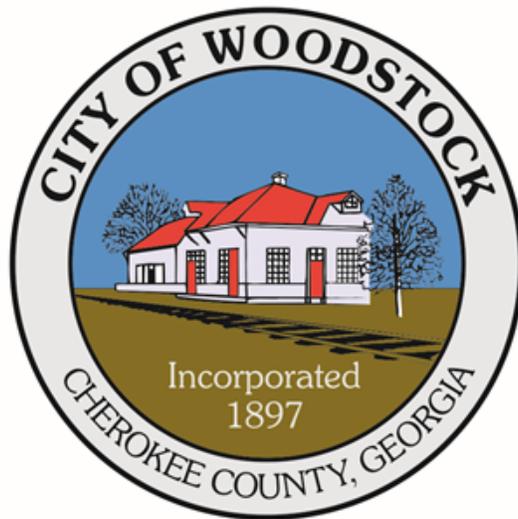


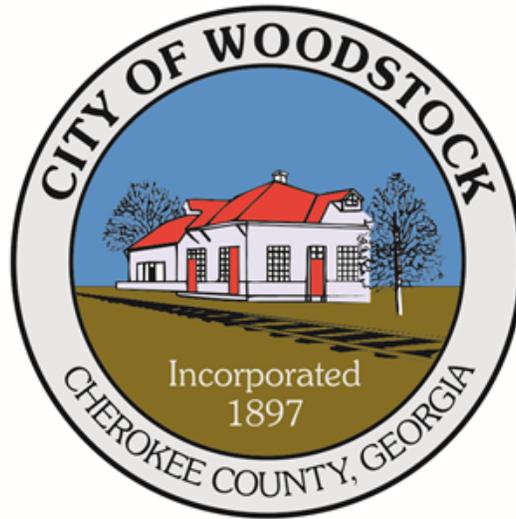
City of Woodstock, Georgia



Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

City of Woodstock, Georgia



Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

**Prepared by
Finance Department
Woodstock City Hall Annex**

**CITY OF WOODSTOCK, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Fiscal Year Ended June 30, 2016**

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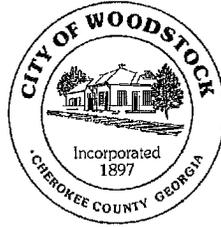
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INTRODUCTORY SECTION



City of Woodstock

12453 Hwy 92, Woodstock, Georgia 30188
770-592-6000 • 678-388-6350 (Fax)
www.woodstockga.gov

December 20, 2016

Honorable Donnie Henriques, Mayor,
Members of the City Council, and
Citizens of Woodstock, Georgia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Woodstock, Georgia, for the fiscal year ended June 30, 2016, is hereby submitted as mandated by state statute. The statute requires that the City of Woodstock, Georgia issues a report on its financial position and activity on an annual basis, and this report is to be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data 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 and component units of the City of Woodstock, Georgia. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report of the City of Woodstock, Georgia is presented in three sections: introductory, financial and statistical. The introductory section includes this letter of transmittal, a list of City of Woodstock's principal officials, department directors, and elected officials, and an organizational chart. The financial section includes the independent auditor's report, management's discussion and analysis, basic financial statements, required supplementary information, combining and individual funds financial statements and schedules. The statistical section includes selected financial, economic and demographic information, generally presented on a multi-year basis.

The firm of Nichols Cauley & Associates, LLC, a firm of certified public accountants, audited the City of Woodstock's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2016, are free of material misstatements. 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 on the audit, that there was a reasonable basis for rendering an

unmodified opinion that the City of Woodstock's financial statements for the fiscal year ended June 30, 2016 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first financial section component of this report.

Accounting principles generally accepted in the United States of America 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 narrative can be found immediately after the Independent Auditor's report.

REPORTING ENTITY

The financial reporting entity (City of Woodstock) includes all the funds of the primary government, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

The City provides a full range of services to its estimated 29,898 citizens. Some of the services which are available to those residents include police and fire protection, court systems; the construction and maintenance of highways, streets and infrastructure; buildings and grounds maintenance, tax collection, planning and zoning; building permitting and inspections, recreational activities and cultural events, and inherent administrative services. The city also provides water and sewer services and stormwater management services, which are shown as Enterprise Funds in this report.

GOVERNMENT STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

Established in 1897, Woodstock, Georgia is a leader in Metropolitan Atlanta in amenity based living, offering an excellent corporate environment for companies seeking the most effective solutions to relocate their facilities and their employees. The City of Woodstock's population increased 26% between 2010 and 2016 and currently is home to 29,898 residents; Woodstock continues to be poised for additional new, planned growth in the next decade. Woodstock is the gateway to the beautiful North Georgia Mountains, with convenient access to major airports - Hartsfield Jackson Atlanta International and Chattanooga's Metropolitan.

Woodstock's blend of small town charm within reach of big city attractions makes it an attractive choice for many metro area residents. Homes range from \$60,000 to \$1 million offering a wide variety of elegant, southern living. Woodstock's local area golf clubs include Eagle Watch and the Towne Lake Hills Golf Club. Eagle Watch with its Arnold Palmer design offers a 72-hole course, while Towne Lake's 18-hole championship course offers a challenge in a beautiful setting. Both golf courses are representative of the rolling green hills and wooded countryside unique to the foothills of the north Georgia mountains.

Within an easy ride, the northwest mountains of Georgia offer a wide range of family fun for nature lovers from camping, nature hikes, white water rafting and access to several lakes and over 13 State Parks. Part of Cherokee County, which formed in 1830 from land held by the Cherokee Indians, Woodstock also offers access to the rich history of Native Americans in Georgia. Lake Allatoona, an 11,860 acre lake, also offers recreational activities. As part of Atlanta's metropolitan statistical area, Woodstock with its convenient location between Chattanooga and Atlanta, offers access to major national and international sporting events and cultural arts.

The governing body of the City is the Mayor and Council, which appoints a City Manager. The Mayor and Council are empowered to levy taxes, establish fees and utility rates, adopt a budget, appoint committees and take other actions within the jurisdiction consistent with their function as a policy-making body. The City Manager is responsible for the daily operations of the City government in accordance with the policies of the

Mayor and Council

The local economic condition is improving for the City of Woodstock as the net assessment of property in the City saw an increase of 13.80 percent from \$856,468,373 to \$974,720,611. The unemployment rate in Cherokee County is 4.50 percent as compared to the State average of 5.50 percent, as of June 30, 2016.

The economic outlook is favorable as there are several commercial projects in various stages of development. Residential construction continues to gain momentum as the City of Woodstock has seen 386 new single family home permits issued in calendar year 2015.

In September of 2016, Standard & Poor's raised the bond rating to 'AA' after incorporating the City of Woodstock's "very strong economic metrics as well as strong budgetary performance over the last three years, which has increased budgetary flexibility to very strong levels".

FINANCIAL INFORMATION, MANAGEMENT AND CONTROL

Management of the City is responsible for establishing and maintaining an internal control structure. In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles, and for maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. This is a point of emphasis for the Finance staff going forward.

As a recipient of Federal and State financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is evaluated periodically by the internal audit staff of the City. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Budgetary controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Mayor and City Council and to comply with generally accepted accounting principles. Budgetary control is maintained by encumbering estimated purchase prices on purchase orders against appropriated account balances prior to the issuance of the purchase order. Purchase orders which would result in an over expenditure of appropriated balances are not processed unless additional funds are approved. Encumbered amounts lapse at year-end; however, encumbrances generally are re-appropriated as part of the following year's budget.

In general, the City's budgeting process is structured by fund and a separate budget is provided for each fund. For operational purposes, the City is divided into major functions and each function is split into areas called Departments, which is the legal level of control. The City defines specific objectives and performance measurements at the Department level so the activities and services for which each Department is responsible can be monitored.

INDEPENDENT AUDIT

The City Charter and the State of Georgia require an annual audit to be made of the books of account, financial records and transactions of all administrative departments of the City by independent Certified Public Accountants selected by the City Council. This requirement has been complied with and the auditor's opinion has been included in this report.

AWARDS

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 Woodstock for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twenty-second 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 comprehensive annual financial report.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial 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.

Respectfully submitted,



Jeffrey S. Moon
City Manager

Respectfully submitted,



Robert J. Porche, Jr.
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

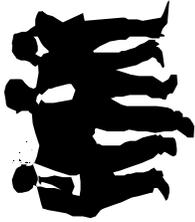
**City of Woodstock
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

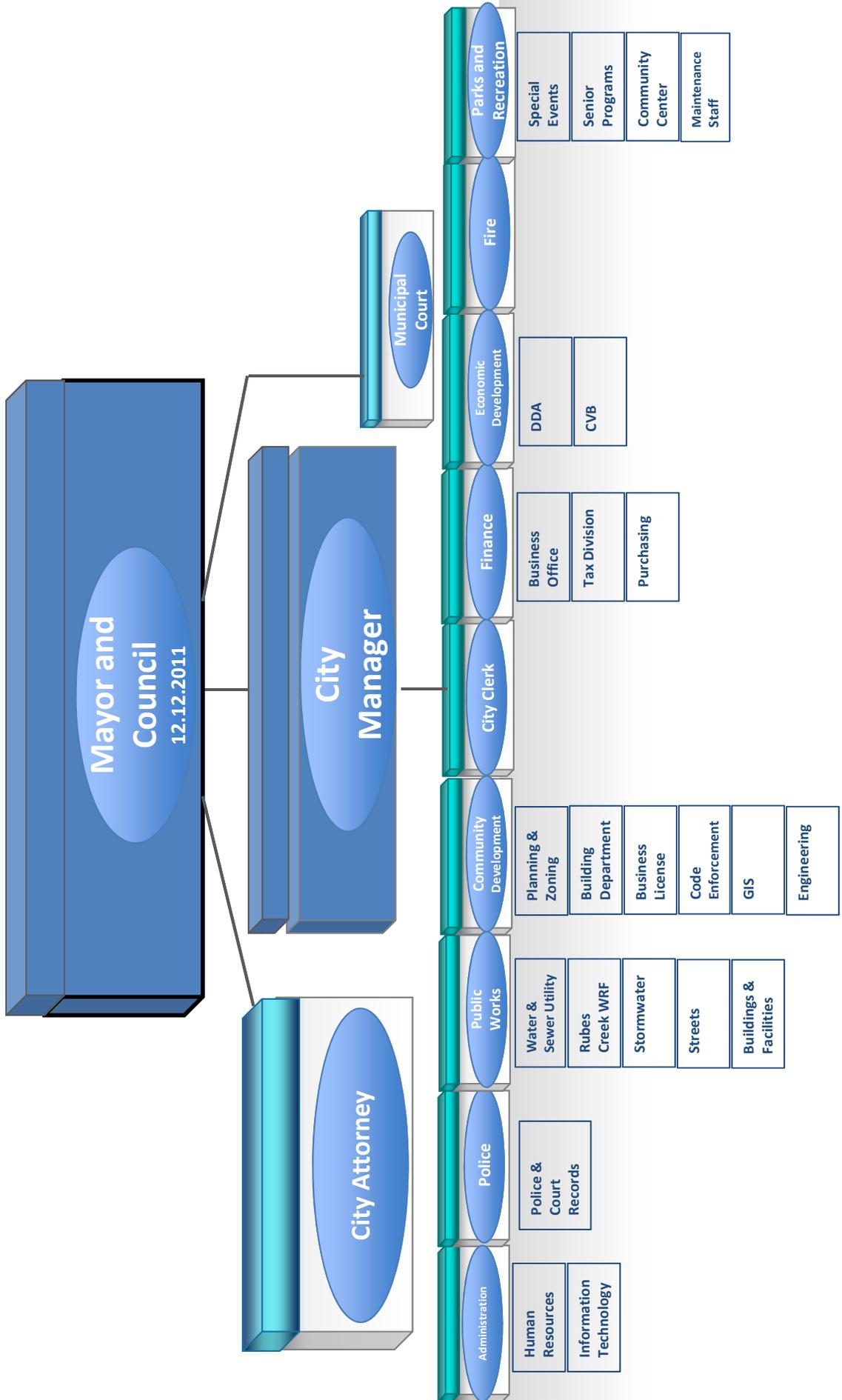
June 30, 2015

Executive Director/CEO

CITY OF WOODSTOCK, GEORGIA ORGANIZATIONAL CHART



Citizens of Woodstock, Georgia



CITY OF WOODSTOCK, GEORGIA

CITY OFFICIALS – 2016

MAYOR

Donald P. Henriques

CITY COUNCIL

Warren Johnson

David Potts

Tracy Collins

Robert “Bob” Mueller

Bud Leonard

Robert Usher

CITY MANAGER

Jeffrey S. Moon

CHIEF FINANCIAL OFFICER

Robert J. Porche, Jr.

CITY CLERK

Rhonda L. Pezzello

POLICE CHIEF

Cal Moss

FIRE CHIEF

David “Dave” Soumas

COMMUNITY DEVELOPMENT DIRECTOR

Brantley Day

PUBLIC WORKS DIRECTOR

Patrick “Pat” Flood

PARKS AND RECREATION DIRECTOR

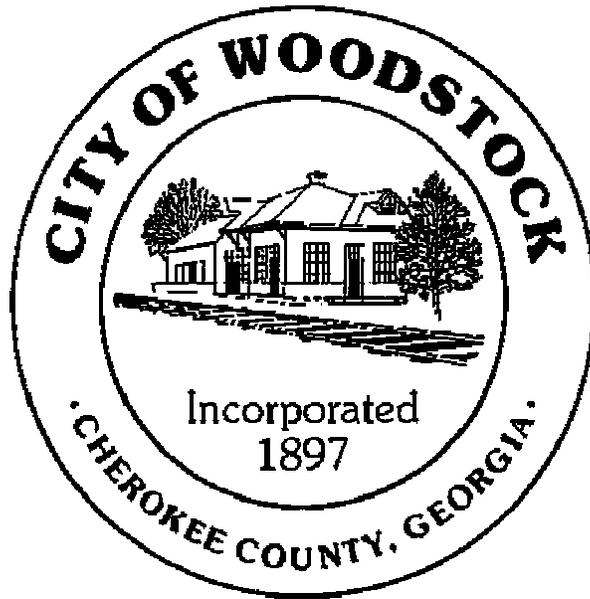
Preston Pooser

CITY ATTORNEYS

Moore Ingram Johnson & Steele, LLP

CITY AUDITORS

Nichols, Cauley & Associates, LLC



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FINANCIAL SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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Kennesaw, Georgia 30144
770-422-0598 FAX 678-214-2355
kennesaw@nicholscauley.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Donnie Henriques, Mayor
Members of the City Council
City of Woodstock, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodstock, Georgia as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodstock, Georgia, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Pension Contributions, and the General Fund Budgetary Comparison Schedule on pages 4-12 and 46-48 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 Woodstock, Georgia's basic financial statements. The introductory section, combining and individual fund statements and schedules, statistical section, and special reports section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred, the Schedule of Projects Financed with Special Sales Tax IV Proceeds, and the Schedule of Development Impact Fees are presented for purposes of additional analysis as required by the Official Code of Georgia 48-13-51, 48-8-121, and 36-71-8 respectively, and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the special reports section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and the special reports section are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016, on our consideration of the City of Woodstock, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Woodstock, Georgia's internal control over financial reporting and compliance.

Richels, Cauley + Associates, LLC

Kennesaw, Georgia

December 20, 2016

Management's Discussion and Analysis

As management of the City of Woodstock, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Woodstock for the fiscal year ended June 30, 2016. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements that follow this narrative.

Financial Highlights

⇒The City's combined net position increased \$4,902,280 to \$42,585,371 from \$37,683,091 in 2016.

⇒Combined revenue increased \$1,316,026 to \$32.9 million in 2016, of which governmental activities totaled \$23.2 million and business-type activities totaled \$9.7 million.

⇒ Overall expenses totaled \$28.0 million of which governmental activities totaled \$17.8 million and business-type activities totaled \$10.2 million.

⇒As of June 30, 2016, the City's governmental funds reported combined ending fund balances of \$7,801,622. Approximately 57.9% is available for use (unassigned fund balance).

⇒As of June 30, 2016, unassigned fund balance for the general fund was \$4,675,003, or 32.6% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to City of Woodstock's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the City through the use of government-wide statements, and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Woodstock.

Required Components of Annual Financial Report

Basic Financial Statements

The first two statements (pages 13 - 14) in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the City's financial status.

The next statements (pages 15 - 21) are Fund Financial Statements. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statement; and 3) the proprietary funds statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements, the Statement of Net Position and the Statement of Activities are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how they have changed. Net position is the difference between the City's total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources. Quantifying net position is one way to measure the City's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities, and 2) business-type activities. The governmental activities include most of the City's basic services such as public safety, community services, and general administration. Property and other types of taxes and licenses and permits finance most of these activities. The business-type activities are those that the City charges customers to provide. This includes the water and sewer services and storm water services offered by the City.

The government-wide financial statements are on pages 13-14 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Woodstock, like all other governmental entities in Georgia, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City of Woodstock can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs.

The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Woodstock adopts an annual budget for its General Fund and the special revenue funds, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Council; 2) the final budget as amended by the Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – The City’s proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Woodstock uses enterprise funds to account for its water and sewer operations and also the storm water utility operations.

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 are on pages 22-45 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The City’s combined net position (government and business-type activities) totaled \$42.6 million as of June 30, 2016.

