

Mayor
Derek Easterling
City Manager
Jeff Drobney
City Clerk
Lea Addington



Council
Mayor Pro-Tem, Pat Ferris
James Eaton
Tracey Viars
Chris Henderson
David Blinkhorn

**City Council
Meeting Agenda
May 18, 2020 6:30 PM
Council Chambers**

I. INVOCATION

II. PLEDGE OF ALLEGIANCE

III. CALL TO ORDER

IV. ANNOUNCEMENTS

- A. Pursuant to Governor Kemp's Executive Order Number 03.14.20.01 declaring a Public Health State of Emergency and in accordance with O.C.G.A. §50-14-1 et seq., as may be amended or extended, this public meeting is only being conducted via the use of real-time telephonic technology allowing the public simultaneous access to the public meeting.

Mayor and Council will be conducting their meeting through Zoom Meeting and Facebook Live and you can access the meeting via the following link:
<https://www.facebook.com/CityofKennesaw/>

- B. If you would like to provide public comment on a specific agenda item, you can email kennesawcouncil@kennesaw-ga.gov no later than 6:00 PM the night of the regular meeting. Your comments on a specific agenda item will be read aloud or grouped into categories for the record.

V. PRESENTATIONS

VI. PUBLIC COMMENT/BUSINESS FROM THE FLOOR

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. COMMITTEE AND BOARD REPORTS

X. PUBLIC HEARING(S)

Swearing-in of any witnesses or individuals offering comments on any of the following items.

- A. FIRST PUBLIC HEARING: Approval of RESOLUTION adopting the updates to the Capital Improvement Element and Short Term Work Program

(CIE/STWP) report covering the five- year period of 2020-2024.

The City of Kennesaw is required to adopt an annual report for Capital Improvement Element and the Short Term Work Projects. The Atlanta Regional Commission and the Georgia Department of Community Affairs completed the regional review of the 2020 CIE Update for the City of Kennesaw. The Georgia Department of Community Affairs (DCA) has determined that the updates conform to the Development Impact Fee Compliance Requirements. Renewal of Qualified Local Government (QLG) status is contingent on local adoption of the update. This annual report review and adoption is required for all jurisdictions that collect development impact fees. This is the first of two required public hearings with adoption to be considered at the June 1, 2020 Mayor and Council meeting at 6:30 PM. City Staff recommends adoption of this resolution and report to maintain QLG status.

XI. CONSENT AGENDA

- A. Approval of the May 4, 2020 Mayor and City Council meeting minutes.
- B. Approval of a revised final plat for the Villages @ Fullers Chase identifying as-built locations for Units 21-24. The applicant is Traton Homes.
The final plat submitted for the Villages @ Fullers Chase by Traton Homes LLC. will supersede the previously approved plat. This revised plat will identify the as-built locations for townhome units 21 to 24 located in the townhome development. The Zoning Administrator recommends approval.
- C. Approval of the proposed list of projects for the 2022 Special Purpose Local Option Sales Tax (SPLOST) referendum, which Cobb County has scheduled for November 2020 vote with the public.
Per previous discussion with Council and after staff evaluations, the proposed projects reflect the priority of needs for the next six years. The list of projects remains unchanged from previous discussions with Mayor and Council. Due to COVID-19 issues, there were reduced Public Information meetings; however, Cobb County is looking to hold additional meetings but with no definitive schedule, as of yet. Due to legal timelines, Cobb County is requesting submittal of our approved project list for publication in the SPLOST guidebook. Staff recommends approval.

DEPARTMENT REPORTS

XII. GENERAL AND ADMINISTRATIVE

GINA AULD, Finance Director

- A. Accept the Audit Report for Fiscal Year Ended September 30, 2019 for the City of Kennesaw as presented by Mauldin and Jenkins, LLC CPA firm.

The audit report is presented to the Mayor and Council each year. This report is

for the Fiscal Year Ended September 30, 2019 as presented by Mauldin and Jenkins, LLC. Finance Director recommends acceptance of the report.

XIII. PUBLIC SAFETY

BILL WESTENBERGER, Police Chief
LINDA DAVIS, 911 Communications Director

- A. Receipt of the March and April 2020 Crime Statistics

XIV. INFORMATION TECHNOLOGY

RICK ARNOLD, Operations Specialist
JOSHUA GUERRERO, Systems Administration Specialist

XV. PUBLIC WORKS

RICKY STEWART, Public Works Director
ROBBIE BALENGER, Facilities Manager

- A. Authorize the start of right of way abandonment process for Burrell Court and a portion of Keene Street.

The City is in receipt of a request from Core Property Capital for right of way abandonment for Burrell Court and a portion of Keene Street. In accordance with Georgia law, O.C.G.A Title 32, Chapter 7, multiple steps must be followed to abandon public rights of way. The first step is approval from the governing body to start the abandonment process. With Council's approval, the Public Works Department will proceed with the abandonment process. The Public Works Director recommends approval of starting the abandonment process.

XVI. RECREATION AND CULTURE

RICHARD BANZ, Museum Director
STEVE ROBERTS, Parks and Recreation Director
ANN PARSONS, Smith-Gilbert Gardens Director

- A. Approval to postpone the Salute to America Celebration from July 3, 2020 to September 12, 2020.

The Salute to America Celebration Committee met two weeks ago to discuss the status of the event. Committee members include Councilmembers Tracey Viars and James Eaton, Parks & Recreation Director Steve Roberts, Parks & Recreation Event Coordinator Brittani Farmer, and numerous Downtown Business Representatives: Dale Hughes, Carol Thompson, Pam Eaton, Michael Diamond, Donna Norton, Michael Judvytis, Robert Trim, Lori Phillips, and Mark Allen. After looking at options to move forward with July 3rd, having only fireworks or postponing the event, out of an abundance of caution for all residents, staff, and business owners, the committee recommends postponing

the event to Saturday, September 12, 2020. The Salute to America Celebration Committee recommends approval.

XVII. COMMUNITY DEVELOPMENT

ROBERT FOX, Economic Development Director
DARRYL SIMMONS, Zoning Administrator
SCOTT BANKS, Building Official

XVIII. PUBLIC COMMENT/BUSINESS FROM THE FLOOR

XIX. CITY MANAGER'S REPORT (Jeff Drobney)

A. City Manager reports, discussions and updates.

XX. MAYOR'S REPORT

A. Mayor and Council (re)appointments to Boards and Commissions. This item is for (re)appointments made by the Mayor to any Board, Committees, Authority or Commission requiring an appointment to fill any vacancies, resignations, and to create or dissolve committees, as deemed necessary.

XXI. COUNCIL COMMENTS

XXII. EXECUTIVE SESSION - Land, Legal, Personnel

Pursuant to the provisions of O.C.G.A. 50-14-3, the City Council could, at any time during the meeting, vote to close the public meeting and move to executive session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney; and/or personnel matters; and/or real estate matters

XXIII. ADJOURN



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Pursuant to Governor Kemp's Executive Order Number 03.14.20.01 declaring a Public Health State of Emergency and in accordance with O.C.G.A. §50-14-1 et seq., as may be amended or extended, this public meeting is only being conducted via the use of real-time telephonic technology allowing the public simultaneous access to the public meeting.
Agenda Comments:	Mayor and Council will be conducting their meeting through Zoom Meeting and Facebook Live and you can access the meeting via the following link: https://www.facebook.com/CityofKennesaw/
Funding Line(s)	



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	If you would like to provide public comment on a specific agenda item, you can email kennesawcouncil@kennesaw-ga.gov no later than 6:00 PM the night of the regular meeting. Your comments on a specific agenda item will be read aloud or grouped into categories for the record.
Agenda Comments:	
Funding Line(s)	



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	FIRST PUBLIC HEARING: Approval of RESOLUTION adopting the updates to the Capital Improvement Element and Short Term Work Program (CIE/STWP) report covering the five- year period of 2020-2024.
Agenda Comments:	The City of Kennesaw is required to adopt an annual report for Capital Improvement Element and the Short Term Work Projects. The Atlanta Regional Commission and the Georgia Department of Community Affairs completed the regional review of the 2020 CIE Update for the City of Kennesaw. The Georgia Department of Community Affairs (DCA) has determined that the updates conform to the Development Impact Fee Compliance Requirements. Renewal of Qualified Local Government (QLG) status is contingent on local adoption of the update. This annual report review and adoption is required for all jurisdictions that collect development impact fees. This is the first of two required public hearings with adoption to be considered at the June 1, 2020 Mayor and Council meeting at 6:30 PM. City Staff recommends adoption of this resolution and report to maintain QLG status.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
Resolution	5/5/2020	Resolution
STWP project document	5/5/2020	Backup Material
Financial Statement	5/5/2020	Backup Material

Capital Improvement - Five Year Summary	5/5/2020	Backup Material
Capital Improvement List FY 2020	5/5/2020	Backup Material
Capital Improvement List FY 2021	5/5/2020	Backup Material
Capital Improvement List FY 2022	5/5/2020	Backup Material
Capital Improvement List FY 2023	5/5/2020	Backup Material
Capital Improvement List FY 2024	5/5/2020	Backup Material
05-01-20 Legal Ad	5/5/2020	Legal Ad
05-08-20 Legal Ad	5/8/2020	Legal Ad

**CITY OF KENNESAW
GEORGIA**

RESOLUTION NO. 2020-, 2020

**RESOLUTION ADOPTING THE UPDATES TO THE CAPITAL IMPROVEMENT
ELEMENT AND THE SHORT-TERM WORK PROGRAM COVERING THE FIVE-YEAR
PERIOD 2020-2024 OF THE ADOPTED COMPREHENSIVE PLAN FOR 2006-2026**

**BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF KENNESAW,
COBB COUNTY, GEORGIA AS FOLLOWS:**

WHEREAS, the annual update of the Capital Improvements Element and Short-Term Work Program was prepared in accordance with the Development Impact Fee Compliance Requirements and the Minimum Planning Standards and Procedures for Local Comprehensive Planning established by the Georgia Planning Act of 1989; and

WHEREAS, the updated sections of the Capital Improvements Elements and Short-Term Work Program has been presented at two duly advertised public hearings held by the Mayor and Council on May 18, 2020 and for final adoption at a meeting held by the Mayor and Council on June 1, 2020 at which the City of Kennesaw solicited community input on community needs and issues and which was conducted pursuant to the State's Minimum Planning Standards and Procedures; and

WHEREAS, the updated sections of the Capital Improvements Elements and Short-Term Work Program were submitted to Atlanta Regional Commission and Department of Community Affairs for review and recommendations on March 20, 2020. ARC (Atlanta Regional Commission) and DCA (Department of Community Affairs) have completed their review and have informed the City that they determined that the submittal complies with the Development Impact Fee and the Minimum Standards and Procedures for Local Comprehensive Planning.

NOW, THEREFORE BE IT RESOLVED, by the City of Kennesaw that, having met the public participation requirements of the Minimum Planning Standards and Procedures, and incorporating recommended changes and receive approval by the Atlanta Regional Commission and Department of Community Affairs, this Mayor and Council do hereby adopt these updates to the Capital Improvements and Short-Term Work Program.

PASSED AND ADOPTED by the Kennesaw City Council on this _____ day of June 2020

Attest:

CITY OF KENNESAW

Lea Addington, City Clerk

Derek Easterling, Mayor

City of Kennesaw Annual Short Term Work Program Update FY2022/2023							
Project Number	Plan Element		Start Date	End Date	Estimated Cost	Funding Source	Responsible Party
1	Land Use	Implement next phase of annexation plan city wide	2022	2023	N/A	N/A	Economic Dev. & Planning
2	Public Facilities	Storm Water Utility CIP Project	2022	2023	\$200,000	SPLOST	Public Works
3	Public Safety	police vehicles	2022	2023	\$250,000	Court Services/GF	Economic Development
4	Economic Development	Apply for grants for development projects	2022	2023	\$5,000	N/A	Economic Development & Planning
5	Land Use	LCI supplemental studies with Town Center CID	2022	2023	\$5,000	GF	Planning and Zoning
6	Land Use	Review of comprehensive plan	2022	2023	N/A	NA	Community Development
7	Land Use	Review of Historic District Guidelines	2022	2023	N/A	NA	Planning
8	Community Development	Revision of Unified Development Code	2022	2023	N/A	NA	Community Development
9	Community Facilities	Trail System expansion with Cobb County	2022	2023	\$15,000	N/A	Park and Recreation
10	Community Facilities	Continued marketing of Downtown venues in cooperation with Downtown Merchants	2022	2023	N/A	KDDA	Economic Development
11	Information Technology	City Wide Software Upgrades/purchases City Wide Computer upgrade and integration WI-FI integration in parks	2022	2023	\$70,000	GF	Information Technology
12	Information Technology	GIS upgrades for land use analysis and public safety	2022	2023	\$10,000	GF	Community Development
13	Community Facilities	Drainage Improvements	2022	2023	\$300,000	CDBG	Public Works
14	Community Facilities	Smith-Gilbert Gardens Improvements	2022	2023	\$100,000	SPLOST	Parks and Recreation
15	Community Facilities	Street Improvements	2022	2023	\$350,000	SPLOST	Public Works
16	Community Facilities	Sustainability training and workshops with developers and staff	2022	2023	\$2,000	GF	Planning
18	Land Use	Increase training of Traditional Neighborhood Districts and Smart Growth techniques for the Planning Commission	2022	2023	\$3,000	GF	Planning
19	Community facilities	Swift Cantrell park improvements	2022	2023	\$100,000	SPLOST	Parks and Recreation

FY 2023/2024							
Project Number	Plan Element	Project Description	Start Date	End Date	Estimated Cost	Funding Source	Responsible Party
1	Community Facilities	LCI plan project evaluation	2023	2024	N/A	NA	Planning and Zoning
2	Community Facilities	review sustainability policies for city facilities	2023	2024	N/A	N/A	Public Works
3	Economic Development	Continue business recruitment, expansion and retention efforts	2023	2024	\$5,000	GF, KDA & KDDA	Economic Development
4	Economic Development	Apply for grants for development projects	2023	2024	N/A	N/A	Economic Development & Planning
5	Community Facilities	Evaluate effectiveness of Museum marketing strategies and make adjustments as needed	2023	2024	N/A	N/A	Museum & Economic Dev
6	Community Facilities	Upgrade neighborhood parks	2023	2024	\$20,000	GF	Parks and Recreation
7	Land Use	Initiate study for sustainability initiatives and incentive program for new development	2023	2024	N/A	N/A	Planning and Zoning
8	Community facilities	Reevaluating Trail Master plan	2023	2024	N/A	N/A	Parks and Recreation
9	Housing	Continue strategies (through zoning) aimed at the identification and preservation of existing sound housing and stable residential neighborhoods including preservation of historic properties	2023	2024	N/A	N/A	Community Development
10	Land Use	Re evaluate green city objectives	2023	2024	N/A	N/A	Planning and Zoning
11	Information Technology	City Wide Computer upgrade and integration	2023	2024	\$70,000	GF	Information Technology
12	Community Facilities	Traffic Improvements	2023	2024	\$10,000,000	SPLOST	Public Works
13	Economic Development	Continue implementation of downtown master plan	2023	2024	N/A	SPLOST	Community Development
14	Public Safety	Upgrad police department equipment	2023	2024	\$5,000	GF	Police Department
15	Community Facilities	Storm Water Utility assesment and system analysis	2023	2024	N/A	GF	Public Works
16	Community Facilities	Street Improvements	2023	2024	\$300,000	SPLOST	Parks and Recreation
17	Community Facilities	Drainage Improvements	2023	2024	\$250,000	SPLOST	Public Works
18	Community facilities	adding new playground facilities	2023	2024	\$20,000	General Fund	Parks and Recreation
19	Community Facilities	Depot master plan review of projects	2023	2024	N/A	N/A	Parks and Recreation
20	Community Facilities	Smith-Gilbert Gardens facility improvements	2023	2024	\$100,000	SPLOST	Parks and Recreation
21	Land Use	Historic District Standards reevaluation	2023	2024	N/A	N/A	Planning and Zoning

City of Kennesaw Annual STWP Update 2019/2020							
Project Number	Plan Element	Project Description	Start Date	End Date	Estimated Cost	Funding Source	Responsible Party
1	Economic Development	Continue business recruitment, expansion and retention efforts	2019	2020	\$8,000	KDA & KDDA	Economic Development
2	Community Facilities	Evaluate master trail system tie-in to Cobb County System	2019	2020	N/A	N/A	Planning and Zoning/parks and recreation
3	Land Use	Additional amendments to sustainability policy	2019	2020	N/A	N/A	Community Development
4	Housing	Continue strategies (through zoning) aimed at the identification and preservation of existing sound housing and stable residential neighborhoods including preservation of historic properties	2019	2020	N/A	N/A	Planning and Zoning
5	Community Facilities	Storm Water Utility CIP Project	2019	2020	\$200,000	SPLOST	Public Works
6	Community Facilities	Traffic Improvements	2019	2020	\$5,000,000	SPLOST	Public Works
7	Land Use	Annual review of Unified Development code	2019	2020	NA	NA	Planning and Zoning
8	Community Facilities	Smith Gilbert Gardens facility improvements	2019	2020	\$1,000,000	SPLOST	Parks and Recreation
9	Community Facilities	Street Improvements	2019	2020	\$400,000	SPLOST	Public Works
10	Economic Development	Economic Development multi-year strategic plan	2019	2020	\$30,000	Economic Development	Economic Development
11	Land Use	Strengthen enforcement of housing codes in order to revitalize neighborhoods	2019	2020	N/A	N/A	Community Development
12	Community Facilities	Reevaluate Future land use maps and character areas as identified in the comprehensive plan	2019	2020	N/A	N/A	Community Development
13	Information Technology	City Wide Computer upgrade and integration	2019	2020	\$64,000	GF	Information Technology
14	Housing	Reevaluate housing inventory city wide and occupancy rate	2019	2020	N/A	N/A	Planning and Zoning
15	Community Facilities	Community Center Improvements	2019	2020	\$30,000	GF	Parks and Recreation
16	Community Facilities	Review status of adopted redevelopment areas	2019	2020	NA	NA	Economic Development/Planning

City of Kennesaw Annual STWP Update FY2020/2021							
Project Number	Plan Element	Project Description	Start Date	End Date	Estimated Cost	Funding Source	Responsible Party
1	Economic Development	Continue implementation of Kennesaw LCI downtown master plan	2020	2021	N/A	N/A	Mayor and Council & City Manager
2	Land Use	review downtown master plan	2020	2021	N/A	N/A	Community Development
3	Economic Development	Continue business recruitment, expansion and retention efforts	2020	2021	\$5,000	GF, KDA, KDDA	Economic Development
4	Community Facilities	re-evaluate storm water management plan	2020	2021	N/A	N/A	Public Works
5	Land Use	Continued review of comprehensive plans and objectives	2020	2021	N/A	N/A	Community Development
6	Land Use	Evaluate existing development regulations for provisions that may limit diversity in housing types and barriers to revitalization and infill development and recommend changes where appropriate	2020	2021	\$5,000	KDDA, GF, and DCA Grants	Community Development
7	Community Facilities	Traffic Improvements	2020	2021	\$8,000,000	SPLOST	Public Works
8	Land Use	Analyze Senior Housing inventory	2020	2021	N/A	N/A	Planning and Zoning
9	Land Use	Annual review of Unified Development code	2020	2021	N/A	N/A	Community Development, Public Works
10	Land Use	Develop additional development standards for the provision and location of pedestrian and bicycle facilities in connection with private development projects.	2020	2021	N/A	N/A	Community Development
11	Community Facilities	Upgrade neighborhood parks	2020	2021	\$30,000	GF	Parks and Recreation
12	Land Use	Review Comprehensive plan and 2040 Plan	2020	2021	N/A	N/A	Planning and Zoning
13	Community Facilities	Establish strategies and priorities for funding road improvements needed in the city in conjunction with county, state, regional and federal agencies.	2020	2021	N/A	N/A	Public Works/Economic Development
14	Land Use	evaluate needs for student housing	2020	2021	NA	NA	Planning and Zoning
15	Community Facilities	Promote the expansion of local public transit alternatives in conjunction with Cobb County, DOT, GRTA, CCT, ARC and other state/regional agencies.	2020	2021	N/A	N/A	Community Development
16	Community Facilities	Storm Water Utility CIP Project	2020	2021	\$250,000	SPLOST	Public Works
17	Information Technology	City Wide Computer upgrade and integration	2020	2021	\$65,000	GF	Information Technology
18	Environmental	Evaluate environmentally sensitive areas affected by development	2020	2021	N/A	N/A	Public Works/Community development
19	Land Use	Participate in regional and local transportation studies and initiatives to promote rail connectivity to cities and county	2020	2021	N/A	N/A	Community Development
20	Land Use	Work with Cobb County to implement a greenbelt system for flood plains that can also be used as a passive recreation resource.	2020	2021	N/A	N/A	Community Development
21	Economic Development	Evaluate Economic Development Incentive program	2020	2021	N/A	N/A	Community Development
22	Community Facilities	Review trail network program	2020	2021	N/A	N/A	Parks and Recreation

City of Kennesaw Annual STWP Update FY2021-2022							
Project Number	Plan Element	Project Description	Start Date	End Date	Estimated Cost	Funding Source	Responsible Party
1	Land Use	Create housing audit report	2021	2022	N/A	N/A	Mayor and Council & City Manager
2	Public Facilities	Revisions to Zoning ordinance and development standards	2021	2022	N/A	N/A	Community Development
3	Public Facilities	Continue business recruitment, expansion and retention efforts	2021	2022	\$5,000	GF, KDA & KDDA	Economic Development
4	Public Facilities	Swift Cantrell Park improvements	2021	2022	\$100,000	SPLOST	Public Works
5	Land Use	Review of implementation of Plan 2040	2021	2022	N/A	N/A	Community Development
6	Economic Development	Evaluate annexation action plan for all commercial and industrial corridors	2021	2022	N/A	NA	Community Development
7	Public Facilities	Transportation study on existing roadways and gateways into the City in association with GRTA and ARC consistent with the LCI Plan.	2021	2022	NA	NA	Community Development, Public Works
8	Land Use	Review master trails plan	2021	2022	N/A	N/A	Community Development, Parks and Recreation
9	Economic Development	Revise Annexation action plan	2021	2022	N/A	N/A	Economic Development
10	Economic Development	Review strategic growth plan with Planning and Zoning Department	2021	2022	N/A	N/A	Museum & Economic Dev
11	Community Facilities	Upgrade Neighborhood Parks	2021	2022	\$30,000	GF	Parks and Recreation
12	Information Technology	implement electronic submittal programs for all departments	2021	2022	N/A	N/A	Information Technology
13	Community Facilities	Street Improvements	2021	2022	\$300,000	SPLOST	Public Works
14	Transportation Element	Promote the expansion of local public transit alternatives in conjunction with Cobb County, ARC and other state/regional agencies.	2021	2022	N/A	N/A	Community Development
15	Community Facilities	City Wide Computer upgrade and integration	2021	2022	\$70,000	GF	Information Technology
16	Economic Development	Review Downtown Development authority business recruitment strategy	2021	2022	N/A	N/A	Community Development
17	Community Facilities	Review greenspace requirement for population	2021	2022	N/A	N/A	Parks and Recreation
18	Economic Development	Analyze the downtown business retention plan	2021	2022	N/A	N/A	Economic Development
19	Land Use	City to expand network with local school board system in order to improve input regarding future development	2021	2022	N/A	N/A	Community Dev
20	Land Use	Depot master plan review of projects	2021	2022	N/A	N/A	Community Development
21	Community Facilities	Annual comprehensive plan updates	2021	2022	N/A	NA	Planning and Zoning
22	land use	analyze Senior Housing inventory for lifelong community initiative	2021	2022	N/A	N/A	Planning and Zoning
23	Community Facilities	Storm Water Utility assessment of projects	2021	2022	N/A	NA	Public Works
24	Community Facilities	Drainage system improvements	2021	2022	\$300,000	SPLOST	Public Works
25	Community Facilities	review city transportation plan	2021	2022	N/A	GF	Public Works

ANNUAL FEE FINANCIAL REPORT - FY 2018-2019
CITY OF KENNESAW, GEORGIA

[illegible]

CITY OF KENNESAW
SUMMARY OF FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

	A	B	C	D	E	F	G
1							
2		FY2019-2020	FY2020-2021	FY2021-2022	FY2022-2023	FY2023-2024	TOTAL
3	Police vehicles	390,000	200,000	200,000	250,000	200,000	\$ 1,240,000
4	Parks & Recreation Vehicles	20,000	35,000	30,000	45,000	30,000	\$ 160,000
5	Street Vehicles	47,000	100,000	100,000	65,000	100,000	\$ 412,000
6	Stormwater utility CIP Project	200,000	250,000	250,000	200,000	500,000	\$ 1,400,000
7	Street Improvements	400,000	300,000	300,000	350,000	300,000	\$ 1,650,000
8	Drainage Improvements	200,000	250,000	300,000	300,000	250,000	\$ 1,300,000
9	Neighborhood Park Improvements	25,000	30,000	30,000	35,000	20,000	\$ 140,000
10	Smith-Gilbert Gardens Improvements	1,000,000	1,000,000	200,000	100,000	100,000	\$ 2,400,000
11	Computer System Upgrades	64,000	65,000	70,000	70,000	70,000	\$ 339,000
12	Trail System Development	15,000	30,000	20,000	15,000	NA	\$ 80,000
13	Traffic Improvements	5,000,000	8,000,000	12,000,000	12,000,000	10,000,000	\$ 47,000,000
14	Depot Park Expansion	1,000,000	900,000	100,000	NA	NA	\$ 2,000,000
15	Recreation Center Phase 1	1,000,000	3,600,000	NA	NA	NA	\$ 4,600,000
16	Community Center Improvements	30,000	30,000	45,000	100,000	50,000	\$ 255,000
17	Swift-Cantrell Park Improvement	400,000	100,000	100,000	100,000	100,000	\$ 800,000
18	Public Safety Building (NEW)	NA	NA	NA	2,000,000	8,000,000	\$ 10,000,000
19	Recreation Center Phase 2 (NEW)	NA	NA	NA	2,000,000	4,000,000	\$ 6,000,000
20	Depot Park Amphitheatre (NEW)	NA	NA	NA	3,000,000	3,000,000	\$ 6,000,000
21	Totals	\$ 9,791,000	14,890,000	\$ 13,745,000	\$ 20,630,000	\$ 26,720,000	\$ 85,776,000
22							

				2019-2020				
PROJECT DESCRIPTION	PROJECT START DATE	PROJECT END DATE	EST. COST OF PROJECT	% FUNDING FROM IMPACT FEES	OTHER FINANCE SOURCES	EXPENDITURES FOR YEAR	IMPACT FEES ENCUMBERED THROUGH YEAR	STATUS/REMARKS
Police vehicles	10/1/19	9/30/20	\$1,240,000.00	10%	GF/CPF/CSIF	390,000		Programmed for FY 2020
Parks & Recreation Vehicles	10/1/19	9/30/20	\$160,000.00	0%	General Fund	20,000		Programmed for FY 2020
Street Vehicles	10/1/19	9/30/20	\$412,000.00	0%	General Fund	47,000		Programmed for FY 2020
Stormwater utility CIP Project	10/1/19	9/30/20	\$1,400,000.00	0%	Stormwater	200,000		Programmed for FY 2020
Street Improvements	10/1/19	9/30/20	\$1,650,000.00	0%	SPLOST	400,000		Programmed for FY 2020
Drainage Improvements	10/1/19	9/30/20	\$1,300,000.00	0%	CDBG/SPLOST	200,000		Programmed for FY 2020
Neighborhood Park Improvements	10/1/19	9/30/20	\$140,000.00	50%	General Fund	25,000	25,000	Programmed for FY 2020
Smith-Gilbert Gardens Improvements	10/1/19	9/30/20	\$2,400,000.00	0%	SPLOST	1,000,000		Programmed for FY 2020
Computer System Upgrades	10/1/19	9/30/20	\$339,000.00	0%	General Fund	64,000		Programmed for FY 2020
Trail System Development	10/1/19	9/30/20	\$80,000.00	15%	Grants	15,000		Programmed for FY 2020
Traffic Improvements	10/1/19	9/30/20	\$47,000,000.00	0%	SPLOST	5,000,000		Programmed for FY 2020
Depot Park Expansion	10/1/19	9/30/20	\$2,000,000.00	10%	SPLOST	1,000,000		Programmed for FY 2020
Recreation Center Phase 1	10/1/19	9/30/20	\$4,600,000.00	0%	SPLOST	1,000,000		Programmed for FY 2020
Community Center Improvements	10/1/19	9/30/20	\$255,000.00	0%	SPLOST/GF	30,000		Programmed for FY 2020
Swift-Cantrell Park Improvement	10/1/19	9/30/20	\$800,000.00	25%	SPLOST	400,000	50,000	Programmed for FY 2020
TOTAL			\$63,776,000.00			9,791,000		

				2020-2021				
PROJECT DESCRIPTION	PROJECT START DATE	PROJECT END DATE	EST. COST OF PROJECT	% FUNDING FROM IMPACT FEES	OTHER FINANCE SOURCES	EXPENDITURES FOR YEAR	IMPACT FEES ENCUMBERED THROUGH YEAR	STATUS/REMARKS
Police vehicles	10/1/20	9/30/21	\$1,240,000.00	10%	GF/CPF/CSIF	200,000	35,000	Programmed for FY 2021
Parks & Recreation Vehicles	10/1/20	9/30/21	\$160,000.00	0%	General Fund	35,000		Programmed for FY 2021
Street Vehicles	10/1/20	9/30/21	\$412,000.00	0%	General Fund	100,000		Programmed for FY 2021
Stormwater utility CIP Project	10/1/20	9/30/21	\$1,400,000.00	0%	Stormwater	250,000		Programmed for FY 2021
Street Improvements	10/1/20	9/30/21	\$1,650,000.00	0%	SPLOST	300,000		Programmed for FY 2021
Drainage Improvements	10/1/20	9/30/21	\$1,300,000.00	0%	CDBG/SPLOST	250,000		Programmed for FY 2021
Neighborhood Park Improvements	10/1/20	9/30/21	\$140,000.00	50%	General Fund	30,000	20,000	Programmed for FY 2021
Smith-Gilbert Gardens Improvements	10/1/20	9/30/21	\$2,400,000.00	0%	SPLOST	1,000,000		Programmed for FY 2021
Computer System Upgrades	10/1/20	9/30/21	\$339,000.00	0%	General Fund	65,000		Programmed for FY 2021
Trail System Development	10/1/20	9/30/21	\$80,000.00	15%	Grants	30,000		Programmed for FY 2021
Traffic Improvements	10/1/20	9/30/21	\$47,000,000.00	0%	SPLOST	8,000,000		Programmed for FY 2021
Depot Park Expansion	10/1/20	9/30/21	\$2,000,000.00	10%	SPLOST	900,000	200,000	Programmed for FY 2021
Recreation Center Phase 1	10/1/20	9/30/21	\$4,600,000.00	0%	SPLOST	3,600,000		Programmed for FY 2021
Community Center Improvements	10/1/20	9/30/21	\$255,000.00	0%	SPLOST/GF	30,000		Programmed for FY 2021
Swift-Cantrell Park Improvement	10/1/20	9/30/21	\$800,000.00	25%	SPLOST	100,000	50,000	Programmed for FY 2021
TOTAL			\$63,776,000.00			14,890,000		

				2021-2022				
PROJECT DESCRIPTION	PROJECT START DATE	PROJECT END DATE	EST. COST OF PROJECT	% FUNDING FROM IMPACT FEES	OTHER FINANCE SOURCES	EXPENDITURES FOR YEAR	IMPACT FEES ENCUMBERED THROUGH YEAR	STATUS/REMARKS
Police vehicles	10/1/21	9/30/22	\$1,240,000.00	10%	GF/CPF/CSIF	200,000	35,000	Programmed for FY 2022
Parks & Recreation Vehicles	10/1/21	9/30/22	\$160,000.00	0%	General Fund	30,000		Programmed for FY 2022
Street Vehicles	10/1/21	9/30/22	\$412,000.00	0%	General Fund	100,000		Programmed for FY 2022
Stormwater utility CIP Project	10/1/21	9/30/22	\$1,400,000.00	0%	Stormwater	250,000		Programmed for FY 2022
Street Improvements	10/1/21	9/30/22	\$1,650,000.00	0%	SPLOST	300,000		Programmed for FY 2022
Drainage Improvements	10/1/21	9/30/22	\$1,300,000.00	0%	CDBG/SPLOST	300,000		Programmed for FY 2022
Neighborhood Park Improvements	10/1/21	9/30/22	\$140,000.00	50%	General Fund	30,000	15,000	Programmed for FY 2022
Smith-Gilbert Gardens Improvements	10/1/21	9/30/22	\$2,400,000.00	0%	SPLOST	200,000		Programmed for FY 2022
Computer System Upgrades	10/1/21	9/30/22	\$339,000.00	0%	General Fund	70,000		Programmed for FY 2022
Trail System Development	10/1/21	9/30/22	\$80,000.00	15%	Grants	20,000		Programmed for FY 2022
Traffic Improvements	10/1/21	9/30/22	\$47,000,000.00	0%	SPLOST	12,000,000		Programmed for FY 2022
Depot Park Expansion	10/1/21	9/30/22	\$2,000,000.00	10%	SPLOST	100,000		Programmed for FY 2022
Recreation Center Phase 1	10/1/21	9/30/22	\$4,600,000.00	0%	SPLOST	0		Programmed for FY 2022
Community Center Improvements	10/1/21	9/30/22	\$255,000.00	0%	SPLOST/GF	45,000		Programmed for FY 2022
Swift-Cantrell Park Improvement	10/1/21	9/30/22	\$800,000.00	25%	SPLOST	100,000	30,000	Programmed for FY 2022
TOTAL			\$63,776,000.00			13,745,000		

				2022-2023				
PROJECT DESCRIPTION	PROJECT START DATE	PROJECT END DATE	EST. COST OF PROJECT	% FUNDING FROM IMPACT FEES	OTHER FINANCE SOURCES	EXPENDITURES FOR YEAR	IMPACT FEES ENCUMBERED THROUGH YEAR	STATUS/REMARKS
Police vehicles	10/1/22	9/30/23	\$1,240,000.00	10%	GF/CPF/CSIF	250,000	25,000	Programmed for FY 2023
Parks & Recreation Vehicles	10/1/22	9/30/23	\$160,000.00	0%	General Fund	45,000		Programmed for FY 2023
Street Vehicles	10/1/22	9/30/23	\$412,000.00	0%	General Fund	65,000		Programmed for FY 2023
Stormwater utility CIP Project	10/1/22	9/30/23	\$1,400,000.00	0%	Stormwater	200,000		Programmed for FY 2023
Street Improvements	10/1/22	9/30/23	\$1,650,000.00	0%	SPLOST	350,000		Programmed for FY 2023
Drainage Improvements	10/1/22	9/30/23	\$1,300,000.00	0%	CDBG/SPLOST	300,000		Programmed for FY 2023
Neighborhood Park Improvements	10/1/22	9/30/23	\$140,000.00	50%	General Fund	35,000		Programmed for FY 2023
Smith-Gilbert Gardens Improvements	10/1/22	9/30/23	\$2,400,000.00	0%	SPLOST	100,000		Programmed for FY 2023
Computer System Upgrades	10/1/22	9/30/23	\$339,000.00	0%	General Fund	70,000		Programmed for FY 2023
Trail System Development	10/1/22	9/30/23	\$80,000.00	15%	Grants	15,000	10,000	Programmed for FY 2023
Traffic Improvements	10/1/22	9/30/23	\$47,000,000.00	0%	SPLOST	12,000,000		Programmed for FY 2023
Depot Park - Amphitheatre (new)	10/1/22	9/30/23	\$6,000,000.00	0%	SPLOST	3,000,000		Programmed for FY 2023
Recreation Center Phase 2 (new)	10/1/22	9/30/23	\$6,000,000.00	0%	SPLOST	2,000,000		Programmed for FY 2023
Community Center Improvements	10/1/22	9/30/23	\$255,000.00	0%	SPLOST	100,000		Programmed for FY 2023
Swift-Cantrell Park Improvement	10/1/22	9/30/23	\$800,000.00	25%	SPLOST	100,000	50,000	Programmed for FY 2023
Public Safety Building (new)	10/1/22	9/30/23	\$10,000,000.00	0%	SPLOST	2,000,000		Programmed for FY 2023
TOTAL			\$79,176,000.00			20,630,000		

				2023-2024				
PROJECT DESCRIPTION	PROJECT START DATE	PROJECT END DATE	EST. COST OF PROJECT	% FUNDING FROM IMPACT FEES	OTHER FINANCE SOURCES	EXPENDITURES FOR YEAR	IMPACT FEES ENCUMBERED THROUGH YEAR	STATUS/REMARKS
Police vehicles	10/1/23	9/30/24	\$1,240,000.00	10%	GF/CPF/CSIF	200,000	30,000	Programmed for 2024
Parks & Recreation Vehicles	10/1/23	9/30/24	\$160,000.00	0%	General Fund	30,000		Programmed for 2024
Street Vehicles	10/1/23	9/30/24	\$412,000.00	0%	General Fund	100,000		Programmed for 2024
Stormwater utility CIP Project	10/1/23	9/30/24	\$1,400,000.00	0%	Stormwater	500,000		Programmed for 2024
Street Improvements	10/1/23	9/30/24	\$1,650,000.00	0%	SPLOST	300,000		Programmed for 2024
Drainage Improvements	10/1/23	9/30/24	\$1,300,000.00	0%	CDBG/SPLOST	250,000		Programmed for 2024
Neighborhood Park Improvements	10/1/23	9/30/24	\$140,000.00	50%	General Fund	20,000	10,000	Programmed for 2024
Smith-Gilbert Gardens Improvements	10/1/23	9/30/24	\$2,400,000.00	0%	SPLOST	100,000		Programmed for 2024
Computer System Upgrades	10/1/23	9/30/24	\$339,000.00	0%	General Fund	70,000		Programmed for 2024
Trail System Development	10/1/23	9/30/24	\$80,000.00	15%	Grants	NA	7,000	Programmed for 2024
Traffic Improvements	10/1/23	9/30/24	\$47,000,000.00	0%	SPLOST	10,000,000		Programmed for 2024
Depot Park Ampitheatre (new)	10/1/23	9/30/24	\$6,000,000.00	0%	SPLOST	3,000,000		Programmed for 2024
Recreation Center Phase 2 (new)	10/1/23	9/30/24	\$6,000,000.00	0%	SPLOST	4,000,000		Programmed for 2024
Community Center Improvements	10/1/23	9/30/24	\$255,000.00	0%	SPLOST	50,000		Programmed for 2024
Swift-Cantrell Park Improvement	10/1/23	9/30/24	\$800,000.00	25%	SPLOST	100,000	20,000	Programmed for 2024
Public Safety Building (new)	10/1/23	9/30/24	\$10,000,000.00	0%	SPLOST	8,000,000		Programmed for 2024
TOTAL			\$79,176,000.00			26,720,000		

Z-1(2020) KNOLL CONSTRUCTION, LLC (Blackstock Properties, LLC, owner) requesting rezoning from R-20 to NRC for the purpose of an office/retail building in Land Lot 789 of the 19th District. Located at the northwest corner of Ernest Barrett Parkway and Powder Springs Road and on the western side of Crane Drive (2650 Powder Springs Road). (Previously continued by the Planning Commission from the February 5, 2020 Planning Commission hearing until the March 3, 2020 Planning Commission hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

Z-3(2020) DAVID MENNA (David C. Menna, owner) requesting rezoning from R-20 to R-15 for the purpose of residential subdivision in Land Lot 12 of the 20th District. Located at the southeast corner of Baker Road and Woodstock Road (2930 Baker Road). (Previously continued by Staff from the February 5, 2020 Planning Commission hearing until the March 3, 2020 Planning Commission hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

Z-7(2020) SEVEN SPRINGS DEVELOPMENT CO., INC. (Estate of Berna Beatrice Brumblow, owner) requesting rezoning from R-30 to RSL for the purpose of a senior living subdivision in Land Lot 586 of the 19th District. Located on the north side of Moan Road, west of Florence Road. (Continued by the Planning Commission from the February 5, 2020 Planning Commission hearing until the March 3, 2020 Planning Commission hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

Z-19(2020) TRATON, LLC (Traton, LLC, owner) requesting rezoning from R-20 to RSL for the purpose of a senior living subdivision in Land Lot 586 of the 19th District. Located on the north side of Moan Road, west of Florence Road. (Continued by the Planning Commission from the February 5, 2020 Planning Commission hearing until the March 3, 2020 Planning Commission hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

Z-29 TOLL SOUTHEAST LP COMPANY, INC (Estate of Evelyn L. Fuchcar, Roy Timothy Hammond and Francine Adams Hammond, Josh Greene and Sarah Greene, owners) requesting rezoning from R-20 to R-15OSC for a single-family residential subdivision in Land Lots 415 and 474 of the 19th District. Located on the south side of Macland Road, west of Powder Springs Road (2061, 2065, 2071, 2085 Macland Road). (Continued by Staff from the April 7, 2020 Planning Commission hearing until the May 5, 2020 Planning Commission hearing).

LUP-4(20) CARISSA MCCONKEY (Anthony Jerome McConkey and Carissa McConkey, owners) requesting a Land Use Permit for the purpose of backyard chickens in Land Lot 110 of the 20th District. Located on the Northeast corner of Ivey Lane and Summit Drive (5080 Ivey Lane). (Previously continued by Staff from the February 5, 2020 Planning Commission hearing until the March 3, 2020 Planning Commission hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

WITHDRAWN WITHOUT PREJUDICE

SLUP-2(2020) LEGACY CHRISTIAN SCHOOLS, INC. (Bethany Presbyterian Church (PCUSA), Inc., owner) requesting a Special Land Use Permit for the purpose of a private school in Land Lot 111 of the 16th District. Located on the south side of Sandy Plains Road. (Continued by Staff from the April 7, 2020 Planning Commission hearing until the May 5, 2020 Planning Commission hearing).

ITEM OB-6-2020
To consider a site plan revision for Farmers Branch, LLC regarding rezoning application Z-160 of 1998 (George H. Johnson and Charles C. Barton), for property located at the northwest intersection of Cobb Parkway and Akers Mill Road in Land Lot 948 of the 17th District (2905 Cobb Parkway). (Continued by the Board of Commissioners from the February 18, 2020 Board of Commissioners hearing; Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

ITEM OB-10-2020
To consider a stipulation and site plan amendment for Shallowford Wash Leasing, LLC regarding case Z-12 of 1995 for property located on the south side of Shallowford Road, east of Lassiter Road, in Land Lot 400 of the 16th District (3950 Shallowford Road). (Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

ITEM OB-11-2020
To consider a stipulation and site plan amendment for TRG Construction regarding case Z-104 of 1997 for property located on the north side of the East West Connector, east of Powder Springs Road, in Land Lot 788 of the 19th District (2760 East West Connector). (Continued by Staff from the March 17, 2020 Board of Commissioners hearing until the May 19, 2020 Board of Commissioners hearing).

