

IN THE SUPERIOR COURT OF DEKALB COUNTY

STATE OF GEORGIA

STATE OF GEORGIA, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 CITY OF BROOKHAVEN, GEORGIA )  
 )  
 Defendant. )

CIVIL ACTION FILE NO. 18CV11963-10  
 BOND VALIDATION

2018 DEC 19 AM 10:05  
 DEKALB COUNTY GA  
 FILED

PETITION AND COMPLAINT

TO THE SUPERIOR COURT OF DEKALB COUNTY:

THE STATE OF GEORGIA, by and through Sherry Boston, District Attorney of the Stone Mountain Judicial Circuit, in which the City of Brookhaven (the "City") is located, files this petition and complaint against the City, as defendant, and respectfully shows the following facts, to-wit:

1.

The defendant City is a legally created and validly existing municipal corporation of the State of Georgia and is located in DeKalb County. The City Council (the "Governing Body") of the City is the governing body of the City and is charged with the duties of levying taxes, contracting debts and managing affairs of the City. The City is subject to the jurisdiction of this Court. This Court has jurisdiction over the subject matter hereof.

2.

The District Attorney of the Stone Mountain Judicial Circuit was served with a notice (the "Notice to District Attorney") of the calling and holding of an election on November 6, 2018 (the "Election") regarding the issuance by the City of its general obligation

bonds more fully described below (the “Bonds”). The Notice to District Attorney is attached hereto as Exhibit A and is by this reference thereto incorporated herein.

3.

The Governing Body of the City adopted a resolution on July 24, 2018 (the “City Election Resolution”) calling the Election. The Board of Registration and Elections of DeKalb County (the “Board of Elections”) joined in the notice of the Election. The City Election Resolution is attached to the Notice to the District Attorney and is by this reference thereto incorporated herein.

4.

The Board of Elections published the call of the election (the “Call”) and the notice of the election (the “Notice of Election”) in *The Champion Newspaper*, the newspaper in which sheriff’s advertisements for DeKalb County and the City are published. Publisher’s affidavits showing the dates that the Call and the Notice were published are attached to the Notice to the District Attorney and are by this reference thereto incorporated herein.

5.

The Board of Elections appointed the election managers of the Election; the Election was held under the supervision of the director of the Board of Elections (the “Election Supervisor”); the election managers brought up the ballots; and the returns were consolidated in the presence of, and the results were declared and certified by, the Election Supervisor, all as provided by law.

6.

Pursuant to the laws of the State of Georgia, the Election was held in all election districts in the City, and the results of the Election were prima facie in favor of the issuance of the Bonds. The consolidated returns are as follows:

Total number of votes cast FOR the  
issuance of the Bonds 12,448

Total number of votes cast AGAINST  
the issuance of the Bonds 8,312

The total number of votes cast in favor of the issuance of Bonds being more than a majority of the registered qualified voters of the City voting at the Election held for that purpose, the Bonds are authorized to be issued.

7.

The Governing Body of the City adopted a resolution on November 27, 2018 declaring the results of the Election (the “Declaration Resolution”). The Declaration Resolution, together with a certified copy of the consolidated election return, is attached to the Notice to District Attorney and is by this reference thereto incorporated herein.

8.

The proceeds of the Bonds will be used to finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith, and paying the costs of issuing the Bonds and capitalized interest on the Bonds. The Bonds shall be issued in whole or in part and in one or more series in an aggregate principal amount not to exceed \$40,000,000. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$ 775,000	2030	\$1,095,000	2040	\$1,540,000

2021	805,000	2031	1,130,000	2041	1,595,000
2022	830,000	2032	1,170,000	2042	1,650,000
2023	860,000	2033	1,210,000	2043	1,710,000
2024	890,000	2034	1,255,000	2044	1,770,000
2025	920,000	2035	1,300,000	2045	1,830,000
2026	955,000	2036	1,345,000	2046	1,895,000
2027	985,000	2037	1,390,000	2047	1,960,000
2028	1,020,000	2038	1,440,000	2048	2,030,000
2029	1,055,000	2039	1,490,000	2049	2,100,000

Prior to issuing the Bonds, the precise terms, conditions and particulars with respect to the sale, issuance and delivery of the Bonds will be set forth more fully in a resolution or resolutions to be adopted by the City (the “Resolution”). The Resolution will, among other things, establish the interest rates for each maturity within the interest rate limitation specified above, will provide a form for the Bonds, and will provide the terms of their payment, registration and other terms in connection with their issuance and delivery.

9.

In addition, in compliance with Article IX, Section V, Paragraph VI of the Constitution of the State of Georgia, the Resolution will further provide for the assessment and collection of an annual tax sufficient in amount to pay the principal of and interest on the Bonds. When the Bonds are issued, the Bonds will be valid and binding general obligations of the City, and all property located within the territorial limits of the City subject to taxation for general obligation bond purposes will be subject to the levy of an ad valorem tax, unlimited as to rate or amount, to pay the principal of and interest on the Bonds as the same become due.

10.

The City, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 36-82-100 (the “Audit Statute”), has elected to waive the independent performance audit or performance review requirement (the “Independent Audit”) with respect to the Bonds by including a statement to that effect in the Notice of Election. However, the City will ensure that

the proceeds of the Bonds are expended efficiently and economically as intended by the Audit Statute.

11.

The City has taken all necessary and proper steps to authorize the issuance of the Bonds and desires that all of its actions in connection therewith together with the Bonds and the security therefor be validated and confirmed according to law.

12.

The District Attorney, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives, in the name of the State of Georgia, the requirement that separate findings of fact and conclusions of law be entered in this action.

WHEREFORE, within 20 days from the date of service of the Notice to the District Attorney, said District Attorney files this petition and complaint in the name of the State of Georgia against the defendant City and prays:

- a. That an order be passed requiring the City, by and through its proper officers, to show cause, if any exist, at such time and place, whether at term time or in Chambers, within the time prescribed by law, as the Judge of this Court may direct, why the Bonds and the security therefor should not be confirmed and validated;
- b. That this petition and complaint and such order as shall be passed be served upon the City, in the manner provided by law;
- c. That this Court adjudicate that the Notice of Election containing the waiver provisions set forth in the Audit Statute is sufficient to exempt the City from the Independent Audit; and
- d. That the Bonds and the security therefor and all actions of the City in connection with the issuance of the Bonds be confirmed and validated in all respects.

EXHIBIT A

STATE OF GEORGIA

COUNTY OF DEKALB

TO THE HONORABLE SHERRY BOSTON  
DISTRICT ATTORNEY OF THE STONE MOUNTAIN JUDICIAL CIRCUIT:

YOU ARE HEREBY NOTIFIED that pursuant to a resolution adopted by the City Council (the "Governing Body") of the City of Brookhaven, Georgia (the "City") on July 24, 2018, a certified copy of which resolution is hereto attached, made a part hereof and marked Exhibit 1, there was held on November 6, 2018, an election (the "Election") in all the election districts of the City, which lies within the Stone Mountain Judicial Circuit of the State of Georgia. The call of the Election (the "Call") was published in accordance with law. Affidavits of the publisher of the newspapers in which the Call was published, showing the date of publication, are attached hereto, made a part hereof and marked Exhibit 2. The notice of Election (the "Notice of Election") was published in accordance with law. Affidavits of the publisher of the newspaper in which the Notice of Election was published, showing the dates of publication, are attached hereto, made a part hereof and marked Exhibit 3. At the Election, there was submitted to the qualified voters of the City the question of the issuance or non-issuance of not to exceed \$40,000,000 in aggregate principal amount of general obligation bonds by the City (the "Bonds"). All pertinent facts pertaining to the Bonds are shown in detail in the Notice of Election.