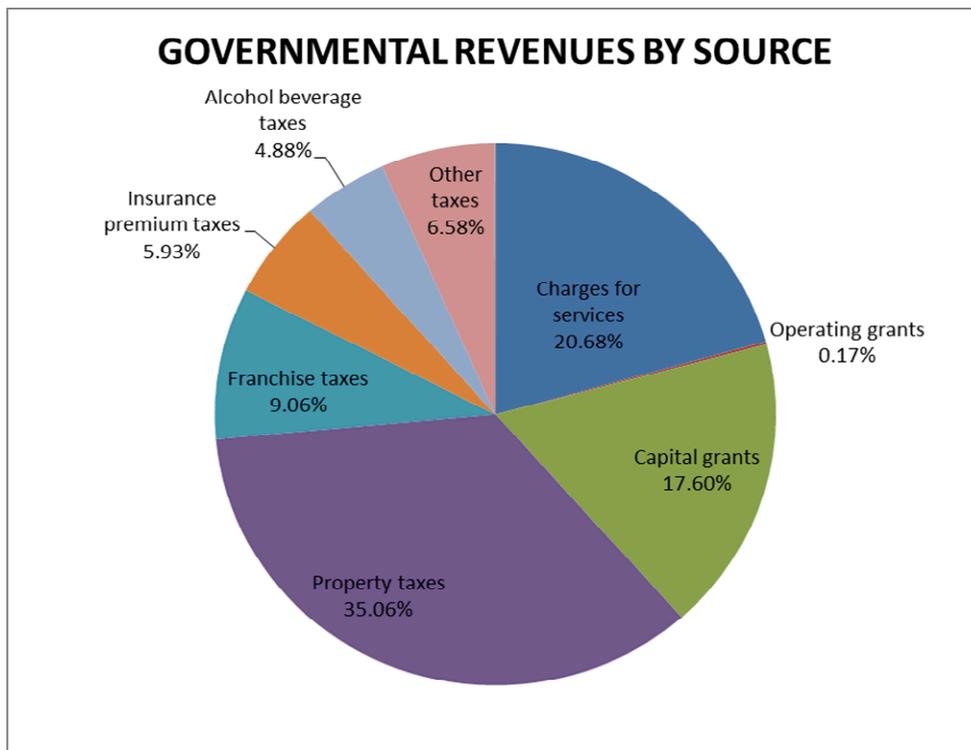
The largest portion of the City’s net position (86.9%) reflects its investment in capital assets such as land, buildings, equipment and infrastructure, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; 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.

City of Woodstock, Georgia
Statement of Net Position - Primary Government
June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$9,381,801	\$7,890,817	\$2,685,234	\$3,027,630	\$12,067,035	\$10,918,447
Capital assets	<u>38,699,742</u>	<u>34,441,892</u>	<u>32,740,915</u>	<u>34,211,090</u>	<u>71,440,657</u>	<u>68,652,982</u>
Total assets	<u>48,081,543</u>	<u>42,332,709</u>	<u>35,426,149</u>	<u>37,238,720</u>	<u>83,507,692</u>	<u>79,571,429</u>
Deferred outflows of resources	<u>1,251,535</u>	<u>337,669</u>	<u>876,018</u>	<u>857,547</u>	<u>2,127,553</u>	<u>1,195,216</u>
Current Liabilities	2,993,875	4,187,034	2,889,297	3,019,321	5,883,172	7,206,355
Long-term liabilities	<u>16,531,371</u>	<u>14,013,017</u>	<u>20,407,871</u>	<u>21,395,750</u>	<u>36,939,242</u>	<u>35,408,767</u>
Total liabilities	<u>19,525,246</u>	<u>18,200,051</u>	<u>23,297,168</u>	<u>24,415,071</u>	<u>42,822,414</u>	<u>42,615,122</u>
Deferred inflows of resources	<u>202,439</u>	<u>412,220</u>	<u>25,021</u>	<u>56,212</u>	<u>227,460</u>	<u>468,432</u>
Net position:						
Net investment in capital assets	24,790,190	20,808,212	12,198,653	12,555,498	36,988,843	33,363,710
Restricted	2,904,193	3,283,885	300,016	300,006	3,204,209	3,583,891
Unrestricted	<u>1,911,010</u>	<u>(33,990)</u>	<u>481,309</u>	<u>769,480</u>	<u>2,392,319</u>	<u>735,490</u>
Total net position	<u>\$29,605,393</u>	<u>\$24,058,107</u>	<u>\$12,979,978</u>	<u>\$13,624,984</u>	<u>\$42,585,371</u>	<u>\$37,683,091</u>

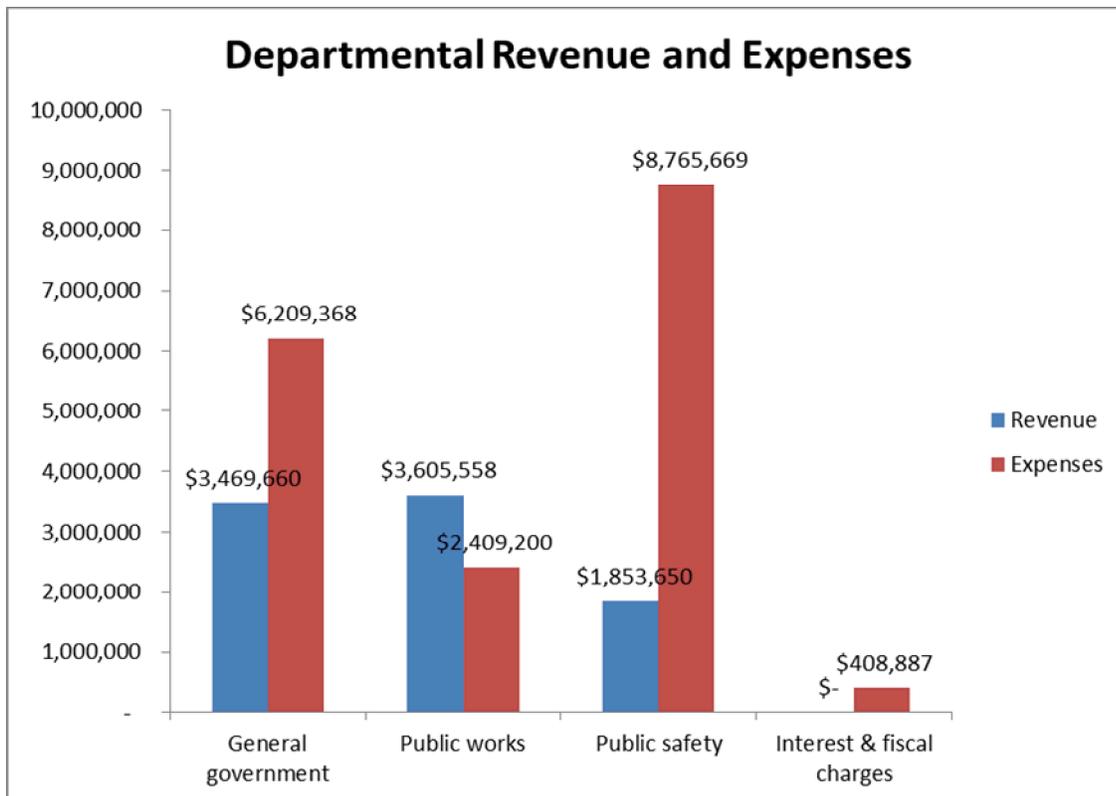
**City of Woodstock's Change in Net Position
For The Years Ended June 30, 2016 and 2015**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues -						
Charges for services	\$ 4,802,421	\$ 4,358,402	\$ 8,587,905	\$ 8,101,055	\$13,390,326	\$12,459,457
Operating grants and contributions	39,111	109,008	-	-	39,111	109,008
Capital grants and contributions	4,087,336	3,673,614	1,096,109	1,873,008	5,183,445	5,546,622
General Revenues-						
Property taxes	8,141,864	7,806,811	-	-	8,141,864	7,806,811
Franchise taxes	2,104,131	1,819,856	-	-	2,104,131	1,819,856
Insurance premium taxes	1,377,359	1,289,257	-	-	1,377,359	1,289,257
Alcohol beverage taxes	1,134,081	1,050,378	-	-	1,134,081	1,050,378
Other taxes	1,527,699	1,462,681	-	-	1,527,699	1,462,681
Interest	6,311	269	37	13	6,348	282
Other revenues	-	18,823	-	25,163	-	43,986
Total Revenues	<u>23,220,313</u>	<u>21,589,099</u>	<u>9,684,051</u>	<u>9,999,239</u>	<u>32,904,364</u>	<u>31,588,338</u>
Expenses:						
General government	2,852,620	2,118,326	-	-	2,852,620	2,118,326
Culture and recreation	1,116,845	1,288,076	-	-	1,116,845	1,288,076
Housing and development	2,239,903	1,713,088	-	-	2,239,903	1,713,088
Public safety	8,765,669	9,180,225	-	-	8,765,669	9,180,225
Public works	2,409,200	2,555,131	-	-	2,409,200	2,555,131
Interest on long-term debt	408,887	549,563	-	-	408,887	549,563
Water and sewer	-	-	9,031,112	8,278,520	9,031,112	8,278,520
Stormwater	-	-	1,177,848	1,097,308	1,177,848	1,097,308
Total Expenses	<u>17,793,124</u>	<u>17,404,409</u>	<u>10,208,960</u>	<u>9,375,828</u>	<u>28,002,084</u>	<u>26,780,237</u>
Increase (decrease) in net position before transfers	5,427,189	4,184,690	(524,909)	623,411	4,902,280	4,808,101
Transfers	<u>120,097</u>	<u>164,046</u>	<u>(120,097)</u>	<u>(164,046)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	5,547,286	4,348,736	(645,006)	459,365	4,902,280	4,808,101
Net position - beginning	<u>24,058,107</u>	<u>19,709,371</u>	<u>13,624,984</u>	<u>13,165,619</u>	<u>37,683,091</u>	<u>32,874,990</u>
Net position - end of year	<u>\$ 29,605,393</u>	<u>\$ 24,058,107</u>	<u>\$ 12,979,978</u>	<u>\$ 13,624,984</u>	<u>\$42,585,371</u>	<u>\$37,683,091</u>



Governmental activity revenues are generated from a variety of sources including fees, grants, intergovernmental transfers and taxes. Taxes are the majority revenue source for the City at 62% of total revenue.

Governmental activities increased the City's net position by \$5,547,286. Revenues from Charges for Service rose 10.2% due primarily to Development Impact Fees.



For the above presentation, General government includes Culture and recreation and Housing and development.

Governmental activity expenses generate a variety of services. The largest use of funds is for public safety (fire and police) and public works (streets, traffic engineering). General government includes administrative activities such as human resources, information technology, finance, community relations, etc., and maintenance of government property.

Public safety expense reflects the City's desire to invest in this important area. Public works expense includes SPLOST expenditures.

General government expenses increased by \$1,089,878; or 21.3% as a result of pension expenses. Public safety decreased by \$414,556 or 4.5% due to staffing vacancies. Public Works stayed relatively consistent with the prior year with a \$145,931 decrease.

Business-type activities: Business-type activities decreased the City's net position by \$645,006.

Water & Sewer System. Total revenues for the year ended June 30, 2016 decreased by 4% to \$8,537,421 due to decreased contributed capital. Rates are scheduled to increase as needed on an ongoing annual basis.

Storm Water System. Total revenues for the year ended June 30, 2015, remain constant in fiscal year 2016, totaling \$1,146,593.

Financial Analysis of the City's Funds

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

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

At the end of June 30, 2016, the City's governmental funds reported combined ending fund balance of \$7,801,622. Of this total, \$4,515,094 or 57.9% constitutes *unassigned fund balance*, which is available for spending in the coming year. The remainder of fund balance is *Nonspendable, Restricted, Committed, or Assigned* to indicate that it is not available for new spending because it is not in spendable form (\$2,889,193) Restricted, and (\$397,335) Nonspendable.

The General Fund is the chief operating fund of the City of Woodstock. At the end of the current fiscal year, the General Fund total fund balance of \$5,075,623, and an unassigned fund balance of \$4,675,003. Management has recognized the low level of general fund balances and implemented a series of corrective actions to improve the balances and revenue of the general fund. Budget controls are locked into place going forward and the revised purchasing policy is strictly enforced. Revenue streams are trending upward as the tax digest has seen a significant gain.

In FY 2016, the Total Fund Balance of the General Fund increased by \$1.8 million.

The key factors to this increase are:

- Increased Charges for Service – Development Fees
- Increased Other Taxes – Occupational License Tax
- Increased controls over expenditures and budget
- Early repayment of several loans

The SPLOST fund increased \$430,920. This increase is the result of revenues exceeding budget. The timing of SPLOST projects affects the level of spending each fiscal year.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories; 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Proprietary Funds. The City of Woodstock's proprietary funds provides the same type of information found in the government-wide statements. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$1,780,232. The total change in all proprietary funds net position for the year was (\$645,006) for June 30, 2016.

Capital Asset and Debt Administration

Capital assets. The City of Woodstock's investment in capital assets for its governmental and business-type activities as of June 30, 2016, totals \$71,440,657 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the city, such as roads, bridges, sidewalks, drainage, curb and gutter and water and sewer systems.

The net increase in City investment in capital assets for fiscal year 2016 was an increase of 4.06% from \$68.7 million to \$71.4 million.

Additional information regarding capital assets can be found in Note 7 to the financial statements.

Long Term Obligations. As of June 30, 2016, the City of Woodstock has obligations outstanding in the amount of \$39,731,904 (including compensated absences, pension liabilities and bond premiums).

The outstanding total represents \$17,977,725 of governmental activity debt related to obligations for SPLOST projects, accrued vacation liability, net pension liability, capital lease obligations, and revenue bonds. The balance of \$21,754,179 of the outstanding obligations represents obligations related to business-type activities. The water and sewer revenue bond issue outstanding is the URA

Series 2010 in the amount of \$16,806,885. The current portion of the bond is \$975,000. The bonds were part of a refinancing in September 2010.

Georgia general statutes limit the amount of general obligation debt that a unit of government can issue to 10 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for City of Woodstock is \$98,611,091 based on the 2016 tax digest.

Additional information regarding the City of Woodstock's long-term debt can be found in Note 8 of the Notes to Financial Statements.

Economic Factors

The Mayor and Council, along with a dedicated staff of professionals, have continued to aggressively address the current and future needs of the City by focusing on sound financial management, the use of current resources for capital expenditures, and an extensive budget process.

FY 2016 Highlights:

- The new construction of commercial and residential properties will have a positive impact on the property tax Digest. Several Senior Living Facilities were constructed during the fiscal year 2016.
- The tax digest saw a significant rise (6%) in the taxable valuation of both commercial and residential properties.
- Residential permits have exceeded 299 for the calendar year 2016. This new construction will generate inspection fees, permit fees, impact fees along with business license taxes and property taxes.
- Woodstock City Church was constructed on Ridgewalk Parkway. This facility totals some 176,000 square feet and opened in February 2016.
- Sam's Club opened a new 136,000 square foot facility in November 2015 at the site of an old Wal-Mart location.
- Two new Commercial Office buildings were constructed totaling 54,000 square feet.
- Standard & Poor raised its rating on the City of Woodstock to 'AA' from 'AA-' based on its very strong economic metrics as well as strong budgetary performance over the last three years.
- Sales tax collections coupled with the motor vehicle taxes are rising back to pre-2008 levels further confirming the economic recovery.

Requests for Information

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, City of Woodstock, 12453 Highway 92, Woodstock, GA. 30188. Budget information can be obtained by going to www.woodstockga.gov and selecting the Finance department and selecting from the drop down list.

CITY OF WOODSTOCK, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business- Type Activities	Total	Convention & Visitors' Bureau
Assets:				
Cash and cash equivalents	\$ 2,236,919	\$ 3,171,453	\$ 5,408,372	\$ 4,491
Investments	9,936	8,072	18,008	-
Receivables, net	581,294	990,021	1,571,315	-
Due from other governments	880,927	-	880,927	-
Due from primary government	-	-	-	2,807
Due from component unit	27,178	-	27,178	-
Internal balances	2,587,041	(2,587,041)	-	-
Deposits	10,000	-	10,000	-
Prepaid items	454,923	92,603	547,526	-
Restricted assets	2,593,583	1,010,126	3,603,709	-
Capital assets, non depreciated	12,468,035	1,162,290	13,630,325	-
Capital assets, depreciated, net	26,231,707	31,578,625	57,810,332	4,500
Total assets	48,081,543	35,426,149	83,507,692	11,798
Deferred outflows of resources:				
Deferred loss on refunding	-	721,334	721,334	-
Related to pensions	1,251,535	154,684	1,406,219	-
Total deferred outflows of resources	1,251,535	876,018	2,127,553	-
Liabilities:				
Accounts payable and other current liabilities	1,519,275	832,879	2,352,154	1,532
Due to primary government	-	-	-	27,178
Due to component unit	2,807	-	2,807	-
Due to other governments	12,378	-	12,378	-
Customer deposits	-	710,110	710,110	-
Unearned revenue	13,061	-	13,061	-
Noncurrent liabilities:				
Due within one year	1,446,354	1,346,308	2,792,662	-
Due in more than one year	16,531,371	20,407,871	36,939,242	-
Total liabilities	19,525,246	23,297,168	42,822,414	28,710
Deferred inflows of resources:				
Related to pensions	202,439	25,021	227,460	-
Net position:				
Net investment in capital assets	24,790,190	12,198,653	36,988,843	4,500
Restricted for:				
Capital projects	1,181,319	-	1,181,319	-
Debt service	4,175	300,016	304,191	-
Culture and recreation	518,569	-	518,569	-
Public safety	74,780	-	74,780	-
Housing and development	1,125,350	-	1,125,350	-
Unrestricted	1,911,010	481,309	2,392,319	(21,412)
Total net position	\$ 29,605,393	\$ 12,979,978	\$ 42,585,371	\$ (16,912)