ITEM OB-12-2020
To consider a request for a gated community for Abbas Heidari regarding property located on the southeast side of Sandy Plains Road. (Continued by Staff from the April 7, 2020 Planning Commission hearing until the May 5, 2020 Planning Commission hearing).

before the date of the above meeting.
5:1-2020

**MDJ-6832
GPN-16
CITY OF KENNESAW
PUBLIC NOTICE**
Notice is hereby given that the City of Kennesaw shall hold two public hearings to consider the final adoption of the Capital Improvement Element and Short-Term Work Program report for Fiscal Years 2020 through 2024. A copy of the report is on file at City Hall in the Planning and Zoning Office for review during normal business hours of 8:00 AM - 5:00 PM Monday through Friday. The Mayor and Council will hold the first public hearing on May 18, 2020 at 6:30 PM. The final adoption hearing is scheduled for a meeting on June 1, 2020 at 6:30 PM in the Kennesaw City Council Chambers, 2529 J.O. Stephenson Avenue. Any interested citizens are invited to email kennesawcouncil@kennesaw-ga.gov or attend to be heard.
**Darryl Simmons
Planning and Zoning Administrator
5:1-8-2020**

**MDJ-6841
GPN-13
PUBLIC NOTICE OF ANNEXATION**
The City of Marietta hereby gives notice that a public hearing will be held to give consideration to the following annexation requests:
A2020-01 [ANNEXATION] TRATON, LLC is requesting the annexation of property located in Land Lot 866, District 16, Parcel 0030 of the 2nd Section, Cobb County, Georgia and being known as...

Code and (2) to final confirmation of the status of the loan with holder of the security deed.
Bernie Eisenstein, as Trustee of B. Bernie Eisenstein Revocable Trust, As attorney-in-fact for the said Grantor

**Sonford A. Cohn, P.A., of Counsel
Campbell & Brannon, LLC
Attorneys at Law
201 Allen Road, Suite 310
Atlanta, Georgia 30328
(404) 252-4075**

THIS LAW FIRM IS ATTEMPTING TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.
Exhibit A
All that tract or parcel of land and being in Land Lot 205 of the 1st District, 2nd Section, Cobb County, Georgia, being Lot 47, Unit 2, of the Plantation Subdivision, as a recorded in Plat Book 83, B Cobb County, Georgia records, the plat is hereby incorporated hereinto by reference and made a part of this description known as 1494 Scarlett Court, saw, Georgia 30144. [Tax Parcel ID# 16020500520]

**MDJ-6477
GPN-11
NOTICE OF SALE UNDER DEED**
By virtue of the power of attorney contained in a Deed to Secure Debt, Fidemact Global Solutions, LLC, Loans, LLC filed December 2, 2019, Deed Book 15504, Page 966, Cobb County, Georgia records, conveying the described property to the Note in the original principal of \$275,000.00; with interest at the rate of 12% per annum.

30152 and its initial registered agent at such address is Christopher David Glenn.

5:8,15-2020

**MDJ-6871
GPN-6
APPLICATION TO REGISTER A
BUSINESS TO BE CONDUCTED
UNDER A TRADE NAME
STATE OF GEORGIA
COUNTY OF COBB**

The undersigned hereby certifies that (they are) (he, she is) (it is) conducting a business in the City of Kennesaw, County of Cobb, in the State of Georgia, under the trade name: Novel Pup Box and that the nature of said business is: Subscription box service and that said business is composed of the following: Niah Roe Crockett 3840 Jiles Road NW, Apt. 914, Kennesaw, GA 30144.

This 24th day of April, 2020
Rebecca Keaton
Clerk of Superior Court
Cobb County
5:8,15-2020

**MDJ-6872
GPN-6
APPLICATION TO REGISTER A
BUSINESS TO BE CONDUCTED
UNDER A TRADE NAME
STATE OF GEORGIA
COUNTY OF COBB**

The undersigned hereby certifies that it is conducting a business in the City of Marietta, County of Cobb, in the State of Georgia, under the trade name: GA Firing Line and that the nature of said business is: Indoor shooting range and gun store and that said business is composed of the following: Freedom Firearms, Inc. 2727 Canton Road #410, Marietta, GA 30066.

This 24th day of April, 2020
Rebecca Keaton
Clerk of Superior Court
Cobb County
5:8,15-2020

**MDJ-6873
GPN-6
APPLICATION TO REGISTER A
BUSINESS TO BE CONDUCTED
UNDER A TRADE NAME
STATE OF GEORGIA
COUNTY OF COBB**

The undersigned hereby certifies that (they are) (he, she is) (it is) conducting a business in the City of Powder Springs, County of Cobb, in the State of Georgia, under the trade name: Love on Ri and that the nature of said business is: Online clothing business, retail, cosmetics and that said business is composed of the following: Terionah Price, 2423 Homewood Court, Powder Springs, GA 30127.

**STATE OF GEORGIA
COBB COUNTY**

Notice is given that Articles of Incorporation which incorporate Rise and Inspire Foundation, Inc. have been delivered to the Secretary of State for filing in accordance with the Georgia (Business) (Non-Profit) Corporation Code. The initial registered office of the corporation is located at 2470 Windy Hill Rd Suite 300 Marietta Cobb County, Georgia 30067 and its initial registered agent at such address is Thierry Dole.

5:8,15-2020

8065 Planning Commission

**MDJ-6832
GPN-16
CITY OF KENNESAW
PUBLIC NOTICE**

Notice is hereby given that the City of Kennesaw shall hold two public hearings to consider the final adoption of the Capital Improvement Element and Short-Term Work Program report for Fiscal Years 2020 through 2024. A copy of the report is on file at City Hall in the Planning and Zoning Office for review during normal business hours of 8:00 AM - 5:00 PM Monday through Friday.

The Mayor and Council will hold the first public hearing on May 18, 2020 at 6:30 PM. The final adoption hearing is scheduled for a meeting on June 1, 2020 at 6:30 PM in the Kennesaw City Council Chambers, 2529 J.O. Stephenson Avenue. Any interested citizens are invited to email kennesawcouncil@kennesaw.ga.gov or attend to be heard.

Darryl Simmons
Planning and Zoning Administrator
5:1,8-2020

**MDJ-6841
GPN-13
PUBLIC NOTICE OF ANNEXATION**

The City of Marietta hereby gives notice that a public hearing will be held to give consideration to the following annexation requests:
A2020-01 [ANNEXATION] TRATON, LLC is requesting the annexation of property located in Land Lot 866, District 16, Parcel 0030 of the 2nd Section, Cobb County, Georgia and being known as 1468 Cobb Parkway North consisting of approximately 3.42 acres. Word 4B.
A2020-02 [ANNEXATION] 20 HOLDINGS, LLC is requesting the annexation of property located in Land Lots 208 & 209, District 17, Parcels 0010 & 0810 of the 2nd Section, Cobb County, Georgia and being known as 1501 & 1521 Sandtown Road, and any associated right of way, consisting of approximately 4.2 acres. Word 3A.

The above annexation will be consid-

the local government or any of its agencies on the rezoning application".
5:8,15-2020

**MDJ-6914
GPN-13
City of Acworth
Public Hearing**

The City of Acworth hereby gives notice that the Public Hearing to be held to give consideration to an annexation and rezoning request by Joey Hipps, for property located in Land Lot 13, Parcels 4 and 5; Land Lot 26, Parcel 21; Land Lot 12, Parcel 21; Land Lot 13, Parcel 19 and 32 of the 20th District, 2nd Section of Cobb County, Georgia (2808 and 2820 Baker Road; 4801, 4803, 4807, 4815, 4817 and 4819 White Lake Drive). The applicant is requesting to annex and rezone the tracts from R-20 to RC and R-2 in the City of Acworth. The annexation and rezoning, if approved, will also require a change in the City of Acworth Zoning and Sign District Maps.

The Planning and Zoning Commission will hold a Public Hearing on this matter on Tuesday, May 26, 2020 at 7:00 pm at the Acworth Community Center located at 4361 Cherokee Street.

The Mayor and Board of Alderman will hold a Public Hearing on this matter on Monday, June 1, 2020 at 6:30 p.m. and give final consideration on this matter on Thursday, June 4, 2020 at 7:00 p.m. in the Board Room at City Hall located at 4415 Senator Richard Russell Avenue.

Anyone wishing to attend the public hearings may do so and be heard relative thereto.

"Pursuant to O.C.G.A. 36-67A-3, any applicant for rezoning and any opponent of a rezoning action who has made a campaign contribution or gift aggregating \$250.00 or more to a local government official within two (2) years immediately preceding the filing of the application for rezoning shall file a disclosure at least five (5) calendar days prior to the first hearing by the local government or any of its agencies on the rezoning application".
5:8,15-2020

**MDJ-6915
GPN-13
City of Acworth
Public Hearing**

The City of Acworth hereby gives notice that the Public Hearing to be held to give consideration to an annexation and rezoning request by North Cobb Christian School, for property located in Land Lot 85, Parcels 26, 27, 42, 43 and 112 of the 20th District, 2nd Section of Cobb County, Georgia (3821 and 3827 Old 41 Highway; 3824, 3836 and 3849 Lakeview Way). The applicant is requesting to annex and rezone the tracts from R-20 to OP in the City of Ac-

worth, Cobb County, Georgia records, and as last assigned to Wilmington Savings Fund Society, FSB, Not in its individual capacity, but solely as Trustee of BCMBI Trust by virtue of assignment recorded in Deed Book 15689, Page 1306, Cobb County, Georgia records, said Security Deed having been given to secure a Note of even date in the principal amount of TWENTY-TWO THOUSAND FIVE HUNDRED SEVENTY AND 00/100 DOLLARS (\$22,570.00), with interest thereon as provided for therein, there will be sold at public outcry to the highest bidder for cash before the courthouse door of Cobb County, Georgia, within the legal hours of sale on the first Tuesday in June 2020 by BCMBI Trust, as Attorney in Fact for Rex M. Smith, all property described in said Security Deed including but not limited to the following described property: ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 202 OF THE 20TH DISTRICT, 2ND SECTION COBB COUNTY, GEORGIA BEING LOT 35 OF THE COUNTRY SIDE SUBDIVISION AS PER PLAT RECORDED IN PLAT BOOK 68, PAGE 79, COBB COUNTY RECORDS, WHICH PLAT IS INCORPORATED HEREIN BY REFERENCE. TAX ID#: 20020200510. SUBJECT TO ANY EASEMENTS OR RESTRICTIONS OF RECORD. Said property being known as 2926 COUNTRY LN NW, KENNESAW, GEORGIA 30152 according to the present numbering system in Cobb County. The indebtedness secured by said Security Deed has been declared due because of default under the terms of said Security Deed and Note. The indebtedness remaining in default, this sale will be made for the purpose of paying the same, all expenses of the sale, including attorneys' fees and all other payments provided for under the terms of the Security Deed and Note. Said property will be sold subject to the following items which may affect the title to said property: any superior Security Deeds of record; all zoning ordinances; matters which would be disclosed by an accurate survey or by an inspection of the property; any outstanding taxes, including but not limited to ad valorem taxes, which constitute liens upon said property; special assessments; all outstanding bills for public utilities which constitute liens upon said property; all restrictive covenants, easements, rights-of-way and any other matters of record superior to said Security Deed. To the best of the knowledge and belief of the undersigned, the party in possession of the property is Rex M. Smith or tenant (s). The sale will be conducted subject to (1) confirmation that the sale is not prohibited under the U.S. Bankruptcy Code, and (2) final confirmation and

Deed has been and is hereby declared due because of, among other possible events of default, failure to pay the indebtedness as and when due and in the manner provided in the Note and Security Deed. The debt remaining in default, this sale will be made for the purpose of paying the same and all expenses of this sale, as provided in Security Deed and by law, including attorneys fees (notice of intent to collect attorneys fees having been given). Said property will be sold subject to any outstanding ad valorem taxes (including taxes which are a lien, but not yet due and payable), any matters which might be disclosed by an accurate survey and inspection of the property, any assessments, liens, encumbrances, zoning ordinances, restrictions, covenants, and matters of record superior to the Security Deed first set out above.

The entity that has full authority to negotiate, amend, and modify all terms of the mortgage with the debtor is: PHH Mortgage Services, 1 Mortgage Way, Mt. Laurel, NJ 08054, 1-800-449-8767. Please understand that the secured creditor is not required by law to negotiate, amend, or modify the terms of the mortgage instrument. To the best knowledge and belief of the undersigned, the parties in possession of the property are MAURICE WALKER, CHANTEL WALKER or a tenant or tenants.

The sale will be conducted subject (1) to confirmation that the sale is not prohibited under the U.S. Bankruptcy Code and (2) to final confirmation and audit of the status of the loan with the holder of the security deed.

**DEUTSCHE BANK NATIONAL
TRUST COMPANY**, as Trustee for the registered holders of MORGAN STANLEY ABS CAPITAL I INC. TRUST 2007-HE7 MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-HE7 as Attorney in Fact for MAURICE WALKER, CHANTEL WALKER
Weissman PC
Attn: Lender Services
One Alliance Center, 4th Floor
3500 Lenox Road
Atlanta, GA 30326
Our File# 019231-000394
5:8,15,22,29-2020

**MDJ-6789
GPN-11
NOTICE OF SALE UNDER POWER,
COBB COUNTY**
Pursuant to the Power of Sale contained in a Security Deed given by Zowie A. Herbert and Victoria E. Herbert to Mortgage Electronic Registration Systems, Inc., as Grantee, as nominee for Fremont Investment & Loan, its successors and assigns dated

and when due and in the manner provided in the Note and Security Deed. The debt remaining in default, this sale will be made for the purpose of paying the same and all expenses of this sale, as provided in the Security Deed and by law, including attorneys fees (notice of intent to collect attorneys fees having been given). Said property is commonly known as 210 Mill Pond Court, Smyrna, GA 30082 together with all fixtures and personal property attached to and constituting a part of said property, if any. To the best knowledge and belief of the undersigned, the party (or parties) in possession of the subject property is (are): Lisa M. Shackelford or tenant or tenants.

PHH Mortgage Corporation is the entity or individual designated who shall have full authority to negotiate, amend and modify all terms of the mortgage. PHH Mortgage Corporation
One Mortgage Way
Mount Laurel, NJ 08054
(800) 750-2518
Note, however, that such entity or individual is not required by law to negotiate, amend or modify the terms of the loan.

Said property will be sold subject to: (a) any outstanding ad valorem taxes (including taxes which are a lien, but not yet due and payable), (b) unpaid water or sewage bills that constitute a lien against the property whether due and payable or not yet due and payable and which may not be of record, (c) the right of redemption of any taxing authority, (d) any matters which might be disclosed by an accurate survey and inspection of the property, and (e) any assessments, liens, encumbrances, zoning ordinances, restrictions, covenants, and matters of record superior to the Security Deed first set out above.

The sale will be conducted subject to (1) confirmation that the sale is not prohibited under the U.S. Bankruptcy Code; and (2) final confirmation and audit of the status of the loan with the holder of the Security Deed. Pursuant to O.C.G.A. Section 9-13-172.1, which allows for certain procedures regarding the rescission of judicial and non-judicial sales in the State of Georgia, the Deed Under Power and other foreclosure documents may not be provided until final confirmation and audit of the status of the loan as provided immediately above.

PHH Mortgage Corporation as agent and Attorney in Fact for
Lisa M. Shackelford
Aldridge Pite, LLP, 15 Piedmont Center, 3575 Piedmont Road, N.E., Suite 500, Atlanta, Georgia 30305,
(404) 994-7637.
1017-4256A



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Approval of the May 4, 2020 Mayor and City Council meeting minutes.
Agenda Comments:	
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
Minutes	5/8/2020	Minutes

**MINUTES OF MAYOR & CITY COUNCIL MEETING
CITY OF KENNESAW
Council Chambers
Monday, May 4, 2020
6:30 p.m.**

Present: Mayor Derek Easterling
City Clerk Lea Addington
City Attorney Randall Bentley, Sr.

Zoom Meeting:
Mayor Pro Tem Pat Ferris
Councilmember James Eaton
Councilmember Tracey Viars
Councilmember Chris Henderson
Councilmember David Blinkhorn
City Manager Jeff Drobney

Pursuant to Governor Kemp's Executive Order Number 03.14.20.01 declaring a Public Health State of Emergency and in compliance with O.C.G.A. §50-14-1, this meeting was only conducted via the use of Zoom Meeting and Facebook Live as the real-time telephonic technologies allowing the public simultaneous access to the public meeting.

The public had access to the Facebook Live via the following link:
<https://www.facebook.com/CityofKennesaw/>

I. INVOCATION

City Attorney Randall Bentley, Sr. led the invocation.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by IT Operation Specialist, Rick Arnold.

III. CALL TO ORDER

IV. ANNOUNCEMENTS

- A. Pursuant to Governor Kemp's Executive Order Number 03.14.20.01 declaring a Public Health State of Emergency and in accordance with O.C.G.A. §50-14-1 et seq., as may be amended or extended, this public meeting is only being conducted via the use of real-time telephonic technologies allowing the public simultaneous access to the public meeting.

Mayor and Council will be conducting their meeting through Zoom Meeting and Facebook Live and you can access the meeting via the following link:
<https://www.facebook.com/CityofKennesaw/>

- B. If you would like to provide public comment on a specific agenda item, you can email kennesawcouncil@kennesaw-ga.gov no later than 6:00 PM the night of the regular meeting. Your comments on a specific agenda item will be read aloud or grouped into categories for the record.

[The City Attorney swore-in Assistant City Manager, Marty Hughes, to read public comments emailed to kennesawcouncil@kennesaw-ga.gov on specific items throughout the meeting.]

V. PRESENTATIONS

- A. Presentation of a Proclamation recognizing the 51st anniversary of **Professional Municipal Clerks Week**, May 3-9, 2020. The Office of the Municipal Clerk is the oldest among public servants and a vital part of local government throughout the world.

Mayor Easterling presented a proclamation to City Clerk, Lea Addington, recognizing the 51st anniversary of Professional Municipal Clerks Week, May 3-9, 2020. Lea received a round of applause from the Mayor, Council and staff in attendance.

- B. Presentation of a Proclamation declaring May 15, 2020 as **Peace Officers' Memorial Day** and May 10-16, 2020 as **National Police Week**. The members of the law enforcement agency of Kennesaw play an essential role in safeguarding the rights and freedoms of Kennesaw. In honor of those law enforcement officers, we call upon all citizens, civic and educational organizations to observe the week of May 10-16, 2020 as **Police Week** and May 15, 2020 as **Peace Officers' Memorial Day**.

Mayor Easterling presented a proclamation declaring May 15, 2020 as Peace Officers' Memorial Day and May 10-16 2020 as National Police Week. Mayor Easterling thanked all police officers, past and present, and those who have made the ultimate sacrifice. The Mayor, Council, and staff in attendance gave a round of applause.

VI. PUBLIC COMMENT/BUSINESS FROM THE FLOOR

6:42 PM Floor Open for Public Comments on agenda items

No comments.

6:43 PM Floor Closed to Public Comments on agenda items

VII. OLD BUSINESS

No items.

VIII. NEW BUSINESS

No items.

IX. COMMITTEE AND BOARD REPORTS

No items.

X. PUBLIC HEARING(S)

No items.

[Roll call votes were taken for each item by post. Each councilmember announced his or her vote with a verbal “yay” or “nay.”]

XI. CONSENT AGENDA

- A. Approval of the April 20, 2020 Mayor and City Council meeting minutes.

Motion by Councilmember Viars to approve the Consent Agenda engross, seconded by Councilmember Blinkhorn.

Roll call vote taken:

Post 1, James Eaton – Yay
Post 2, Tracey Viars -- Yay
Post 3, Pat Ferris -- Yay
Post 4, Chris Henderson -- Yay
Post 5, David Blinkhorn -- Yay

Motion approved unanimously, 5-0. Motion carried

XII. FINANCE AND ADMINISTRATION **GINA AULD, Finance Director**

- A. Consideration for approval for a Massage Therapist license for Xiaojie Tan. Mrs. Tan is the owner of Smart Tan LLC D/B/A Amazing Massage to be located at 2013 N. Cobb Parkway, Kennesaw, GA 30152. The applicant has submitted the complete application with the required documentation per Ordinance Sec 22-218 and 22-219: employment history, copy of certificate of schooling, current health certificate and three character references. Background check investigation results are on file. Finance Director recommends approval.

Finance Director Gina Auld presented a Massage Therapist license for Xiaojie Tan, owner of Smart Tan LLC dba Amazing Massage. The applicant has submitted a complete application with all required documentation. A copy of this application is on file.

Motion by Councilmember Blinkhorn to approve the Massage Therapist license for Xiaojie Tan, as presented, seconded by Councilmember Viars.

Councilmember Ferris asked where this business is located. Ms. Auld responded the business is located between the McDonald's and Martins on Cobb Parkway.

Roll call vote taken:

Post 1, James Eaton – Yay
Post 2, Tracey Viars -- Yay
Post 3, Pat Ferris -- Yay
Post 4, Chris Henderson -- Yay
Post 5, David Blinkhorn -- Yay

Motion approved unanimously, 5-0. Motion carried

XIII. PUBLIC SAFETY

BILL WESTENBERGER, Police Chief
LINDA DAVIS, 911 Communications Director

No items.

XIV. INFORMATION TECHNOLOGY

RICK ARNOLD, Co-Director
JOSHUA GUERRERO, Co-Director

No items.

XV. PUBLIC WORKS

RICKY STEWART, Director
ROBBIE BALENGER, Building & Facilities Manager

- A. Approval of a **RESOLUTION NO. 2020-17, 2020** for the Non-Exclusive Perpetual Easement between the State of Georgia and the City of Kennesaw to authorize the City of Kennesaw to maintain, repair, and operate a pedestrian underpass on state owned property in the custody of the State Properties Commission (Western & Atlantic Railroad). In 2007 the State of Georgia granted the City of Kennesaw a temporary easement over the Western Atlantic Railroad from the State of Georgia for the operation and maintenance of a pedestrian underpass (PI 0004509, CM-004-00(509) Kennesaw Railroad Underpass at South of Cherokee Street). In 2009 the State approved a Revocable License Agreement (easement) that expired on April 13th, 2012 to extend the duration of the easement and to allow for the continued construction of the pedestrian tunnel. This new Non-Exclusive Easement authorizes the City of Kennesaw to maintain, repair, and operate a pedestrian underpass on state owned property in the custody of the State Properties Commission (Western & Atlantic Railroad) in perpetuity. Legal has reviewed and approved. The City Manager recommends the Council approve and authorize the Mayor to sign.

City Manager Jeff Drobney presented the resolution for the Non-Exclusive Perpetual Easement between the State of Georgia and the City of Kennesaw. This agreement will allow the City of Kennesaw to continually maintain, repair, and operate the pedestrian underpass, as needed.

Motion by Councilmember Henderson to approve the resolution for and authorize the Mayor to sign the Non-Exclusive Perpetual Easement between the State of Georgia and the City of Kennesaw, as presented, seconded by Councilmember Blinkhorn.

Roll call vote taken:

Post 1, James Eaton – Yay
Post 2, Tracey Viars -- Yay
Post 3, Pat Ferris -- Yay
Post 4, Chris Henderson -- Yay
Post 5, David Blinkhorn -- Yay

Motion approved unanimously, 5-0. Motion carried

XVI. RECREATION AND CULTURE

RICHARD BANZ, Museum and Agency Director
STEVE ROBERTS, Parks and Recreation Director
ANN PARSONS, Smith-Gilbert Gardens Director

No items.

XVII. COMMUNITY DEVELOPMENT

ROBERT FOX, Economic Development Director
DARRYL SIMMONS, Zoning Administrator
SCOTT BANKS, Building Official

No items.

XVIII. PUBLIC COMMENT/BUSINESS FROM THE FLOOR

6:49 PM Floor Open for Public Comments

No comment.

6:50 PM Floor Closed for Public Comments

XIX. CITY MANAGERS REPORT – Jeff Drobney

A. City Manager reports, discussions and updates.

City Manager Jeff Drobney mentioned staff is reviewing the steps and processes needed to move forward as the City reopens.

XX. MAYOR’S REPORT

A. Mayor and Council (re)appointments to Boards and Commissions. This item is for (re)appointments made by the Mayor to any Board, Committees, Authority or Commission requiring an appointment to fill any vacancies, resignations, and to create or dissolve committees, as deemed necessary.

No items.

XXI. COUNCIL COMMENTS

Councilmember Blinkhorn was thrilled with how the residents of Kennesaw responded to new guidance by the Governor, especially regarding how to operate businesses safely. He mentioned he went to Big Shanty Barber Shop to get a haircut and was pleased to see they are following the recommended guidelines.

Councilmember Henderson is happy to see all the residents and businesses show first signs of life back, especially how they are doing so in a responsible manner. He is looking forward to slowly getting back to normal again.

Councilmember Ferris watched the Blue Angels and Thunderbirds fly over the weekend. It was a marvelous sight! He appreciates the teams for their flyovers and all first responders.

Councilmember Viars misses everyone but is glad everyone is staying safe. She looks forward to getting back together soon.

Councilmember Eaton shared May the Fourth be with you!

Mayor Easterling highlighted several individuals that have provided resources for various parts of our community. Mayor Easterling thanked Scott Ravech, CEO of Deerland Enzymes, for donating \$10,000 to families in need living within the City of Kennesaw. Mayor Easterling thanked Shelley Elder, of Elder Law Firm, for contributing \$2,500 to provide 20 computers for students who had no access at home to conduct their schoolwork. Mayor Easterling also thanked Sarita Pattnaik for hand-sewing 100 masks for our police officers. Additionally, Ms. Pattnaik and her friend, Kartik Bhatt, brought 20 pizzas to feed our police department shifts. Mayor Easterling reminded everyone there is a lot of good in the world; we just have to look for it!

XXII. EXECUTIVE SESSION –Land, Legal, Personnel

- A. Pursuant to the provisions of O.C.G.A. §50-14-3, the City Council could, at any time during the meeting, vote to close the public meeting and move to executive session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney; and/or personnel matters; and/or real estate matters.

No items.

XXIII. ADJOURN

Mayor Easterling adjourned at 6:56 P.M. The next regularly scheduled meeting will be held Monday, May 18, 2020 at 6:30 p.m. in the Council Chambers.

Lea Addington, City Clerk



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Approval of a revised final plat for the Villages @ Fullers Chase identifying as-built locations for Units 21-24. The applicant is Traton Homes.
Agenda Comments:	The final plat submitted for the Villages @ Fullers Chase by Traton Homes LLC. will supersede the previously approved plat. This revised plat will identify the as-built locations for townhome units 21 to 24 located in the townhome development. The Zoning Administrator recommends approval.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
2007 original final plat	5/7/2020	Maps
final plat application	5/7/2020	Maps
Plan review approval letter	5/7/2020	Backup Material
revised plat	5/7/2020	Backup Material
revised plat 8.5 x11	5/7/2020	Maps



Community Development
Planning & Zoning Department
2529 J. O. Stephenson Avenue
770-590-8268

Date Received _____
Staff's Initials _____

PRELIMINARY, FINAL AND REVISE PLAT APPLICATION

Required Fee \$250.00

Preliminary Plat _____ Final Plat X Revised Plat _____ Parcel Combination _____ Parcel Split _____

Is this property located within the Kennesaw Historic District (yes) _____ (no) _____

A MINIMUM OF ONE CONSULTATION WITH PLANNING AND ZONING ADMINISTRATOR AND PLAN REVIEW STAFF PRIOR TO THE SUBMISSION OF THE APPLICATION IS MANDATORY.

DEVELOPMENT NAME THE VILLAGE OF FULLERS CHASE Number of Units 4

PURPOSE OF DEVELOPMENT SINGLE FAMILY TOWNHOMES

WHAT IS THE REVISION BEING MADE ASBUILT LOTS 21-24

ADDRESS OF PROPERTY 2871 BOONE DRIVE

Parcel ID 20013803050 Lot Size 2750 Present Zoning CBD

Current Use SINGLE FAMILY TOWNHOMES Proposed Use SINGLE FAMILY TOWNHOMES

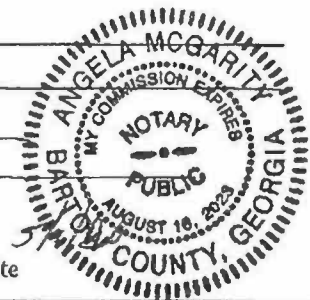
APPLICANT TRATON HOMES LLC

Applicant address 720 KENNESAW AVE, MARIETTA, GA 30060

(Phone #) 770-427-9064 Email Address bhupp@tratonhomes.com

Applicant Signature BOB HUPP

Signed, sealed and delivered in presence of: Angela McGarity Notary Date _____



REPRESENTATIVE SALLY JORDAN (Phone #) 770-424-716 Email Address sjordan@gscsurvey.co

Representative Signature _____

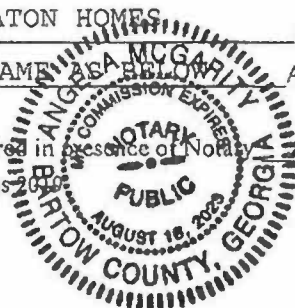
Signed, sealed and delivered in presence of: _____ Notary Date _____

TITLEHOLDER TRATON HOMES (Phone #) 770-427-9064

Titleholder Signature SALLY JORDAN Address 720 KENNESAW AVE. MARIETTA, GA 30060

Signed, sealed and delivered in presence of Notary Angela McGarity Date 5/1/20

ZP&Z FORMS\Applications





Community Development
Planning & Zoning Department
2529 J. O. Stephenson Avenue
770-590-8268

CAMPAIGN DISCLOSURE REPORT¹ BY APPLICANT²

A separate form must be completed by each applicant

Has the applicant made, within two (2) years immediately preceding the filing of this application for rezoning, campaign contributions aggregating two hundred fifty dollars (\$250.00) or more or made gifts having in the aggregate a value of two hundred fifty dollars (\$250.00) or more to a member or members of the Mayor and Council or Planning Commission who will consider the application? NO

If "Yes," the applicant and the attorney representing the applicant must file a disclosure report with the Mayor and Council of the City of Kennesaw within ten (10) days after this application is first filed.

Please supply the following information that will be considered as the required disclosure:

The name of the member(s) of the Mayor and Council or Planning Commission to whom the campaign contribution or gift was made:

/

The dollar amount of each campaign contribution made by the applicant to the member(s) of the Mayor and Council or Planning Commission during the two (2) years immediately preceding the filing of this application and the date of each such contribution:

/

An enumeration and description of each gift having a value of two hundred fifty dollars (\$250.00) or more made by the applicant to the member(s) of the Mayor and Council or Planning Commission during the two (2) years immediately preceding the filing of this application:

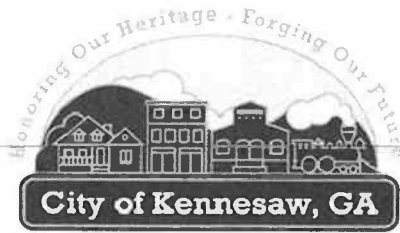
I certify that the foregoing information is true and correct, this 29th day of April, 2020



Applicants Signature

¹ If the answer to any of the above is "Yes," then the member of the Mayor and Council or Planning Commission must immediately disclose the nature and extent of such interest, in writing, to the Mayor and Council of the City of Kennesaw, Georgia. A copy should be filed with this application. Such disclosures shall be a public record and available for public inspection at any time during normal working hours.

² Applicant means any person who applies for a rezoning action and any attorney or other person representing or acting on behalf of a person who applies for a rezoning action.



Community Development Department
Plan Review Committee

Plan Review Coordinator
Scott Banks, Building Official

Darryl Simmons, Zoning Administrator
Ricky Stewart, Public Works Director
Yared Altaye, Engineer/Project Specialist

To: Mayor and Council

From: Plan Review Committee

Date: May 5, 2020

Revised final plat for Villages of Fullers Chase having been submitted by Traton Homes LLC for 2871 Boone Drive. This plat identifies the as-built locations for lot numbers 21-24. Said plat has been verified by all members of the Plan Review Committee and all comments were addressed. The final plat is in compliance and ready for your consideration and approval.



Scott Banks, Plan Review Coordinator

1. THIS SITE SUBJECT TO:
HISTORIC PRESERVATION COMMISSION APPROVAL - JUNE 20, 2006.
CENTRAL BUSINESS DISTRICT PROJECT APPROVAL - MAYOR AND COUNCIL - JULY 16, 2006.
VARIANCE APPROVAL - MAYOR AND COUNCIL - JULY 16, 2006.

1. STATE LAW PROHIBITS THE PRIVATE CONSTRUCTION, PLANTING, OR OTHERWISE MAKING IMPROVEMENTS ON THE DEDICATED RIGHT OF WAY. THE SOLE RESPONSIBILITY FOR REPAIRING OF ANY DAMAGE OF ANY SUCH IMPROVEMENT SHALL BE THE PROPERTY OWNERS.
2. THE OPEN CHANNEL DRAINAGE EASEMENTS (D.E.) SHOWN ARE NOT TO BE CONSIDERED AS EXISTING LOT LINES. THE DRAINAGE EASEMENTS ARE INTENDED TO PROVIDE FOR THE FREE CONVEYANCE OF STORMWATER RUNOFF BETWEEN DRAINAGE STRUCTURES ON THE PROPERTY OR BETWEEN DRAINAGE STRUCTURES AND THE EXTERIOR PROPERTY LINE. THE LOCATIONS SHOWN ARE INTENDED LOCATIONS BUT ARE CONTINGENT UPON FINAL GRADING AND LANDSCAPING OF THE INDIVIDUAL LOTS.
3. NO OTHER PROPERTY OWNERS UNLESS OTHERWISE NOTED.
4. NO CEMETERIES, WETLANDS, OR CULTURAL RESOURCES EXIST ON PROPERTY.
5. THE CITY OF KENNESAW WILL NOT ACCEPT THE RESPONSIBILITY FOR PERPETUAL MAINTENANCE OF ANY REQUIRED DETENTION FACILITIES OUTSIDE THE CITY RIGHT-OF-WAY.
6. ALL COMMON AREAS SHALL BE MAINTAINED BY THE HOMEOWNER'S ASSOCIATION.
7. THE DEVELOPMENT SHALL COMPLY WITH THE REQUIREMENTS OF THE CITY OF KENNESAW: A. WATER LINES AND SANITARY SEWER ARE UNDER THE CONTROL OF COBB COUNTY WATER SYSTEM.

IT IS HEREBY CERTIFIED THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE ON THE GROUND UNDER MY SUPERVISION, THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST OR ARE MARKED AS "FUTURE," AND THEIR LOCATION, SIZE, TYPE AND MATERIAL ARE CORRECTLY SHOWN; AND THAT ALL ENGINEERING REQUIREMENTS OF THE KENNESAW SUBDIVISION REGULATIONS HAVE BEEN FULLY COMPLIED WITH.

THIS PLAT, HAVING BEEN SUBMITTED TO KENNESAW AND HAVING BEEN FOUND TO COMPLY WITH THE KENNESAW DEVELOPMENT STANDARDS AND THE KENNESAW ZONING ORDINANCE, IS APPROVED SUBJECT TO THE INSTALLATION AND DEDICATION OF ALL STREETS, UTILITIES, EASEMENTS, AND OTHER IMPROVEMENTS IN ACCORDANCE WITH THE STANDARD DESIGN SPECIFICATIONS AND THE POSTING OF A ONE YEAR MAINTENANCE BOND.

ALL WATER AND SEWER LINES AND SERVICES SHOWN ARE PRIVATE,
OWNED AND MAINTAINED BY THE RIDENOUR HOMEOWNERS ASSOCIATION
NO BUILDING PERMITS TO BE ISSUED UNTIL LINES ARE INSTALLED AND
INSPECTED BY COBB COUNTY.

HEREBY CERTIFY AS THE OWNER OF THE LAND SHOWN ON THIS PLAN AND WHOSE NAME IS SUBSCRIBED HERETO, ACKNOWLEDGE THAT THIS PLAN WAS MADE FROM AN ACTUAL SURVEY, AND FOR VALUE RECEIVED THE SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, DO HEREBY CERTIFY THAT THE LINES SHOWN ON THIS PLAN ARE THE TRUE AND CORRECT LINES OF THE PROPERTY LINES SHOWN HEREON IN FEE SIMPLE TO THE APPROPRIATE JURISDICTION AND FURTHER DEDICATE TO THE USE OF THE PUBLIC FOREVER ALL ALLEYS, PARKS, WATERCOURSES, DRAINS, ETC., SHOWN ON THIS PLAN, AND HEREBY RELEASES AND AGREES TO RELEASE TO THE PUBLIC, HEREIN EXPRESSED, IN CONSIDERATION OF THE APPROVAL OF THIS DEVELOPMENT PLAN AND OTHER VALUABLE CONSIDERATION, THE OWNER FURTHER RELEASES AND HOLDS HARMLESS ALL OTHERS FROM ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES OF ANY KIND OR KINDS, THE DESIGN, CONSTRUCTION AND MAINTENANCE OF THE PROPERTY SHOWN HEREON ON ACCOUNT OF THE ROADS, WALLS, EMBANKMENTS, DITCHES, CROSS DRAINS, CULVERTS, WATER MAINS, SEWER MAINS, ETC., SHOWN ON THIS PLAN, AND HEREBY RELEASES AND AGREES TO RELEASE TO THE PUBLIC, ON ACCOUNT OF BACKWATER, THE COLLECTION AND DISCHARGE OF SURFACE WATER, OR THE CHANGING OF COURSES OF STREAMS, AND FURTHER THE OWNER WARRANTS THAT HE OWNS THE ENTIRE INTEREST IN THE LAND SHOWN ON THIS PLAN, AND THAT HE HAS NO OTHER INTEREST TO BE LIABLE TO HIM, HIS HEIRS, SUCCESSORS OR ASSIGNS FOR ANY CLAIMS OR DAMAGES RESULTING FROM THE CONSTRUCTION OR MAINTENANCES OF CROSS DRAIN EXTENSIONS, DITCHES, CULVERTS, WATER MAINS, SEWER MAINS, ETC., SHOWN ON THIS PLAN, AND FURTHER THE OWNER WARRANTS THAT HE OWNS THE ENTIRE INTEREST IN THE LAND SHOWN ON THIS PLAN, AND THAT HE HAS NO OTHER INTEREST IN THE STREAMS AND RIVERS, FLOODING FROM NATURAL CREEKS AND RIVERS, SURFACE WATERS AND ANY OTHER MATTER WHATSOEVER. I FURTHER WARRANT THAT I HAVE THE RIGHT TO SELL THE ENTIRE INTEREST IN THE LAND SHOWN ON THIS PLAN, AND THAT I HAVE THE RIGHT TO SUE AND BE SUBSEQUENT IN TITLE TO DEFEND BY VIRTUE OF THESE PRESENTS.

LOCATION OF UTILITIES EXISTING ON OR SERVING THE SUBJECT PROPERTY IS DETERMINED BY OBSERVABLE EVIDENCE ONLY. THIS PROPERTY MAY BE SUBJECT TO EASEMENTS, CLAIMS, PRESCRIPTION AND SUBSURFACE CONDITIONS THAT ARE NOT VISIBLE OR RECORDED, THUS DEEMING THEM UNDETERMINED AND NOT SHOWN. THIS PLAT IS INTENDED FOR THE PARTIES STATED ON THE FACE OF SURVEY. USE OF THE SURVEY BY THIRD PARTIES IS AT THEIR OWN RISK.

2.) THE NORTHING, EASTING, AND ELEVATION OF THE STARTING POINTS FOR THIS SURVEY WERE OBTAINED UTILIZING THE TRIMBLE 5800 GPS RECEIVER WITH THE TRIMBLE 5802 DATA COLLECTOR RECEIVING RTK CORRECTIONS VIA A CELL PHONE FROM THE EGPS SOLUTIONS REAL TIME NETWORK. THE TECHNIQUE USED WAS RTK CORRECTED MEASUREMENTS FROM THE TRIMBLE VRS REAL TIME NETWORK OPERATED BY EGPS SOLUTIONS, INC. THE RELATIVE POSITIONAL ACCURACY OBTAINED ON THE POINTS UTILIZED IN THIS SURVEY WERE 0.04 FT. HORIZONTAL AND 0.07 FT. VERTICAL AT THE 95% CONFIDENCE LEVEL.

NOTE:
#4 REBAR SET ON ALL PROPERTY
CORNERS UNLESS OTHERWISE NOTED.



LOCATED IN L.L. 138
20th DISTRICT, 2nd SECTION
CITY OF KENNESAW
COBB COUNTY, GA.

4-23-2020
DATE



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Approval of the proposed list of projects for the 2022 Special Purpose Local Option Sales Tax (SPLOST) referendum, which Cobb County has scheduled for November 2020 vote with the public.
Agenda Comments:	Per previous discussion with Council and after staff evaluations, the proposed projects reflect the priority of needs for the next six years. The list of projects remains unchanged from previous discussions with Mayor and Council. Due to COVID-19 issues, there were reduced Public Information meetings; however, Cobb County is looking to hold additional meetings but with no definitive schedule, as of yet. Due to legal timelines, Cobb County is requesting submittal of our approved project list for publication in the SPLOST guidebook. Staff recommends approval.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
SPLOST 2022 Projects - Tier 1 and Tier 2	5/14/2020	Backup Material

2022 SPLOST PROJECTS (6 year - Tier 1)		
KENNESAW		
	Estimated SPLOST Budget - \$31,785,000 Contribution from Cobb County - \$3,000,000 TOTAL - \$34,785,000	
Description	Estimated Project Cost	County Joint Project Contribution
Parks and Facilities		
Depot Park - Phases 8-12 construction consisting of amphitheater and festival area, and new & expanded parking lot for the park and museum	\$6,000,000	
Recreation Center - Phase II includes a multi-sport court and gymnastics	\$3,000,000	\$3,000,000
Facility Improvements - water and energy conservation updates, address space utilization for current and future staffing growth and expanded services (e.g., Public Works renovation, community development, etc) and city-wide facilities & cyber security upgrades	\$3,500,000	
Transportation and Roads		
Rutledge Road/Cathey Lane - Road widening, sidewalks, and install traffic light at Swift-Cantrell Park area to maximize transportation system performance and vehicular safety at the intersection of Swift-Cantrell Park and Old 41	\$4,000,000	
Sardis Street extension and overpass - Continuation of Phase I to maximize transportation system performance, improve traffic congestion, and compliment redevelopment of the downtown area. Construct a new road from Main Street that intersects with Cherokee Street, Shirley Drive and an overpass to Moon Station. A bypass will also be built between the extension at Shirley Drive to North Cherokee Street just south of Ben King Road to reduce the impact on the Cherokee Street Historical District.	\$6,000,000	
Neighborhood improvements - Sidewalks and street resurfacing	\$785,000	
Public Safety		
Public Safety facility - New facility for PD, 911, and Emergency Operations Center	\$8,500,000	
KENNESAW TOTAL	\$31,785,000	
Plus County Funding	\$34,785,000	

2022 SPLOST PROJECTS (6 year - Tier 2)	
KENNESAW	
Description	Estimated Project Cost
Parks and Facilities	
Fleet maintenance - Upgrade maintenance facility with sign shop to repair city vehicles & capital equipment and create road signs, improve bulk storage (e.g., salt, dirt, signs) location and underground storage tank/refueling area, and address topography & stormwater issues	\$2,500,000
SGG grounds - Create ADA accessible trails, obtain Innovative Readiness Training materials, and repair historic Butler House	\$500,000
Transportation and Roads	
Sidewalks and resurfacing of major roads & routes	\$1,500,000
KENNESAW TOTAL	\$4,500,000



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Accept the Audit Report for Fiscal Year Ended September 30, 2019 for the City of Kennesaw as presented by Mauldin and Jenkins, LLC CPA firm.
Agenda Comments:	The audit report is presented to the Mayor and Council each year. This report is for the Fiscal Year Ended September 30, 2019 as presented by Mauldin and Jenkins, LLC. Finance Director recommends acceptance of the report.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
FY19 CAFR	4/27/2020	Backup Material
FY19 Auditors Discussion and Analysis	4/27/2020	Backup Material
FY19 Federal Asset Forfeiture Report	4/27/2020	Backup Material
FY19 State Asset Forfeiture Report	4/27/2020	Backup Material

CITY OF KENNESAW, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019

Finance Department
Gina Auld
Finance Director

CITY OF KENNESAW, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019

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CITY OF KENNESAW, GEORGIA
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SEPTEMBER 30, 2019

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INTRODUCTORY SECTION

MAYOR

Derek Easterling

City Manager

Jeff Drobney

City Clerk, MMC

Debra Taylor

**COUNCIL**

Mayor Protem Pat Ferris

David Blinkhorn

James Eaton

Chris Henderson

Tracey Viars

March 26, 2020

To the Honorable Mayor, Members of the City Council
And Citizens of the City of Kennesaw

The Comprehensive Annual Financial Report (CAFR) of the City of Kennesaw, Georgia, for the fiscal year ended September 30, 2019, is submitted herewith. Georgia state law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the City's financial activities have been included.