The consolidated returns show that the issuance of the Bonds was approved by more than a majority of the qualified voters voting in the Election. The Governing Body of the

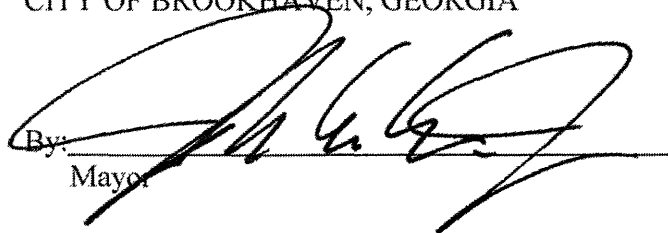
City adopted a resolution on November 27, 2018 declaring the results of the Election, a certified copy of which resolution is attached hereto, made a part hereof and marked Exhibit 4. A copy of the Final Certification of Election Results by the Board of Registration and Elections of DeKalb County is attached hereto, made a part hereof and marked Exhibit 5. You are, therefore, notified that the Election resulted in favor of the issuance of the Bonds and that the City desires to issue the Bonds.

This notice is served on you in accordance with the provisions of the laws of the State of Georgia. You are requested to immediately file validation proceedings to confirm and validate the Bonds and the security therefor as by law provided.

This the 27th day of November, 2018.

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

By:   
Mayor

Attest:

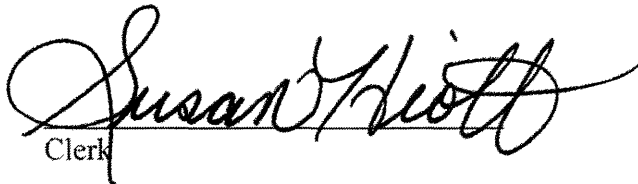
  
Clerk

EXHIBIT 1

City Resolution Calling the Election



**A RESOLUTION TO REGULATE AND PROVIDE FOR THE CALLING OF AN ELECTION TO DETERMINE THE ISSUANCE OR NON-ISSUANCE OF CITY OF BROOKHAVEN GENERAL OBLIGATION BONDS; TO PROVIDE FOR THE DATE, MAXIMUM RATE OF INTEREST AND SCHEDULE OF MATURITIES THAT SAID BONDS SHALL BEAR; TO PROVIDE FOR THE LEVY AND COLLECTION OF TAXES TO SERVICE SAID BONDED INDEBTEDNESS, IF SO AUTHORIZED; AND FOR OTHER PURPOSES**

**WHEREAS**, the Council (the "City Council") of the City of Brookhaven, Georgia (the "City") has caused a thorough study to be made of the need for park and recreational facilities and other related amenities, equipment and real and personal property useful or desirable in connection therewith (collectively, the "Projects"), and such investigation discloses the urgent need for such Projects; and

**WHEREAS**, the City Council has determined that the most feasible plan for providing funds to finance the costs of the Projects is for the City to issue its general obligation bonds, in one or more series and in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), pursuant to the Constitution and laws of the State of Georgia; and

**WHEREAS**, the City Council has created an initial list of Projects provided herein as Attachment "A" that will govern the expenditure of the bond proceeds; and

**WHEREAS**, under the Constitution and laws of the State of Georgia, it is necessary to submit to the qualified voters of the City the question of whether or not the Bonds should be issued for the purpose of financing the Projects.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council, and it is hereby resolved by authority of the same, as follows:

**Section 1. Call for Election.** There is hereby called to be held in all the election districts in the City, on November 6, 2018, an election (the "Election") for the purpose of submitting to the qualified voters of the City the question of whether the Bonds should be issued for the purpose of financing the cost of the Projects, and paying the cost of issuing the Bonds and capitalized interest on the Bonds. The Bonds, if so authorized, may be issued in whole or in part and in one or more series. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$775,000	2030	\$1,095,000	2040	\$1,540,000
2021	\$805,000	2031	\$1,130,000	2041	\$1,595,000
2022	\$830,000	2032	\$1,170,000	2042	\$1,650,000
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2027	\$985,000	2037	\$1,390,000	2047	\$1,960,000
2028	\$1,020,000	2038	\$1,440,000	2048	\$2,030,000
2029	\$1,055,000	2039	\$1,490,000	2049	\$2,100,000

The Bonds may be made subject to redemption prior to maturity upon the terms and conditions to be determined by the City Council.

**Section 2. Form of Ballot.** The ballot to be used in the Election shall be substantially in the form set forth in Notice of Election attached as Exhibit A hereto (the "Notice of Election").

**Section 3. Manner of Election.** The Election shall be held in accordance with the election laws of the State of Georgia and any other applicable laws (the "Election Laws"). The returns of the Election shall be made to the City and the Board of Elections of Dekalb County (the "Elections Board"), who shall, in the presence of and together with the several managers of the polls, bring up the returns, consolidate the returns and declare the results of the Election in the manner required by law.

**Section 4. Publication of Call and Notice of Election.** A Call of the Election substantially in the form attached as Exhibit B hereto (the "Call") shall be published in The Champion Newspaper, the newspaper in which sheriff's advertisements for the City and Dekalb County, Georgia are published (the "Legal Organ"), at least 90 days preceding the Election. The Notice shall be published in the Legal Organ at least 30 days preceding the Election and once a week thereafter up to and including the week before the Election.

**Section 5. Notice to Elections Board.** The City Clerk is hereby ordered and directed to forthwith furnish the Elections Board with a duly certified copy of this resolution with a request that the Elections Board join in the call of the Election and take any and all actions required to hold the Election in accordance with the Election Laws.

**Section 6. Tax Levy.** Should the Bonds be authorized by the requisite number of qualified voters, the City Council shall levy a tax upon all the property subject to taxation for general obligation bond purposes within the City sufficient in amount to pay the principal of and the interest on the Bonds as the same shall become due.

**Section 7. Brochures.** Any brochures, listings or other advertisements issued by the City or any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

**Section 8. Bond Audit Waiver.** The City Council waives the independent performance audit or performance review referred to in O.C.G.A. §36-82-100.

**Section 9. General Authority.** The proper officers, employees and agents of the City are hereby authorized to take any and all further actions as may be required in connection with the Election.

**Section 10. Repealer.** Any and all resolutions or parts thereof in conflict with this resolution this day passed be and they are hereby repealed.

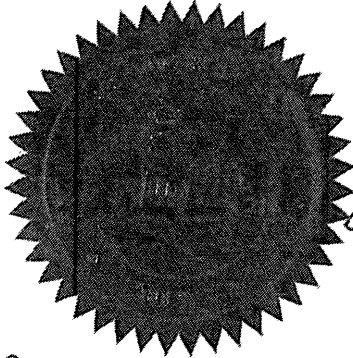
**Section 11. Effective Date.** This resolution shall take immediate effect upon its adoption.

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STATE OF GEORGIA  
COUNTY OF DEKALB  
CITY OF BROOKHAVEN

RES 2018-07-03

ADOPTED AND APPROVED this 24<sup>th</sup> day of July, 2018.