CITY OF WOODSTOCK, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Functions/Programs	Program Revenue				Net (Expense) Revenue and Change in Net Position			Component Unit Convention & Visitors' Bureau
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business- Type Activities	Total	
Primary Government								
Governmental activities:								
General government	\$ 2,852,620	\$ 613,364	\$ 25,477	\$ -	\$ (2,213,779)	\$ -	\$ (2,213,779)	
Public works	2,409,200	-	-	3,605,558	1,196,358	-	1,196,358	
Culture and recreation	1,116,845	101,884	1,386	-	(1,013,575)	-	(1,013,575)	
Public safety	8,765,669	1,794,107	12,248	47,295	(6,912,019)	-	(6,912,019)	
Housing and development	2,239,903	2,293,066	-	434,483	487,646	-	487,646	
Interest & fiscal charges on long-term debt	408,887	-	-	-	(408,887)	-	(408,887)	
Total governmental activities	17,793,124	4,802,421	39,111	4,087,336	(8,864,256)	-	(8,864,256)	
Business-type activities:								
Water & Sewer	9,031,112	7,441,312	-	1,096,109	-	(493,691)	(493,691)	
Stormwater	1,177,848	1,146,593	-	-	-	(31,255)	(31,255)	
Total business-type activities	10,208,960	8,587,905	-	1,096,109	-	(524,946)	(524,946)	
Total Primary Government	\$ 28,002,084	\$ 13,390,326	\$ 39,111	\$ 5,183,445	(8,864,256)	(524,946)	(9,389,202)	
Component Unit:								
Convention & Visitors' Bureau	\$ 59,912	\$ 1,768	28,020	\$ -			\$ (30,124)	
General Revenues:								
Property taxes					8,141,864	-	8,141,864	-
Insurance premium tax					1,377,359	-	1,377,359	-
Alcohol taxes					1,134,081	-	1,134,081	-
Hotel/motel tax					349,155	-	349,155	-
Franchise taxes					2,104,131	-	2,104,131	-
Financial institution tax					148,233	-	148,233	-
Business taxes					1,030,311	-	1,030,311	-
Unrestricted investment earnings					6,311	37	6,348	-
Transfers					120,097	(120,097)	-	-
Total general revenues and transfers					14,411,542	(120,060)	14,291,482	-
Change in net position					5,547,286	(645,006)	4,902,280	(30,124)
Net position - beginning					24,058,107	13,624,984	37,683,091	13,212
Net position - ending					\$ 29,605,393	\$ 12,979,978	\$ 42,585,371	\$ (16,912)

CITY OF WOODSTOCK, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2016

	General Fund	SPLOST IV	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 1,831,222	\$ -	\$ -	\$ -	\$ 1,831,222
Investments	9,936	-	-	-	9,936
Restricted assets	82,885	834,042	691	1,675,965	2,593,583
Receivables, net	524,256	-	-	56,752	581,008
Prepaid items	382,335	-	-	15,000	397,335
Due from other funds	2,833,810	-	3,484	71,920	2,909,214
Due from component unit	-	-	-	27,178	27,178
Due from other governments	-	631,060	-	249,867	880,927
Total assets	\$ 5,664,444	\$ 1,465,102	\$ 4,175	\$ 2,096,682	\$ 9,230,403
Liabilities:					
Accounts payable	\$ 229,620	\$ 328,162	\$ -	\$ 148,035	\$ 705,817
Retainage payable	-	121,205	-	29,038	150,243
Accrued liabilities	237,365	-	-	2,405	239,770
Due to other funds	39,875	-	-	187,994	227,869
Due to component unit	-	-	-	2,807	2,807
Due to other governments	-	-	-	12,378	12,378
Unearned revenue	5,125	-	-	7,936	13,061
Total liabilities	511,985	449,367	-	390,593	1,351,945
Deferred inflows of resources:					
Unavailable revenue - property taxes	32,616	-	-	-	32,616
Unavailable revenue - fines, fees, and penalties	44,220	-	-	-	44,220
Total deferred inflows of resources	76,836	-	-	-	76,836
Fund Balance:					
Nonspendable	382,335	-	-	15,000	397,335
Restricted	18,285	1,015,735	4,175	1,850,998	2,889,193
Unassigned	4,675,003	-	-	(159,909)	4,515,094
Total fund balance	5,075,623	1,015,735	4,175	1,706,089	7,801,622
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,664,444	\$ 1,465,102	\$ 4,175	\$ 2,096,682	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	38,699,742
Property tax revenue earned but unavailable is not reported in the funds.	76,836
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	1,251,535
The Insurance Internal Service Fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	137,519
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds:	
Capital leases	(5,194,042)
Bonds payable	(8,695,000)
Notes payable	(147,042)
Unamortized bond discount/premium	(45,722)
Accrued interest payable	(181,697)
Accrued compensated absences	(603,655)
Net pension liability	(3,292,264)
Deferred inflows of resources related to pensions	(202,439)
Net position of governmental activities	<u>\$ 29,605,393</u>

CITY OF WOODSTOCK, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General Fund	SPLOST IV	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 13,605,591	\$ -	\$ -	\$ 852,842	\$ 14,458,433
Licenses and permits	1,175,204	-	-	-	1,175,204
Intergovernmental	995	3,423,928	-	627,027	4,051,950
Charges for services	673,860	-	-	1,160,404	1,834,264
Fines and forfeitures	1,535,182	-	-	47,295	1,582,477
Investment earnings	32	-	-	6,363	6,395
Contributions and donations	4,000	-	-	25,477	29,477
Leases	70,039	-	-	-	70,039
Other	39,385	-	-	8,750	48,135
Total revenues	17,104,288	3,423,928	-	2,728,158	23,256,374
Expenditures:					
Current:					
General government	1,433,417	-	-	1,200	1,434,617
Public safety	8,862,174	-	-	10,944	8,873,118
Public works	1,837,872	-	-	-	1,837,872
Housing and development	1,323,694	-	-	439,613	1,763,307
Culture and recreation	896,181	-	-	389,464	1,285,645
Capital outlay	-	2,983,040	-	3,215,556	6,198,596
Debt service	-	-	2,674,208	310,939	2,985,147
Total expenditures	14,353,338	2,983,040	2,674,208	4,367,716	24,378,302
Excess (deficiency) of revenues over (under) expenditures	2,750,950	440,888	(2,674,208)	(1,639,558)	(1,121,928)
Other financing sources (uses):					
Transfers in	43,134	1,415,000	2,547,764	667,663	4,673,561
Transfers out	(1,082,340)	(1,424,968)	-	(2,046,156)	(4,553,464)
Debt service - principal	-	-	(3,508,600)	-	(3,508,600)
Issuance of debt	-	-	3,638,548	2,104,434	5,742,982
Insurance reimbursements	25,184	-	-	-	25,184
Sale of capital assets	60,765	-	-	-	60,765
Total other financing sources (uses)	(953,257)	(9,968)	2,677,712	725,941	2,440,428
Net change in fund balance	1,797,693	430,920	3,504	(913,617)	1,318,500
Fund balance - beginning	3,277,930	584,815	671	2,619,706	6,483,122
Fund balance - ending	\$ 5,075,623	\$ 1,015,735	\$ 4,175	\$ 1,706,089	\$ 7,801,622

CITY OF WOODSTOCK, 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, 2016

Net change in fund balances - total governmental funds \$ 1,318,500

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

Some revenues in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.

Unavailable revenue (36,061)

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. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.

Depreciation expense	(1,897,673)	
Capital outlays	6,741,623	
Loss on disposal of assets	<u>(586,100)</u>	4,257,850

The issuance of long-term debt provides current financial resources and the repayment of principal on long-term debt consumes current financial resources in the governmental funds.

Proceeds from capital lease	(5,742,982)	
Principal payments on capital leases	4,166,751	
Principal payments on bonds payable	450,000	
Principal payments on notes payable	<u>1,259,692</u>	133,461

The Insurance Internal Service Fund is used by management to charge the cost of insurance to individual funds. 82,519

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

Amortization for bond deferred amounts and premiums	3,615	
Net pension liability	(1,351,394)	
Deferred outflows of resources related to pensions	913,866	
Deferred inflows of resources related to pensions	209,781	
Accrued interest payable	34,362	
Accrued compensated absences	<u>(19,213)</u>	<u>(208,983)</u>

Change in net position of governmental activities \$ 5,547,286

**CITY OF WOODSTOCK, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2016**

	Enterprise Funds			Governmental Activities
	Major	Storm - Water	Total	Internal Service Funds
	Water & Sewer			
Assets:				
Current assets:				
Cash	\$ 3,171,453	\$ -	\$ 3,171,453	\$ 405,697
Investments	8,072	-	8,072	-
Restricted assets:				
Cash	1,010,126	-	1,010,126	-
Receivables, net				
Utility accounts	973,619	9,312	982,931	-
Other	7,090	-	7,090	286
Deposits	-	-	-	10,000
Prepaid items	69,389	23,214	92,603	57,588
Total current assets	5,239,749	32,526	5,272,275	473,571
Noncurrent assets:				
Property, plant and equipment, net	30,328,400	2,412,515	32,740,915	-
Total assets	35,568,149	2,445,041	38,013,190	473,571
Deferred outflows of resources:				
Deferred charge from refunding	721,334	-	721,334	-
Deferred outflow of resources related to pensions	98,435	56,249	154,684	-
Total deferred outflows of resources	819,769	56,249	876,018	-
Liabilities:				
Current liabilities:				
Accounts and claims payable	297,304	14,363	311,667	241,748
Customer deposits	710,110	-	710,110	-
Accrued liabilities	510,790	10,422	521,212	-
Accrued compensated absences	34,909	20,161	55,070	-
Due to other funds	1,404,584	1,182,457	2,587,041	94,304
Capital leases - current	176,995	-	176,995	-
Notes payable - current	139,243	-	139,243	-
Bonds payable - current	975,000	-	975,000	-
Total current liabilities	4,248,935	1,227,403	5,476,338	336,052
Long-term liabilities (net of current portion):				
Accrued compensated absences	25,374	3,230	28,604	-
Net pension liability	258,942	147,967	406,909	-
Capital lease obligations	1,344,845	-	1,344,845	-
Notes payable	2,574,678	-	2,574,678	-
Bonds payable	16,052,835	-	16,052,835	-
Total long-term liabilities	20,256,674	151,197	20,407,871	-
Total liabilities	24,505,609	1,378,600	25,884,209	336,052
Deferred inflows of resources:				
Deferred inflow of resources related to pensions	15,923	9,098	25,021	-
Net position:				
Net investment in capital assets	9,786,138	2,412,515	12,198,653	-
Restricted for debt service	300,016	-	300,016	-
Unrestricted	1,780,232	(1,298,923)	481,309	137,519
Total net position	\$ 11,866,386	\$ 1,113,592	\$ 12,979,978	\$ 137,519

See accompanying notes to financial statements.

CITY OF WOODSTOCK, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Enterprise Funds			Governmental Activities
	Major	Storm- Water	Total	Internal Service Funds
	Water & Sewer			
Operating revenues -				
Charges for services	\$ 7,441,312	\$ 1,146,593	\$ 8,587,905	\$ 2,382,449
Operating expenses:				
Personal services	1,072,011	530,803	1,602,814	-
Operating	4,915,816	470,740	5,386,556	2,299,930
Depreciation	1,755,441	175,640	1,931,081	-
Total operating expenses	<u>7,743,268</u>	<u>1,177,183</u>	<u>8,920,451</u>	<u>2,299,930</u>
Operating income	<u>(301,956)</u>	<u>(30,590)</u>	<u>(332,546)</u>	<u>82,519</u>
Nonoperating revenues (expenses):				
Gain (loss) on disposal of capital assets	(443,287)	(665)	(443,952)	-
Amortization	(74,662)	-	(74,662)	-
Interest income	37	-	37	-
Interest expense	(769,895)	-	(769,895)	-
Total nonoperating revenues (expenses)	<u>(1,287,807)</u>	<u>(665)</u>	<u>(1,288,472)</u>	<u>-</u>
Income before contributions and transfers	<u>(1,589,763)</u>	<u>(31,255)</u>	<u>(1,621,018)</u>	<u>82,519</u>
Contributed capital	1,096,109	-	1,096,109	-
Transfers out	-	(120,097)	(120,097)	-
Increase (decrease) in net position	(493,654)	(151,352)	(645,006)	82,519
Net position at beginning of year	<u>12,360,040</u>	<u>1,264,944</u>	<u>13,624,984</u>	<u>55,000</u>
Net position at end of year	<u>\$ 11,866,386</u>	<u>\$ 1,113,592</u>	<u>\$ 12,979,978</u>	<u>\$ 137,519</u>

**CITY OF WOODSTOCK, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Enterprise Funds			
	Major Water & Sewer	Storm- Water	Total	Internal Service Funds
Cash flows from (to) operating activities:				
Cash received from services provided	\$ 7,885,023	\$ 1,145,441	\$ 9,030,464	\$ 2,382,604
Cash payments for goods and services	(3,542,034)	75,164	(3,466,870)	-
Cash payments for benefits and claims	-	-	-	(2,326,215)
Cash payments for employee services and fringe benefits	(1,108,922)	(536,521)	(1,645,443)	-
Net cash from (to) operating activities	3,234,067	684,084	3,918,151	56,389
Cash flows from (to) noncapital financing activities:				
Transfers out	-	(120,097)	(120,097)	-
Net cash from (to) noncapital financing activities	-	(120,097)	(120,097)	-
Cash flows from (to) capital and related financing activities:				
Contributed capital	1,096,109	-	1,096,109	-
Proceeds from sale of capital assets	961	-	961	-
Interest paid	(769,895)	-	(769,895)	-
Payments for capital acquisitions	(341,833)	(563,987)	(905,820)	-
Principal payments on long-term obligations	(2,869,443)	-	(2,869,443)	-
Proceeds from capital leases	1,681,452	-	1,681,452	-
Net cash from (to) capital and related financing activities	(1,202,649)	(563,987)	(1,766,636)	-
Cash flows from (to) investing activities:				
(Purchases) proceeds from sale of investments	(22)	-	(22)	-
Interest received from investments	37	-	37	-
Net cash from (to) investing activities	15	-	15	-
Net increase (decrease) in cash	2,031,433	-	2,031,433	56,389
Cash at beginning of year (including \$987,901 in restricted cash)	2,150,146	-	2,150,146	349,308
Cash at end of year (including \$1,010,126 in restricted cash)	\$ 4,181,579	\$ -	\$ 4,181,579	\$ 405,697

See accompanying notes to financial statements.
 Continued on next page.

**CITY OF WOODSTOCK, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (CONT'D)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Enterprise Funds</u>			
	<u>Major Water & Sewer</u>	<u>Storm- Water</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ (301,956)	\$ (30,590)	\$ (332,546)	\$ 82,519
Adjustments to reconcile operating income to net cash from (to) operating activities:				
Depreciation	1,755,441	175,640	1,931,081	-
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(137,332)	(1,152)	(138,484)	155
(Increase) decrease in deposits	-	-	-	(10,000)
(Increase) decrease in prepaid items	(17,046)	(7,694)	(24,740)	(3,948)
(Increase) decrease in due from other funds	558,828	-	558,828	-
(Increase) decrease in deferred outflows of resources	(67,738)	(40,900)	(108,638)	-
Increase (decrease) in net pension liability	82,499	59,746	142,245	-
Increase (decrease) in accounts and claims payable	(13,756)	(20,065)	(33,821)	(48,884)
Increase (decrease) in accrued liabilities	(30,120)	(14,925)	(45,045)	-
Increase (decrease) in due to other funds	1,404,584	573,663	1,978,247	36,547
Increase (decrease) in customer deposits	22,215	-	22,215	-
Increase (decrease) in deferred inflows of resources	(21,552)	(9,639)	(31,191)	-
Net cash from (to) operating activities	<u>\$ 3,234,067</u>	<u>\$ 684,084</u>	<u>\$ 3,918,151</u>	<u>\$ 56,389</u>

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The accounting methods and procedures adopted by the City of Woodstock, Georgia, conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Woodstock was created in 1897 and operates under an elected Mayor and Council form of government. The City's major operations as authorized by its charter include public safety (police and fire), culture and recreation, highways and streets, public improvements, and general administrative services. The City also operates public utilities (water and sewer, and stormwater) for the incorporated and immediate surrounding areas.

The financial statements of the reporting entity include those of the City of Woodstock (the primary government) and in accordance with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 61 "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", the financial statements of its component units. The component units discussed below are included in the reporting entity because of the financial relationship with the City. The fiscal year ended of the component units is June 30. The component units do not issue separate Component Unit Financial Statements. A brief description of the City's component units is as follows:

Discretely Presented Component Unit

Woodstock Convention and Visitors' Bureau: The Woodstock Convention and Visitors' Bureau is a separate legal entity whose purpose is to promote and market the community spaces for special events, conventions, trade shows and other similar purposes for the Woodstock area.

The Woodstock City Council appoints a majority of the Bureau's board and the City has the ability to impose its will on the Bureau.

Blended Component Units

Woodstock Downtown Development Authority: The Woodstock Downtown Development Authority is a separate legal entity whose purpose is to assist in the development of the downtown area of the City of Woodstock. The Woodstock City Council appoints a majority of the Authority's board, the City is able to impose its will on the Authority, and the debt of the entity is expected to be paid by the City.

CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Urban Redevelopment Agency of Woodstock: The Urban Redevelopment Agency of Woodstock (URA) was created by the City of Woodstock in 2009. The purpose of the Agency is to serve as a financing vehicle for community development projects for the sole benefit of the City. The mayor and city council of the City appoint all members of the Agency and provides all of the resources for current year expenditures of the Agency. The Agency does not have the ability to issue debt or carry out their activities without the assistance of the City or the appropriation of funds from the City Council.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 all revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 a payment is due.

Property taxes, franchise taxes, state and federal grants, probation fines, interest revenue and charges for services 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. Sales taxes collected by the State at year end on behalf of the City are also recognized as revenues. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

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

SPLOST IV Capital Projects Fund - The fund is used by the City to account for the acquisition and construction of major capital facilities that were approved by the voters of Cherokee County, Georgia through special purpose local option sales tax referendums.

Debt Service Fund - This fund is used accumulate resources that are restricted, committed, or assigned for the principal and interest payments on long-term obligations of the governmental funds.

The City reports the following major proprietary funds:

Water and Sewer Enterprise Fund - This fund accounts for the activities of the City's water and sewer services.

Additionally, the City reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Capital Projects Funds - Capital Projects Funds are used to account for financial resources that are restricted for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Stormwater Enterprise Fund - This fund was established to account for the activities of the City's rainwater runoff. Revenues to this fund come from user charges.

Internal Service Funds - The Internal Service Funds account for workers' compensation and employee group health risks management services provided to the various City departments.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer, stormwater and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. Operating expenses for enterprise funds and internal service 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 nonoperating revenues and expenses.