Mauldin & Jenkins, LLC have issued an unmodified ("clean") opinion on the City of Kennesaw financial statements for the fiscal year ended September 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City of Kennesaw receives financial assistance through various federal grant programs. The City of Kennesaw is responsible for insuring that adequate internal controls are in place to assure compliance with applicable laws and regulations related to those programs. The required reports on supplementary information, compliance, internal controls and various supplementary schedules are included under the Compliance Section.

Profile of the Government

The City of Kennesaw, originally named Big Shanty, incorporated in 1887. It is situated in the northwest part of Georgia in the Atlanta Metropolitan Area. The City, located in Cobb County, is considered to be in the top growth rank of the country. The City currently has a land area of 9.77 square miles and a population of approximately 36,300. The City has the power, by State statute, to extend its corporate limits by annexation,

which is done by request of citizens or at the City's initiation. Annexations must be approved by the City Council. A major priority, established by the City Council, is future growth potential which is accomplished through an aggressive policy of incremental annexations based on a comprehensive, planned strategy.

The City is a home-rule charter city in the State of Georgia and has operated under the Council-Manager form of government since September 1996. The Mayor and Council members are elected for four-year terms. Council member terms are staggered and members are elected at large. The Mayor and five Council members are vested with policymaking and legislative authority for the City. The Council is responsible for passing ordinances, adopting the budget, appointing committees, hiring the City Manager, making appointments of the City attorney, auditor and City engineer as well as other City employees. The City Manager is responsible for carrying out the policies and ordinances of the Council, overseeing the day to day operations of the City, and insuring fiscal stability.

The financial statements contained herein include all activities and functions of the City of Kennesaw that are under the jurisdiction of the Mayor and Council, as set forth in state and local law. Additionally, one discretely presented component unit is included in these financial statements because of its operational and financial relationship to the City. The Kennesaw Development Authority is dedicated to the sound economic development of the City of Kennesaw. It serves the retention and expansion needs of existing businesses and offers aid to businesses looking to locate in the Kennesaw area. Additional information on this legally separate entity can be found under the Basic Financial Statements section.

The City provides a broad range of municipal government and utility services. Included in these services are traditional city functions such as police protection, road and street maintenance, culture and recreation, public improvements, planning and zoning, building inspection, code enforcement, and general administrative services. In addition to general government activities, the City has five enterprise operations including sanitation, stormwater, streetlights, museum and botanical gardens.

The City maintains extensive budgetary controls with the objective of compliance with legal provisions embodied in the annual budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amounts) is at the departmental level for the General Fund and at the total expenditure level for the remaining funds. The City's budget procedures are more fully explained in the notes to the financial statements.

The goals of the City's financial operations are to comply with legal requirements established by the State of Georgia, national standards for local government financial operations established by national organizations such as the Government Finance Officers Association, the Governmental Accounting Standards Board, the Association of Government Accountants and to provide accurate, timely financial information to elected officials, management, and the citizens.



Local Economy

The City is part of metro Atlanta and benefits from the large, diverse economy. The Atlanta Regional Commission (ARC) Economic Snapshot for 2019 and forecasting 2020 indicates Metro Atlanta continues to be a natural leader in job growth; wages continue to see positive growth, home prices remain above pre-recession peak, and office and retail construction continue to grow. The regional snapshot accurately reflects the City of Kennesaw economic performance and our projections for 2020. The City's rate of growth continued to increase in 2019 over 2018 in all these sectors. Commitment to new projects and expansions continue to take longer than pre-2008 due to longer due diligence period and conservative financing environment. But, 2018 was a very significant year for projects receiving entitlements, completing due diligence, acquiring land, and closing loans with the support of over \$700 million in new development that will be completed over the next 3-4 years. We are currently in the development and build-out phase for these projects. Several projects will be completed in 2020 with the remainder to be completed by 2023. In 2019, an additional \$130 million of new projects were added to the development pipeline for a total of \$830 million to be built in 2020-2024. The City will continue to see improvement in real estate values (4.8%), unemployment (remains low at 2.7%), and capital investment. We have seen a reduction in office (3.6%), retail (3.6%) and industrial (3.2%) vacancy rates in 2019. Job creation increased in 2019 and is projected to continue through 2020 by both the State Department of Economic Development, Kennesaw State University (KSU) Economic Forecast Center, Cobb County, and the City.

Historically, Kennesaw grew from a small, rural town to an urbanized bedroom community with associated retail and services. In the last two decades, the City's economy has diversified with several industrial and business parks and retail centers. The City's proximity to Interstate 75, U. S. Highway 41 and Cobb County International Airport has supported significant commercial and industrial development, especially in light manufacturing and distribution. The area has diverse space for manufacturing, industrial, corporate office and retail. A number of small and medium employers has created a diversified economy and stable employment rate. The growth of KSU continues to have a positive impact on the local economy. They provide a significant pipeline for new graduates feeding into the economy. Kennesaw sees a direct impact from KSU in health care, life sciences, finance, education, and technology sectors. With the merger of Southern Polytechnic, the enrollment has grown to 36,000. According to the Atlanta Regional Commission (ARC), the I-75 corridor will continue to be a high growth area over the next 20 years. Kennesaw's population is becoming younger and more educated, supporting the City's economy to transform from a bedroom community to a self-sustaining economy. Over the last five years, household income and individual personal income have increased. The percentage of City revenue derived from light industrial, retail and professional services will continue to increase relative to residential. The commercial & industrial land area to residential land area ratio has improved to 63/37%. This is a shift of approximately 10% in the last eight years. The City added approximately 500 new jobs in 2019 through several logistics and manufacturing expansions and relocations, professional service growth, and new retail and restaurant businesses. New capital investment of \$70 million occurred in 2019. New businesses include, but are not limited to, logistics manufacturing, retail/restaurants, medical services, utility services, construction materials, financial services, and software development.



In 2020, the following investments are expected to be completed:

- The downtown area will add \$66 million in new development in 2020
- Approximately 500 multifamily units valued at \$105 million
- Approximately 80 new single-family residences valued at \$20 million
- 80,000 square feet of new commercial space valued at \$2.2 million

The number of business licenses increased in 2019 over 2018. Approximately 15 new “brick and mortar” businesses opened in 2019. Overall, the total portfolio of business licenses has continued to grow at a moderate pace. Developments that are in construction and scheduled to open by end of 2021 will add an additional 300 new jobs.

Construction permit activity exceeded projected and budgeted levels in 2019 and they are exceeding the estimated and budgeted forecasts for the first 6 months of the current fiscal year. We anticipate further expansion in new businesses, expansion of existing businesses, investment in equipment and real estate and job creation through 2020 assuming the State and Regional economy continues to expand as forecasted by the State and Atlanta Regional Commission (ARC).

The top employers in the City have remained fairly stable over the past year. They have not added a significant number of jobs but we have seen continued capital investment in their operations. Some of our key businesses such as Atlanta Bonded Warehouse, Deerland Enzyme, and Fabric.com continue to invest and grow. We have seen continued growth in new or expanding small businesses. These are both businesses with brick and mortar presence or service/virtual businesses. New to Kennesaw are co-work facilities, which have opened in the past 24 months and have grown their member base to over 100 businesses. Two additional co-work offices are planned for two mixed-use projects in downtown, to be completed by 2021. Approximately 15 new brick and mortar businesses have opened in the past 12 months. Kennesaw continues to support “craft” businesses that help strongly brand the City. We have two craft beer breweries, and one craft distillery. One of the breweries is completed a major expansion in 2019. Two new breweries are planned for downtown. One will open in 2020 and the second in 2021. Development of a new craft cold brew coffee manufacturing facility will be completed in 2020. These businesses create a craft ecosystem and have had a very positive impact on tourism in the city. The traffic they generate complements the City’s Museum and Garden, creating more synergy in the tourism sector.

Long term financial planning

In November 2014, voters approved a six year one cent Special Purpose Local Option Sales Tax (SPLOST) that will be in effect from January 1, 2016 through December 31, 2021. This tax will fund various road projects, park improvements and facility improvements. Since this SPLOST began, the improvements total: \$7,330,264 for Road, Street and Bridge Projects and \$768,236 for Parks and Facility Improvement Projects. Total revenue generated for the SPLOST program since this SPLOST began is \$24,570,765 with expenditures totaling \$8,098,500.

In March 2011, voters approved the Special Purpose Local Option Sales Tax (SPLOST). This one cent sales tax program funds various improvements around the City. Since this SPLOST began, the improvements total: \$13,923,287 for Road, Street and Bridge Projects and \$4,104,031 for Parks Projects. This SPLOST program ran from January



2012 until December 2015. Total revenue generated for the SPLOST program since this SPLOST began is \$24,002,788 with expenditures totaling \$18,027,318.

In September 2005, voters approved a one cent Special Purpose Local Option Sales Tax (SPLOST) that ceased collections in December 2011. Since this SPLOST began, the improvements total: \$6,216,154 for Road, Street and Bridge Projects and \$428,526 for 800MHz Core Replacement. Total revenue generated for the SPLOST program since this SPLOST began is \$8,543,913 with expenditures totaling \$6,644,680.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the total tax digest. The current debt limitation for the City is \$145,614,133, which is in excess of the City's outstanding general obligation debt of \$8,325,000.

Major Initiatives

In late 2014, the Mayor and Council adopted a new set of goals for 2015-2020. They were the framework for 2017 economic initiatives. Key elements of these goals as they relate to economic development include: a) quality housing choices, b) retain and expand existing businesses, c) recruit new businesses in sectors of strength including logistics, light manufacturing, health care, technology and tourism, d) redevelop downtown core, e) redevelop key corridors including Cobb Parkway, Cherokee Street, and Barrett Parkway. The City will develop a new Economic Development Strategy and Implementation Plan in 2020 to provide direction for the next 10 years.

There are approximately 30 active projects in various stages of development in the City. A total of 1,460 multi-family (rental) units valued at \$390 million are in development. 180 units have been completed and the balance are in development. All of these projects are Class "A" heavily amenitized projects with the exception of one affordable senior project. There are 1,040 for-sale residential units in development. Some have been completed and others are in construction or will start within the next 6-12 months. These projects include attached and detached products in a range of price points. Total value is \$200 million. There is over 500,000 square feet of commercial space in development with an estimated value of \$180 million. Approximately 10,000 square feet has been completed in 2019 with another 80,000 square feet in construction, with the balance slated to start site work and vertical construction in 2020-2021. The commercial will have retail, restaurant, hotel, special events, self-storage, and entertainment venues. There are an additional 600,000 square feet of new or substantially renovated industrial space in the pipeline. Kennesaw has made a concerted effort to protect our three key industrial parks. Value of the new industrial space is approximately \$60 million. There are 165,000 square feet of new health care facilities in development. Most of these are concentrated in skilled nursing and assisted living facilities. These projects are estimated at \$44 million. The office market has been the softest development sector for Kennesaw. We are just starting to see planned new investment. The current lease rates relative to new construction costs have made it challenging to invest in new office space. We have 100,000 square feet of new office space valued at \$20 million in development. Much of this is associated with planned mixed-use development or owner-occupied professional office. We continue to see a reduction in vacancy rates for retail, office, and industrial in the City over the past 24 months. Total value on all planned new development in the pipeline is approximately \$830 million, to be completed over the next 4-5 years.



A supporting strategy is strategic annexations targeting commercial and industrial development and improving service delivery. The City continues to pursue strategic annexations that analysis demonstrates will have a positive impact on our economy and the City's finances. The City is actively working on two annexations that would add approximately 60 acres.

Kennesaw continues to develop tourism assets and leverage those assets for increased tourism spending. The City's museum and garden increased programming and attendance in 2019. The Dry County Brewery, Burnt Hickory Brewer and Lazy Guy Distillery draw significant visitors. Dry County Brewery opened in 2016 and completed an expansion in 2019. Two new breweries will be added to downtown in 2020-2021. A new cold brew coffee facility will open in 2020 with a tourism component in downtown. This adds to the critical mass Kennesaw is creating in the alcohol manufacturing and tourism sectors. The I-75 corridor from Cobb/Galleria to Cherokee County is becoming a significant sports corridor that will generate increased tourism and travel activity. The Atlanta Braves new park in the Cumberland/Galleria area, MLS soccer complex in Marietta, pro lacrosse team in Kennesaw and KSU football are creating a dynamic environment.

Cobb County has adopted a new economic development incentive program that will provide additional support to recruit and retain business. Kennesaw continues to expand the economic development tools available for business retention, expansion, and recruitment. Our goal with the Economic Development Strategy and Implementation Plan will be to refine our economic incentives program, ordinances, and codes and continue to leverage existing state programs.

In 2015 the City completed a major update to the downtown masterplan and a masterplan for the Cherokee Street corridor. A new form based code for downtown and Cherokee Street corridor was adopted in 2016. These provided direction and incentive for redevelopment and we are seeing significant development activity in downtown and Cherokee Street as a result.

Another significant contributor to economic growth will be transportation improvements. As a result of SPLOST dollars committed through the 2005, 2011 and 2016 SPLOST programs, significant road improvements will be completed over the next seven (7) years in targeted redevelopment areas, downtown and commercial corridors. Downtown, Barrett Parkway, Cobb Parkway, Pine Mountain, Old Highway 41, Rutledge/N Main and Cherokee Streets are scheduled for improvement. The first downtown improvements were completed in 2018 and include the rebuild of Dallas Street, Watts Drive, a new round-about, and a public plaza. In addition, GDOT has completed a major lane expansion of I-75 in construction and reconstruction of the I-75/Wade Green intersection. Cobb County International Airport continues to expand with improved runway, new hangars, new control tower and a customs office added in 2016. The airport's masterplan calls for significant expansion and improvements over the next 20 years to handle more traffic and larger planes. All these transportation improvements will support continued economic growth.

Relevant Financial Policies

Financial policies established by the City are to provide a sound basis for future financial planning and conservative management. These policies include a balanced annual



operating budget, a stable and diversified revenue structure, designation of fund balances and a multi-year capital improvement program.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial reports for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that: (1) the cost of 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 the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kennesaw for its comprehensive annual financial report for the year ended September 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. 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 GFOA to determine its eligibility for another certificate.

We wish to take this opportunity to thank the Mayor and Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. In closing, the preparation of this report on a timely basis could not be accomplished without the efficient and dedicated service of the City Manager and the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation.

Most of all, we would like to thank the citizens of Kennesaw and all of the volunteer committees for their extraordinary level of community involvement, extending beyond personal interest, which continues to make the City of Kennesaw an excellent place to live and work.

Respectfully submitted,



Gina Auld, CPA
Finance Director





Government Finance Officers Association

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

Presented to

**City of Kennesaw
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morill

Executive Director/CEO

CITY OF KENNESAW, GEORGIA
PRINCIPAL OFFICIALS
SEPTEMBER 30, 2019

ELECTED OFFICIALS

Derek Easterling	Mayor
Chris Henderson	Mayor Pro Tem/Council Member
David Blinkhorn	Council Member
James ‘Doc’ Eaton	Council Member
Pat Ferris	Council Member
Tracey Viars	Council Member

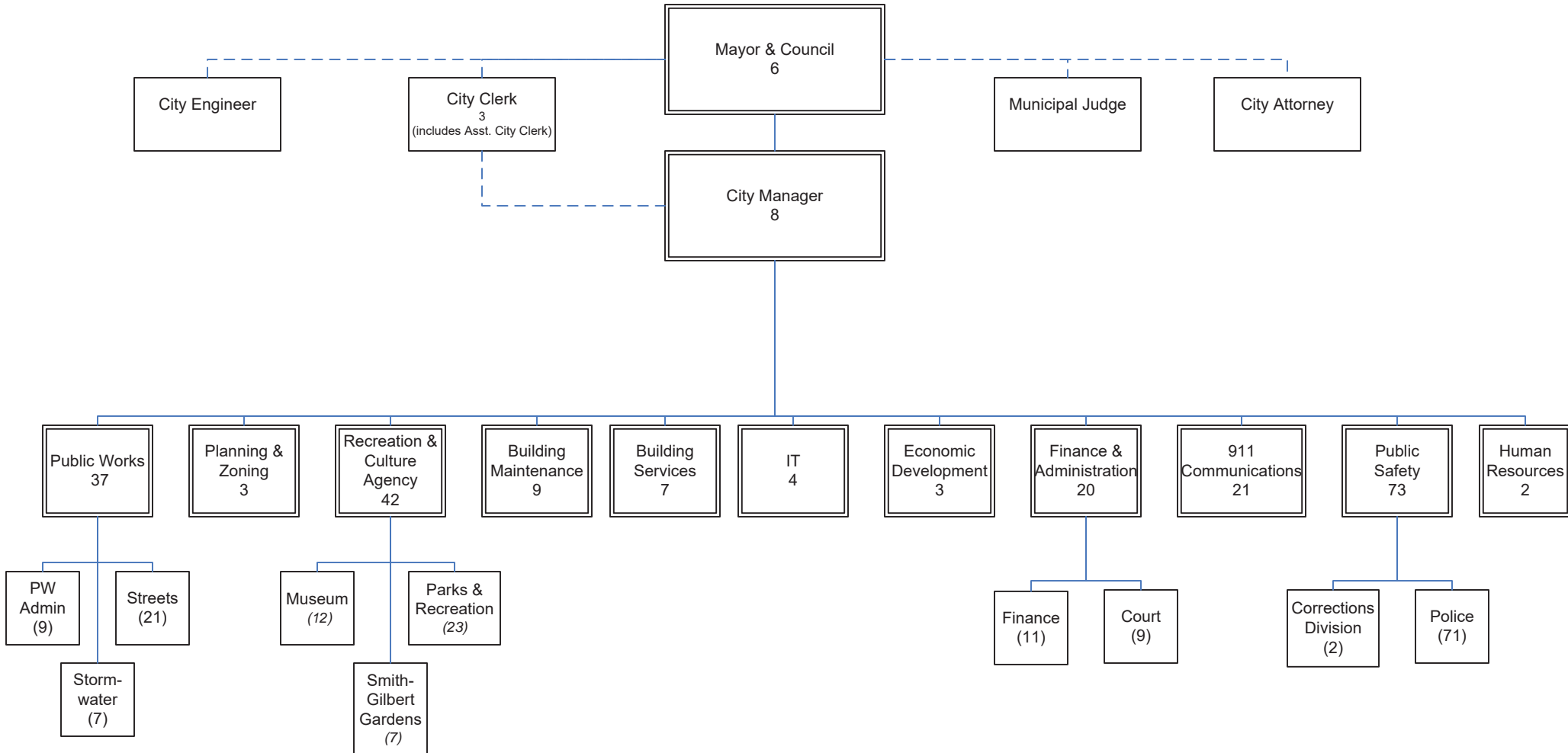
CITY ADMINISTRATION

Jeff Drobney
City Manager

Bentley, Bentley, Bentley	Attorney
Phillip Taylor	Municipal Court Judge
Gina Auld	Finance Director
Robbie Balenger	Building & Facilities Manager
Scott Banks	Building Official
Richard Banz	Museum Executive Director
Linda Davis	E911 Director
Robert Fox	Economic Development Director
Becca Graham	Communications & Engagement Manager
Marty Hughes	Assistant City Manager
Steve Roberts	Parks & Recreation Director
Darryl Simmons	Planning & Zoning Administrator
Stephanie Sordelet	Human Resources Director
Paul Sprague	GIS Coordinator
Ricky Stewart	Public Works Director
Debra Taylor	City Clerk
William Westenberger	Chief of Police

City of Kennesaw

Organization Chart- City Wide- 238



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members
Of City Council
City of Kennesaw, 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 Kennesaw, Georgia** as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Kennesaw, Georgia'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 Kennesaw, Georgia as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios – OPEB Plan, the Schedule of Changes in the City's Net Pension Liability and Related Ratios and the Schedule of City Contributions, as listed in the table of contents, 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 Kennesaw, Georgia's basic financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2020 on our consideration of the City of Kennesaw, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Kennesaw, Georgia's 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 Kennesaw, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

September 30, 2019

City of Kennesaw, Georgia

This section of the City of Kennesaw, Georgia's (the City) annual report provides readers with a narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information in the letter of transmittal which can be found at the front of this report.

Financial Highlights

- The City's total assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$112,558,223 at the end of the year. This amount includes \$77,311,784 invested in capital assets net of accumulated depreciation and related debt, restricted net position of \$35,032,274 and unrestricted net position of \$205,871.
- The City's total net position increased by \$16,396,308 (17%) to \$112,558,223. The net position for governmental activities increased by \$15,606,090 (20%) and business-type net position increased by \$790,218 (5%).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$40,288,261, an increase of \$9,899,331. The net unassigned fund balance is \$5,415,115.
- At the end of the current fiscal year, unassigned fund balance for the general fund is \$5,469,476.
- The City's total debt decreased by \$1,921,301 (7%) during the current fiscal year due to the principal payments on General Obligation Bonds, Revenue Bonds and Financed Purchases exceeding the increase in the OPEB Liability. The Net Pension Liability decreased \$515,716.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future periods (e.g. uncollected taxes and earned but unused vacation leave).

September 30, 2019

City of Kennesaw, Georgia

The government-wide financial statements of the City are divided into three categories:

- **Governmental activities** – These include the basic services provided by the City including general administration, public safety, public works, culture and recreation, housing and development.
- **Business-type activities** – These include services for which the City charges specific fees which are meant to cover the cost of providing the services. These include sanitation (solid waste collection), the Southern Museum of Civil War and Locomotive History, stormwater (maintenance and upgrades to stormwater system), streetlights and the Smith-Gilbert Gardens.
- **Component units** – Included in the discretely presented component units for the City is the Kennesaw Development Authority. Although this organization is a separate legal entity, the City is financially accountable for it.

Governmental activities and business-type activities are consolidated and add to the total for the primary government.

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

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

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

The City maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and SPLOST fund which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts annual appropriated budgets for its governmental funds except for the SPLOST and capital project funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 16-21 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Sanitation, Museum, Stormwater, Streetlights and Gardens. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major funds: Sanitation, Museum, Stormwater. Data from the nonmajor funds, Streetlights and Gardens, are combined in a single, aggregated presentation.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

September 30, 2019

City of Kennesaw, Georgia

Individual fund data for each of these nonmajor proprietary funds is provided in the form of *combining statements* elsewhere in this report. The internal service fund is also presented in proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 22-24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 25 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found beginning on page 63 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions and other postemployment benefits. Combining and individual fund statements and schedules can be found beginning on page 66 of this report.

Government-wide Financial Analysis

The following table reflects the condensed Statement of Net Position for the current year. The City's net position increased \$16,396,308 (17%) during fiscal year 2019. The net position of the governmental activities includes \$63,615,691 net investment in capital assets. Capital assets of \$79,864,957 include land, buildings, park improvements, machinery and equipment net of accumulated depreciation. Related debt includes bonds of \$15,391,910, financed purchases of \$456,901 and retainage payables of \$400,455.

The net position of the business-type activities includes \$13,696,093 net investment in capital assets. Capital assets of \$13,854,091 include land, building, other improvements, equipment, and museum artifacts, net of accumulated depreciation. Related debt includes financed purchases of \$157,998.

For more detailed information, see the Statement of Net Position on page 16 of the financial statements and the notes to the financial statements.

Table 1 Statement of Net Position As of September 30 (in thousands)							
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Total % Change</u>
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2018-19</u>
ASSETS							
Current and other assets	\$ 43,212	\$ 35,690	\$ 4,782	\$ 4,054	\$ 47,994	\$ 39,745	21%
Capital assets	79,865	75,828	13,854	13,931	93,719	89,759	4%
Total Assets	123,077	111,518	18,636	17,985	141,713	129,503	9%
Deferred Outflows of resources:							
Pension related items	1,535	1,710	59	87	\$ 1,594	\$ 1,797	-11%
OPEB Related Items	78	78	-	-	78	78	0%
Total deferred outflows of resources	1,613	1,788	59	87	1,672	1,875	-11%
LIABILITIES							
Current and other liabilities	4,435	7,276	1,214	1,264	5,649	8,540	-34%
Long-term debt outstanding	23,361	25,084	250	361	23,611	25,445	-7%
Total Liabilities	27,796	32,360	1,464	1,625	29,260	33,985	-14%
Deferred Inflows of resources:							
OPEB Related Items	574	330	-	-	574	330	74%
Pension related items	955	857	37	44	992	901	10%
Total deferred inflows of resources	1,529	1,187	37	44	1,566	1,231	27%
NET POSITION							
Net investment in capital assets	63,616	58,213	13,696	13,717	77,312	71,930	7%
Restricted	35,032	28,432	-	-	35,032	28,432	23%
Unrestricted	(3,283)	(6,886)	3,498	2,686	215	(4,200)	105%
Total Net Position	\$ 95,365	\$ 79,759	\$ 17,194	\$ 16,403	\$ 112,559	\$ 96,162	17%

September 30, 2019

City of Kennesaw, Georgia

Changes in Net Position

The City's total revenues before transfers were \$42,015,753 in fiscal year 2019. Expenses before transfers were \$25,619,445 during that same period. Governmental and business-type activities combined provided a \$16,396,308 increase in net position.

Governmental activities revenues, before transfers, were \$37,066,819 and included \$4,950,184 charges for services, \$11,760,848 grant and contribution revenues and \$12,584,176 in property taxes. The largest governmental activities expenses were for public safety of \$8,635,869 (police, jail and E911), public works of \$3,404,917, general government of \$4,663,769 and culture and recreation of \$2,015,047. Expenses include depreciation expense as explained in the notes to the financial statements (Note 6).

Business-type activity revenues, before transfers, were \$4,948,934 and included \$4,757,408 charges for services and \$131,930 grant and contribution revenues. The largest business-type activity expenses were for salaries and wages of \$1,036,480, other professional services of \$1,663,034 and marketing of \$44,391.

Table 2
Changes in Net Position
For The Fiscal Year Ended September 30
(in thousands)

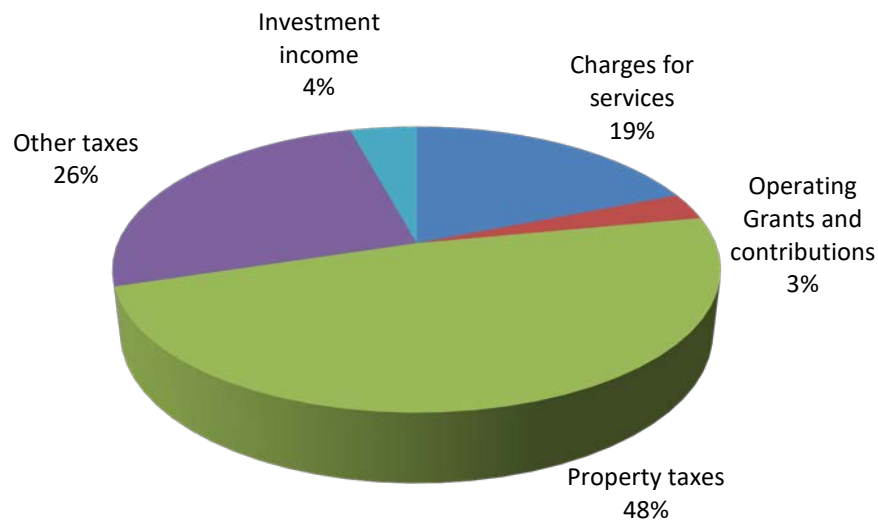
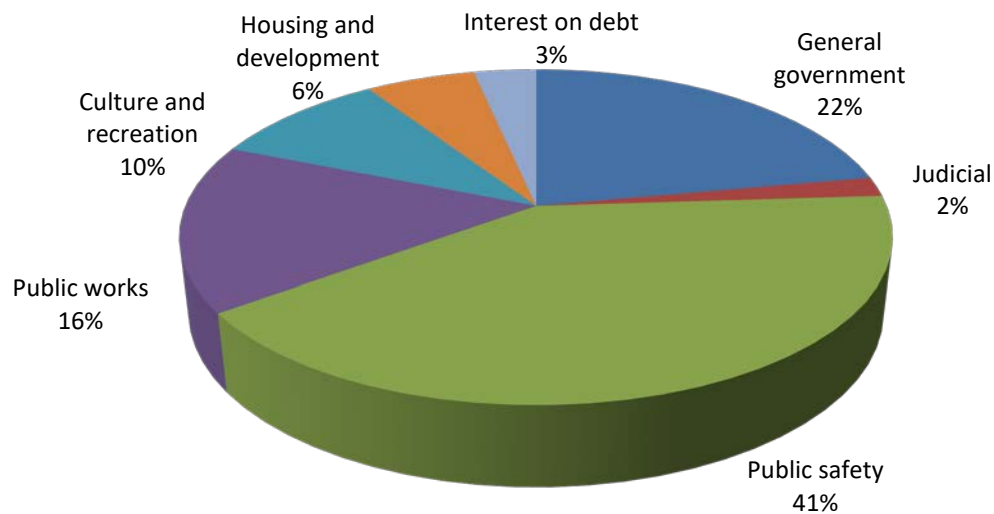
	Governmental Activities		Business-type Activities		Total		Total % Change
	2019	2018	2019	2018	2019	2018	2018-19
Revenues							
Program Revenues							
Charges for services	\$ 4,950	\$ 4,160	\$ 4,757	\$ 4,445	\$ 9,707	\$ 8,605	13%
Operating grants and contributions	785	755	-	-	785	755	4%
Capital grants and contributions	10,976	6,758	132	40	11,108	6,798	63%
General revenues							
Property taxes	12,584	11,445	-	-	12,584	11,445	10%
Other taxes	6,667	6,375	-	-	6,667	6,375	5%
Gain on sale of capital assets	-	-	2	-	2	-	100%
Investment income (loss)	1,105	(97)	58	3	1,163	(94)	1337%
Total Revenues	37,067	29,396	4,949	4,488	42,016	33,884	24%
Expenses							
General Government	4,664	4,805	-	-	4,664	4,805	-3%
Judicial	393	372	-	-	393	372	6%
Public Safety	8,636	8,180	-	-	8,636	8,180	6%
Public Works	3,405	3,533	-	-	3,405	3,533	-4%
Culture and Recreation	2,015	2,021	-	-	2,015	2,021	0%
Housing and Development	1,249	1,247	-	-	1,249	1,247	0%
Interest on long-term debt	714	794	-	-	714	794	-10%
Museum	-	-	1,154	1,135	1,154	1,135	2%
Sanitation	-	-	1,907	1,817	1,907	1,817	5%
Gardens	-	-	509	484	509	484	5%
Stormwater	-	-	639	738	639	738	-13%
Streetlight	-	-	334	55	334	55	507%
Total Expenses	21,076	20,952	4,543	4,229	25,619	25,181	2%
Excess before Transfers	15,991	8,444	406	259	16,397	8,703	88%
Transfers	(385)	(2,379)	385	2,379	-	-	0%
Increase in Net Position	15,606	6,065	791	2,638	16,397	8,703	88%
Beginning Net Position	79,759	73,694	16,403	13,765	96,162	87,459	10%
Ending Net Position	\$ 95,365	\$ 79,759	\$ 17,194	\$ 16,403	\$ 112,559	\$ 96,162	17%

September 30, 2019

City of Kennesaw, Georgia

Governmental Activities

See page 17 of the financial statements for the net cost (total cost less revenues generated by the activities) of these programs or functions. The following charts show the source of the City's governmental revenues and expenses.

Table 3 – Governmental Activities**Governmental Revenues****Governmental Expenses**

September 30, 2019

City of Kennesaw, Georgia

Revenue Impacts:

- Property taxes of \$12,584,176 provided 62% of governmental revenues for general operations. The M&O millage rate and the bond millage rate remained at 8.00 and 1.50 mills, respectively. The bond millage is restricted to service the debt of the general obligation bond issue for recreation and transportation improvements. Property tax revenue was up approximately \$1,139,000 in 2019 due to an increase in property values and new developments.
- Other taxes such as franchise tax, insurance premium tax, financial institution tax and business & occupational tax all increased over the prior year. Franchise tax increased \$127,000, insurance premium tax increased \$136,000 and business & occupational taxes increased \$63,000.
- Charges for services for Governmental activities include amounts charged for providing E911 service of \$1,290,632, culture & recreation fees of \$622,568, licenses and permits of \$1,158,751 and fines & forfeitures of \$1,239,307. Charges for services increased approximately \$790,000 over the prior year due to significant increases in Public Works and Housing & Development revenue. Revenues in the following increased over the prior year: engineering and plan review increased 393%, building permits increased 232%, technology fees increased 208%, electrical permits increased 32%, plumbing permits increased 82% and HVAC permits increased 38%.
- Total Operating grants and contributions for Governmental activities increased \$30,000 due to House Bill 489 revenue and Public Safety grants and donations. The City received approximately \$16,000 more from Cobb County per the House Bill 489 agreement. The agreement constitutes the implementation of the service delivery strategy of Cobb County and the Cobb cities. Per the agreement the allocations are based on the gross digest divided by the total incorporated gross digest. The value of the gross digest increased and Kennesaw's percentage of the gross digest increased. Public Safety grants and donations were up \$14,000.
- Capital grants and contributions for Governmental activities increased approximately \$4,200,000. The increase is due to SPLOST funding received from Cobb County for the recreation center project of \$4,500,000. The recreation center is a joint County/City SPLOST project. The parties entered into an intergovernmental agreement whereby the County would distribute its share of the SPLOST funding to City during fiscal year 2019. The City will bid, award and contract with all professional services related to designing, engineering, constructing and furnishing the recreation center project. Upon completion of the recreation center, the City will own, maintain and operate the facility. The County will have no further obligation or responsibility with respect to the recreation center project or the facility. The recreation center project will begin in fiscal year 2020 and is expected to be completed during 2021.
- Charges for services revenue for Business-type activities increased due to the increase in streetlight and gardens revenues. The City adopted a streetlight district during the prior fiscal year and only billed for two months. Fiscal year 2019 was the first full year of the streetlight billing, which increased revenue by \$300,000 (480%). The Smith Gilbert Gardens had an overall \$31,000 increase (25%) in rental, program and tour fees.
- Capital grants and contributions for Business-type activities increased \$92,000 due to the increase in the artifacts donated to the Museum during the fiscal year.
- Gain on sale of capital assets increased slightly over the prior year due to an increase in assets sold.
- Investment income experienced an increase due to the increase in the fair value of the investment portfolio.

Expense Impacts:

- General Government expenses were down \$142,000 due to decreases in legal and information technology expenses. Less litigation and fewer ordinance revisions resulted in a decrease in legal expenses. The information technology department had decreases in the following areas: portable phones, radio repairs, computer and operating supplies. The City received large discounts on portable phones by moving to AT&T FirstNet. Several projects were delayed such as police in car DVR and cabling projects. In addition, purchases of storage hard drives and Toughbook laptop parts were delayed. Project delays were due to staffing shortage.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

September 30, 2019

City of Kennesaw, Georgia

- Judicial expenses increased \$21,000 due to legal fees and software fees. Legal fees varies with the number and nature of cases handled by the solicitor. The City per citation fee charged by the software vendor increased during the fiscal year.
- Public Safety expenses increased \$456,000. The Police Department had increases in the following expenses: salaries, group insurance, property and liability insurance, and small equipment. The City was fully staffed and under their new pay scale provided pay increases based on tenure and obtaining certain education levels. New body cameras were purchased during the year.
- Public Works salaries and benefits increased \$171,000 and streetlight expenses decreased \$300,000 resulting in a net decrease of \$129,000 overall. Several vacant positions were filled during the fiscal year which increased Public Works salaries and benefits. The City adopted a streetlight district during fiscal year 2018 and began reporting streetlight expenses a separate enterprise fund. This was the first full year of billing streetlights in the separate fund.
- Culture and Recreation expenses decreased slightly due to a decrease in amounts paid to instructors. Enrollment for classes held at the community center dropped during the year.
- Housing and Development expenses increased due to the addition of a Code Enforcement position.
- Interest on long-term debt decreased as the portion of the debt service payments allocated to interest on the 2001 and 2003 Revenue bonds and the 2004/2005 General Obligation bonds decreased. Each year, a larger portion of these debt service payments are applied towards the principal balance.
- The Sanitation Fund's expenses increased due to a 3.29% increase in fees charged by the third party service provider for the City's Sanitation services.
- The Museum and Gardens expenses increased due to an increase in group insurance.
- Stormwater salaries and benefits decreased due to several vacant positions during the year.
- Streetlight expenses increased due to first full year of billing in the new enterprise fund.

Table 4
Business-type Activities
For The Fiscal Year Ended September 30
(in thousands)

	<u>Program Revenues</u>		<u>Program Expense</u>		<u>Program Income (Loss)</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>FUND</u>						
Museum	\$ 592	\$ 497	\$ 1,154	\$ 1,135	\$ (562)	\$ (638)
Sanitation	2,543	2,533	1,907	1,817	636	716
Stormwater	1,242	1,271	639	737	603	534
Gardens	153	122	509	484	(356)	(362)
Streetlight	359	62	334	55	25	7
Total	\$ 4,889	\$ 4,485	\$ 4,543	\$ 4,228	\$ 346	\$ 257

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

September 30, 2019

City of Kennesaw, Georgia

Program revenues for business-type activities for fiscal year 2019 were \$4,889,338, a \$404,788 increase compared to the prior year. Museum revenue was up due to an increase in donations of museum artifacts. Sanitation had increases in residential, commercial and bulk pick up revenues. Stormwater revenues decreased due to transition between owners during new developments. The Gardens revenues increased due to increased rental, program and tours fees. The Streetlight Fund revenues increased since this was the first full year of billing in the new enterprise fund.

Total program expenses for business-type activities were \$4,543,730 in 2019, \$315,888 more than the prior year. Museum, Sanitation, Gardens and Streetlights had an increase in expenses while Stormwater had a decrease in expenses. Museum and Gardens had increases in group insurance. The Sanitation Fund's contract with the third party provider increased by 3.29%. Sanitation salaries were up over prior year due to a position being vacant for four months in the prior year. Stormwater salaries and benefits expenses decreased because of vacant positions. The Streetlight Fund had an increase due to energy and electricity expenses reported in this new fund for a full year. The City began billing property owners for the cost to provide streetlights citywide in September 2018.

Table 5
Financial Analysis of the City's Major Governmental Funds
(in thousands)

FUND	Fund Balances 9/30/2018	Revenues/ Sources	Expenditures/ Uses	Revenues/Sources Over (Under) Expenditures/Uses	Fund Balances 9/30/2019
General Fund	\$ 9,760	\$ 25,075	\$ 20,710	\$ 4,365	\$ 14,125
SPLOST	19,715	10,791	5,472	5,319	25,034

At September 30, 2019, the City's governmental funds reported a combined fund balance of \$40,288,261, which is a net increase of \$9,899,331 from the previous year.

General Fund

The General Fund's fund balance increased by \$4,364,706 and was \$14,124,993 at year end. Revenues exceeded the budget by approximately \$2,247,000 and expenditures were under by budget by approximately \$2,523,000. Revenues increased \$2,854,892 (13%) over prior year. All categories of taxes increased except financial institution, intangible and alcoholic beverage tax. Real and personal property taxes increased \$754,000, business/occupational taxes increased \$63,000, insurance premium taxes increased \$136,000, franchise taxes increased \$127,000, real estate taxes increased \$7,000 and TAVT increased \$9,000. All of these increases were due to the improved economy and improved value of the City's tax base to pre-recession values. The \$508,000 increase in licenses and permits was primarily due to the increase in building permits from new developments. Fines and forfeitures were up \$24,000. Charges for services decreased by \$18,000 due to lower enrollment in Parks & Recreation classes. Intergovernmental revenue was up \$52,000 (4%) due to increases in CDBG, LMIG and HB489 funding. Net investment income was up \$1,186,000 due to the increase in the fair value of the investment portfolio. Expenditures and Other Financing Uses increased approximately \$713,000 from the prior year and came in under budget by \$2,117,000 thereby increasing fund balance. Expenditures decreased from the prior year in the following departments: General Government, Public Works and Culture & Recreation. General Government expenditures decreased in the two departments: Legal and Information Technology. Fewer lawsuits and ordinance revisions resulted in lower legal fees. The Information Technology department was able to cut costs by switching City phones to AT&T FirstNet and several projects were delayed due to a vacant position. The streetlight expenditures were reported in the new Streetlight Fund for the first full fiscal year which decreased the streetlight expenditures in the Public Works department. Culture & Recreation expenditures were down due to a decline in recreation class enrollment. Judicial, Public Safety, Housing & Development and Capital Outlay had an increase in expenditures. Legal and software maintenance increased in the judicial department. Public Safety had increases in salaries, benefits and small equipment. Housing & Development expenditures were up due to the addition of a Code Enforcement position. Capital Outlay had an increase due to the purchase of new vehicles for several departments.

September 30, 2019

City of Kennesaw, Georgia

SPLOST Fund

The SPLOST Fund's fund balance increased by \$5,318,529 and was \$25,033,637 at year end. The City collected approximately \$10.8 million in revenues and incurred expenditures of approximately \$5.5 million. The City has \$2 million remaining to spend on 2005 SPLOST projects. These funds are to be used for the Old Highway 41 Project which was awarded during fiscal year 2019 and is to be completed in the next fiscal year. The City collected the last of the 2011 SPLOST distributions during fiscal year 2016 and has \$6.9 million remaining to spend. The following 2011 projects are still in process: Cherokee Street, Stanley Road /Collins, resurfacing, infrastructure preservation, Depot Park and Smith Gilbert Garden's event building. The City has collected approximately \$24.6 million in 2016 SPLOST dollars. All of the 2016 projects as listed on the Schedule of Expenditures of SPLOST are still in process.

General Fund Budgetary Highlights

A statement comparing the original and final budgets and the variance from the final budget to actual results is included on page 21 of the financial statements.

In September 2018, the City Council appropriated \$23,181,348 for general fund expenditures and transfers out in the 2019 fiscal year budget. The City's legal level of budgeting control is at the department level for the General Fund and at the total expenditure level for the remaining funds. The City made several budget transfers during the year and any made between departments were approved by the Mayor and Council.