CITY OF BROOKHAVEN, GEORGIA

By:

John Arthur Ernst, Jr.  
Mayor

A large, stylized handwritten signature in black ink, written over a horizontal line.

(SEAL)

Attest:

A handwritten signature in black ink, written over a horizontal line.

Susan Hiott, City Clerk

Approved as to form:

Christopher D. Balch  
City Attorney

A large, stylized handwritten signature in black ink, written over a horizontal line.

**EXHIBIT A****NOTICE OF BOND ELECTION****TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA**

YOU ARE HEREBY NOTIFIED that on November 6, 2018, an election will be held in all of the election districts of the City of Brookhaven, Georgia (the "City"), at which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of the projects listed in the form of the ballot below, and paying the cost of issuing the Bonds and capitalized interest on the Bonds.

The Bonds, if so authorized, may be issued in whole or in part and in one or more series. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$775,000	2030	\$1,095,000	2040	\$1,540,000
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2027	\$985,000	2037	\$1,390,000	2047	\$1,960,000
2028	\$1,020,000	2038	\$1,440,000	2048	\$2,030,000
2029	\$1,055,000	2039	\$1,490,000	2049	\$2,100,000

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America at a bank or banks to be designated later.

Voters desiring to vote for the issuance of the Bonds shall do so by voting "YES" and voters desiring to vote against the issuance of the Bonds shall do so by voting "NO" as to the questions propounded substantially as follows:

"Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

The several places for holding said election shall be in the regular and established election districts of the City, and the polls will be open from 7:00 A.M. to 7:00 P.M. on the said date fixed for the election. Those qualified to vote at said election shall be determined in all respects in accordance and in conformity with the laws of the State of Georgia.

The last day to register to vote in this election shall be October 9, 2018.

Those residents qualified to vote at said election shall be determined in all respects in accordance with election laws of the State of Georgia.

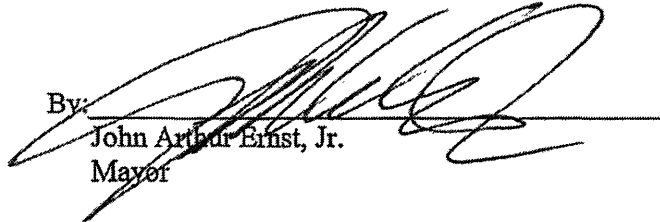
Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

Pursuant to O.C.G.A. Section 36-82-100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.

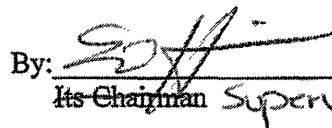
RES 2018-07-03

This notice is given pursuant to joint action of the City Council and Board of Elections of DeKalb County.

CITY OF BROOKHAVEN, GEORGIA

By:   
John Arthur Ernst, Jr.  
Mayor

BOARD OF ELECTIONS OF DEKALB COUNTY

By:  7/31/18  
Its Chairman Supervisor

**EXHIBIT B**

**NOTICE OF CALL OF BOND ELECTION**

**TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA**

**YOU ARE HEREBY NOTIFIED THAT** the City of Brookhaven, Georgia (the "City") and the Board of Elections of Dekalb County have called an election in all of the election districts of the City, to be held on November 6, 2018, at which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith, and paying the cost of issuing the Bonds and capitalized interest on the Bonds.

The several places for holding said election shall be in the regular and established election districts of the City, and the polls will be open from 7:00 A.M. to 7:00 P.M. on the said date fixed for the election. Those qualified to vote at said election shall be determined in all respects in accordance and in conformity with the laws of the State of Georgia.

The last day to register to vote in this election shall be October 9, 2018.

Those residents qualified to vote at said election shall be determined in all respects in accordance with election laws of the State of Georgia.

Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

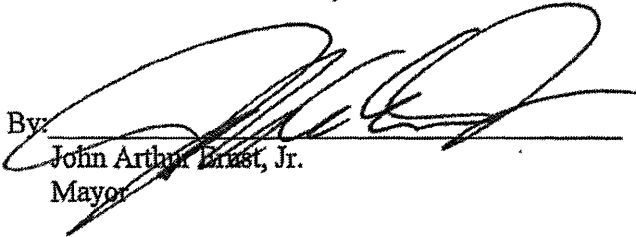
Pursuant to O.C.G.A. Section 36-82-100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.



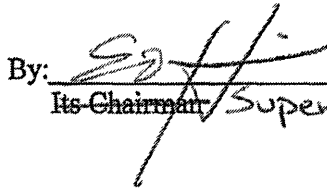
RES 2018-07-03

This notice is given pursuant to joint action of the City Council and the Board of Elections of DeKalb County.

CITY OF BROOKHAVEN, GEORGIA

By:   
John Arthur Ernst, Jr.  
Mayor

BOARD OF ELECTIONS OF DEKALB COUNTY


By:  7/31/18  
~~Its Chairman~~ Supervisor

RES 2018-07-03

CLERK'S CERTIFICATE

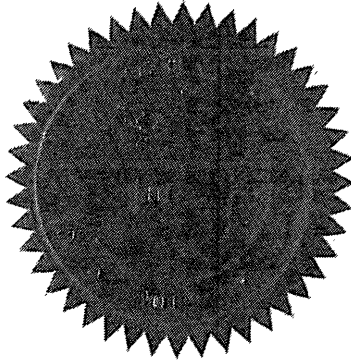
The undersigned Clerk of the City of Brookhaven, Georgia (the "City") DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution passed by the Council of the City at a meeting duly held on July 24, 2018, which meeting was open to the public and at which a quorum was present and acting throughout, and that the original of said resolution appears of record in the Minute Book of the City, which is in my custody and control.

Witness my hand and seal of the City, this 24<sup>th</sup> day of July, 2018.

  
Clerk

Susan Hlott  
City Clerk

(SEAL)



**ATTACHMENT A**  
**Park Master Plan Projects**

<b>Park</b>	<b>Total Cost</b>
Ashford Park	\$1,943,954
Blackburn Park	1,279,810
Briarwood Park	7,013,100
Brookhaven Park	6,000,000
Lynwood Park	10,977,393
Murphey Candler Park 1	8,984,138
Systemwide	<u>3,470,000</u>
<b>Projects Total</b>	<b>\$39,668,394</b>
Issuance Cost	595,026
<b>Estimated Total</b>	<b><u><u>\$40,263,420</u></u></b>

**Updated July 24, 2018**

**ASHFORD PARK**

<b>Description</b>	<b>Total Cost</b>
Splash Pad / Granite Seat Walls	\$ 1,040,000
Site Drainage	76,875
Site Grading	68,250
Demolition	66,750
Erosion and Sediment	42,725
Site Furnishings	30,300
Perimeter Fencing	25,700
Site Utilities and Lighting	21,500
Final Grading/Clean Up	15,200
<b>Subtotal</b>	<u>\$1,387,300</u>
General Conditions and Services	167,863
<b>Final Subtotal</b>	<u>\$1,555,163</u>
25% Contingency	388,791
<b>ESTIMATED TOTAL</b>	<u><u>\$1,943,954</u></u>