D. Budgets and Budgetary Accounting

An operating budget is legally required to be adopted each fiscal year for all funds. Budgets are prepared by the City Manager and presented not later than thirty days before the beginning of the fiscal year. Budgets for the Special Revenue Funds and Capital Projects Funds are prepared using the modified accrual basis of accounting, while the budgets for the Enterprise Funds are presented on the full accrual basis. Budgets for the General Fund are prepared on the budgetary basis. Certain cost allocations are budgeted as a revenue rather than a reduction of expenditure in the General Fund.

The City generally follows these procedures in establishing the budgetary data reflected in the financial statements:

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

1. A proposed operating budget including proposed expenditures and the means of financing them is submitted to the City Council and the citizens by the City Manager by publication in the newspaper.
2. A public hearing on the budget is held to obtain taxpayer comments.
3. The budget is then legally adopted through the passing of an ordinance by the City Council.
4. The level of control (the level at which expenditures may not legally exceed appropriations) for each of the above adopted budgets is at the department level.
5. Formal budgetary integration is employed as a management control device during the year for all funds.

Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted, or as amended, by the City Council. Individual amendments were not material in relation to the original appropriations which were amended. All appropriations lapse at year end.

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

E. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, cash and cash equivalents include restricted and unrestricted amounts in demand deposits.

The City's investment in Georgia Fund 1 represents the City's portion of the pooled investment account. The investment in Georgia Fund 1 is valued at fair value. Georgia Fund 1 is managed by the Office of State Treasurer. The entire portfolio, including the City's pro-rata portion, consists of collateralized certificates of deposit and government or governmental agency securities owned outright and under agreement to resell.

F. Short-Term/Long-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds."

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Noncurrent portions of long-term interfund loan receivables are reported as advances.

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal period are recorded as prepaid items. The consumption method is used to account for prepaid items within the City’s funds.

H. Capital Assets

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

GASBS No. 34 requires the City to report and depreciate infrastructure assets. The City implemented the retroactive infrastructure provisions for all infrastructure assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed assets are reported at their acquisition value as of the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The capitalization threshold for capital assets is \$5,000.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on an estimated useful life as follows:

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Asset Class	Useful life
Buildings and improvements	10-40 years
Parks and improvements	10-40 years
Streets and improvements	10-40 years
Vehicles and equipment	5-15 years
Water distribution system	50 years

I. Compensated Absences

The City provides personal leave time to all eligible employees and permits accumulation of a maximum of 680 hours for general government employees, 728 hours for police department employees, and 836 hours for fire department employees.

Accumulated unpaid personal leave pay amounts are accrued when incurred by the City in the government-wide and proprietary 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. A liability in the governmental funds is reported only if the benefit has matured.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary funds 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 statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

K. 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 has two items that qualify for reporting in this category, the loss resulting from the refunding of debt reported in the proprietary fund statement of net position and the government wide statement of net position, and

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

deferred outflows related to pensions reported in the proprietary fund statement of net position and the government wide statement of net position.

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 City has two items that qualify as deferred inflows of resources. The first item, which only arises under the modified accrual basis of accounting, is the unavailable revenue reported in the governmental funds balance sheet which consists of two sources: property taxes and related fees and probation fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Secondly, the City has deferred inflows related to pensions reported in the government wide statement of net position and the proprietary fund statement of net position.

L. Nature and Purpose of Classifications of Fund Equity

In the fund financial statements, governmental funds report fund equity classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. The committed fund balance classification includes amounts that can only be used for specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of a fiscal year, commit fund balances. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (adoption of another resolution) to remove or revise the limitation. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. The City Council is authorized to assign fund balance. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance 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. See Note 11.

The City uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents or contracts that prohibit doing this. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The City has adopted a policy to maintain a minimum level of unassigned fund balance in the General Fund. The target level is set at 20% of General Fund revenues recorded on a GAAP basis.

The City has also adopted a policy to maintain a minimum of 15% cash reserves of General Fund revenues measured on a GAAP basis to accumulate unrestricted funds for operational emergencies.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

(2) DEPOSITS AND INVESTMENTS

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The City reduces its exposure to custodial credit risk by requiring deposits to be collateralized in accordance with state law, which requires uninsured deposits to be collateralized at 110%. As of June 30, 2016, the City was not exposed to custodial credit risk.

Credit and interest rate risk - investments

The City does not have a formal investment policy as of June 30, 2016. As of June 30, 2016, the City had the following investments:

<u>Type of Investment</u>	<u>Rating</u>	<u>Investment Maturities (in Years) Less than 1</u>	<u>Fair Value</u>
<u>PRIMARY GOVERNMENT</u>			
Georgia Fund 1	AAAf	\$ 18,008	\$ 18,008

See Note 1 for disclosure of the types of investments authorized by legal provisions.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

(3) RECEIVABLES

Receivables at June 30, 2016 consist of the following:

	Property Taxes	Other Taxes and Fines	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 72,110	\$ 544,241	\$ -	\$ 3,048	\$ (95,143)	\$ 524,256
Nonmajor Governmental Funds	-	50,541	-	6,211	-	56,752
Internal Service Funds	-	-	-	286	-	286
Water and Sewer Fund	-	-	1,146,092	7,090	(172,473)	980,709
Stormwater Fund	-	-	18,624	-	(9,312)	9,312
Total	<u>\$ 72,110</u>	<u>\$ 594,782</u>	<u>\$ 1,164,716</u>	<u>\$ 16,635</u>	<u>\$ (276,928)</u>	<u>\$ 1,571,315</u>

(4) DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2016 consist of the following:

	Cherokee County, GA	Department of Justice	Georgia Department of Transportation	Total
SPLOST IV Fund	\$ 631,060	\$ -	\$ -	\$ 631,060
Nonmajor Governmental Funds	142	2,705	247,020	249,867
	<u>\$ 631,202</u>	<u>\$ 2,705</u>	<u>\$ 247,020</u>	<u>\$ 880,927</u>

(5) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund loans receivable are considered “available spendable resources”. Such balances at June 30, 2016 include Due from (to) and Interfund receivable (payable) and are summarized as follows:

Payable From	Receivable To			Total
	General Fund	Debt Service Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ -	\$ 39,875	\$ 39,875
Nonmajor Governmental Funds	155,949	-	32,045	187,994
Water and Sewer Fund	1,401,100	3,484	-	1,404,584
Stormwater Fund	1,182,457	-	-	1,182,457
Internal Service Funds	94,304	-	-	94,304
Total	<u>\$ 2,833,810</u>	<u>\$ 3,484</u>	<u>\$ 71,920</u>	<u>\$ 2,909,214</u>

**CITY OF WOODSTOCK, GEORGIA
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Generally, outstanding balances between funds reported as “due to/from other funds” include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, and other miscellaneous receivables/payables between funds. Interfund loans receivable are considered “available spendable resources.”

Interfund transfers for the current year were as follows:

Transfer In To	Transfer Out From				Total
	General Fund	SPLOST IV Fund	Nonmajor Governmental Funds	Stormwater Fund	
General Fund	\$ -	\$ -	\$ 43,134	\$ -	\$ 43,134
SPLOST IV Fund	-	-	1,415,000	-	1,415,000
Debt Service Fund	865,247	1,424,968	137,452	120,097	2,547,764
Nonmajor Governmental Funds	217,093	-	450,570	-	667,663
Total	\$ 1,082,340	\$ 1,424,968	\$ 2,046,156	\$ 120,097	\$ 4,673,561

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, maintaining debt service on a routine basis, or in accordance with budgetary authorizations.

(6) RESTRICTED ASSETS

The City’s restricted assets at June 30, 2016 are as follows:

Governmental Funds:

General Fund:

Contributions and donations	\$ 18,285
Municipal court bonds	64,600
	<u>82,885</u>

SPLOST Fund - Unspent proceeds 834,042

Debt service Fund - debt service 691

Nonmajor governmental funds:

Hotel motel tax funds	54,705
Tax allocation district proceeds	78,922
Impact fees	799,085
Confiscated assets	82,516
Contributions and donations	34,381
Vehicle excise tax funds	48,239
Unspent grant money	98,136
Downtown development	291,636
Capital projects	16,092
Unspent bond proceeds	172,253
	<u>1,675,965</u>

Total governmental funds \$ 2,593,583

Proprietary Funds

Water and Sewer Enterprise Fund:

Restricted for debt service	<u><u>\$ 1,010,126</u></u>
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CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

(7) CAPITAL ASSETS

Capital asset activity for the period ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Reclassifications/ Reductions (1)	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,897,620	\$ -	\$ -	\$ 7,897,620
Construction in progress	1,640,682	3,557,841	(628,108)	4,570,415
Total capital assets not being depreciated	9,538,302	3,557,841	(628,108)	12,468,035
Capital assets, being depreciated:				
Buildings and improvements	18,083,742	86,182	(711,863)	17,458,061
Parks and improvements	2,925,881	115,989	(143,310)	2,898,560
Streets and improvements	16,980,115	95,749	143,373	17,219,237
Vehicles and equipment	8,936,888	2,885,862	(2,662,351)	9,160,399
Total capital assets being depreciated	46,926,626	3,183,782	(3,374,151)	46,736,257
Less accumulated depreciation for:				
Buildings and improvements	4,518,180	570,404	(557,279)	4,531,305
Parks and improvements	1,685,972	102,911	154,211	1,943,094
Streets and improvements	8,831,327	552,232	(362,249)	9,021,310
Vehicles and equipment	6,987,557	672,126	(2,650,842)	5,008,841
Total accumulated depreciation	22,023,036	1,897,673	(3,416,159)	20,504,550
Total capital assets being depreciated, net	24,903,590	1,286,109	42,008	26,231,707
Governmental activities capital assets, net	\$ 34,441,892	\$ 4,843,950	\$ (586,100)	\$ 38,699,742
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 409,672	\$ -	\$ -	\$ 409,672
Construction in progress	1,005,484	191,115	(443,981)	752,618
Total capital assets not being depreciated	1,415,156	191,115	(443,981)	1,162,290
Capital assets, being depreciated:				
Infrastructure and improvements	52,639,391	633,565	(742,382)	52,530,574
Buildings and improvements	618,478	-	(14,242)	604,236
Vehicles and equipment	3,707,041	81,617	(631,420)	3,157,238
Total capital assets being depreciated	56,964,910	715,182	(1,388,044)	56,292,048
Less accumulated depreciation for:				
Infrastructure and improvements	21,330,363	1,899,067	(741,637)	22,487,793
Buildings and improvements	235,628	17,633	(14,243)	239,018
Vehicles and equipment	2,602,985	14,381	(630,754)	1,986,612
Total accumulated depreciation	24,168,976	1,931,081	(1,386,634)	24,713,423
Total capital assets being depreciated, net	32,795,934	(1,215,899)	(1,410)	31,578,625
Business-type activities capital assets, net	\$ 34,211,090	\$ (1,024,784)	\$ (445,391)	\$ 32,740,915

(1) Includes reclassifications to correctly classify certain costs and accumulated depreciation amounts.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

Governmental activities:	
General government	\$ 358,218
Public safety	580,229
Public works, including depreciation of general infrastructure	735,275
Housing and development	77,103
Culture and recreation	<u>146,848</u>
Total depreciation expense - governmental activities	<u><u>\$ 1,897,673</u></u>
Business-type activities:	
Water and sewer	\$ 1,755,441
Stormwater	<u>175,640</u>
Total depreciation expense - business-type activities	<u><u>\$ 1,931,081</u></u>

(8) LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities for the year ended June 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable	\$ 1,406,734	\$ -	\$ (1,259,692)	\$ 147,042	\$ 17,687
Capital leases	3,617,811	5,742,982	(4,166,751)	5,194,042	703,059
Revenue bonds	9,145,000	-	(450,000)	8,695,000	460,000
Bond premiums/discounts	49,337	-	(3,615)	45,722	-
Compensated absences	584,442	278,687	(259,474)	603,655	265,608
Net pension liability	1,940,870	1,981,672	(630,278)	3,292,264	-
Governmental activities long-term liabilities	<u>\$ 16,744,194</u>	<u>\$ 8,003,341</u>	<u>\$ (6,769,810)</u>	<u>\$ 17,977,725</u>	<u>\$ 1,446,354</u>
Business-type activities:					
Notes payable	\$ 2,847,353	\$ -	\$ (133,432)	\$ 2,713,921	\$ 139,243
Capital leases	1,621,400	1,681,452	(1,781,012)	1,521,840	176,995
Revenue bonds	17,761,884	-	(954,999)	16,806,885	975,000
Bond premiums/discounts	236,456	-	(15,506)	220,950	-
Compensated absences	85,805	24,049	(26,180)	83,674	55,070
Net pension liability	264,664	196,270	(54,025)	406,909	-
Business-type activities long-term liabilities	<u>\$ 22,817,562</u>	<u>\$ 1,901,771</u>	<u>\$ (2,965,154)</u>	<u>\$ 21,754,179</u>	<u>\$ 1,346,308</u>

For Governmental Activities, compensated absences and pension liabilities are typically liquidated in the General Fund.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Governmental activities:

Notes Payable

During fiscal year 2014, a note in the amount of \$190,000 was issued to the Downtown Development Authority to assist with the financing of the purchase of various tracts of land located in the downtown area of Woodstock at a rate of 3.43% and due in equal monthly installments of \$1,877 until November 2023. The principal and interest are paid using Hotel/Motel Tax Revenues.

The debt service requirements on these agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 17,687	\$ 5,452	\$ 23,139
2018	18,314	4,834	23,148
2019	18,962	4,200	23,162
2020	19,624	3,562	23,186
2021	20,326	2,900	23,226
2022-2024	52,129	4,571	56,700
Total	<u>\$ 147,042</u>	<u>\$ 25,519</u>	<u>\$ 172,561</u>

Capital Leases

In September 2011, the City entered into an installment sales agreement for \$8,555,000 with interest at 2.8%. Of this amount, \$2,715,000 was recorded in the Water and Sewer Fund as this amount was used to refund two capital leases for operating facilities and equipment for the Water and Sewer Fund. The Governmental Activities portion of \$5,840,000 is being serviced by the General Fund and SPLOST IV proceeds. The agreement matures on February 1, 2024. On August 27, 2015, this debt agreement, including both the General Fund portion and the Business-type portion, was refinanced with a different lending institution with interest at 1.86% for the remaining term of the existing agreement.

Various capital leases for the financing of vehicles originally costing \$2,104,435, with varied interest between 1.34% and 1.85%, were entered into by the City and are being serviced by the General Fund and SPLOST IV proceeds. The leases expire beginning fiscal year 2019 through 2026.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The debt service requirements on these leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 703,059	\$ 95,398	\$ 798,457
2018	715,397	82,775	798,172
2019	609,067	70,442	679,509
2020	561,701	59,642	621,343
2021	571,799	48,814	620,613
2022-2024	2,033,019	83,036	2,116,055
Total	<u>\$ 5,194,042</u>	<u>\$ 440,107</u>	<u>\$ 5,634,149</u>

The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$7,944,435, and the accumulated depreciation is \$1,468,454. This year \$243,347 was included in depreciation expense.

Bonds Payable

During 2009, the Urban Redevelopment Agency Series A and B revenue bonds were issued in the amount of \$7,105,000 to finance the purchase of property and various downtown improvements and also to pay-off certificate of participation debt at a rate between 3% and 5%. This debt is to be serviced by the General Fund, Tax Allocation District Fund, and SPLOST IV Fund. These bonds mature on February 1, 2030.

In February 2010, Downtown Development Authority issued revenue bonds in the amount of \$3,710,000. The City and the Downtown Development Authority entered into an intergovernmental agreement which the City guaranteed the funding for the debt service of the bonds. The proceeds were used to acquire land and easements for an interchange project at I-575 and Rope Mill. The bonds mature during fiscal year 2031.

The debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 460,000	\$ 374,821	\$ 834,821
2018	470,000	360,644	830,644
2019	495,000	345,796	840,796
2020	510,000	327,232	837,232
2021	535,000	306,833	841,833
2022-2026	3,010,000	1,182,950	4,192,950
2027-2031	3,215,000	420,477	3,635,477
Total	<u>\$ 8,695,000</u>	<u>\$ 3,318,753</u>	<u>\$ 12,013,753</u>

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Business-type Activities:

Notes Payable

During fiscal year 2008, a note payable to the Georgia Environmental Facilities Authority was issued in the amount of \$3,500,000 at a rate of 4.27% for system improvements. This debt is being serviced by the Water and Sewer Fund and matures on November 1, 2030.

The debt service requirement on this agreement is as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 139,243	\$ 113,180	\$ 252,423
2018	145,306	107,117	252,423
2019	151,634	100,789	252,423
2020	158,237	94,186	252,423
2021	165,127	87,296	252,423
2022-2026	939,964	322,151	1,262,115
2027-2031	1,014,410	100,458	1,114,868
Total	<u>\$ 2,713,921</u>	<u>\$ 925,177</u>	<u>\$ 3,639,098</u>

Capital Leases

In September 2011, the City entered into a new installment sales agreement and obligations for \$8,555,000 were issued to the City. Of this amount, \$5,840,000 was recorded in the General Fund for the City operating facilities and \$2,715,000 was recorded for the equipment in the Water and Sewer Fund with interest at 2.8%. The Business Type Activities portion of this agreement is being serviced by the Water and Sewer Fund. The agreement matures on February 1, 2024. On August 27, 2015, this debt agreement, including both the General Fund portion and the Business-type portion, was refinanced with a different lending institution with interest at 1.86% for the remaining term of the existing agreement.

The debt service requirement on this agreement is as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 176,995	\$ 28,306	\$ 205,301
2018	180,156	25,014	205,170
2019	184,896	21,663	206,559
2020	188,057	18,224	206,281
2021	191,218	14,726	205,944
2022-2024	600,518	22,487	623,005
Total	<u>\$ 1,521,840</u>	<u>\$ 130,420</u>	<u>\$ 1,652,260</u>

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The gross amount of Business-type Activities capital assets on the balance sheet recorded under capital leases is \$3,722,033, and the accumulated depreciation is \$1,457,868. This year \$124,070 was included in depreciation expense.