Primary reasons for the differences between the final budget and actual results in the General Fund include:**Revenues:**

Overall revenues had a net favorable variance of approximately \$2,247,000 with the largest variances as follows:

- Taxes exceeded the budget by approximately \$1,237,000 due to favorable variances in real & personal, business/occupational, insurance premium, franchise, intangibles, real estate transfer and title ad valorem taxes. The combination of the City's property values returning to pre-recession values, new development and increased buying and selling of property has increased all areas of tax revenue.
- Licenses and permits revenue came in over budget due to increase in building permits.
- Investment income was over budget due to the increase in the fair value of the investment portfolio.

Expenditures:

The City had favorable budget expenditure variances in every function. The largest favorable variances were in the following departments: Mayor & Council, Legal and Audit, City Manager, Information Technology, Buildings, Police, Corrections, Economic Development, Capital Outlay and Debt Service.

- Mayor & Council expenditures were below budget due to budgeting for working capital reserves.
- Legal expenditures were below budget due to less litigation and fewer ordinance revisions.
- Information Technology had a favorable variance due to cost savings by switching cellphone providers and delays in the radio project, off site storage project and the cabling project.
- The Building department's salaries, janitorial supplies and electricity costs were less than budget due to several vacant custodial positions, the delay in purchasing various supplies and lower energy costs.
- The Police department was under budget in overtime, education & training, equipment repair & maintenance, police materials & supplies and small equipment.
- The Corrections department was under budget in prisoner housing fees paid to the City of Acworth, Georgia. Fiscal year 2019 was the second year of outsourcing inmate housing to another city and the number of inmates was significantly lower than anticipated.
- Economic Development was under budget in salaries due to one vacant position and under budget in downtown development expenditures.
- Capital outlay was under budget due to the delay in street resurfacing.
- Debt Service was under budget because the City did not issue any Tax Anticipation Notes (TANs) and financed fewer vehicles than planned.

September 30, 2019

City of Kennesaw, Georgia

Other Financing Sources (Uses):

- Financed purchases came in under budget due to fewer financed purchases entered into during the year.
- Transfers in from the E911 Fund came in under budget.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019, amounted to \$93,719,048 (net of accumulated depreciation of \$48,888,324). Investment in capital assets includes land, buildings, infrastructure, museum artifacts and machinery and equipment. The total increase in the City's investment in capital assets for the current fiscal year was 4%. For more detailed information concerning capital assets, see note 6 to the financial statements.

Table 6
Capital Assets
September 30
(net of depreciation)
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 12,145	\$ 12,145	\$ 2,042	\$ 2,042	\$ 14,187	\$ 14,187
Construction in progress	16,274	11,530	-	-	16,274	11,530
Museum artifacts	-	-	1,062	932	1,062	932
Buildings and improvements	12,004	12,486	10,165	10,401	22,169	22,887
Park land	7,784	7,944	-	-	7,784	7,944
Infrastructure	28,187	28,350	-	-	28,187	28,350
Furniture, machinery and equipment	1,488	1,504	382	321	1,870	1,825
Vehicles	1,983	1,869	203	235	2,186	2,104
Total	<u>\$ 79,865</u>	<u>\$ 75,828</u>	<u>\$ 13,854</u>	<u>\$ 13,931</u>	<u>\$ 93,719</u>	<u>\$ 89,759</u>

This year's major capital asset additions included:

Governmental Activities:

- SPLOST Old Highway 41 Project - \$885,560
- SPLOST Pine Mountain Road - \$2,611,612
- SPLOST Cherokee Street - \$511,334
- SPLOST Depot Park Improvements - \$402,050
- SPLOST Sardis Street Extension Project - \$206,745
- CDBG Butler Creek - \$199,338

September 30, 2019

City of Kennesaw, Georgia

Long-Term Debt

At the end of fiscal year 2019, the City had \$25,678,814 in outstanding long-term debt. This is a net decrease of \$1,921,301 compared to the prior year. More detailed information about the City's long-term liabilities is included in note 8 to the financial statements.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the total tax digest. The current debt limitation for the City is \$145,614,133, which is in excess of the City's outstanding general obligation debt.

Table 7
Outstanding Debt at September 30
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
General obligation bonds	\$ 8,325	\$ 8,945	\$ -	\$ -	\$ 8,325	\$ 8,945
Revenue bonds	7,067	7,750	-	-	7,067	7,750
Financed purchases from direct borrowings	457	545	158	214	615	759
OPEB liability	5,455	5,348	-	-	5,455	5,348
Net pension liability	3,314	3,830	127	196	3,441	4,026
Compensated absences	728	712	48	60	776	772
Total	<u>\$ 25,346</u>	<u>\$ 27,130</u>	<u>\$ 333</u>	<u>\$ 470</u>	<u>\$ 25,679</u>	<u>\$ 27,600</u>

Economic and Next Year's Budget and Rates

The City's governmental activities are funded by property taxes, other taxes such as business/occupational taxes and insurance premium taxes, grants & contributions and charges for services such as parks & recreation program fees. During the budget process, the City considered projections from Cobb County to estimate tax revenues and the local economy for other revenues for the proposed budget. The City's general fund budget of \$24,388,681 for fiscal year 2020 was approximately \$1,200,000 (5%) more than fiscal year 2019 based on these projections. Taxes were budgeted at an increase of \$740,000 based on the growth of the tax digest and anticipated increases in insurance premium taxes and business/occupational taxes. Use of reserves was budgeted at an increase of \$215,000. The City's 2020 budget does not include costs for issuing Tax Anticipation Notes (TANs). The elimination of short-term debt borrowing was a goal of the City and the City was able to meet this goal much sooner than anticipated.

Even though the third party who provides Sanitation services for the City increased their rates during fiscal year 2019, the City was able to absorb those increases during fiscal year 2019 and budgeted to do the same during fiscal year 2020.

The special streetlight district established during fiscal year 2018 has improved the financial condition of the General Fund. The City established a special streetlight district to provide for the collection of a service fee to cover the cost to provide and maintain the service of the provision of streetlights citywide, to establish standards for the construction of streetlights and to establish procedures to be followed by developers in all new subdivisions. The new enterprise fund reports streetlight revenues and expenditures. The fiscal year 2020 streetlight budget includes a full year of streetlight fees.

The City's healthcare costs were up \$386,000 during fiscal year 2019 and would have even been higher had the City not implemented the spousal exclusion during fiscal year 2018. The City is constantly monitoring ways to lower healthcare costs such as wellness programs whereby employees can receive incentives for their participation in the wellness program. The City switched health care providers effective with fiscal year 2020 to lower costs.

September 30, 2019

City of Kennesaw, Georgia

Included in the fiscal year 2020 budget were funds for working capital reserve, replace aging vehicle fleet, providing a Cost of Living Adjustment to employees and adding new positions in the finance and police departments. Also included in the budget were unfreezing positions in the City Clerk, Construction & Inspection and Information Technology departments.

The preliminary phase of the truck route signage study approved during fiscal year 2018 is complete. The primary purpose of the truck route is to provide dynamic messaging to direct trucks to appropriate routes. The next phase, truck route construction, is included in the fiscal year 2020 budget.

The 2016 SPLOST was approved by the voters in November 2014 and collections began in January 2016. Total funding from this SPLOST is scheduled to be \$26.3 million that consists of \$21.5 million for infrastructure and transportation projects, \$1.7 million for park improvements, \$125,000 for police vehicles and \$3 million for property acquisitions to support Economic Development. Included in the fiscal year 2020 budget are the remaining SPLOST dollars to be spent over the length of the projects: 2005 SPLOST \$3 million, 2011 SPLOST \$7.4 million and 2016 SPLOST \$23.4 million.

The City resurfaces streets under the Georgia Department of Transportation's Local Maintenance and Improvement Grant (LMIG). Under the LMIG program guidelines, the City is responsible for a 30% match of the City's total resurfacing cost to obtain the LMIG funds. The City received \$300,997 in LMIG funding during FY 2019 and expects to receive \$324,072 for FY 2020. The City relies on SPLOST and LMIG funds for resurfacing projects.

Financial Contact

This financial report is designed to provide a general overview of the City's finances, comply with finance related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director at 2529 J. O. Stephenson Avenue, Kennesaw, Georgia 30144.

CITY OF KENNESAW, GEORGIA

STATEMENT OF NET POSITION SEPTEMBER 30, 2019

ASSETS	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit
				Development Authority
Cash and cash equivalents	\$ 29,837,178	\$ 4,542,356	\$ 34,379,534	\$ 133,086
Investments	160,356	-	160,356	-
Taxes receivable	2,442,949	-	2,442,949	-
Other receivables	371,609	-	371,609	-
Accounts receivable, net of allowances	-	456,530	456,530	19,344
Due from other governments	1,379,320	-	1,379,320	-
Internal balances	344,433	(344,433)	-	-
Inventory	7,811	103,051	110,862	-
Prepaid items	192,095	24,799	216,894	-
Restricted cash	663,987	-	663,987	-
Restricted investments	7,679,070	-	7,679,070	-
Note receivable	33,269	-	33,269	-
Investment in joint venture	100,000	-	100,000	-
Capital assets:				
Non-depreciable	28,418,807	3,104,758	31,523,565	-
Depreciable, net of accumulated depreciation	51,446,150	10,749,333	62,195,483	-
Total assets	123,077,034	18,636,394	141,713,428	152,430
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related items	77,948	-	77,948	-
Pension related items	1,534,900	58,909	1,593,809	-
Total deferred outflows of resources	1,612,848	58,909	1,671,757	-
LIABILITIES				
Accounts payable	858,015	161,058	1,019,073	148
Accrued liabilities	1,463,637	638,339	2,101,976	-
Accrued interest payable	127,972	-	127,972	-
Unearned revenue	-	333,054	333,054	-
Compensated absences, due within one year	602,652	47,353	650,005	-
Compensated absences, due in more than one year	125,272	-	125,272	-
Financed purchases, due within one year	217,546	35,545	253,091	-
Financed purchases, due in more than one year	239,355	122,453	361,808	-
Bonds payable, due within one year	1,165,000	-	1,165,000	-
Bonds payable, due in more than one year	14,226,910	-	14,226,910	-
Net pension liability, due in more than one year	3,314,148	127,194	3,441,342	-
Total OPEB liability, due in more than one year	5,455,386	-	5,455,386	-
Total liabilities	27,795,893	1,464,996	29,260,889	148
DEFERRED INFLOWS OF RESOURCES				
OPEB related items	573,794	-	573,794	-
Pension related items	955,603	36,676	992,279	-
Total deferred inflows of resources	1,529,397	36,676	1,566,073	-
NET POSITION				
Net investment in capital assets	63,615,691	13,696,093	77,311,784	-
Restricted for:				
Law enforcement	730,943	-	730,943	-
Culture and recreation	12,035	-	12,035	-
Capital projects	26,079,459	-	26,079,459	-
Debt service	514,818	-	514,818	-
Voter approved use	7,703,313	-	7,703,313	-
Unrestricted	(3,291,667)	3,497,538	205,871	152,282
Total net position	\$ 95,364,592	\$ 17,193,631	\$ 112,558,223	\$ 152,282

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

CITY OF KENNESAW, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 4,663,769	\$ 202,471	\$ 770,760	\$ -
Judicial	393,208	1,099,181	-	-
Public safety	8,635,869	1,474,411	14,205	9,422
Public works	3,404,917	729,847	-	10,966,461
Culture and recreation	2,015,047	622,568	-	-
Housing and development	1,249,238	821,706	-	-
Interest on long-term debt	713,667	-	-	-
Total governmental activities	<u>21,075,715</u>	<u>4,950,184</u>	<u>784,965</u>	<u>10,975,883</u>
Business-type activities:				
Sanitation	1,906,567	2,542,701	-	-
Museum	1,154,357	460,022	-	131,930
Gardens	509,156	153,211	-	-
Stormwater	639,354	1,242,284	-	-
Streetlight	334,296	359,190	-	-
Total business-type activities	<u>4,543,730</u>	<u>4,757,408</u>	<u>-</u>	<u>131,930</u>
Total primary government	<u>\$ 25,619,445</u>	<u>\$ 9,707,592</u>	<u>\$ 784,965</u>	<u>\$ 11,107,813</u>
Component unit:				
Development Authority	\$ 12,287	\$ -	\$ -	\$ -
Total component unit	<u>\$ 12,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

- Property taxes
- Franchise taxes
- Insurance premium taxes
- Business taxes
- Other taxes
- Net investment income
- Miscellaneous
- Gain on sale of capital assets

Transfers

- Total general revenues and transfers
- Change in net position
- Net position, beginning of year
- Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Development Authority
\$ (3,690,538)	\$ -	\$ (3,690,538)	\$ -
705,973	-	705,973	-
(7,137,831)	-	(7,137,831)	-
8,291,391	-	8,291,391	-
(1,392,479)	-	(1,392,479)	-
(427,532)	-	(427,532)	-
(713,667)	-	(713,667)	-
(4,364,683)	-	(4,364,683)	-
-	636,134	636,134	-
-	(562,405)	(562,405)	-
-	(355,945)	(355,945)	-
-	602,930	602,930	-
-	24,894	24,894	-
-	345,608	345,608	-
(4,364,683)	345,608	(4,019,075)	-
-	-	-	(12,287)
-	-	-	(12,287)
12,584,176	-	12,584,176	-
1,905,748	-	1,905,748	-
2,329,114	-	2,329,114	-
1,465,211	-	1,465,211	-
966,156	-	966,156	-
1,105,382	57,946	1,163,328	1,330
-	-	-	64,374
-	1,650	1,650	-
(385,014)	385,014	-	-
19,970,773	444,610	20,415,383	65,704
15,606,090	790,218	16,396,308	53,417
79,758,502	16,403,413	96,161,915	98,865
\$ 95,364,592	\$ 17,193,631	\$ 112,558,223	\$ 152,282

CITY OF KENNESAW, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2019

ASSETS	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 3,953,213	\$ 24,800,375	\$ 1,056,221	\$ 29,809,809
Investments	160,356	-	-	160,356
Taxes receivable	2,432,242	-	10,707	2,442,949
Other receivables	102,373	-	209,207	311,580
Due from other governments	107,368	1,271,952	-	1,379,320
Due from other funds	395,788	-	70,924	466,712
Restricted cash	663,987	-	-	663,987
Restricted investments	7,679,070	-	-	7,679,070
Advances to other funds	110,152	-	-	110,152
Inventory	7,811	-	-	7,811
Prepaid items	180,024	-	8,294	188,318
Notes receivable	-	-	33,269	33,269
Total assets	<u>\$ 15,792,384</u>	<u>\$ 26,072,327</u>	<u>\$ 1,388,622</u>	<u>\$ 43,253,333</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 489,090	\$ 330,013	\$ 18,220	\$ 837,323
Accrued liabilities	590,492	400,455	19,790	1,010,737
Due to other funds	520,297	-	110,829	631,126
Advances from other funds	-	-	110,152	110,152
Total liabilities	<u>1,599,879</u>	<u>730,468</u>	<u>258,991</u>	<u>2,589,338</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	67,512	-	-	67,512
Unavailable revenues - other	-	308,222	-	308,222
Total deferred inflows of resources	<u>67,512</u>	<u>308,222</u>	<u>-</u>	<u>375,734</u>
FUND BALANCES				
Fund balances:				
Nonspendable:				
Long-term advances	110,152	-	-	110,152
Inventories	7,811	-	-	7,811
Prepaid items	180,024	-	8,294	188,318
Restricted:				
Law enforcement	14,473	-	708,176	722,649
Culture and recreation	-	-	12,035	12,035
Capital projects	-	25,033,637	337,145	25,370,782
Debt service	639,744	-	3,046	642,790
Voter approved use	7,703,313	-	-	7,703,313
Committed:				
Cemetery maintenance	-	-	39,151	39,151
Assigned:				
Capital projects	-	-	76,145	76,145
Unassigned	5,469,476	-	(54,361)	5,415,115
Total fund balances	<u>14,124,993</u>	<u>25,033,637</u>	<u>1,129,631</u>	<u>40,288,261</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,792,384</u>	<u>\$ 26,072,327</u>	<u>\$ 1,388,622</u>	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.				79,864,957
Investment in joint venture is not a financial resource and, therefore is not reported in the governmental funds.				100,000
Some receivables are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.				375,734
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds.				(16,704,707)
The net pension liability, total OPEB liability, and related deferred inflows and outflows of resources related to the City's defined benefit pension and OPEB plans are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.				(8,686,083)
Internal service funds are used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities.				126,430
Net position of governmental activities				<u>\$ 95,364,592</u>

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

CITY OF KENNESAW, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 18,929,153	\$ -	\$ 27,657	\$ 18,956,810
Licenses and permits	973,936	-	184,815	1,158,751
Intergovernmental	1,274,418	10,466,126	-	11,740,544
Fines and forfeitures	1,099,181	-	140,126	1,239,307
Charges for services	716,180	-	1,312,761	2,028,941
Contributions	6,099	-	-	6,099
Net investment income	1,087,578	324,857	16,219	1,428,654
Miscellaneous	198,328	-	14,205	212,533
Total revenues	<u>24,284,873</u>	<u>10,790,983</u>	<u>1,695,783</u>	<u>36,771,639</u>
EXPENDITURES				
Current:				
General government	4,156,524	-	-	4,156,524
Judicial	399,548	-	-	399,548
Public safety	7,233,519	-	1,136,272	8,369,791
Public works	2,061,548	-	222,221	2,283,769
Culture and recreation	1,694,486	-	13,344	1,707,830
Housing and development	1,046,628	-	117,113	1,163,741
Capital outlay	842,968	5,472,454	-	6,315,422
Debt service:				
Principal retirements	899,692	-	680,000	1,579,692
Interest and fiscal charges	384,090	-	341,592	725,682
Total expenditures	<u>18,719,003</u>	<u>5,472,454</u>	<u>2,510,542</u>	<u>26,701,999</u>
Excess (deficiency) of revenues over expenditures	<u>5,565,870</u>	<u>5,318,529</u>	<u>(814,759)</u>	<u>10,069,640</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	23,691	-	-	23,691
Financed purchases	191,014	-	-	191,014
Transfers in	575,000	-	1,045,702	1,620,702
Transfers out	(1,990,869)	-	(14,847)	(2,005,716)
Total other financing sources (uses)	<u>(1,201,164)</u>	<u>-</u>	<u>1,030,855</u>	<u>(170,309)</u>
Net change in fund balance	4,364,706	5,318,529	216,096	9,899,331
FUND BALANCES, beginning of year	<u>9,760,287</u>	<u>19,715,108</u>	<u>913,535</u>	<u>30,388,930</u>
FUND BALANCES, end of year	<u>\$ 14,124,993</u>	<u>\$ 25,033,637</u>	<u>\$ 1,129,631</u>	<u>\$ 40,288,261</u>

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

CITY OF KENNESAW, 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 SEPTEMBER 30, 2019

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

Net change in fund balances - total governmental funds	\$	9,899,331
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		4,086,523
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		293,595
The net effect of various miscellaneous transactions involving capital assets (i.e., sales) is to decrease net position.		(49,488)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,388,678
Internal service funds are used by management to charge the costs of health and workers' compensation insurance to individual funds. The net expenses of the internal service funds is reported with governmental activities.		189
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(12,738)
Change in net position - governmental activities	\$	<u>15,606,090</u>

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

CITY OF KENNESAW, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 17,691,710	\$ 17,691,710	\$ 18,929,153	\$ 1,237,443
Licenses and permits	418,550	448,550	973,936	525,386
Fines and forfeitures	1,110,000	1,110,000	1,099,181	(10,819)
Charges for services	863,571	863,571	716,180	(147,391)
Intergovernmental	1,260,000	1,260,000	1,274,418	14,418
Contributions	25,000	25,000	6,099	(18,901)
Net investment income	451,900	451,900	1,087,578	635,678
Miscellaneous	138,286	186,792	198,328	11,536
Total revenues	21,959,017	22,037,523	24,284,873	2,247,350
EXPENDITURES				
Current:				
General government:				
Mayor and council	408,723	1,003,253	348,560	654,693
City manager	1,310,817	716,287	620,937	95,350
Financial administration	795,488	795,488	793,066	2,422
Human resources	325,953	325,953	271,436	54,517
Legal and audit	410,200	410,200	269,394	140,806
Information technology	1,026,501	1,002,251	838,922	163,329
Buildings	1,133,746	1,133,746	1,014,209	119,537
Total general government	5,411,428	5,387,178	4,156,524	1,230,654
Judicial	399,599	400,999	399,548	1,451
Public safety:				
Police	6,968,985	7,126,486	6,922,129	204,357
Corrections	386,589	386,589	310,098	76,491
E911	350	350	1,292	(942)
Total public safety	7,355,924	7,513,425	7,233,519	279,906
Public works:				
Central services	600,910	712,910	704,334	8,576
Highways and streets	1,449,450	1,357,450	1,357,214	236
Total public works	2,050,360	2,070,360	2,061,548	8,812
Culture and recreation	2,133,723	2,133,723	1,694,486	439,237
Housing and development:				
Construction and inspection	515,861	545,861	532,885	12,976
Planning and zoning	218,757	219,757	219,745	12
Economic development	391,435	366,517	293,998	72,519
Total housing and development	1,126,053	1,132,135	1,046,628	85,507
Capital outlay	1,192,800	1,264,500	842,968	421,532
Debt service:				
Principal	926,725	926,725	899,692	27,033
Interest	413,306	413,306	384,090	29,216
Total debt service	1,340,031	1,340,031	1,283,782	56,249
Total expenditures	21,009,918	21,242,351	18,719,003	2,523,348
Excess of revenues over expenditures	949,099	795,172	5,565,870	4,770,698
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	5,000	5,000	23,691	18,691
Financed purchases	315,000	315,000	191,014	(123,986)
Transfers in	902,331	903,731	575,000	(328,731)
Transfers out	(2,171,430)	(2,018,903)	(1,990,869)	28,034
Total other financing sources (uses)	(949,099)	(795,172)	(1,201,164)	(405,992)
Net change in fund balances	-	-	4,364,706	4,364,706
FUND BALANCES, beginning of year	9,760,287	9,760,287	9,760,287	-
FUND BALANCES, end of year	\$ 9,760,287	\$ 9,760,287	\$ 14,124,993	\$ 4,364,706

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

CITY OF KENNESAW, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2019

ASSETS	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Sanitation Fund	Museum Fund	Stormwater Fund	Nonmajor Enterprise Funds	Totals	
CURRENT ASSETS						
Cash	\$ 1,673,167	\$ 400,725	\$ 2,295,479	\$ 172,985	\$ 4,542,356	\$ 27,369
Accounts receivable	243,615	-	164,468	48,447	456,530	60,029
Due from other funds	-	6,847	95,874	45,871	148,592	542,217
Inventory	-	101,436	-	1,615	103,051	-
Prepaid items	18	13,327	11,069	385	24,799	3,777
Total current assets	1,916,800	522,335	2,566,890	269,303	5,275,328	633,392
NONCURRENT ASSETS						
Capital assets:						
Non-depreciable assets	-	1,069,379	14,325	2,021,054	3,104,758	-
Depreciable assets	307,725	8,734,773	10,715,727	97,310	19,855,535	-
	307,725	9,804,152	10,730,052	2,118,364	22,960,293	-
Accumulated depreciation	(245,193)	(3,492,106)	(5,302,226)	(66,677)	(9,106,202)	-
Total capital assets	62,532	6,312,046	5,427,826	2,051,687	13,854,091	-
Total noncurrent assets	62,532	6,312,046	5,427,826	2,051,687	13,854,091	-
Total assets	1,979,332	6,834,381	7,994,716	2,320,990	19,129,419	633,392
DEFERRED OUTFLOWS OF RESOURCES						
Pension related items	19,610	-	39,299	-	58,909	-
Total deferred outflows of resources	19,610	-	39,299	-	58,909	-
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	139,043	10,101	983	10,931	161,058	20,692
Accrued liabilities	1,824	11,550	4,070	5,998	23,442	452,900
Due to other funds	151,628	233,433	21,906	119,428	526,395	-
Deposits payable	614,897	-	-	-	614,897	-
Financed purchases payable	-	-	35,545	-	35,545	-
Compensated absences payable	8,287	12,615	9,032	17,419	47,353	-
Unearned revenue	203,163	-	99,916	29,975	333,054	-
Total current liabilities	1,118,842	267,699	171,452	183,751	1,741,744	473,592
NONCURRENT LIABILITIES						
Financed purchases payable	-	-	122,453	-	122,453	-
Net pension liability	42,340	-	84,854	-	127,194	-
Total noncurrent liabilities	42,340	-	207,307	-	249,647	-
Total liabilities	1,161,182	267,699	378,759	183,751	1,991,391	473,592
DEFERRED INFLOWS OF RESOURCES						
Pension related items	12,209	-	24,467	-	36,676	-
Total deferred inflows of resources	12,209	-	24,467	-	36,676	-
NET POSITION						
Net investment in capital assets	62,532	6,312,046	5,269,828	2,051,687	13,696,093	-
Unrestricted	763,019	254,636	2,360,961	85,552	3,464,168	159,800
Total net position	\$ 825,551	\$ 6,566,682	\$ 7,630,789	\$ 2,137,239	17,160,261	\$ 159,800
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					33,370	
Net position of business-type activities					\$ 17,193,631	

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

CITY OF KENNESAW, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Sanitation Fund	Museum Fund	Stormwater Fund	Nonmajor Enterprise Funds	Totals	
OPERATING REVENUE						
Sanitation fees	\$ 2,539,265	\$ -	\$ -	\$ -	\$ 2,539,265	\$ -
Stormwater fees	-	-	1,242,284	-	1,242,284	-
Charges for sales and services	2,913	335,532	-	443,673	782,118	2,932,905
Miscellaneous	523	124,490	-	68,728	193,741	-
Total operating revenues	2,542,701	460,022	1,242,284	512,401	4,757,408	2,932,905
OPERATING EXPENSES						
Cost of sales and services	1,890,397	939,805	360,004	839,678	4,029,884	142,063
Claims	-	-	-	-	-	2,792,393
Depreciation	16,158	214,481	271,995	3,728	506,362	-
Total operating expenses	1,906,555	1,154,286	631,999	843,406	4,536,246	2,934,456
Operating income (loss)	636,146	(694,264)	610,285	(331,005)	221,162	(1,551)
NON-OPERATING INCOME (EXPENSES)						
Interest income	27,249	3,662	25,411	1,624	57,946	1,585
Interest expense	-	-	(7,329)	-	(7,329)	-
Gain on sale of capital assets	-	-	1,650	-	1,650	-
Total non-operating income	27,249	3,662	19,732	1,624	52,267	1,585
Income (loss) before transfers and contributions	663,395	(690,602)	630,017	(329,381)	273,429	34
Capital contributions	-	131,930	-	-	131,930	-
Transfers in	-	564,872	-	395,142	960,014	-
Transfers out	(500,000)	-	(75,000)	-	(575,000)	-
Total capital contributions and transfers	(500,000)	696,802	(75,000)	395,142	516,944	-
Change in net position	163,395	6,200	555,017	65,761	790,373	34
Total net position, beginning of year	662,156	6,560,482	7,075,772	2,071,478		159,766
Total net position, end of year	<u>\$ 825,551</u>	<u>\$ 6,566,682</u>	<u>\$ 7,630,789</u>	<u>\$ 2,137,239</u>		<u>\$ 159,800</u>
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					(155)	
Change in net position of business-type activities					<u>\$ 790,218</u>	

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

CITY OF KENNESAW, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Sanitation Fund	Museum Fund	Stormwater Fund	Nonmajor Enterprise Funds	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 2,537,720	\$ 460,188	\$ 1,221,951	\$ 495,850	\$ 4,715,709	\$ 2,759,523
Payments to suppliers	(1,778,983)	(90,267)	(50,297)	(388,025)	(2,307,572)	(2,748,422)
Payments to employees	(131,769)	(638,636)	(315,631)	(388,993)	(1,475,029)	-
Net cash provided by (used in) operating activities	626,968	(268,715)	856,023	(281,168)	933,108	11,101
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers in from other funds	-	564,872	-	395,142	960,014	-
Transfers out to other funds	(500,000)	-	(75,000)	-	(575,000)	-
Net cash provided by (used in) non-capital financing activities	(500,000)	564,872	(75,000)	395,142	385,014	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	-	-	(298,998)	-	(298,998)	-
Proceeds from the sale of capital assets	-	-	1,650	-	1,650	-
Principal payments on financed purchases	-	-	(56,083)	-	(56,083)	-
Interest payments on financed purchases	-	-	(7,329)	-	(7,329)	-
Grants and capital contributions	-	1,349	-	-	1,349	-
Net cash provided by (used in) capital and related financing activities	-	1,349	(360,760)	-	(359,411)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	27,249	3,662	25,411	1,624	57,946	1,585
Net cash provided by investing activities	27,249	3,662	25,411	1,624	57,946	1,585
Net increase in cash	154,217	301,168	445,674	115,598	1,016,657	12,686
Cash, beginning of year	1,518,950	99,557	1,849,805	57,387	3,525,699	14,683
Cash, end of year	\$ 1,673,167	\$ 400,725	\$ 2,295,479	\$ 172,985	\$ 4,542,356	\$ 27,369
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	\$ 636,146	\$ (694,264)	\$ 610,285	\$ (331,005)	\$ 221,162	\$ (1,551)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	16,158	214,481	271,995	3,728	506,362	-
Change in assets and liabilities:						
Decrease (increase) in accounts receivable	7,956	166	799	(16,551)	(7,630)	88,022
Decrease (increase) in due from other funds	-	(6,691)	14,259	(16,238)	(8,670)	(261,404)
Decrease (increase) in prepaid items	-	7,799	1,645	223	9,667	(3,777)
Increase in inventory	-	(8,176)	-	(14)	(8,190)	-
Decrease in pension related deferred outflows of resources	15,618	-	12,865	-	28,483	-
Increase (decrease) in accounts payable	2,472	5,390	(2,016)	(26,270)	(20,424)	10,003
Increase (decrease) in accrued liabilities	393	2,110	(431)	(198)	1,874	179,808
Increase in customer deposits payable	18,875	-	-	-	18,875	-
Decrease in compensated absences payable	(767)	(1,490)	(6,817)	(3,665)	(12,739)	-
Increase (decrease) in unearned revenue	(31,812)	-	(21,132)	29,975	(22,969)	-
Decrease in pension related deferred inflows of resources	(5,459)	-	(1,695)	-	(7,154)	-
Increase in due to other funds	3,947	211,960	8,240	78,847	302,994	-
Decrease in net pension liability	(36,559)	-	(31,974)	-	(68,533)	-
Net cash provided by (used in) operating activities	\$ 626,968	\$ (268,715)	\$ 856,023	\$ (281,168)	\$ 933,108	\$ 11,101
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital contributions	\$ -	\$ 130,581	\$ -	\$ -	\$ -	\$ 130,581

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

**CITY OF KENNESAW, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City operates under a council/manager form of government and provides the following services to its citizens: public safety, public works, parks and recreation, public improvements, and general and administrative services.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Unit

The Kennesaw Development Authority (the "KDA") has been included as a discretely presented component unit in the accompanying financial statements due to the nature and significance of its relationship with the City. The City appoints its seven member board and all debt issuances must be first approved by the City Council. These factors, along with the eminent domain approval requirement per OCGA 36-42-8, demonstrate the City's ability to impose its will on the KDA. Financial information with regard to the KDA can be obtained from Kennesaw City Hall. Separate financial statements for the Kennesaw Development Authority are not prepared.

Blended Component Unit

The Kennesaw Urban Redevelopment Agency (the "KURA") has been included as a blended component unit in the accompanying financial statements. The City appoints its three member board. Although it is legally separate from the City, its sole purpose is to finance construction and acquisitions of the City. The debt and assets of the KURA have been reported as a form of the City's debt and assets and all debt service activity is reported as debt service activity of the City and is repaid entirely with City resources. Separate financial statements for the Kennesaw Urban Redevelopment Agency are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The Kennesaw Downtown Development Authority (the “KDDA”) has been included as a blended component unit in the accompanying financial statements. The City appoints its seven member board and all debt issuances must be first approved by the City Council. The total outstanding debt of the KDDA is expected to be repaid almost entirely with the City’s resources. The debt and assets of the KDDA have been reported as a form of the City’s debt and assets and all debt service activity is reported as debt service activity of the City. Separate financial statements for the Kennesaw Downtown Development Authority are not prepared.

B. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 considered 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of intergovernmental revenue which is considered available if collected within 180 days of year end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major governmental funds:

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

The **SPLOST Fund** accounts for the receipts of special purpose local option sales tax (SPLOST) funds and expenditures of money for capital projects approved in the SPLOST resolution.

The City reports the following major proprietary funds:

The **Sanitation Fund** accounts for the collection of fees for garbage collection, disposal and recycling programs and related expenses.

The **Museum Fund** accounts for the activity related to the operation of the City's Museum.

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

The City also reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues, such as confiscations and forfeitures, E911 revenues, hotel/motel tax revenues, charges for cemetery plot sales, charges for various impact fee permits and various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

The **Capital Projects Fund** is used to account for the expenditures of money for major capital projects. This fund is general in nature and may be used to finance any capital project that the City Council designates.

The **Debt Service Funds** are used to account for the resources accumulated and payments made for principal and interest on long-term debt of the City.

The **Enterprise Funds** are used to account for operations that are financed and operated in a manner similar to private business enterprise where the intent of the City is that the costs (including depreciation) of providing the goods and services be financed or recovered primarily through user charges.

The **Internal Service Fund** accounts for the accumulation of resources to be used for health insurance related costs, as the City is partially self-insured.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

D. Budgets

Annual appropriated budgets are adopted for all funds, except capital project funds, which have project length budgets. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year end. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is not employed by the City.

E. Fund Deficits

As of September 30, 2019, the Downtown Development Authority reported a deficit fund balance of \$54,361. The deficit will be relieved by the return of investment in joint venture.

F. Deposits and Investments

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other state; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments made by the City in nonparticipating interest-earning contracts (such as certificates of deposit) are reported at cost. All other investments are reported at fair value and changes in fair value are reported as a component of investment income.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Receivables and Payables

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

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

H. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories reported in the governmental funds are equally offset by fund balance, which indicates that they do not constitute “available, spendable resources” even though they are a component of net current assets.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2019, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

J. 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 column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value. The City has reported infrastructure consistent with the retroactive infrastructure reporting requirements of GASB Statement 34.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets (Continued)

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

Assets	Years
Infrastructure	30-50
Buildings	10-40
Land improvements	10-40
Machinery and equipment	3-20
Vehicles	3-10

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Based on historical data collected by the City, the City deems it appropriate to classify its entire business-type activities compensated absences payable balance as short term.

L. Deferred Outflows/Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Deferred Outflows/Inflows of Resources (Continued)

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability and total other postemployment benefit (OPEB) liability. Certain changes in the net pension liability and total OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability and total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense and OPEB expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability and total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense and OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan and OPEB plan before year end but subsequent to the measurement date of the City's net pension liability and total OPEB liability are reported as deferred outflows of resources. This amount will reduce the net pension liability and total OPEB liability in the next fiscal year.

M. Long-Term Obligations

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

In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources and bond issuance costs as expenditures.

N. Fund Equity

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Equity (Continued)

Fund balances are classified as follows:

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

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

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a formal resolution of the City Council. Only the City Council may modify or rescind the commitment through the passage of a resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council, through resolution, has expressly delegated to the City Manager the authority to assign funds for particular purposes.

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

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

Net position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted. When both restricted and unrestricted amounts of net position are available for use for expenses incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Pensions

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

P. Management Estimates

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

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$16,704,707 difference are as follows:

Financed purchases payable	\$ (456,901)
Bonds payable	(15,355,000)
Premium on bonds	(36,910)
Accrued interest payable	(127,972)
Compensated absences	(727,924)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (16,704,707)</u>

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation states that “deferred outflows of resources, deferred inflows of resources, the net pension liability and total OPEB liability are not expected to be liquidated with expendable available resources and therefore are not reported in the funds.” The details of this \$8,686,083 difference are as follows:

Net pension liability	\$ (3,314,148)
Total OPEB liability	(5,455,386)
Deferred outflows of resources:	
Pension related items	1,534,900
OPEB related items	77,948
Deferred inflows of resources:	
Pension related items	(955,603)
OPEB related items	(573,794)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (8,686,083)</u></u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$4,086,523 difference are as follows:

Capital outlay	\$ 6,576,132
Depreciation expense	<u>(2,489,609)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 4,086,523</u></u>

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,388,678 difference are as follows:

Financed purchases payable	\$ (191,014)
Principal retirement of long-term debt	1,579,692
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,388,678</u>

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$12,738 differences are as follows:

Compensated absences	\$ (16,102)
Investment in joint venture	100,000
Total OPEB liability and related deferred outflows and inflows of resources	(351,277)
Net pension liability and related deferred outflows and inflows of resources	242,626
Amortization of bond issuance premium	3,193
Accrued interest	8,822
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position of governmental activities</i>	<u>\$ (12,738)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE - BUDGETS

The City of Kennesaw, Georgia employs the following procedures in establishing its annual budget:

1. The City Manager submits a proposed operating budget to the City Council. The operating budget includes proposed expenditures and the means for financing them.
2. Prior to any action by the Council, the City publishes the proposed budget in the official legal organ, other community newspapers and makes copies available to the residents of the City.
3. Public meetings are held to obtain taxpayer comments.
4. The budget is then legally enacted through passage of a resolution by the City Council by October 1 each fiscal year.
5. Budgetary control is exercised at the department level for the General Fund and total expenditures for all other funds. The City Manager is authorized to transfer budget amounts within a department for the General Fund; however, any revisions that alter the total expenditures of a department require a budget amendment by the City Council. The City Manager is authorized to transfer budget amounts within the fund for all other funds; however, a change in total expenditures requires a budget amendment by the City Council. Budget amounts shown in these financial statements reflect amendments approved by the City Council. Such amendments resulted in no supplemental appropriations.

For the fiscal year ended September 30, 2019, the following funds had actual expenditures in excess of appropriations:

General Fund		
Public Safety - E911	\$	942

These expenditures in excess of appropriations were funded by greater than anticipated revenues and interfund transfers in.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. The City does not have a formal policy to address credit risk aside from adherence to State statutes for investments. State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

As of September 30, 2019, information on the credit risk and interest rate risk related to the City's investments is disclosed as follows:

Investment	Maturities	Rating	Reported Value
Certificate of deposit	1 - 5 years	N/A	\$ 160,356
Federal Home Loan Bank	1 - 5 years	Aaa	375,182
Federal Farm Credit Bank	1 - 5 years	Aaa	547,955
Federal Home Loan Mortgage Corp.	6 - 10 years	Aaa	462,658
Federal Home Loan Bank	6 - 10 years	Aaa	1,317,143
Federal Farm Credit Bank	6 - 10 years	Aaa	356,838
Federal National Mortgage Association	6 - 10 years	Aaa	1,782,132
Federal Farm Credit Bank	11 - 15 years	Aaa	548,472
Federal Home Loan Bank	16 - 20 years	Aaa	472,150
Federal National Mortgage Association	16 - 20 years	Aaa	591,836
Tennessee Valley Authority Debenture	16 - 20 years	Aaa	725,255
Fannie Mae Pool	21 - 25 years	N/A	499,449
Total			<u>\$ 7,839,426</u>

N/A - Not applicable

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2019:

Investment	Level 1	Level 2	Fair Value
Federal Home Loan Bank	\$ 998,818	\$ 1,165,657	\$ 2,164,475
Federal Home Loan Mortgage Corp	-	462,658	462,658
Federal National Mortgage Association	1,836,140	537,828	2,373,968
Federal Farm Credit Bank	-	1,453,265	1,453,265
Fannie Mae Pool	-	499,449	499,449
Tennessee Valley Authority Debenture	725,255	-	725,255
Total investments measured at fair value	<u>\$ 3,560,213</u>	<u>\$ 4,118,857</u>	<u>\$ 7,679,070</u>
Investments not reported at fair value:			
Certificates of Deposit			<u>160,356</u>
Total investments			<u>\$ 7,839,426</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

The Federal National Mortgage Association, Tennessee Valley Authority Debenture, and Federal Home Loan Bank classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investment in Federal Home Loan Bank, Federal Home Loan Mortgage Corp, Federal Farm Credit Bank, the Fannie Mae Pool, the, and the Federal National Mortgage Association classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Custodial Credit Risk – Deposits: State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the state of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of September 30, 2019, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, required participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of September 30, 2019, all of the City's bank balances were insured and/or collateralized as defined by GASB standards.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. Tax bills are levied on October 1. The billings are considered due upon receipt by the taxpayer; however, the actual due date is December 1. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes are recorded as receivables and deferred inflows of resources when assessed. Revenues are recognized in governmental funds when available.

Receivables at September 30, 2019, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>SPLOST</u>	<u>Sanitation</u>	<u>Stormwater</u>
Receivables:				
Taxes	\$ 2,456,319	\$ -	\$ -	\$ -
Accounts	102,373	-	353,389	172,280
Due from other governments	107,368	1,271,952	-	-
Less allowance for uncollectible	(24,077)	-	(109,774)	(7,812)
Net total receivable	<u>\$ 2,641,983</u>	<u>\$ 1,271,952</u>	<u>\$ 243,615</u>	<u>\$ 164,468</u>

	<u>Other Nonmajor Governmental Funds</u>	<u>Other Nonmajor Proprietary Funds</u>
Receivables:		
Taxes	\$ 10,707	\$ -
Accounts	209,207	50,790
Less allowance for uncollectible	-	(2,343)
Net total receivable	<u>\$ 219,914</u>	<u>\$ 48,447</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Primary Government

Capital asset activity for the fiscal year ended September 30, 2019, is as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 12,145,223	\$ -	\$ -	\$ -	\$ 12,145,223
Construction in progress	11,529,571	5,392,383	(648,370)	-	16,273,584
Total	<u>23,674,794</u>	<u>5,392,383</u>	<u>(648,370)</u>	<u>-</u>	<u>28,418,807</u>
Capital assets, being depreciated:					
Buildings	18,458,356	41,683	-	-	18,500,039
Infrastructure	51,869,832	304,989	648,370	-	52,823,191
Machinery and equipment	4,920,913	181,267	-	(72,601)	5,029,579
Land improvements	10,217,018	114,617	-	-	10,331,635
Vehicles	4,370,104	541,193	-	(367,469)	4,543,828
Total	<u>89,836,223</u>	<u>1,183,749</u>	<u>648,370</u>	<u>(440,070)</u>	<u>91,228,272</u>
Less accumulated depreciation for:					
Buildings	(5,972,293)	(523,675)	-	-	(6,495,968)
Infrastructure	(23,519,511)	(1,116,885)	-	-	(24,636,396)
Machinery and equipment	(3,416,852)	(197,785)	-	72,601	(3,542,036)
Land improvements	(2,272,924)	(274,399)	-	-	(2,547,323)
Vehicles	(2,501,515)	(376,865)	-	317,981	(2,560,399)
Total	<u>(37,683,095)</u>	<u>(2,489,609)</u>	<u>-</u>	<u>390,582</u>	<u>(39,782,122)</u>
Total capital assets, being depreciated, net	<u>52,153,128</u>	<u>(1,305,860)</u>	<u>648,370</u>	<u>(49,488)</u>	<u>51,446,150</u>
Governmental activities capital assets, net	<u>\$ 75,827,922</u>	<u>\$ 4,086,523</u>	<u>\$ -</u>	<u>\$ (49,488)</u>	<u>\$ 79,864,957</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Museum artifacts	\$ 931,798	\$ 130,581	\$ -	\$ 1,062,379
Land	2,042,379	-	-	2,042,379
Total	<u>2,974,177</u>	<u>130,581</u>	<u>-</u>	<u>3,104,758</u>
Capital assets, being depreciated:				
Buildings and structures	18,123,741	181,963	-	18,305,704
Furniture and fixtures	89,448	-	-	89,448
Vehicles	381,589	-	-	381,589
Machinery and equipment	1,004,959	117,035	(43,200)	1,078,794
Total	<u>19,599,737</u>	<u>298,998</u>	<u>(43,200)</u>	<u>19,855,535</u>
Less accumulated depreciation for:				
Buildings and structures	(7,722,693)	(418,248)	-	(8,140,941)
Furniture and fixtures	(85,368)	(816)	-	(86,184)
Vehicles	(147,191)	(31,836)	-	(179,027)
Machinery and equipment	(687,788)	(55,462)	43,200	(700,050)
Total	<u>(8,643,040)</u>	<u>(506,362)</u>	<u>43,200</u>	<u>(9,106,202)</u>
Total capital assets, being depreciated, net	<u>10,956,697</u>	<u>(207,364)</u>	<u>-</u>	<u>10,749,333</u>
Business-type activities capital assets, net	<u><u>\$ 13,930,874</u></u>	<u><u>\$ (76,783)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 13,854,091</u></u>

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

Governmental activities:	
General government	\$ 221,246
Judicial	577
Public safety	356,032
Public works	1,376,537
Culture and recreation	341,420
Housing and development	193,797
Total depreciation expense - governmental activities	<u><u>\$ 2,489,609</u></u>
Business-type activities:	
Sanitation	\$ 16,158
Museum	214,481
Stormwater	271,995
Gardens	3,728
Total depreciation expense - business-type activities	<u><u>\$ 506,362</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. SHORT-TERM BORROWINGS

During the year ending September 30, 2019, the City used a tax anticipation note for operating purposes; the balance of the note was paid off as of September 30, 2019. The note had an interest rate of 2.00% and matured on December 31, 2018.