Updated July 24, 2018

**BLACKBURN PARK**

<b>Description</b>	<b>Total Cost</b>
Blackburn Park Marquee Fencing	\$350,000
Solar Canopy	75,000
Site Furnishings	67,125
Site Landscaping - Shade Trees and Ornamental Trees	101,250
Blackburn Parking Renovation	261,970
<b>Subtotal</b>	<b>\$855,345</b>
General Conditions and Services	168,503
<b>Final Subtotal</b>	<b>\$1,023,848</b>
25% Contingency	255,962
<b>ESTIMATED TOTAL</b>	<b>\$1,279,810</b>

**Updated July 24, 2018**

**BRIARWOOD PARK**

<b>Description</b>	<b>Total Cost</b>
Renovate Community Center Building	\$ 1,500,000
Pool Renovation	1,290,000
Community Garden	370,000
Tennis Court Lighting	290,000
Parkwide Multi Use Trail	283,220
Site Grading	210,000
Wood Bridge - Northeast Trail location	210,000
Recreation Center Parking Renovation	173,295
Demolition	112,000
Erosion and Sediment	86,850
Community Center Sidewalks and Entrance Renovation	73,180
Outdoor Classroom - Southwest Trail location	41,250
Site Landscaping	41,250
Site Furnishings	39,450
Final Grading/Clean Up	19,000
Asphalt Striping near Tennis Courts	16,150
<b>Subtotal</b>	<b>\$4,755,645</b>
General Conditions and Services	854,835
<b>Final Subtotal</b>	<b>\$5,610,480</b>
25% Contingency	1,402,620
<b>ESTIMATED TOTAL</b>	<b>\$7,013,100</b>

Updated July 24, 2018

**BROOKHAVEN PARK**

<b>Description</b>	<b>Total Cost</b>
Master Plan Improvements	<u>3,200,000</u>
<b>Final Subtotal</b>	<b><u>\$3,200,000</u></b>
25% Contingency	800,000
Land Acquisition (Front Half)	<u>2,000,000</u>
<b>Total</b>	<b><u><u>\$6,000,000</u></u></b>

**Updated July 24, 2018**

**LYNWOOD PARK**

<b>Description</b>	<b>Total Cost</b>
Lap Pool- Lazy Brook	\$ 4,879,050
Open Space Field (Turf Field)	1,257,100
Site Grading	442,650
Site Landscaping	373,100
Parking lot renovation - Osborne Rd. Entrance	174,925
Erosion and Sediment	163,434
Drop off driveway	156,380
Demolition	152,600
Site Utilities	64,750
Lynwood Recreation Center Connection	49,175
Final Grading/Clean Up	38,000
Site Furnishing	18,600
Woodland Cleanup/Tree Removal	15,000
<b>Subtotal</b>	<u>\$7,784,764</u>
General Conditions and Services	997,150
<b>Final Subtotal</b>	<u>\$8,781,914</u>
25% Contingency	2,195,479
<b>Total</b>	<u><u>\$10,977,393</u></u>

Updated July 24, 2018



**Murphey Candler Park 1**

<b>Description</b>	<b>Total Cost</b>
Boardwalk	2,550,000
New Community Building	1,250,000
Renovate Current Park Perimeter Trail	801,750
Parking	800,000
Murphey Candler Park 1	300,000
Horseshoe Playground and Parking	225,000
Horseshoe Parking Greenspace Area	108,750
<b>Subtotal</b>	<b>\$ 6,035,500</b>
General Conditions and Services	1,151,810
<b>Final Subtotal</b>	<b>\$ 7,187,310</b>
25% Contingency	1,796,828
<b>ESTIMATED TOTAL</b>	<b>\$ 8,984,138</b>

Updated July 24, 2018

**SYSTEMWIDE**

<b>Description</b>	<b>Total Cost</b>
Capital Project Management	1,250,000
Murphey Candler Lake Dredging	1,000,000
Invasion Plant Removal/Ornamental Tree Beautification	1,000,000
Park Security (fencing, cameras, wi-fi, etc.)	220,000
<b>Final Subtotal</b>	<b>\$ 3,470,000</b>
25% Contingency	0
<b>ESTIMATED TOTAL</b>	<b>\$ 3,470,000</b>

**Updated July 24, 2018**

**EXHIBIT 2**

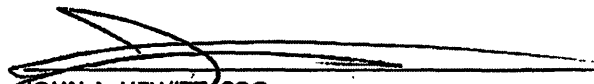
**Publisher's Affidavits for Call of Election**

Susan D. Hiott, MMC  
City Clerk  
City of Brookhaven  
362 Peachtree Rd.  
Brookhaven, GA 30319

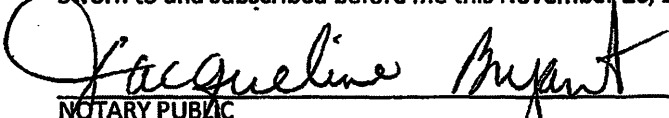
STATE OF GEORGIA  
COUNTY OF DEKALB

Personally appeared before me, the undersigned, a Notary Public within and for said county and state, John A. Hewitt, Chief Operating Officer of The Champion Newspaper, published at Decatur, County of DeKalb, State of Georgia, and being the official organ for the publication of legal advertisements for said county, who being duly sworn, states on oath that the report of:

"NOTICE OF OF BOND ELECTION, TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA was published in said newspaper on the following dates: Aug. 2, 2018 and Aug. 9, 2018 as a legal notice and Aug. 2, 2018 as a display ad.

  
\_\_\_\_\_  
JOHN A. HEWITT, COO

Sworn to and subscribed before me this November 26, 2018

  
\_\_\_\_\_  
NOTARY PUBLIC  
My commission expires September 6, 2022

THE CHAMPION NEWSPAPER  
THE OFFICIAL LEGAL ORGAN OF DEKALB COUNTY





Will

300-414306 8/9, 8/16, 8/23, 8/30ak
NOTICE +2018-1283+
RE: PETITION OF ANNIE WILLIAMS TO PROBATE IN SOLEMN FORM THE WILL OF EDWARD WRIGHT, SR., DECEASED, UPON WHICH AN ORDER OR SERVICE WAS GRANTED BY THIS COURT.

300-414879 8/9, 8/16, 8/23, 8/30ak
NOTICE +2018-1283+
RE: PETITION OF ANNIE WILLIAMS TO PROBATE IN SOLEMN FORM THE WILL OF EDWARD WRIGHT, SR., DECEASED, UPON WHICH AN ORDER OR SERVICE WAS GRANTED BY THIS COURT.

310-411833 7/19, 7/26, 8/2, 8/9ak
NOTICE +2018-1229+
TO: All Interested Parties
The Petition of Jimmela Ringer, for a year's support from the estate of Bruce E. Babler, Jr., Deceased, for Decedent's Surviving Spouse and minor child, having been duly filed, all interested persons are hereby notified to show cause, if any they have, on or before AUGUST 13, 2018, why said Petition should not be granted.

Public Hearing
320-414247 8/2, 8/9ak
Public Hearing
Notice is hereby given that the DeKalb County Board of Commissioners have made a determination of a portion of Marshalls Industrial Drive right-of-way approximately 0.539 acres located at the western end of Marshalls Industrial Drive has ceased to be used by the Public to the extent that no substantial public purpose is served by it. A public hearing to consider the abandonment of a portion of Marshalls Industrial Drive right-of-way will be held at 10:00 AM on August 14, 2018, in the Marriot Administration Annex Auditorium.

