to: James M. Walters
311 Green St., Suite 103
Gainesville, GA 30501
Phone : 770-536-3264
jim@thewaltersfirm.com

1.35 Change of Address. The addresses and addressees for the purpose of this Article may be changed by either party by giving notice of such change to the other party in the manner provided for giving notice.

1.36 Captions. The captions used in connection with the paragraphs of this Agreement are for convenience only and shall not be deemed to construe or limit the meaning of the language contained in this Agreement, or be used as interpreting the meanings and provisions hereof.

1.37 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

1.38 Responsibility to Cooperate. All parties agree to take all actions and do all things reasonably necessary to fulfill the terms and conditions of this Agreement in good faith and in a timely manner. Purchaser and Seller shall execute and deliver such certifications, affidavits, and statements as are required at closing to meet the requirements of any lender(s) and of federal and state law.

1.39 Construction. The parties acknowledge that their attorneys have reviewed and negotiated the provisions of this Agreement; therefore, the rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

1.40 Governing Law. This Agreement shall be construed and interpreted under the laws of the State of Georgia, without regard to any conflicts of law doctrine of such state.

1.41 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the Agreement of the parties.

1.42 Special Stipulations. The following Special Stipulations, if conflicting with any exhibit, addendum or preceding paragraph (including changes thereto made by the parties), shall control:

IN WITNESS WHEREOF, this instrument has been executed in multiple copies of the dates set forth below, and each executed copy shall be deemed an original for all purposes.

Purchaser:

CITY OF GAINESVILLE

By: _____
Bryan Lackey, City Manager

Attest: _____
Denise O. Jordan, City Clerk

Date: _____

CITY SEAL

Approved as to form:

Abbott S. Hayes, Jr.

Date: _____

Seller:

LIBERTY UTILITIES (PEACH STATE NATURAL GAS) CORP.

By: _____

Attest: _____

Date: _____

CORPORATE SEAL

ASHW227762

EXHIBIT "A"

DEED RECORD NO. 60, HALL COUNTY, GA.

STATE OF GEORGIA, **HALL AND TROUP** County **B**
 THIS INDENTURE, Made the **23rd** day of **August** In the year of our Lord One
 Thousand Nine Hundred and **Thirty**, between **O. B. Romberg & H. W. Caldwell**
 of the county of **Hall and Troup** and State of **Georgia** of the First Part, and
Georgia Gas Company of the county of **Georgia** of the Second Part,
 and State of **Georgia** ✓

Witnesseth, That the said part **1st** of the First Part, for and in consideration of the sum of

FIFTEEN HUNDRED & NO/100

DOLLARS

In hand paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, have granted, bargained, sold, aliened, conveyed, and confirmed, and by these presents do grant, bargain, sell, alien, and convey and confirm unto Party of the Second Part **its** heirs and assigns, all the following described property, to wit:

A lot of land in City of Gainesville, Hall County, Georgia, Beginning at a stake at the intersection of Gordon Avenue and Banks Street; said point being the S. W. corner of said lot; thence a Northerly direction with Gordon Avenue 100 feet to a stake; thence an Easterly direction 219.5 feet to a stake on Gainesville Midland Railway Company right-of-way; thence a Southerly direction with said Right of way to a stake on Banks Street a distance of 104.2 feet; thence a Westerly direction with Banks Street 190 feet to beginning corner. Containing 48/100 acres, more or less, and being part of the land registered by O. B. Romberg and W. H. Caldwell, and being off the South side or end of said registered tract. Plat of registered tract is recorded in Plat Book 2, page 124, July 14th, 1930 in Clerk's Office, Hall County, Georgia. (For back chain of title see Books 59-page 475; 56-page 504; 57-page 126; 22-page 540.)

TO HAVE AND TO HOLD The said above granted and described property, with all and singular the rights, members and appurtenances thereunto appertaining, to the only proper use, benefit, and behoof of the said part **y** of the Second Part, **its** **SUCCESSORS**, **its** **heirs**, executors, administrators, and assigns, in FEE SIMPLE; and the said Part **1st** of the First Part the said **heirs**, executors, administrators, and assigns, against the said parties of the First Part **their** **SUCCESSORS**, **its** **heirs**, executors, administrators, and assigns, against the said parties of the First Part **their** heirs, executors, administrators, and assigns, and all and every other person or persons, shall and will and does hereby warrant and forever defend, by virtue of these presents.

In Witness Whereof, The said Part **1st** of the First Part have hereunto set **their** hand and affixed **their** seal, and delivered these presents, the day and year above written.

Signed, sealed and delivered in the presence of—

Madge Jones,

R. W. Smith, C.B.C.

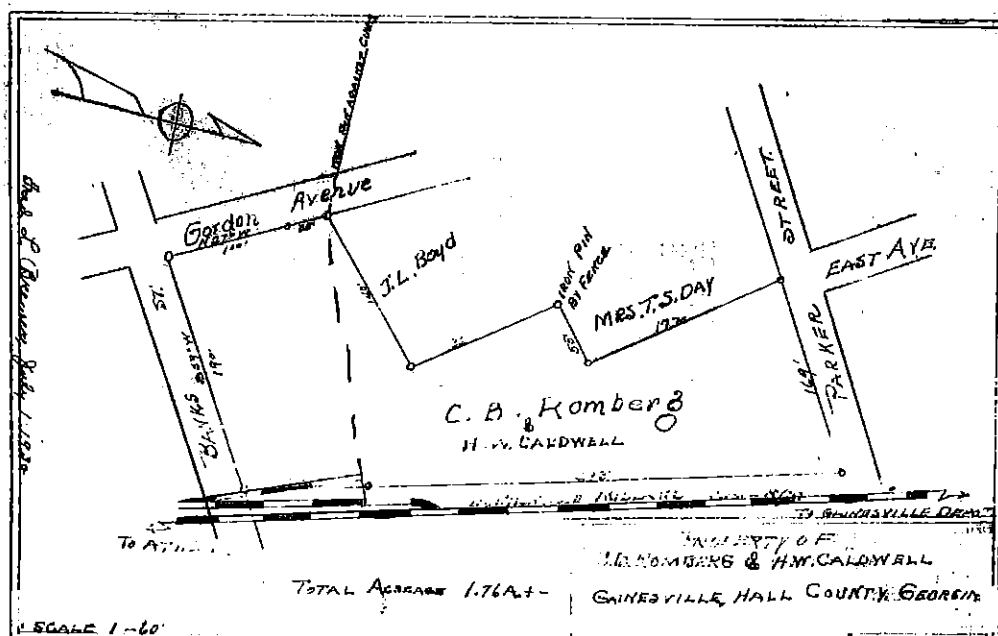
H. W. CALDWELL (Seal.)

O. B. ROMBERG (Seal.)

Recorded this **23rd** day of **August**;

1930

R. W. Smith, Clerk.



Received July 14-1930
NORFOLK and

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/10/2019

Presenter: Angela Sheppard

Item of Business: Resolution: Tax Allocation District (TAD) Funding for Wimberly Funeral Home

Meeting Date: 12/12/2019

Purpose of Request:

Resolution to authorize TAD Funding for Wimberly Funeral Home in the amount of \$19,396 for demolition and parking, with conditions.

History/Background:

The TAD Advisory Committee met on December 5th and recommended approval of the application.

Facts & Issues for Consideration:

Department Recommendation:

Approval of the Resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ Resolution: TAD Funding for Wimberly Funeral Home	Resolution
☐ TAD Advisory Committee Report	Powerpoint Presentation

RESOLUTION BR-2019 - ____

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR “WIMBERLY FUNERAL HOME”
AT 325 SUMMIT STREET**

WHEREAS, the governing body for the City of Gainesville is committed to the success of the redevelopment of Midtown Gainesville into a live, work and play area; and

WHEREAS, on October 17, 2006 the governing body for the City of Gainesville adopted the Midtown Redevelopment Plan and created Tax Allocation District (TAD) Number One – Midtown pursuant to the Georgia Redevelopment Powers Law (O.C.G.A. § 36-44-1 et seq.) as the next steps in the City’s redevelopment effort to reinvigorate Midtown; and

WHEREAS, the City of Gainesville will only consider applications for TAD financing for purposes or uses that are consistent with the definition of “redevelopment” as defined in the Georgia Redevelopment Powers Law [O.C.G.A. § 36-44-3(5)], with said eligible purposes or uses including public works and utilities, telecommunications infrastructure, street/streetscape improvements, parks and open space amenities, transit facilities and public parking structures, pedestrian amenities and safety improvements, and site preparation; and

WHEREAS, upon approval of a request for TAD funding, a TAD Development Agreement between the applicant/developer and the City shall be executed, and shall specify the eligible expenses, what method of funding will be utilized (i.e. pay-as-you-go, bank financing, bond financing or other method), and any special conditions and performance standards of the developer; and

WHEREAS, an application involving the renovation and expansion of an existing funeral home and associated parking at 325 & 315 Summit Street was reviewed by the TAD Advisory Committee and determined to achieve the TAD criteria; and

WHEREAS, the TAD Advisory Committee unanimously recommended approval of the TAD funding request of up to \$19,396 for the following uses with the following conditions and payment schedule:

Use:

- **Demolition**
- **Construction of Parking Lot**

Conditions:

- **Permitted project must be in substantial conformance with the architectural renderings and budget submitted with the TAD application**
- **Reimbursement is to occur after a Certificate of Occupancy has been obtained for the proposed new addition to Wimberly Funeral Home.**

Payment Schedule:

Up to \$19,396 in TAD funds shall be made payable upon submittal of paid invoices for the purchase of and/or labor to complete or install the items specified under “Use” above.

RESOLUTION BR-2019 - ____

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR “WIMBERLY FUNERAL HOME”
AT 325 SUMMIT STREET**

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves the TAD application of up to \$19,396 for “Wimberly Funeral Home” at 325 & 315 Summit Street.

BE IT FURTHER RESOLVED THAT that the governing body for the City of Gainesville hereby approves funding for the redevelopment improvement from the fund balance of the Tax Allocation District Fund.

BE IT FURTHER RESOLVED THAT the governing body authorizes the City Manager and City Attorney to prepare and execute a TAD Development Agreement to effectuate the terms and conditions of the funding, use and payment schedule.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF
GAINESVILLE

REPORT FROM
TAD ADVISORY COMMITTEE



WIMBERLY FUNERAL HOME

315 & 325 Summit Street

WIMBERLY FUNERAL HOME

- Expansion of funeral home & renovation of current facility
- Demolition of house at 315 Summit St.
- Addition to include:
 - New Chapel to seat 169 people
 - Gathering space
 - Approximately 1500 square feet
 - Additional Parking



EXHIBIT C - ARCHITECTURAL ELEVATIONS

REVISIONS

DATE REVISION BY

NOTES



1 CONCEPTUAL RENDERING
Elev. 101



2 CONCEPTUAL RENDERING
Elev. 102



3 CONCEPTUAL RENDERING
Elev. 103

This set of drawings, when taken together, are intended to provide a general impression of the proposed project. It is not intended to be used for construction or other purposes. The drawings are not to be used for any other purpose without the written consent of Shibul Design.

Shibul Design is not responsible for any errors or omissions in these drawings. The drawings are not to be used for any other purpose without the written consent of Shibul Design.

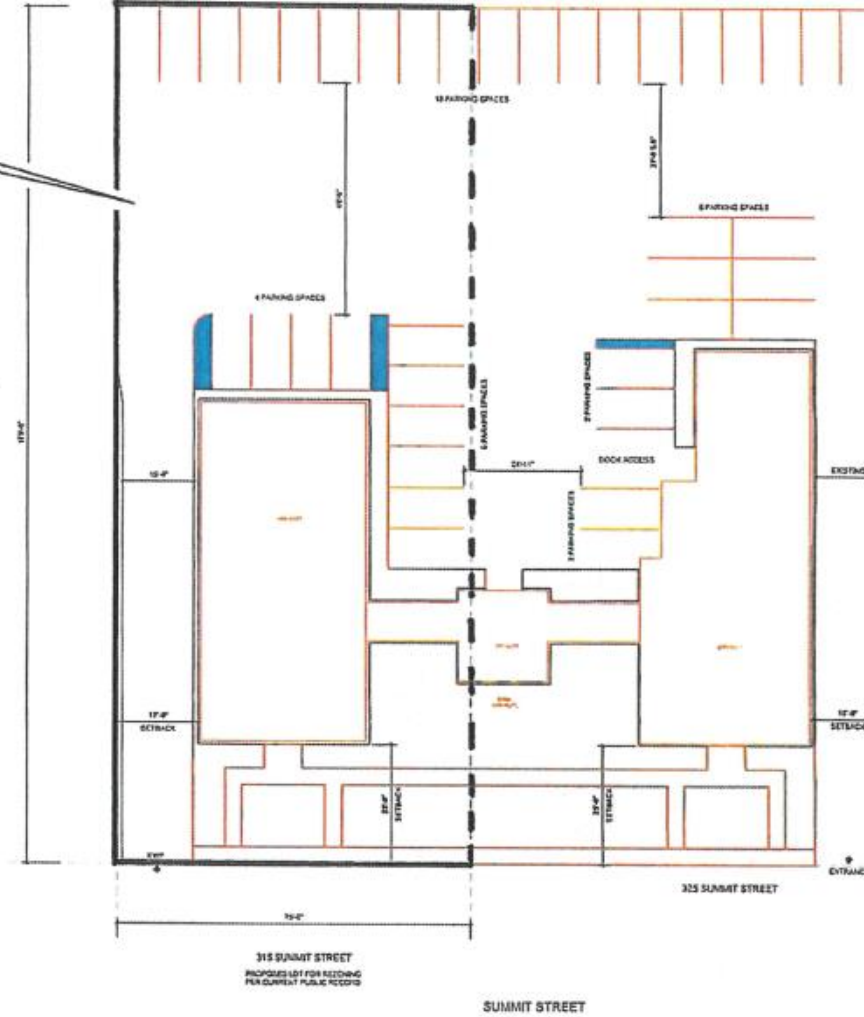
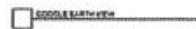
315 GARDEN STREET

000000

CONCEPTUAL RENDERING

DATE: 01/11/2011
BY: 01/11/2011

S.03



315 SUMMIT STREET
PROPOSED LOT FOR RETENING
PER CURRENT PUBLIC RECORD

SUMMIT STREET

☐ CONCEPTUAL SITE PLAN
SCALE: 1" = 120'

The coverage of all sectors, domestic, international and Whitehall-sponsored by foreign structural and construction departments etc. and of all sectors has property of the technology and progress for many important and practical in development any new party, or outside as to find out about the latest updates.

Examination of hypotheses to identify all risk elements and estimate their failure consequences, if any, with a description of where they are identified, including the nature and extent of the failure consequences, and the nature and extent of the failure consequences, and the nature and extent of the failure consequences.

THE SUNSET STREET

DATE

CONCEPTUAL SITE PLAN

WFLA	WFLA-TV	100%
WFTS	WFTS-TV	100%

10-0712	270	100%
---------	-----	------

S.01

WIMBERLY FUNERAL HOME INC.

- Total Project Cost - \$356,220
- Estimated Value After Redevelopment - \$392,500
- TAD Advisory Committee Recommendation:
 - Payment :
 - Lump sum reimbursement of \$19,396 for demolition and parking
 - Conditions :
 - Permitted project is in substantial conformance with the architectural renderings and budget submitted with the application
 - Reimbursement to occur after C.O. has been obtained for the new addition



LIBERTY MIDLAND

780 Grove Street SW

LIBERTY MIDLAND

780 Grove Street SW

- 1.12 acre parcel
- 14 Townhome Development
 - 2BR/2 ½ BA
 - Roommate Floor Plan
 - Projected Rents
 - \$1,500 - \$1,600/month
 - Urban Farmhouse Architecture
 - Central Courtyard
 - Pervious Parking Lot





LIBERTY





- **LIBERTY MIDLAND**
- **GROVE STREET SCAPE**



LIBERTY



- **LIBERTY MIDLAND**
- **CORNER GROVE & HIGH**



LIBERTY

LIBERTY MIDLAND

- Total Project Cost - \$2,349,991 (168K/unit)
- Estimated Value After Redevelopment - \$2,240,000 (160K/unit)
- TAD Advisory Committee Recommendation:
 - Reimbursement of \$373,272 over 3-years, with conditions:
 - 40% 149,308.80 upon obtaining C.O. for 6 units
 - 30% 111,981.60 upon obtaining C.O. for remaining 8 units
 - 30% 111,981.60

LIBERTY MIDLAND

TAD Funding Recommendation

Site Preparation	\$27,015
Street Lights & Site Lighting	\$17,000
Fencing	\$36,000
Parking	\$114,406
Landscaping	\$75,000
Water & Sewer	\$93,701
Underground Power Service	\$10,150
TAD Funding Recommendation	\$373,272

LIBERTY MIDLAND

TAD Funding Conditions

- Permitted project is in substantial conformance with the architectural renderings and budget submitted with the application
- All exterior materials (excluding roof) will be cement siding, brick or stone
- All utilities on property (including street frontage) must be relocated underground
- Applicant agrees to re-zone the property to R-II
- Parking lot will consist of brick pavers, as shown on plans
- The site must be professionally landscaped to include sod, shrubs and trees. The final landscaping plan is to be approved by the Community & Economic Development Director.
- New sidewalks and curb & gutter, meeting City standards, must be installed along the road frontage of Grove Street and High Street



TWO RESOLUTIONS TO BE CONSIDERED 12.17.19

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/9/2019
Presenter: Angela Sheppard
Item of Business: Resolution: Tax Allocation District (TAD) Funding for Liberty Midland
Meeting Date: 12/12/2019

Purpose of Request:

Resolution to authorize the TAD Funding request for Liberty Midland in an amount of up to \$373,272.

History/Background:

The TAD Advisory Committee met on December 5th and recommended approval of the application.

Facts & Issues for Consideration:

Department Recommendation:

Approval of the Resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
 Tax Allocation District (TAD) Funding for Liberty	Resolution

RESOLUTION BR-2019 - ____

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR “LIBERTY MIDLAND”
AT 780 GROVE STREET SW**

WHEREAS, the governing body of the City of Gainesville is committed to the success of the redevelopment of Midtown Gainesville into a live, work and play area; and

WHEREAS, on October 17, 2006 the governing body of the City of Gainesville adopted the Midtown Redevelopment Plan and created Tax Allocation District (TAD) Number One – Midtown pursuant to the Georgia Redevelopment Powers Law (O.C.G.A. § 36-44-1 et seq.) as the next steps in the City’s redevelopment effort to reinvigorate Midtown; and

WHEREAS, the City of Gainesville will only consider applications for TAD financing for purposes or uses that are consistent with the definition of “redevelopment” as defined in the Georgia Redevelopment Powers Law [O.C.G.A. § 36-44-3(5)], with said eligible purposes or uses including public works and utilities, telecommunications infrastructure, street/streetscape improvements, parks and open space amenities, transit facilities and public parking structures, pedestrian amenities and safety improvements, and site preparation; and

WHEREAS, upon approval of a request for TAD funding, a TAD Development Agreement between the applicant/developer and the City shall be executed, and shall specify the eligible expenses, what method of funding will be utilized (i.e. pay-as-you-go, bank financing, bond financing or other method), and any special conditions and performance standards of the developer; and

WHEREAS, an application involving the construction of fourteen (14) homes at 780 Grove Street was reviewed by the TAD Advisory Committee and determined to achieve the TAD criteria; and

WHEREAS, the TAD Advisory Committee unanimously recommended approval of the TAD funding request of up to \$373,272 for the following uses with the following conditions and payment schedule:

Use:

- | | |
|--|------------------------------------|
| • Site Preparation | • Landscaping |
| • Street Lights & Site Lighting | • Water & Sewer |
| • Fencing | • Underground Power Service |
| • Parking | |

Conditions:

- **Permitted project must be in substantial conformance with the architectural renderings and budget submitted with the TAD application.**
- **All exterior materials (excluding roof) will be cement siding, brick or stone.**
- **All utilities on property (including street frontage) must be relocated underground prior to completion of construction of the permitted project.**
- **Applicant agrees to pursue and/or consent to rezoning of the property to R-II.**
- **Parking lot will consist of brick pavers, as shown on approved civil plans.**
- **The site must be professionally landscaped to include sod, shrubs and trees. The final landscaping plan must be approved by the Community & Economic Development Director prior to the commencement of landscaping work.**

RESOLUTION BR-2019 - ____

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR “LIBERTY MIDLAND”
AT 780 GROVE STREET SW**

- New sidewalks and curb & gutter, meeting City standards, must be installed along the road frontage of Grove Street and High Street prior to completion of construction of the permitted project.