Total short-term borrowings interest incurred and expensed for the year ended September 30, 2019, was \$14,547.

The following is a summary of the tax anticipation note payable for the year ended September 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Tax anticipation note	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ (3,000,000)</u>	<u>\$ -</u>

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NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

Primary Government

Long-term liability activity for the year ended September 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$ 8,945,000	\$ -	\$ (620,000)	\$ 8,325,000	\$ 650,000
Revenue bonds	7,710,000	-	(680,000)	7,030,000	515,000
Premium on bonds	40,103	-	(3,193)	36,910	-
Financed purchases from					
direct borrowings	545,579	191,014	(279,692)	456,901	217,546
Total OPEB liability	5,347,847	517,930	(410,391)	5,455,386	-
Net pension liability	3,829,864	2,176,459	(2,692,175)	3,314,148	-
Compensated absences	711,822	602,571	(586,469)	727,924	602,652
Governmental activity					
Long-term liabilities	<u>\$ 27,130,215</u>	<u>\$ 3,487,974</u>	<u>\$ (5,271,920)</u>	<u>\$ 25,346,269</u>	<u>\$ 1,985,198</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Financed purchases from					
direct borrowings	\$ 214,081	\$ -	\$ (56,083)	\$ 157,998	\$ 35,545
Net pension liability	195,727	83,531	(152,064)	127,194	-
Compensated absences	60,092	47,857	(60,596)	47,353	47,353
Business-type activity					
Long-term liabilities	<u>\$ 469,900</u>	<u>\$ 131,388</u>	<u>\$ (268,743)</u>	<u>\$ 332,545</u>	<u>\$ 82,898</u>

For governmental activities, compensated absences, total OPEB liability and the net pension liability are liquidated by the General Fund and E911 Fund. For business-type activities, compensated absences are liquidated by all enterprise funds and the net pension liability is liquidated by the sanitation and stormwater funds. The City has reported 100% of the compensated absences liability for business-type activities as due in one year as historical usage patterns show employees use earned vacation within one year.

Financed Purchases from Direct Borrowings. The City has entered into financed purchase agreements for the acquisition of equipment (vehicles), machinery, and improvements used in general governmental activities. As of September 30, 2019, the City had governmental activities machinery and equipment under financed purchase agreements with a cost of \$1,194,017 and accumulated depreciation of \$326,209 for a net book value of \$867,808, and business-type activities vehicles with a cost of \$268,257 and accumulated depreciation of \$56,686 for a net book value of \$211,571. Annual depreciation of these assets is included in depreciation expense.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (Continued)

The City's total governmental activities financed purchase payable debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2020	\$ 217,546	\$ 13,225	\$ 230,771
2021	134,124	8,200	142,324
2022	55,817	4,524	60,341
2023	44,734	2,160	46,894
2024	4,680	216	4,896
Total	<u>\$ 456,901</u>	<u>\$ 28,325</u>	<u>\$ 485,226</u>

The City's total business-type activities financed purchase payable debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2020	\$ 35,545	\$ 6,762	\$ 42,307
2021	36,278	5,127	41,405
2022	37,656	3,617	41,273
2023	34,856	2,049	36,905
2024	13,663	584	14,247
Total	<u>\$ 157,998</u>	<u>\$ 18,139</u>	<u>\$ 176,137</u>

General Obligation Bonds – Direct Placement. In November 2004 and January 2005 the City issued \$9,000,000 and \$6,000,000, respectively, of various purpose, Series 2004 & 2005 direct placement General Obligation Bonds. The proceeds from the bonds will be used to pay for the costs of acquiring, constructing, equipping and renovating certain transportation projects, and parks and recreation projects, as well as the issuance costs.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. The bonds were issued as 25-year serial bonds with interest rates of 4.12%. General obligation bond debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2020	\$ 650,000	\$ 329,600	\$ 979,600
2021	685,000	302,099	987,099
2022	720,000	273,156	993,156
2023	760,000	242,668	1,002,668
2024	800,000	260,487	1,060,487
2025-2029	4,710,000	505,936	5,215,936
Total	<u>\$ 8,325,000</u>	<u>\$ 1,913,946</u>	<u>\$ 10,238,946</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (Continued)

Revenue Bonds – Direct Placement. The Kennesaw Downtown Development Authority (“KDDA”), a blended component unit, issued \$4,990,000 of Revenue Bonds in 2001 to expand the Southern Museum of Civil War and Locomotive History. The City entered into a contract with KDDA whereby the City agreed to pay the bond trustee an amount equal to the annual debt service on the bonds. The bonds bear interest at a rate of 4.48% annually and are due on June 1 each year, beginning in 2002 through 2021.

The direct placement revenue bond debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2020	\$ 390,000	\$ 46,144	\$ 436,144
2021	410,000	28,224	438,224
2022	425,000	9,520	434,520
Total	<u>\$ 1,225,000</u>	<u>\$ 83,888</u>	<u>\$ 1,308,888</u>

Revenue Bonds. In February 2014 the KURA issued \$3,620,000 and \$2,805,000 of Series 2014A and 2014B Revenue Bonds, respectively to finance the costs of acquiring a parking deck and adjacent surface parking in the downtown Kennesaw area. Series 2014A Revenue Bonds bear interest between 3.75% and 5.125% and are payable each February 1 and August 1 starting in 2014 through 2044. Series 2014B Revenue Bonds bear interest between 2.00% and 5.25% and are payable each February 1 and August 1 starting in 2014 through 2032.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2020	\$ 125,000	\$ 263,261	\$ 388,261
2021	135,000	258,061	393,061
2022	140,000	252,561	392,561
2023	145,000	246,680	391,680
2024	150,000	240,224	390,224
2025-2029	860,000	1,085,181	1,945,181
2030-2034	1,120,000	839,006	1,959,006
2035-2039	1,400,000	575,675	1,975,675
2040-2044	1,730,000	225,778	1,955,778
Total	<u>\$ 5,805,000</u>	<u>\$ 3,986,427</u>	<u>\$ 9,791,427</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2019, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 70,653
General fund	Nonmajor enterprise funds	102,764
General fund	Stormwater fund	5,242
General fund	Sanitation fund	5,122
General fund	Museum fund	212,007
Museum fund	Nonmajor governmental funds	6,847
Nonmajor governmental funds	General fund	70,924
Nonmajor enterprise fund	Sanitation fund	45,871
Stormwater fund	Sanitation fund	95,874
Internal service fund	General fund	449,373
Internal service fund	Museum fund	21,426
Internal service fund	Sanitation fund	4,761
Internal service fund	Stormwater fund	16,664
Internal service fund	Nonmajor enterprise funds	16,664
Internal service fund	Nonmajor governmental funds	33,329
		<u>\$ 1,157,521</u>

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances to/from other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 110,152</u>

The amounts payable to the General Fund relate to cash loaned to Kennesaw Downtown Development Authority by the General fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General fund	Sanitation fund	\$ 500,000
General fund	Stormwater fund	75,000
		<u>\$ 575,000</u>
Museum fund	General fund	\$ 550,025
Museum fund	Nonmajor governmental funds	14,847
		<u>\$ 564,872</u>
Nonmajor enterprise funds	General fund	<u>\$ 395,142</u>
Nonmajor governmental funds	General fund	<u>\$ 1,045,702</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounts for in other funds in accordance with budgetary authorizations.

NOTE 10. OPERATING LEASES

The City leases copy machines under non-cancelable operating leases. Total costs for such leases were \$26,142 for the fiscal year ended September 30, 2019. The future minimum lease payments for these leases are as follows:

<u>Year Ending September 30,</u>	
2020	\$ 26,142
2021	26,142
2022	26,142
2023	26,142
2024	26,142
Total	<u>\$ 130,710</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Kennesaw Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or 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.

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. Changes to these benefits would have to be authorized by City Council. All employees who work at least thirty hours a week and elected officials are eligible to participate with no waiting period. Benefits for employees vest after five years of service. Benefits for elected officials vest immediately if employed prior to January 1, 2016 and four years and one month if hired on or after January 1, 2016. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.0% of final average earnings in excess of covered compensation. Under the old plan, which some employees are still participating, an employee may elect early retirement at the age of 55 provided he has a minimum of ten years total credited service. If he retires between the ages of 55-65, there will be a reduced monthly benefit. To receive full benefits, an employee must be employed until age 65. The benefit is calculated on the last five year's highest averaged earnings. The employees who are still under this plan do not contribute toward the plan.

Under the new plan of the Rule of 75, added in March 2003, an employee can retire with full benefits when their age plus years of service equal 75, and have ten years total credited service. The employees who are under the Rule of 75 are required to contribute 2% of their income every pay period toward the plan. The monthly benefit is calculated on the last three years' highest averaged earnings.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (Continued)

Elected officials are entitled to \$65 for each year of service after reaching normal retirement age.

Plan Membership. At January 1, 2019, the date of the most recent actuarial valuation, there were 300 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	68
Terminated vested participants not yet receiving benefits	62
Active employees - vested	117
Active employees - nonvested	53
Total	<u>300</u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan, as adopted by the City Council, is to contribute an amount equal to or greater than the recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. For the year ended September 30, 2019, City contributions to the Plan were \$1,054,005 and employee contributions to the Plan were \$185,117 for the year ended September 30, 2019.

Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2018.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

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

Inflation	2.75%
Salary increases	2.75% plus serviced based merit increases
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates for the January 1, 2018 valuation were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

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

Cost of living adjustments were assumed to be 0.00%.

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

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	7.40
Global fixed income	5%	3.03
Domestic fixed income	20%	1.75
Real estate	10%	5.10
Cash	—%	
Total	100%	

* Rates shown are net of the 2.75% assumed rate of inflation.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

Discount rate. The discount rate used to measure the total pension liability in both the current year and the prior year was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2019 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 9/30/18	\$ 20,703,802	\$ 16,678,211	\$ 4,025,591
Changes for the year:			
Service cost	614,896	-	614,896
Interest	1,561,469	-	1,561,469
Differences between expected and actual experience	38,381	-	38,381
Contributions—employer	-	1,007,920	(1,007,920)
Contributions—employee	-	178,209	(178,209)
Net investment income	-	1,658,110	(1,658,110)
Benefit payments, including refunds of employee contributions	(998,213)	(998,213)	-
Administrative expense	-	(45,244)	45,244
Net changes	1,216,533	1,800,782	(584,249)
Balances at 9/30/19	\$ 21,920,335	\$ 18,478,993	\$ 3,441,342

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

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 7.50 percent, 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's net pension liability	\$ 6,307,924	\$ 3,441,342	\$ 1,053,219

Changes in the Net Pension Liability of the City. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2018 and the current sharing pattern of costs between employer and employee.

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

For the fiscal year ended September 30, 2019, the City recognized pension expense of \$764,175. At September 30, 2019, 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
Differences between expected and actual experience	\$ 322,319	\$ 33,481
Changes in assumptions	217,485	-
Net difference between projected and actual earnings on pension plan investments	-	958,798
City contributions subsequent to the measurement date	1,054,005	-
Total	<u>\$ 1,593,809</u>	<u>\$ 992,279</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of \$1,054,005 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2020	\$ 55,095
2021	(206,265)
2022	(220,926)
2023	(80,379)
Total	<u>\$ (452,475)</u>

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS

Plan Description and Benefits

The City of Kennesaw Other Postretirement Benefits Plan (the "OPEB Plan") is a single-employer defined benefit postretirement health care, dental and vision plan, or other postemployment benefit (OPEB) plan. The City has not elected to advance fund the plan, but rather maintains the plan on a "pay as you go" basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. There are no separately issued financial statements related to the City's OPEB Plan.

Eligible retirees and former employees are offered the same POS health, prescription drug and dental coverage as active employees. Retirees are not offered the EPO plan. The City pays 100% of the employee premium and 0% of family premium for the POS plan. There is a maximum out-of-pocket cost to the employee of \$1,000 per year per individual or \$3,000 per family for the POS plan. The individual limits of coverage by the City total \$165,000 per individual per calendar year for the first claimant and \$100,000 per individual per calendar year for subsequent claimants. The City only pays one aggregate claim totaling \$165,000 for both the active employees and retirees combined. After individual limits are met, the insurance carrier covers additional claims.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Eligibility

Eligible participants for Other Postemployment Benefits include:

1. Retired employees meeting the rule of 70 (age + years of service = 70); and
2. Employee must be receiving a pension from GMA.

Plan Membership

As of April 1, 2017, the most recent actuarial valuation date, the Plan membership included the following categories of participants:

Retirees, beneficiaries, and dependents	10
Active participants	187
	<u>197</u>

City Contributions

The City has elected to fund the plan on a pay-as-you go basis. For the year ended September 30, 2019, the City contributed \$77,948 for the pay as you go benefits for the OPEB plan.

Total OPEB Liability

The City's total OPEB liability of \$5,455,386 was measured as of September 30, 2018 and was determined by an actuarial valuation as of April 1, 2017 using standard rollforward techniques.

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NOTES TO FINANCIAL STATEMENTS

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation rate	3.25%
Salary increase, including wage inflation	3.75% - 8.75%, including inflation
Discount rate	4.18%
Health care cost trends	
Medical	6.50% - 4.50%, Ultimate Trend in 2021
Prescription drug	9.00% - 4.50%, Ultimate Trend in 2026

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

The actuarial assumptions used in the April 1, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

The discount rate is based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). Specifically, the chosen rate of the Bond Buyer General Obligation 20-year Municipal Bond Index published as of the measurement date of September 30, 2018.

Changes in the Total OPEB Liability

The changes in the total OPEB liability for the City for the fiscal year ended September 30, 2019 were as follows:

	Total OPEB Liability
Balance at September 30, 2018	\$ 5,347,847
Service Cost	313,279
Interest	204,651
Experience differences	(120,315)
Assumption changes	(212,393)
Benefit payments	(77,683)
Balance at September 30, 2019	<u>\$ 5,455,386</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity for the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.18 percent) or 1-percentage-point higher (5.18) than the current discount rate:

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 5,855,992	\$ 5,455,386	\$ 5,085,894

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (Medical: 5.5% trended down to 3.5% and Prescription Drug: 8.0% trended down to 3.5%) or 1-percentage-point higher (Medical: 7.5% trended down to 5.5% and Prescription Drug: 10.0% trended down to 5.5%) than the current healthcare cost trend rates:

	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rates	1% Increase Health Care Cost Trend Rates
Total OPEB liability	\$ 4,917,932	\$ 5,455,386	\$ 6,071,899

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2018 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2019 the City recognized OPEB expense of \$429,225. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 211,503
Changes in plan assumptions	-	362,291
City contributions subsequent to the measurement date	77,948	-
Total	<u>\$ 77,948</u>	<u>\$ 573,794</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB (Continued)

City contributions made subsequent to the measurement date of \$77,948 are reported as deferred outflows of resources and will be recognized as a decrease of the total OPEB liability in the year ending September 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year ending September 30:

2020	\$	(88,701)
2021		(88,701)
2022		(88,701)
2023		(88,701)
2024		(88,701)
Thereafter		(130,289)
	\$	<u>(573,794)</u>

NOTE 13. DEFINED CONTRIBUTION PENSION PLAN

The City of Kennesaw's Internal Revenue Code Section 457 and 401(a) Plans are deferred compensation plans and qualify as a defined contribution pension plan. The Plan is administered by Valic and Nationwide for all full time employees. Participants are required to contribute a minimum of 2% of their annual compensation and the City will match up to 1% of contributions. Plan provisions and contribution requirements are established and may be amended by the City Council. At September 30, 2019, there were 94 plan members. During the year ending September 30, 2019 employee contributions were \$257,243 and employer contributions were \$63,418, for both plans.

NOTE 14. JOINT VENTURE

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

During 2019, The KDDA and a separate corporation formed Keene Street JV LLC, a joint venture, for the purpose of acquiring, developing, and operating approximately seven acres of land located within the City. The KDDA contributed an initial capital contribution of \$100,000 for an 11.45 percent equity interest at year end. The City records the investment in joint venture at a value of \$100,000. The KDDA's share of the joint venture is in direct proportion to total contributions made by participating members.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is partially self-insured for medical claims. The self-insurance plan is described below. The City has purchased insurance for all other risks of loss, including workers compensation. The City uses Georgia Interlocal Risk Management Agency (GIRMA) and Worker's Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments, as their property/liability insurance and workers compensation insurance providers.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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

Settled claims have not exceeded the coverages in the last three fiscal years.

Active Employees. The City is partially self-insured for employee medical claims. The City pays 81% of the employee premium and 75% of the employee/child, employee/spouse and family premium for the POS plan and 85% of the employee premium and 75% of the employee/child, employee/spouse and family premiums for the EPO plan. There is a maximum out-of-pocket cost to the employee of \$1,000 per year per individual or \$3,000 per family for the POS plan and \$6,350 per individual and \$12,700 per family for the EPO plan. Each employee's portion of the medical premium cost is withheld from that employee's paycheck.

The City has a specific deductible of \$100,000 and an aggregating corridor or split fund of \$65,000. The City pays aggregate claims up to \$165,000 for the first employee to reach this amount and pays up to \$100,000 for each subsequent employee. In addition to the aggregate limit, the City's self-insurance is limited to \$100,000 per individual per calendar year. After the claims reach these amounts, a private insurance carrier will pay the remaining claims. The City has entered into a contract with a third party to administer the program. This activity is reported in the Self-Insurance Fund and in the government-wide financial statements.

The City has accrued a liability for medical claims that were incurred but not paid before fiscal year end.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RISK MANAGEMENT (Continued)

Retirees. The City provides medical coverage for retirees of the City up to the age of 65.

The City pays 100% of the employee premium and 0% of family premium for the POS plan. Retirees are not offered the EPO plan. There is a maximum out-of-pocket cost to the employee of \$1,000 per year per individual or \$3,000 per family for the POS plan. The retirees' medical claims are included in the annual limit discussed above. The individual limits of coverage by the City total \$165,000 per individual per calendar year for the first claimant and \$100,000 per individual per calendar year for subsequent claimants. The City only pays one aggregate claim totaling \$165,000 for both the active employees and retirees combined. After individual limits are met, the private insurance carrier covers additional claims, which is reported in the General Fund. The following table describes the activity related to employee and retiree medical claims. The end of year claims liability is reported as a current liability in the general fund because it is anticipated to be paid within one fiscal year and includes consideration for claims that have been incurred but not reported. Currently, 10 retirees are eligible for postretirement benefits. These post-retirement benefits are funded on a pay-as-you go basis and totaled \$77,948 for the year ended September 30, 2019.

Changes in the claims liability for the years ended September 30, 2019 and 2018 are as follows:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2019	\$ 273,092	\$ 2,938,280	\$ 2,758,472	\$ 452,900
2018	\$ 303,814	\$ 2,157,441	\$ 2,188,163	\$ 273,092

NOTES TO FINANCIAL STATEMENTS

NOTE 16. COMMITMENTS AND CONTINGENCIES

Litigation:

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. The City has identified one lawsuit where the likelihood of an unfavorable outcome is reasonably possible and the amount of the potential loss is reasonably estimable, however the outcome of the lawsuit is still uncertain. In the event of an unfavorable outcome from this lawsuit, the City has estimated the potential loss to be approximately \$200,000, however this contingent liability is not accrued as a liability as of September 30, 2019.

Contractual Commitments:

For the fiscal year ended September 30, 2019, contractual commitments on uncompleted contracts were \$3,400,945.

Grant Contingencies:

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

NOTE 17. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 8%. Revenues were \$27,657 for the year ended September 30, 2019. Of this amount 100%, or \$27,657, was expended. Expenditures of the tax were used to promote tourism, conventions, and trade shows to operate, maintain, and market a conference center facility as required by O.C.G.A. 48-13-51.

NOTE 18. RESTRICTED FUND BALANCE

The City has reported \$7,703,313 of the General Fund's fund balance as restricted for voter approved use. This amount is also reported as restricted in the government-wide statement of net position. In 2005, the City sold the infrastructure from its water and sewer system to Cobb County and these are the proceeds from that sale. The City deposited the funds into a restricted investment and enacted a city ordinance through an amendment to the City Charter, or enabling legislation, requiring the council to obtain voter approval, through a city-wide vote, for any and all uses of the proceeds, for which the purpose is required to be determined at that time. Council has no intentions or plans for the use of the funds as of September 30, 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. SUBSEQUENT EVENTS

The City of Kennesaw Downtown Development Authority, a blended component unit of the City, issued Series 2019 Revenue Bonds in December 2019. The bonds were issued for \$2,975,000 with an interest rate of 2.73% with a maturity in 2030. The proceeds of the bond will be used to finance the costs of acquiring approximately 2.67 acres of land and demolishing a hotel in order to hold property for future redevelopment for private use.

The City of Kennesaw issued Series 2020 General Obligation Refunding Bonds in January 2020. The bonds were issued for \$7,800,000 with an interest rate of 1.89%, with a maturity in 2029. The proceeds of the bond will be used to refund \$7,675,000 of the City's various purposes General Obligation Bonds Series 2004 and 2005 in order to refinance the costs of various purpose capital improvements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF KENNESAW, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 614,896	\$ 628,152	\$ 553,326	\$ 539,391	\$ 535,589
Interest on total pension liability	1,561,469	1,454,895	1,338,114	1,266,040	1,138,176
Differences between expected and actual experience	38,381	(28,336)	510,888	(82,401)	535,069
Changes of assumptions	-	325,845	-	-	131,867
Changes of benefit terms	-	-	(16,467)	-	-
Benefit payments, including refunds of employee contributions	(998,213)	(899,179)	(858,851)	(727,236)	(654,436)
Net change in total pension liability	<u>1,216,533</u>	<u>1,481,377</u>	<u>1,527,010</u>	<u>995,794</u>	<u>1,686,265</u>
Total pension liability - beginning	<u>20,703,802</u>	<u>19,222,425</u>	<u>17,695,415</u>	<u>16,699,621</u>	<u>15,013,356</u>
Total pension liability - ending (a)	<u>\$ 21,920,335</u>	<u>\$ 20,703,802</u>	<u>\$ 19,222,425</u>	<u>\$ 17,695,415</u>	<u>\$ 16,699,621</u>
Plan fiduciary net position					
Contributions - employer	\$ 1,007,920	\$ 901,718	\$ 936,241	\$ 933,501	\$ 812,088
Contributions - employee	178,209	193,852	177,656	167,673	155,925
Net investment income	1,658,110	2,167,067	1,430,888	127,762	1,231,684
Benefit payments, including refunds of member contributions	(998,213)	(899,179)	(858,851)	(727,236)	(654,436)
Administrative expenses	(45,244)	(47,560)	(25,835)	(29,787)	(23,504)
Net change in plan fiduciary net position	<u>1,800,782</u>	<u>2,315,898</u>	<u>1,660,099</u>	<u>471,913</u>	<u>1,521,757</u>
Plan fiduciary net position - beginning	<u>16,678,211</u>	<u>14,362,313</u>	<u>12,702,214</u>	<u>12,230,301</u>	<u>10,708,544</u>
Plan fiduciary net position - ending (b)	<u>\$ 18,478,993</u>	<u>\$ 16,678,211</u>	<u>\$ 14,362,313</u>	<u>\$ 12,702,214</u>	<u>\$ 12,230,301</u>
City's net pension liability - ending (a) - (b)	<u>\$ 3,441,342</u>	<u>\$ 4,025,591</u>	<u>\$ 4,860,112</u>	<u>\$ 4,993,201</u>	<u>\$ 4,469,320</u>
Plan fiduciary net position as a percentage of the total pension liability	84.30%	80.56%	74.72%	71.78%	73.24%
Covered payroll	\$ 8,609,022	\$ 8,162,506	\$ 7,702,593	\$ 7,386,752	\$ 7,338,429
City's net pension liability as a percentage of covered payroll	39.97%	49.32%	63.10%	67.60%	60.90%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF KENNESAW, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,054,005	\$ 1,007,920	\$ 901,718	\$ 936,241	\$ 859,675
Contributions in relation to the actuarially determined contribution	1,054,005	1,007,920	901,718	936,241	933,501
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (73,826)
Covered payroll	\$ 8,800,406	\$ 8,609,022	\$ 8,162,506	\$ 7,702,593	\$ 7,386,752
Contributions as a percentage of covered payroll	11.98%	11.71%	11.05%	12.15%	12.64%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2018
Cost Method	Projected unit credit
Actuarial 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 amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	2.75% plus serviced based merit increases
Cost-of-living Adjustment	N/A
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective period of 10 years

(2) The schedule will present 10 years of information once it is accumulated.

CITY OF KENNESAW, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
OPEB HEALTHCARE BENEFIT PLAN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS**

	2019	2018
Total OPEB liability		
Service cost	\$ 313,279	\$ 340,252
Interest on total OPEB liability	204,651	170,884
Difference between expected and actual experience	(120,315)	(141,642)
Changes of assumptions and other inputs	(212,393)	(235,266)
Benefit payments	(77,683)	(61,171)
Net change in total OPEB liability	107,539	73,057
 Total OPEB liability - beginning	 5,347,847	 5,274,790
Total OPEB liability - ending	\$ 5,455,386	\$ 5,347,847
Covered-employee payroll	\$ 8,748,919	\$ 8,539,074
Total OPEB liability as a percentage of covered-employee payroll	 62.4%	 62.6%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The City is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

CITY OF KENNESAW, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Asset Forfeiture Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system that are restricted for law enforcement purposes.

Treasury Equitable Sharing Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system that are restricted for law enforcement purposes.

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

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

Cemetery Fund – To account for sales of cemetery plots and the cost of maintenance associated with them, as committed by the City Council.

Impact Fees Fund – To account for collections of various development impact fees and the related capital expenditures, which are restricted by state law.

Capital Projects Fund

Capital Projects Fund – This fund accounts for the expenditures of money for major capital projects. This fund is general in nature and may be used to finance any capital project that the City Council designates.

Debt Service Funds

Urban Redevelopment Agency – This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the City and the activity of the Urban Redevelopment Agency blended component unit.

Downtown Development Authority – This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the City and the activity of the Downtown Development Authority blended component unit.

CITY OF KENNESAW, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

ASSETS	Special Revenue Funds						Capital Projects Fund	Debt Service Funds		Total Nonmajor Governmental Funds
	Asset Forfeiture Fund	Treasury Equitable Sharing Fund	E911 Fund	Hotel/Motel Fund	Cemetery Fund	Impact Fees Fund	Capital Projects Fund	Urban Redevelopment Agency	Downtown Development Authority	
Cash and cash equivalents	\$ 75,810	\$ 64,549	\$ 386,420	\$ 12,091	\$ 39,080	\$ 373,574	\$ 76,145	\$ 3,030	\$ 25,522	\$ 1,056,221
Taxes receivable	-	-	-	10,707	-	-	-	-	-	10,707
Other receivables	-	-	209,191	-	-	-	-	16	-	209,207
Prepaid expenditures	-	-	8,294	-	-	-	-	-	-	8,294
Due from other funds	-	-	70,853	-	71	-	-	-	-	70,924
Notes receivable	-	-	-	-	-	-	-	-	33,269	33,269
Total assets	\$ 75,810	\$ 64,549	\$ 674,758	\$ 22,798	\$ 39,151	\$ 373,574	\$ 76,145	\$ 3,046	\$ 58,791	\$ 1,388,622
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ 13,992	\$ -	\$ 312	\$ 3,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,220
Accrued liabilities	-	-	16,790	-	-	-	-	-	3,000	19,790
Due to other funds	-	34,224	33,329	6,847	-	36,429	-	-	-	110,829
Advances from other funds	-	-	-	-	-	-	-	-	110,152	110,152
Total liabilities	13,992	34,224	50,431	10,763	-	36,429	-	-	113,152	258,991
FUND BALANCES										
Fund Balances:										
Nonspendable:										
Prepays	-	-	8,294	-	-	-	-	-	-	8,294
Restricted:										
Capital Projects	-	-	-	-	-	337,145	-	-	-	337,145
Debt service	-	-	-	-	-	-	-	3,046	-	3,046
Law enforcement	61,818	30,325	616,033	-	-	-	-	-	-	708,176
Culture and recreation	-	-	-	12,035	-	-	-	-	-	12,035
Committed:										
Cemetery maintenance	-	-	-	-	39,151	-	-	-	-	39,151
Assigned:										
Capital projects	-	-	-	-	-	-	76,145	-	-	76,145
Unassigned	-	-	-	-	-	-	-	-	(54,361)	(54,361)
Total fund balances	61,818	30,325	624,327	12,035	39,151	337,145	76,145	3,046	(54,361)	1,129,631
Total liabilities and fund balances	\$ 75,810	\$ 64,549	\$ 674,758	\$ 22,798	\$ 39,151	\$ 373,574	\$ 76,145	\$ 3,046	\$ 58,791	\$ 1,388,622

CITY OF KENNESAW, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds						Capital Projects Fund	Debt Service Funds		Total Nonmajor Governmental Funds
	Asset Forfeiture Fund	Treasury Equitable Sharing Fund	E911 Fund	Hotel/Motel Fund	Cemetery Fund	Impact Fees Fund	Capital Projects Fund	Urban Redevelopment Agency	Downtown Development Authority	
REVENUES										
Taxes	\$ -	\$ -	\$ -	\$ 27,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,657
Licenses and permits	-	-	-	-	-	184,815	-	-	-	184,815
Fines and forfeitures	63,654	76,472	-	-	-	-	-	-	-	140,126
Charges for services	-	-	1,290,632	534	16,275	-	-	-	5,320	1,312,761
Miscellaneous	-	-	215	-	3,990	-	10,000	-	-	14,205
Interest	648	1,081	8,557	242	488	3,807	996	21	379	16,219
Total revenues	64,302	77,553	1,299,404	28,433	20,753	188,622	10,996	21	5,699	1,695,783
EXPENDITURES										
Current										
Public safety	14,521	96,987	1,024,764	-	-	-	-	-	-	1,136,272
Public works	-	-	-	-	39,763	182,458	-	-	-	222,221
Culture and recreation	-	-	-	13,344	-	-	-	-	-	13,344
Housing and development	-	-	-	-	-	-	-	-	117,113	117,113
Debt service										
Principal retirements	-	-	-	-	-	-	-	305,000	375,000	680,000
Interest and fiscal charges	-	-	-	-	-	-	-	276,412	65,180	341,592
Total expenditures	14,521	96,987	1,024,764	13,344	39,763	182,458	-	581,412	557,293	2,510,542
Excess (deficiency) of revenues over (under) expenditures	49,781	(19,434)	274,640	15,089	(19,010)	6,164	10,996	(581,391)	(551,594)	(814,759)
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	26,010	-	-	581,412	438,280	1,045,702
Transfers out	-	-	-	(14,847)	-	-	-	-	-	(14,847)
Total other financing sources (uses)	-	-	-	(14,847)	26,010	-	-	581,412	438,280	1,030,855
Net change in fund balances	49,781	(19,434)	274,640	242	7,000	6,164	10,996	21	(113,314)	216,096
FUND BALANCES, beginning of year	12,037	49,759	349,687	11,793	32,151	330,981	65,149	3,025	58,953	913,535
FUND BALANCES (DEFICIT), end of year	\$ 61,818	\$ 30,325	\$ 624,327	\$ 12,035	\$ 39,151	\$ 337,145	\$ 76,145	\$ 3,046	\$ (54,361)	\$ 1,129,631

**CITY OF KENNESAW, GEORGIA
ASSET FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	\$ 21,000	\$ 21,000	\$ 63,654	\$ 42,654
Interest	30	30	648	618
Total revenues	21,030	21,030	64,302	43,272
EXPENDITURES				
Public safety	21,030	21,030	14,521	6,509
Net change in fund balances	-	-	49,781	49,781
FUND BALANCES, beginning of year	12,037	12,037	12,037	-
FUND BALANCES, end of year	<u>\$ 12,037</u>	<u>\$ 12,037</u>	<u>\$ 61,818</u>	<u>\$ 49,781</u>

**CITY OF KENNESAW, GEORGIA
TREASURY EQUITABLE SHARING FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	\$ 121,283	\$ 121,283	\$ 76,472	\$ (44,811)
Interest	45	45	1,081	1,036
Total revenues	121,328	121,328	77,553	(43,775)
EXPENDITURES				
Public safety	101,328	120,941	96,987	23,954
Net change in fund balances	20,000	387	(19,434)	(19,821)
FUND BALANCES, beginning of year	49,759	49,759	49,759	-
FUND BALANCES, end of year	<u>\$ 69,759</u>	<u>\$ 50,146</u>	<u>\$ 30,325</u>	<u>\$ (19,821)</u>

CITY OF KENNESAW, GEORGIA
E911 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 1,170,000	\$ 1,170,000	\$ 1,290,632	\$ 120,632
Miscellaneous	-	-	215	215
Interest	190	190	8,557	8,367
Total revenues	1,170,190	1,170,190	1,299,404	129,214
EXPENDITURES				
Public safety	1,146,136	1,146,136	1,024,764	121,372
Excess of revenues over expenditures	24,054	24,054	274,640	250,586
OTHER FINANCING USES				
Transfers out	(24,054)	(24,054)	-	24,054
Net change in fund balances	-	-	274,640	274,640
FUND BALANCES, beginning of year	349,687	349,687	349,687	-
FUND BALANCES, end of year	<u>\$ 349,687</u>	<u>\$ 349,687</u>	<u>\$ 624,327</u>	<u>\$ 274,640</u>

CITY OF KENNESAW, GEORGIA
HOTEL/MOTEL FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 61,740	\$ 61,740	\$ 27,657	\$ (34,083)
Charges for services	1,225	1,225	534	(691)
Interest	25	25	242	217
Total revenues	62,990	62,990	28,433	(34,557)
EXPENDITURES				
Culture and recreation	30,625	30,625	13,344	17,281
Excess of revenues over expenditures	32,365	32,365	15,089	(17,276)
OTHER FINANCING USES				
Transfers out	(32,365)	(32,365)	(14,847)	17,518
Net change in fund balances	-	-	242	242
FUND BALANCES, beginning of year	11,793	11,793	11,793	-
FUND BALANCES, end of year	<u>\$ 11,793</u>	<u>\$ 11,793</u>	<u>\$ 12,035</u>	<u>\$ 242</u>

**CITY OF KENNESAW, GEORGIA
CEMETERY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 5,000	\$ 5,000	\$ 16,275	\$ 11,275
Miscellaneous	3,500	3,500	3,990	490
Interest	25	25	488	463
Total revenues	8,525	8,525	20,753	12,228
EXPENDITURES				
Public works	51,300	51,300	39,763	11,537
Deficiency of revenues over expenditures	(42,775)	(42,775)	(19,010)	23,765
OTHER FINANCING SOURCES				
Transfers in	40,000	40,000	26,010	(13,990)
Net change in fund balances	(2,775)	(2,775)	7,000	9,775
FUND BALANCES, beginning of year	32,151	32,151	32,151	-
FUND BALANCES, end of year	<u>\$ 29,376</u>	<u>\$ 29,376</u>	<u>\$ 39,151</u>	<u>\$ 9,775</u>

CITY OF KENNESAW ,GEORGIA
IMPACT FEES FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Licenses and permits	\$ 41,500	\$ 41,500	\$ 184,815	\$ 143,315
Interest	362	362	3,807	3,445
Total revenues	41,862	41,862	188,622	146,760
EXPENDITURES				
Public works	198,568	198,568	182,458	16,110
Net change in fund balances	(156,706)	(156,706)	6,164	162,870
FUND BALANCES, beginning of year	330,981	330,981	330,981	-
FUND BALANCES, end of year	<u>\$ 174,275</u>	<u>\$ 174,275</u>	<u>\$ 337,145</u>	<u>\$ 162,870</u>

CITY OF KENNESAW ,GEORGIA
URBAN REDEVELOPMENT AGENCY

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Interest	\$ 25	\$ 25	\$ 21	\$ (4)
Total revenues	25	25	21	(4)
EXPENDITURES				
Debt service				
Principal	305,000	305,000	305,000	-
Interest and fiscal charges	276,692	276,692	276,412	280
Total expenditures	581,692	581,692	581,412	280
Deficiency of revenues over expenditures	(581,667)	(581,667)	(581,391)	276
OTHER FINANCING SOURCES				
Transfers in	576,192	581,667	581,412	(255)
Net change in fund balances	(5,475)	-	21	21
FUND BALANCES, beginning of year	3,025	3,025	3,025	-
FUND BALANCES, end of year	<u>\$ (2,450)</u>	<u>\$ 3,025</u>	<u>\$ 3,046</u>	<u>\$ 21</u>

**CITY OF KENNESAW ,GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 49,730	\$ 49,730	\$ 5,320	\$ (44,410)
Interest	120	120	379	259
Total revenues	49,850	49,850	5,699	(44,151)
EXPENDITURES				
Housing and development	29,868	129,868	117,113	12,755
Debt service				
Principal	405,425	375,000	375,000	-
Interest and fiscal charges	65,180	65,180	65,180	-
Total expenditures	500,473	570,048	557,293	12,755
Deficiency of revenues over expenditures	(450,623)	(520,198)	(551,594)	(31,396)
OTHER FINANCING SOURCES				
Transfers in	438,280	462,198	438,280	(23,918)
Net change in fund balances	(12,343)	(58,000)	(113,314)	(55,314)
FUND BALANCES, beginning of year	58,953	58,953	58,953	-
FUND BALANCES (DEFICIT), end of year	\$ 46,610	\$ 953	\$ (54,361)	\$ (55,314)

CITY OF KENNESAW, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL
PURPOSE LOCAL OPTION SALES TAX
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

PROJECT	ESTIMATED COST		PRIOR	EXPENDITURES		PERCENTAGE OF COMPLETION	
	ORIGINAL	CURRENT		CURRENT	TOTAL		
SPLOST I - 2005 SPLOST							
Stanley Road/Collins Road	\$ 1,900,000	\$ 787,563	\$ 787,563	\$ -	\$ 787,563	100.00 %	
Old Highway 41	2,600,000	3,736,081	775,806	885,560	1,661,366	44.47	
Kennesaw Due West Road	750,000	750,000	750,000	-	750,000	100.00	
Pine Mountain Road @ US 41	300,000	300,000	300,000	-	300,000	100.00	
Rutledge Road	900,000	595,364	595,364	-	595,364	100.00	
Jiles Road	9,900,000	3,507 (1)	3,507	-	3,507	100.00	
Cherokee Street	3,750,000	1,472,820	1,472,820	-	1,472,820	100.00	
McCollum Parkway	200,000	- (1)	-	-	-	-	
Barrett Parkway	520,300	- (1)	-	-	-	-	
Pine Mountain Court @ US 41	200,000	49,773	49,773	-	49,773	100.00	
Cobb International Boulevard	1,000,000	- (1)	-	-	-	-	
Sidewalk Projects	410,900	147,317	147,317	-	147,317	100.00	
Resurfacing Projects	520,774	448,444	448,444	-	448,444	100.00	
800 MHZ Radios	353,943	428,526	428,526	-	428,526	100.00	
TOTAL 2005 SPLOST	\$ 23,305,917	\$ 8,719,395	\$ 5,759,120	\$ 885,560	\$ 6,644,680		
SPLOST II - 2011 SPLOST							
Pine Mountain Road	\$ 6,492,254	\$ 7,889,274	\$ 5,277,662	\$ 2,611,612	\$ 7,889,274	100.00 %	
Cherokee Street	5,000,000	5,783,899	733,141	511,334	1,244,475	21.52	
Stanley Road/Collins Road	1,150,032	3,536,085	3,393,901	15,777	3,409,678	96.43	
McCollum Parkway	388,000	388,001	388,001	-	388,001	100.00	
Cobb International Blvd	1,500,000	27,353	27,353	-	27,353	100.00	
Sidewalk Projects	535,353	1,229	1,229	-	1,229	100.00	
Resurfacing Projects	413,650	461,733	461,733	-	461,733	100.00	
Infrastructure Preservation	1,101,710	501,544	501,544	-	501,544	100.00	
Skate Park	750,000	984,094	984,094	-	984,094	100.00	
Depot Park Improvements	2,100,000	1,870,131	780,540	402,050	1,182,590	63.24	
Smith Gilbert Gardens Event Building	1,800,000	1,800,000	752,757	122,303	875,060	48.61	
Swift Cantrell Park Parking	650,000	836,906	836,906	-	836,906	100.00	
Community Center Renovation	226,999	225,382	225,381	-	225,381	100.00	
TOTAL 2011 SPLOST	\$ 22,107,998	\$ 24,305,631	\$ 14,364,242	\$ 3,663,076	\$ 18,027,318		

Continued

CITY OF KENNESAW, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL
PURPOSE LOCAL OPTION SALES TAX
FOR THE YEAR ENDED SEPTEMBER 30, 2019

PROJECT	ESTIMATED COST		PRIOR	EXPENDITURES		PERCENTAGE OF COMPLETION
	ORIGINAL	CURRENT		CURRENT	TOTAL	
SPLOST III - 2016 SPLOST						
Sardis Street Overpass	\$ 6,000,000	\$ 6,000,000	\$ -	\$ -	\$ -	- %
Stormwater Infrastructure	3,000,000	1,020,707	75,023	136,468	211,491	20.72
Ben King Road Improvements	3,133,431	3,133,431	99,714	185,353	285,067	9.10
Sardis Street Extension Project	2,500,000	2,500,000	227,086	206,745	433,831	17.35
Property Acquisition	3,000,000	3,000,000	1,221,565	7,497	1,229,062	40.97
Park Improvements	1,790,000	1,790,000	125,204	111,778	236,982	13.24
Dallas/Watts Drive Improvements	2,619,072	5,223,671	5,121,604	25,459	5,147,063	98.53
Facility Improvements	1,200,000	743,870	377,079	41,683	418,762	56.30
Economic Development	1,500,000	1,500,000	-	-	-	-
Smith Gilbert Garden	750,000	750,000	2,250	-	2,250	0.30
Resurfacing and Sidewalks	698,867	529,691	23,750	-	23,750	4.48
Police Vehicles	125,000	125,000	110,242	-	110,242	88.19
TOTAL 2016 SPLOST	\$ 26,316,370	\$ 26,316,370	\$ 7,383,517	\$ 714,983	\$ 8,098,500	

Total SPLOST expenditures	\$ 5,263,619
	145,632 (2)
	63,203 (3)
Total SPLOST fund expenditures	<u>\$ 5,472,454</u>

(1) Cobb County elected to undertake these 2005 SPLOST projects. Therefore, these project costs are not the responsibility of the City and there are no current costs recorded in the City's general ledger.