Public Notice
330-414227 8/2, 8/9, 8/16ak
Commercial NOTICE Commercial
with inherent rights
NOTICE TO All Municipalities, Corporations, Local, National and International Governments; Congress; STATES; U.S. Agencies, Agencies, Agencies; BAR associations, Exchange; Judges; Parsons; Veterans; Counties; Townships; Militaries; Courts; Courts Martial; Schools; Universities; the United States/Democratic; United States of America/Republic; United STATES; UNITED NATIONS; United Nations Security Council; Territories in Possession of UNITED STATES, United States Armed Forces, JAG, United States Defense Dept; US Postal Union, United States Department of Agriculture; United States Department of Commerce, United States Dept of Department of Home Land Security; United States Department of Treasury; Vatican; Indian Tribes; B.I.A.; Associated Bands and Clans, T Tucker, Andriane Nadine aka Andriane Nadine Tucker, a National of America, inhabitant of the land standing 28.5734427 N, 76.4821807 W, was 11/21 North Alkshulsul/AI-Mansu/Amexam aka North America [u.S.A.]/ United States of America, Amerique, Amérie, one hereby acknowledges my election and occupancy of the office of General Executor, General Guardian, Profeclatore, Benefactor Owner and Beneficiary of the divine Estate "ANDRIANE NADINE THE TUCKER" a united States of America, deceased, dated, signed and executed by the living Decedent, in Illinois State, on October, 2nd, 1965. My election to Executor office was held in the County of Cook, City of Chicago, Illinois State at 10:46am. Therefore I must affirm and declare that as occupant of the executor office, I will not be responsible for the debts of the United States/D.S. GOVERNMENT STATES and any of its Persons, and neither will I pay for the debts of any U.S. Person. See Senate Document No. 43, 73rd Congress, 1st Session. Should any one choose to rebut this matter please email the Executor, office at ANT\_generalexecutor@gmx.com within 21 days of this Notice. See Rule

ment of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested. Pursuant to O.C.G.A. Section 36 82 10, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However, the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.
++Park and Recreational Master Plan 11/8/2018++

Public Sale
340-413952 8/2, 8/9ak
PUBLIC SALE
In accordance with the provisions of State law, there being due and unpaid charges for which the under- and/or manager's lien of the goods hereinafter described and stored at the Life Storage location listed below. And, due notice having been given, to the owner of said property and all parties known to claim an interest therein, and the time specified in such notice for payment of such having expired, the goods will be sold at public auction at the below stated location(s) to the highest bidder or otherwise disposed of on: ++Monday-August 20th, 2018 at 5:00AM++
2505 Courty Rd Decatur GA 30032
Phone:404-212-1125
Spate No.
Customer's Name
Inventory
147 Ahjah Bates Household goods/ Furniture
213 Princess Ingle Household goods/ Furniture
259 LeJaiene Danley Household goods/ Furniture/TV Stained/Toasted Appliances
410 Gary Woodard II Household goods/ Furniture
704 Hafim Medyun Household goods/ Furniture
706 Oshun Bunkw Household goods/ Furniture
707 Chrystal J. Smith Household goods/ Furniture
741 Leonard Lixsey Landscaping/ Construction/Equipment
839 Jacques Roberts Household goods/ Furniture
940 Elizabeth Cooper Household goods/ Furniture
980 Malik Harris Household goods/ Furniture
979 Bessie Jerrill Household goods/ Furniture
990 Ilesse Sanders Household goods/ Furniture
9019 Chantel Brown Household goods/ Furniture
9028 Chioma Beasley Household goods/ Furniture
A209 Reynard Beasley Household goods/ Furniture
B131 Jennifer Sellers Household goods/ Furniture
H134 Cassandra Tatum Household goods/ Furniture
1159 Carlos Walker Household goods/ Furniture
74 Hylcia Sircizer Household goods/ Furniture/TV Staree
415 Sandra Lay Household goods/ Furniture
605 Dama Mitchell Household goods/ Furniture

Year's Support

300-414874 8/9, 8/16, 8/23, 8/30ak
NOTICE +2018-1252+
RE: PETITION OF KAREN SADAOK YAKUSUKI HOLMES TO PROBATE WILL IN SOLEMN FORM AND FOR LETTERS OF ADMINISTRATION WITH WILL ANNEXED THE WILL OF ROGER L. HOLMES, III, DECEASED, UPON WHICH AN ORDER FOR SERVICE WAS GRANTED BY THIS COURT.

310-413837 7/19, 7/26, 8/2, 8/9ak
NOTICE +2018-1229+
TO: All Interested Parties
The Petition of Valdie Kirkland Fuller, for a year's support from the estate of Robert Erik Fuller, Deceased, for Decedent's Surviving Spouse and minor child, having been duly filed, all interested persons are hereby notified to show cause, if any they have, on or before AUGUST 13, 2018, why said Petition should not be granted.

310-414626 8/9, 8/16, 8/23, 8/30ak
NOTICE +2018-1307+
TO: All Interested Parties
The Petition of MARY RUTH HESTER CHEYNING HESTER, for a year's support from the estate of DOUGLAS MARION HESTER, Deceased, for Decedent's Surviving Spouse and minor child, having been duly filed, all interested persons are hereby notified to show cause, if any they have, on or before SEPTEMBER 4, 2018, why said Petition should not be granted.

320-414807 8/9ak
NOTICE OF PUBLIC HEARING
GEORGIA, DEKALB COUNTY
A petition has been filed with the Board of Commissioners of DeKalb County, Georgia, for the installation of street lights in the 15th District of DeKalb County, Georgia. Said petition has been set for hearing before the Board of Commissioners at 10:00 o'clock AM on Tuesday, August 14, 2018, in the Marriot Administration Annex Auditorium.

320-414247 8/2, 8/9ak
Public Hearing
Notice is hereby given that the DeKalb County Board of Commissioners have made a determination of a portion of Marshalls Industrial Drive right-of-way approximately 0.539 acres located at the western end of Marshalls Industrial Drive has ceased to be used by the Public to the extent that no substantial public purpose is served by it. A public hearing to consider the abandonment of a portion of Marshalls Industrial Drive right-of-way will be held at 10:00 AM on August 14, 2018, in the Marriot Administration Annex Auditorium.

Public Notice
330-414227 8/2, 8/9, 8/16ak
Commercial NOTICE Commercial
with inherent rights
NOTICE TO All Municipalities, Corporations, Local, National and International Governments; Congress; STATES; U.S. Agencies, Agencies, Agencies; BAR associations, Exchange; Judges; Parsons; Veterans; Counties; Townships; Militaries; Courts; Courts Martial; Schools; Universities; the United States/Democratic; United States of America/Republic; United STATES; UNITED NATIONS; United Nations Security Council; Territories in Possession of UNITED STATES, United States Armed Forces, JAG, United States Defense Dept; US Postal Union, United States Department of Agriculture; United States Department of Commerce, United States Dept of Department of Home Land Security; United States Department of Treasury; Vatican; Indian Tribes; B.I.A.; Associated Bands and Clans, T Tucker, Andriane Nadine aka Andriane Nadine Tucker, a National of America, inhabitant of the land standing 28.5734427 N, 76.4821807 W, was 11/21 North Alkshulsul/AI-Mansu/Amexam aka North America [u.S.A.]/ United States of America, Amerique, Amérie, one hereby acknowledges my election and occupancy of the office of General Executor, General Guardian, Profeclatore, Benefactor Owner and Beneficiary of the divine Estate "ANDRIANE NADINE THE TUCKER" a united States of America, deceased, dated, signed and executed by the living Decedent, in Illinois State, on October, 2nd, 1965. My election to Executor office was held in the County of Cook, City of Chicago, Illinois State at 10:46am. Therefore I must affirm and declare that as occupant of the executor office, I will not be responsible for the debts of the United States/D.S. GOVERNMENT STATES and any of its Persons, and neither will I pay for the debts of any U.S. Person. See Senate Document No. 43, 73rd Congress, 1st Session. Should any one choose to rebut this matter please email the Executor, office at ANT\_generalexecutor@gmx.com within 21 days of this Notice. See Rule

Public Notice
330-414781 8/9ak
An Application has been filed for a Liquor, Beer, and Wine Retail Dealer License for ++1 Stop Beverage++ located at 2331 Gobb Pkwy SE, Smyrna, GA 30080. The owner is Kimmyrleigh Singh Bajwa and Gaganpreet Kaur Bajwa, 6005 Flora Bridge Rd, Apt 722, Duluth, GA 30097.