Bonds Payable

In September 2010, the Urban Redevelopment Agency issued revenue bonds in the amount of \$20,280,000 to finance costs of making renovations, additions, extensions and expansions to the City's water and sewerage system to refund the 2003 revenue bonds, to repay loans from the City's General Fund for system improvements made in prior years, and to pay the cost associated with the issuance of the bonds. This debt is being serviced by the Water and Sewer Fund and matures on February 1, 2030.

The debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 975,000	\$ 596,925	\$ 1,571,925
2018	1,005,000	567,675	1,572,675
2019	1,035,000	537,525	1,572,525
2020	1,065,000	506,475	1,571,475
2021	1,095,000	474,525	1,569,525
2022-2026	6,015,000	1,843,250	7,858,250
2027-2030	5,616,885	662,350	6,279,235
Total	<u>\$ 16,806,885</u>	<u>\$ 5,188,725</u>	<u>\$ 21,995,610</u>

(9) COMMITMENTS AND CONTINGENCIES

The City has active construction projects at June 30, 2016.

(10) PROPERTY TAXES

The City bills and collects real and personal property taxes. Ad valorem tax on motor vehicles and mobile homes is collected by the Cherokee County Tax Collector and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied in August of each year on the assessed valuation of property as of the preceding January 1. Taxes levied on August 15 were due on or before December 20, the lien date. Assessed values are established by the Cherokee County Tax Assessor's office and are currently calculated at 40% of the market value. The assessed values of real and personal property (excluding public utility franchise, motor vehicles, heavy duty equipment and mobile home taxes) at January 1, 2015 were \$1,054,418,982 and \$72,629,662, respectively.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Based on the 2015 digest millage levy of 6.99, a property tax owner would pay \$6.99 per \$1,000 of assessed valuation. Current tax collections of \$6,743,326 for the fiscal year ended June 30, 2016 were 99% of the levy.

(11) FUND BALANCE

The composition of the City’s fund balances is as follows:

	General Fund	SPLOST IV Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Nonspendable:					
Prepays	\$ 382,335	\$ -	\$ -	\$ 15,000	\$ 397,335
Restricted for:					
Capital projects	-	1,015,735	-	165,584	1,181,319
Public safety	-	-	-	74,780	74,780
Culture and recreation	10,843	-	-	492,726	503,569
Housing and development	7,442	-	-	1,117,908	1,125,350
Debt service	-	-	4,175	-	4,175
Unassigned:	4,675,003	-	-	(159,909)	4,515,094
	<u>\$ 5,075,623</u>	<u>\$ 1,015,735</u>	<u>\$ 4,175</u>	<u>\$ 1,706,089</u>	<u>\$ 7,801,622</u>

(12) EMPLOYEE RETIREMENT SYSTEM

General Information about the Pension Plans

The City provides pension benefits for all its full-time employees through Georgia Municipal Employees Benefit System (“GMEBS”), an agent multi-employer public employee retirement system that acts as a common investment and administrative agent for cities in the state of Georgia. The authority to establish and amend benefit provisions rests with GMEBS.

All full-time employees become eligible for the plan after one year of service and benefits vest after completing five years of service. Employees who retire after age 65 with 5 years of services or after age 55 with 10 years of credited service are entitled to a retirement benefit. The monthly benefit is determined using a flat percentage formula, incorporating the employees’ highest average earnings for five consecutive years, years of service and a rate of 2.0%.

Employees covered by benefit terms. At June 30, 2016, the following employees were covered by the benefit terms:

**CITY OF WOODSTOCK, GEORGIA
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Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled to but not yet receiving benefits	73
Active employees	170
Total	267

Contributions. Contributions are determined under the projected unit credit actuarial cost method. The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions. For the year ended June 30, 2016, the actuarially determined rate was 6.4% of annual pay. The City’s contributions to the Plan totaled \$454,140 for the year ended June 30, 2016.

Net Pension Liability

The City’s net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.25% plus age and service based merit increases
Investment rate of return	7.75%
Post-retirement benefit increases	Not applicable

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a four-year review of mortality experience for the period of January 1, 2010 to June 30, 2014.

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50%	5.95%
International equity	15%	6.45%
Fixed income	25%	1.55%
Real estate	10%	3.75%
Total	<u>100%</u>	

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 9/30/2014	\$ 10,004,445	\$ 7,798,911	\$ 2,205,534
Changes for the year:			
Service cost	368,294	-	368,294
Interest	765,778	-	765,778
Differences between expected and actual experience	915,263	-	915,263
Contributions - employer	-	497,250	(497,250)
Net investment income	-	78,695	(78,695)
Benefit payments, including refunds of employee contributions	(246,876)	(246,876)	-
Administrative expense	-	(20,249)	20,249
Other	-	-	-
Net changes	<u>1,802,459</u>	<u>308,820</u>	<u>1,493,636</u>
Balances at 9/30/2015	<u>\$ 11,806,904</u>	<u>\$ 8,107,731</u>	<u>\$ 3,699,173</u>

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Changes in Assumptions

Based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014, the following assumptions were changed:

- The mortality table for disabled participants was changed to remove the two-year set-forward for males and the one-year set-forward for females.
- The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on and after age 55. The select period rates were further constrained to not be less than the ultimate rates.
- The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70. If retirement is not available at a given age or a participant does not meet the plan's service criteria to retire at a given age, no retirement is assumed at that age.
- The inflation assumption was decreased from 3.50% to 3.25%.
- The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount (7.75%)	1% Increase (8.75%)
	<u> </u>	<u> </u>	<u> </u>
Net pension liability	\$ 6,011,600	\$ 3,699,173	\$ 1,845,890

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued GMEBS Retirement Trust financial report. The Georgia Municipal Employee Benefit System issues a publicly available financial report that includes financial statements and required supplementary information of GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling 404-688-0472. The plan's fiduciary net position has been determined on the same basis as that used by the plan.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The GMEBS's financial statements are prepared using the accrual basis of accounting. Contributions are recognized as revenues in the period in which the contributions are received. Investment income is recognized as earned by the GMEBS. The net appreciation (depreciation) in the fair value of investments held by the GMEBS is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the Statement of Net Position. Plan refunds, transfers and benefits to participants are recorded as they are received or paid. Other expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made. Investments are reported at fair value as of the Statement of Net Position date.

Investments of the System consist of common and preferred stocks, corporate fixed income securities, equity and fixed income mutual funds, governmental and governmental agency securities, and real estate. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments in real estate funds are valued based on appraisals and valuations prepared by Morgan Stanley Real Estate Advisors. Temporary cash and cash equivalent investments are reported at cost, which approximates fair value. Investments that do not have an established market are reported at estimated fair values.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense of \$684,303. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Contributions after the measurement date	\$ 340,605	\$ -
Differences between expected and actual experience	784,512	(118,095)
Changes of assumptions	-	(109,365)
Net difference between projected and actual earnings on pension plan investments	<u>281,102</u>	<u>-</u>
Total	<u>\$ 1,406,219</u>	<u>\$ (227,460)</u>

\$340,605 reported as deferred outflows of resources related to pensions resulted from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Year ended December 31:	
2017	\$ 143,318
2018	143,318
2019	143,318
2020	192,188
2021	85,260
Thereafter	130,752
	<u>\$ 838,154</u>

(13) DEFINED CONTRIBUTION PLAN

The City contributes to the City of Woodstock Profit-Sharing Plan & Trust (the “Plan”), which is a defined contribution plan under Section 401(a) of the Internal Revenue Code. The Plan is administered by the ICMA-Retirement Corporation. At June 30, 2016, there were 139 plan members. Plan provisions and contribution requirements are established and amended by the City. The plan consists of employee and employer contributions. All full-time employees and elected officials who have completed the probationary period of 6 months, except sworn police officers and firefighters who serve a 12 month period of probation, are eligible to participate in the plan. Participants become fully vested in the plan after five (5) years of service.

A participant that leaves the employment of the City is entitled to their account balance if vesting requirements are satisfied. The employer has elected to contribute 5% of each participant's wages for each Plan Year in which that participant has contributed at least 3% of their wages, or such amount so as to meet the requirement to qualify for exclusion from participating in Social Security. The City made actual contributions of \$332,779 during 2016. The plan does not have a separate audited GAAP-basis postemployment benefit plan report. The plan held no securities of the City or other related parties during the year.

(14) RISK MANAGEMENT

General Liability and Property Damage

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City carries commercial insurance and did not experience any significant reductions in insurance coverage from the prior year. The City also did not experience any settlements that exceeded their insurance coverage over the past three fiscal years. The retention of the pool is \$1,000,000 for property and \$500,000 for liability. Coverage is subject to a per occurrence deductible of between \$1,000 and \$25,000.

**CITY OF WOODSTOCK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Workers' Compensation and Employee Health Coverage – Self Insured

The City carried commercial insurance coverage at the statutory amounts as prescribed under state laws through May 2013. In June 2013, the City became self-insured for its workers' compensation risks. The City retains the risk for the first \$250,000 of an individual claim and commercial insurance policies are purchased for claims in excess of this amount. Total claims incurred under the self-insured program during the fiscal year ended June 30, 2016 were \$209,926.

In October 2012, the City became self-insured for its employee group health coverage. As of the fiscal year ended June 30, 2013, the City used the General Fund and Enterprise Funds to account for and finance the cost of the program. Subsequent to June 2013, the City created the Group Health Self Insurance Fund and has used this fund to account for the cost of the program. The City retains the risk for up to \$110,000 of an individual claim and commercial insurance policies are purchased for claims in excess of this amount. Total claims incurred under this self-insured program during the fiscal year ended June 30, 2016 were \$1,712,119.

Changes in the balance of claims liabilities during the year are as follows:

	Workers' Compensation	Employee Group Health
Claims payable - June 30, 2014	\$ 19,213	\$ 97,413
Claims incurred	193,256	1,499,829
Claims paid	(111,482)	(1,407,597)
Claims payable - June 30, 2015	100,987	189,645
Claims incurred	209,926	1,712,119
Claims paid	(210,266)	(1,760,663)
Claims payable - June 30, 2016	<u>\$ 100,647</u>	<u>\$ 141,101</u>

(15) JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten county Atlanta regions, is a member of the Atlanta Regional Commission (ARC). Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the officials of political subdivisions and private citizens representing districts with the Atlanta region. OCGA 50-8-39.1 provides that certain member governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from Atlanta Regional Commission, 40 Courtland Street, NE, Atlanta, Georgia 30303.

(16) DEFICIT FUND BALANCE

In the nonmajor governmental funds, the Tax Allocation District had a deficit fund balance of \$159,909 at June 30, 2016.

**CITY OF WOODSTOCK, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	2016	2015
Total pension liability		
Service cost	\$ 368,294	\$ 360,982
Interest	765,778	724,833
Differences between expected and actual experience	915,263	(165,330)
Changes of assumptions	-	(153,111)
Benefit payments, including refunds of employee contributions	(246,876)	(231,236)
Net change in total pension liability	1,802,459	536,138
Total pension liability - beginning	10,004,445	9,468,307
Total pension liability - ending (a)	\$ 11,806,904	\$ 10,004,445
 Plan fiduciary net position		
Contributions - employer	\$ 497,250	\$ 528,623
Net investment income	78,695	777,586
Benefit payments including refunds of employee contributions	(246,876)	(231,236)
Administrative expense	(20,249)	(15,654)
Net change in plan fiduciary net position	308,820	1,059,319
Plan fiduciary net position - beginning	7,798,911	6,739,592
Plan fiduciary net position - ending (b)	\$ 8,107,731	\$ 7,798,911
 City's net pension liability - ending (a) - (b)	\$ 3,699,173	\$ 2,205,534
 Plan fiduciary net position as a percentage of the total pension liability	68.67%	77.95%
 Covered employee payroll	\$ 8,638,890	\$ 7,988,064
 City's net pension liability as a percentage of covered employee payroll	42.82%	27.61%

Note to Schedule: 2015 is the first year that data has been measured in accordance with GASB Statement 68.

**CITY OF WOODSTOCK, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS**

	<u>6/30/2016</u>	<u>6/30/2015</u>
Actuarially determined contribution	\$ 454,140	\$ 511,620
Contributions in relation to the actuarially determined contribution	<u>454,140</u>	<u>511,620</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 9,417,344	\$ 9,212,857
Contributions as a percentage of covered-employee payroll	4.82%	5.55%

Notes to Schedule:

The information presented was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest valuation follows:

Valuation Date	January 1, 2016
Actuarial cost method	Projected unit credit for contributions
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Varies for the bases, with a net effective amortization period of 12 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.
Inflation	3.25%
Salary increases	3.25% plus age and service based merit increases
Investment rate of return	7.75%
Retirement age	65
Mortality	RP-2000 Healthy Mortality Table with sex-distinct rates, adjusted for actuarial experience study for the period of January 1, 2010 through June 30, 2014

Note to Schedule: 2015 is the first year that data has been measured in accordance with GASB Statement 68.

CITY OF WOODSTOCK, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 12,782,171	\$ 13,605,591	\$ 13,605,591	\$ -
Licenses and Permits	1,288,627	1,175,204	1,175,204	-
Charges for Services	629,137	673,860	673,860	-
Fines and Forfeitures	1,500,000	1,535,182	1,535,182	-
Intergovernmental	-	995	995	-
Investment Income	300	32	32	-
Contributions and Donations	16,660	4,000	4,000	-
Leases	60,000	70,039	70,039	-
Cost Allocation	1,337,450	1,337,450	1,337,450	-
Other	22,000	39,385	39,385	-
Total Revenues	<u>17,636,345</u>	<u>18,441,738</u>	<u>18,441,738</u>	<u>-</u>
Expenditures:				
Mayor and Council	241,748	231,090	231,090	-
City Manager	303,423	301,756	301,756	-
City Clerk	141,744	143,040	143,040	-
Finance Department	683,167	649,540	649,540	-
Technology	626,980	589,586	589,586	-
Human Resources / Risk Management	699,351	697,467	697,467	-
General Services	621,105	158,388	158,388	-
Municipal Court	769,152	819,552	819,552	-
Police	4,526,040	4,464,615	4,464,615	-
Fire	3,645,580	3,578,007	3,578,007	-
Public Works - Admin	120,590	117,203	117,203	-
Public Works - Streets	842,225	804,007	804,007	-
Buildings and Grounds	844,057	916,662	916,662	-
Culture and Recreation	1,019,592	896,181	896,181	-
Building Inspections	493,430	483,463	483,463	-
Community Development	522,196	489,258	489,258	-
GIS	158,498	150,691	150,691	-
Economic Development	212,409	200,282	200,282	-
Total Expenditures	<u>16,471,287</u>	<u>15,690,788</u>	<u>15,690,788</u>	<u>-</u>
Excess (deficiency) of Revenues over Expenditures	<u>1,165,058</u>	<u>2,750,950</u>	<u>2,750,950</u>	<u>-</u>
Other Financing Sources (uses):				
Transfers In	-	43,134	43,134	-
Transfers Out	(1,170,058)	(1,082,340)	(1,082,340)	-
Sale of Capital Assets	5,000	60,765	60,765	-
Insurance Proceeds	-	25,184	25,184	-
Total Other Financing Sources (uses)	<u>(1,165,058)</u>	<u>(953,257)</u>	<u>(953,257)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 1,797,693</u>	<u>1,797,693</u>	<u>\$ -</u>
Fund Balance at Beginning of Year - GAAP Basis			<u>3,277,930</u>	
Fund Balance at End of Year - GAAP Basis			<u>\$ 5,075,623</u>	

CITY OF WOODSTOCK, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Special Revenue Funds										Capital Project Funds	
	Hotel/Motel Tax	Tax Allocation District	Development Impact Fee	Confiscated Assets	Green Prints	Vehicle Excise Tax	Multiple Grant	Downtown Development Authority	Capital Projects	Urban Redevelopment	Total Nonmajor	
Revenues:												
Taxes	\$ 349,155	\$ 365,040	\$ -	\$ -	\$ -	\$ 138,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 852,842
Charges for services	-	1,200	1,099,076	-	-	-	-	60,128	-	-	-	1,160,404
Fines and forfeitures	-	-	-	47,295	-	-	-	-	-	-	-	47,295
Intergovernmental	-	75,100	-	-	-	-	551,927	-	-	-	-	627,027
Investment earnings	-	1	6,034	-	-	-	-	84	-	244	-	6,363
Contributions and donations	-	-	-	-	25,477	-	-	-	-	-	-	25,477
Other	-	-	-	-	-	-	-	8,750	-	-	-	8,750
Total revenues	349,155	441,341	1,105,110	47,295	25,477	138,647	551,927	68,962	-	244	-	2,728,158
Expenditures:												
Current:												
General government	-	1,200	-	-	-	-	-	-	-	-	-	1,200
Public safety	-	-	-	77	-	-	10,867	-	-	-	-	10,944
Housing and development	-	-	22,433	-	-	-	417,180	-	-	-	-	439,613
Culture and recreation	183,247	-	-	-	5,727	50,559	-	149,931	-	-	-	389,464
Capital outlay	-	123,048	476,973	8,768	-	-	-	-	2,175,668	431,099	-	3,215,556
Debt service	-	-	-	-	-	-	-	310,939	-	-	-	310,939
Total expenditures	183,247	124,248	499,406	8,845	5,727	50,559	428,047	460,870	2,175,668	431,099	-	4,367,716
Excess (deficiency) of revenues over (under) expenditures	165,908	317,093	605,704	38,450	19,750	88,088	123,880	(391,908)	(2,175,668)	(430,855)	(1,639,558)	
Other financing sources (uses):												
Transfers in	-	-	-	-	-	-	124,404	450,570	92,689	-	-	667,663
Transfers out	(165,908)	(422,114)	(1,400,000)	-	-	-	-	(58,134)	-	-	-	(2,046,156)
Issuance of debt	-	-	-	-	-	-	-	-	2,104,434	-	-	2,104,434
Total other financing sources (uses)	(165,908)	(422,114)	(1,400,000)	-	-	-	124,404	392,436	2,197,123	-	-	725,941
Net change in fund balance	-	(105,021)	(794,296)	38,450	19,750	88,088	248,284	528	21,455	(430,855)	(913,617)	
Fund balance at beginning of year	-	(54,888)	1,593,381	36,330	17,614	30,533	70,539	351,213	(6,863)	581,847	-	2,619,706
Fund balance at end of year	\$ -	\$ (159,909)	\$ 799,085	\$ 74,780	\$ 37,364	\$ 118,621	\$ 318,823	\$ 351,741	\$ 14,592	\$ 150,992	\$ -	\$ 1,706,089