(2) Ergas Development contribution towards the construction of Old Highway 41 in the amount of \$145,632 in fiscal year 2019.

(3) Cobb County provided funding to support a joint project between the City and County for design and construction of a Recreation Center under the 2016 Parks SPLOST Program. This is the share of the County's expense.

CITY OF KENNESAW, GEORGIA
NONMAJOR PROPRIETARY FUNDS

Smith-Gilbert Gardens Fund – This fund accounts for the activity related to the operations of the City's botanical gardens.

Streetlight Fund – This fund accounts for the collection of fees for upgrades to streetlights and related expenses.

CITY OF KENNESAW, GEORGIA

COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS SEPTEMBER 30, 2019

ASSETS	Gardens Fund	Streetlight Fund	Totals
CURRENT ASSETS			
Cash	\$ 141,113	\$ 31,872	\$ 172,985
Accounts receivable	-	48,447	48,447
Due from other funds	-	45,871	45,871
Inventory	1,615	-	1,615
Prepaid items	385	-	385
Total current assets	<u>143,113</u>	<u>126,190</u>	<u>269,303</u>
NONCURRENT ASSETS			
Capital assets:			
Non-depreciable assets	2,021,054	-	2,021,054
Depreciable assets	97,310	-	97,310
	<u>2,118,364</u>	<u>-</u>	<u>2,118,364</u>
Accumulated depreciation	(66,677)	-	(66,677)
Total capital assets	<u>2,051,687</u>	<u>-</u>	<u>2,051,687</u>
Total noncurrent assets	<u>2,051,687</u>	<u>-</u>	<u>2,051,687</u>
Total assets	<u>2,194,800</u>	<u>126,190</u>	<u>2,320,990</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	6,021	4,910	10,931
Accrued liabilities	5,998	-	5,998
Due to other funds	60,330	59,098	119,428
Compensated absences payable	17,419	-	17,419
Unearned revenue	-	29,975	29,975
Total current liabilities	<u>89,768</u>	<u>93,983</u>	<u>183,751</u>
Total liabilities	<u>89,768</u>	<u>93,983</u>	<u>183,751</u>
NET POSITION			
Net investment in capital assets	2,051,687	-	2,051,687
Unrestricted	53,345	32,207	85,552
Total net position	<u>\$ 2,105,032</u>	<u>\$ 32,207</u>	<u>\$ 2,137,239</u>

CITY OF KENNESAW, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Gardens Fund	Streetlight Fund	Totals
OPERATING REVENUE			
Charges for sales and services	\$ 84,483	\$ 359,190	\$ 443,673
Miscellaneous	68,728	-	68,728
Total operating revenues	153,211	359,190	512,401
OPERATING EXPENSES			
Cost of sales and services	505,382	334,296	839,678
Depreciation	3,728	-	3,728
Total operating expenses	509,110	334,296	843,406
Operating income (loss)	(355,899)	24,894	(331,005)
NON-OPERATING INCOME			
Interest income	1,104	520	1,624
Total non-operating income	1,104	520	1,624
Income (loss) before transfers	(354,795)	25,414	(329,381)
Transfers in	395,142	-	395,142
Total transfers	395,142	-	395,142
Change in net position	40,347	25,414	65,761
Total net position, beginning of year	2,064,685	6,793	2,071,478
Total net position, end of year	<u>\$ 2,105,032</u>	<u>\$ 32,207</u>	<u>\$ 2,137,239</u>

CITY OF KENNESAW, GEORGIA

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Gardens Fund	Streetlight Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 153,211	\$ 342,639	\$ 495,850
Payments to suppliers	(83,704)	(304,321)	(388,025)
Payments to employees	(382,027)	(6,966)	(388,993)
Net cash provided by (used in) operating activities	(312,520)	31,352	(281,168)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers in from other funds	395,142	-	395,142
Net cash provided by non-capital financing activities	395,142	-	395,142
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	1,104	520	1,624
Net cash provided by investing activities	1,104	520	1,624
Net increase in cash	83,726	31,872	115,598
Cash, beginning of year	57,387	-	57,387
Cash, end of year	\$ 141,113	\$ 31,872	\$ 172,985
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (355,899)	\$ 24,894	\$ (331,005)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	3,728	-	3,728
Change in assets and liabilities:			
Increase in accounts receivable	-	(16,551)	(16,551)
Increase in due from other funds	-	(16,238)	(16,238)
Decrease in prepaid items	223	-	223
Increase in inventory	(14)	-	(14)
Decrease in accounts payable	(185)	(26,085)	(26,270)
Decrease in accrued liabilities	(198)	-	(198)
Decrease in compensated absences payable	(3,665)	-	(3,665)
Increase in unearned revenue	-	29,975	29,975
Increase in due to other funds	43,490	35,357	78,847
Net cash provided by (used in) operating activities	\$ (312,520)	\$ 31,352	\$ (281,168)

**COMPONENT UNIT –
DEVELOPMENT AUTHORITY**

CITY OF KENNESAW, GEORGIA
BALANCE SHEET
COMPONENT UNIT - DEVELOPMENT AUTHORITY
SEPTEMBER 30, 2019

ASSETS	
Cash	\$ 133,086
Other receivables	<u>19,344</u>
Total assets	<u><u>\$ 152,430</u></u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	
LIABILITIES	
Accounts payable	<u>\$ 148</u>
Total liabilities	<u>\$ 148</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - fees	<u>\$ 16,344</u>
Total deferred inflows of resources	<u>\$ 16,344</u>
FUND BALANCE	
Unassigned	<u>135,938</u>
Total liabilities and fund balance	<u><u>\$ 152,430</u></u>

CITY OF KENNESAW, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

REVENUES

Interest income	\$ 1,330
Miscellaneous	<u>48,030</u>
Total revenues	<u>49,360</u>

EXPENDITURES

Housing and development	<u>12,287</u>
Total expenditures	<u>12,287</u>

Net change in fund balance	<u>37,073</u>
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FUND BALANCE, beginning of year	<u>98,865</u>
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FUND BALANCE, end of year	<u><u>\$ 135,938</u></u>
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STATISTICAL SECTION

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

	<u>Page</u>
Financial Trends.....	83
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	88
These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	
Debt Capacity	92
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	96
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	98
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF KENNESAW, GEORGIA

NET POSITION BY COMPONENT LAST TEN YEARS (accrual basis of accounting)

	2019	2018	2017	2016
Governmental activities				
Net investment in capital assets	\$ 63,615,691	\$ 58,213,192	\$ 53,342,130	\$ 44,270,008
Restricted	35,040,568	28,431,367	29,647,981	33,586,055
Unrestricted	(3,291,667)	(6,886,057)	(8,001,192)	(9,162,559)
Total governmental activities net position	<u>\$ 95,364,592</u>	<u>\$ 79,758,502</u>	<u>\$ 74,988,919</u>	<u>\$ 68,693,504</u>
Business-type activities				
Net investment in capital assets	\$ 13,696,093	\$ 13,716,793	\$ 12,117,034	\$ 12,395,483
Unrestricted	3,497,538	2,686,620	1,069,980	1,493,066
Total business-type activities net position	<u>\$ 17,193,631</u>	<u>\$ 16,403,413</u>	<u>\$ 13,187,014</u>	<u>\$ 13,888,549</u>
Primary government				
Net investment in capital assets	\$ 77,311,784	\$ 71,929,985	\$ 65,459,164	\$ 56,665,491
Restricted	35,040,568	28,431,367	29,647,981	33,586,055
Unrestricted	205,871	(4,199,437)	(6,931,212)	(7,669,493)
Total primary government net position	<u>\$ 112,558,223</u>	<u>\$ 96,161,915</u>	<u>\$ 88,175,933</u>	<u>\$ 82,582,053</u>

2015	2014	2013	2012	2011	2010
\$ 41,353,883	\$ 44,050,011	\$ 38,848,625	\$ 38,194,452	\$ 38,211,640	\$ 37,441,454
30,325,102	26,084,186	24,496,830	22,999,987	19,214,410	11,728,094
(8,857,613)	(5,557,897)	(5,381,866)	(4,069,805)	(4,009,394)	5,113,083
<u>\$ 62,821,372</u>	<u>\$ 64,576,300</u>	<u>\$ 57,963,589</u>	<u>\$ 57,124,634</u>	<u>\$ 53,416,656</u>	<u>\$ 54,282,631</u>
\$ 12,729,505	\$ 6,550,336	\$ 6,517,447	\$ 3,601,055	\$ 3,397,072	\$ 3,178,418
1,009,187	1,109,417	1,796,730	1,263,195	1,200,476	1,124,835
<u>\$ 13,738,692</u>	<u>\$ 7,659,753</u>	<u>\$ 8,314,177</u>	<u>\$ 4,864,250</u>	<u>\$ 4,597,548</u>	<u>\$ 4,303,253</u>
\$ 54,083,388	\$ 50,600,347	\$ 45,366,072	\$ 41,795,507	\$ 41,608,712	\$ 40,619,872
30,325,102	26,084,186	24,496,830	22,999,987	19,214,410	11,728,094
(7,848,426)	(4,448,480)	(3,585,136)	(2,806,610)	(2,808,918)	6,237,918
<u>\$ 76,560,064</u>	<u>\$ 72,236,053</u>	<u>\$ 66,277,766</u>	<u>\$ 61,988,884</u>	<u>\$ 58,014,204</u>	<u>\$ 58,585,884</u>

CITY OF KENNESAW, GEORGIA

CHANGES IN NET POSITION LAST TEN YEARS (accrual basis of accounting)

	2019	2018	2017	2016
Expenses				
Governmental activities:				
General government	\$ 4,663,769	\$ 4,805,604	\$ 4,350,340	\$ 4,442,795
Judicial	393,208	371,714	364,977	367,386
Public safety	8,635,869	8,179,820	8,443,734	8,384,410
Public works	3,404,917	3,533,601	3,611,163	4,064,973
Culture and recreation	2,015,047	2,021,197	2,359,893	2,348,921
Housing and development	1,249,238	1,246,740	1,601,184	1,019,160
Interest on long-term debt	713,667	794,695	835,336	878,715
Total governmental activities expenses	21,075,715	20,953,371	21,566,627	21,506,360
Business-type activities:				
Sanitation	1,906,567	1,817,328	1,649,452	1,667,997
Museum	1,154,357	1,134,753	1,079,904	1,110,487
Gardens	509,156	483,513	416,664	414,334
Stormwater	639,354	737,511	865,031	879,164
Streetlight	334,296	54,737	-	-
Total business-type activities expenses	4,543,730	4,227,842	4,011,051	4,071,982
Total primary government expenses	\$ 25,619,445	\$ 25,181,213	\$ 25,577,678	\$ 25,578,342
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 202,471	\$ 191,633	\$ 179,081	\$ 158,210
Judicial	1,099,181	1,075,479	988,238	849,434
Public safety	1,474,411	1,657,277	1,495,481	1,406,576
Public works	729,847	145,401	167,018	498,692
Culture and recreation	622,568	762,913	898,948	821,495
Housing and development	821,706	327,073	460,742	724,819
Operating grants and contributions (1)	784,965	755,413	740,693	721,052
Capital grants and contributions (1)	10,975,883	6,758,032	5,528,449	5,867,805
Total governmental activities program revenues	16,711,032	11,673,221	10,458,650	11,048,083
Business-type activities:				
Charges for services:				
Sanitation	2,542,701	2,532,804	2,198,573	2,182,106
Museum	460,022	457,598	445,964	440,604
Gardens	153,211	121,806	124,479	130,779
Stormwater	1,242,284	1,271,204	1,256,170	1,208,615
Streetlight	359,190	61,530	-	-
Operating grants and contributions (1)	-	-	-	-
Capital grants and contributions (1)	131,930	39,608	44,401	100,269
Total business-type activities program revenues	4,889,338	4,484,550	4,069,587	4,062,373
Total primary government program revenues	\$ 21,600,370	\$ 16,157,771	\$ 14,528,237	\$ 15,110,456

2015	2014	2013	2012	2011	2010
\$ 4,460,850	\$ 4,464,217	\$ 4,361,757	\$ 4,187,479	\$ 4,544,161	\$ 4,374,745
348,800	388,741	358,613	342,790	365,477	343,934
7,410,419	7,990,403	7,422,621	6,976,574	7,038,966	7,019,253
3,699,120	4,932,286	4,016,262	3,922,629	4,035,824	3,634,870
2,265,865	2,448,490	2,555,138	2,547,847	2,682,506	2,563,539
957,354	966,688	973,555	907,986	1,154,875	1,039,995
928,138	1,202,899	918,411	804,045	820,746	811,083
20,070,546	22,393,724	20,606,357	19,689,350	20,642,555	19,787,419
1,518,213	1,477,276	1,861,957	1,649,055	1,592,777	1,818,853
1,136,658	1,232,706	1,141,504	1,307,352	1,443,963	1,501,346
414,602	355,532	311,292	319,369	286,949	262,145
775,836	-	-	-	-	-
-	-	-	-	-	-
3,845,309	3,065,514	3,314,753	3,275,776	3,323,689	3,582,344
\$ 23,915,855	\$ 25,459,238	\$ 23,921,110	\$ 22,965,126	\$ 23,966,244	\$ 23,369,763
\$ 181,499	\$ 187,479	\$ 178,193	\$ 645,807	\$ 186,426	\$ 167,078
946,319	1,105,127	1,052,313	1,229,945	1,413,733	1,397,897
1,555,379	1,474,044	1,373,847	1,197,405	1,208,972	2,505,270 (2)
217,117	373,416	199,081	343,370	124,663	27,878
828,019	817,573	790,486	779,069	704,632	581,384
470,269	469,286	349,884	313,759	249,950	123,922
741,944	383,873	403,672	380,462	373,835	383,215
6,643,379	7,425,962	6,580,021	4,668,881	1,954,206	4,013,275 (3)
11,583,925	12,236,760	10,927,497	9,558,698	6,216,417	9,199,919
2,206,876	2,599,332	2,614,104	2,558,808	2,520,688	2,556,419
413,818	424,046	413,531	378,466	346,393	322,700
115,540	106,687	125,318	121,803	110,593	33,977
906,877	-	-	-	-	-
-	-	-	-	-	-
-	-	-	934	566	6,353
709,771	263,892	68,081	57,794	70,306	414,127
3,393,957	3,221,034	3,221,034	3,117,805	3,048,546	3,333,576
\$ 15,630,717	\$ 14,148,531	\$ 14,148,531	\$ 12,676,503	\$ 9,264,963	\$ 12,533,495

(continued)

CITY OF KENNESAW, GEORGIA

CHANGES IN NET POSITION LAST TEN YEARS (accrual basis of accounting)

	2019	2018	2017	2016
Net (expense)/revenue				
Governmental activities	\$ (4,364,683)	\$ (9,280,150)	\$ (11,107,977)	\$ (10,458,277)
Business-type activities	345,608	256,708	58,536	(9,609)
Total primary government net expense	<u>\$ (4,019,075)</u>	<u>\$ (9,023,442)</u>	<u>\$ (11,049,441)</u>	<u>\$ (10,467,886)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 12,584,176	\$ 11,445,412	\$ 10,555,252	\$ 10,077,543
Franchise taxes	1,905,748	1,778,733	1,864,149	1,815,579
Insurance premium taxes	2,329,114	2,192,680	2,032,044	1,909,498
Business taxes	1,465,211	1,402,407	1,246,047	1,248,304
Other taxes	966,156	1,001,737	1,028,432	964,204
Unrestricted investment earnings	1,105,382	(97,065)	(122,623)	326,929
Gain on sale of capital assets	-	-	38,015	146,531
Miscellaneous	-	-	-	-
Transfers	(385,014)	(2,379,021)	762,076	(158,179)
Total governmental activities	<u>19,970,773</u>	<u>15,344,883</u>	<u>17,403,392</u>	<u>16,330,409</u>
Business-type activities:				
Unrestricted investment earnings	57,946	2,542	2,005	1,287
Gain on sale of capital assets	1,650	-	-	-
Transfers	385,014	2,379,021	(762,076)	158,179
Total business-type activities	<u>444,610</u>	<u>2,381,563</u>	<u>(760,071)</u>	<u>159,466</u>
Total primary government	<u>\$ 20,415,383</u>	<u>\$ 17,726,446</u>	<u>\$ 16,643,321</u>	<u>\$ 16,489,875</u>
Change in Net Position				
Governmental activities	\$ 15,606,090	\$ 6,064,733	\$ 6,295,415	\$ 5,872,132
Business-type activities	790,218	2,638,271	(701,535)	149,857
Total primary government	<u>\$ 16,396,308</u>	<u>\$ 8,703,004</u>	<u>\$ 5,593,880</u>	<u>\$ 6,021,989</u>

NOTES: (1) Grant revenues vary from year to year depending on the federal and state funding received by the City.
(2) In 2010 the City received over \$1 million from federal seizure cases.
(3) In 2010 the City received approximately \$2.5 million in GDOT funds for the completion of a construction project. Additionally, the sales tax collected from the County, is now reported as intergovernmental revenue.

2015	2014	2013	2012	2011	2010
\$ (8,486,621)	\$ (10,156,964)	\$ (9,678,860)	\$ (10,130,652)	\$ (14,426,138)	\$ (10,587,500)
507,573	328,443	(93,719)	(157,971)	(275,143)	(248,768)
<u>\$ (7,979,048)</u>	<u>\$ (9,828,521)</u>	<u>\$ (9,772,579)</u>	<u>\$ (10,288,623)</u>	<u>\$ (14,701,281)</u>	<u>\$ (10,836,268)</u>
\$ 9,743,961	\$ 9,468,733	\$ 8,377,495	\$ 8,858,088	\$ 9,121,632	\$ 9,684,063
1,788,362	1,685,980	1,690,243	1,721,137	1,695,379	1,585,542
1,745,554	1,633,900	1,536,325	1,483,792	1,396,948	1,166,804
1,235,665	1,185,735	1,102,144	1,040,848	968,832	962,611
753,443	732,316	1,361,826	638,106	528,175	550,638
527,663	590,267	(516,755)	372,157	397,616	323,175
-	13,742	14,628	5,388	13,025	-
-	-	-	-	-	-
(278,662)	984,249	110,980	(280,886)	(561,444)	(849,600)
<u>15,515,986</u>	<u>16,294,922</u>	<u>13,676,886</u>	<u>13,838,630</u>	<u>13,560,163</u>	<u>13,423,233</u>
1,135	1,382	1,345	1,150	501	1,031
-	-	87,918	-	7,493	-
278,662	(984,249)	(110,980)	280,886	561,444	849,600
<u>279,797</u>	<u>(982,867)</u>	<u>(21,717)</u>	<u>282,036</u>	<u>569,438</u>	<u>850,631</u>
<u>\$ 15,795,783</u>	<u>\$ 15,312,055</u>	<u>\$ 13,655,169</u>	<u>\$ 14,120,666</u>	<u>\$ 14,129,601</u>	<u>\$ 14,273,864</u>
\$ 7,029,365	\$ 6,137,958	\$ 3,998,026	\$ 3,707,978	\$ (865,975)	\$ 2,835,733
787,370	(654,424)	(115,436)	124,065	294,295	601,863
<u>\$ 7,816,735</u>	<u>\$ 5,483,534</u>	<u>\$ 3,882,590</u>	<u>\$ 3,832,043</u>	<u>\$ (571,680)</u>	<u>\$ 3,437,596</u>

CITY OF KENNESAW, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	2019	2018	2017	2016
General fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable:				
Long-term advances	110,152	298,854	556,263	825,669
Inventories	7,811	8,577	8,062	7,473
Prepaid expenditures	180,024	253,898	229,135	257,964
Restricted:				
Public safety	14,473	11,287	36,132	36,096
Capital projects	-	-	-	-
Debt service	639,744	631,301	630,672	630,044
Voter approved use	7,703,313	7,092,269	7,533,313	8,019,456
Assigned:				
Capital projects	-	-	-	264,186
Unassigned	5,469,476	1,464,101	(1,269,638)	(3,197,165)
Total general fund	<u>\$ 14,124,993</u>	<u>\$ 9,760,287</u>	<u>\$ 7,723,939</u>	<u>\$ 6,843,723</u>
All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable:				
Long-term advances	-	-	-	-
Prepaid expenditures	8,294	13,134	9,653	11,129
Notes receivable	-	-	-	-
Restricted:				
Public safety	708,176	398,349	39,401	66,526
Culture and recreation	12,035	11,793	11,780	11,751
Capital projects	25,370,782	20,046,089	20,645,186	24,834,329
Debt service	3,046	3,025	8,502	-
Parks and recreation impact fee projects	-	-	-	-
Committed:				
Cemetery maintenance	39,151	32,151	17,548	28,577
Assigned:				
Cemetery maintenance	-	-	-	-
Capital projects	76,145	65,149	65,074	157,070
Debt service	-	58,953	83,639	-
Unassigned	(54,361)	-	(177,475)	(398,789)
Total all other governmental funds	<u>\$ 26,163,268</u>	<u>\$ 20,628,643</u>	<u>\$ 20,703,308</u>	<u>\$ 24,710,593</u>

(1) The City implemented GASB Statement No. 54 in 2011.

2015	2014	2013	2012	2011	(1)	2010
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 13,908,623
-	-	-	-	-		(5,731,538)
958,972	1,178,453	1,237,107	667,428	622,058		-
4,447	14,487	18,442	16,806	15,614		-
185,029	318,015	178,616	349,960	169,036		-
36,060	4,018	4,014	1,105,761	1,053,853		-
-	-	41,913	-	-		-
779,410	778,781	678,251	577,822	-		-
7,965,332	7,782,212	7,561,920	8,400,720	8,541,859		-
-	-	-	-	-		-
(3,893,417)	(3,931,113)	(3,454,424)	(2,599,475)	(2,700,556)		-
<u>\$ 6,035,833</u>	<u>\$ 6,144,853</u>	<u>\$ 6,265,839</u>	<u>\$ 8,519,022</u>	<u>\$ 7,701,864</u>		<u>\$ 8,177,085</u>
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 8,549,327
-	-	-	-	-		(264,536)
-	-	-	-	-		581,417
496,756	501,826	-	-	-		-
5,985	13,270	6,984	17,992	6,205		-
186,500	222,500	258,500	-	-		-
88,627	161,570	809,494	37,809	38,545		-
11,713	11,670	11,650	11,033	11,020		-
27,657,315	23,546,277	13,052,919	10,428,449	7,137,344		-
-	-	2,015,967	2,211,962	2,407,939		-
-	-	320,702	226,431	23,850		-
23,686	36,580	41,069	32,515	32,515		-
-	-	-	8,718	-		-
409,033	332,692	-	-	-		-
-	-	-	-	-		-
(695,873)	(992,508)	(917,874)	(475,466)	(445,774)		-
<u>\$ 28,183,742</u>	<u>\$ 23,833,877</u>	<u>\$ 15,599,411</u>	<u>\$ 12,499,443</u>	<u>\$ -</u>		<u>\$ 8,866,208</u>

CITY OF KENNESAW, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	2019	2018	2017	2016
Revenues				
Taxes	\$ 18,956,810	\$ 17,903,060	\$ 16,899,665	\$ 16,157,523
Licenses and permits	1,158,751	501,349	619,747	1,021,664
Intergovernmental	11,740,544	7,367,107	6,226,083	6,578,785
Fines and forfeitures	1,239,307	1,252,470	1,273,309	1,023,977
Charges for services	2,028,941	2,197,437	2,074,738	2,214,625
Contributions	6,099	500	40,000	6,652
Net investment income (loss)	1,428,654	(47,135)	(65,324)	382,654
Other revenues	212,533	159,343	167,422	146,553
Total revenues	36,771,639	29,334,131	27,235,640	27,532,433
Expenditures				
General government	4,156,524	4,185,383	4,044,074	4,087,000
Judicial	399,548	371,684	359,187	356,493
Public safety	8,369,791	7,859,170	7,991,684	7,865,595
Public works	2,283,769	2,343,064	2,453,357	2,791,593
Culture and recreation	1,707,830	1,729,176	2,047,715	2,009,199
Housing and development	1,163,741	1,056,365	1,392,855	957,711
Capital outlay	6,315,422	7,226,205	10,574,153	10,168,328
Debt service				
Principal retirements	1,579,692	1,485,700	1,492,053	1,727,076
Interest and fiscal charges	725,682	811,191	851,670	898,444
Bond issuance costs	-	-	-	-
Total expenditures	26,701,999	27,067,938	31,206,748	30,861,439
Excess (deficiency) of revenues over expenditures	10,069,640	2,266,193	(3,971,108)	(3,329,006)
Other financing sources (uses)				
Proceeds from financed purchases	191,014	51,557	43,948	331,140
Issuance of long-term debt	-	-	-	-
Premiums on issuance of bonds	-	-	-	-
Proceeds from sale of capital assets	23,691	1,900	38,015	490,786
Proceeds from insurance recoveries	-	-	-	-
Transfers in	1,620,702	1,531,509	2,443,370	1,675,696
Transfers out	(2,005,716)	(1,889,476)	(1,681,294)	(1,833,875)
Total other financing sources (uses)	(170,309)	(304,510)	844,039	663,747
Net change in fund balances	\$ 9,899,331	\$ 1,961,683	\$ (3,127,069)	\$ (2,665,259)
Debt service as a percentage of noncapital expenditures	11.45%	11.65%	11.42%	12.70%

(1) In 2010 the City received approximately \$2.5 million in GDOT funds for the completion of a construction project. Additionally, the sales tax collected from the County, is now reported as intergovernmental revenue.

(2) In 2010 the City received over \$1 million from federal seizure cases.

(3) In 2010 the URA Fund purchased land and sold approximately \$2 million of land within the same year.

2015	2014	2013	2012	2011	2010
\$ 15,259,733	\$ 14,676,153	\$ 14,048,042	\$ 13,630,376	\$ 13,687,767	\$ 13,953,303
546,277	713,680	503,401	623,369	361,815	205,316
7,459,301	6,776,644	6,990,477	5,012,308	2,620,547	3,605,045 (1)
1,229,629	1,426,007	1,250,162	1,366,731	1,565,999	2,810,358 (2)
2,160,110	2,076,668	1,983,715	1,840,532	1,793,016	1,617,446
57,030	2,600	500	3,250	416,736	5,537
574,015	626,178	(487,988)	398,003	428,410	323,117
216,175	1,074,183	180,425	676,014	176,419	207,257
27,502,270	27,372,113	24,468,734	23,550,583	21,050,709	22,727,379
4,206,658	4,072,150	4,015,836	3,847,933	4,146,581	3,890,512
343,440	348,644	364,160	327,480	346,774	318,139
7,159,379	7,473,688	7,007,318	6,531,773	6,508,128	6,337,895
2,516,441	3,439,237	2,538,369	2,439,348	2,518,803	2,336,879
1,985,909	2,098,505	2,271,595	2,245,505	2,325,691	2,194,288
933,895	940,042	917,761	876,137	1,109,355	983,173
4,422,545	4,094,162	4,696,980	1,574,897	2,494,414	5,804,036
1,333,036	3,976,128	1,155,225	702,468	665,292	659,947
932,058	912,834	928,402	784,579	798,579	842,358
-	284,291	-	-	-	-
23,833,361	27,639,681	23,895,646	19,330,120	20,913,617	23,367,227
3,668,909	(267,568)	573,088	4,220,463	137,092	(639,848)
761,265	426,711	-	-	-	-
-	6,425,000	-	159,992	281,236	2,800,000
-	54,902	-	-	-	-
6,520	3,700	162,239	5,388	13,331	2,109,262 (3)
-	11,733	-	-	-	-
2,125,549	2,678,725	1,944,985	1,385,100	2,006,770	3,830,210
(2,404,211)	(1,694,476)	(1,834,005)	(1,665,986)	(2,568,214)	(4,679,810)
489,123	7,906,295	273,219	(115,506)	(266,877)	4,059,662
\$ 4,158,032	\$ 7,638,727	\$ 846,307	\$ 4,104,957	\$ (129,785)	\$ 3,419,814
11.68%	20.81%	10.86%	8.38%	7.95%	8.56%

CITY OF KENNESAW, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Real Property						Public Utility
	Residential	Agricultural	Commercial	Industrial	Historical	Conservation	
2010	\$ 638,474,011	\$ 150,468	\$ 309,988,398	\$ 22,573,110	\$ 368,876	\$ 647,580	\$ 9,084,359
2011	576,278,054	150,468	301,069,756	22,532,442	353,636	647,580	8,585,846
2012	545,943,779	156,932	282,375,678	21,470,354	157,740	492,660	8,690,812
2013	471,256,898	156,932	308,901,510	21,218,571	147,900	492,660	10,460,175
2014	464,016,231	142,372	297,715,106	21,303,778	147,900	507,220	11,034,297
2015	503,625,147	128,488	326,699,884	20,260,590	147,900	497,832	11,300,106
2016	544,822,699	128,488	347,217,207	21,127,544	-	497,832	11,408,739
2017	599,615,340	135,828	364,331,546	20,693,720	-	497,500	12,074,923
2018	658,356,108	180,068	402,931,231	21,726,760	-	509,260	13,570,174
2019	720,847,225	211,488	452,189,240	23,380,464	-	551,552	14,530,065

Source: Cobb County Tax Commissioner

Note: Tax rates are per \$1,000 of assessed value.

Note: Residential, commercial and industrial real property values and personal property values for Fiscal Years 2009-2017 have been updated to agree with the Cobb County Tax Digest.

<u>Personal Property</u>	<u>Other Property</u>	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$ 220,107,895	57,677	154,075,401	1,047,376,973	9.50	2,618,442,433	40.00%
203,407,696	7,523	164,821,535	948,211,466	9.50	2,370,528,665	40.00%
190,096,936	2,614	130,460,662	918,926,843	9.50	2,297,317,108	40.00%
205,765,662	20,025	123,501,518	894,918,815	9.50	2,237,297,038	40.00%
217,561,342	5,030	111,462,369	900,970,907	9.50	2,252,427,268	40.00%
226,498,967	2,844	144,188,291	944,973,467	9.50	2,362,433,668	40.00%
212,127,794	25,309	163,009,693	974,345,919	9.50	2,435,864,798	40.00%
222,919,735	9,894	175,434,964	1,044,843,522	9.50	2,612,108,805	40.00%
225,874,489	-	180,364,288	1,142,783,802	9.50	2,856,959,505	40.00%
244,428,682	2,614	276,955,288	1,179,186,042	9.50	2,947,965,105	40.00%

CITY OF KENNESAW, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS (Per \$1000 of Assessed Value) LAST TEN YEARS

Calendar Year	City of Kennesaw		Cobb County	Cobb County Schools	State	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage				
2010	8.00	1.50	9.60	18.90	0.25	38.25
2011	8.00	1.50	11.11	18.90	0.25	38.25
2012	8.00	1.50	11.11	18.90	0.25	39.76
2013	8.00	1.50	10.91	18.90	0.15	39.76
2014	8.00	1.50	10.71	18.90	0.10	39.46
2015	8.00	1.50	10.51	18.90	0.05	39.21
2016	8.00	1.50	9.85	18.90	0.00	38.25
2017	8.00	1.50	9.85	18.90	0.00	38.25
2018	8.00	1.50	11.45	18.90	0.00	39.85
2019	8.00	1.50	11.45	18.90	0.00	39.85

Source: Cobb County Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the City of Kennesaw.

CITY OF KENNESAW, GEORGIA

PRINCIPAL TAXPAYERS CURRENT AND NINE YEARS AGO

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Bell Fund VI Kennesaw LLC	\$ 24,602,000	1	2.09 %	\$		%
Vesper Kennesaw LLC	22,002,000	2	1.87			
IVT Kennesaw Marketplace	20,085,340	3	1.70			
HM Kennesaw LLC & Columbia Kennesaw LLC	16,385,160	4	1.39			
Wilkinson Kennesaw LLC	16,280,000	5	1.38			
Bridges of Kennesaw LLC	13,793,240	6	1.17			
Prologis LP	11,753,000	7	1.00			
Owens & Minor Distribution	10,664,144	8	0.90	6,497,898	9	0.62
ACC OP LLC	10,381,156	9	0.88			
Park at Kennesaw LLC	10,057,400	10	0.85			
The Trees of Kennesaw				16,290,000	1	1.55
Busbee Development LLC				10,948,000	2	1.04
Atlanta RDC Co.				9,407,028	3	0.89
Kennesaw Gardens Associates LLC				8,379,997	4	0.80
Alta Ridenour LLC				7,960,000	5	0.76
Lakeside Vista Apartments LP				7,306,885	6	0.69
Walton Ridenour LP				6,731,695	7	0.64
Hillside Vista Apartments LLC				6,600,000	8	0.63
NNN St. Charles LLC				6,250,000	10	0.59
	<u>\$ 156,003,440</u>		<u>13.23 %</u>	<u>\$ 86,371,503</u>		<u>8.21 %</u>

Source: Cobb County Tax Commissioner

CITY OF KENNESAW, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 9,024,356	\$ 8,894,329	98.6%	\$ 114,449	\$ 9,008,778	99.83%
2011	8,476,633	8,303,209	98.0%	133,291	8,436,500	99.53%
2012	8,036,051	7,869,525	97.9%	157,689	8,027,214	99.89%
2013	7,696,157	7,550,158	98.1%	141,313	7,691,471	99.94%
2014	7,744,596	7,585,332	97.9%	151,771	7,737,103	99.90%
2015	8,194,415	8,067,586	98.5%	122,714	8,190,300	99.95%
2016	8,896,627	8,826,150	99.2%	67,210	8,893,360	99.96%
2017	9,484,399	9,408,893	99.2%	71,973	9,480,866	99.96%
2018	9,988,179	9,956,440	99.7%	18,449	9,974,889	99.87%
2019	10,804,271	10,767,151	99.7%	-	10,767,151	99.66%

Source: Cobb County Tax Commissioner and City of Kennesaw Tax Department.

CITY OF KENNESAW, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Notes Payable	Revenue Bonds	Financed Purchases	Bonds Payable	Notes Payable	Financed Purchases			
2010	\$ 13,015,000	\$ -	\$ 4,200,000	\$ 31,424	\$ -	\$4,050,000	\$ 19,125	\$ 21,315,549	2.03%	661
2011	12,580,000	-	4,070,000	212,368	-	3,790,000	134,613	20,786,981	2.14%	698
2012	12,125,000	-	3,930,000	264,892	-	3,515,000	242,552	20,077,444	2.36%	720
2013	11,650,000	351,809	7,015,000	158,142	-	-	132,267	19,307,218	1.93%	589
2014	11,155,000	336,676	10,243,492	368,858	-	-	-	22,104,026	2.23%	655
2015	10,640,000	320,916	9,635,068	932,847	-	-	36,246	21,565,077	2.19%	626
2016	10,105,000	-	9,031,695	992,827	-	-	29,342	20,158,864	2.10%	600
2017	9,540,000	-	8,403,369	734,722	-	-	42,384	18,720,475	1.72%	516
2018	8,945,000	-	7,750,103	545,579	-	-	214,081	17,454,763	1.54%	481
2019	8,325,000	-	7,066,910	456,901	-	-	157,998	16,006,809	1.33%	441

(1) See the Demographic and Economic Statistics for personal income and population data.

CITY OF KENNESAW, GEORGIA

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Net General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2010	\$ 13,015,000	0.50%	404
2011	12,580,000	0.53%	422
2012	11,547,178	0.50%	414
2013	10,971,749	0.49%	335
2014	10,376,219	0.46%	307
2015	9,860,590	0.42%	286
2016	9,474,956	0.39%	282
2017	8,909,328	0.34%	246
2018	8,313,699	0.29%	229
2019	7,810,182	0.26%	215

(1) See the Assessed Value and Estimated Actual Value of Taxable Property for property tax data.

(2) See the Demographic and Economic Statistics for population data.

CITY OF KENNESAW, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT SEPTEMBER 30, 2019

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Kennesaw (1)</u>	<u>Amount Applicable to City of Kennesaw</u>
Debt repaid with property taxes:			
Cobb County General Obligation Debt	\$ 17,290,000	3.77%	\$ 651,833
Total overlapping debt	17,290,000		651,833
City direct debt	15,848,811	100.00%	15,848,811
Total direct and overlapping debt	<u>\$ 33,138,811</u>		<u>\$ 16,500,644</u>

Source: Assessed value data used to estimate applicable percentages provided by the Cobb County Board of Equalization and Assessment. Debt outstanding data provided by Cobb County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Kennesaw, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF KENNESAW, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN YEARS

	Fiscal Year				
	2010	2011	2012	2013	2014
Debt Limit	\$ 120,145,237	\$ 111,303,300	\$ 104,938,751	\$ 101,842,033	\$ 101,243,328
Total net debt applicable to limit	13,015,000	10,172,061	9,913,038	9,634,033	10,526,219
Legal debt margin	<u>\$ 107,130,237</u>	<u>\$ 101,131,239</u>	<u>\$ 95,025,713</u>	<u>\$ 92,208,000</u>	<u>\$ 90,717,109</u>
Total net debt applicable to the limit as a percentage of debt limit	10.83%	9.14%	9.45%	9.46%	10.40%
	Fiscal Year				
	2015	2016	2017	2018	2019
Debt Limit	\$ 108,916,176	\$ 113,735,561	\$ 122,027,849	\$ 132,314,809	\$ 145,614,133
Total net debt applicable to limit	10,010,590	9,474,956	8,909,328	8,313,699	7,810,182
Legal debt margin	<u>\$ 98,905,586</u>	<u>\$ 104,260,605</u>	<u>\$ 113,118,521</u>	<u>\$ 124,001,110</u>	<u>\$ 137,803,951</u>
Total net debt applicable to the limit as a percentage of debt limit	9.19%	8.33%	7.30%	6.28%	5.36%
Assessed Value					\$ 1,179,186,042
Add back: exempt real property					276,955,288
Total assessed value					<u>1,456,141,330</u>
Debt limit (10% of total assessed value)					145,614,133
Debt applicable to limit:					
General obligation bonds					8,325,000
Less: Amount set aside for repayment of general obligation debt					514,818
Total net debt applicable to limit					<u>7,810,182</u>
Legal debt margin					<u>\$ 137,803,951</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

CITY OF KENNESAW, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Unemployment Rate
2010	32,246	\$ 1,049,124	\$ 32,535	34.9	9.6%
2011	29,783	971,521	32,620	32.3	9.1%
2012	27,890	849,780	30,469	34.4	8.7%
2013	32,789	999,048	30,469	33.0	7.2%
2014	33,748	993,102	29,427	33.3	6.0%
2015	34,432	984,789	28,601	33.6	5.2%
2016	33,584	960,535	28,601	32.0	4.7%
2017	36,258	1,091,547	30,105	34.6	3.4%
2018	36,300	1,131,725	31,177	32.0	3.9%
2019	36,300	1,200,949	33,084	33.1	2.7%

Source: U.S. Census, Georgia Department of Labor, and Cobb County Chamber of Commerce

CITY OF KENNESAW, GEORGIA

PRINCIPAL EMPLOYERS CURRENT AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tug Technologies Corporation	369	1	1.40 %			
Fabric.com Inc.	234	2	0.89			
Whole Foods	181	3	0.69			
Cintas Corporation	172	4	0.65	141	4	1.18 %
Publix Super Market, Inc. # 559	145	5	0.55	149	3	1.25
Crane Nucler, Inc.	134	6	0.51			
Publix Super Market, Inc. # 1077	128	7	0.49			
Publix Super Market, Inc. # 769	125	8	0.47	120	6	1.01
Shady Grove Rest Home	119	9	0.45	130	5	1.09
Owens & Minor Distribution	101	10	0.38	107	7	0.90
Atlanta Bonded Warehouse				231	1	1.94
Qualistaff Staffing, LLC				198	2	1.66
ERC Parts INC.				104	8	0.87
Infratech Corporation				100	9	0.84
Scholastic Book Fairs, Inc.				100	10	0.84
	1,708		6.48 %	1,380		11.58 %

Source: Various City departments

CITY OF KENNESAW, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Function					
General government	32	23	24	26	29
Judicial	3	3	3	3	3
Public safety					
Police officers	92	80	84	95	97
Public works	34	22	28	29	33
Culture and recreation	42	26	34	40	39
Housing and development	11	9	11	9	10
Sanitation	2	2	1	1	1
Total	<u>216</u>	<u>165</u>	<u>185</u>	<u>203</u>	<u>212</u>

Source: City of Kennesaw department records

2014	2013	2012	2011	2010
26	31	31	33	28
3	3	3	3	3
81	87	78	82	83
31	36	26	29	29
32	39	33	37	34
9	9	10	9	10
1	7	16	17	15
183	212	197	210	202

CITY OF KENNESAW, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	2019	2018	2017	2016	2015
Police					
Physical arrests	1,497	1,473	876	832	959
Parking violations	419	381	742	981	1,184
Traffic violations	16,297	16,284	13,493	12,891	13,721
Culture and recreation					
Admissions/fees	\$ 1,081,730	\$ 1,186,928	\$ 1,321,345	\$ 1,242,649	\$ 1,203,404
Housing and development					
Building permits issued	95	365	385	443	417
Sanitation					
Number of customers	9,300	9,486	9,329	9,104	9,010

Source: City of Kennesaw Departments

N/A - Information not available

Note: Operating indicators are not available for general government, judicial, or public works.

(1) Prior to 2010 special event expenditures were netted against the revenue.

2014	2013	2012	2011	2010
1,064	1,223	1,268	1,121	1,839
522	599	552	281	272
13,218	14,733	11,300	14,582	14,755
\$ 1,201,026	\$ 1,185,530	\$ 1,159,840	\$1,054,081 (1)	\$ 838,101
449	421	537	254	510
8,478	8,222	8,105	7,915	8,232

CITY OF KENNESAW, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Function					
Public safety					
Police					
Stations	1	1	1	1	1
Vehicles	89	93	84	84	86
Public works					
Miles of streets	103	102	99	99	99
Culture and recreation					
Acreage	121	121	121	121	121
Baseball/softball fields	10	10	10	11	11
Soccer/football fields	1	1	1	1	1
Sanitation					
Collection vehicles	-	-	-	-	-

Source: Various City departments

Note: Capital asset indicators are not available for the general government, judicial, and housing and development functions.