300-414825 8/9, 8/16, 8/23, 8/30ak
NOTICE +2018-1400+
RE: PETITION OF TIMOTHY SMITH TO PROBATE IN SOLEMN FORM THE WILL OF JUNE STANT, DECEASED, UPON WHICH AN ORDER OR SERVICE WAS GRANTED BY THIS COURT.

310-413838 7/19, 7/26, 8/2, 8/9ak
NOTICE +2018-1257+
TO: All Interested Parties
The Petition of Marilyn White Teague, for a year's support from the estate of Robert Gay Teague, Deceased, for Decedent's Surviving Spouse and minor child, having been duly filed, all interested persons are hereby notified to show cause, if any they have, on or before AUGUST 13, 2018, why said Petition should not be granted.

310-414827 8/9, 8/16, 8/23, 8/30ak
NOTICE +2017-1765+
TO: All Interested Parties
The Petition of KIMBERLY Y. SMITH, for a year's support from the estate of HENRY JAMES SMITH aka HENRY J. SMITH, Deceased, for Decedent's Surviving Spouse and minor child, having been duly filed, all interested persons are hereby notified to show cause, if any they have, on or before SEPTEMBER 4, 2018, why said Petition should not be granted.

320-414361 8/9, 8/16ak
City of Avondale Estates
Notice of Public Hearing
Notice is hereby given that the City of Avondale Estates Board of Mayor and Commissioners will hold a public hearing on Monday, August 27, 2018 at 6:30 PM to consider an application to rezone certain property known as ++2740 East College Avenue, 2748 East College Avenue, 142 Maple Street and 134 Maple Street++. The subject property is currently zoned General Business District (GBD) Area S. The application requests that CBD-PD, an overlay district that would allow a specific development agreement for the property to be developed pursuant to submitted site plan and elevations. The proposed site plan, elevations and development agreement will be available for review at City Hall and at the public hearing. The public hearing will be held at Avondale Estates City Hall, 21 North Avondale Plaza, Avondale Estates, Georgia, 30002. All interested parties and members of the public are invited to attend.

320-414361 8/9, 8/16ak
City of Avondale Estates
Notice of Public Hearing
Notice is hereby given that the City of Avondale Estates Board of Mayor and Commissioners will hold a public hearing on Monday, August 27, 2018 at 6:30 PM to consider an application to rezone certain property known as ++2740 East College Avenue, 2748 East College Avenue, 142 Maple Street and 134 Maple Street++. The subject property is currently zoned General Business District (GBD) Area S. The application requests that CBD-PD, an overlay district that would allow a specific development agreement for the property to be developed pursuant to submitted site plan and elevations. The proposed site plan, elevations and development agreement will be available for review at City Hall and at the public hearing. The public hearing will be held at Avondale Estates City Hall, 21 North Avondale Plaza, Avondale Estates, Georgia, 30002. All interested parties and members of the public are invited to attend.

NOTICE OF CALL OF BOND ELECTION
TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA
YOU ARE HEREBY NOTIFIED THAT THE City of Brookhaven, Georgia (the "City") and the Board of Elections of DeKalb County have called an election to be held on the election date of 2018, of which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith, and paying the cost of issuing the Bonds and capitalized interest on the Bonds.

NOTICE OF PUBLIC HEARING
The DeKalb County Department of Watershed Management hereby gives notice that the county will hold a public meeting at a date to be announced regarding an ordinance to amend the code of DeKalb Counties enacted 1988, Chapter 25, Article IV related to the special application to sewer conversion tax desired for existing developments and for other purposes. This hearing impacts DeKalb County Residents who live on or near Winchester Trail, Dunwoody. The purpose of the public meeting is to:
1) Inform the public of efforts to regulate sewer construction and assessment efforts in areas served by septic tanks.
2) Inform the public of efforts by DeKalb County regarding the long term welfare of residents of DeKalb County with greater accessibility to public sewer and the cost of connecting to public sewer
3) Inform the public of the cost of connecting to public sewer and construction requirements of laying a sanitary sewer line.
During the public meeting the County will attempt to identify public preferences for alternative methods of improving the County's septic to sewer program.
Public participation is considered essential to the selection and development of the final plan to be adopted prior to its approval DeKalb County Department of Watershed Management.
++AMEND ORDINANCE Special district tax = Sewer conversion tax estac++
To satisfy the owner's storage lien, PG Orange Co. Inc. will sell at public auction on August 21, 2018, the personal property in the below-listed units, which may include but are not limited to: household and personal items, office and other equipment. The public sale of these items will begin at 09:30 AM and continue until all units are sold.
PUBLIC STORAGE # 26601, 3687 Flat Shoals Road, Decatur, GA 30034 (404) 573-4559
Time: 09:30 AM
B014 - Hwy, Angolia; B018 - Room, Anthony; C020 - Turner, Stephanie; C028 - Henley, Dabryonna; C035 - Miller, Maritza; C044 - Davis, Shawanda; C045 - Lawson, Britney; C051 - Jennings, Sarah; D014 - Magee, Savannah; D024 - Daniel, Steven; D044 - Nelson, Sherry; D050 - Arnold, Sherry; E004 - Daniel, Andrew; E008 - Lora, Jasmine; E007 - Young, Timosa; E023 - Moore, Cori

# AROUND DEKALB

## CLARKSTON

### National Night Out scheduled

Clarkston will host National Night Out Aug. 7 from 6 to 8 p.m. at Milam Park. The event will include free food fun and entertainment. The park is located at 3867 Norman Road. For more information, visit [www.clarkstonga.gov](http://www.clarkstonga.gov).

## DORAVILLE

### Book club to meet

American Short Stories Discussion Group will meet Aug. 11 at Doraville Library from 10:30 to 11:30 a.m. The selection for August is "Under the Lion's Paw" by Hamlin Garland. Copies are available

at the circulation desk. The library is located at 3748 Central Avenue. For more information, call (770) 936-3852.

## DUNWOODY

### Joint National Night Out planned

Brookhaven and Dunwoody police departments will host National Night Out Aug. 7 from 6 to 9 p.m. at Perimeter Mall. The event will include food, drinks, entertainment, child-friendly fun and more. The mall is located at 4400 Ashford Dunwoody Road. For more information, visit [www.brookhavenga.gov](http://www.brookhavenga.gov).