Payment Schedule:

Up to \$373,272 in TAD funds shall be made payable upon submittal of paid invoices for the purchase of and/or labor to complete or install the items specified under “Use” above, based upon the schedule and conditions listed below:

- Phase One: Reimbursement of up to 40% (\$149,308.80) of expenditures, upon obtaining a Certificate of Occupancy for six homes.
- Phase Two: Reimbursement of up to 30% (\$111,981.60) of expenditures, upon obtaining a Certificate of Occupancy for fourteen homes. Said reimbursement shall not be made any sooner than January 1st of the next calendar year following the reimbursement for Phase One.
- Phase Three: Reimbursement of up to 30% (\$111,981.60) upon completion of the permitted project. Said reimbursement shall not be made any sooner than January 1st of the next calendar year following the reimbursement for Phase Two.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves the TAD application of up to \$373,272 for “Liberty Midland” at 780 Grove Street.

BE IT FURTHER RESOLVED THAT that the governing body for the City of Gainesville hereby approves funding for the redevelopment improvement from the fund balance of the Tax Allocation District Fund.

BE IT FURTHER RESOLVED THAT the governing body authorizes the City Manager and City Attorney to prepare and execute a TAD Development Agreement to effectuate the terms and conditions of the funding, use and payment schedule.

Adopted this ____ day of _____, 2019.

RESOLUTION BR-2019 - ____

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR "LIBERTY MIDLAND"
AT 780 GROVE STREET SW**

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/9/2019
Presenter: Danny Dunagan
Item of Business: Appointment(s): Chattahoochee Golf Course Advisory Committee
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to address the expired term position held by Fred Kelly.

History/Background:

CGCAC members serve three-year terms. They follow the guidelines as set forth in the City Charter, Code of Ordinances and Business Resolution 2010-23.

Facts & Issues for Consideration:

The Chattahoochee Country Club submitted a nomination for the expired term.

Department Recommendation:

To consider the nomination as submitted.

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ CGCAC Members	Backup Material
☐ CCC Nomination	Backup Material

CHATTAHOOCHEE GOLF COURSE ADVISORY COMMITTEE

NOMINATED BY:	LAST NAME	FIRST NAME	APPOINTED/ TERM BEGAN	REAPPOINTED	EXPIRES
CCC	Weschler	Gene	6/5/2012 UE	12/16/2014 12/19/2017	12/19/2020
City Council	Worley	Bryson	8/15/2017		8/15/2020
City Council	Kiker	AJ	6/22/2010	3/4/2014 8/15/2017	8/15/2020
City Council	Lawson	Jeff	8/15/2017		8/15/2020
City Council	Shell	Martha	8/15/2017		8/15/2020
City Council	Hulsey (Chairperson)	Mike	3/4/2014	11/21/2017	11/21/2020
CCC	Hicks	Will	6/22/2010	12/16/2014 12/19/2017	12/19/2020
CCC	Kelly	Fred	11/1/2016		11/1/2019
CCC	Smith	Mike	8/7/2018		8/7/2021
CCC	Peeples	Will	12/16/2014	12/19/2017	12/19/2020
Ex-Officio	Thompson	Zack	1/10/2017	1/9/2018 1/8/2019	1/7/2020

TERM: Three year terms

CONTACT: Rodger Hogan, Golf Course

Re-established: June 22, 2010. Original Committee began January 1, 2005

NOTES: First appointees serve the initial term as shown. All successors serve 3 year terms.

Members continue to serve until a successor is appointed.

Staggered terms for December 2014 appointments.

UPDATED: 1/9/2019 ag

Alisa Grayson

From: Rodger Hogan <rhogan@gainesville.org>
Sent: Tuesday, November 26, 2019 10:09 AM
To: Alisa Grayson <agrayson@gainesville.org>
Subject: RE: Chattahoochee Golf Course Advisory Committee Appointment

Alisa,

The club is going to replace Fred Kelly with Jay Jacobs. Let me know what information you will need.

Thanks,

Rodger

From: Alisa Grayson <agrayson@gainesville.org>
Sent: Friday, November 22, 2019 9:23 AM
To: Rodger Hogan <rhogan@gainesville.org>
Cc: Denise Jordan <djordan@gainesville.org>
Subject: RE: Chattahoochee Golf Course Advisory Committee Appointment

Hi Rodger. I'll need to share an update with the Mayor. Were you able to get a response from the CCC
Thanks,

Alisa Grayson
Georgia Certified Clerk
City Manager's Office

E | agrayson@gainesvillega.gov
O | 770-535-6865
W | www.gainesville.org



To: Rodger Hogan
Subject: RE: Advisory Committee - Fred Kelly

From: Rodger Hogan <rhogan@gainesville.org>
Sent: Friday, December 06, 2019 11:26 AM
To: Alisa Grayson <agrayson@gainesville.org>
Subject: FW: Advisory Committee - Fred Kelly

From: Matthew Collins <mcollins@ccclub.cc>
Sent: Thursday, November 21, 2019 3:56 PM
To: Rodger Hogan <rhogan@gainesville.org>
Subject: RE: Advisory Committee - Fred Kelly

CAUTION:*This email originated from outside the City of Gainesville networks. Be aware of phishing, and remember: City of Gainesville IT will never ask for your password or other personal information in email. Do not open attachments or click links if you are not sure about it.*****

Rodger,
Mr. Bracewell has asked Jay Jacobs to replace Fred Kelly on the committee. Can you reach out to Mr. Jacobs and let him know his role and responsibilities on the committee. He asked me and I could not answer. Let me know if you need anything else.



Chattahoochee Country Club

Matthew Collins, CCM
General Manager
Chattahoochee Country Club
3000 Club Drive
Gainesville, GA 30506
770.536.4461
Fax: 770.536.5731
www.chattahoocheecountryclub.com

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/9/2019
Presenter: Danny Dunagan
Item of Business: Appointment(s): Friends of the Parks Board
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to address the expiring term positions held by Chris Morgan and Staci Tunkel.

History/Background:

The Friends of the Parks Board follow the guidelines as set forth in the Charter and Code of Ordinances. Appointees serve three-year terms.

Facts & Issues for Consideration:

Chris Morgan and Staci Tunkel have confirmed a willingness to serve another term.

Department Recommendation:

To consider the nominations as submitted by the Mayor.

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ FOP Members	Backup Material
☐ FOP Attendance Record	Backup Material

FRIENDS OF THE PARKS

CITY APPOINTMENTS

POST	LAST NAME	FIRST NAME	APPOINTED	REAPPOINTED	EXPIRES
	Kearns	Lynn	6/5/18 UE		12/31/2019
	Mattison	Kate			Standing Term
Vice-President	Morgan	Chris	2/7/2017		12/31/2019
	Tunkel	Staci	3/19/19 UE		12/31/2019
	Taylor	Bill	1/22/2019		12/31/2021
	Thompson	Alisa	1/22/2019		12/31/2021
	Nix	Becky	6/5/2018		12/31/2020
	Morrison	Jeff	9/6/2016	1/22/2019	12/31/2021
Ex-Officio	Brooks	Barbara	1/10/2017	1/9/2018 1/8/2019	1/7/2020

TERM: Three year terms - Appointees limited to two consecutive terms excluding initial term.

CONTACT: Kate Mattison, Director of Parks & Recreation

UPDATED: 11/11/19 ag

FRIENDS OF THE PARKS BOARD ATTENDANCE REPORT

MEETING			BOARD MEMBER							
	DATE	TYPE	BROOKS	KEARNS	MORGAN	MORRISON	NIX	TAYLOR	THOMPSON	TUNKEL
1	1/4/2018	R	1	n/a	1	1	n/a	1	n/a	n/a
2	2/1/2018	R	0	n/a	0	1	n/a	1	n/a	n/a
3	3/1/2018	R	1	n/a	0	1	n/a	0	n/a	n/a
4	4/5/2018	R	1	n/a	1	0	n/a	1	n/a	n/a
5	5/3/2018	R	0	n/a	0	0	n/a	0	n/a	n/a
6	6/7/2018	R	0	n/a	1	0	n/a	0	n/a	n/a
7	7/5/2018	R	Meeting Cancelled							
8	8/2/2018	R	1	1	1	1	1	0	n/a	n/a
9	9/6/2018	R	1	1	0	1	1	1	n/a	n/a
10	10/4/2018	R	1	0	1	0	1	0	n/a	n/a
11	11/1/2018	R	1	0	1	0	0	0	n/a	n/a
12	12/6/2018	R	Meeting Cancelled							
13	1/3/2019	R	1	1	1	1	0	0	n/a	n/a
14	2/7/2019	R	1	1	1	1	0	0	n/a	n/a
15	3/7/2019	R	0	0	1	0	1	1	1	n/a
16	4/11/2019	R	1	1	1	0	1	0	0	1
17	5/2/2019	R	Unofficial meeting - walk thru for Butterfly Release							
18	6/6/2019	R	Field Trip to Riverside Water Treatment Plan - no minutes, no quorum							
19	7/4/2019	R	Meeting Cancelled due to Holiday							
20	8/1/2019	R	0	0	1	0	1	0	0	0
21	9/5/2019	R	1	1	0	0	1	1	0	0
22	10/3/2019	R	0	1	1	0	1	1	0	1
23	11/7/2019	R	Meeting Cancelled							
24	12/5/2019	R	Meeting Cancelled							
25										
26										
27										
28										
29										
30										
	TOTAL		11	7	12	7	8	7	1	2
	ATTENDANCE %		65%	58%	71%	41%	73%	41%	20%	50%

- *also no quorum

[illegible]

NOTES:

Submitted By: Kate Mattison
Recording Secretary

Date: 12/6/2019

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/9/2019
Presenter: Danny Dunagan
Item of Business: Appointment(s): Parks and Recreation Board
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to address the expiring term positions held by Kingsley Peeples, Kristin Daniel and Jerry Castleberry.

History/Background:

The Parks & Recreation board members serve five-year terms or until a successor is appointed. They follow the guidelines as set forth in the City Charter, Code of Ordinances and Bylaws of the Gainesville Parks & Recreation Board.

Facts & Issues for Consideration:

Kingsley Peeples, Kristin Daniel and Jerry Castleberry have confirmed a willingness to serve another term.

Department Recommendation:

To consider the nominations as submitted by the Mayor.

Department Director:

Danny Dunagan

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description		Type
☐	P&R Members	Backup Material
☐	P&R Attendance Record	Backup Material

PARKS AND RECREATION BOARD

POST	LAST NAME	FIRST NAME	APPOINTED	REAPPOINTED	EXPIRES
Ward 1	Peeples	Kingsley	10/15/19 UE		12/31/2019
Ward 1	Simpson	John	8/18/15 UE	12/18/2018	12/31/2023
Ward 2	Daniel	Kristin	3/17/2015		12/31/2019
Ward 2	Richwine, Jr.	Sam W.	12/31/2005	10/19/2010 6/7/2016	12/31/2020
Ward 3	Washington	Robert	12/18/2018		12/31/2023
Ward 3	Castleberry	Jerry	8/19/2008 UE	12/15/2009 12/16/2014	12/31/2019
Ward 4	Daniell	Susan	12/6/2011	12/6/2016	12/31/2021
Ward 4	Embry, III	Hugh Cooper	2/3/15 UE	12/6/2016	12/31/2021
Ward 5	Romberg	Chris	12/31/2003	12/16/2008 12/3/2013 12/18/2018	12/31/2023
Ex-Officio	Couvillon	Sam	1/10/2017	1/9/2018 1/8/2019	1/7/2020
Director	Mattison	Kate		Board Appointed	

TERM: Five year terms

CONTACT: Kate Mattison, Director of Parks & Recreation

UE: Unexpired Term

UPDATED: 10/16/2019 ag

PARKS AND RECREATION BOARD ATTENDANCE REPORT

MEETING			BOARD MEMBER									
	DATE	TYPE	CASTLEBERRY	COUVILLON	DANIEL	DANIELL	EMBRY	MILLER	RICHWINE	ROMBERG	SIMPSON	WASHINGTON
1	1/8/2018	R	Meeting Cancelled									
2	2/12/2018	R	1	1	0	1	1	0	1	1	1	n/a
3	3/12/2018	R	1	1	1	1	1	1		1	1	n/a
4	4/9/2018	R	1	0	1	1	0	1	1	1	1	n/a
5	5/14/2018	R	1	0	0	1	1	1	1	1	1	n/a
6	6/11/2018	R	1	1	1	1	1	1	1	1	1	n/a
7	7/9/2018	R	Meeting Cancelled									
8	8/13/2018	R	1	1	1	0	1	0	1	1	1	n/a
9	9/10/2018	R	1	1	0	1	0	0	1	1	1	n/a
10	10/8/2018	R	1	1	1	1	0	0	1	1	1	n/a
11	11/12/2018	R	1	0	1	0	1	1	1	1	1	n/a
12	12/10/2018	R	1	1	1	1	1	1	1	1	1	n/a
13	1/14/2019	R	1	1	1	1	0	1	1	1	1	1
14	2/11/2019	R	1	0	0	1	1	1	0	1	1	1
15	3/11/2019	R	1	1	1	1	0	1	1	1	1	1
16	4/8/2019	R	1	0	1	0	1	1	1	1	1	0
17	5/13/2019	R	1	1	1	1	1	0	1	1	1	0
18	6/10/2019	R	1	0	0	1	0	1	0	1	1	0
19	7/8/2019	R	Meeting Cancelled									
20	8/5/2019	R	1	1	1	1	1	0	0	1	1	0
21	9/9/2019	R	1	0	1	1	1	0	1	1	1	1
22	10/14/2019	R	1	1	1	1	1	1	1	1	1	1
23	11/11/2019	R	1	0	1	1	1	1	1	1	1	1
24	12/9/2019	R										
25												
26												
27												
28												
29												
30												
TOTAL			20	12	15	17	14	13	16	20	20	6
ATTENDANCE %			100%	60%	75%	85%	70%	65%	80%	100%	100%	60%

TYPE MEETING: R = Regular Scheduled Meeting
ATTENDANCE: 0 = Absent

C = Called Meeting
1 = Attended

NOTES:

Submitted By: _____
Kate Mattison
Recording Secretary

Date: _____
12/6/2019

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/10/2019
Presenter: Abb Hayes
Item of Business: Resolution: Agreement Regarding Term of Municipal Court Judge
- Year 2020
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to approve the agreement regarding the term of Municipal Court Judge.

History/Background:

In accordance with O.C.G.A 36-32-2(a) the Municipal Court Judge shall be appointed for a term of one year.

Facts & Issues for Consideration:

The proposed resolution authorizes an agreement that sets the term for the Municipal Court Judge as January 1, 2020 to December 31, 2020.

Department Recommendation:

Reappoint the Municipal Court Judge and adoption of the resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ Agreement Regarding Term of Municipal Court Judge - 2020	Resolution
☐ Agreement Regarding Term of Municipal Court Judge	Contract/Agreement/MOU
☐ Municipal Court Judge Appointment	Backup Material

RESOLUTION BR-2019 - ____

Approval of Agreement Regarding Term of Municipal Court Judge

WHEREAS, the City of Gainesville's Charter adopted April 11, 2012, established the parameters for the appointment of a Municipal Court Judge; and

WHEREAS, effective July 1, 2016, the State of Georgia legislature amended OCGA § 36-32-2(a) to provide specific requirements regarding the terms of Municipal Court Judges; and

WHEREAS, it is in the best interest of the City of Gainesville to approve an Agreement with the Municipal Court Judge regarding his term of office.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby authorize the Mayor and/or City Manager to execute the attached Agreement Regarding Term of Municipal Court Judge.

Adopted this ____ day of _____, 2019.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

City of Gainesville, Georgia
AGREEMENT REGARDING TERM OF MUNICIPAL COURT JUDGE

This Agreement is made as of this 1st day of January, 2020.

BETWEEN: The City of Gainesville, Georgia (hereinafter **City**)
300 Henry Ward Way
Gainesville, GA 30501

AND THE JUDGE: G. Hammond Law, III

PROJECT/SERVICE NAME: Municipal Court Judicial Term

The City and the Judge agree as set forth below:

Effective July 1, 2016, the Georgia General Assembly passed House Bill 691, which revised O.C.G.A. § 36-32-2(a), and enacted O.C.G.A. § 36-32-2.2. The City and the Judge hereby enter into this Agreement, pursuant to O.C.G.A. § 36-32-2(a), to provide that the Judge shall serve as Judge of the Gainesville Municipal Court for a term beginning on January 1, 2020, and ending on December 31, 2020. The Judge shall serve for the entire term and until a successor is appointed, or if the Judge is removed from office as is provided in O.C.G.A. § 36-32-2.2.

IN WITNESS WHEREOF, the City and the Judge have executed under seal this Agreement as of the date first above written.

APPROVED TO FORM:

Abbott S. Hayes, Jr.
Hulsey, Oliver & Mahar, LLP
City Attorney

THE CITY OF GAINESVILLE

By: C. Danny Dunagan, Jr., Mayor

G. Hammond Law, III

Attest: Denise O. Jordan, City Clerk

(CITY SEAL)
ASH/lcg/15100/11401/W232809

ORGANIZATIONAL MEETING APPOINTMENTS

POST	LAST NAME	FIRST NAME	APPOINTED	EXPIRATION	FREQUENCY
City Manager	Lackey	Bryan	11/3/2015 effective 11/30/2015		As Needed
City Attorney	Hulsey, Oliver & Mahar, LLP (Abbott Hayes, Jr.)		10/6/2015 effective 1/1/2016		As Needed
City Auditor	Rushton & Company, CPA		2/18/1997 1/7/2014		As Needed
Chief Judge	Law, III	G. Hammond	1/1/1988 1/7/2014 8/2/2016 6/20/2017	12/31/2019	Annual
Municipal Court Solicitor	Bishop	Anne Marie	2/16/16 UE 1/9/2018	1/9/2020	2 year appt
Deputy Municipal Court Solicitor	Grant	Inez	4/19/2016 1/9/2018	1/9/2020	2 year appt
Administrative Hearing Officer	Law, III	G. Hammond	1/1/1992 1/7/2014 1/6/2015 1/5/2016 1/10/2017 1/9/2018 1/8/2019	1/7/2020	Annual
Legal Organ	The Times		1/10/2017 1/9/2018 1/8/2019	1/7/2020	Annual

EXPIRATION DATE: First Council Meeting of the year

UPDATED: 10/14/19 ag

"As Needed": Charter states "shall be removed at anytime upon majority vote of the governing body".