2014	2013	2012	2011	2010
1	1	1	1	1
73	80	76	72	70
99	99	99	99	99
121	121	121	121	121
11	11	11	11	11
1	1	1	1	1
-	3	10	10	10

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**The Honorable Mayor and Members
of the City Council of
Kennesaw, 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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Kennesaw, Georgia as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Kennesaw, Georgia's basic financial statements, and have issued our report thereon dated March 26, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Kennesaw, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Kennesaw, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Kennesaw, 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 Kennesaw, 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 26, 2020

City of Kennesaw, Georgia

Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

September 30, 2019



Presented by:

**MAULDIN
& JENKINS**

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

PURPOSE OF ANNUAL AUDIT AGENDA

- ◆ Engagement Team and Firm Information.
- ◆ Overview of:
 - Audit Opinion;
 - Financial Statements, Footnotes and Supplementary Information; and
 - Compliance Reports.
- ◆ Required Communications under Government Auditing Standards.
- ◆ Accounting Recommendations and Other Matters.
- ◆ Other Items and Closing Thoughts.
- ◆ Answer Questions.



City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

MAULDIN & JENKINS – GOVERNMENTAL PRACTICE

General Information:

- Founded in 1918. Large regional firm serving the Southeastern United States.
- Offices in Macon, Atlanta, Albany, Savannah, Bradenton, Chattanooga, Columbia and Birmingham with approximately 300 personnel employed.

Governmental Sector:

- Largest specific industry niche served by Firm representing 28% of Firm practice.
- Serve more governmental entities in the Southeast than any other certified public accounting firm requiring over 100,000 hours of service on an annual basis.
- Over 100 professional staff persons with current governmental experience.
- In past three (3) years, have served approx. **480 governments** in the Southeast, including:
 - ✓ **125 cities;**
 - ✓ 55 counties;
 - ✓ 55 school systems and 40 charter schools;
 - ✓ 40 state entities;
 - ✓ 50 stand-alone business-type special purpose entities (water/sewer, transit, gas, electric, and airports, etc.);
 - ✓ 115 stand-alone governmental special purpose entities (housing, development, industrial, other educational, health & welfare, retirement, libraries, etc.);
 - ✓ 100+ water & sewer systems, 25 airport operations, 10 gas systems, 15 electrical utilities, & 10 transit services;
 - ✓ 11 communities in the Municipal Electric Authority of Georgia (MEAG); and,
 - ✓ 130 governments awarded the GFOA's and, or ASBO's Financial Reporting Certificates.
- Experience performing forensic audit services and information technology consultations.
- Experience performing municipal bond debt issuance attestation services serving approx. 50 clients with over \$11 billion in aggregate publicly issued debt instruments.
- Considered to be in the Top 20 total number of Single Audits conducted in U.S.A.
- Experience auditing a substantial part of the State of Georgia including approximately 30% of the State's General Fund, and a substantial number of the State's component units.

Engagement Team Leaders for City of Kennesaw, Georgia Include:

- Adam Fraley – Engagement Lead Partner – over 20 years experience
- Doug Moses – Engagement Quality Control Partner – over 20 years experience
- Christopher McKellar – Director – 14 years experience

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries & Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years our partners have developed expertise in certain industries representative of a cross section of the Georgia economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings & loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction & Development
- Individuals, Estates and Trusts
- Real Estate Management

Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and not-so-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits & Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business & Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements & Business Valuation Issues
- Income Tax Planning & Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession & Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition & Expansion Financing

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management.

Auditor's Responsibility

Our responsibility, as external auditors, is to express an opinion 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. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinion

We have issued an unmodified audit report (i.e., "clean opinion"). The respective financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended September 30, 2019.

Other Matters

Certain required supplementary information and other information is included in the financial report, and as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

REVIEW OF COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

General Information About the CAFR

A Comprehensive Annual Financial Report (CAFR) goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. A CAFR includes at a minimum the following elements/sections:

- **Introductory Section:** general information on the City's structure and the services it provides.
 - Letter of Transmittal
 - Organizational Chart
 - Directory of Officials
 - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** basic financial statements, footnotes and required supplementary information along with the auditor's report.
 - Independent Auditor's Report
 - Management Discussion & Analysis (MD&A)
 - Financial Statements and Footnotes
- **Statistical Section:** broad range of financial, demographic information useful in assessing the City's economic condition, and this information covers multiple years.
 - Financial Trends Information
 - Revenue Capacity Information
 - Debt Capacity Information
 - Operating Information

A CAFR goes far beyond the basic requirements of annual financial reporting, and the City should be commended for going beyond the minimum and providing such a report.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Recognition and Award

Once completed, the fiscal year 2019 CAFR was submitted to the Government Finance Officers Association (GFOA) for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We are happy to inform everyone that the GFOA did indeed review the CAFR and awarded the City with the sought after Certificate.

The GFOA Certificate has been made a part of the City's 2019 fiscal year CAFR, and is included in the Introductory Section.

OVERVIEW OF FINANCIAL STATEMENTS

The City's basic financial statements include three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements; and
- 3) Notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the City's funds, as well as its discretely presented component units – the City of Kennesaw Development Authority. The *Statement of Net Position* presents information on all assets (and deferred outflows) and liabilities (and deferred inflows) of the City, with the resulting difference reported as net position. The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34. All of the funds of the City can be divided into two (2) categories: governmental funds (includes the General Fund) and business-type funds.

The City also includes, as part of the CAFR, the following information:

- 1) Special Purpose Local Option Sales Tax (SPLOST) Schedules.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

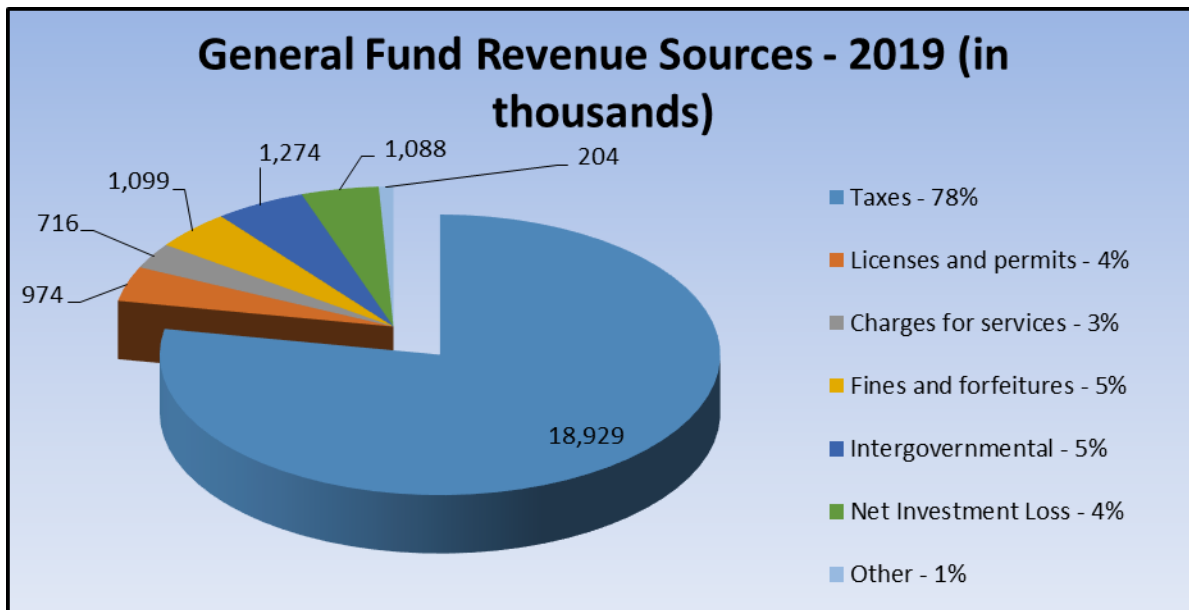
Government-Wide (Full-Accrual) Financial Statements

As noted above, the financial report of the City includes two (2) entity-wide financial statements: a *Statement of Net Position*; and a *Statement of Activities*. Highlights of the government-wide statements notes total assets (and deferred outflows of resources) of approximately \$143,400,000 offset by liabilities (and deferred inflows of resources) of approximately \$30,800,000. This results in the City reported net position (or equity) of approximately \$112,600,000. Also, a substantial element of the net position is composed of a net investment in capital assets in the approximate amount of \$77,300,000. Restricted net position amounts to approximately \$35,000,000 leaving unrestricted net position at \$200,000.

The *Statement of Activities* attempts to report expenses in the first column with direct offsetting program revenues to the adjacent columns to arrive a net cost of the functional areas of operation. General revenues (primarily property taxes and sales taxes) come to the rescue of the net cost functional areas resulting in the City reporting a change in net position of approximately \$16,400,000 for the fiscal year ended September 30, 2019.

General Fund

Of primary interest to the City is the **General Fund**, which accounts for the majority of revenues received and funds expended in the operations of the City, including general government activities, judicial, public safety, public works, culture and recreation, and planning and zoning. The following charts present the sources of revenues and the expenditures of the General Fund for the fiscal year ended September 30, 2019:

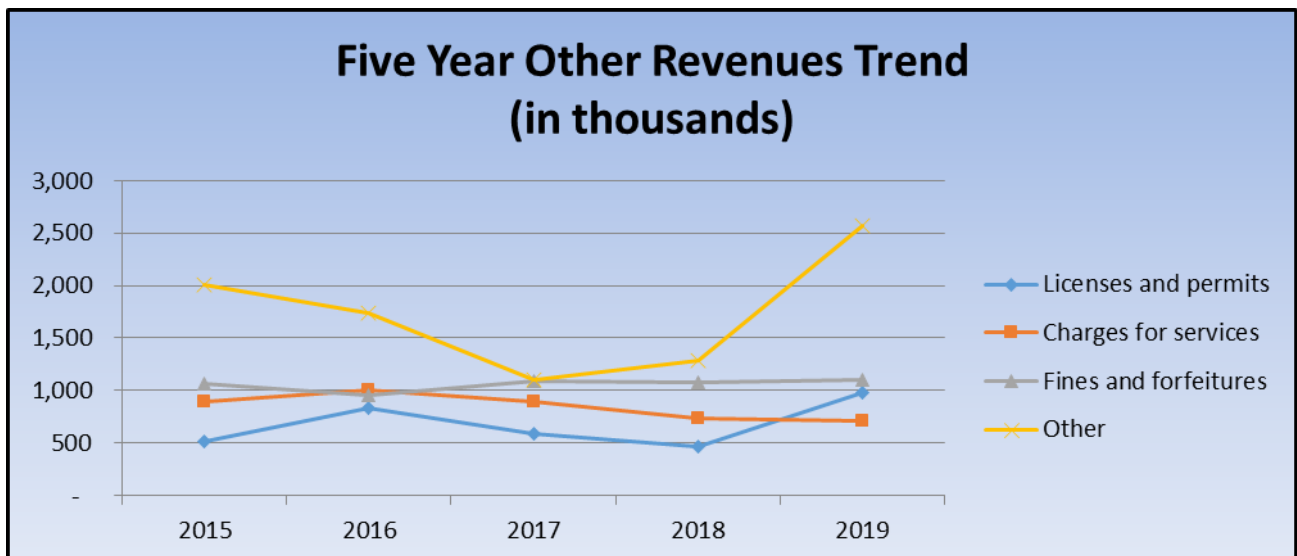
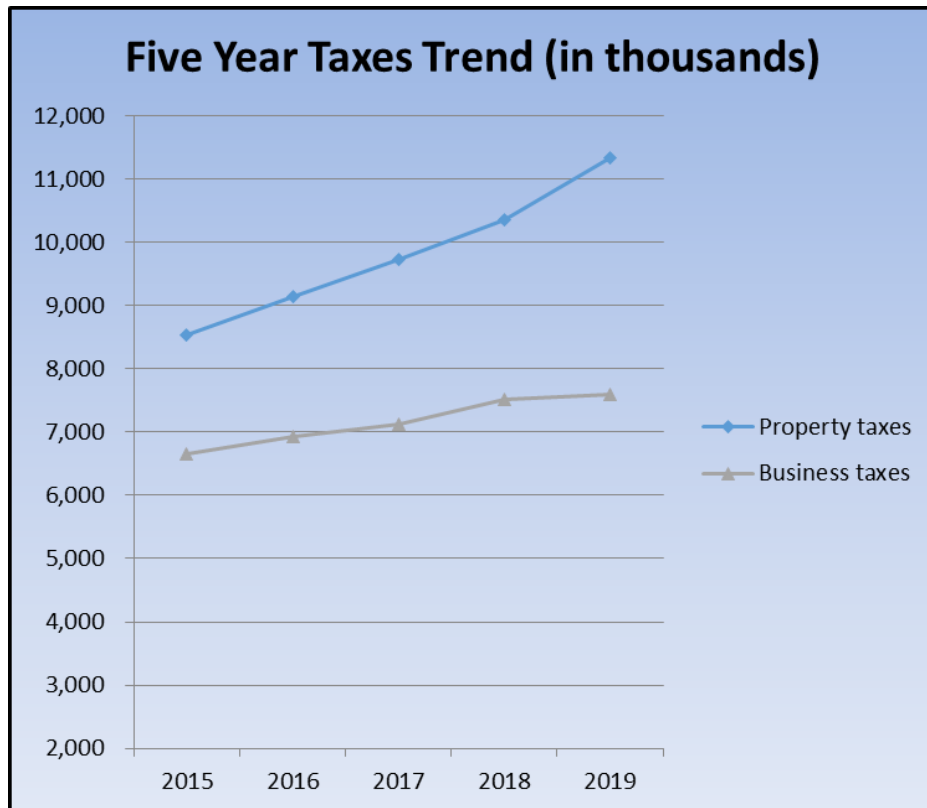


City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

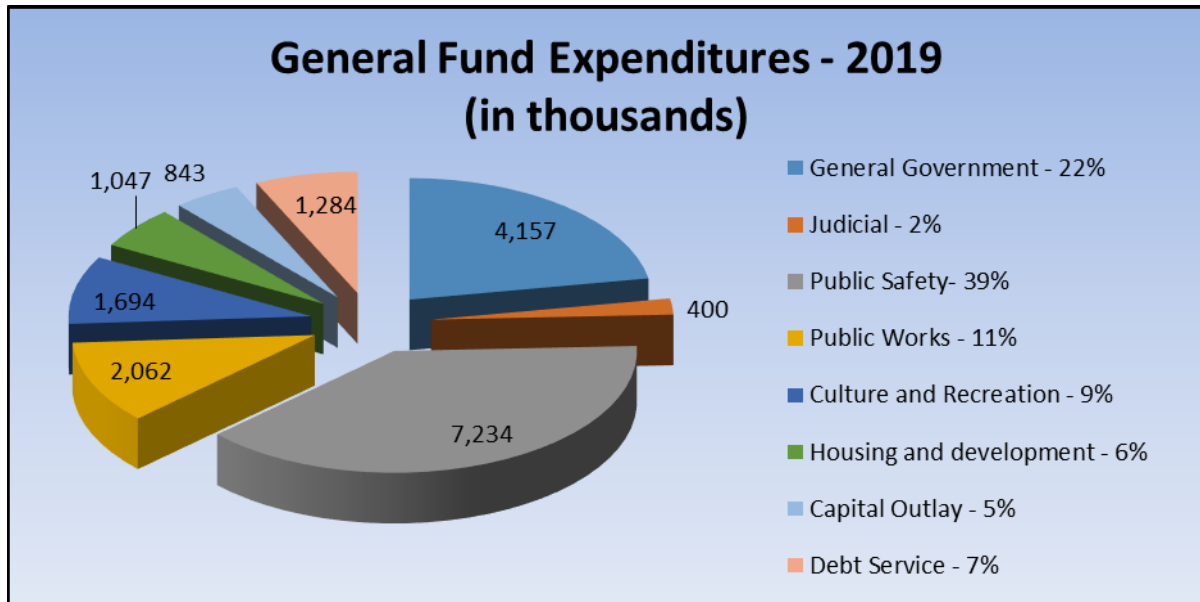
Total General Fund revenues for the fiscal year ended September 30, 2019 were \$24,300,000. Revenues of the prior year were \$21,400,000. The most significant variances were the increase in taxes of \$1,058,000. Below is a trending of the City's General Fund revenues over the past five (5) years:



City of Kennesaw, Georgia

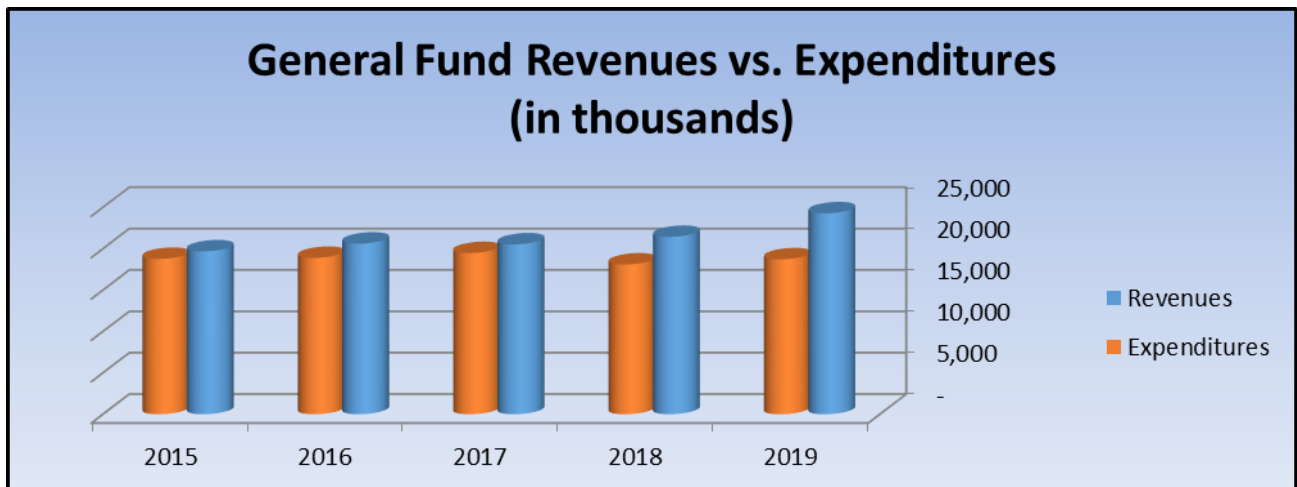
Auditor's Discussion & Analysis (AD&A)

September 30, 2019



Total expenditures during the year ended September 30, 2019 were \$18,700,000. Expenditures of the prior year were \$18,100,000. This was an increase of \$600,000.

More detailed explanations of variances can be found in the Management's Discussion and Analysis section of the financial statements. An analysis of General Fund revenues and expenditures for each of the last five fiscal years is as follows:



City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Other Governmental Funds

The City also maintains six (6) *special revenue funds*. These funds account for revenues derived from specific sources which are legally restricted to finance particular functions or activities. *Debt service funds* are used to account for the accumulation of resources for payment of the City's long-term debt. The City maintains two (2) debt service funds. *Capital projects funds* are used to account for revenues and expenditures related to the renovation and/or construction of major capital assets. Two (2) capital projects funds are maintained by the City.

Business-Type Funds

The City maintains five (5) *enterprise funds*, which are used to account for operations in a manner similar to private business enterprises. The enterprise funds maintained are the Sanitation Fund, Museum Fund, Gardens Fund, Stormwater Fund, and Streetlight Fund.

The City also maintains one (1) *internal service fund* which is used to account for various programs and services for the benefit of the other funds of the City. The internal service fund maintained is the Employee Health Benefits Fund.

Footnotes

Note 1 - Accounting Policies: This footnote discusses the overall organization of the City and the nature of its operations. This note also discloses pertinent information regarding the governing body of the City.

This footnote continues by sharing with a reader of the financial statements the significant accounting policies and principles utilized in the preparation of the financial statements.

Note 2 - Reconciliation of Government-wide Financial Statements and Fund Financial Statements: This footnote provides additional detailed information that is not already shown within the financial statements themselves, on the differences between the City's fund level financial statements and its government-wide financial statements.

Note 3 - Legal Compliance – Budgets: This footnote discloses the City's procedures in establishing its annual budget and discloses any of the City's excesses of actual expenditures over appropriations for the year.

Note 4 - Deposits and Investments: This disclosure addresses common deposit and investment risks related to credit risk, concentration of credit risk, and interest rate risk.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Note 5 - Receivables: This footnote discloses the City's property tax calendar and detailed information on various receivable (and allowances for doubtful receivables) balances.

Note 6 - Capital Assets: This footnote discloses the City's capital asset activity and its related accumulated depreciation for the year.

Note 7 - Short-Term Borrowings: This footnote discloses the City's short-term financing activity for the year.

Note 8 - Long-Term Debt: This footnote discloses the City's long-term debt activity for the year, and other information and maturities for this long-term debt.

Note 9 - Interfund Receivables, Payables, and Transfers: This footnote discloses detailed information on the City's interfund balances and transfers and the purpose for these balances and transactions.

Note 10 - Operating Leases: This footnote discloses detailed information on the City's operating leases outstanding at year end and the future payments of the leases.

Notes 11 & 12 - Defined Benefit Pension Plan and Other Postemployment Benefits: These footnotes disclose the details of the City's Defined Benefit Pension Plan and Other Postemployment Benefit Plan, which is now disclosed in accordance with the provisions of newly implemented standard GASB Statement No. 75.

Note 13 - Defined Contribution Pension Plan: This footnote discloses the details of the City's Deferred Compensation Plan.

Notes 14 - Joint Venture: These footnotes disclose the City's relationships with the entities considered to be joint ventures for reporting purposes.

Note 15 - Risk Management: This footnote discloses the City's various risks of loss and the measures the City has taken to mitigate those potential losses.

Note 16 - Commitments and Contingencies: This footnote discloses the contingencies from potential litigation, claims, and assessments filed against the City and significant contractual commitments of the City at year-end.

Note 17 - Hotel/Motel Lodging Tax: This footnote discloses the City's tax rate for hotel/motel taxes, along with the amounts and nature of these revenues and expenditures.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Note 18 - Restricted Fund Balance: This footnote discloses further details surrounding the City's restricted fund balance described as "Voter approved use."

Note 19 - Subsequent Events: This footnote discloses the issuance of the Series 2019 KDDA Revenue Bond and Series 2020 Refunding General Obligation Bond that occurred after fiscal year-end.

COMPLIANCE REPORT

The financial report package contains the City's compliance report.

Yellow Book Report: The first compliance report is a report on our tests of the City's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the City's 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. In accordance with the respective standards, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the City's internal controls and compliance with applicable rules and regulations.



City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

REQUIRED COMMUNICATIONS

The Auditor's Responsibility Under *Government Auditing Standards* and Auditing Standards Generally Accepted in the United States of America

Our audit of the financial statements of City of Kennesaw, Georgia (the "City") for the year ended September 30, 2019 was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the City's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. There are several new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the City's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The City's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of management's calculations in evaluating the City's significant accounting policies. Estimates significant to the financial statements include such items as: actuarial assumptions and concepts relative to the benefit plans; the estimated incurred-but-not-reported liabilities; and the estimated allowance for uncollectible accounts.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency, and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without a problem.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations management had with us or other accountants about accounting or auditing matters. No major issues were discussed with management prior to our retention to perform the aforementioned audit.

Audit Adjustments

During our audit of the City's basic financial statements as of and for the year ended September 30, 2019, there were a few adjustments proposed to the funds of the City. The detail of all proposed adjustments for each fund are included with our ADA package of information for your review and discussion. All adjustments have been discussed with management.

Uncorrected Misstatements

We had no passed adjustments.

Independence

We are independent of the City, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the City.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

ACCOUNTING RECOMMENDATIONS AND RELATED MATTERS

Recommendations for Improvement and Other Matters

During our audit of the financial statements as of and for the year ended September 30, 2019, we have reported no findings (significant deficiency or material weakness). Further, we noted other matters which we wish to communicate to you in an effort to keep the City abreast of accounting matters that could present challenges in financial reporting in future periods. Our recommendations and proactive thoughts and communications are presented in the following paragraphs.

Recommendations for Improvement (Management Points)

1) IT Cybersecurity

The Information Technology environment is characterized by rapid change. Thus, any risk assessment and control activities, as they relate to IT, need to be monitored and reviewed on a regular basis. During our review we noted that the City is utilizing an IT framework in evaluating its cybersecurity risk management. However, we recommend that the framework currently being used by management add a monitoring component as new IT risks can emerge, controls and other mitigations can lose effectiveness, and new procedures can be deployed to address changing risk. A regular review or monitoring component to an IT framework is a key part of an effective internal control framework and risk management process.



City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Other Matters for Communication to the Board and Management

During our audit of the financial statements as of and for the year ended September 30, 2019, we noted other matters which we wish to communicate to you in an effort to keep the City abreast of accounting matters that could present challenges in financial reporting in future periods.

1) New Governmental Accounting Standards Board (GASB) Pronouncements



As has been the case for the past 10 years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 84, Fiduciary Activities** was issued in January 2017 and is effective for the first reporting period beginning after December 15, 2018. This statement establishes criteria for identifying fiduciary activities with a focus on: 1) whether a government is controlling the assets of the fiduciary activity; and, 2) the beneficiaries with whom a fiduciary relationship exists.

Further, this statement describes four (4) fiduciary funds that should be reported, if applicable: 1) pension and other employee benefit trust funds; 2) investment trust funds; 3) private-purpose trust funds; and, 4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

- b) **Statement No. 87, Leases** was issued in June 2017 and is effective for the first reporting period beginning after December 15, 2019. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Definition of a Lease: A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this statement.

Lease Term: The lease term is defined as the period during which a lessee has a non-cancelable right to use an underlying asset, plus the following periods, if applicable:

- Periods covered by a lessee's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessee will exercise that option;
- Periods covered by a lessee's option to terminate the lease if it is reasonably certain, based on all relevant factors, that the lessee will not exercise that option;
- Periods covered by a lessor's option to extend the lease if it is reasonably certain, based on all relevant factors, that the lessor will exercise that option;
- Periods covered by a lessor's option to terminate the lease if it is reasonably certain, based on all relevant factors, that the lessor will not exercise that option.

A fiscal funding or cancellation clause should affect the lease term only when it is reasonably certain that the clause will be exercised. Lessees and lessors should reassess the lease term only if one or more of the following occur:

- The lessee or lessor elects to exercise an option even though it was previously determined that it was reasonably certain that the lessee or lessor would not exercise that option;
- The lessee or lessor elects not to exercise an option even though it was previously determined that it was reasonably certain that the lessee or lessor would exercise that option;
- An event specified in the lease contract that requires an extension or termination of the lease takes place.

Short-Term Leases: A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

City of Kennesaw, Georgia

Auditor's Discussion & Analysis (AD&A)

September 30, 2019

Lessee Accounting: A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

Lessor Accounting: A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

A lessor should recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The notes to financial statements should include a description of leasing arrangements and the total amount of inflows of resources recognized from leases.

Contracts with multiple Components and Contract Combinations: Generally, a government should account for the lease and non-lease components of a lease as separate contracts. If a lease involves multiple underlying assets, lessees and lessors in certain cases should account for each underlying asset as a separate lease contract. To allocate the contract price to different components, lessees and lessors should use contract prices for individual components as long as they do not appear to be unreasonable based on professional judgment, or use professional judgment to determine their best estimate if there are no stated prices or if stated prices appear to be unreasonable. If determining a best estimate is not practicable, multiple components in a lease contract should be accounted for as a single lease unit. Contracts that are entered into at or near the same time with the same counterparty and that meet certain criteria should be considered part

City of Kennesaw, Georgia

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of the same lease contract and should be evaluated in accordance with the guidance for contracts with multiple components.

Lease Modifications and Terminations: An *amendment* to a lease contract should be considered a lease modification, unless the lessee's right to use the underlying asset decreases, in which case it would be a partial or full lease termination. A lease termination should be accounted for by reducing the carrying values of the lease liability and lease asset by a lessee, or the lease receivable and deferred inflows of resources by the lessor, with any difference being recognized as a gain or loss. A lease modification that does not qualify as a separate lease should be accounted for by re-measuring the lease liability and adjusting the related lease asset by a lessee and re-measuring the lease receivable and adjusting the related deferred inflows of resources by a lessor.

Subleases and Leaseback Transactions: Subleases should be treated as transactions separate from the original lease. The original lessee that becomes the lessor in a sublease should account for the original lease and the sublease as separate transactions, as a lessee and lessor, respectively.

A transaction qualifies for sale-leaseback accounting only if it includes a sale. Otherwise, it is a borrowing. The sale and lease portions of a transaction should be accounted for as separate sale and lease transactions, except that any difference between the carrying value of the capital asset that was sold and the net proceeds from the sale should be reported as a deferred inflow of resources or a deferred outflow of resources and recognized over the term of the lease.

A lease-leaseback transaction should be accounted for as a net transaction. The gross amounts of each portion of the transaction should be disclosed.

- c) **Statement 90, Majority Equity Interests** – An Amendment of GASB Statements No. 14 and No. 61 was issued in August 2018 and is effective for reporting periods beginning after December 15, 2018 (meaning June 2020). This standard improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

City of Kennesaw, Georgia

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d) **Statement No. 91, Conduit Debt Obligations** was issued in May 2019 and is effective for the first reporting period beginning after December 15, 2020, meaning for those with year ends of December 31, 2021 and beyond.

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument meeting all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder (or a debt trustee);
- The issuer and the third-party obligor are not within the same financial reporting entity;
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer;
- The third-party obligor (or its agent), not the issuer, ultimately receives the proceeds from the debt issuance;
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

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This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer **should not** recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer should recognize the entire capital asset and a deferred inflow of resources at the inception of the arrangement. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

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e) **Other Pending or Current GASB Projects.** As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:

1. **Re-Examination of the Financial Reporting Model.** GASB has added this project to its technical agenda to make improvements to the existing financial reporting model (established via GASB 34). Improvements are meant to enhance the effectiveness of the model in providing information for decision-making and assessing a government's accountability. GASB anticipates issuing an initial due process document on this project by the end of 2021.
2. **Conceptual Framework** is a constant matter being looked at by GASB. Current measurement focus statements (for governmental funds) to change to near-term financial resources measurement. May dictate a period (such as 60 days) for revenue and expenditure recognition. May expense thing such as supplies and prepaid assets at acquisition. Will look into which balances (at all statement levels) are measured at acquisition and which need to be re-measured at year-end. Project placed on hold for now.
3. **Economic Condition Reporting** is another long-term matter being looked into by GASB. Includes presentation of information on fiscal sustainability (including projections). Tabled for now pending resolution to issues raised on GASBs scope.

Summations of Thoughts Noted Above

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures.



City of Kennesaw, Georgia

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FREE QUARTERLY CONTINUING EDUCATION AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

Free Continuing Education. We provide free continuing education (quarterly is the goal and objective) for all of our governmental clients. Each quarter we pick a couple of significant topics tailored to be of interest to governmental entities. In an effort to accommodate our entire governmental client base, we offer the sessions several times per quarter at a variety of client provided locations resulting in greater networking among our governmental clients. We normally see approximately 100 people per quarter. We obtain the input and services of experienced outside speakers along with providing the instruction utilizing our in-house professionals. We hope City staff and officials have been able to participate in this opportunity, and that it has been beneficial to you. Examples of subjects addressed in the past few quarters include:

- Accounting for Debt Issuances
- American Recovery & Reinvestment Act (ARRA) Updates
- Best Budgeting Practices, Policies and Processes
- Budget Preparation
- CAFR Preparation (several times including a two (2) day hands-on course)
- Capital Asset Accounting Processes and Controls
- Closing Out and Audit Preparation
- Collateralization of Deposits and Investments
- Evaluating Financial and Non-Financial Health of a Local Government
- GASB No. 51, Intangible Assets
- GASB No. 54, Governmental Fund Balance (subject addressed twice)
- GASB No. 60, Service Concession Arrangements (webcast)
- GASB No. 61, the Financial Reporting Entity (webcast)
- GASB No.'s 63 & 65, Deferred Inflows and Outflows (webcast)
- GASB No.'s 67 & 68, New Pension Standards (presented several occasions)
- GASB No. 72, Fair Value Measurement and Application
- GASB No. 74 & 75, New OPEB Standards American Recovery & Reinvestment Act (ARRA) Updates
- GASB No. 77, Tax Abatement Disclosures
- GASB No. 87, Leases
- GASB Updates (ongoing and several sessions)
- Grant Accounting Processes and Controls
- Information Technology (IT) Risk Management
- Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables & the Revenue Cycle
- Internal Revenue Service (IRS) Compliance Issues, Primarily Payroll Matters

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Auditor's Discussion & Analysis (AD&A)

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- Legal Considerations for Debt Issuances & Disclosure Requirements
- Policies and Procedures Manuals
- Presenting Financial Information to Non-Financial People
- Segregation of Duties
- Single Audits for Auditees
- SPLOST Accounting, Reporting & Compliance
- Uniform Grant Reporting Requirements and the New Single Audit

Governmental Newsletters. We periodically produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are intended to keep you informed of current developments in the government finance environment.

Communication. In an effort to better communicate our free continuing education plans and newsletters, please email Paige Vercoe at pvercoe@mjcpa.com (send corresponding copy to afraley@mjcpa.com), and provide to her individual names, mailing addresses, email addresses and phone numbers of anyone you wish to participate and be included in our database.

CLOSING

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures. If you have any questions regarding any comments, suggestions or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the City's management, and others within the City's organization and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve City of Kennesaw, Georgia and look forward to serving the City in the future. Thank you.

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.100 - General Fund Database
Workpaper: 0204.100 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		PBC		
To allocate PSIF loss after final calims liability adjustment				
100.1100.51.210000.00000	GROUP INSURANCE		1,443.00	
100.1320.51.210000.00000	GROUP INSURANCE		4,329.00	
100.1510.51.210000.00000	GROUP INSURANCE		5,772.00	
100.1535.51.210000.00000	GROUP INSURANCE		1,443.00	
100.1540.51.210000.00000	GROUP INSURANCE		2,305.00	
100.1565.51.210000.00000	GROUP INSURANCE		5,772.00	
100.2000.51.210000.00000	GROUP INSURANCE		2,164.00	
100.3200.51.210000.00000	GROUP INSURANCE		50,064.00	
100.3400.51.210000.00000	GROUP INSURANCE		1,443.00	
100.4000.51.210000.00000	GROUP INSURANCE		12,259.00	
100.4200.51.210000.00000	GROUP INSURANCE		6,500.00	
100.6100.51.210000.00000	GROUP INSURANCE		12,987.00	
100.7200.51.210000.00000	GROUP INSURANCE		5,912.00	
100.7400.51.210000.00000	GROUP INSURANCE		700.00	
100.7500.51.210000.00000	GROUP INSURANCE		2,907.00	
100.0000.12.198500.00000	DUE TO PSIF			116,000.00
Total			116,000.00	116,000.00

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.310 - SPLOST Database
Workpaper: 0204.310 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To record Cobb County Water reimbursement for Pine Mountain Road project not received within recognition window after FYE				
310.0000.11.312500.00000	Due from other governments		308,221.60	
310.0000.12.250000.00000	Deferred revenue			308,221.60
Total			308,221.60	308,221.60
Total Adjusting Journal Entries			308,221.60	308,221.60
Total All Journal Entries			308,221.60	308,221.60

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.540 - Sanitation Fund Database
Workpaper: 0204.540 - Sanitation Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		6006.000		
To record the Sanitation fund's portion of the NPL and related deferred outflows and inflows for the year.				
540.0000.12.145000.00000	NET PENSION LIABILITY		36,559.00	
540.0000.12.901000.00000	DEFERRED INFLOWS - INV EARNINGS		4,781.00	
540.0000.12.902000.00000	DEFERRED INFLOWS - EXPER DIFF		678.00	
540.0000.11.900500.00000	DEFERRED OUTFLOWS ASSUMPTION CHANGES			3,295.00
540.0000.11.901000.00000	DEFERRED OUTFLOWS - EXPER DIFF			5,537.00
540.0000.11.901500.00000	DEFERRED OUTFLOWS - CONTRIB			6,786.00
540.4500.51.240000.00000	RETIREMENT CONTRIBUTIONS			26,400.00
Total			42,018.00	42,018.00
Adjusting Journal Entries JE # 2		PBC		
To record stormwater and street light revenue adjustments				
540.0000.12.194100.00000	DUE TO STREET LIGHTS FUND		14,538.83	
540.0000.12.194000.00000	DUE TO STORM WATER UTILITY			13,748.19
540.0000.34.411000.00000	RESIDENTIAL COLLECTION CHARGES			790.64
Total			14,538.83	14,538.83

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.560 - Stormwater Fund Database
Workpaper: 0204.560 - Stormwater Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
		5002.000		
To reclassify short term and long term balance of debt for financed purchases				
560.0000.12.310000.00000	LEASE PAYABLE - CURRENT		7,176.00	
560.0000.12.310200.00000	LEASE PAYABLE			7,176.00
Total			7,176.00	7,176.00
Adjusting Journal Entries JE # 2				
		6006.000		
To record the Stormwater fund's share of the NPL and related deferred outflows and inflows for the current year.				
560.0000.12.145000.00000	NET PENSION LIABILITY		31,974.00	
560.0000.12.901000.00000	DEFERRED INFLOWS - INV EARNINGS		907.00	
560.0000.12.902000.00000	DEFERRED INFLOWS EXPER DIFF		788.00	
560.0000.11.900500.00000	DEFERRED OUTFLOWS ASSUMPTION CHANGES			3,478.00
560.0000.11.901000.00000	DEFERRED OUTFLOWS - EXPER DIFF			6,125.00
560.0000.11.901500.00000	DEFERRED OUTFLOWS - CONTRIB			3,262.00
560.4320.51.240000.00000	RETIREMENT CONTRIBUTIONS			20,804.00
Total			33,669.00	33,669.00
Adjusting Journal Entries JE # 3				
		PBC		
To record stormwater and stree light revenue adjustments				
560.0000.11.315000.00000	DUE FROM SANITATION		13,748.19	
560.0000.34.411000.00000	STORM WATER UTILITY RESIDENTIAL			13,748.19
Total			13,748.19	13,748.19

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.565 - Streetlight Fund Database
Workpaper: 0204.565 - Streetlight Fund AJE Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To record stormwater and street light revenue adjustments				
65.0000.34.430000.0000 STREET LIGHTS RESIDENTIAL				
65.0000.11.315000.0000 DUE FROM SANITATION FUND				
Total				
Total Adjusting Journal Entries			14,538.83	14,538.83
Total All Journal Entries			14,538.83	14,538.83

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.600 - Self-Insurance Database
Workpaper: 0204.600 - Self Insurance Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		PBC		
To adjust IBNR after reviewing December claims paid and record due from GF				
600.0000.11.310900.00000	DUE FROM/TO GENERAL FUND		116,000.00	
600.6000.55.220400.00000	CLAIMS HOSPITAL		21,364.00	
600.0000.12.150000.00000	CLAIMS & JUDGEMENTS PAYAB			21,364.00
600.0000.34.990500.00000	CITY/EMPLOYEE PAYMENTS			116,000.00
Total			137,364.00	137,364.00

Client: 0303328 - City of Kennesaw
Engagement: 9/30/2019 - City of Kennesaw
Period Ending: 9/30/2019
Trial Balance: 0200.780 - DA Database
Workpaper: 0204.780 - DA Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To record Alta Ridenour annual issuer fees for 2019				
780.0000.11.190000.00000	ACCOUNTS RECEIVABLE		16,343.75	
780.0000.12.250000.00000	Deferred revenue			16,343.75
Total			16,343.75	16,343.75
Total Adjusting Journal Entries				
			16,343.75	16,343.75
Total All Journal Entries				
			16,343.75	16,343.75

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

**To the Honorable Mayor and Members
of City Council
City of Kennesaw, Georgia**

Ladies and Gentlemen:

We have performed the procedures enumerated below, which were agreed to by the Mayor, City Council and management of the City of Kennesaw, Georgia (the "City"), solely to assist you in evaluating certain accounting records and information included in the Equitable Sharing Agreement and Certification Report for the year ended September 30, 2019 relating to operations of the Treasury and Justice Funds accounted for by the Kennesaw Police Department. Management of the City is responsible for the accounting records as well as the annual completion of the Equitable Sharing Agreement and Certification Report. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. We obtained from personnel of the City the following items: 1) the Equitable Sharing Agreement and Certification Report (ESACR) for the year ended September 30, 2019; 2) the general ledger for the City for the fiscal year ending September 30, 2019; 3) the bank account statements containing disbursements of the Treasury Funds maintained by the Kennesaw Police Department for the year ended September 30, 2019; 4) all supporting invoices for all disbursements made from the bank accounts identified in item #3 above for the year ended September 30, 2019; 5) a listing of the types of expenditures permitted of the Treasury Funds, obtained from the "Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies" as prepared by the U.S. Department of Treasury, Executive Office for Asset Forfeiture; and 6) a listing of individuals authorized to approve invoices for Treasury Funds purchases. Using the items obtained above, we performed the following procedures for the fiscal year ended September 30, 2019:
 - a. We compared the amounts reported as revenues and expenditures reported in the ESACR for the fiscal year ended September 30, 2019 to the revenues and expenditures related to the treasury and justice funds in the City's general ledger for the fiscal year ended September 30, 2019. No exceptions were identified.
 - b. We inspected the date the ESACR was submitted to determine whether the ESACR was submitted within the required sixty (60) days of the City's fiscal year end of September 30, 2019. No exceptions were identified.

- c. We inspected the supporting invoices obtained from the City, for all disbursements identified in the bank statements obtained, to determine if the invoices had documented approval from one of the individuals included in the list of individuals authorized to approve invoices for Treasury Funds purchases and Justice Fund purchases obtained from the City. No exceptions were identified.
 - d. We inspected the supporting invoices obtained from the City and compared those expenditures to the list of permitted expenditures also obtained from the Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies as prepared by the Executive Office for Asset Forfeiture, US Department of the Treasury. No exceptions were identified.
- 2. We attempted to obtain from the City a listing of all Treasury Funds and Justice Fund disbursements made to non-profit organizations and to individuals, noting no such disbursements were made during the fiscal year ended September 30, 2019. As the City's list did not contain any such disbursements, we did not obtain the required Federal approval letter.
- 3. We obtained from the City the following items: 1) a listing of all wire transfers initiated from the Treasury Funds and Justice Funds bank accounts to the City's operating account and 2) a schedule which summarizes the purpose for all disbursements associated with each of the wire transfers included in the listing. We performed the following procedures for the fiscal year ended September 30, 2019:
 - a. We compared each disbursement to the allowable expenditures listing obtained in Step #1 above. No exceptions were identified.
 - b. We agreed the listing of wire transfers to the schedule which summarizes the purpose for all disbursements associated with each of the wire transfers. No exceptions were identified.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records or the Equitable Sharing Agreement and Certification Report. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City Council and management of the City of Kennesaw, Georgia and is not intended to be and should not be used by anyone other than those specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 23, 2020

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

**To the Honorable Mayor and Members
of City Council
City of Kennesaw, Georgia**

Ladies and Gentlemen:

We have performed the procedures enumerated below, which were agreed to by the Mayor, City Council and management of the City of Kennesaw, Georgia (the "City"), solely to assist you in evaluating certain accounting records and information included in the Asset Forfeiture Report for the year ended September 30, 2019 relating to operations of the State Forfeiture Funds accounted for by the Kennesaw Police Department. Management of the City is responsible for the accounting records as well as the annual completion of the Asset Forfeiture Report. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We obtained from personnel of the City the following items: 1) the Asset Forfeiture Report for Law Enforcement, Multi-Jurisdictional Task Forces and State Agencies (AFR) for the year ended September 30, 2019; 2) the general ledger for the City for the fiscal year ending September 30, 2019; 3) the bank account statements containing disbursements of the State Forfeiture Funds maintained by the Kennesaw Police Department for the fiscal year ending September 30, 2019; 4) all supporting invoices for all disbursements made from the bank accounts identified in item #3 above for the year ended September 30, 2019; 5) a listing of the types of expenditures permitted of the State Forfeiture Funds, obtained from the Official Code of Georgia Annotated (O.C.G.A.) § 9-16-19; and 6) a listing of individuals authorized to approve invoices for State Forfeiture Funds purchases. Using the items obtained above, we performed the following procedures for the fiscal year ended September 30, 2019:
 - a. We compared the amounts reported as revenues and expenditures reported in the AFR for the fiscal year ended September 30, 2019 to the revenues and expenditures related to the state forfeiture funds in the City's general ledger for the fiscal year ended September 30, 2019. No exceptions were identified.