**CITY OF WOODSTOCK, GEORGIA
HOTEL/MOTEL TAX
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues -			
Taxes	<u>\$ 349,155</u>	<u>\$ 349,155</u>	<u>\$ -</u>
Expenditures -			
Current -			
Culture and recreation	<u>183,247</u>	<u>183,247</u>	<u>-</u>
Excess of revenues over expenditures	<u>165,908</u>	<u>165,908</u>	<u>-</u>
Other financing sources (uses) -			
Transfers in	-	-	-
Transfers out	<u>(165,908)</u>	<u>(165,908)</u>	<u>-</u>
Net change in fund balance	<u><u>\$ -</u></u>	-	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>-</u>	
Fund balance at end of year		<u><u>\$ -</u></u>	

**CITY OF WOODSTOCK, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 1,200	\$ 1,200	\$ -
Taxes	365,040	365,040	-
Intergovernmental	75,100	75,100	-
Investment earnings	<u>1</u>	<u>1</u>	<u>-</u>
Total revenues	<u>441,341</u>	<u>441,341</u>	<u>-</u>
Expenditures:			
Current:			
General government	1,200	1,200	-
Capital outlay	<u>123,048</u>	<u>123,048</u>	<u>-</u>
Total expenditures	<u>124,248</u>	<u>124,248</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>317,093</u>	<u>317,093</u>	<u>-</u>
Other financing sources (uses):			
Transfers out	<u>(422,114)</u>	<u>(422,114)</u>	<u>-</u>
Total other financing sources (uses)	<u>(422,114)</u>	<u>(422,114)</u>	<u>-</u>
Net change in fund balance	<u>\$ (105,021)</u>	(105,021)	<u>\$ -</u>
Fund balance at beginning of year		<u>(54,888)</u>	
Fund balance at end of year		<u>\$ (159,909)</u>	

**CITY OF WOODSTOCK, GEORGIA
DEVELOPMENT IMPACT FEE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Charges for services	\$ 1,099,076	\$ 1,099,076	\$ -
Investment earnings	6,034	6,034	-
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>1,105,110</u>	<u>1,105,110</u>	<u>-</u>
Expenditures:			
Current:			
Housing and development	22,433	22,433	-
Capital outlay	476,973	476,973	-
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>499,406</u>	<u>499,406</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>605,704</u>	<u>605,704</u>	<u>-</u>
Other financing sources (uses) -			
Transfers out	(1,400,000)	(1,400,000)	-
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources (uses)	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (794,296)</u>	<u>(794,296)</u>	<u>\$ -</u>
Fund balance at beginning of year		<u>1,593,381</u>	
Fund balance at end of year		<u>\$ 799,085</u>	

**CITY OF WOODSTOCK, GEORGIA
CONFISCATED ASSETS FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues -			
Fines and forfeitures	\$ 47,295	\$ 47,295	\$ -
Total revenues	<u>47,295</u>	<u>47,295</u>	<u>-</u>
Expenditures:			
Current:			
Public safety	77	77	-
Capital outlay	<u>8,768</u>	<u>8,768</u>	<u>-</u>
Total expenditures	<u>8,845</u>	<u>8,845</u>	<u>-</u>
Net change in fund balance	<u>\$ 38,450</u>	38,450	<u>\$ -</u>
Fund balance at beginning of year		<u>36,330</u>	
Fund balance at end of year		<u>\$ 74,780</u>	

**CITY OF WOODSTOCK, GEORGIA
GREEN PRINTS
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues -			
Contributions and donations	<u>\$ 25,477</u>	<u>\$ 25,477</u>	<u>\$ -</u>
Total revenues	<u>25,477</u>	<u>25,477</u>	<u>-</u>
Expenditures -			
Current -			
Culture and recreation	<u>5,727</u>	<u>5,727</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,750</u>	<u>19,750</u>	<u>-</u>
Net change in fund balance	<u><u>\$ 19,750</u></u>	<u>19,750</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>17,614</u>	
Fund balance at end of year		<u><u>\$ 37,364</u></u>	

**CITY OF WOODSTOCK, GEORGIA
VEHICLE EXCISE TAX
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues -			
Taxes	<u>\$ 138,647</u>	<u>\$ 138,647</u>	<u>\$ -</u>
Expenditures -			
Current -			
Culture and recreation	<u>50,559</u>	<u>50,559</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>88,088</u>	<u>88,088</u>	<u>-</u>
Net change in fund balance	<u><u>\$ 88,088</u></u>	<u>88,088</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>30,533</u>	
Fund balance at end of year		<u><u>\$ 118,621</u></u>	

**CITY OF WOODSTOCK, GEORGIA
 MULTIPLE GRANT
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues -			
Intergovernmental	<u>\$ 551,927</u>	<u>\$ 551,927</u>	<u>\$ -</u>
Total revenues	<u>551,927</u>	<u>551,927</u>	<u>-</u>
Expenditures:			
Current:			
Public safety	10,867	10,867	-
Housing and development	<u>417,180</u>	<u>417,180</u>	<u>-</u>
Total expenditures	<u>428,047</u>	<u>428,047</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>123,880</u>	<u>123,880</u>	<u>-</u>
Other financing sources (uses):			
Transfers in	<u>124,404</u>	<u>124,404</u>	<u>-</u>
Total other financing sources (uses)	<u>124,404</u>	<u>124,404</u>	<u>-</u>
Net change in fund balance	<u><u>\$ 248,284</u></u>	248,284	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>70,539</u>	
Fund balance at end of year		<u><u>\$ 318,823</u></u>	

**CITY OF WOODSTOCK, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Charges for services	\$ 47,200	\$ 60,128	\$ 12,928
Investment earnings	-	84	84
Other	500	8,750	8,250
Total revenues	<u>47,700</u>	<u>68,962</u>	<u>21,262</u>
Expenditures:			
Current:			
Culture and recreation	153,877	149,931	3,946
Debt service	22,500	310,939	(288,439)
Total expenditures	<u>176,377</u>	<u>460,870</u>	<u>(284,493)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(128,677)</u>	<u>(391,908)</u>	<u>(263,231)</u>
Other financing sources (uses) -			
Transfers in	127,962	450,570	322,608
Transfers out	-	(58,134)	(58,134)
Total other financing sources (uses)	<u>127,962</u>	<u>392,436</u>	<u>264,474</u>
Net change in fund balance	<u>\$ (715)</u>	528	<u>\$ 1,243</u>
Fund balance at beginning of year		<u>351,213</u>	
Fund balance at end of year		<u>\$ 351,741</u>	

CITY OF WOODSTOCK, GEORGIA
SPLOST IV
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues -			
Intergovernmental	\$ 3,423,928	\$ 3,423,928	\$ -
Expenditures -			
Capital outlay	2,983,040	2,983,040	-
Excess (deficiency) of revenues over (under) expenditures	440,888	440,888	-
Other financing sources (uses):			
Transfers in	1,415,000	1,415,000	-
Transfers out	(1,424,968)	(1,424,968)	-
Total other financing sources (uses)	(9,968)	(9,968)	-
Net change in fund balance	\$ 430,920	430,920	\$ -
Fund balance at beginning of year		584,815	
Fund balance at end of year		\$ 1,015,735	

**CITY OF WOODSTOCK, GEORGIA
 URBAN REDEVELOPMENT
 CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues -			
Investment earnings	\$ 244	\$ 244	\$ -
Expenditures -			
Capital outlay	431,099	431,099	-
Excess (deficiency) of revenues over (under) expenditures	<u>(430,855)</u>	<u>(430,855)</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (430,855)</u></u>	<u>(430,855)</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>581,847</u>	
Fund balance at end of year		<u><u>\$ 150,992</u></u>	

**CITY OF WOODSTOCK, GEORGIA
CAPITAL PROJECTS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Expenditures -			
Capital outlay	\$ 2,175,668	\$ 2,175,668	\$ -
Excess (deficiency) of revenues over (under) expenditures	<u>(2,175,668)</u>	<u>(2,175,668)</u>	<u>-</u>
Other financing sources (uses):			
Issuance of debt	2,104,434	2,104,434	-
Transfers in	92,689	92,689	-
Total other financing sources (uses)	<u>2,197,123</u>	<u>2,197,123</u>	<u>-</u>
Net change in fund balance	<u>\$ 21,455</u>	21,455	<u>\$ -</u>
Fund balance at beginning of year		<u>(6,863)</u>	
Fund balance at end of year		<u>\$ 14,592</u>	

CITY OF WOODSTOCK, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Expenditures -			
Debt service	\$ 2,674,208	\$ 2,674,208	\$ -
Excess (deficiency) of revenues over (under) expenditures	<u>(2,674,208)</u>	<u>(2,674,208)</u>	<u>-</u>
Other financing sources (uses)-			
Issuance of debt	3,638,548	3,638,548	-
Debt service - principal	(3,508,600)	(3,508,600)	-
Transfers in	<u>2,547,764</u>	<u>2,547,764</u>	<u>-</u>
Total other financing sources (uses)	<u>2,677,712</u>	<u>2,677,712</u>	<u>-</u>
Net change in fund balance	<u>\$ 3,504</u>	3,504	<u>\$ -</u>
Fund balance at beginning of year		<u>671</u>	
Fund balance at end of year		<u>\$ 4,175</u>	

CITY OF WOODSTOCK, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	<u>Workers Comp Insurance</u>	<u>Group Health Insurance</u>	<u>Totals</u>
Assets:			
Current assets:			
Cash	\$ 7,538	\$ 398,159	\$ 405,697
Accounts receivable	-	286	286
Deposits	10,000	-	10,000
Prepaid items	51,167	6,421	57,588
	<u>68,705</u>	<u>404,866</u>	<u>473,571</u>
Total assets			
Liabilities:			
Current liabilities:			
Accounts and claims payable	100,647	141,101	241,748
Due to other funds	94,304	-	94,304
	<u>194,951</u>	<u>141,101</u>	<u>336,052</u>
Total liabilities			
Net position:			
Unrestricted	<u>(126,246)</u>	<u>263,765</u>	<u>137,519</u>
Total net position	<u><u>\$ (126,246)</u></u>	<u><u>\$ 263,765</u></u>	<u><u>\$ 137,519</u></u>

**CITY OF WOODSTOCK, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Workers Comp Insurance</u>	<u>Group Health Insurance</u>	<u>Totals</u>
Operating revenues -			
Charges for services	<u>\$ 216,245</u>	<u>\$ 2,166,204</u>	<u>\$ 2,382,449</u>
Operating expenses -			
Operating	<u>287,076</u>	<u>2,012,854</u>	<u>2,299,930</u>
Operating income (loss)	<u>(70,831)</u>	<u>153,350</u>	<u>82,519</u>
Increase (decrease) in net position	(70,831)	153,350	82,519
Net position at beginning of year	<u>(55,415)</u>	<u>110,415</u>	<u>55,000</u>
Net position at end of year	<u><u>\$ (126,246)</u></u>	<u><u>\$ 263,765</u></u>	<u><u>\$ 137,519</u></u>

CITY OF WOODSTOCK, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Workers Comp Insurance	Group Health Insurance	Totals
Cash flows from (to) operating activities:			
Cash received from contributions and services provided	\$ 216,275	\$ 2,166,329	\$ 2,382,604
Cash payments for benefits and claims	<u>(247,531)</u>	<u>(2,078,684)</u>	<u>(2,326,215)</u>
Net cash from (to) operating activities	<u>(31,256)</u>	<u>87,645</u>	<u>56,389</u>
Net increase (decrease) in cash	(31,256)	87,645	56,389
Cash at beginning of year	<u>38,794</u>	<u>310,514</u>	<u>349,308</u>
Cash at end of year	<u>\$ 7,538</u>	<u>\$ 398,159</u>	<u>\$ 405,697</u>
 Reconciliation of operating income (loss) to net cash from (to) operating activities:			
Operating income (loss)	\$ (70,831)	\$ 153,350	\$ 82,519
Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:			
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	30	125	155
(Increase) decrease in deposits	(10,000)	-	(10,000)
(Increase) decrease in prepaid items	(2,365)	(1,583)	(3,948)
Increase (decrease) in accounts and claims payable	(340)	(48,544)	(48,884)
Increase (decrease) in due to other funds	<u>52,250</u>	<u>(15,703)</u>	<u>36,547</u>
Net cash from (to) operating activities	<u>\$ (31,256)</u>	<u>\$ 87,645</u>	<u>\$ 56,389</u>

**CITY OF WOODSTOCK, GEORGIA
CONVENTION AND VISITORS' BUREAU
COMPONENT UNIT
BALANCE SHEET
JUNE 30, 2016**

Assets:

Cash	\$ 4,491
Due from primary government	<u>2,807</u>

Total assets	\$ <u><u>7,298</u></u>
---------------------	-------------------------------

Liabilities:

Accounts payable	\$ 1,532
Due to primary government	<u>27,178</u>

Total liabilities	<u>28,710</u>
--------------------------	----------------------

Equity:

Fund balance:	
Unassigned	<u>(21,412)</u>

Total equity	<u>(21,412)</u>
---------------------	------------------------

Total liabilities and equity	\$ <u><u>7,298</u></u>
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Amounts reported for the component unit in the statement of net position are different because:

Capital assets used in the component unit are not financial resources and, therefore, are not reported in the funds.	<u>4,500</u>
--	--------------

Total fund balance	<u>(21,412)</u>
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Net position of component unit	<u><u>\$ (16,912)</u></u>
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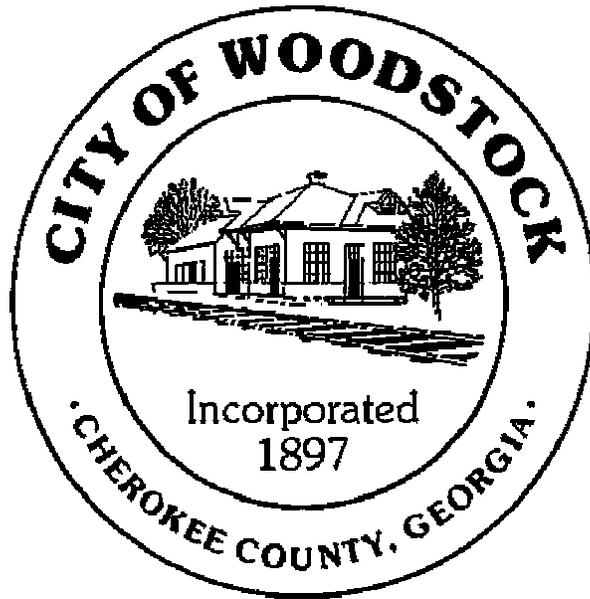
**CITY OF WOODSTOCK, GEORGIA
CONVENTION AND VISITORS' BUREAU
COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Revenues:	
Charges for services	\$ 1,768
Intergovernmental	24,020
Contributions	4,000
Total revenues	29,788
Expenditures -	
Culture and recreation	58,412
Excess (deficiency) of revenues over (under) expenditures	(28,624)
Net change in fund balance	(28,624)
Fund balance at beginning of year	7,212
Fund balance at end of year	\$ (21,412)

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

Component unit reports 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. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.

Depreciation expense	(1,500)
Net change in fund balance	(28,624)
Change in net position of component unit on the statement of activities	\$ (30,124)



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STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding the financial statements, note disclosures, required supplementary information as well as the overall financial position of the City.

Financial Trends

These schedules contain trend information to help the user understand how the City's financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the user assess the City's major revenue sources.

Debt Capacity

These schedules present information to help the user assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules present demographic and economic indicators to help the user understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain staffing, key operating and capital statistics comparisons to help the user understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Except where noted, the information in these schedules is derived from the City's Comprehensive Annual Financial Report for the relevant year.

CITY OF WOODSTOCK, GEORGIA

Table 1

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014*	2015	2016
Governmental activities										
Net investment in capital assets	\$ 14,744,220	\$ 15,509,075	\$ 15,505,390	\$ 11,170,505	\$ 12,024,376	\$ 13,151,469	\$ 13,586,363	\$ 17,980,338	\$ 20,808,212	\$ 24,790,190
Restricted	-	309,428	2,136,431	2,500,460	2,207,251	1,696,045	3,720,971	2,280,435	3,283,885	2,904,193
Unrestricted	3,678,076	3,964,641	2,445,172	110,672	(409,269)	(482,471)	231,398	(551,402)	(33,990)	1,911,010
Total governmental activities net assets	\$ 18,422,296	\$ 19,783,144	\$ 20,086,993	\$ 13,781,637	\$ 13,822,358	\$ 14,365,043	\$ 17,538,732	\$ 19,709,371	\$ 24,058,107	\$ 29,605,393
Business-type activities										
Net investment in capital assets	\$ 16,565,790	\$ 16,985,151	\$ 17,130,738	\$ 16,326,037	\$ 10,908,240	\$ 10,182,210	\$ 10,362,120	\$ 12,379,390	\$ 12,555,498	\$ 12,198,653
Restricted	2,145,691	1,893,396	1,980,293	2,278,368	300,000	300,000	300,000	300,005	300,006	300,016
Unrestricted	(1,497,176)	(1,640,099)	(4,089,407)	(4,383,328)	2,571,676	2,979,413	1,613,194	486,224	769,480	481,309
Total business-type activities net assets	\$ 17,214,305	\$ 17,238,448	\$ 15,021,624	\$ 14,221,077	\$ 13,779,916	\$ 13,461,623	\$ 12,275,314	\$ 13,165,619	\$ 13,624,984	\$ 12,979,978
Primary government										
Net investment in capital assets	\$ 31,310,010	\$ 32,494,226	\$ 32,636,128	\$ 27,496,542	\$ 22,932,616	\$ 23,333,679	\$ 23,948,483	\$ 30,359,728	\$ 33,363,710	\$ 36,988,843
Restricted	2,145,691	2,202,824	4,116,724	4,778,828	2,507,251	1,996,045	4,020,971	2,580,440	3,583,891	3,204,209
Unrestricted	2,180,900	2,324,542	(1,644,235)	(4,272,656)	2,162,407	2,496,942	1,844,592	(65,178)	735,490	2,392,319
Total primary government assets	\$ 35,636,601	\$ 37,021,592	\$ 35,108,617	\$ 28,002,714	\$ 27,602,274	\$ 27,826,666	\$ 29,814,046	\$ 32,874,990	\$ 37,683,091	\$ 42,585,371

* Restated.