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/2/2019

Presenter: Abb Hayes

Item of Business: **Public Hearing Item: December 17, 2019 Council Meeting**
Request from the **City of Gainesville** to amend the Unified Land Development Code for the City of Gainesville, Georgia to amend Table 9-6-1 of Article 9-6 entitled "Permitted and Special Uses for Nonresidential Zoning Districts"; to amend Table 9-6-2 of Article 9-6 entitled "Dimensional Requirements for Nonresidential Zoning Districts"; to amend Section 9-8-7-6 entitled "Prohibited and Permitted Uses" within the Midtown Overlay Zone; to amend Article 9-10 entitled "Specific Use Provisions"; to adopt a new Section 9-10-6-2 entitled "Hookah, E-Cigarette and/or Vapor Lounge/Bar"; to adopt a new Section 9-10-6-13 entitled "Special Event Facility"; to adopt a new Section 9-10-6-14 entitled "Food Processing Plant"; to adopt a new Section 9-10-6-15 entitled "Lodging Services"; to adopt a new Section 9-10-6-16 entitled "Extended Stay Lodging Services"; to amend Section 9-10-1-2 entitled "Fences and Walls"; to amend Section 9-20-14-15 entitled "Suspension of Permits and Certificates"; and to amend Section 9-9-1-4 entitled "General Requirements".

Meeting Date: 12/12/2019

Purpose of Request:

The proposed amendments are intended to better regulate and provide for the use and definition of a "Hookah, E-Cigarette and/or Vapor Lounge/Bar"; the use and definition of "Retail Sales of All Alternative Nicotine Products"; the amended use and definition of "Lodging Services"; the amended use and definition of "Extended Stay Lodging Services"; the amended use and definition of a "Special Event Facility"; and the amended use of a "Food Processing Plant". In addition, specific regulations have been added for a "Hookah, E-Cigarette and/or Vapor Lounge/Bar"; "Special Event Facility"; "Food Processing Plant"; "Lodging Services" and "Extended Stay Lodging Services". Additional amendments include clarifying the residential density requirements within the Central Business (C-B) zoning district and within the Midtown Overlay Zone; Increasing the setback and buffer requirements for Light Industrial (L-I) and Heavy Industrial (H-I) zoned properties when adjacent to residential property; Amendments to the height, location and composition for fences and walls; Amendments to the Suspension of Permits and Certificates to allow the revocation of a certificate of occupancy and business license for criminal offenses for a period of 12 months; Amendments the "General Requirements" of the Site and Architectural Design Review standards to add subsections (f), (g) and (h) to address demolition within the Central Business District.

History/Background:

Facts & Issues for Consideration:

Department Recommendation:

Planning staff recommended approval of the Code Amendments as presented. PAB recommended approval with changes being made to the proposed Lodging Services and Extended Stay Lodging Services ordinance within the next 30 days before going to City Council. See PAB Recommendation Memo for details and excerpts from the meeting minutes.

SAMPLE MOTIONS

Approval of Ordinance 2019- :

I move to approve the ordinance to amend the Unified Land Development Code as presented.

Denial of the Request:

I move to deny this request.

Department Director:

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description		Type
	Legal Ad	Legal Ad
	PAB Recommendation Memo	Report
	Gainesville ULDC Amendments - PAB	Backup Material
	Proposed ULDC Amendment Ordinance Highlighted	Backup Material
	Proposed ULDC Amendment Ordinance Clean Version	Ordinance
	Lodging and Extended Services Changes	Powerpoint Presentation

LEGAL AD
Gainesville City Council

Publish Sunday, December 1, 2019
THE TIMES

**NOTICE OF PUBLIC HEARING ON PROPOSED
AMENDMENTS TO THE GAINESVILLE ZONING MAP**

Notice is hereby given that the **Gainesville City Council** will conduct a public hearing on **Tuesday, December 17, 2019 at 5:30 p.m.** in the **Gainesville Justice Center** (Municipal Courtroom at the Public Safety Complex), 701 Queen City Parkway in midtown Gainesville on the following request:

- 1) Request from the **City of Gainesville** to amend the Unified Land Development Code for the City of Gainesville, Georgia to amend Table 9-6-1 of Article 9-6 entitled "Permitted and Special Uses for Nonresidential Zoning Districts"; to amend Table 9-6-2 of Article 9-6 entitled "Dimensional Requirements for Nonresidential Zoning Districts"; to amend Section 9-8-7-6 entitled "Prohibited and Permitted Uses" within the Midtown Overlay Zone; to amend Article 9-10 entitled "Specific Use Provisions"; to adopt a new Section 9-10-6-2 entitled "Hookah, E-Cigarette and/or Vapor Lounge/Bar"; to adopt a new Section 9-10-6-13 entitled "Special Event Facility"; to adopt a new Section 9-10-6-14 entitled "Food Processing Plant"; to adopt a new Section 9-10-6-15 entitled "Lodging Services"; to adopt a new Section 9-10-6-16 entitled "Extended Stay Lodging Services"; to amend Section 9-10-1-2 entitled "Fences and Walls"; to amend Section 9-20-14-15 entitled "Suspension of Permits and Certificates"; and to amend Section 9-9-1-4 entitled "General Requirements".

Additional information is available from the Community and Economic Development Department, Planning Division, by calling 770-531-6570.

NOTE: In accordance with Georgia law, anyone who wishes to express opposition to the proposed zoning action, and has made, within two years immediately preceding the filing of the proposed zoning action, campaign contributions aggregating \$250 or more to a local government official who will consider the application, shall file a disclosure of contribution(s) with the Planning Division at least five (5) days prior to the first reading of the proposed zoning action by the City Council. (OCGA § 36-67A-3 3 {c})

Memo

TO: City Council
FROM: Planning and Appeals Board
SUBJECT: ULDC Amendments
DATE: November 12, 2019

The Community and Economic Development Department is proposing to amend the following areas of the Unified Land Development Code:

1. Add the use and definition of a “Hookah, E-Cigarette and/or Vapor Lounge/Bar”, and to provide for specific regulations regarding these uses.
2. Add the use and definition of “Retail Sales of All Alternative Nicotine Products”.
3. Amend the use and definition of “Lodging Services” and “Extended Stay Lodging Services”, and to provide for specific regulations regarding these uses.
4. Amend the use and definition of a “Special Event Facility” and provide for specific regulations regarding this use.
5. Amend the use of a “Food Processing Plant” and provide for specific regulations for this type of use.
6. Increase the setback and buffer requirements for Light Industrial (L-I) and Heavy Industrial (H-I) zoned properties when adjacent to residential property.
7. Amend the residential density requirements within the Central Business (C-B) zoning district to provide for a Floor Area Ratio (FAR).
8. Amend the residential density requirements and the prohibited uses within the Midtown Overlay Zone.
9. Amend the height, location and composition for fences and walls.
10. Amend the Suspension of Permits and Certificates to allow the revocation of a certificate of occupancy and business license for criminal offenses for a period of 12 months.
11. Amend the “General Requirements” of the Site and Architectural Design Review standards to address demolition within the Central Business District.

Excerpts from the November 12, 2019 PAB Meeting Minutes

Public Comments:

Joshua Silavent, 475 North Avenue, formerly local journalist and homeless advocate – actively involved in working with the homeless community and stated the proposal will cause afflictions upon the homeless and prohibit them to a stable life. The homeless count is up 20 percent since 2017. It will displace families and living in a hotel is their last refuge. Many of those family's students go to our local city schools. A two-week gap in not being able to stay in a hotel is going to overburden, under staffed and under resourced missions, ministries, shelters and non-profits trying to help. Shelter is a basic need such as food and water so he asked that we oppose this proposal.

Mike Freeman, retired pastor – was a resident for almost 30 years and does not live in Gainesville. He has dealt with people that live in these facilities and is their last resort. If you limit how long someone can live in a hotel, at least do it on an individual basis. Many people have no other opportunity of a place to live in this community than those kind of operations. He has knowledge of this by dealing with people during his ministry having no other place to live, homeless and often with children. Please do not deal with the symptom unless you are going to deal with the disease as well.

Christine Osasu, 1738 Lanier Springs Drive, Director of Community Outreach for Habitat for Humanity of Hall County - costly to renovate units and will pass the cost along to the tenants, in the last 6 months, almost 300 people reached out to Habitat for Humanity who are homeless in Hall County have needed place to go, and only 1 of those has qualified. This is the case with many non-profits systems in this county. There are a variety of obstacles blocking them from using the services because there are a there is an entire community that is not being served by the non-profits for one reason or another. All non-profits have a specific set of criteria and many people are not meeting them. Those people are urban camping, living in tents in the cold. They are living three-four-five-six to a bedroom, and literally living in their car. Any ordinance that passes, amending something to make it more difficult whether on its face or in its application, something that makes it more difficult for people to secure housing, hope you would recommend they do not pass any amendment that would make it more difficult for people to secure housing.

Dr. Ursula Harris, 508 Oak Street, Gainesville City School Social Worker and Gainesville homeless liaison – in the last five years, there have been an increasing number of homeless families. It includes families living in hotels and motels because there is no other adequate space for them and those who reside in our four shelters which includes our domestic violence shelter. Over the last few years our average numbers are at least 60 students in motel and hotels plus another 60 who are in our shelters. Last year there were 240 students who are homeless and this year we are already at 341. Across Georgia, 18 percent of homeless students live in hotel and motels. Almost 20 percent of these students across this state. The requirements of shelters eliminate many of our families as stated. You must be married, work first shift or the age of children would disqualify them from staying at a shelter. There are difficulties with families who have students with behavioral disabilities. Also, if you have young children and they are not school age, you can't stay in shelters during the day. If these proposed regulations are put into place and there are no plans to displace anybody currently living in these situations, what resources will be made available for these families who be required to vacate their rooms after 15 or 30 day stays? What shelter is going to be available during this two-week

timeframe between the hotel stays and are there conversations being held with our shelter programs to address these gaps? Students experiencing homelessness struggle to stay in school, to perform well and to form meaningful relationships with their peers and adults. Ultimately, they are much more likely to fall off track and eventually drop out of high school. As a community, we must insure we are not contributing to the instability of children and families and the downfall of that same community. Instead we should be creating policies, procedures and programs that support and train our families to maintain fixed adequate and stable home environments.

Willie Mitchell, 795 College Avenue, Vice-Chairman Gainesville City Schools Board of Education – Hotel owners that are made to improve living conditions, the cost will fall back on our kids. It prohibits them from learning, education is a civil right and by making some rules and some regulations that causes us to have homeless kids. It needs to stop somewhere or either address some resources to make things happen. He stated if we talk about progress, he challenges anyone to get one of those 341 kids and tell them that progress is being made.

Autro Adame, 224 Boulevard, NE - local homeless advocate – following city council and City of Gainesville, their initiatives for the homeless since 2017. Since 2017 to this year he has only seen city council find ways to get rid of homeless problem. Not so much as to find solutions but just keep finding ways to set them back and displace more people. That trend is still going on this year. He feels the conversation even though it is not the intention, is to displace the people for staying at these hotels and that's what will happen. This should not be discussed until thinking of solutions. We haven't been thinking about solutions before the consequences of displacing them or whatever the city has been doing to get rid of the homeless problem here. Since 2017, he has not seen any real plans for affordable housing to assist any of the homeless shelters here and if these shelters were sufficient, they would not be in hotels currently.

Donald Croupat, 766 Jesse Jewell - currently living at an extended stay lodging facility in Gainesville for two years. He doesn't want to have to move from one hotel to another every 30 to 60 days. He works 65 hours a week, 40 hours at one job and 25 hours at a hotel and he can't come up with money to move out if any other unexpected expenses occur. He is concerned about the city wanting hotels to keep records of guests. He doesn't understand the need to know who is living where and doesn't want to lose his home and is very unhappy. He asked if there can be a grandfathered law to allow them to stay.

Richard Labriola, 1735 Browns Bridge Road - Manager of Hilton Garden Inn, Gainesville – 1735 Browns Bridge Road, majority of his clients do not fall into extended stay but it is not uncommon for guests to stay 15 days or more. Currently, there is a large group staying more than 17 days that is working on a project in Dawsonville. Under this proposal there would be no hotel to accommodate them in the city of Gainesville resulting in loss of revenue for merchants and the city. Business transactions in the modern world are based on speed and convenience. Electronic keys and digital check-in are provided to customers to help speed them on their way. There is no way for hotels to know if information on the profiles of these guests is current without having it verified each and every time they stay in our city. Again, this seems to be a recipe for loss revenue for merchants and the city. Businesses have an obligation to protect the privacy of customers and does not agree with allowing the city and its officers to inspect hotel records for compliance. Hotels would be exposing themselves, their management companies and their respected brands to potential legal action by sharing this information without the expressed approval of the guests. He urged the board to vote against this proposal.

Michael Fisher, 308 Spring Street – Ninth District Opportunity Housing Manager, – This is an unnecessary burden put upon the poor and vulnerable population of this community. There is a serious lack of affordable housing that can be used for this population to put them in. These hotels are a final refuge for many of these individuals and families. Taking this away from them leaves us to ask where do we put them. Do we give them freedom to just go live on the street because this is the last refuge for them? Help us protect these most vulnerable citizens and this population and these children because being poor is not a crime.

Jay Singh, 520 Queen City Parkway, Owner of Guest Lodge, Gainesville – lives in City of Atlanta – He has a group of contractors from Texas and have been here six weeks and another six weeks. Should we turn down business from that aspect? There are people that come from all over the world to work here and stay three, six and nine months at a time and not practical for them to move hotels every 15 days. He recommends for the board, hotel owners and non-profits come together to find a healthy solution to the issue.

Kenneth Washington, 1745 and 1755 Browns Bridge Road, General Manager Marriott Courtyard, Fairfield Inn and Suites, and Towne Place Suites by Marriott, Gainesville – which is an extended stay hotel. We focus on extended stay guests and have a lot of guests from Germany and California. If they were told they could only stay for 15 days, there would be a lot of revenue the city would lose. Also, they work with Habitat for Humanity and power company employees from out of town that stay in Gainesville. They have training in place for security measures and is very important to protect guest's personal information. That is a priority. It is very important before passing the amendment, and it would be beneficial that we all sit down as a board and find the best way to execute this plan.

Chairman Carter - Public portion of the meeting closed and asked Deputy Director Tate to respond to some of the comments raised.

Planning and Appeals Board Comments:

Deputy Director Tate – It does not impact existing extended stay/hotels. It is for primarily new/proposed hotels and extended stays. The length of time of 15 days in a hotel and no more than 30 days in an extended stay is currently on the books. This is a complaint driven ordinance in terms of this particular section. It's a difficult thing to monitor and we are not proposing to force anyone out into a homeless situation and they can continue to live where they are now. There is a balance and we understand the human side of this. The staff talked about this and desire to find a happy median between the length of stay verses life safety standards such as fire or mold issues. We want to make sure people are safe. If there are life safety issues code enforcement needs to be able to respond. It is not our intent to force people out on the street that are currently residing in the hotels and extended stay hotels.

Board Member Martin – concerned if new people come in from out of town will they be able to stay here. We are not changing the rules of the people living there now.

Deputy Director Tate – Yes, as long as they operate and have a valid Certificate of Occupancy and a business license as a hotel or extended stay hotel, they'll be able to continue to do that. It doesn't change with occupancy with people coming and going but there is the code enforcement aspect. We

want to make sure everything is safe, not just hotels and motels and extended stays but all businesses. This just puts in place a better foundation for our code enforcement.

Chairman Carter – asked Deputy Director Tate to respond to the comment if a work crew comes in from out of town to stay for a month or two for a work situation, how will that be addressed.

Deputy Director Tate – We are all taking notes on all these great points and before going to Council there will be an amended version of the ordinance to address these concerns. As far as the extended amount of time, it is really a complaint driven code.

Vice-Chair Fleming – commented on what will be changing if it is already in place.

Deputy Director Tate – If new extended stay or hotel were to be built, from the date of this passage or ordinance if adopted, then these standards would provide for a better foundation of standards for hotels and extended stay hotels. It provides for the ability for code enforcement to better respond to a complaint. It's primarily for new facilities.

Board Member Simmons – We don't want anyone to walk out of here thinking this board wants to put people on the street. It's not our intention. Law is being grandfathered in. He wants to challenge the homeless organization, local ministries and Habitat to work with some of the community people with homeless people on their credit. They don't want to be there and we have some work to do. We are not here to put anybody out on the street. Help fix it.

Board Member Martin – was concerned if a new hotel is built will people coming in from out of town get to stay or not.

Deputy Director Tate – Yes, which will not change. Hearing from the public there is some concern about the length of stay so staff will propose an amendment to this portion of the code prior to city council.

Chairman Carter – This is a recommendation body and we wanted to get the public input on this. If we make a decision to move forward, the purpose is to spend the next thirty days before it makes it to our City Council members and for staff to work with some of these individuals here to tweak it because there have been some very good points made tonight.

There was a motion to recommend approval of the request with changes being made to the proposed Lodging Services and Extended Stay Lodging Services ordinance within next thirty days before going to City Council.

Motion made by Board Member Thompson

Motion seconded by Board Member Martin

Vote – 5 favor, 2 oppose (Fleming, Delgado)

AN ORDINANCE

No. 2019-

AN ORDINANCE TO AMEND TABLE 9-6-1 ENTITLED “PERMITTED AND SPECIAL USES FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA (THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA HEREINAFTER REFERRED TO AS “THE ULDC”) AS SET FORTH BELOW; TO AMEND TABLE 9-6-2 ENTITLED “DIMENSIONAL REQUIREMENTS FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-8-7-6 ENTITLED “PROHIBITED AND PERMITTED USES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND CHAPTER 9-10-6 ENTITLED “PRINCIPAL NONRESIDENTIAL USES” OF THE ULDC BY ADDING SECTION 9-10-6-12 ENTITLED “HOOKAH, E-CIGARETTE LOUNGE, AND/OR VAPOR LOUNGE/BAR,” SECTION 9-10-6-13 ENTITLED “SPECIAL EVENT FACILITY,” SECTION 9-10-6-14 ENTITLED “FOOD PROCESSING PLANT,” AND SECTION 9-10-6-15 ENTITLED “LODGING SERVICES AND EXTENDED STAY LODGING SERVICES” AS SET FORTH BELOW; TO AMEND SUBSECTIONS (a), (b), AND (c) OF SECTION 9-10-1-2 ENTITLED “FENCES AND WALLS” OF THE ULDC BY ELIMINATING THEM IN THEIR ENTIRETY AND SUBSTITUTING IN THEIR PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-20-14-15 ENTITLED “SUSPENSION OF PERMITS AND CERTIFICATES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-9-1-4 ENTITLED “GENERAL REQUIREMENTS” OF THE ULDC BY ADDING SUBSECTIONS (f), (g), AND (h) AS SET FORTH BELOW; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF GAINESVILLE, GEORGIA, AS FOLLOWS:

SECTION I.

Table 9-6-1 of the ULDC is hereby amended by eliminating the uses entitled “Lodging services,” “Lodging services, extended stay,” “Special event facility,” and “Food processing plant, including poultry and fish” in their entirety and substituting in their places the language set forth below, as well as by adding the uses entitled “Hookah, E-Cigarette and/or Vapor Lounge/Bar” and “Retail Sales of all Alternative Nicotine Products” as set forth below:

Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
OFFICE AND COMMERCIAL USES									
Hookah, E-Cigarette and/or Vapor Lounge/Bar	An establishment where patrons use a communal hookah or pipe to smoke, or where patrons vape, or where patrons use e-cigarettes to smoke or smoke other alternative nicotine products.	9-10-6-12	X	X	X	X	X	○	○
Retail Sales of all Alternative Nicotine Products	Retail sales of all alternative nicotine products and non-traditional tobacco paraphernalia including but not limited to hookah, vapes, vape pens, e-liquids, e-cigarettes, and bongs.		X	X	X	○	○	○	○
Lodging Services	Lodging services: A facility offering shelter accommodations, or place for such shelter, to the public for a fee for 15 days or less in one or more rooms within the same facility, with provisions for living, sanitation, and sleeping. Includes hotels and motels.	9-10-6-15	X	X	●	●	●	●	●
Lodging Services, Extended Stay (also referred to as Extended Stay Lodging Services)	Lodging services, extended stay (also referred to as Extended Stay Lodging Services): A facility offering shelter accommodations, or place for such shelter, to the public for a fee for more than 15 days but not to exceed one month 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping and fixed cooking appliances. Includes hotels and motels.	9-10-6-15	X	X	●X	●X	●○	●X	●X
Special Event Facility	Special event facility: An independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.	9-10-6-13	○	●○	●○	●○	●○	●○	●○
Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
INDUSTRIAL USES									
Food Processing Plant, including poultry and fish	Food processing plant: A manufacturing establishment producing or processing foods for human or animal consumption and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.	9-10-6-14	X	X	X	X	X	●X	●

SECTION II.