- b. We inspected the date the AFR was submitted to determine whether the AFR was submitted by the required deadline of January 31, 2020. The AFR we inspected was not signed and dated. However, the City provided documentation showing the AFR was reviewed by the Chief of Police prior to the date the AFR was required to be submitted. The City also provided documentation showing the AFR was submitted to and received by the Prosecuting Attorneys' Council of Georgia prior to the deadline of January 31, 2020.
 - c. We inspected the supporting invoices obtained from the City, for all disbursements identified in the bank statements obtained, to determine if the invoices had documented approval from one of the individuals included in the list of individuals authorized to approve invoices for State Forfeiture Funds purchases obtained from the City. No exceptions were identified.
 - d. We inspected the supporting invoices obtained from the City and compared those expenditures to the list of permitted expenditures obtained from the O.C.G.A § 9-16-19. No exceptions were identified.
2. We obtained from the City the following items: 1) a listing of all wire transfers initiated from the State Forfeiture Funds bank accounts to the City's operating account, and 2) a schedule which summarizes the purpose for all disbursements associated with each of the wire transfers included in the listing. We performed the following procedures for the fiscal year ended September 30, 2019:
- a. We compared each disbursement to the allowable expenditures listing obtained in Step #1 above. No exceptions were identified.
 - b. We agreed the listing of wire transfers to the schedule which summarizes the purpose for all disbursements associated with each of the wire transfers. No exceptions were identified.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records or the Asset Forfeiture Report. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City Council and management of the City of Kennesaw, Georgia and is not intended to be and should not be used by anyone other than those specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 23, 2020



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Receipt of the March and April 2020 Crime Statistics
Agenda Comments:	
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
2020 March Crime Statistics	4/24/2020	Backup Material
2020 April Crime Statistics	5/5/2020	Backup Material



To: Chief William Westenberger

Re: March 2020 Crime Statistics

March 2020 Crime Statistics

Monthly Report	March 2020	February 2020 + -	YTD (01/01/2020 03/31/2020)	Prev. Year +- (01/01/2019 03/31/2019)
Calls for Service	981	-69	3122	-99
Traffic Citations	320	-196	1,323	-1,005
Traffic Warnings	273	-294	1,452	-1,417
Arrests	26	-8	102	-63

- Warnings do not include verbal warnings
- Arrest statistics do not include juveniles

Part I Crimes	March 2020	February 2020	YTD (01/01/2020 03/31/2020)	Prev. Year (01/01/2019 03/31/2019)
Homicide	0	0	0	0
Rape	0	-1	0	1
Robbery	1	0	1	3
Aggravated Assault	1	2	5	6
Larceny	18	20	54	68
Burglary	4	3	9	10
Auto Theft	3	0	8	10
Total	27	24	77	98

Part 1 Crime Statistics:

- March 2020 compared to the previous month: 27 (+3)
- YTD compared to the previous year: 77 (-21)





To: Chief William Westenberger

Re: 2020 April Crime Statistics

2020 April Crime Statistics

Monthly Report	April 2020	March 2020 + -	YTD (01/01/2020 04/30/2020)	Prev. Year +- (01/01/2019 04/30/2019)
Calls for Service	791	-190	3913	-460
Traffic Citations	208	-112	1,542	-1,494
Traffic Warnings	161	-112	1,617	-2,224
Arrests	3	-23	102	-63

- Warnings do not include verbal warnings
- Arrest statistics do not include juveniles

Part I Crimes	April 2020	March 2020	YTD (01/01/2020 04/30/2020)	Prev. Year (01/01/2019 04/30/2019)
Homicide	0	0	0	0
Rape	0	0	1	2
Robbery	0	1	1	5
Aggravated Assault	0	1	5	9
Burglary	1	18	10	15
Larceny	26	4	80	93
Auto Theft	6	3	14	12
Total	33	27	111	136

Part 1 Crime Statistics:

- April 2020 compared to the previous month: 33 (+6)
- YTD compared to the previous year: 111 (-25)



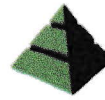


**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Authorize the start of right of way abandonment process for Burrell Court and a portion of Keene Street.
Agenda Comments:	The City is in receipt of a request from Core Property Capital for right of way abandonment for Burrell Court and a portion of Keene Street. In accordance with Georgia law, O.C.G.A Title 32, Chapter 7, multiple steps must be followed to abandon public rights of way. The first step is approval from the governing body to start the abandonment process. With Council's approval, the Public Works Department will proceed with the abandonment process. The Public Works Director recommends approval of starting the abandonment process.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
Request Letter	5/8/2020	Exhibit
Map	5/8/2020	Backup Material



CORE PROPERTY
CAPITAL

April 17, 2020

Ricky Stewart
Public Works Director
City of Kennesaw
3080 Moon Station Rd.
Kennesaw, GA 30144

RE: Abandonment of Burrell Court and Keene Street in Kennesaw, GA

Dear Mr. Stewart:

At this time, in accordance with our Development Agreement with the City of Kennesaw, we would like to kindly request to start the process of the abandonment of Burrell Court and Keene Street. We intend to begin earthwork and grading for our development as soon as possible, but need the roadways abandoned to do so. We appreciate any help with this matter and look forward to breaking ground on this exciting project. Please feel free to reach out to me with any questions. Thank you.

Respectfully,

Core Property Capital, LLC

By: Parke Lammerts, VP
404-452-9989
plammerts@corepropertycapital.com

CPC Road Abandonment Exhibit

To be abandoned:

Keene Street NW, portion – White

Burrell Court - Yellow





**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Approval to postpone the Salute to America Celebration from July 3, 2020 to September 12, 2020.
Agenda Comments:	The Salute to America Celebration Committee met two weeks ago to discuss the status of the event. Committee members include Councilmembers Tracey Viars and James Eaton, Parks & Recreation Director Steve Roberts, Parks & Recreation Event Coordinator Brittani Farmer, and numerous Downtown Business Representatives: Dale Hughes, Carol Thompson, Pam Eaton, Michael Diamond, Donna Norton, Michael Judvytis, Robert Trim, Lori Phillips, and Mark Allen. After looking at options to move forward with July 3rd, having only fireworks or postponing the event, out of an abundance of caution for all residents, staff, and business owners, the committee recommends postponing the event to Saturday, September 12, 2020. The Salute to America Celebration Committee recommends approval.
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
Full Committee Recommendation	5/12/2020	Backup Material
Event Footprint	5/12/2020	Maps

The Salute to America Committee Recommendation

The Salute to America Celebration Committee met two weeks ago to discuss the status of the event. Committee members include council members Tracey Viars and James Eaton, Parks & Recreation Director Steve Roberts, Parks & Rec Event Coordinator Brittani Farmer, and Downtown Business Representatives; Dale Hughes, Carol Thompson, Pam Eaton, Michael Diamond, Donna Norton, Michael Judvytis, Robert Trim, Lori Phillips and Mark Allen. After looking at options to move forward with July 3rd, have fireworks only or postpone the event, the committee decided that out of an abundance of caution for residents, staff, business owners and more that we would like to postpone the event to a later date in the year, Saturday, September 12.

The committee wanted to move forward with the full event because of the community feel that the event brings, the business that the event brings into downtown and the committee wants to give residents something to look forward to. There was discussion of just shooting off the fireworks on July 3rd but the committee thought that would take away from the full celebration that brings so many people into downtown. The location of the fireworks (and the footprint of the event) was chosen specifically to be seen from Main Street to incorporate those businesses. The fireworks will not be high enough to be seen outside of the festival area. Inside the viewing area of the fireworks would have to be monitored all day to ensure that large crowds do not develop. There are not enough places to park where they can be seen from the safety of cars. By not hosting the full event, the city would lose revenues from reserved tables, sponsorships and vendor fees which could be \$20,000 - \$25,000.

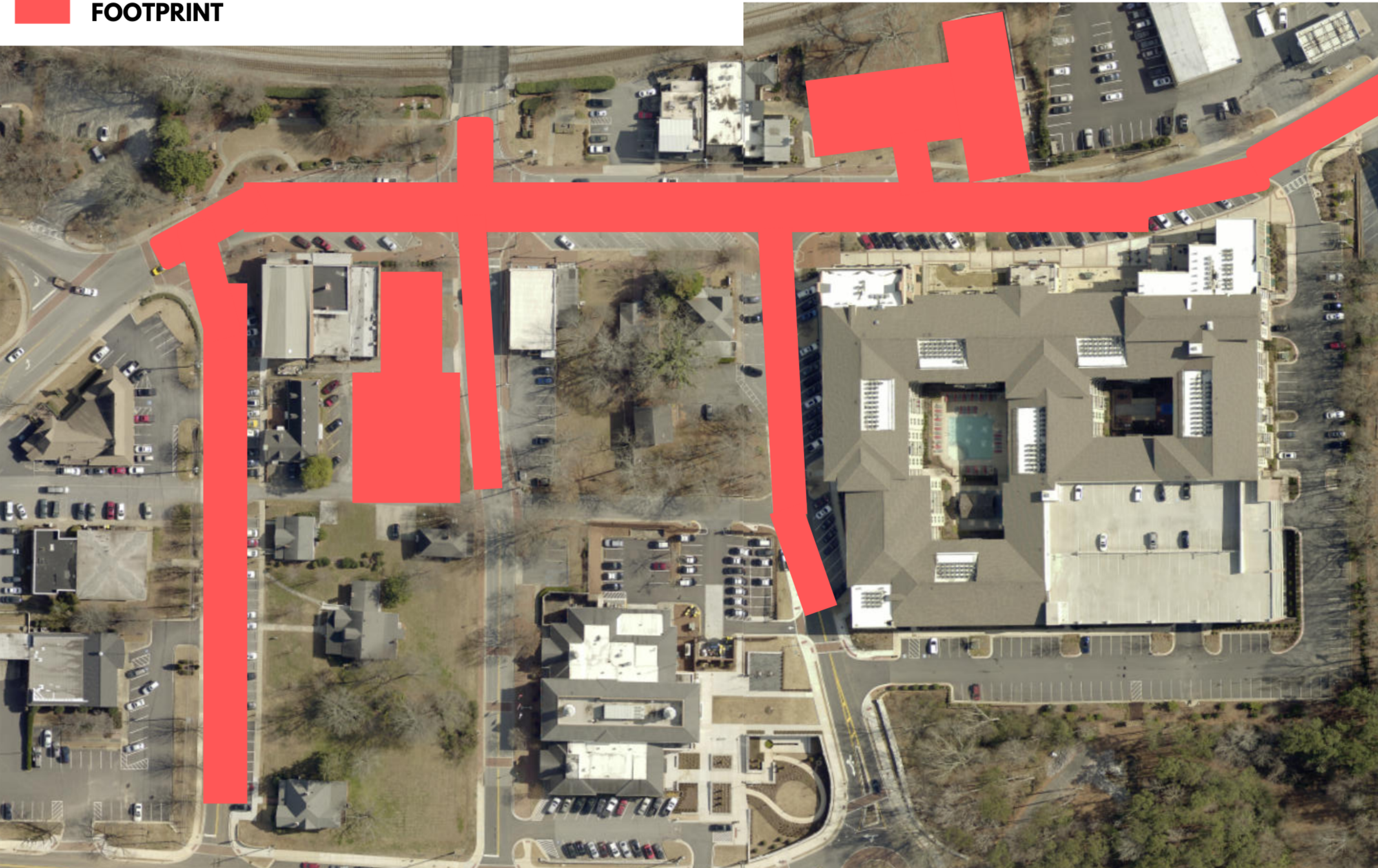
We need to pay a 50% deposit for the fireworks. We are past the drop dead date for July 3rd but the company is being flexible with us. They gave us until the morning of Tuesday, May 19th for the date we are pursuing and to sign the contract. If the fireworks are not shot off in 2020 we pay a 15% fee which is \$3,750 to shoot them in 2021. As of right now we have not signed contracts for anything for this event except for one of the bands. If the event is in September we have time to work on contracts with companies to make sure we are protected if we are unable to host the event due to guidelines in place. It takes time to organize all of the pieces of a large event like this and it is not something that the committee wants to rush.

Cities in the Atlanta area have begun to postpone or cancel their events around the 4th of July. The city of Duluth has cancelled their Duluth Celebrates America event that was on July 3rd, the City of Lawrenceville has cancelled their Prelude to the 4th event that was on July 3rd, The City of Suwanee has cancelled their event and Norcross has also canceled its annual "Red, White and Boom" event on July 3rd. The City of Lawrenceville has moved their July fireworks display to the Grand Opening Concert of the newly renovated Lawrenceville Lawn in September 2020. We selected September as a time to postpone our event to because it felt like a safe time frame to plan the event and monitor the status of the virus and listen to guidance from the CDC on social distancing and large crowds. Another reason that September stood out was that on September 21, 1887 a petition for incorporation was presented to the Legislature—the City of Kennesaw was born. Our plan is to host the event as a welcome back Kennesaw/homecoming event.

Although we do not know what phases we will go into next due to COVID-19, the committee feels that this is currently the best plan moving forward at this time. We are passionate about Kennesaw, the residents, the businesses and the events. We want to do what is best for the health and safety of everyone involved as well as protect the City.

2020 Salute to America Footprint

 **EVENT
FOOTPRINT**





**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	City Manager reports, discussions and updates.
Agenda Comments:	
Funding Line(s)	



**Regular Meeting Agenda
5/18/2020 6:30 PM
Council Chambers**

Title of Item:	Mayor and Council (re)appointments to Boards and Commissions. This item is for (re)appointments made by the Mayor to any Board, Committees, Authority or Commission requiring an appointment to fill any vacancies, resignations, and to create or dissolve committees, as deemed necessary.
Agenda Comments:	
Funding Line(s)	

ATTACHMENTS:

Description	Upload Date	Type
Board Liasons	5/4/2020	Backup Material
911 Advisory Board	3/6/2020	Backup Material
Art & Culture	4/8/2020	Backup Material
Cemetery Preservation	5/8/2020	Backup Material
City Sports Association	1/7/2020	Backup Material
Construction Board of Appeals	1/7/2020	Backup Material
Depot Park Amphitheatre	1/7/2020	Backup Material
Ethics Committee	1/7/2020	Backup Material
Historic Preservation Commission	1/23/2020	Backup Material
KCAC/KKB	1/28/2020	Backup Material
Kennesaw Development Authority	4/17/2020	Backup Material
Kennesaw Downtown Development Authority	3/24/2020	Backup Material
License Review Board	1/28/2020	Backup Material
Planning Commission	4/21/2020	Backup Material

Public Art Commission	1/7/2020	Backup Material
Recreation Center Development	1/7/2020	Backup Material
Urban Redevelopment Agency	1/7/2020	Backup Material

2020 Mayor's Appointments

COUNCIL LIAISON TO BOARDS
ART & CULTURE COMMISSION
James Eaton
CITY SPORTS EXECUTIVE
Chris Henderson
Tracey Viars
CEMETERY PRESERVATION
David Blinkhorn
Pat Ferris
HPC
Pat Ferris
KDA
David Blinkhorn
KDDA
Tracey Viars
PLANNING COMMISSION
Chris Henderson
YOUTH COUNCIL
Nimesh Patel
Chris Henderson
COUNCIL APPT OF MAYOR PRO TEM

COURTS (term indefinite):

H. LUKE MAYES, Chief Judge/Probably Cause Judge

CHARLES CHESBRO, Associate Judge

RICHARD BLEVINS, Associate Judge

BENTLEY, BENTLEY & BENTLEY, Law Firm and Solicitor

MAULDIN & JENKINS, LLC, Auditor

CROY ENGINEERING, City Engineer

JEFF DROBNEY, City Manager

LEA ADDINGTON, City Clerk

2020 KENNESAW/ACWORTH 9-1-1 ADVISORY BOARD

Members ratified by the City Council

Meet as needed

MEMBERS	PHONE, FAX, EMAIL
Jeff Drobney Kennesaw City Manager	770-424-8274(w) jdrobney@kennesaw-ga.gov
Brian Bulthuis Acworth City Manager	770-974-3112 (w) bbulthuis@acworth.org
Bill Westenberger Kennesaw Chief of Police	770-422-2505 (w) 678-414-9651 (c) wwestenberger@kennesaw-ga.gov
Wayne Dennard Acworth Chief of Police	770-974-1232 (w) 770-652-9948 (c) wdennard@acworth.org
Pat Ferris, Primary Kennesaw Councilmember	404-599-5761 (c) pferris@kennesaw-ga.gov
Chris Henderson, Alternate Kennesaw Councilmember	404-599-6189 (c) chenderson@kennesaw-ga.gov
Tim Richardson Acworth Alderman	770-974-3112 (City Hall) trichardson@acworth.org
Brent North Acworth Alderman	770-974-3112 (City Hall) bnorth@acworth.org
Linda Davis Kennesaw 911 Director	404-664-3665 (c) ldavis@kennesaw-ga.gov
Randy Crider Cobb County Fire	770-528-8000 (w) randal.crider@cobbcounty.org
Destiny Davidson Cobb 911	770-499-4105 Destiny.davidson@cobbcounty.org
Metro Ambulance	Devan Seabaugh 770-693-8402 (w) Devan.Seabaugh@MAAS911.com

2020 ART AND CULTURE COMMISSION

Est. by Ordinance 2013-15; 7 members (1 architect, 1 art council or foundation member, 2 residents, 1 college/university professor or student, 1 City business owner, 1 KDA member); staggered 2-year and 3-year terms; Commission meets 3rd Thursday of each month at 6:30 PM in the Council/Court Chambers.

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Karen Backus	2985 Downing Ln, NW Kennesaw 30144 backuskaren@gmail.com 404-229-7592	2021 [2 yr term]
Clemens Bak	13 Boones Ridge Parkway Acworth 30102 crbakdesign@yahoo.com 770-676-4156	2022 [3 yr term]
Daniel Barnard	3365 Fawn Trail Marietta, GA 30066 Danielbarnard68@att.net (c) 678-551-3823	2022 [3 yr term]
Valerie Dibble	3000 N. Main Street Kennesaw 30144 vdibble@kennesaw.edu 404-702 2960 (cell)	2021 [2 yr term]
Madelyn Orochena	2981 N. Main Street Kennesaw 30144 madelynorochena90@gmail.com 770-851-7099	2022 [3 yr term]
Carol Sills	1514 Barksdale Court NW Kennesaw 30152 csills2859@att.net 678-290-9199	2022 [3 yr term]
Lance A. Lewin	1026 Peace Drive Kennesaw, 30152 lance.visualizingart@gmail.com 678-294-0502	2021 [2 yr term]
Staff Liaison: Darryl Simmons	(770) 424-8274 ext 3121 dsimmons@kennesaw-ga.gov	---
Council Liaison: James Eaton	jeaton@kennesaw-ga.gov 404-496-2565	---
P&R Staff Liaison: Amanda Glass	aglass@kennesaw-ga.gov 770-424-8274 ext 3205	

Kennesaw Council Chambers
2529 J. O. Stephenson Avenue, Kennesaw 30144

2020 CEMETERY PRESERVATION COMMISSION

Cemetery Preservation Commission Members – 7 members - 4 year staggered terms. Created by Ordinance No. 2001-03, updated by Ord. No. 2002-33, 2007-28 and 2014-06. Meets every 2nd Thursday at 4:00 p.m. in City Hall Training Room.

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Joe Bozeman, Jr.	Jboz807349@aol.com 1510 Wimbledon Dr., NW Kennesaw, GA 30144 (c) 404-444-2018 (h) 770-428-1607	Dec. 2021
Mickey Bozeman	3359 Kimberly Road Kennesaw 30144 charlesbozeman@comcast.net (c) 770-315-7505	Dec. 2020
Andrew Bramlett	Honorary Commission Member ajbramlett@outlook.com	
Lewis P. Bramlett	2990 Summerfield Court Kennesaw 30152 lpbramlett@hotmail.com (c) 770-235-5888 (h) 770-794-1622	Dec. 2020
Linda Davis	ldavis@kennesaw-ga.gov 779-4248274 ext 3051	Dec. 2020
Mary Helyn Hagin	mhhagin@gmail.com (h) 770-427-5563 (c) 404-316-2154 1459 Ridgeway Drive Acworth, GA 30102	Dec. 2020
Loriann White	5355 Orchard Place Douglasville, GA 30135-2525 (404) 406-0617 loriannwhite83@gmail.com	Dec. 2021
<i>Vacant</i>		Dec. 2017
<i>Vacant</i>		Dec 2021
Council Liaison: David Blinkhorn, Primary	(c) 404 599-6185 dblinkhorn@kennesaw-ga.gov	---
Council Alternate: Pat Ferris	(c) 404 599-5761 pferris@kennesaw-ga.gov	

Staff Liaison: Jeff Drobney City Manager	jdrobney@kennesaw-ga.gov	---
Staff Liaison: Lea Addington, City Clerk	laddington@kennesaw-ga.gov	---
Staff Liaison: Ricky Stewart Public Works Director	rstewart@kennesaw-ga.gov	---
Staff Liaison: Rod Bowman, Public Works Sexton	rbowman@kennesaw-ga.gov	

2020
CITY/SPORTS ASSOCIATION EXECUTIVE COMMITTEE

Committee meets the 3rd Tuesday of January, April, July and October @ 7:30 AM
at the Ben Robertson Community Center, Administrative Conference Room.
Ordinance No. 2007-07 Establishing.

MEMBERS	PHONE, FAX, EMAIL
Jeff Drobney	jdrobney@kennesaw-ga.gov
Steve Roberts, Parks & Recreation Director	sroberts@kennesaw-ga.gov 770 422-9714 ext 3210
Deann Aldridge (President, Kennesaw Futbol Club)	Ahight15@gmail.com cell: 678 428-2636
Brandi Miller (President, Kennesaw Girls Softball)	bmiller.masondev@gmail.com cell: 770 329-8741
Zack Typher (Kennesaw Baseball), Chair	presidentofkba@gmail.com cell: 678 749-8018 home:
Kenny Phillips (President, Kennesaw Youth Football Association)	phillipskenn@gmail.com Cell: 404 396-9181
Bill McNair P&R Assistant Director	bmcnair@kennesaw-ga.gov 770 422-9714 ext 3013
Chris Henderson, Council Liaison	chenderson@kennesaw-ga.gov 404 599-6189
Tracey Viars, Alternate Council Liaison	chenderson@kennesaw-ga.gov 404-599-6189
Trici Styles, P&R, Program Coordinator/Committee Secretary	tstyles@kennesaw-ga.gov 770 422-9714 ext 3211

2020 CONSTRUCTION BOARD OF ADJUSTMENT AND APPEALS

Board formed by Ordinance No. 2006-06 and Resolution No. 2006-31, 2006. 7 members, will include an architect/engineer, building contractor, electrical contractor, mechanical contractor, plumbing contractor, and two (2) at-large positions. 4-year terms. Board meets on an as-needed basis. Bylaws adopted by Resolution 2006-51.

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Mike Graham	Mike Graham Construction Inc. 3481 Canton Road Marietta, GA 30066 mgci89@yahoo.com Phone: 770-928-6036	Dec. 2022
Don Massaro	Integrity Fire Extinguisher LLC 1606 Donovans Ridge Kennesaw, GA 30152 integrityextg@gmail.com Phone: 404-680-3328	Dec. 2022
Keith McCowen		
Dennis McKeon, Sr. Vice-Chairman	D. McKeon Heating & Air Conditioning Inc. 2260 Moon Station Court Bldg 300 Kennesaw, GA 30144 dennis@dmckeon.com Phone: 770-425-8779	Dec. 2022
Jim Quigley Chairman	North Cobb Electrical Services, Inc. P.O. Box 613 Kennesaw, GA 30156 jquigley@ncobbelectrical.com Phone: 678-449-6028	Dec. 2022
Greg Teague	Croy Engineering 200 Cobb Parkway North #413 Marietta, GA 30062 gteague@croyengineering.com Phone: 770-971-5407	Dec. 2022
Jason Willis		Dec. 2022
Scott Banks, Building Official	City of Kennesaw 2529 J.O. Stephenson Avenue Kennesaw 30144 sbanks@kennesaw-ga.gov 404-964-3298	---

2020 DEPOT PARK AMPHITHEATRE COMMITTEE

Meets as needed. Established April 15, 2019

MEMBERS	PHONE, FAX, EMAIL
Mike Everhart	michael@greatgigdance.com 678-793-8435
Bob Fox	rfox@kennesaw-ga.gov 770-424-8274 ext.3101
Gary Hasty, KDDA rep.	ghasty@kennesaw-ga.gov (c) 404-219-1801
Dale Hughes	dale@jeremiah360.com 678-575-4396
Marty Hughes	mhughes@kennesaw-ga.gov 770-424-8274 ext. 3017
Keith Perissi	keithperissi@mindspring.com 678-575-4396
Steve Roberts	sroberts@kennesaw-ga.gov 770-424-8274 ext 3210
Tracey Viars	tvians@kennesaw-ga.gov 404-822-8589
Candice Wharton	candicewharton@gmail.com 770-596-2594
Joyce Yung	joycekyung@bellsouth.com 404-987-9181

2020 ETHICS BOARD MEMBERS

5 members, 2-year terms - Board meets 3rd Tuesday of April & October, 6:30 p.m. in the Ben Robertson Community Center. Qualifications: City resident with residency of 12 months prior to serving as a member. Shall not be a member of any other board or commission. Established by Ordinance dated December 19, 1994.

MEMBERS	PHONE, FAX, E-MAIL	TERM EXPIRES
Brian Boughner	3150 Kirkwood Drive, Kennesaw 30144 bkboughner@bellsouth.net 678 595-5759	Dec. 2021
Ron Davis	2619 Winterthur Main NW Kennesaw, GA 30144 Rodavis57@gmail.com 404 909-9157	Dec. 2020
Chelsey Kinsinger, Chair	3153 Kirkwood Drive NW Kennesaw, GA chelsey.kinsinger@gmail.com 404 543-4970	Dec. 2021
Shannon Ortiz	2803 Fullers Alley Kennesaw, GA 30144 s.ortiz7078@gmail.com 678 576-7898	Dec. 2020
Karen Whipple, Secretary	3748 Park Trace, Kennesaw Ga 30144 kwhipple@bellsouth.net 404 538-8085	Dec. 2021

2020 HISTORIC PRESERVATION COMMISSION

7 members, 2-year terms - Board meets 3rd Tuesday @ 8:00 a.m. in Council Chambers. Qualifications: City and County residents with a majority being City residents. Members serve 2 year terms.

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Mary Baldwin	3846 Maybreeze Road Kennesaw 30144 marykb@gmail.com (c) 770-401-2121	Dec 2020
Rachel Butler Secretary	4192 Gramercy Main Kennesaw 30144 rachelzmadrid@gmail.com 770-842-9902	Dec 2021
Mike Ferguson Treasurer	3939 Jim Owens Road Kennesaw 30152 Mferguson3939@gmail.com (c) 770-235-2302	Dec. 2020
Patrick Gallagher	2575 Fairlawn Downs NW Kennesaw 30144 pgallagher@partneresi.com patgallagher2019@gmail.com 404-661-2420	Dec. 2020
Brandi May Chair	4318 Brighton Way Kennesaw, GA 30144 (c) 770-500-0598 maybrandi@att.net	Dec. 2021
Robert Sterling	3843 Nowlin Road Kennesaw 30144 bsterling@dot.ga.gov (c) 770-885-5669	Dec 2020
Kevin Whipple Vice Chair	1261 Wynford Colony NW Marietta 30064 whipple.kevin@gmail.com (c) 404-309-4988	Dec. 2021
Council Liaison: Pat Ferris	404-599-5761 pferris@kennesaw-ga.gov	---
Staff Liaison: Darryl Simmons	(w) (770) 424-8274 dsimmons@kennesaw-ga.gov	
Staff Liaison: Jeff Drobney	(w) (770) 424-8274 jdrobney@kennesaw-ga.gov	---

**2020 KENNESAW CITIZENS ADVISORY COMMITTEE &
KEEP KENNESAW BEAUTIFUL SUBCOMMITTEE**

Meets the 4th Thursday of each month (except Nov. & Dec. then they meet on 3rd Thursday) at 6:30 p.m. in the Council Chambers, established March 30, 2011. An advisory committee to the City Manager; 2-year terms.
Merged with Keep Kennesaw Beautiful January 2020.

MEMBERS	PHONE, EMAIL, ADDRESS	TERM EXPIRES
Aaron Budsock (+ KKB)	3214 Shirley Drive NW Kennesaw 30144 aaron.m.budsock@gmail.com (c) 404-987-3783	Dec. 31, 2020
Annette Clark (+ KKB)	2931 Stilesboro Ridge Court Kennesaw 30152 annetteclark4116@att.net (c) 770-597-4116	Dec. 31, 2020
Jacque Cullins	P. O. Box 475, Kennesaw 30156-0475 770-422-7667 Jc7667@aol.com	Dec. 31, 2020
Glenn Dawkins	2641 Ives Way NW Kennesaw 30152 dawkinsg@gmail.com (c) 954-247-8573	Dec. 31, 2020
Carlene Fregeolle	2549 Park Drive NW Kennesaw 30144 carlenefregeolle@yahoo.com 678-464-4146	Dec. 31, 2021
Antonio Jones	1870 Grant Court NW Kennesaw 30144 Antoniojones89@gmail.com 267-625-3379 (c)	Dec. 31, 2021
Bill Maxson	2500 S. Main Street Kennesaw, GA 30144 (c) 404-823-3177 (w) 770-423-1969 wamaxson@aol.com	Dec. 31, 2021
Doug McMichen (+ KKB)	2652 Allyn Way NW Kennesaw 30152 Springcleanpowerwashing@gmail.com 706-587-3993	Dec. 31, 2020
Dave Peeples	4010 Palisades Main Kennesaw 30144 pdpeeples@gmail.com (c) 706 537 7005	Dec. 31, 2021
Kathy Rechsteiner	3291 McGarity Lane Kennesaw 770-330-3297 (c) chlorinemom@yahoo.com	Dec. 31, 2020
David Shock	2010 Jebbs Ct. NW Kennesaw 30144 Davidshock30144@outlook.com 770-425-0590	Dec. 31, 2020
Trent Trees (+ KKB)	3423 Owens Pass Kennesaw, GA 30152 (h & w) 770-917-8699 trenttrees@aol.com	Dec. 31, 2020

Candice Wharton	1957 Barrett Knoll Circle Kennesaw 30152 candicewharton@gmail.com (c) 770-596-2594	Dec. 31, 2020
Grey Won, Public Works Staff Liaison	(c) 470-651-8610 gwon@kennesaw-ga.gov	
Marty Hughes, Assistant City Manager Staff Liaison	770-424-8274 ext. 3017 mhughes@kennesaw-ga.gov	

2020 KENNESAW DEVELOPMENT AUTHORITY

7 members 4-year terms created by Resolution 1995-15 - Board meets the 3rd Wednesday of each month at 6:00 p.m. in Council Chambers. Qualifications: The directors shall be taxpayers residing in the county or municipal corporation for which the authority is created, and their successors shall be appointed as provided by the resolution provided for in Code Section 36-62-4. The governing authority of a county or municipality may appoint no more than one member of the governing authority as a director.

MEMBERS	PHONE, FAX, EMAIL	TERM EXP.
Richard Blevins, Jr.	3895 Collier Trace Kennesaw 30144 richardblevins@cobbcountylaw.com (w) 678-354-2290 (c) 678-428-2264	Dec. 2021
Jay Brimberry	4225 Highcroft Main NW Kennesaw 30144 jbrimberry@kennesaw-ga.gov (c) 678-794-5332	Dec. 2023
<i>Vacancy</i>		Dec. 2023
Keith Palmer	2318 Holden Way Kennesaw 30144 kpalmer@kennesaw-ga.gov 404-983-4099	Dec. 2021
Nimesh Patel	4154 Havenwood Court Kennesaw, GA 30144 npatel@kennesaw-ga.gov (H & cell) 404-597-1063	Dec. 2021
Matt Riedemann	4111 Kentmere Main NW Kennesaw 30144 mriedemann@kennesaw-ga.gov (c) 678-231-4579	Dec. 2021
Kevin Tidwell	2865 Shillings Chase Court Kennesaw, GA 30152 (c) 404-273-4517 ktidwell@kennesaw-ga.gov	Dec. 2023
Miranda Jones Taylor (Staff)	(w) 770-424-8274 ext 3147 mjones@kennesaw-ga.gov	
Council Liaison: David Blinkhorn	(c) 404-599-6185 dblinkhorn@kennesaw-ga.gov	
Staff Liaison: Bob Fox	(w) 770-424-8274 rfox@kennesaw-ga.gov	---

2020 KENNESAW DOWNTOWN DEVELOPMENT AUTHORITY

7 members, 4-year terms - Board meets 2nd Tuesday at 7:30 am in the Council/Court Chambers.

Qualifications are: (a) City resident, and/or (b) Owner/Operator of business in Downtown Development Area and resident of County, or (c) Owner/Operator of a business in the Downtown Development Area and a resident of the State of Georgia (1 member only); 8 hours of training in downtown development and redevelopment programs within 12 months. Created by Resolution 1995-16, OCGA 36-42-7

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Mark Allen	2950 Moon Station Road NW Kennesaw 30144 mallen@kennesaw-ga.gov (w) 770-485-0081 (c) 678-480-9740	Dec. 2021
Britt Doss	4416 Black Hills Drive NW Acworth 30101 bdoss@kennesaw-ga.gov (w) 770-793-9286 (c) 770-355-9441	Dec. 2023
Gary Hasty	2887 Boone Dr., NW Kennesaw, GA 30144 (w) 404 216-7299 (c) 404-219-1801 ghasty@kennesaw-ga.gov	Dec. 2023
Chad Howie	3008 Cherokee Street NW Kennesaw 30144 chowie@kennesaw-ga.gov (w) 770-702-1223 (c) 770-789-3350	Dec. 2021
Anne Langan	4243 Sheffield Court NW Kennesaw 30144 alangan@kennesaw-ga.gov 910-233-3586	Dec 2021
David Lyons	3573 Bramwell Crossing Kennesaw, GA 30144 (cell) 678-300-6302 dlyons@kennesaw-ga.gov	Dec. 2023
Leslie Steinle	3895 Greensward View NW Kennesaw 30144 lsteinle@kennesaw-ga.gov (w) 678-581-6567 (c) 205-706-7999	Dec 2021
Council Liaison: Tracey Viars	(c) 404-822-8589 tvians@kennesaw-ga.gov	
Staff Liaison: Bob Fox	(w) 770-424-8274 ext 3101 rfox@kennesaw-ga.gov	
Staff: Miranda Jones-Taylor (recording secty)	(w) 770-424-8274 mjones@kennesaw-ga.gov	

2020 LICENSE REVIEW BOARD

Effective October 1, 2002. 3 members. Board meets as necessary to consider Due Cause Hearings. Qualifications: Either a resident of the City or have an ownership interest as principal shareholder, general partner or sole proprietor in at least one business located in the City of Kennesaw. A maximum of 1 alcoholic beverage license holder, if any, may serve on the Board. Post 1 and 2 serve 2-year terms, Post 3 serves 1 year terms. No term limits.

MEMBERS	PHONE, FAX, E-MAIL	TERM EXPIRES
Post 1 Nimesh Patel, Chair	3951 Bellingrath Main NW Kennesaw, GA 30144 nimeshrpatel@hotmail.com (404) 597-1063	Dec. 2021
Post 2 Trey Sinclair	1500 Lockhart Drive Kennesaw 30144 trey@drycountybrewco.com (678) 910-0113	Dec. 2021
Post 3 Jim Watts	3984 Palisades Main Kennesaw 30144 jim.watts@shawinc.com (770) 655-9794	Dec. 2020

For hearings, also contact:		
Attorney Jamie Wingler	Bentley, Bentley & Bentley 272 Washington Avenue Marietta, GA 30060 jamie.wingler@bbandblaw.com	770-422-2300 770-424-5820 (fax)
Attorney Sam Hensley	Bentley, Bentley & Bentley 241 Washington Avenue, NE Marietta, GA 30060 sphensleyjr@hotmail.com	770-422-2300 770-424-5820 (fax)

2020 PLANNING COMMISSION MEMBERS

**7 members, 3-year terms - Board meets 1st Wednesday at 7:00pm in Council Chambers.
Qualifications: City resident, registered voter.**

MEMBERS	PHONE, FAX, EMAIL	TERMS EXPIRES
Donald Bergwall	3140 Brookeview Lane NW Kennesaw dbergwall@kennesaw-ga.gov (c) 937-243-2673	Dec. 2020
SaVaughn Irons	2167 Del Lago Cir NW Kennesaw 30152 sirons@kennesaw-ga.gov (c) 678-558-0089	Dec. 2022
Dan Harrison, III	1487 Shoup Court NW Kennesaw 30152 (h + cell) 954-560-6924 dharrison@kennesaw-ga.gov	Dec. 2022
Phillip Jackson	4260 Revere Walk Kennesaw pjackson@kennesaw-ga.gov (c) 404-219-3578	Dec. 2022
Cindi Michael Vice Chair	2998 North Main Street Kennesaw 30144 (c) 770-422-0463 cmichael@kennesaw-ga.gov	Dec. 2020
Lacey Ragus	2756 Fuller's Alley Kenesaw, GA 30144 babylacey78@yahoo.com (c) 404-314-4164	Dec. 2022
Doug Rhodes Chair	5670 Deerfield Place Kennesaw, GA 30144 (w) 770-684-0102 (c) 770-362-5181 drhodes@kennesaw-ga.gov	Dec. 2020
Council Liaison: Chris Henderson	404-599-6189 chenderson@kennesaw-ga.gov	
Staff Liaison: Darryl Simmons, Zoning Administrator	(w) 770-590-8268 ext 3121 (cell) 404-392-0870 dsimmons@kennesaw-ga.gov	
Diane Wrobleski, Staff/Secretary	(w) 770-590-8268 ext 3120 dwrobleski@kennesaw-ga.gov	

2020 PUBLIC ART COMMISSION

Est. April 17, 2017; 5 members (1 KDDA, 2 Art & Culture Commissioners, Zoning Administrator, 1 Downtown Development Coordinator); 2-year terms; Commission meets as needed.

MEMBERS	PHONE, FAX, EMAIL	TERM EXPIRES
Art & Culture: Karen Backus	2705 Windsor Ct NW Kennesaw 30144 backuskaren@gmail.com 404-229-7529	Dec 2021
Art & Culture: Madelyn Orochena	2981 N. Main Street Kennesaw 30144 madelynorochena90@gmail.com 404-229-7529	Dec 2021
KDDA: Gary Hasty	2887 Boone Dr., NW Kennesaw, GA 30144 ghasty@kennesaw-ga.gov (w) 404 216-7299 (c) 404-219-1801	Dec 2021
Zoning Administrator Darryl Simmons	dsimmons@kennesaw-ga.gov 770-424-8274 ext. 3121	
Downtown Development Coordinator Miranda Jones-Taylor	mjones@kennesaw-ga.gov 770-424-8274	

Kennesaw Council Chambers
2529 J.O. Stephenson Avenue, Kennesaw 30144

2020 RECREATION CENTER DEVELOPMENT COMMITTEE

**Temporary Committee – Committee meets as-needed in the
Ben Robertson Community Center, 2753 Watts Drive, Kennesaw
Established April 16, 2018**

MEMBERS	PHONE, FAX, E-MAIL
Tom Bills	Cobb County Parks & Recreation Tom.Bills@cobbcounty.org
Mike Dixon	Michaeldixon6560@gmail.com
Jeff Drobney, Chair	City Manager, City of Kennesaw jdrobney@kennesaw-ga.gov
Jacee Garrett	jaceegarrett@gmail.com
Jimmy Gisi	Parks & Recreation Director, Cobb County jgisi@cobbcounty.org
Chris Henderson	Councilmember, City of Kennesaw chenderson@kennesaw-ga.gov
Brianca Louis	Student, Kennesaw Mountain High Sch. briancamlouis17@gmail.com
Samuel McGlashan	samuelmcglashan@gmail.com
Catherine Mockalis	catherinemockalis@gmail.com
Cindi Michaels	Vice Chair, Planning Commission cmichaels@kennesaw-ga.gov
David Shock	Secretary, Kennesaw Citizens Advisory Committee dshock@kennesaw.edu

Steve Roberts	Parks & Recreation Director, Kennesaw sroberts@kennesaw-ga.gov
Robbie Ballinger	Building Facilities Manager, Kennesaw rballinger@kennesaw-ga.gov
Halli Watson	

2020 URBAN REDEVELOPMENT AGENCY

**Appointed August 18, 2003. Urban Redevelopment Agency shall consist of three members who shall serve terms of office of three years.
Activated through Resolution #2003-13 (9/02/03)**

Board meets on an as-needed basis.

MEMBERS	PHONE, FAX, E-MAIL	TERM ENDS
Sharon Pell	2807 Amhurst Way Kennesaw, GA 30144 PellSharon0@gmail.com	09/03/22
Arthur Hunt, Chair	770-423-0137 (w) 770-423-0020 (h) 6065 Woodland Court, 30152 huntrube@bellsouth.net	09/01/20
Herb Richardson, Secretary	2025 Dobbins Drive Kennesaw 30144 68herb@gmail.com 770-265-9734 (cell)	09/01/21

11/15/04: Mayor Church appointed Arthur Hunt to complete the term of Charles Respert who moved out of the area.

11/15/04 Mayor Church reappointed Steve Zimba for another 3 year term.

01/18/05 M+C appointed Tom Headlee to replace Steve Shelton for term ending 9/01/06

07/18/06: Accepted letter of resignation from Steve Zimba

10/02/06: Appointed Mike Sesan and Theresa Ledford

10/11/06: Accepted resignation from Tom Headlee Jr.

11/05/07: Reappointed Mike Sesan to another 3 year term ending 9/1/10

01/05/09: Reappointed Arthur Hunt to another 3 year term ending 9/1/11

01/20/09: Accepted resignation from Theresa Ledford

03/02/09: Appointed Herb Richardson to fill term of Theresa Ledford ending 9/1/09

09/08/09: Reappointed Herb Richardson for another 3 year term ending 9/1/12

09/30/10: Mike Sesan did not want to be reelected to the URA committee

09/07/10: Tim Evans appointed by M&C to replace Mike Sesan for 3 year term ending 9/1/13

11/07/11: Arthur Hunt reappointed with term ending 2014

02/20/12: Tim Evans resigned and moved out of state

08/20/12: Herb Richardson reappointed with term ending 2015

01/07/13: Cindy Giles appointed to complete the term of Tim Evans

09/08/15: Herb Richardson reappointed with term ending 2018

09/06/16: Cindy Giles reappointed with term ending 2019

09/05/17: Arthur Hunt reappointed with term ending 2020

08/20/18 Herb Richardson reappointed with term ending 2021

2019: City Giles left URA

09/16/19 Sharon Pell appointed to fulfill vacancy with term ending 2022