## Groovin' on the Green coming soon

Dunwoody will host Groovin' on the Green, a back-to-school ice cream social, Aug. 11 at 6 p.m. at Pernoshal Park. The park is located at 4575 N. Shallowford Road. For more information, visit [www.dunwoodyga.gov](http://www.dunwoodyga.gov).

## STONE MOUNTAIN

### Village stroll announced

Stone Mountain will host a Village Stroll on Main Street Aug. 11 from 4 to 8 p.m. For more information, visit [www.stonemountaincity.org](http://www.stonemountaincity.org).

## TUCKER

### Organization to host car show

Tucker Cruise-In, a nonprofit, old-fashioned town meet-and-greet car show will be held Aug. 11 on Main Street in Tucker. There will be a variety of cars, ranging from antiques to street rods and motorcycles to imports. The cruise-ins are held on the second Saturday of every month until September. The event begins at 5 p.m. and ends with the presentation of awards around 8 p.m. There is a \$5 registration fee to enter a car into judging. **The cut-off time to have a car entered into judging is 6:30 p.m.** For more information, call (770) 527-1521.

### NOTICE OF CALL OF BOND ELECTION

TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA

YOU ARE HEREBY NOTIFIED THAT the City of Brookhaven, Georgia (the "City") and the Board of Elections of DeKalb County have called an election in all of the election districts of the City, to be held on November 6, 2018, at which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith, and paying the cost of issuing the Bonds and capitalized interest on the Bonds.

The several places for holding said election shall be in the regular and established election districts of the City, and the polls will be open from 7:00 A.M. to 7:00 P.M. on the said date fixed for the election. Those qualified to vote at said election shall be determined in all respects in accordance and in conformity with the laws of the State of Georgia.

The last day to register to vote in this election shall be October 9, 2018.

Those residents qualified to vote at said election shall be determined in all respects in accordance with election laws of the State of Georgia.

Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

*Pursuant to O.C.G.A. Section 36 82 100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However, the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.*

# GOT A NEWS TIP?

We'd love to hear from you.

## HORACE HOLLOWMAN

[Horace@DeKalbChamp.com](mailto:Horace@DeKalbChamp.com)

Local news editor: covers county government/ crime/courts plus Decatur and Avondale Estates.

## CARLA PARKER

[Carla@DeKalbChamp.com](mailto:Carla@DeKalbChamp.com)

Sports editor: covers sports plus Stonecrest, Clarkston, Lithonia, Stone Mountain and Tucker.

**EXHIBIT 3**

**Publisher's Affidavits for the Notice of Election**



Susan D. Hiott, MMC  
City Clerk  
City of Brookhaven  
362 Peachtree Rd.  
Brookhaven, GA 30319

STATE OF GEORGIA  
COUNTY OF DEKALB

Personally appeared before me, the undersigned, a Notary Public within and for said county and state, John A. Hewitt, Chief Operating Officer of The Champion Newspaper, published at Decatur, County of DeKalb, State of Georgia, and being the official organ for the publication of legal advertisements for said county, who being duly sworn, states on oath that the report of :

"NOTICE OF BOND ELECTION, TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA, YOU ARE HEREBY NOTIFIED that on November 6, 2018, an election will be held in all of the election districts of the City of Brookhaven, Georgia (the "City"), at which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of the projects listed in the form of the ballot belo, and paying the cost of issuing the Bonds and capitalized interest on the Bonds."

was published in said newspaper on the following dates: Oct. 4, Oct. 11, Oct. 18, Oct. 25 and Nov. 1, 2018

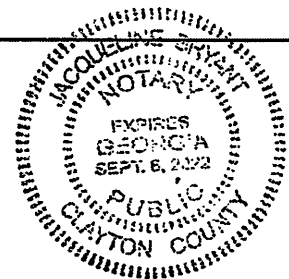
  
JOHN A. HEWITT, COO

Sworn to and subscribed before me this November 8, 2018

  
NOTARY PUBLIC

My commission expires September 6, 2022

THE CHAMPION NEWSPAPER  
THE OFFICIAL LEGAL ORGAN OF DEKALB COUNTY



AGREEMENT IN EVENT OF UNAUTHORIZED USE. UNAUTHORIZED USE IS IDENTIFICATION, PIRACY, IMPERSONATION, COUNTERFEITING, THEFT, TRESPASS, MISUSE, CONVERSION, FORGERY AND FRAUD, WITH THE PENALTY THEREOF OF \$100,000 PER VIOLATION PER INSTANCE OF UNAUTHORIZED USE. Govern yourself accordingly. JOHN KEVIN PAYNE

330-416448 10/4,10/11,10/19 10/25,11/6. EXHIBIT A NOTICE OF BOND ELECTION TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA

330-416450 10/4,10/11/19 PUBLIC NOTICE RA: 2005 BUICK RAINIER

Year Amount Year Amount Year Amount 2020 \$775,000 2030 \$1,065,000 2040 \$1,540,000

2022 \$830,000 2032 \$1,170,000 2042 \$1,650,000

2023 \$860,000 2033 \$1,210,000 2043 \$1,710,000

2024 \$890,000 2034 \$1,255,000 2044 \$1,770,000

2025 \$920,000 2035 \$1,300,000 2045 \$1,830,000

any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such bond funds or interest received from such bond funds which have been invested.

330-418449 10/4 Board Meeting The DeKalb Board of Registration and Elections will meet on Thursday, October 11, 4:30 PM

330-418450 10/4 Public Notice RA: 2005 BUICK RAINIER

330-418451 10/4 Public Notice RA: 2007 MERCEDES C230

330-418452 10/4 Notice of Abandoned Motor Vehicle

330-418453 10/4 Public Sale

330-418454 10/4 Public Sale

330-418455 10/4 Public Sale

330-418456 10/4 Public Sale

2MEFN75V58X45201 BLACK 2006 FORD EXPLORER - 1FMEU64E16UA37810

GRAY 2007 PONTIAC G6 - 1G2ZS68974208284

BLUE 2007 KIA OPTIMA - KNAGE123675113474

WHITE 2008 VW PASSAT - WVVWJK73C08E198431

GRAY 2011 NISSAN URVAN - JNBAS5MTXW568901

BLACK 2011 CHEVY MALIBU - 1G1ZE5U889F348498

WHITE 2012 AUDI A5 - WAURFAF86C4031492

SILVER 2012 NISSAN PATHFINDER - 5N1AR1NB4C813795

WHITE 2012 NISSAN ALTIMA - 1N4AL2P42C238302

WHITE 2013 HYUNDAI SONATA - 5NPEC4A88DH53420

340-416235 9/27,10/4 Public Sale

340-416236 9/27,10/4 Public Sale

340-416237 9/27,10/4 Public Sale

340-416238 9/27,10/4 Public Sale

340-416239 9/27,10/4 Public Sale

340-416240 9/27,10/4 Public Sale

340-416241 9/27,10/4 Public Sale

340-416242 9/27,10/4 Public Sale

340-416243 9/27,10/4 Public Sale

340-416244 9/27,10/4 Public Sale

Janwanda Horns 3040 Household Items

Jones B.L. 4225 Household Items

Sherie Rawls 5096 Household Items

Daniel Dambroso 5104 Household Items

Tangia Mitchell 6032 Household Items

Travis Labranz 6075 Household Items

340-416237 9/27,10/4 Public Sale

340-416238 9/27,10/4 Public Sale

340-416239 9/27,10/4 Public Sale

340-416240 9/27,10/4 Public Sale

Public Storage # 08091, 2680 Stone Mountain Blvd, Tucker, GA 30084, (678) 587-8767

Public Sale items, rules, and regulations will be made available prior to the sale.