Table 9-6-2 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

**TABLE 9-6-2
DIMENSIONAL REQUIREMENTS FOR
NONRESIDENTIAL ZONING DISTRICTS**

BUILDING AND SITE REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum site area to rezone to this district (square feet except as shown)	15,000	15,000	None	4 acres	15,000	15,000	15,000
Maximum building coverage (percent of lot area)	50%	50%**	None	50%	60%	70%	70%
Maximum impervious surface coverage (percent of lot area)	75%	75%	None	80%	80%	85%	85%
Minimum landscaped open space for non-single-family residential use (percent of lot area)	20%	20%	None	15%	10%	5%	5%
Minimum road frontage (feet)	40	40	40	40	40	40	40
Minimum lot width, all uses (feet)	75	75	None	100	100	100	100
Minimum lot size, detached single-family dwelling (square feet)	15,000	15,000	None	NP	NP	NP	NP
Minimum lot size, two-family dwelling (square feet)	30,000	30,000	NP	NP	NP	NP	NP
Minimum lot size, all other permitted uses (square feet)	15,000	15,000	None	15,000	15,000	15,000	15,000
Maximum residential density for permitted residential uses (dwelling units per acre)	12.0 dwelling units per acre	12.0 dwelling units per acre	0.5 2.0 floor-area ratio	NP	NP	NP	NP
HEIGHT REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Maximum height (feet)	60	60	120	75	75	75	120
Maximum height (number of stories)	4	4	8	5	5	5	5
PRINCIPAL BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Front setback, all streets, minimum (feet)	30	40	None	40	40	30	40
Side setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Rear setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Side or rear setback abutting RR r/w or alley, minimum (feet)	25	15	None	15	None	None	None
	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Side or rear vegetative/structural buffer* and building setback when abutting R-I-A, R-I, N-C, R-II or R-O districts	25	25	10	25	35	35 50	35 100
Side or rear vegetative/structural buffer* and setback when abutting O-I, N-B, R-B, C-B, G-B districts	None	None	None	None	None	10	10
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
ACCESSORY BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
	Shall meet the principal building setback and buffer standards unless otherwise specified within Chapter 9-10-7 of this Unified Land Development Code.						
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
LANDSCAPE STRIPS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum landscape strip required along right-of-ways for any non-single-family residential use (width in feet)	10	10	None	10	10	10	10
Minimum landscape strip required along side property lines for any non-single-family residential use (width in feet)	10	10	None	None	None	None	None

Minimum landscape strip required along right-of-way of existing street for any residential subdivision involving a new street with more than five lots (along that part of the frontage not used for the new street). Plantings within landscape strips shall not obstruct sight visibility triangle easements.	20	20	N/A	N/A	N/A	N/A	N/A
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NP = Not Permitted

* Required zoning buffers may be reduced in width with installation of a structural buffer as provided in Chapter 9-16-2-6 of this Unified Land Development Code.

** Within the N-B zoning district, no individual establishment shall exceed 50,000 square feet of gross floor area total or 18,000 square feet of gross floor area on the ground level floor.

SECTION III.

Section 9-8-7-6 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

Section 9-8-7-6. Prohibited and permitted uses.

All uses permitted by right or as Special Uses within the underlying zoning district shall be similarly permitted within the Midtown overlay zone, except the following uses shall not be permitted on any property within the Midtown overlay zone:

Automated or non-automated car washes.

Coin-laundry facilities.

Dollar-type stores or thrift stores.

Community donation boxes.

Gas stations (located on lots less than 2 acres in size).

Group homes, homeless shelters, rooming house or crisis centers.

Hookah, E-cigarette, and/or Vapor lounge/bars.

Industrial uses causing the emission of noise, vibration, smoke, dust, gas, fumes and odors.

Industrial uses with outdoor storage.

Jail/correctional facility.

Kennels.

Liquor stores.

Marine sales or repair stores.

Massage parlors.

Mini-warehouses including climate controlled self-service storage facilities.

Motels or extended stay lodging.

Motor vehicle sales or service.

Pawn shops.

Psychics, fortune tellers, clairvoyants and the like.

Retail sales of alternative nicotine products.

Salvage yard.

Sanitation uses including the storage of trash cans, dumpsters and porta potties.

Sawmill.

Sexually-oriented adult uses.

Tattoo parlors.

Taxi-cab or limousine services.

Tobacco or vaping stores.

Truck stops.

Vehicle emission testing facility.

Veterinarian or animal hospitals with outdoor kennels.

Wireless telecommunication facility or cell towers excluding co-location.

Wrecked motor vehicle compound.

In addition, loft dwellings, single-family homes, condominiums and townhouses shall be permitted by right in any non-residential district in the overlay zone, and shall not exceed a density of 12 dwelling units per acre unless approved as part of a Planned Unit Development.

SECTION IV.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-12 entitled "Hookah, E-Cigarette, and/or Vapor Lounge/Bar" to read as follows:

Section 9-10-6-12. - Hookah, E-Cigarette, and/or Vapor Lounge/Bar.

(a) Purpose and Findings.

- (1) The governing body finds that the use of hookah pipes, electronic cigarettes, vape pens, and other similar devices in hookah, e-cigarette, and/or vapor lounges/bars and the activities associated with such businesses (including loud music, large numbers of customers congregating for long periods, etc.) have been associated with increases in odors, noise, vapors, second-hand smoke, parking impacts, loitering, and disturbances in the peace. The purpose of this section is to prevent the overconcentration of this land use and to mitigate the negative impacts associated with this land use.
- (2) The governing body also finds that smoking and vaping land uses expose minors to dangerous secondhand-smoke by-products and increase the potential for minors to associate smoking of hookah pipes, electronic tobacco devices, and vaping devices with a normative or healthy lifestyle.
- (3) The U.S. Food and Drug Administration conducted laboratory analysis of electronic cigarette samples and found them to contain carcinogens and toxic chemicals to which users and bystanders could potentially be exposed, suggesting that the same health and public nuisance concerns present with conventional cigarettes exist with electronic cigarettes.
- (4) The U.S. Centers for Disease Control and Prevention reports that smoking a hookah has many of the same health risks as cigarette smoking; that hookah use by youth is increasing; that the charcoal used to heat hookah tobacco can have negative health risks because it produces high levels of carbon monoxide, metals, and carcinogens; that hookah smokers may absorb more of the toxic substances also found in cigarette smoke than cigarette smokers do; that secondhand smoke from hookahs can be a health risk for nonsmokers; and that new forms of electronic hookah smoking are now on the market and very little information is available on the health risks of electronic tobacco products.
- (5) Chapter 3-7 the Code of the City of Gainesville, Georgia entitled "Smokefree Air" bans smoking in all enclosed public places, subject to certain exceptions. In addition, the State of Georgia further regulates smoking in public areas under the Georgia Smokefree Air Act of 2005.

(b) Applicability.

(1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(2) The provisions of this section shall apply to new facilities established following the effective date of the ordinance codified in this title. All legal, code-compliant hookah, e-cigarette, and vapor lounges/bars currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

A hookah lounge or bar is an establishment where patrons use a communal hookah or pipe to smoke.

An e-cigarette lounge or bar is an establishment where patrons use e-cigarettes to smoke or smoke other alternative nicotine or tobacco products.

A vapor lounge or bar is an establishment where patrons vape or smoke other alternative nicotine or tobacco products.

(d) Location.

Any hookah, e-cigarette, and/or vapor lounge/bar shall require special use approval by the governing body within the Light Industrial (L-I) and Heavy Industrial (H-I) zoning districts.

(e) Operational and Development Standards.

The following operational and development standards shall apply to all hookah, e-cigarette, and/or vapor lounges/bars in the City and shall be included as conditions imposed upon any license, permit, or other entitlement granted for such a business:

(1) Distance Requirements. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 500 feet from any other hookah, e-cigarette, and/or vapor lounge/bar, or from any smokers' lounge, smoke shop, tobacco shop, and/or alternative nicotine product shop. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 1,000 feet from any public or private K-12 school or daycare, library, church, community and/or recreation center, liquor store, sexually oriented business, tattoo parlor, pawnshop, bar or nightclub, card room, check cashing business, park, and/or residential zoning district.

(2) Any hookah, e-cigarette, and/or vapor lounge/bar shall operate in compliance with all federal, state, county, and local laws and regulations.

(3) Minors Prohibited. No persons under 18 years of age shall be permitted within a hookah, e-cigarette, and/or vapor lounge/bar, including as employees. All employees must be at least 18 years of age. Business owners or operators shall require proof of identification to verify the age of customers, visitors, and employees.

- (4) Indoor Operation Only. All business-related activity, including smoking, shall be conducted entirely within a building. Outdoor seating, operating outdoor barbecues, and/or lighting coals outdoors shall not be permitted.
- (5) Admission Charges Prohibited. No admission charges, including a cover charge or minimum purchase requirement, shall be permitted.
- (6) Food and beverages, including alcoholic beverages and prepackaged food and beverages, shall not be sold, served, or consumed on the premises of the lounge/bar.
- (7) Visibility and Illumination. No window coverings or signage shall prevent visibility of the interior of the establishment from the outside during operating hours. The interior of the establishment shall have lighting adequate to make the conduct of patrons within the establishment readily discernible from the outside of the establishment to people of normal visual capabilities.
- (8) Ventilation. Adequate ventilation must be provided in accordance with all standards imposed by the building official and fire department, and any other requirements applicable to the establishment by state or federal laws. The requirements imposed by the building official or fire department may be more comprehensive than current building codes to prevent negative health and nuisance impacts on neighboring properties, including a requirement for a separate system to prevent smoke and vapors from migrating to adjoining suites or buildings and to outdoor public areas.

SECTION V.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-13 entitled "Special Event Facility" to read as follows:

Section 9-10-6-13. - Special Event Facility.

- (a) Definition. Special event facility means an independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.
- (b) Codes. A special event facility must meet all applicable building, occupancy, life safety, fire, parking, health and food service codes, rules and regulations.
- (c) Applicability.
 - (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
 - (2) The provisions of this section shall apply to new special event established following the effective date of the ordinance codified in this title. All legal, code-compliant special event facilities currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

- (d) Location. A special event facility shall be located on an Arterial Street or Collector Street, as those terms are defined in Section 9-13-2-1. A special event facility shall require special use approval by the governing body.
- (e) Noise. Any amplified noise shall be subject to the regulations established in the City's Code of Ordinances and Unified Land Development Code, as may be amended from time to time.
- (f) Security. Uniformed security guard(s) shall be provided in such a level so as to ensure the safety of the public and all attendees within a special event facility.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any special event facility.

SECTION VI.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-14 entitled "Food Processing Plant" to read as follows:

Section 9-10-6-14. - Food Processing Plant.

- (a) Definition. Food processing plant means a manufacturing establishment producing or processing foods for human or animal consumption, and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.
- (b) Minimum Lot Size. The minimum lot size for a food processing plant shall be 5 acres.
- (c) Parking. A minimum of 0.75 spaces per employee for the number of employees present during the largest shift must be provided within defined parking areas that meet the parking standards outlined in Chapter 9-17-5 of the City's Unified Land Development Code.
- (d) Loading Zones. Loading zones and areas for truck turnarounds and truck queuing must be designated separate from employee parking and must be provided on-site. No public right-of-way shall be used for these purposes.
- (e) Location. Access shall be from an Arterial Street or Collector Street, as that term is defined in Section 9-13-2-1.
- (f) Noise, Dust and Odors. Any noise, dust or odors shall be subject to the regulations established in the City's Code of Ordinances and the Unified Land Development Code, as may be amended from time to time.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any food processing plant.
- (h) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section shall apply to new food processing plants established following the effective date of the ordinance codified in this title. All legal, code-compliant food processing plants currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

SECTION VII.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-15 entitled "Lodging Services and Extended Stay Lodging Services" to read as follows:

Section 9-10-6-15. - Lodging Services and Extended Stay Lodging Services.

(a) Purpose.

- (1) The purpose of this section is to ensure the continued availability of quality transient lodging within the City and proper maintenance of lodging services and extended stay lodging services and to protect the health, safety and welfare of users of lodging services and extended stay lodging services.
- (2) This section is essential to the public's interest, safety, health, and welfare and shall be liberally construed to effectuate its purposes.

(b) Applicability. The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(c) Definitions.

Bona fide employee shall mean a person who works in the business of lodging services or extended stay lodging services under a contract of hire, whether express or implied, where the employer has the power or right to control or direct the details of what work is to be performed and the manner in which that work is to be performed.

Extended stay lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for more than 15 days but not more than 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping, fixed cooking appliances, and/or kitchen facilities.

Fixed cooking appliances shall mean a stove top burner; a hotplate that does not serve as an integral part of an appliance designed solely to produce coffee; a conventional oven; a convection oven; or any oven producing heat using resistance heating elements, induction heating, or infrared heating sources.

Guest shall mean a person who is not a Patron but is present on the premises of lodging services or extended stay lodging services to accompany a Patron and with the express

permission of the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services. Guests are required to register with the supporting Patron.

Lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for 15 days or less in one or more rooms in the same facility, with provisions for living, sanitation, and sleeping.

Kitchen facilities shall mean kitchen amenities including, but not limited to, refrigerators, stoves, ovens, and kitchen-type sink. Amenities limited to a microwave, mini-refrigerator, and/or an appliance designed to produce coffee or tea do not constitute "kitchen facilities" for purposes of this definition.

Patron shall mean a person who pays a fee to the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services for the right to occupy one or more rooms.

Vehicle shall mean any car, truck, trailer, motorcycle, or other motorized vehicle used for transporting people and required to be registered with a state in order to be legally operated or towed on a public roadway.

(d) Provisions applicable to lodging services and extended stay lodging services.

(1) No more than five percent (5%) of rooms in lodging services shall have fixed cooking appliances and/or kitchen facilities located therein. If more than five percent (5%) of the rooms contain fixed cooking appliances and/or kitchen facilities, such lodging services shall be deemed extended stay lodging services, and subject to the regulations for extended stay lodging services.

(2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services.

(3) Any extended stay lodging services shall require special use approval by the governing body within the General Business (G-B) zoning district.

(4) All lodging services and extended stay lodging services must staff the lobby with a bona fide employee or manager twenty-four (24) hours a day.

(5) No owner, operator, keeper, proprietor or employee of lodging services or extended stay lodging services shall provide lodging at an hourly rate.

(6) No owner, operator, keeper or proprietor of lodging services or extended stay lodging services shall designate more than three (3) rooms for the purpose of allowing bona-fide employees and their family to reside on the premises.

(7) Maximum length of occupancy.

i. No lodging services located within the City shall allow any person to stay at such lodging services for more than fifteen (15) consecutive days, nor more than thirty (30) days during a one hundred eighty (180) day period. No person who stays for fifteen (15)

consecutive days shall be permitted to stay at the lodging services until at least a two week period has elapsed since the person's last stay.

- ii. No extended stay lodging services located within the City shall allow any person to stay at such extended stay lodging services for more than thirty (30) consecutive days, nor more than sixty (60) days during a one hundred eighty (180) day period. No person who stays for thirty (30) consecutive days shall be permitted to stay at the extended stay lodging services until at least a two week period has elapsed since the person's last stay.

(8) The minimum lot size for lodging services and extended stay lodging services shall be two (2) acres.

(9) Lodging services and extended stay lodging services shall have a minimum of fifty (50) rooms.

(10) Each room at lodging services and/or extended stay lodging services shall be accessed through an interior hallway, and no person shall have access to the exterior of the building except through the central lobby or as otherwise determined by fire codes.

(11) The size of the lobby at lodging services or extended stay lodging services shall be a minimum of seven-hundred (700) square feet.

(12) Each room at lodging services or extended stay lodging services shall have a minimum of three-hundred (300) square feet.

(13) Any roof of any building of lodging services or extended stay lodging services shall have a minimum roof pitch of four in twelve (4:12).

(14) Lodging services or extended lodging services shall provide an enclosed heated and air-conditioned laundry space with a minimum of three (3) washers and three (3) dryers.

(15) Any outdoor recreational areas provided by lodging services or extended stay lodging services shall be located to the rear of the site.

(16) Any lodging services or extended stay lodging services adjacent to residentially zoned property or residential land uses shall provide at least a seventy-five (75) foot natural buffer, enhanced with an at least an additional twenty-five (25) foot landscaped buffer (total at least one-hundred (100) feet).

(17) A fixed cooking appliance in any room at lodging services or extended stay lodging services shall have a maximum sixty (60) minute automatic power-off timer for each such appliance.

(18) No room at lodging services or extended stay lodging service shall have connecting doors between the rooms.

(19) Inspections of rooms and business records of lodging services and extended stay lodging services may be performed by sworn officers of the City Police Department or the City Code Enforcement and their designated employees for the purpose of verifying compliance with the requirements of this section and state law.

(e) Recordkeeping and registration requirements for lodging services and extended stay lodging services.

(1) Every owner, operator, keeper or proprietor of any lodging services or extended stay lodging services shall keep a record of all rental agreements between the lodging services or extended stay lodging services and all Patrons and Guests and make these records available to the City upon request. For purpose of this subsection, the term "record" shall mean the electronic registration system of the lodging services or extended stay lodging services which stores Patron and Guest identifying information. In the event the lodging services or extended stay lodging services does not have an electronic registration system, the lodging services or extended stay lodging services shall manually record the Patron and Guest information in a paper record or registration book.

(2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:

- (a) The full name, phone number, and home address of each Patron and Guest;
- (b) The room number assigned to each Patron and Guest;
- (c) The day, month, year and time of arrival of each Patron and Guest;
- (d) The day, month, and year each Patron and Guest are scheduled to depart;
- (e) Upon departure, record of departure day, month, and year for each Patron and Guest;
- (f) The rate charge and amount collected for rental of the room;
- (g) The method of payment for each room;
- (h) The make, model, year, color, license plate number, and license plate state of the Patron's and Guests' vehicle(s) if the vehicle(s) will be parked on the premises; and
- (i) Documentation used to verify a stay in excess of one hundred and eighty (180) consecutive days as stated in Section 9-10-6-15(d)(7).

(3) Every owner, operator, keeper or proprietor of any lodging services and extended stay lodging services shall require each Patron to provide proper identification prior to renting a room when registering in person. Proper identification is defined as a current and valid government issued photo identification card such as a driver's license, military identification card, state identification card, or passport. A record of the provided identification shall be kept on file for the duration of the occupancy and for one hundred eighty (180) days thereafter. Any failure to verify such identification or to knowingly allow an individual to receive lodging services without such verification shall be in violation of this section.

(4) No person shall procure or provide lodging in any lodging services or extended stay lodging services, through misrepresentation or production of false identification, or identification which misrepresents the identity of the person procuring or sharing in such lodging.

(5) All information required to be maintained pursuant to this section shall be provided to any federal, state, or local sworn law enforcement officer having the lawful power to arrest, upon demand of the officer and a representation by said officer that a reasonable suspicion exists that such information is relevant to a then-pending inquiry or investigation. Nothing in this requirement shall be construed as giving any such officer any greater right or license to enter a room or invade privacy that the officer shall otherwise possess as a matter of law, probable cause, constitutional law, statutory right, or warrant.