CITY OF WOODSTOCK, GEORGIA

CHANGES IN NET POSITION

Table 2

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014*	2015	2016
Expenses										
Governmental activities										
General government	\$ 5,374,475	\$ 5,107,269	\$ 6,113,815	\$ 7,268,612	\$ 5,629,799	\$ 5,410,904	\$ 5,202,931	\$ 5,446,192	\$ 2,118,326	\$ 2,852,620
Public safety	6,528,854	6,591,210	7,710,973	7,528,177	7,686,312	7,688,603	7,746,477	8,062,167	9,180,225	8,765,669
Public works	1,600,520	1,861,502	2,055,746	5,972,418	2,588,122	2,489,922	2,034,105	2,607,599	2,409,200	2,555,131
Culture and recreation (1)	-	-	-	-	-	-	-	-	1,288,076	1,116,845
Housing and development (1)	-	-	-	-	-	-	-	-	1,713,088	2,239,903
Interest on long-term debt	270,700	264,332	395,377	685,693	807,112	773,690	664,309	624,190	549,563	408,887
Other debt related expenses	3,710	3,710	3,710	-	-	-	-	-	-	-
Total governmental activities expenses	\$ 13,778,259	\$ 13,828,023	\$ 16,279,621	\$ 21,454,900	\$ 16,711,345	\$ 16,363,119	\$ 15,647,822	\$ 16,740,148	\$ 17,404,409	\$ 17,793,124
Business-type activities										
Water and sewer utilities	\$ 7,032,173	\$ 6,223,050	\$ 8,975,508	\$ 7,239,415	\$ 8,507,262	\$ 8,665,919	\$ 8,527,323	\$ 8,517,620	\$ 8,278,520	\$ 9,031,112
Storm water utilities	413,181	506,094	821,093	935,813	1,020,097	1,064,229	1,094,286	1,168,100	1,097,308	1,177,848
Total business-type activities expenses	\$ 7,445,354	\$ 6,729,144	\$ 9,796,601	\$ 8,175,228	\$ 9,527,359	\$ 9,730,148	\$ 9,621,609	\$ 9,685,720	\$ 9,375,828	\$ 10,208,960
Primary government	\$ 21,223,613	\$ 20,557,167	\$ 26,076,222	\$ 29,630,128	\$ 26,238,704	\$ 26,093,267	\$ 25,269,431	\$ 26,425,868	\$ 26,780,237	\$ 28,002,084
Total primary government expenses	\$ 21,223,613	\$ 20,557,167	\$ 26,076,222	\$ 29,630,128	\$ 26,238,704	\$ 26,093,267	\$ 25,269,431	\$ 26,425,868	\$ 26,780,237	\$ 28,002,084
Program revenues										
Governmental activities										
Charges for service										
General government	\$ 2,153,883	\$ 1,346,350	\$ 721,102	\$ 861,679	\$ 887,494	\$ 1,322,686	\$ 1,618,395	\$ 2,270,431	\$ 2,731,870	\$ 3,008,314
Public safety	1,248,765	1,026,563	1,316,980	1,064,409	944,381	1,360,702	1,637,032	1,487,211	1,626,532	1,794,107
Recreation	22,597	15,759	44,999	-	-	-	-	-	-	-
Other activities	17,404	12,137	-	-	1,263	-	-	-	-	-
Operating grants and contributions	289,415	306,577	173,682	466,299	39,284	32,747	57,158	62,357	109,008	39,111
Capital grants and contributions	2,834,911	2,611,145	2,425,905	2,585,008	4,835,554	4,217,729	4,220,859	4,264,861	3,673,614	4,087,336
Total governmental activities program revenues	\$ 6,566,975	\$ 5,318,531	\$ 4,682,668	\$ 4,977,395	\$ 6,707,976	\$ 6,933,864	\$ 7,533,444	\$ 8,084,860	\$ 8,141,024	\$ 8,928,868
Business-type activities										
Charges for service										
Water and sewer charges	\$ 5,126,370	\$ 5,048,405	\$ 5,001,116	\$ 5,950,747	\$ 6,251,913	\$ 6,299,341	\$ 6,296,904	\$ 6,714,882	\$ 6,984,044	\$ 7,441,312
Water and sewer tap fees	1,518,500	420,888	-	-	-	-	-	-	-	-
Fire tap fees	-	-	-	-	-	-	-	-	-	-
Stormwater utility fees	439,581	699,031	920,395	1,082,463	1,075,698	1,085,680	1,112,973	1,093,908	1,117,011	1,146,593
Other	151,878	287,793	171,629	106,394	-	-	244,990	300	-	-
Capital grants and contributions	-	-	-	83,589	450,042	765,563	1,359,070	3,177,909	1,873,008	1,096,109
Total business-type activities program revenues	\$ 7,236,329	\$ 6,456,117	\$ 6,093,140	\$ 7,223,193	\$ 7,777,653	\$ 8,150,584	\$ 9,013,937	\$ 10,986,999	\$ 9,974,063	\$ 9,684,014
Total primary government program revenues	\$ 13,803,304	\$ 11,774,648	\$ 10,775,808	\$ 12,200,588	\$ 14,485,629	\$ 15,084,448	\$ 16,547,381	\$ 19,071,859	\$ 18,115,087	\$ 18,612,882
Net (expense) revenue										
Governmental activities	\$ (10,046,195)	\$ (11,120,637)	\$ (11,596,953)	\$ (16,477,505)	\$ (10,003,369)	\$ (9,429,255)	\$ (8,114,378)	\$ (8,655,288)	\$ (9,263,385)	\$ (8,864,256)
Business-type activities	(209,025)	(273,027)	(3,703,461)	(952,035)	(1,749,706)	(1,579,564)	(607,672)	1,301,279	598,235	(524,946)
Total primary government net (expense)	\$ (10,255,220)	\$ (11,393,664)	\$ (15,300,414)	\$ (17,429,540)	\$ (11,753,075)	\$ (11,008,819)	\$ (8,722,050)	\$ (7,354,009)	\$ (8,665,150)	\$ (9,389,202)

CITY OF WOODSTOCK, GEORGIA
FUND BALANCES, GOVERNMENTAL FUNDS

Table 3

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014*	2015	2016
General Fund										
Nonspendable	\$ 336,947	\$ 149,783	\$ 252,573	\$ 337,208	\$ 320,184	\$ 585,192	\$ 299,074	\$ 357,346	\$ 338,301	\$ 382,335
Restricted	-	-	92,017	69,017	55,116	57,323	57,323	11,391	16,942	18,285
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,476,170	4,574,825	3,734,177	441,877	-	-	-	-	-	-
Unassigned	4,068,376	-	-	-	(1,202,778)	(1,244,475)	601,361	1,714,993	2,922,687	4,675,003
Total General Fund	\$ 5,881,493	\$ 4,724,608	\$ 4,078,767	\$ 848,102	\$ (827,478)	\$ (601,960)	\$ 957,758	\$ 2,083,730	\$ 3,277,930	\$ 5,075,623
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,307	\$ 15,000
Restricted	3,230,033	325,039	2,044,414	4,096,265	2,152,135	1,638,722	3,663,648	2,539,417	3,252,636	2,870,908
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	(18,808)	(153,972)	(64,480)	(127,449)	(262,508)	(301,338)	(61,751)	(159,909)
Unassigned	-	2,954,117	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 3,230,033	\$ 3,279,156	\$ 2,025,606	\$ 3,942,293	\$ 2,087,655	\$ 1,511,273	\$ 3,401,140	\$ 2,238,079	\$ 3,205,192	\$ 2,725,999

*Restated.

CITY OF WOODSTOCK, GEORGIA

Table 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014*	2015	2016
Revenues:										
Property taxes	\$ 5,551,183	\$ 5,848,147	\$ 12,462,905	\$ 10,126,431	\$ 10,364,111	\$ 10,942,451	\$ 11,543,392	\$ 12,624,480	\$ 13,409,258	\$ 14,458,433
Excise taxes	3,205,387	3,393,347	-	-	-	-	-	-	-	-
Sales taxes	2,834,911	2,611,145	-	-	-	-	-	-	-	-
Hotel/Motel tax	112,559	174,548	-	-	-	-	-	-	-	-
Licenses and permits	1,111,272	919,251	628,410	616,529	689,830	1,132,370	1,449,312	1,670,950	1,387,251	1,175,204
Charges for services	1,082,612	454,995	247,410	262,736	271,471	1,106,577	821,551	1,096,538	1,280,391	1,834,264
Fines and forfeitures	1,248,765	1,026,563	1,141,435	964,906	862,652	1,247,768	1,485,981	1,271,227	1,552,544	1,582,477
Cost allocation	-	-	2,049,223	381,214	-	-	-	-	-	-
Intergovernmental revenue	-	-	173,682	2,767,086	4,001,622	2,579,864	2,880,198	2,969,521	3,677,258	4,051,950
Grants	289,415	306,577	-	-	-	909,630	342,450	319,483	-	-
Contributions	-	-	-	-	-	-	-	-	142,062	29,477
Investment earnings	241,450	154,529	84,525	16,712	19,818	18,679	4,218	1,440	7,385	6,395
Rents	-	-	74,345	64,027	86,684	76,717	76,788	73,947	65,342	70,039
Other local revenue	376,578	504,256	926,541	368,632	754,325	482,991	672,120	359,847	50,036	48,135
Total governmental funds	16,054,132	15,393,358	17,788,476	15,568,273	17,050,513	18,497,047	19,276,010	20,387,433	21,571,527	23,256,374
Expenditures										
General government	4,870,752	4,993,347	5,382,417	6,028,483	4,727,799	4,813,630	4,732,829	4,346,699	1,848,484	1,434,617
Public safety	6,080,181	6,560,137	6,695,742	7,129,903	7,144,410	7,315,607	7,372,240	7,610,210	8,771,429	8,873,118
Public works	965,995	1,256,252	1,416,943	1,443,865	1,495,315	1,392,970	1,274,340	1,977,675	1,876,214	1,837,872
Culture and recreation (1)	-	-	-	-	-	-	-	-	1,232,057	1,285,645
Housing and development (1)	-	-	-	-	-	-	-	-	1,572,376	1,763,307
Debt service -- Principal	887,276	1,043,435	1,409,520	3,126,883	2,357,352	8,375,166	1,819,520	3,167,425	2,884,412	2,367,843
Interest	270,700	264,332	395,377	685,693	807,112	773,690	664,309	624,190	582,255	617,304
Capital outlay	2,395,112	3,215,270	11,054,537	10,005,938	4,722,739	2,190,515	5,045,513	3,100,325	873,869	6,198,596
Total expenditures	15,470,016	17,332,773	26,354,536	28,420,765	21,254,727	24,861,578	20,908,751	20,826,524	19,641,096	24,378,302
Excess (deficit) of revenue over expenditures	584,116	(1,939,415)	(8,566,060)	(12,852,492)	(4,204,214)	(6,364,531)	(1,632,741)	(439,091)	1,930,431	(1,121,928)
Other financing sources (uses)										
Sale of capital assets	-	-	-	-	-	-	-	-	2,781	60,765
Insurance reimbursements	-	-	-	-	-	-	-	-	50,383	25,184
Proceeds from capital lease	357,980	1,101,673	6,666,669	544,917	673,996	6,013,667	146,015	-	-	-
Proceeds from long-term debt issue	-	-	-	11,075,000	-	-	4,700,000	-	-	5,742,982
Debt service - principal	-	-	-	-	-	-	-	-	-	(3,508,600)
Bond premium	-	-	-	146,545	-	-	-	-	-	-
Original issue discount	-	-	-	(76,460)	-	-	-	-	-	-
Transfers	-	-	-	(151,488)	-	-	236,311	131,629	177,718	120,097
Capital contribution to stormwater fund	(503,548)	(245,020)	-	-	-	-	-	-	-	-
Aid to component unit	(25,000)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(145,568)	831,653	6,666,669	11,538,514	673,996	6,013,667	5,082,326	131,629	230,882	2,440,428
Net change in fund balance	438,548	(1,107,762)	(1,899,391)	(1,313,978)	(3,530,218)	(350,864)	3,449,585	(307,462)	2,161,313	1,318,500
Fund balance beginning	8,672,978	9,111,526	8,003,764	6,104,373	4,790,395	1,260,177	909,313	4,358,898	4,051,436	6,483,122
Restatement	-	-	-	-	-	-	-	270,373	270,373	-
Fund balance ending	\$ 9,111,526	\$ 8,003,764	\$ 6,104,373	\$ 4,790,395	\$ 1,260,177	\$ 909,313	\$ 4,358,898	\$ 4,321,809	\$ 6,483,122	\$ 7,801,622
Debt service expenditures to noncapital expenditures	8.86%	9.26%	10.69%	20.42%	18.51%	39.67%	15.57%	21.39%	18.63%	30.71%

*The effect of blending the component unit to the previously reported Governmental Activities changes in fund balance is \$270,333. The effect of implementing GASB Statement No. 68 to previously reported changes in fund balance has not been determined.

(1) Information prior to 2015 can not be determined

CITY OF WOODSTOCK, GEORGIA

Table 5

TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY

Last Ten Fiscal Years

Tax Year	Real Property			Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property		Motor Vehicles	Other					
2006	\$ 529,463,047	\$ 357,708,701	\$	\$ 38,405,570	\$ 22,280	\$ 55,305,823	\$ 870,293,775	6.115	\$ 2,175,734,438	40.00%
2007	590,097,339	360,552,858		51,576,350	21,520	65,540,665	936,707,402	5.880	2,341,768,505	40.00%
2008	622,490,230	377,893,241		58,325,890	38,640	76,613,791	982,134,210	5.880	2,455,335,525	40.00%
2009	611,748,456	403,518,015		62,298,850	36,120	83,232,939	994,368,502	6.530	2,485,921,255	40.00%
2010	567,874,354	387,164,394		55,289,450	35,000	84,874,840	925,488,358	7.016	2,313,720,895	40.00%
2011	508,273,865	375,445,883		55,438,950	44,480	84,514,486	854,688,692	7.292	2,136,721,730	40.00%
2012	454,636,149	368,398,931		67,126,430	44,720	84,249,108	805,957,122	7.889	2,014,892,805	40.00%
2013	499,154,799	355,482,092		69,070,130	50,040	93,320,754	830,436,307	7.889	2,076,090,768	40.00%
2014	567,414,992	337,291,614		72,265,574	74,320	120,578,127	856,468,373	7.250	2,483,758,282	40.00%
2015	710,155,736	344,263,246		72,539,702	89,960	152,328,033	974,720,611	6.992	2,726,098,605	40.00%

CITY OF WOODSTOCK, GEORGIA

Table 6

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

Fiscal Year	City of Woodstock			County			Overlapping Rates (1)			School District		Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Debt Service Millage	Total School Millage	
2007	5.880	0.000	5.880	4.400	0.00	4.400	21.85	0.00	21.85	0.00	21.85	32.130
2008	5.880	0.000	5.880	4.381	0.00	4.381	21.22	0.00	21.22	0.00	21.22	31.481
2009	6.530	0.000	6.530	4.381	0.00	4.381	19.68	0.00	19.68	0.00	19.68	30.591
2010	6.530	0.000	6.530	4.631	0.58	5.211	18.45	0.40	18.85	0.40	18.85	30.591
2011	7.016	0.000	7.016	4.720	0.62	5.340	19.45	0.40	19.85	0.40	19.85	32.206
2012	7.292	0.000	7.292	5.365	0.64	6.005	19.45	0.40	19.85	0.40	19.85	33.147
2013	7.889	0.000	7.889	5.825	0.78	6.605	19.45	0.40	19.85	0.40	19.85	34.344
2014	7.889	0.000	7.889	5.798	0.78	6.578	19.45	0.40	19.85	0.40	19.85	34.317
2015	7.250	0.000	7.250	5.720	0.74	6.464	19.45	0.00	19.45	0.00	19.45	33.164
2016	6.992	0.000	6.992	5.680	0.61	6.289	19.45	0.00	19.45	0.00	19.45	32.731

(1) Cherokee County Tax Assessors Office

CITY OF WOODSTOCK, GEORGIA
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND NINE YEARS PRIOR

Table 7

Taxpayer	Type of Business	June 30, 2016 Taxable Valuation	Rank	Percentage of Total Taxable Valuation	June 30, 2007 Taxable Valuation	Rank	Percentage of Total Taxable Valuation
Walton Woodstock Apartments LLC	Apartments	\$34,871,100	1	3.58%			
Bell Partners Inc	Apartments	\$25,111,400	2	2.58%			
Crest at Laurelwood Apartments LLC	Apartments	\$24,115,500	3	2.47%			
Bell Partners Inc	Shopping Center	\$23,179,700	4	2.38%	\$9,476,871	1	1.01%
Alta Wood Partners, LLC	Apartments	\$22,207,400	5	2.28%			
Park at Towne Lake LC	Shopping Center	\$22,241,800	6	2.28%			
Avonlea Towne Lake LLC	Apartments	\$20,837,300	7	2.14%			
Ridgewalk Apartment Development LLC	Apartments	\$20,653,900	8	2.12%	\$7,929,252	3	0.85%
Wal-Mart Real Estate Trust	Retail	\$15,882,100	9	1.63%	\$6,921,088	4	0.74%
470 West 166 LLC	Apartments	\$17,940,700	10	1.84%	\$7,995,408	2	0.85%
Inland Southeast Woodstock LLC	Shopping Center				\$6,846,088	5	0.73%
Fowler Crossing Partners, LP	Developer				\$6,552,891	6	0.70%
Alta Woods Phase I, LLC	Apartments				\$6,363,605	7	0.68%
Alta Woods Phase II, LLC	Apartments				\$6,167,347	8	0.66%
Patel Partners LP	Real Estate				\$5,560,714	9	0.59%
Dayton Hudson Corporation	Shopping Center				\$4,741,667	10	0.51%
Ramco Woodstock LLC	Real Estate				\$868,152,471		92.68%
All Others		\$747,679,711		76.71%			
Total		\$974,720,611		100%	\$936,707,402		100%