SECTION VIII.

Subsections (a), (b), and (c) of Section 9-10-1-2 of the ULDC are hereby amended by eliminating them in their entirety and substituting in their place the language set forth below:

- (a) *Height.* If a fence or freestanding wall, other than a retaining wall or necessary fencing encompassing a tennis court, is to be placed in a yard, it shall be no more than eight (8) feet in height. Fences or freestanding walls constructed **between the build-to-line and the front lot line** in a front yard of a residential lot shall not exceed three and one-half (3.5) feet (42 inches) in height; provided, however, that this shall not apply to subdivision or project identification monuments at the entrance to a subdivision or development and wall or fence extensions thereof, where permitted, which shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height. Fences or walls on properties with nonresidential uses shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height in a front, side or rear yard.
- (b) ~~Setback and~~ *Location.* Fences and walls **must be set back three (3) feet from** ~~should be located along any side or rear common property line for purposes of maintenance; provided, however, that a fence may be established along a side or rear property line if there is a written and signed agreement between the property owners to permit the fence at or along a common property line. In such cases, the Director may require a letter, plat or deed as evidence of such agreement.~~ No fence or freestanding wall shall be erected in a manner that obstructs visibility at street intersections (see also Chapter 9-17-4, "Site Visibility Triangle Easements"). Retaining walls and subdivision entrance monuments shall not be placed within the right-of-way of a local street.
- (c) *Composition.* Walls and fences shall present a finished and attractive surface to the exterior of the property **and to the interior of the property where the interior wall or fence is visible from the right-of-way.** ~~The entire wall or fence must be consistent in form, shape, style and material and shall not be~~ composed or constructed of exposed concrete block, tires, junk, or other discarded materials. In all residential zoning districts, fences or walls erected within the ~~required~~ front yard shall be constructed of brick, stone, wood, stucco, wrought iron, split rail, vinyl plastic or chain-link coated with black in color vinyl; ~~provided, however, that this shall not preclude wire fences (e.g., chain link, or barbed wire) within a required front yard, when a residential property contains a minimum of two (2) acres and such fencing is needed for permitted livestock.~~ Chain-link fences installed in commercial and industrial zoning districts and visible from the public right-of-way shall be coated **with black in color vinyl with a black color** and the appearance softened with landscaping as approved by the Director. An additional two (2) feet of security wire may be placed on fences in commercial and industrial zoning districts, unless prevented by overlay zone regulations.

SECTION IX.

Section 9-20-14-15 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

The building official may withhold, revoke, or suspend a building permit or certificate of occupancy when violations occur.

If the certificate of occupancy is revoked for criminal violations, no new certificate of occupancy shall be issued at that location for the same use for 12 months immediately following revocation.

Revocation of a certificate of occupancy shall automatically revoke the business/occupation tax (business license).

SECTION X.

Section 9-9-1-4 of the ULDC is hereby amended by adding Subsections (f), (g), and (h) as set forth below:

(f) The Central Business District exhibits a significant historical, architectural and cultural character for our community. In accordance with the community visioning and Central Core character area delineation completed as part of the City's Comprehensive Planning Process, no demolition of building(s) or structure(s) within property zoned Central Business (C-B) shall commence, and no demolition permit shall be issued by the Community Development Department, prior to the approval of the demolition of said building(s) or structure(s) by the Community and Economic Development Director (see also Chapter 9-9-2, "Site and Architectural Design Review").

(g) A demolition permit may be denied for the following reasons:

(1) The proposed new structure or use on the site is not compatible with the Central Core character area and the design guidelines as identified in Chapter 9-9-6.

(2) The demolition permit allows the demolition of a historically significant building that contributes to the Central Core character area.

(h) If the demolition of the building(s) or structure(s) is denied by the Community and Economic Development Director, the applicant shall have the right to appeal to the governing body of the City of Gainesville.

SECTION XI.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION XII.

If any portion of this ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair the remaining portions unless it clearly appears that such other parts are wholly and necessarily dependent upon the part held to be invalid and unconstitutional.

SECTION XIII.

The effective date of this ordinance shall be upon approval by the governing body of the City of Gainesville, Georgia.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this ordinance was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

AN ORDINANCE

No. 2019-

AN ORDINANCE TO AMEND TABLE 9-6-1 ENTITLED “PERMITTED AND SPECIAL USES FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA (THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA HEREINAFTER REFERRED TO AS “THE ULDC”) AS SET FORTH BELOW; TO AMEND TABLE 9-6-2 ENTITLED “DIMENSIONAL REQUIREMENTS FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-8-7-6 ENTITLED “PROHIBITED AND PERMITTED USES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND CHAPTER 9-10-6 ENTITLED “PRINCIPAL NONRESIDENTIAL USES” OF THE ULDC BY ADDING SECTION 9-10-6-12 ENTITLED “HOOKAH, E-CIGARETTE LOUNGE, AND/OR VAPOR LOUNGE/BAR,” SECTION 9-10-6-13 ENTITLED “SPECIAL EVENT FACILITY,” SECTION 9-10-6-14 ENTITLED “FOOD PROCESSING PLANT,” SECTION 9-10-6-15 ENTITLED “LODGING SERVICES,” AND SECTION 9-10-6-16 ENTITLED “EXTENDED STAY LODGING SERVICES” AS SET FORTH BELOW; TO AMEND SUBSECTIONS (a), (b), AND (c) OF SECTION 9-10-1-2 ENTITLED “FENCES AND WALLS” OF THE ULDC BY ELIMINATING THEM IN THEIR ENTIRETY AND SUBSTITUTING IN THEIR PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-20-14-15 ENTITLED “SUSPENSION OF PERMITS AND CERTIFICATES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-9-1-4 ENTITLED “GENERAL REQUIREMENTS” OF THE ULDC BY ADDING SUBSECTIONS (f), (g), AND (h) AS SET FORTH BELOW; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF GAINESVILLE, GEORGIA, AS FOLLOWS:

SECTION I.

Table 9-6-1 of the ULDC is hereby amended by eliminating the uses entitled “Lodging services,” “Lodging services, extended stay,” “Special event facility,” and “Food processing plant, including poultry and fish” in their entirety and substituting in their places the language set forth below, as well as by adding the uses entitled “Hookah, E-Cigarette and/or Vapor Lounge/Bar” and “Retail Sales of all Alternative Nicotine Products” as set forth below:

Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
OFFICE AND COMMERCIAL USES									
Hookah, E-Cigarette and/or Vapor Lounge/Bar	An establishment where patrons use a communal hookah or pipe to smoke, or where patrons vape, or where patrons use e-cigarettes to smoke or smoke other alternative nicotine products.	9-10-6-12	X	X	X	X	X	○	○
Retail Sales of all Alternative Nicotine Products	Retail sales of all alternative nicotine products and non-traditional tobacco paraphernalia including but not limited to hookah, vapes, vape pens, e-liquids, e-cigarettes, and bongs, excluding retail sales in convenience stores.		X	X	X	○	○	○	○
Lodging Services	Lodging services: A facility offering shelter accommodations, or place for such shelter, to the public for a fee for 15 days or less in one or more rooms within the same facility, with provisions for living, sanitation, and sleeping. Includes hotels and motels.	9-10-6-15	X	X	●	●	●	●	●
Lodging Services, Extended Stay (also referred to as Extended Stay Lodging Services)	Lodging services, extended stay (also referred to as Extended Stay Lodging Services): A facility offering shelter accommodations, or place for such shelter, to the public for a fee for more than 15 days but not to exceed one month 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping and fixed cooking appliances. Includes hotels and motels.	9-10-6-16	X	X	●X	●X	●○	●X	●X
Special Event Facility	Special event facility: An independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.	9-10-6-13	○	●○	●○	●○	●○	●○	●○
Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
INDUSTRIAL USES									
Food Processing Plant, including poultry and fish	Food processing plant: A manufacturing establishment producing or processing foods for human or animal consumption and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.	9-10-6-14	X	X	X	X	X	●X	●

SECTION II.

Table 9-6-2 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

**TABLE 9-6-2
DIMENSIONAL REQUIREMENTS FOR
NONRESIDENTIAL ZONING DISTRICTS**

BUILDING AND SITE REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum site area to rezone to this district (square feet except as shown)	15,000	15,000	None	4 acres	15,000	15,000	15,000
Maximum building coverage (percent of lot area)	50%	50%**	None	50%	60%	70%	70%
Maximum impervious surface coverage (percent of lot area)	75%	75%	None	80%	80%	85%	85%
Minimum landscaped open space for non-single-family residential use (percent of lot area)	20%	20%	None	15%	10%	5%	5%
Minimum road frontage (feet)	40	40	40	40	40	40	40
Minimum lot width, all uses (feet)	75	75	None	100	100	100	100
Minimum lot size, detached single-family dwelling (square feet)	15,000	15,000	None	NP	NP	NP	NP
Minimum lot size, two-family dwelling (square feet)	30,000	30,000	NP	NP	NP	NP	NP
Minimum lot size, all other permitted uses (square feet)	15,000	15,000	None	15,000	15,000	15,000	15,000
Maximum residential density for permitted residential uses (dwelling units per acre)	12.0 dwelling units per acre	12.0 dwelling units per acre	0.5 2.0 floor-area ratio	NP	NP	NP	NP
HEIGHT REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Maximum height (feet)	60	60	120	75	75	75	120
Maximum height (number of stories)	4	4	8	5	5	5	5
PRINCIPAL BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Front setback, all streets, minimum (feet)	30	40	None	40	40	30	40
Side setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Rear setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Side or rear setback abutting RR r/w or alley, minimum (feet)	25	15	None	15	None	None	None
	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Side or rear vegetative/structural buffer* and building setback when abutting R-I-A, R-I, N-C, R-II or R-O districts	25	25	10	25	35	35 50	35 100
Side or rear vegetative/structural buffer* and setback when abutting O-I, N-B, R-B, C-B, G-B districts	None	None	None	None	None	10	10
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
ACCESSORY BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
	Shall meet the principal building setback and buffer standards unless otherwise specified within Chapter 9-10-7 of this Unified Land Development Code.						
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
LANDSCAPE STRIPS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum landscape strip required along right-of-ways for any non-single-family residential use (width in feet)	10	10	None	10	10	10	10
Minimum landscape strip required alongside property lines for any non-single-family residential use (width in feet)	10	10	None	None	None	None	None

Minimum landscape strip required along right-of-way of existing street for any residential subdivision involving a new street with more than five lots (along that part of the frontage not used for the new street). Plantings within landscape strips shall not obstruct sight visibility triangle easements.	20	20	N/A	N/A	N/A	N/A	N/A
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NP = Not Permitted

* Required zoning buffers may be reduced in width with installation of a structural buffer as provided in Chapter 9-16-2-6 of this Unified Land Development Code.

** Within the N-B zoning district, no individual establishment shall exceed 50,000 square feet of gross floor area total or 18,000 square feet of gross floor area on the ground level floor.

SECTION III.

Section 9-8-7-6 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

Section 9-8-7-6. Prohibited and permitted uses.

All uses permitted by right or as Special Uses within the underlying zoning district shall be similarly permitted within the Midtown overlay zone, except the following uses shall not be permitted on any property within the Midtown overlay zone:

Automated or non-automated car washes.

Coin-laundry facilities.

Dollar-type stores or thrift stores.

Community donation boxes.

Gas stations (located on lots less than 2 acres in size).

Group homes, homeless shelters, rooming house or crisis centers.

Hookah, E-cigarette, and/or Vapor lounge/bars.

Industrial uses causing the emission of noise, vibration, smoke, dust, gas, fumes and odors.

Industrial uses with outdoor storage.

Jail/correctional facility.

Kennels.

Liquor stores.

Marine sales or repair stores.

Massage parlors.

Mini-warehouses including climate controlled self-service storage facilities.

Motels or extended stay lodging.

Motor vehicle sales or service.

Pawn shops.

Psychics, fortune tellers, clairvoyants and the like.

Retail sales of alternative nicotine products.

Salvage yard.

Sanitation uses including the storage of trash cans, dumpsters and porta potties.

Sawmill.

Sexually-oriented adult uses.

Tattoo parlors.

Taxi-cab or limousine services.

Tobacco or vaping stores.

Truck stops.

Vehicle emission testing facility.

Veterinarian or animal hospitals with outdoor kennels.

Wireless telecommunication facility or cell towers excluding co-location.

Wrecked motor vehicle compound.

In addition, loft dwellings, single-family homes, condominiums and townhouses shall be permitted by right in any non-residential district in the overlay zone, and shall not exceed a density of 12 dwelling units per acre unless approved as part of a Planned Unit Development.

SECTION IV.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-12 entitled "Hookah, E-Cigarette, and/or Vapor Lounge/Bar" to read as follows:

Section 9-10-6-12. - Hookah, E-Cigarette, and/or Vapor Lounge/Bar.

(a) Purpose and Findings.

- (1) The governing body finds that the use of hookah pipes, electronic cigarettes, vape pens, and other similar devices in hookah, e-cigarette, and/or vapor lounges/bars and the activities associated with such businesses (including loud music, large numbers of customers congregating for long periods, etc.) have been associated with increases in odors, noise, vapors, second-hand smoke, parking impacts, loitering, and disturbances in the peace. The purpose of this section is to prevent the overconcentration of this land use and to mitigate the negative impacts associated with this land use.
- (2) The governing body also finds that smoking and vaping land uses expose minors to dangerous secondhand-smoke by-products and increase the potential for minors to associate smoking of hookah pipes, electronic tobacco devices, and vaping devices with a normative or healthy lifestyle.
- (3) The U.S. Food and Drug Administration conducted laboratory analysis of electronic cigarette samples and found them to contain carcinogens and toxic chemicals to which users and bystanders could potentially be exposed, suggesting that the same health and public nuisance concerns present with conventional cigarettes exist with electronic cigarettes.
- (4) The U.S. Centers for Disease Control and Prevention reports that smoking a hookah has many of the same health risks as cigarette smoking; that hookah use by youth is increasing; that the charcoal used to heat hookah tobacco can have negative health risks because it produces high levels of carbon monoxide, metals, and carcinogens; that hookah smokers may absorb more of the toxic substances also found in cigarette smoke than cigarette smokers do; that secondhand smoke from hookahs can be a health risk for nonsmokers; and that new forms of electronic hookah smoking are now on the market and very little information is available on the health risks of electronic tobacco products.
- (5) Chapter 3-7 the Code of the City of Gainesville, Georgia entitled "Smokefree Air" bans smoking in all enclosed public places, subject to certain exceptions. In addition, the State of Georgia further regulates smoking in public areas under the Georgia Smokefree Air Act of 2005.

(b) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new facilities established following the effective date of the ordinance codified in this section. All legal, code-compliant hookah, e-cigarette, and vapor lounges/bars currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

A hookah lounge or bar is an establishment where patrons use a communal hookah or pipe to smoke.

An e-cigarette lounge or bar is an establishment where patrons use e-cigarettes to smoke or smoke other alternative nicotine or tobacco products.

A vapor lounge or bar is an establishment where patrons vape or smoke other alternative nicotine or tobacco products.

(d) Location.

Any hookah, e-cigarette, and/or vapor lounge/bar shall require special use approval by the governing body within the Light Industrial (L-I) and Heavy Industrial (H-I) zoning districts.

(e) Operational and Development Standards.

The following operational and development standards shall apply to all hookah, e-cigarette, and/or vapor lounges/bars in the City and shall be included as conditions imposed upon any license, permit, or other entitlement granted for such a business:

- (1) Distance Requirements. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 500 feet from any other hookah, e-cigarette, and/or vapor lounge/bar, or from any smokers' lounge, smoke shop, tobacco shop, and/or alternative nicotine product shop. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 1,000 feet from any public or private K-12 school or daycare, library, church, community and/or recreation center, liquor store, sexually oriented business, tattoo parlor, pawnshop, bar or nightclub, card room, check cashing business, park, and/or residential zoning district.
- (2) Any hookah, e-cigarette, and/or vapor lounge/bar shall operate in compliance with all federal, state, county, and local laws and regulations.
- (3) Minors Prohibited. No persons under 18 years of age shall be permitted within a hookah, e-cigarette, and/or vapor lounge/bar, including as employees. All employees must be at least 18 years of age. Business owners or operators shall require proof of identification to verify the age of customers, visitors, and employees.

- (4) Indoor Operation Only. All business-related activity, including smoking, shall be conducted entirely within a building. Outdoor seating, operating outdoor barbecues, and/or lighting coals outdoors shall not be permitted.
- (5) Admission Charges Prohibited. No admission charges, including a cover charge or minimum purchase requirement, shall be permitted.
- (6) Food and beverages, including alcoholic beverages and prepackaged food and beverages, shall not be sold, served, or consumed on the premises of the lounge/bar.
- (7) Visibility and Illumination. No window coverings or signage shall prevent visibility of the interior of the establishment from the outside during operating hours. The interior of the establishment shall have lighting adequate to make the conduct of patrons within the establishment readily discernible from the outside of the establishment to people of normal visual capabilities.
- (8) Ventilation. Adequate ventilation must be provided in accordance with all standards imposed by the building official and fire department, and any other requirements applicable to the establishment by state or federal laws. The requirements imposed by the building official or fire department may be more comprehensive than current building codes to prevent negative health and nuisance impacts on neighboring properties, including a requirement for a separate system to prevent smoke and vapors from migrating to adjoining suites or buildings and to outdoor public areas.

SECTION V.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-13 entitled “Special Event Facility” to read as follows:

Section 9-10-6-13. - Special Event Facility.

- (a) Definition. Special event facility means an independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.
- (b) Codes. A special event facility must meet all applicable building, occupancy, life safety, fire, parking, health and food service codes, rules and regulations.
- (c) Applicability.
 - (1) The provisions of this section shall apply in addition to other regulations of the City’s Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
 - (2) The provisions of this section which apply to “nonconforming use,” as defined in Section 9-11-3-1 of the City’s Unified Land Development Code shall apply to new special event facilities established following the effective date of the ordinance codified in this section. All legal, code-compliant special event facilities currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City’s Unified Land Development Code.

- (d) Location. A special event facility shall be located on an Arterial Street or Collector Street, as those terms are defined in Section 9-13-2-1. A special event facility shall require special use approval by the governing body.
- (e) Noise. Any amplified noise shall be subject to the regulations established in the City's Code of Ordinances and Unified Land Development Code, as may be amended from time to time.
- (f) Security. Uniformed security guard(s) shall be provided in such a level so as to ensure the safety of the public and all attendees within a special event facility.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any special event facility.

SECTION VI.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-14 entitled "Food Processing Plant" to read as follows:

Section 9-10-6-14. - Food Processing Plant.

- (a) Definition. Food processing plant means a manufacturing establishment producing or processing foods for human or animal consumption, and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.
- (b) Minimum Lot Size. The minimum lot size for a food processing plant shall be 5 acres.
- (c) Parking. A minimum of 0.75 spaces per employee for the number of employees present during the largest shift must be provided within defined parking areas that meet the parking standards outlined in Chapter 9-17-5 of the City's Unified Land Development Code.
- (d) Loading Zones. Loading zones and areas for truck turnarounds and truck queuing must be designated separate from employee parking and must be provided on-site. No public right-of-way shall be used for these purposes.
- (e) Location. Access shall be from an Arterial Street or Collector Street, as that term is defined in Section 9-13-2-1.
- (f) Noise, Dust and Odors. Any noise, dust or odors shall be subject to the regulations established in the City's Code of Ordinances and the Unified Land Development Code, as may be amended from time to time.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any food processing plant.
- (h) Applicability.

(1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(2) The provisions of this section apply to new food processing plants established following the effective date of the ordinance codified in this section.

SECTION VII.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-15 entitled "Lodging Services" to read as follows:

Section 9-10-6-15. - Lodging Services.

(a) Purpose.

(1) The purpose of this section is to ensure the continued availability of quality transient lodging within the City and proper maintenance of lodging services and to protect the health, safety and welfare of users of lodging services.

(2) This section is essential to the public's interest, safety, health, and welfare and shall be liberally construed to effectuate its purposes.

(b) Applicability.

(1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new lodging services established following the effective date of the ordinance codified in this section. All legal, code-compliant lodging services currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

Bona fide employee shall mean a person who works in the business of lodging services or extended stay lodging services under a contract of hire, whether express or implied, where the employer has the power or right to control or direct the details of what work is to be performed and the manner in which that work is to be performed.

Extended stay lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for more than 15 days but not more than 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping, fixed cooking appliances, and/or kitchen facilities.

Fixed cooking appliances shall mean a stove top burner; a hotplate that does not serve as an integral part of an appliance designed solely to produce coffee; a conventional oven; a

convection oven; or any oven producing heat using resistance heating elements, induction heating, or infrared heating sources.

Guest shall mean a person who is not a Patron but is present on the premises of lodging services to accompany a Patron and with the express permission of the owner, operator, keeper or proprietor of the lodging services. Guests are required to register with the supporting Patron.

Lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for 15 days or less in one or more rooms in the same facility, with provisions for living, sanitation, and sleeping.

Kitchen facilities shall mean kitchen amenities including, but not limited to, refrigerators, stoves, ovens, and kitchen-type sink. Amenities limited to a microwave, mini-refrigerator, and/or an appliance designed to produce coffee or tea do not constitute "kitchen facilities" for purposes of this definition.

Patron shall mean a person who pays a fee to the owner, operator, keeper or proprietor of the lodging services for the right to occupy one or more rooms.

(d) Provisions applicable to lodging services.

(1) No more than five percent (5%) of rooms in lodging services shall have fixed cooking appliances and/or kitchen facilities located therein. If more than five percent (5%) of the rooms contain fixed cooking appliances and/or kitchen facilities, such lodging services shall be deemed extended stay lodging services, and subject to the regulations for extended stay lodging services.

(2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services, including but not limited to having the appropriate zoning for the property upon which the lodging services is located.

(3) All lodging services must staff the lobby with a bona fide employee or manager twenty-four (24) hours a day.

(4) No owner, operator, keeper, proprietor or employee of lodging services shall provide lodging at an hourly rate.

(5) No owner, operator, keeper or proprietor of lodging services shall designate more than three (3) rooms for the purpose of allowing bona-fide employees and their family to reside on the premises.

(6) Maximum length of occupancy.

i. No lodging services located within the City shall allow any person to stay at such lodging services for more than fifteen (15) consecutive days, nor more than thirty (30) days during a one hundred eighty (180) day period unless one of the following criteria apply.

(a) Where there is a written agreement between lodging services and a business entity or governmental agency to house employees/contractors and family of

employees/contractors of such business entity or governmental agency during times that said employees/contractors are performing services for such business entity or governmental agency; or

(b) Where there is documentation, consistent with HIPAA privacy rules, that a Patron and/or Guest(s) are family of or providing care for a patient who is admitted at a local hospital or other medical care facility; or

(c) Where an insurance company or governmental agency has provided documentation that a Patron and/or Guest has been displaced from the Patron and/or Guest's home by a natural disaster or fire.

(7) Each room at lodging services shall be accessed through an interior hallway, and no person shall have access to the exterior of the building except through the central lobby or as otherwise determined by fire codes.

(8) Each room at lodging services shall have a minimum of three-hundred (300) square feet.

(9) Any outdoor recreational areas provided by lodging services shall be located to the rear or side of the building.

(11) A fixed cooking appliance in any room at lodging services shall have a maximum sixty (60) minute automatic power-off timer for each such appliance.

(12) Inspections of rooms and business records of lodging services may be performed by sworn officers of the City Police Department or the City Code Enforcement and their designated employees for the purpose of verifying compliance with the requirements of this section and state law.

(e) Recordkeeping and registration requirements for lodging services.

(1) Every owner, operator, keeper or proprietor of any lodging services shall keep a record of all rental agreements between the lodging services and all Patrons and Guests and make these records available to the City upon request. For purpose of this subsection, the term "record" shall include the electronic registration system of the lodging services which stores Patron and Guest identifying information. In the event the lodging services does not have an electronic registration system, the lodging services shall manually record the Patron and Guest information in a paper record or registration book.

(2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:

(a) The number of occupants;

(b) The full name and phone number of the person responsible for payment;

(c) The room number assigned to each Patron and Guest;

(d) The day, month, year and time of arrival of each Patron and Guest;

(e) The day, month, and year each Patron and Guest are scheduled to depart;

(f) Upon departure, record of departure day, month, and year for each Patron and Guest;

(g) The rate charge and amount collected for rental of the room.

(3) No person shall procure or provide lodging in any lodging services, through misrepresentation or production of false identification, or identification which misrepresents the identity of the person procuring or sharing in such lodging.

(4) All information required to be maintained pursuant to this section shall be provided to any federal, state, or local sworn law enforcement officer having the lawful power to arrest, upon demand of the officer and a representation by said officer that a reasonable suspicion exists that such information is relevant to a then-pending inquiry or investigation. Nothing in this requirement shall be construed as giving any such officer any greater right or license to enter a room or invade privacy that the officer shall otherwise possess as a matter of law, probable cause, constitutional law, statutory right, or warrant.

SECTION VIII.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-16 entitled “Extended Stay Lodging Services” to read as follows:

Section 9-10-6-16. - Extended Stay Lodging Services.

(a) Purpose.

(1) The purpose of this section is to ensure the continued availability of quality transient lodging within the City and proper maintenance of extended stay lodging services and to protect the health, safety and welfare of users of extended stay lodging services.

(2) This section is essential to the public's interest, safety, health, and welfare and shall be liberally construed to effectuate its purposes.

(b) Applicability.

(1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(2) The provisions of this section which apply to “nonconforming use,” as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new extended stay lodging services established following the effective date of the ordinance codified in this section. All legal, code-compliant extended stay lodging services currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

Bona fide employee shall mean a person who works in the business of lodging services or extended stay lodging services under a contract of hire, whether express or implied, where the employer has the power or right to control or direct the details of what work is to be performed and the manner in which that work is to be performed.

Extended stay lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for more than

15 days but not more than 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping, fixed cooking appliances, and/or kitchen facilities.

Fixed cooking appliances shall mean a stove top burner; a hotplate that does not serve as an integral part of an appliance designed solely to produce coffee; a conventional oven; a convection oven; or any oven producing heat using resistance heating elements, induction heating, or infrared heating sources.

Guest shall mean a person who is not a Patron but is present on the premises of lodging services or extended stay lodging services to accompany a Patron and with the express permission of the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services. Guests are required to register with the supporting Patron.

Lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for 15 days or less in one or more rooms in the same facility, with provisions for living, sanitation, and sleeping.

Kitchen facilities shall mean kitchen amenities including, but not limited to, refrigerators, stoves, ovens, and kitchen-type sink. Amenities limited to a microwave, mini-refrigerator, and/or an appliance designed to produce coffee or tea do not constitute "kitchen facilities" for purposes of this definition.

Patron shall mean a person who pays a fee to the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services for the right to occupy one or more rooms.

(d) Provisions applicable to extended stay lodging services.

(1) If more than five percent (5%) of the rooms contain fixed cooking appliances and/or kitchen facilities, such lodging services shall be deemed extended stay lodging services, and subject to the regulations for extended stay lodging services.

(2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services.

(3) Any extended stay lodging services shall require special use approval by the governing body within the General Business (G-B) zoning district.

(4) All extended stay lodging services must staff the lobby with a bona fide employee or manager twenty-four (24) hours a day.

(5) No owner, operator, keeper, proprietor or employee of extended stay lodging services shall provide lodging at an hourly rate.

(6) No owner, operator, keeper or proprietor of extended stay lodging services shall designate more than three (3) rooms for the purpose of allowing bona-fide employees and their family to reside on the premises.

(7) Maximum length of occupancy.

i. No extended stay lodging services located within the City shall allow any person to stay at such extended stay lodging services for more than thirty (30) consecutive days, nor

more than sixty (60) days during a one hundred eighty (180) day period, unless one of the following criteria apply.

- (a) Where there is a written agreement between lodging services and a business entity or governmental agency to house employees/contractors and family of employees/contractors of such business entity or governmental agency during times that said employees/contractors are performing services for such business entity or governmental agency; or
- (b) Where there is documentation, consistent with HIPAA privacy rules, that a Patron and/or Guest(s) are family of or providing care for a patient who is admitted at a local hospital or other medical care facility; or
- (c) Where an insurance company or governmental agency has provided documentation that a Patron and/or Guest has been displaced from the Patron and/or Guest's home by a natural disaster or fire; or
- (d) Where there is official documentation from a local non-profit housing agency or shelter that no alternative housing is available for the Patron and/or Guest.

(8) The minimum lot size for extended stay lodging services shall be two (2) acres.

(9) Each room at extended stay lodging services shall be accessed through an interior hallway, and no person shall have access to the exterior of the building except through the central lobby or as otherwise determined by fire codes.

(10) The size of the lobby at extended stay lodging services shall be a minimum of seven-hundred (700) square feet.

(11) Each room at extended stay lodging services shall have a minimum of three-hundred (300) square feet.

(12) Extended lodging services shall provide an enclosed heated and air-conditioned laundry space with a minimum of three (3) washers and three (3) dryers.

(13) Any outdoor recreational areas provided by extended stay lodging services shall be located to the rear or side of the building.

(14) Any extended stay lodging services adjacent to residentially zoned property or residential land uses shall provide at least a seventy-five (75) foot natural buffer, enhanced with an at least an additional twenty-five (25) foot landscaped buffer (total at least one-hundred (100) feet).

(15) A fixed cooking appliance in any room at extended stay lodging services shall have a maximum sixty (60) minute automatic power-off timer for each such appliance.

(16) Inspections of rooms and business records of extended stay lodging services may be performed by sworn officers of the City Police Department or the City Code Enforcement

and their designated employees for the purpose of verifying compliance with the requirements of this section and state law.

(e) Recordkeeping and registration requirements for extended stay lodging services.

(1) Every owner, operator, keeper or proprietor of any extended stay lodging services shall keep a record of all rental agreements between the extended stay lodging services and all Patrons and Guests and make these records available to the City upon request. For purpose of this subsection, the term "record" shall include the electronic registration system of the extended stay lodging services which stores Patron and Guest identifying information. In the event the extended stay lodging services does not have an electronic registration system, the extended stay lodging services shall manually record the Patron and Guest information in a paper record or registration book.

(2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:

- (a) The number of occupants;
- (b) The full name and phone number of the person responsible for payment;
- (c) The room number assigned to each Patron;
- (d) The day, month, year and time of arrival of each Patron and Guest;
- (e) The day, month, and year each Patron and Guest are scheduled to depart;
- (f) Upon departure, record of departure day, month, and year for each Patron and Guest;
- (g) The rate charge and amount collected for rental of the room.

(3) No person shall procure or provide lodging in any extended stay lodging services, through misrepresentation or production of false identification, or identification which misrepresents the identity of the person procuring or sharing in such lodging.

(4) All information required to be maintained pursuant to this section shall be provided to any federal, state, or local sworn law enforcement officer having the lawful power to arrest, upon demand of the officer and a representation by said officer that a reasonable suspicion exists that such information is relevant to a then-pending inquiry or investigation. Nothing in this requirement shall be construed as giving any such officer any greater right or license to enter a room or invade privacy that the officer shall otherwise possess as a matter of law, probable cause, constitutional law, statutory right, or warrant.

SECTION VIII.

Subsections (a), (b), and (c) of Section 9-10-1-2 of the ULDC are hereby amended by eliminating them in their entirety and substituting in their place the language set forth below:

- (a) *Height.* If a fence or freestanding wall, other than a retaining wall or necessary fencing encompassing a tennis court, is to be placed in a yard, it shall be no more than eight (8) feet in height. Fences or freestanding walls constructed **between the build-to-line and the front lot line** in a front yard of a residential lot shall not exceed three and one-half (3.5) feet (42 inches) in height; provided, however, that this shall not apply to subdivision or project identification monuments at the entrance to a subdivision or development and wall or fence extensions thereof, where permitted, which shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height. Fences or walls on properties with nonresidential uses

shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height in a front, side or rear yard.

- (b) ~~Setback and~~ Location. Fences and walls must be set back three (3) feet from ~~should be located along~~ any side or rear common property line, for purposes of maintenance; provided, however, that a fence may be established along a side or rear property line if there is a written and signed agreement between the property owners to permit the fence at or along a common property line. In such cases, the Director may require a letter, plat or deed as evidence of such agreement. No fence or freestanding wall shall be erected in a manner that obstructs visibility at street intersections (see also Chapter 9-17-4, "Site Visibility Triangle Easements"). Retaining walls and subdivision entrance monuments shall not be placed within the right-of-way of a local street.
- (c) Composition. Walls and fences shall present a finished and attractive surface to the exterior of the property and to the interior of the property where the interior wall or fence is visible from the right-of-way. The entire wall or fence must be consistent in form, shape, style and material and shall not be composed or constructed of exposed concrete block, tires, junk, or other discarded materials. In all residential zoning districts, fences or walls erected within the required front yard shall be constructed of brick, stone, wood, stucco, wrought iron, split rail, vinyl plastic or chain-link coated with black in color vinyl.; provided, however, that this shall not preclude wire fences (e.g., chain link, or barbed wire) within a required front yard, when a residential property contains a minimum of two (2) acres and such fencing is needed for permitted livestock. Chain-link fences installed in commercial and industrial zoning districts and visible from the public right-of-way shall be coated with black in color vinyl with a black color and the appearance softened with landscaping as approved by the Director. An additional two (2) feet of security wire may be placed on fences in commercial and industrial zoning districts, unless prevented by overlay zone regulations.

SECTION IX.

Section 9-20-14-15 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

The building official may withhold, revoke, or suspend a building permit or certificate of occupancy when violations occur.

The term "Violations" as used in the preceding sentence shall include violations of local, state, and/or federal law, including but not limited to criminal law.

If the certificate of occupancy is revoked for criminal violations, no new certificate of occupancy shall be issued at that location for the same use for 12 months immediately following revocation. Revocation of a certificate of occupancy shall automatically revoke the business/occupation tax (business license).

SECTION X.

Section 9-9-1-4 of the ULDC is hereby amended by adding Subsections (f), (g), and (h) as set forth below:

- (f) The Central Business District exhibits a significant historical, architectural and cultural character for our community. In accordance with the community visioning and Central Core

character area delineation completed as part of the City's Comprehensive Planning Process, no demolition of building(s) or structure(s) within property zoned Central Business (C-B) shall commence, and no demolition permit shall be issued by the Community Development Department, prior to the approval of the demolition of said building(s) or structure(s) by the Community and Economic Development Director (see also Chapter 9-9-2, "Site and Architectural Design Review").

(g) A demolition permit may be denied for the following reasons:

(1) The proposed new structure or use on the site is not compatible with the Central Core character area and the design guidelines as identified in Chapter 9-9-6.

(2) The demolition permit allows the demolition of a historically significant building that contributes to the Central Core character area.

(h) If the demolition of the building(s) or structure(s) is denied by the Community and Economic Development Director, the applicant shall have the right to appeal to the governing body of the City of Gainesville.

SECTION XI.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION XII.

If any portion of this ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair the remaining portions unless it clearly appears that such other parts are wholly and necessarily dependent upon the part held to be invalid and unconstitutional.

SECTION XIII.

The effective date of this ordinance shall be upon approval by the governing body of the City of Gainesville, Georgia.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this ordinance was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

AN ORDINANCE

No. 2019-

AN ORDINANCE TO AMEND TABLE 9-6-1 ENTITLED “PERMITTED AND SPECIAL USES FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA (THE UNIFIED LAND DEVELOPMENT CODE OF THE CITY OF GAINESVILLE, GEORGIA HEREINAFTER REFERRED TO AS “THE ULDC”) AS SET FORTH BELOW; TO AMEND TABLE 9-6-2 ENTITLED “DIMENSIONAL REQUIREMENTS FOR NONRESIDENTIAL ZONING DISTRICTS” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-8-7-6 ENTITLED “PROHIBITED AND PERMITTED USES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND CHAPTER 9-10-6 ENTITLED “PRINCIPAL NONRESIDENTIAL USES” OF THE ULDC BY ADDING SECTION 9-10-6-12 ENTITLED “HOOKAH, E-CIGARETTE LOUNGE, AND/OR VAPOR LOUNGE/BAR,” SECTION 9-10-6-13 ENTITLED “SPECIAL EVENT FACILITY,” SECTION 9-10-6-14 ENTITLED “FOOD PROCESSING PLANT,” SECTION 9-10-6-15 ENTITLED “LODGING SERVICES,” AND SECTION 9-10-6-16 ENTITLED “EXTENDED STAY LODGING SERVICES” AS SET FORTH BELOW; TO AMEND SUBSECTIONS (a), (b), AND (c) OF SECTION 9-10-1-2 ENTITLED “FENCES AND WALLS” OF THE ULDC BY ELIMINATING THEM IN THEIR ENTIRETY AND SUBSTITUTING IN THEIR PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-20-14-15 ENTITLED “SUSPENSION OF PERMITS AND CERTIFICATES” OF THE ULDC BY ELIMINATING IT IN ITS ENTIRETY AND SUBSTITUTING IN ITS PLACE THE LANGUAGE SET FORTH BELOW; TO AMEND SECTION 9-9-1-4 ENTITLED “GENERAL REQUIREMENTS” OF THE ULDC BY ADDING SUBSECTIONS (f), (g), AND (h) AS SET FORTH BELOW; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR SEVERABILITY; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF GAINESVILLE, GEORGIA, AS FOLLOWS:

SECTION I.

Table 9-6-1 of the ULDC is hereby amended by eliminating the uses entitled “Lodging services,” “Lodging services, extended stay,” “Special event facility,” and “Food processing plant, including poultry and fish” in their entirety and substituting in their places the language set forth below, as well as by adding the uses entitled “Hookah, E-Cigarette and/or Vapor Lounge/Bar” and “Retail Sales of all Alternative Nicotine Products” as set forth below:

Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
OFFICE AND COMMERCIAL USES									
Hookah, E-Cigarette and/or Vapor Lounge/Bar	An establishment where patrons use a communal hookah or pipe to smoke, or where patrons vape, or where patrons use e-cigarettes to smoke or smoke other alternative nicotine products.	9-10-6-12	X	X	X	X	X	○	○
Retail Sales of all Alternative Nicotine Products	Retail sales of all alternative nicotine products and non-traditional tobacco paraphernalia including but not limited to hookah, vapes, vape pens, e-liquids, e-cigarettes, and bongs, excluding retail sales in convenience stores.		X	X	X	○	○	○	○
Lodging Services	Lodging services: A facility offering shelter accommodations, or place for such shelter, to the public for a fee for 15 days or less in one or more rooms within the same facility, with provisions for living, sanitation, and sleeping. Includes hotels and motels.	9-10-6-15	X	X	●	●	●	●	●
Lodging Services, Extended Stay (also referred to as Extended Stay Lodging Services)	Lodging services, extended stay (also referred to as Extended Stay Lodging Services): A facility offering shelter accommodations, or place for such shelter, to the public for a fee for more than 15 days but not to exceed 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping and fixed cooking appliances. Includes hotels and motels.	9-10-6-16	X	X	X	X	○	X	X
Special Event Facility	Special event facility: An independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.	9-10-6-13	○	○	○	○	○	○	○
Use	Definition	Specific Regulations	O-I	N-B	C-B	R-B	G-B	L-I	H-I
INDUSTRIAL USES									
Food Processing Plant	Food processing plant: A manufacturing establishment producing or processing foods for human or animal consumption and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.	9-10-6-14	X	X	X	X	X	X	●

SECTION II.