Source: City of Woodstock Finance

CITY OF WOODSTOCK, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

TABLE 8

Fiscal Year	Collected Within the Fiscal Year of the Levy		Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Levy	Collected Amount	Percent of Levy	Collected Amount		Amount	Percent of Levy
2007	\$ 4,928,625	\$ 4,830,442	98.01%	\$ 4,919,690	89,248	99.82%	
2008	5,150,748	4,970,038	96.49%	5,149,377	179,339	99.97%	
2009	5,987,433	5,819,482	97.19%	5,982,038	162,556	99.91%	
2010	6,191,346	5,890,428	95.14%	6,184,135	293,707	99.88%	
2011	6,128,509	5,887,054	96.06%	6,124,284	237,230	99.93%	
2012	5,791,438	5,641,571	97.41%	5,787,287	145,716	99.93%	
2013	5,776,725	5,683,786	98.39%	5,765,696	81,910	99.81%	
2014	5,981,042	5,878,213	98.28%	5,985,840	107,627	99.99%	
2015	6,538,534	6,411,106	98.05%	6,532,532	121,426	99.91%	
2016	6,910,146	6,877,840	99.53%	6,877,840	n/a	99.53%	

CITY OF WOODSTOCK, GEORGIA

Table 9

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS

Last Ten Fiscal Years

Net General Obligation
Bonded Debt Outstanding

Year	Direct Total		Cherokee County Total		Cherokee County School System		Total County Debt		% Of County Debt Applicable To City (1)		Total County Debt Applicable To City (1)	
	City		County	Total	School System	Total County Debt	County Debt Applicable To City (1)	County Debt Applicable To City (1)	County Debt Applicable To City (1)	County Debt Applicable To City (1)		
2007	\$ 5,919,115		\$ 29,400,000	\$ 187,295,000	\$ 157,895,000		9.71%	\$ 18,179,860	\$ 24,098,975			
2008	5,380,099		24,608,000	191,287,064	166,679,064		10.23%	19,563,657	24,943,756			
2009	11,191,954		27,535,000	303,865,000	276,330,000		7.62%	23,154,513	34,346,467			
2010	19,117,692 (2)		69,200,000	310,325,000	241,125,000		7.46%	23,150,245	42,267,937			
2011	18,031,301 (2)		67,097,000	324,087,000	256,990,000		11.10%	35,973,657	54,004,958			
2012	17,067,608		57,067,000	570,250,265	513,183,265		11.00%	62,727,529	79,795,137			
2013	20,066,480		65,317,000	400,122,000	334,805,000		11.68%	46,734,250	66,800,730			
2014	16,926,292		71,627,000	438,492,000	366,865,000		11.95%	52,399,794	69,326,086			
2015	14,169,545		75,810,432	501,070,432	425,260,000		12.04%	60,328,880	74,498,425			
2016	14,036,084		71,658,319	477,088,319	405,430,000		7.89%	37,642,268	51,678,352			

(1) Based on population numbers.

(2) Certificate of Participation defeased.

CITY OF WOODSTOCK, GEORGIA

Table 10

RATIO OF NET GENERAL BONDED DEBT

Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activity					% of Personal Income	Per Capita	
	General Obligation Bonds	Revenue Bonds	Tax Anticipation Note	Capital Leases	Notes Payable	Revenue Bonds	General Obligation Bonds	Capital Leases	Notes Payable	GEFA Notes Payable			Total Primary Government
2007	\$ -	\$ -	\$ 2,852,000	\$ 315,538	\$ -	\$ 13,971,872	\$ -	\$ 5,066,813	\$ -	\$ -	\$ 22,206,223	4.26%	\$ 1,089
2008	\$ -	\$ -	\$ 2,225,000	\$ 1,145,818	\$ -	\$ 13,141,106	\$ -	\$ 4,781,521	\$ -	\$ -	\$ 21,293,445	3.34%	\$ 991
2009	\$ -	\$ -	\$ -	\$ 8,969,816	\$ -	\$ 12,490,017	\$ -	\$ 3,464,661	\$ 3,030,324	\$ 27,954,818	\$ 4,227,599	4.22%	\$ 1,208
2010	\$ -	\$ 11,142,416	\$ 2,700,000	\$ 7,975,276	\$ -	\$ 11,817,812	\$ -	\$ 3,135,290	\$ 3,327,678	\$ 39,998,393	\$ 43,526,908	6.03%	\$ 1,728
2011	\$ -	\$ 10,878,801	\$ -	\$ 7,152,500	\$ -	\$ 19,406,309	\$ -	\$ 2,761,620	\$ 3,327,678	\$ 43,526,908	\$ 41,971,567	5.96%	\$ 1,822
2012	\$ -	\$ 10,475,184	\$ -	\$ 6,592,424	\$ -	\$ 19,150,970	\$ -	\$ 2,537,827	\$ 3,215,162	\$ 41,971,567	\$ 45,565,062	5.74%	\$ 1,724
2013	\$ -	\$ 10,061,568	\$ -	\$ 5,629,281	\$ 4,700,000	\$ 19,877,467	\$ -	\$ 2,199,000	\$ 3,097,746	\$ 40,952,757	\$ 44,552,757	5.94%	\$ 1,734
2014	\$ -	\$ 9,632,952	\$ -	\$ 4,477,143	\$ 2,996,814	\$ 18,951,631	\$ -	\$ 1,919,000	\$ 2,975,217	\$ 36,685,975	\$ 36,685,975	5.10%	\$ 1,523
2015	\$ -	\$ 9,194,337	\$ -	\$ 3,617,811	\$ 1,406,734	\$ 17,998,340	\$ -	\$ 1,621,400	\$ 2,847,353	\$ 36,685,975	\$ 36,685,975	4.37%	\$ 1,319
2016	\$ -	\$ 8,740,722	\$ -	\$ 5,194,042	\$ 147,042	\$ 17,027,835	\$ -	\$ 1,521,840	\$ 2,713,921	\$ 36,646,292	\$ 36,646,292	4.04%	\$ 1,226

CITY OF WOODSTOCK, GEORGIA
LEGAL DEBT MARGIN INFORMATION

Table 11

Last Ten Fiscal Years

Year	Assessed Value	Percentage	Debt Limit	Net Amount Applicable	Legal Debt Margin	Total Net Applicable to Limit as Percentage of Debt Limit
2007	\$ 925,599,598	10.00%	\$ 92,559,960	\$ 1,535,000	\$ 91,024,960	1.66%
2008	1,002,248,067	10.00%	100,224,807	1,420,000	98,804,807	1.42%
2009	1,058,748,001	10.00%	105,874,800	1,295,000	104,579,800	1.22%
2010	1,077,601,441	10.00%	107,760,144	- (1)	107,760,144	0.00%
2011	1,010,363,198	10.00%	101,036,320	-	101,036,320	0.00%
2012	939,203,178	10.00%	93,920,318	-	93,920,318	0.00%
2013	890,206,230	10.00%	89,020,623	-	89,020,623	0.00%
2014	923,757,061	10.00%	92,375,706	-	92,375,706	0.00%
2015	977,046,500	10.00%	97,704,650	-	97,704,650	0.00%
2016	1,127,048,644	10.00%	112,704,864	-	112,704,864	0.00%

(1) Certificate of Participation Note defeased.

CITY OF WOODSTOCK, GEORGIA
 WATER & SEWER FUND
 REVENUE BOND COVERAGE

Table 12

Last Ten Fiscal Years

Year	Gross Revenues(1)	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements (3)		Coverage
				Principal	Interest	
2007	\$ 7,050,742	\$ 5,395,847	\$ 1,654,895	\$ 830,766	\$ 564,312	1.19%
2008	5,809,236	4,549,107	1,260,129	651,087	538,288	1.06%
2009	5,182,302	4,421,669	760,633	672,206	515,372	0.64%
2010	6,292,218	4,712,280	1,579,938	672,206	523,759	1.32%
2011	6,261,783	4,822,123	1,439,660	408,453	586,216	1.45%
2012	7,028,451	5,880,584	1,147,867	330,000	673,525	1.14%
2013	7,556,001	5,908,636	1,647,365	340,000	666,925	1.64%
2014	9,892,806	5,963,561	3,929,245	910,000	660,125	2.50%
2015	8,870,737	5,519,131	3,351,606	930,000	633,809	2.14%
2016	8,537,458	5,987,827	2,549,631	955,000	616,025	1.62%
					Total	
					\$ 1,395,078	

(1) Includes interest income and tap fees

(2) Series 2003 Revenue Bonds Issued

(3) Actual Amounts presented may be different than actual requirement because of refunding of several of the revenue bonds

CITY OF WOODSTOCK, GEORGIA

Table 13

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Income (1)	Media Age (1)	School Enrollment(2)	Unemployment Rate
2007	20,388 (5)	\$ 25,586	32.8	920	4.50% (5)
2008	21,482 (5)	29,716	31.4	1106	6.20% (3)
2009	23,141 (1)	28,646	30.9	1181 (4)	10.20% (3)
2010	23,141 (1)	28,646	30.9	1005	10.20% (3)
2011	23,896 (1)	30,576	34	1002	8.40% (4)
2012	24,346 (1)	32,004	33.8	1006	6.70% (7)
2013	26,283 (8)	32,004	35.4	1017	6.30% (7)
2014	26,890 (1)	31,921	35.4	1017	6.20% (7)
2015	27,823 (1)	30,134	34.8	1163	6.30% (7)
2016	29,898 (1)	30,327	34	1176	5.50% (7)

- (1) Bureau of Census
- (2) Cherokee County Board of Education
- (3) Georgia Department of Labor
- (4) Estimated
- (5) Atlanta Regional Commission
- (6) Developmental Authority of Cherokee County
- (7) US Bureau of Labor Statistics
- (8) Pop-facts, Nielsen Claritas

CITY OF WOODSTOCK, GEORGIA

TABLE 14

PRINCIPAL EMPLOYERS

As Available from City of Woodstock Public Records

Employer	2016			2007		
	Number of Employees	Ranking	Percentage of Total Employment	Number of Employees	Ranking	Percentage of Total Employment
Lifetime Fitness	215	1	1.08%	305	1	2.29%
City of Woodstock	208	2	1.04%	180	2	1.35%
Wal Mart	205	3	1.03%	177	3	1.33%
The Kroger Company	188	4	0.94%	159	4	1.20%
Home Depot #116	160	5	0.80%	133	5	1.00%
SA Ga Operating Holdings LLC	150	6	0.75%	130	6	1.33%
Publix	131	7	0.66%	121	7	1.00%
Lowe's of Woodstock #543	117	8	0.59%	120	8	0.98%
Kohl's #443	108	9	0.54%	108	9	0.91%
Target	99	10	0.50%	98	10	0.90%
Walmart						
City of Woodstock						
The Home Depot # 116						
Kroger #463						
Lowe's of Woodstock #543						
Target Corporation T-1780						
Pillow Perfect Inc						
BJ's Wholesale Club #146						
Cherokee Ford, Inc.						
Hennessy Honda						

Source: City of Woodstock Community Development

CITY OF WOODSTOCK, GEORGIA

Table 15

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION

Full-time Equivalent Employees as of June 30

Function	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government	36	42	47	51	40	42	40	58	56	55
Public Safety										
Police	46	49	50	59	60	58	57	52	57	59
Fire	43	46	46	46	46	49	46	46	47	47
Public Works	26	12	9	18	15	15	16	9	10	8
Water and Sewer Utilities	13	14	18	16	18	18	21	17	15	15
Stormwater Utility	4	8	8	5	8	7	8	8	8	8
Total	<u>168</u>	<u>187</u>	<u>178</u>	<u>195</u>	<u>187</u>	<u>189</u>	<u>188</u>	<u>190</u>	<u>193</u>	<u>192</u>

CITY OF WOODSTOCK, GEORGIA

Table 16

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

<u>Function</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police										
Physical Arrests	1207	1171	1287	1314	1326	1484	1618	1111	1277	1495
Parking Violations	N/A	404	154	145	84	112	340	416	478	508
Traffic Violations	8356	8023	8180	7204	6887	9140	8136	6000	7216	8695
Fire										
Number of Calls Answered	3881	3467	3597	3480	3629	4055	4267	4357	4663	5216
Inspections	2388	2248	2334	1949	1729	1655	1660	2076	1572	2428
Highways and Streets										
Street Resurfacing(miles)	2	1.9	0.25	0.75	1.72	1.74	0.58	1.63	1.62	0.98
Potholes Repaired	37	25	75	1	33	70	68	72	85	68
Water										
New Connections	175	172	115	0	55	55	142	211	175	205
Water Main Breaks	7	8	7	12	11	21	18	11	10	11
Average Daily Consumption(Million Gallons Daily)	N/A	N/A	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4
Sewer										
Average Daily Sewerage Treatment(Million Gallons Daily)	N/A	N/A	0.95	0.95	0.99	1.00	1.05	1.18	1.15	1.21

Sources: Various City Departments.

Note 1: Full Fire Department function implemented in fiscal year 2008.

CITY OF WOODSTOCK, GEORGIA

Table 17

CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

<u>Function</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	29	43	41	53	56	52	56	56	56	58
Fire Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Streets (Miles)	97.49	99.1	99.1	99.1	102.7	102.7	102.7	106.7	106.7	106.7
Streetlights	N/A	N/A	N/A	N/A	NA	52	52	176	198	316
Traffic Signals	N/A	N/A	N/A	N/A	13	13	17	17	17	17
Community Centers	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains(Miles)	63.7	64.1	64.1	64.1	64.1	54.1	54.1	56.1	56.1	56.1
Fire Hydrants	1381	1394	1432	1437	1437	1437	1613	1649	1672	1672
Maximum Daily Capacity (thousand gals.)									1,200	1,200
Sewer										
Sanitary Sewers(Miles)	41.7	42.1	42.1	42.1	42.1	42.1	42.1	43.1	43.1	43.1
Storm Sewers(Miles)	N/A	N/A	N/A	N/A	N/A	N/A	62.0	72.75	72.75	72.75

Sources: Various City Departments.

SPECIAL REPORTS SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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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*

The Honorable Donnie Henriques, Mayor
Members of the City Council
City of Woodstock, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodstock, Georgia, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 20, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Woodstock'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 Woodstock, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Woodstock, Georgia's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Richels, Cauley + Associates, LLC

Kennesaw, Georgia

December 20, 2016

**CITY OF WOODSTOCK, GEORGIA
HOTEL/MOTEL TAX
SCHEDULE OF REVENUE RECEIVED AND EXPENDITURES INCURRED
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Revenues	Expenditures
Current Year	Current Year
\$349,155	\$349,155

* Expended in the Hotel/Motel Tax Special Revenue Fund, Woodstock
Downtown Development Authority, and Convention and Visitors' Bureau.

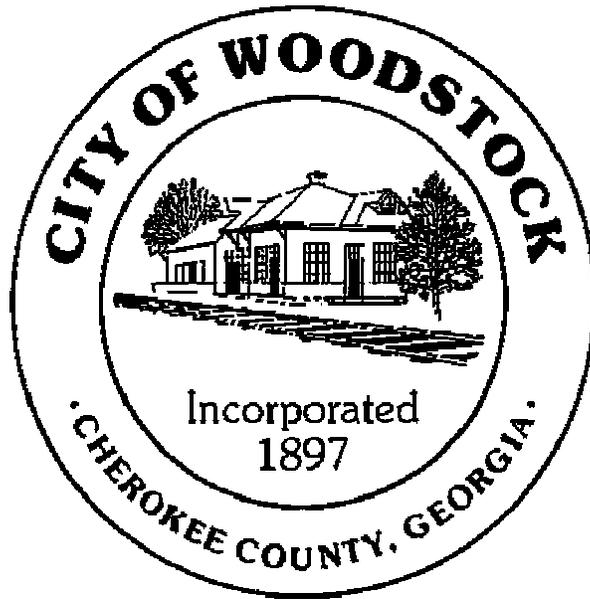
CITY OF WOODSTOCK, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL SALES TAX IV PROCEEDS (1 PERCENT SALES TAX)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years (1)	Current Year	Total	
Public Works Facilities and Equipment	\$ 8,920,264	\$ 8,920,264	\$ 6,169,287	\$ 1,365,256	\$ 7,534,543	84.47%
Parks and Recreation Facilities and Equipment	4,000,000	4,000,000	442,750	2,811,119	3,253,869	81.35%
Public Safety Facilities and Equipment	2,700,000	2,700,000	1,788,937	231,633	2,020,570	74.84%
Water, Wastewater and Stormwater Facilities	2,000,000	2,000,000	-	-	-	0.00%
	<u>\$ 17,620,264</u>	<u>\$ 17,620,264</u>	<u>\$ 8,400,974</u>	<u>\$ 4,408,008</u>	<u>\$ 12,808,982</u>	

(1) As revised.

**CITY OF WOODSTOCK, GEORGIA
SCHEDULE OF DEVELOPMENT IMPACT FEES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Parks	Admin	Total
Receipts:			
Prior Years	\$ 3,202,963	\$ 97,736	\$ 3,300,699
Current Year	1,073,056	32,054	1,105,110
Total Receipts	4,276,019	129,790	4,405,809
Expenditures:			
Prior Years	1,629,528	77,790	1,707,318
Current Year	1,884,406	15,000	1,899,406
Total Expenditures	3,513,934	92,790	3,606,724
 Balance at end of year	 \$ 762,085	 \$ 37,000	 \$ 799,085



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