Table 9-6-2 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

**TABLE 9-6-2
DIMENSIONAL REQUIREMENTS FOR
NONRESIDENTIAL ZONING DISTRICTS**

BUILDING AND SITE REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum site area to rezone to this district (square feet except as shown)	15,000	15,000	None	4 acres	15,000	15,000	15,000
Maximum building coverage (percent of lot area)	50%	50%**	None	50%	60%	70%	70%
Maximum impervious surface coverage (percent of lot area)	75%	75%	None	80%	80%	85%	85%
Minimum landscaped open space for non-single-family residential use (percent of lot area)	20%	20%	None	15%	10%	5%	5%
Minimum road frontage (feet)	40	40	40	40	40	40	40
Minimum lot width, all uses (feet)	75	75	None	100	100	100	100
Minimum lot size, detached single-family dwelling (square feet)	15,000	15,000	None	NP	NP	NP	NP
Minimum lot size, two-family dwelling (square feet)	30,000	30,000	NP	NP	NP	NP	NP
Minimum lot size, all other permitted uses (square feet)	15,000	15,000	None	15,000	15,000	15,000	15,000
Maximum residential density for residential uses	12.0 dwelling units per acre	12.0 dwelling units per acre	2.0 floor-area ratio	NP	NP	NP	NP
HEIGHT REQUIREMENTS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Maximum height (feet)	60	60	120	75	75	75	120
Maximum height (number of stories)	4	4	8	5	5	5	5
PRINCIPAL BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Front setback, all streets, minimum (feet)	30	40	None	40	40	30	40
Side setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Rear setback, minimum (unless otherwise specified) (feet)	None	None	None	None	None	None	None
Side or rear setback abutting RR r/w or alley, minimum (feet)	25	15	None	15	None	None	None
	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Side or rear vegetative/structural buffer* and building setback when abutting R-I-A, R-I, N-C, R-II or R-O districts	25	25	10	25	35	50	100
Side or rear vegetative/structural buffer* and setback when abutting O-I, N-B, R-B, C-B, G-B districts	None	None	None	None	None	10	10
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
ACCESSORY BUILDING SETBACKS AND BUFFERS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
	Shall meet the principal building setback and buffer standards unless otherwise specified within Chapter 9-10-7 of this Unified Land Development Code.						
Corps of Engineers property line (unless otherwise specified) (feet)	-	-	-	-	-	-	-
LANDSCAPE STRIPS	O-I	N-B	C-B	R-B	G-B	L-I	H-I
Minimum landscape strip required along right-of-ways for any non-single-family residential use (width in feet)	10	10	None	10	10	10	10
Minimum landscape strip required alongside property lines for any non-single-family residential use (width in feet)	10	10	None	None	None	None	None

Minimum landscape strip required along right-of-way of existing street for any residential subdivision involving a new street with more than five lots (along that part of the frontage not used for the new street). Plantings within landscape strips shall not obstruct sight visibility triangle easements.	20	20	N/A	N/A	N/A	N/A	N/A
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NP = Not Permitted

* Required zoning buffers may be reduced in width with installation of a structural buffer as provided in Chapter 9-16-2-6 of this Unified Land Development Code.

** Within the N-B zoning district, no individual establishment shall exceed 50,000 square feet of gross floor area total or 18,000 square feet of gross floor area on the ground level floor.

SECTION III.

Section 9-8-7-6 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

Section 9-8-7-6. Prohibited and permitted uses.

All uses permitted by right or as Special Uses within the underlying zoning district shall be similarly permitted within the Midtown overlay zone, except the following uses shall not be permitted on any property within the Midtown overlay zone:

Automated or non-automated car washes.
Coin-laundry facilities.
Dollar-type stores or thrift stores.
Community donation boxes.
Gas stations (located on lots less than 2 acres in size).
Group homes, homeless shelters, rooming house or crisis centers.
Hookah, E-cigarette, and/or Vapor lounge/bars.
Industrial uses causing the emission of noise, vibration, smoke, dust, gas, fumes and odors.
Industrial uses with outdoor storage.
Jail/correctional facility.
Kennels.
Liquor stores.
Marine sales or repair stores.
Massage parlors.
Mini-warehouses including climate-controlled self-service storage facilities.
Motels or extended stay lodging.
Motor vehicle sales or service.
Pawn shops.
Psychics, fortune tellers, clairvoyants and the like.
Retail sales of alternative nicotine products.
Salvage yard.
Sanitation uses including the storage of trash cans, dumpsters and porta potties.
Sawmill.
Sexually-oriented adult uses.
Tattoo parlors.
Taxi-cab or limousine services.
Tobacco or vaping stores.
Truck stops.
Vehicle emission testing facility.
Veterinarian or animal hospitals with outdoor kennels.
Wireless telecommunication facility or cell towers excluding co-location.

Wrecked motor vehicle compound.

In addition, loft dwellings, single-family homes, condominiums and townhouses shall be permitted by right in any non-residential district in the overlay zone, and shall not exceed a density of 12 dwelling units per acre unless approved as part of a Planned Unit Development.

SECTION IV.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-12 entitled "Hookah, E-Cigarette, and/or Vapor Lounge/Bar" to read as follows:

Section 9-10-6-12. - Hookah, E-Cigarette, and/or Vapor Lounge/Bar.

(a) Purpose and Findings.

- (1) The governing body finds that the use of hookah pipes, electronic cigarettes, vape pens, and other similar devices in hookah, e-cigarette, and/or vapor lounges/bars and the activities associated with such businesses (including loud music, large numbers of customers congregating for long periods, etc.) have been associated with increases in odors, noise, vapors, second-hand smoke, parking impacts, loitering, and disturbances in the peace. The purpose of this section is to prevent the overconcentration of this land use and to mitigate the negative impacts associated with this land use.
- (2) The governing body also finds that smoking and vaping land uses expose minors to dangerous secondhand-smoke by-products and increase the potential for minors to associate smoking of hookah pipes, electronic tobacco devices, and vaping devices with a normative or healthy lifestyle.
- (3) The U.S. Food and Drug Administration conducted laboratory analysis of electronic cigarette samples and found them to contain carcinogens and toxic chemicals to which users and bystanders could potentially be exposed, suggesting that the same health and public nuisance concerns present with conventional cigarettes exist with electronic cigarettes.
- (4) The U.S. Centers for Disease Control and Prevention reports that smoking a hookah has many of the same health risks as cigarette smoking; that hookah use by youth is increasing; that the charcoal used to heat hookah tobacco can have negative health risks because it produces high levels of carbon monoxide, metals, and carcinogens; that hookah smokers may absorb more of the toxic substances also found in cigarette smoke than cigarette smokers do; that secondhand smoke from hookahs can be a health risk for nonsmokers; and that new forms of electronic hookah smoking are now on the market and very little information is available on the health risks of electronic tobacco products.
- (5) Chapter 3-7 the Code of the City of Gainesville, Georgia entitled "Smokefree Air" bans smoking in all enclosed public places, subject to certain exceptions. In addition, the State of Georgia further regulates smoking in public areas under the Georgia Smokefree Air Act of 2005.

(b) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new facilities established following the effective date of the ordinance codified in this section. All legal, code-compliant hookah, e-cigarette, and vapor lounges/bars currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

A hookah lounge or bar is an establishment where patrons use a communal hookah or pipe to smoke.

An e-cigarette lounge or bar is an establishment where patrons use e-cigarettes to smoke or smoke other alternative nicotine or tobacco products.

A vapor lounge or bar is an establishment where patrons vape or smoke other alternative nicotine or tobacco products.

(d) Location.

Any hookah, e-cigarette, and/or vapor lounge/bar shall require special use approval by the governing body within the Light Industrial (L-I) and Heavy Industrial (H-I) zoning districts.

(e) Operational and Development Standards.

The following operational and development standards shall apply to all hookah, e-cigarette, and/or vapor lounges/bars in the City and shall be included as conditions imposed upon any license, permit, or other entitlement granted for such a business:

- (1) Distance Requirements. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 500 feet from any other hookah, e-cigarette, and/or vapor lounge/bar, or from any smokers' lounge, smoke shop, tobacco shop, and/or alternative nicotine product shop. Any hookah, e-cigarette, and/or vapor lounge/bar shall be located at least 1,000 feet from any public or private K-12 school or daycare, library, church, community and/or recreation center, liquor store, sexually oriented business, tattoo parlor, pawnshop, bar or nightclub, card room, check cashing business, park, and/or residential zoning district.
- (2) Any hookah, e-cigarette, and/or vapor lounge/bar shall operate in compliance with all federal, state, county, and local laws and regulations.
- (3) Minors Prohibited. No persons under 18 years of age shall be permitted within a hookah, e-cigarette, and/or vapor lounge/bar, including as employees. All employees must be at least 18 years of age. Business owners or operators shall require proof of identification to verify the age of customers, visitors, and employees.

- (4) Indoor Operation Only. All business-related activity, including smoking, shall be conducted entirely within a building. Outdoor seating, operating outdoor barbecues, and/or lighting coals outdoors shall not be permitted.
- (5) Admission Charges Prohibited. No admission charges, including a cover charge or minimum purchase requirement, shall be permitted.
- (6) Food and beverages, including alcoholic beverages and prepackaged food and beverages, shall not be sold, served, or consumed on the premises of the lounge/bar.
- (7) Visibility and Illumination. No window coverings or signage shall prevent visibility of the interior of the establishment from the outside during operating hours. The interior of the establishment shall have lighting adequate to make the conduct of patrons within the establishment readily discernible from the outside of the establishment to people of normal visual capabilities.
- (8) Ventilation. Adequate ventilation must be provided in accordance with all standards imposed by the building official and fire department, and any other requirements applicable to the establishment by state or federal laws. The requirements imposed by the building official or fire department may be more comprehensive than current building codes to prevent negative health and nuisance impacts on neighboring properties, including a requirement for a separate system to prevent smoke and vapors from migrating to adjoining suites or buildings and to outdoor public areas.

SECTION V.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-13 entitled "Special Event Facility" to read as follows:

Section 9-10-6-13. - Special Event Facility.

- (a) Definition. Special event facility means an independent facility, assembly hall, or restaurant event space capable of accommodating 100 patrons or more leased for the purpose of holding private parties or special events including but not limited to weddings. This term excludes an accessory special event facility that is part of a religious institution, educational facility, hotel, community recreation facility, and/or nonprofit club or lodge.
- (b) Codes. A special event facility must meet all applicable building, occupancy, life safety, fire, parking, health and food service codes, rules and regulations.
- (c) Applicability.
 - (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
 - (2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new special event facilities established following the effective date of the ordinance codified in this section. All legal, code-compliant special event facilities currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

- (d) Location. A special event facility shall be located on an Arterial Street or Collector Street, as those terms are defined in Section 9-13-2-1. A special event facility shall require special use approval by the governing body.
- (e) Noise. Any amplified noise shall be subject to the regulations established in the City's Code of Ordinances and Unified Land Development Code, as may be amended from time to time.
- (f) Security. Uniformed security guard(s) shall be provided in such a level so as to ensure the safety of the public and all attendees within a special event facility.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any special event facility.

SECTION VI.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-14 entitled "Food Processing Plant" to read as follows:

Section 9-10-6-14. - Food Processing Plant.

- (a) Definition. Food processing plant means a manufacturing establishment producing or processing foods for human or animal consumption, and certain related products or by-products, including but not limited to the following products: sugar, dairy, fruit and vegetable (including canning, preserving and processing), grain mill products and by-products, meat, poultry and seafood (including by-product processing but not including the slaughtering of animals), and miscellaneous food preparation from raw products.
- (b) Minimum Lot Size. The minimum lot size for a food processing plant shall be 5 acres.
- (c) Parking. A minimum of 0.75 spaces per employee for the number of employees present during the largest shift must be provided within defined parking areas that meet the parking standards outlined in Chapter 9-17-5 of the City's Unified Land Development Code.
- (d) Loading Zones. Loading zones and areas for truck turnarounds and truck queuing must be designated separate from employee parking and must be provided on-site. No public right-of-way shall be used for these purposes.
- (e) Location. Access shall be from an Arterial Street or Collector Street, as that term is defined in Section 9-13-2-1.
- (f) Noise, Dust and Odors. Any noise, dust or odors shall be subject to the regulations established in the City's Code of Ordinances and the Unified Land Development Code, as may be amended from time to time.
- (g) Site Inspection. A site inspection by the building official shall be required prior to the issuance of a Certificate of Occupancy for any food processing plant.
- (h) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section apply to new food processing plants established following the effective date of the ordinance codified in this section.

SECTION VII.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-15 entitled "Lodging Services" to read as follows:

Section 9-10-6-15. - Lodging Services.

(a) Purpose.

- (1) The purpose of this section is to ensure the continued availability of quality transient lodging within the City and proper maintenance of lodging services and to protect the health, safety and welfare of users of lodging services.
- (2) This section is essential to the public's interest, safety, health, and welfare and shall be liberally construed to effectuate its purposes.

(b) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new lodging services established following the effective date of the ordinance codified in this section. All legal, code-compliant lodging services currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

Bona fide employee shall mean a person who works in the business of lodging services or extended stay lodging services under a contract of hire, whether express or implied, where the employer has the power or right to control or direct the details of what work is to be performed and the manner in which that work is to be performed.

Extended stay lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for more than 15 days but not more than 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping, fixed cooking appliances, and/or kitchen facilities.

Fixed cooking appliances shall mean a stove top burner; a hotplate that does not serve as an integral part of an appliance designed solely to produce coffee; a conventional oven; a

convection oven; or any oven producing heat using resistance heating elements, induction heating, or infrared heating sources.

Guest shall mean a person who is not a Patron but is present on the premises of lodging services to accompany a Patron and with the express permission of the owner, operator, keeper or proprietor of the lodging services. Guests are required to register with the supporting Patron.

Lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for 15 days or less in one or more rooms in the same facility, with provisions for living, sanitation, and sleeping.

Kitchen facilities shall mean kitchen amenities including, but not limited to, refrigerators, stoves, ovens, and kitchen-type sink. Amenities limited to a microwave, mini-refrigerator, and/or an appliance designed to produce coffee or tea do not constitute “kitchen facilities” for purposes of this definition.

Patron shall mean a person who pays a fee to the owner, operator, keeper or proprietor of the lodging services for the right to occupy one or more rooms.

(d) Provisions applicable to lodging services.

- (1) No more than five percent (5%) of rooms in lodging services shall have fixed cooking appliances and/or kitchen facilities located therein. If more than five percent (5%) of the rooms contain fixed cooking appliances and/or kitchen facilities, such lodging services shall be deemed extended stay lodging services, and subject to the regulations for extended stay lodging services.
- (2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services, including but not limited to having the appropriate zoning for the property upon which the lodging services is located.
- (3) All lodging services must staff the lobby with a bona fide employee or manager twenty-four (24) hours a day.
- (4) No owner, operator, keeper, proprietor or employee of lodging services shall provide lodging at an hourly rate.
- (5) No owner, operator, keeper or proprietor of lodging services shall designate more than three (3) rooms for the purpose of allowing bona-fide employees and their family to reside on the premises.
- (6) Maximum length of occupancy.
 - i. No lodging services located within the City shall allow any person to stay at such lodging services for more than fifteen (15) consecutive days, nor more than thirty (30) days during a one hundred eighty (180) day period unless one of the following criteria apply.
 - (a) Where there is a written agreement between lodging services and a business entity or governmental agency to house employees/contractors and family of

employees/contractors of such business entity or governmental agency during times that said employees/contractors are performing services for such business entity or governmental agency; or

- (b) Where there is documentation, consistent with HIPAA privacy rules, that a Patron and/or Guest(s) are family of or providing care for a patient who is admitted at a local hospital or other medical care facility; or
 - (c) Where an insurance company or governmental agency has provided documentation that a Patron and/or Guest has been displaced from the Patron and/or Guest's home by a natural disaster or fire.
 - (7) Each room at lodging services shall be accessed through an interior hallway, and no person shall have access to the exterior of the building except through the central lobby or as otherwise determined by fire codes.
 - (8) Each room at lodging services shall have a minimum of three-hundred (300) square feet.
 - (9) Any outdoor recreational areas provided by lodging services shall be located to the rear or side of the building.
 - (11) A fixed cooking appliance in any room at lodging services shall have a maximum sixty (60) minute automatic power-off timer for each such appliance.
 - (12) Inspections of rooms and business records of lodging services may be performed by sworn officers of the City Police Department or the City Code Enforcement and their designated employees for the purpose of verifying compliance with the requirements of this section and state law.
- (e) Recordkeeping and registration requirements for lodging services.
- (1) Every owner, operator, keeper or proprietor of any lodging services shall keep a record of all rental agreements between the lodging services and all Patrons and Guests and make these records available to the City upon request. For purpose of this subsection, the term "record" shall include the electronic registration system of the lodging services which stores Patron and Guest identifying information. In the event the lodging services does not have an electronic registration system, the lodging services shall manually record the Patron and Guest information in a paper record or registration book.
 - (2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:
 - (a) The number of occupants;
 - (b) The full name and phone number of the person responsible for payment;
 - (c) The room number assigned to each Patron and Guest;
 - (d) The day, month, year and time of arrival of each Patron and Guest;
 - (e) The day, month, and year each Patron and Guest are scheduled to depart;
 - (f) Upon departure, record of departure day, month, and year for each Patron and Guest;
 - (g) The rate charge and amount collected for rental of the room.

- (3) No person shall procure or provide lodging in any lodging services, through misrepresentation or production of false identification, or identification which misrepresents the identity of the person procuring or sharing in such lodging.
- (4) All information required to be maintained pursuant to this section shall be provided to any federal, state, or local sworn law enforcement officer having the lawful power to arrest, upon demand of the officer and a representation by said officer that a reasonable suspicion exists that such information is relevant to a then-pending inquiry or investigation. Nothing in this requirement shall be construed as giving any such officer any greater right or license to enter a room or invade privacy that the officer shall otherwise possess as a matter of law, probable cause, constitutional law, statutory right, or warrant.

SECTION VIII.

Chapter 9-10-6 of the ULDC is hereby amended by adding Section 9-10-6-16 entitled "Extended Stay Lodging Services" to read as follows:

Section 9-10-6-16. - Extended Stay Lodging Services.

(a) Purpose.

- (1) The purpose of this section is to ensure the continued availability of quality transient lodging within the City and proper maintenance of extended stay lodging services and to protect the health, safety and welfare of users of extended stay lodging services.
- (2) This section is essential to the public's interest, safety, health, and welfare and shall be liberally construed to effectuate its purposes.

(b) Applicability.

- (1) The provisions of this section shall apply in addition to other regulations of the City's Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.
- (2) The provisions of this section which apply to "nonconforming use," as defined in Section 9-11-3-1 of the City's Unified Land Development Code shall apply to new extended stay lodging services established following the effective date of the ordinance codified in this section. All legal, code-compliant extended stay lodging services currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City's Unified Land Development Code.

(c) Definitions.

Bona fide employee shall mean a person who works in the business of lodging services or extended stay lodging services under a contract of hire, whether express or implied, where the employer has the power or right to control or direct the details of what work is to be performed and the manner in which that work is to be performed.

Extended stay lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for more than 15 days but not more than 30 days in one or more rooms within the same facility, with provisions for living, sanitation, sleeping, fixed cooking appliances, and/or kitchen facilities.

Fixed cooking appliances shall mean a stove top burner; a hotplate that does not serve as an integral part of an appliance designed solely to produce coffee; a conventional oven; a convection oven; or any oven producing heat using resistance heating elements, induction heating, or infrared heating sources.

Guest shall mean a person who is not a Patron but is present on the premises of lodging services or extended stay lodging services to accompany a Patron and with the express permission of the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services. Guests are required to register with the supporting Patron.

Lodging services shall mean any facility consisting of one or more buildings, offering shelter accommodations, or a place for shelter, to the public for a fee for 15 days or less in one or more rooms in the same facility, with provisions for living, sanitation, and sleeping.

Kitchen facilities shall mean kitchen amenities including, but not limited to, refrigerators, stoves, ovens, and kitchen-type sink. Amenities limited to a microwave, mini-refrigerator, and/or an appliance designed to produce coffee or tea do not constitute “kitchen facilities” for purposes of this definition.

Patron shall mean a person who pays a fee to the owner, operator, keeper or proprietor of the lodging services or extended stay lodging services for the right to occupy one or more rooms.

(d) Provisions applicable to extended stay lodging services.

- (1) If more than five percent (5%) of the rooms contain fixed cooking appliances and/or kitchen facilities, such lodging services shall be deemed extended stay lodging services, and subject to the regulations for extended stay lodging services.
- (2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services.
- (3) Any extended stay lodging services shall require special use approval by the governing body within the General Business (G-B) zoning district.
- (4) All extended stay lodging services must staff the lobby with a bona fide employee or manager twenty-four (24) hours a day
- (5) No owner, operator, keeper, proprietor or employee of extended stay lodging services shall provide lodging at an hourly rate.
- (6) No owner, operator, keeper or proprietor of extended stay lodging services shall designate more than three (3) rooms for the purpose of allowing bona-fide employees and their family to reside on the premises.
- (7) Maximum length of occupancy.
 - i. No extended stay lodging services located within the City shall allow any person to stay at such extended stay lodging services for more than thirty (30) consecutive days, nor

more than sixty (60) days during a one hundred eighty (180) day period, unless one of the following criteria apply.

- (a) Where there is a written agreement between lodging services and a business entity or governmental agency to house employees/contractors and family of employees/contractors of such business entity or governmental agency during times that said employees/contractors are performing services for such business entity or governmental agency; or
 - (b) Where there is documentation, consistent with HIPAA privacy rules, that a Patron and/or Guest(s) are family of or providing care for a patient who is admitted at a local hospital or other medical care facility; or
 - (c) Where an insurance company or governmental agency has provided documentation that a Patron and/or Guest has been displaced from the Patron and/or Guest's home by a natural disaster or fire; or
 - (d) Where there is official documentation from a local non-profit housing agency or shelter that no alternative housing is available for the Patron and/or Guest.
- (8) The minimum lot size for extended stay lodging services shall be two (2) acres.
- (9) Each room at extended stay lodging services shall be accessed through an interior hallway, and no person shall have access to the exterior of the building except through the central lobby or as otherwise determined by fire codes.
- (10) The size of the lobby at extended stay lodging services shall be a minimum of seven-hundred (700) square feet.
- (11) Each room at extended stay lodging services shall have a minimum of three-hundred (300) square feet.
- (12) Extended lodging services shall provide an enclosed heated and air-conditioned laundry space with a minimum of three (3) washers and three (3) dryers.
- (13) Any outdoor recreational areas provided by extended stay lodging services shall be located to the rear or side of the building.
- (14) Any extended stay lodging services adjacent to residentially zoned property or residential land uses shall provide at least a seventy-five (75) foot natural buffer, enhanced with an at least an additional twenty-five (25) foot landscaped buffer (total at least one-hundred (100) feet).
- (15) A fixed cooking appliance in any room at extended stay lodging services shall have a maximum sixty (60) minute automatic power-off timer for each such appliance.
- (16) Inspections of rooms and business records of extended stay lodging services may be performed by sworn officers of the City Police Department or the City Code Enforcement

and their designated employees for the purpose of verifying compliance with the requirements of this section and state law.

(e) Recordkeeping and registration requirements for extended stay lodging services.

- (1) Every owner, operator, keeper or proprietor of any extended stay lodging services shall keep a record of all rental agreements between the extended stay lodging services and all Patrons and Guests and make these records available to the City upon request. For purpose of this subsection, the term "record" shall include the electronic registration system of the extended stay lodging services which stores Patron and Guest identifying information. In the event the extended stay lodging services does not have an electronic registration system, the extended stay lodging services shall manually record the Patron and Guest information in a paper record or registration book.
- (2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:
 - (a) The number of occupants;
 - (b) The full name and phone number of the person responsible for payment;
 - (c) The room number assigned to each Patron;
 - (d) The day, month, year and time of arrival of each Patron and Guest;
 - (e) The day, month, and year each Patron and Guest are scheduled to depart;
 - (f) Upon departure, record of departure day, month, and year for each Patron and Guest;
 - (g) The rate charge and amount collected for rental of the room.
- (3) No person shall procure or provide lodging in any extended stay lodging services, through misrepresentation or production of false identification, or identification which misrepresents the identity of the person procuring or sharing in such lodging.
- (4) All information required to be maintained pursuant to this section shall be provided to any federal, state, or local sworn law enforcement officer having the lawful power to arrest, upon demand of the officer and a representation by said officer that a reasonable suspicion exists that such information is relevant to a then-pending inquiry or investigation. Nothing in this requirement shall be construed as giving any such officer any greater right or license to enter a room or invade privacy that the officer shall otherwise possess as a matter of law, probable cause, constitutional law, statutory right, or warrant.

SECTION VIII.

Subsections (a), (b), and (c) of Section 9-10-1-2 of the ULDC are hereby amended by eliminating them in their entirety and substituting in their place the language set forth below:

- (a) *Height.* If a fence or freestanding wall, other than a retaining wall or necessary fencing encompassing a tennis court, is to be placed in a yard, it shall be no more than eight (8) feet in height. Fences or freestanding walls constructed between the build-to-line and the front lot line in a front yard of a residential lot shall not exceed three and one-half (3.5) feet (42 inches) in height; provided, however, that this shall not apply to subdivision or project identification monuments at the entrance to a subdivision or development and wall or fence extensions thereof, where permitted, which shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height. Fences or walls on properties with

nonresidential uses shall not exceed eight (8) feet in height and columns shall not exceed ten (10) feet in height in a front, side or rear yard.

- (b) *Location.* Fences and walls should be located along any side or rear common property line. No fence or freestanding wall shall be erected in a manner that obstructs visibility at street intersections (see also Chapter 9-17-4, "Site Visibility Triangle Easements"). Retaining walls and subdivision entrance monuments shall not be placed within the right-of-way of a local street.
- (c) *Composition.* Walls and fences shall present a finished and attractive surface to the exterior of the property and to the interior of the property where the interior wall or fence is visible from the right-of-way. The entire wall or fence must be consistent in form, shape, style and material and shall not be composed or constructed of exposed concrete block, tires, junk, or other discarded materials. In all residential zoning districts, fences or walls erected within the front yard shall be constructed of brick, stone, wood, stucco, wrought iron, split rail, vinyl plastic or chain-link coated with black in color vinyl. Chain-link fences installed in commercial and industrial zoning districts and visible from the public right-of-way shall be coated with black in color vinyl and the appearance softened with landscaping as approved by the Director. An additional two (2) feet of security wire may be placed on fences in commercial and industrial zoning districts, unless prevented by overlay zone regulations.

SECTION IX.

Section 9-20-14-15 of the ULDC is hereby amended by eliminating it in its entirety and substituting in its place the language set forth below:

The building official may withhold, revoke, or suspend a building permit or certificate of occupancy when violations occur.

The term "Violations" as used in the preceding sentence shall include violations of local, state, and/or federal law, including but not limited to criminal law.

If the certificate of occupancy is revoked for criminal violations, no new certificate of occupancy shall be issued at that location for the same use for 12 months immediately following revocation. Revocation of a certificate of occupancy shall automatically revoke the business/occupation tax (business license).

SECTION X.

Section 9-9-1-4 of the ULDC is hereby amended by adding Subsections (f), (g), and (h) as set forth below:

- (f) The Central Business District exhibits a significant historical, architectural and cultural character for our community. In accordance with the community visioning and Central Core character area delineation completed as part of the City's Comprehensive Planning Process, no demolition of building(s) or structure(s) within property zoned Central Business (C-B) shall commence, and no demolition permit shall be issued by the Community Development Department, prior to the approval of the demolition of said building(s) or structure(s) by the Community and Economic Development Director (see also Chapter 9-9-2, "Site and Architectural Design Review").

(g) A demolition permit may be denied for the following reasons:

- (1) The proposed new structure or use on the site is not compatible with the Central Core character area and the design guidelines as identified in Chapter 9-9-6.
- (2) The demolition permit allows the demolition of a historically significant building that contributes to the Central Core character area.

(h) If the demolition of the building(s) or structure(s) is denied by the Community and Economic Development Director, the applicant shall have the right to appeal to the governing body of the City of Gainesville.

SECTION XI.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION XII.

If any portion of this ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair the remaining portions unless it clearly appears that such other parts are wholly and necessarily dependent upon the part held to be invalid and unconstitutional.

SECTION XIII.

The effective date of this ordinance shall be upon approval by the governing body of the City of Gainesville, Georgia.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this ordinance was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CITY OF
GAINESVILLE

LODGING SERVICES AND EXTENDED
STAY LODGING SERVICES

1. **Section 9-10-6-15 Lodging Services - added a new Section 9-10-6-16 Extended Stay Lodging Services**

2. **Section 9-10-6-15 (b) and Section 9-10-6-16 (b) – Applicability**

(1) The provisions of this section shall apply in addition to other regulations of the City’s Code of Ordinances and Unified Land Development Code. In the event of a conflict between other sections and this section, this section shall control.

(2) The provisions of this section which apply to “nonconforming use,” as defined in Section 9-11-3-1 of the City’s Unified Land Development Code shall apply to new lodging services and extended stay lodging services established following the effective date of the ordinance codified in this section. All legal, code-compliant lodging services and extended stay lodging services currently located in the City shall become legal, nonconforming uses, and as such must comply with the regulations set forth in Chapter 9-11-3 of the City’s Unified Land Development Code.

3. **Section 9-10-6-15 (c) and Section 9-10-6-16 (c) – Definitions Removed the definition of a “Vehicle”.**

4. **Section 9-10-6-15 (d) and Section 9-10-6-16 (d) – Provisions**

(2) No lodging services may be converted to and operated as extended stay lodging services unless the lodging services is in full compliance with each of the provisions applicable to extended stay lodging services, **including but not limited to having the appropriate zoning for the property upon which the lodging is located.**

(Added to Lodging Services only)

~~(3) Any extended stay lodging services shall require special use approval by the governing body within the General Business (G-B) zoning district. (Deleted from Lodging Services only)~~

4. Section 9-10-6-15 (d) and Section 9-10-6-16 (d) - Provisions (Cont'd)

(7) Maximum length of occupancy.

- i. No lodging services located within the City shall allow any person to stay at such lodging services for more than fifteen (15) consecutive days, nor more than thirty (30) days during a one hundred eighty (180) day period. ~~No person who stays for fifteen (15) consecutive days shall be permitted to stay at the lodging services until at least a two week period has elapsed since the person's last stay.~~ **,unless one of the following criteria apply.**
- ii. No extended stay lodging services located within the City shall allow any person to stay at such extended stay lodging services for more than thirty (30) consecutive days, nor more than sixty (60) days during a one hundred eighty (180) day period. ~~No person who stays for thirty (30) consecutive days shall be permitted to stay at the extended stay lodging services until at least a two week period has elapsed since the person's last stay.~~ **,unless one of the following criteria apply.**

- (a) Where there is a written agreement between lodging services and a business entity or governmental agency to house employees/contractors and family of employees/contractors of such business entity or governmental agency during times that said employees/contractors are performing services for such business entity or governmental agency; or**
- (b) Where there is documentation, consistent with HIPAA privacy rules, that a Patron and/or Guest(s) are family of or providing care for a patient who is admitted at a local hospital or other medical care facility; or**
- (c) Where an insurance company or governmental agency has provided documentation that a Patron and/or Guest has been displaced from the Patron and/or Guest's home by a natural disaster or fire; or**
- (d) Where there is official documentation from a local non-profit housing agency or shelter that no alternative housing is available for the Patron and/or Guest.**

4. Section 9-10-6-15 (d) and Section 9-10-6-16 (d) – Provisions (Cont'd)

~~(8) The minimum lot size for lodging services and extended stay lodging services shall be two (2) acres.~~

(Removed from Lodging Services only)

~~(9) Lodging services and extended stay lodging services shall have a minimum of fifty (50) rooms.~~

~~(11) The size of the lobby at lodging services or extended stay lodging services shall be a minimum of seven hundred (700) square feet.~~ **(Deleted from Lodging Services only)**

~~(13) Any roof of any building of lodging services or extended stay lodging services shall have a minimum roof pitch of four in twelve (4:12).~~

~~(14) Lodging Services or~~ Extended lodging services shall provide an enclosed heated and air-conditioned laundry space with a minimum of three (3) washers and three (3) dryers. **(Deleted from Lodging Services only)**

(15) Any outdoor recreational areas provided by lodging services or extended stay lodging services shall be located to the rear **or side of the building.** ~~of the site.~~

~~(16) Any lodging services or extended stay lodging services adjacent to residentially zoned property or residential land uses shall provide at least a seventy-five (75) foot natural buffer, enhanced with an at least an additional twenty-five (25) foot landscaped buffer (total at least one hundred (100) feet).~~ **(Removed from Lodging Services only)**

~~(18) No room at lodging services or extended stay lodging service shall have connecting doors between the rooms.~~

5. Section 9-10-6-15 (e) and Section 9-10-6-16 (e) - Recordkeeping and Registration Requirements

(2) The following information, at a minimum, must be recorded at the time of registration and maintained for a period of not less than one hundred and eighty (180) days after the rental agreement's termination:

- (a) **The number of occupants;** ~~The full name, phone number, and home address of each Patron and Guest;~~
- (b) **The full name and phone number of the person responsible for payment;**
- (c) The room number assigned to each Patron and Guest;
- (d) The day, month, year and time of arrival of each Patron and Guest;
- (e) The day, month, and year each Patron and Guest are scheduled to depart;
- (f) Upon departure, record of departure day, month, and year for each Patron and Guest;
- (g) The rate charge and amount collected for rental of the room;
- ~~(g) The method of payment for each room;~~
- ~~(h) The make, model, year, color, license plate number, and license plate state of the Patron's and Guests' vehicle(s) if the vehicle(s) will be parked on the premises; and~~
- ~~(i) Documentation used to verify a stay in excess of one hundred and eighty (180) consecutive days as stated in Section 9-10-6-15(d)(7).~~

~~(3) Every owner, operator, keeper or proprietor of any lodging services and extended stay lodging services shall require each Patron to provide proper identification prior to renting a room when registering in person. Proper identification is defined as a current and valid government issued photo identification card such as a driver's license, military identification card, state identification card, or passport. A record of the provided identification shall be kept on file for the duration of the occupancy and for one hundred eighty (180) days thereafter. Any failure to verify such identification or to knowingly allow an individual to receive lodging services without such verification shall be in violation of this section.~~

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 12/20/2019
Presenter: Denise Jordan
Item of Business: 2020 Organizational Meeting
Meeting Date: 12/12/2019

Purpose of Request:

The purpose of this request is to discuss business items for the 2020 Organization Meeting.

History/Background:

The governing body receives information at the end of each calendar year regarding annual business matters.

Facts & Issues for Consideration:

The items to be addressed are noted as follows:

1. Oath of Office
 - Council Member Zack Thompson, Ward 2
 - Council Member Barbara Brooks, Ward 3
 - Council Member Julia Clay, Ward 5
2. Emergency Interim Successor Resolution
3. Appointment: Municipal Court Solicitor
4. Appointment: Deputy Municipal Court Solicitor
5. Appointment: Administrative Hearing Officer
6. Appointment: Legal Organ
7. Appointment: Board/Committee Ex-Officio Members
8. Appointment: Georgia Mountains Regional Commission

Department Recommendation:

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

Amount Requested: **Source of Funds:**

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
☐ 2020 Emergency Interim Resolution	Resolution
☐ 2020 Organizational Meeting Appointments	Backup Material
☐ 2020 Ex-Officio Appointments	Backup Material

RESOLUTION BR-2020-01
EMERGENCY INTERIM SUCCESSORS

WHEREAS, the Georgia Civil Defense Act as amended in 1962 requires the Emergency Interim Successor to be named.

WHEREAS, the governing body annually adopts a resolution identifying the order of succession during emergency situations.

NOW, THEREFORE, BE IT RESOLVED, that the Emergency Interim Successors for the City of Gainesville are designated in the order listed below:

1. Mayor C. Danny Dunagan, Jr.
2. Mayor Pro Tem _____
3. Council Member _____
4. Council Member _____
5. Council Member _____
6. Council Member _____

Adopted this ____ day of _____, 2020.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

ORGANIZATIONAL MEETING APPOINTMENTS

POST	LAST NAME	FIRST NAME	APPOINTED	EXPIRATION	FREQUENCY
City Manager	Lackey	Bryan	11/3/2015 effective 11/30/2015		As Needed
City Attorney	Hulsey, Oliver & Mahar, LLP (Abbott Hayes, Jr.)		10/6/2015 effective 1/1/2016		As Needed
City Auditor	Rushton & Company, CPA		2/18/1997 1/7/2014		As Needed
Chief Judge	Law, III	G. Hammond	1/1/1988 1/7/2014 8/2/2016 6/20/2017	12/31/2019	Annual
Municipal Court Solicitor	Bishop	Anne Marie	2/16/16 UE 1/9/2018	1/9/2020	2 year appt
Deputy Municipal Court Solicitor	Grant	Inez	4/19/2016 1/9/2018	1/9/2020	2 year appt
Administrative Hearing Officer	Law, III	G. Hammond	1/1/1992 1/7/2014 1/6/2015 1/5/2016 1/10/2017 1/9/2018 1/8/2019	1/7/2020	Annual
Legal Organ	The Times		1/10/2017 1/9/2018 1/8/2019	1/7/2020	Annual

EXPIRATION DATE: First Council Meeting of the year

UPDATED: 10/14/19 ag

"As Needed": Charter states "shall be removed at anytime upon majority vote of the governing body".

BOARD/COMMITTEE EX-OFFICIO APPOINTMENTS

(One Year Terms)

COMMITTEE	Meeting Schedule	2019	2020
Chicopee Woods Area Park Commission		Bruner	
Economic Development Council		Mayor	Mayor
Gainesville-Hall County Development Authority	As Needed	Mayor	Mayor
Gainesville-Hall County Land Bank Board	As Needed	Couvillon	
Gainesville Redevelopment Authority	As needed	Mayor	Mayor
Greater Hall Chamber of Commerce Board of Directors	Monthly	Mayor	Mayor
HALLmark Initiative		Mayor	Mayor
Airport Advisory Committee	Quarterly	Couvillon	
Board of Health	Quarterly	Wangemann	
Chattahoochee Golf Course Advisory Committee	Monthly	Thompson	
Friends of the Park	Monthly	Brooks	
Gainesville Non-Profit Development Authority	Quarterly	Brooks	
Historic Preservation Commission	Monthly	Wangemann	
Housing Authority		Wangemann	
Keep Hall Beautiful/Hall County Green Alliance		Wangemann	
Main Street Gainesville Advisory Board	Bi-Monthly	Bruner	
Parks & Recreation Board	Monthly	Couvillon	
Planning and Appeals Board	Monthly	Brooks	

12/4/19 dj