Public Storage # 26490, 5038 Covington Hwy, Decatur, GA 30035, (404) 348-0265

Public Storage # 08050, 840 Hamilton Road, Stone Mountain, GA 30085, (404) 445-0091

Public Storage # 08091, 2687 Flat Shoals Road, Decatur, GA 30034, (404) 478-3889

Public Storage # 08053, 3892 Clairmont Road, Atlanta, GA 30341, (770) 293-8537

Public Storage # 25897, 1750 Montreal Cir, Tucker, GA 30084, (770) 215-9954

Public Storage # 25592, 3260 Ninkola Drive, Lithonia, GA 30058, (404) 436-9288

Public Storage # 08059, 1438 Montreal Road, Tucker, GA 30084, (770) 204-8454

Public Storage # 20481, 3400 Lawrenceville Hwy, Tucker, GA 30084, (770) 804-6672

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AP DEPARTMENT  
CITY OF BROOKHAVEN  
4362 PEACHTREE ROAD NE  
BROOKHAVEN , GA 30319

STATE OF GEORGIA  
COUNTY OF DEKALB


Personally appeared before me, the undersigned, a Notary Public within and for said county and state, John A Hewitt, Chief Operating Officer of The Champion Newspaper, published at Decatur, County of DeKalb, State of Georgia, and being the official organ for the publication of legal advertisements for said county, who being duly sworn, states on oath that the report of NOTICE OF BOND ELECTION

was published in said newspaper on the following date(s):

10/04/18, 10/11/18, 10/18/18, 10/25/18, 11/01/18

  
John A Hewitt, Chief Operating Officer of The Champion

Sworn to and subscribed before me this 11/07/18.

  
Notary Public  
My commission expires September 06 2022

THE OFFICIAL LEGAL ORGAN OF DEKALB COUNTY



CROSS COUNTRY

# SWD, MLK and Tucker pick up wins in final county meet

by Mark Brock

Several teams garnered wins in DeKalb County's final regular season cross-country races at Arabia Mountain High School Sept. 25 in a final tune-up for the DeKalb County School District Championships Oct. 2.

Southwest DeKalb swept the first race titles. Six Lady Panthers runners placed in the Top 10 to outduel Arabia Mountain 15-45 for the girls' victory in the day's opener. Southwest DeKalb senior Lanee Edwards finished first with a time of 25:29.10. Seniors Raven Thurman (27:12.40) and Yaria Sanders (27:35.70) finished second and third, respectively.

Stephenson's Deanna Rawlings (28:30.80) was fourth followed by Southwest DeKalb's Nya Bostic (29:32.60) in fifth. Cedar Grove's Bobbi Turner (29:32.70) and Sydney Mitchell (29:48.50) finished sixth and seventh, respectively.

Southwest DeKalb's Laurynn Bell (30:10.00) and Caniece Collins (30:11.70) finished eighth and ninth. Arabia Mountain's top finisher was Mecca Johnson (31:39.30), who rounded out the Top 10.

The Panthers and Cedar Grove both scored 49 points in the boys' race with Southwest DeKalb edging the Saints for first. Cedar Grove's Mikael Jack (21:47.70) grabbed the boys' title in the race with teammates Kalil Mudraw (24:04.00) finishing seventh and Terrence Lewin (24:54.00) finishing in 10th place.

Southwest DeKalb's first

finisher was Emmanuel Smith (22:50.70) in fourth place and teammate Calvin Mosley (22:58.40) was right behind in fifth.

Stephenson had a pair of runners take Top 10 finishes in second-place finishers Donald Griffin (22:00.80) and Elijah McMilliom (23:37.00) in sixth.

Arabia Mountain, which finished in third place, put three runners in the Top 10, led by third-place finisher Torrance Allen (22:35.40). Elijah Bibbs (24:11.10) was eighth and Sanjay Lord (24:30.70) was ninth.

Second race

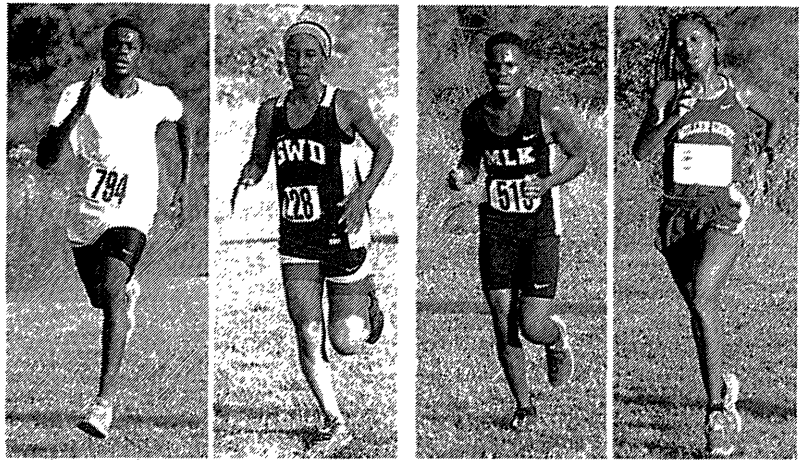
Martin Luther King Jr. and Tucker swapped first and second place in the final race of the day with the M.L. King Lady Lions winning the girls' race 25-33 over Tucker, and the Tucker Tigers winning the boys' race 28-41 over the Lions.

The Lady Lions dominated the Top 10 with six runners earning spots among the first 10 finishers, led by Demetria Lind (28:11.50) in third and Star Grier Rower (28:35.30) in fourth.

Sixth place went to MLK's Aaliyah Peterson (29:32.30) followed by three teammates in eighth through 10th—Niyah Brown (30:03.40), Allison Walker (30:29.60) and Aaliyah Stewart (30:52.30).

Miller Grove track state champion Emoni Coleman ran her first cross-country race of the season and finished first (24:15.70).

Tucker put three runners in the Top 10, led by Benitaa



Cedar Grove's Mikael Jack and Southwest DeKalb senior Lanee Edwards finished first in the boys' and girls' first race of the county meet.

MLK senior Demetrius Carson and Miller Grove senior Emoni Coleman finished first in the boys' and girls' second race of the county meet.

Kawata (27:41.90) in second, Claudine Bidiku (29:16.80) in fifth and Aaliyah Goodall (29:34.00) in seventh.

Yesahk Ergano (19:52.00) led the Tucker Tigers with a second-place finish in

their win over MLK. Ian Nuhfer (20:11.20) finished third, Abedelemeji Kerebo (20:25.50) fourth and Yordanos Ephram (20:49.40) came in seventh for the Tigers. MLK were led by

Demetrius Carson (19:37.70), who notched his fourth win of the season. Teammates Jamari Hopkins (20:36.60), Kingsley Harris (20:56.80) and Darian Wragg (21:11.50) finished fifth, eighth and 10th, respectively.

EXHIBIT A

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TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA

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The Bonds, if so authorized, may be issued in whole or in part and in one or more series. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

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The principal of and interest on the Bonds shall be payable in lawful money of the United States of America at a bank or banks to be designated later.

Voters desiring to vote for the issuance of the Bonds shall do so by voting "YES" and voters desiring to vote against the issuance of the Bonds shall do so by voting "NO" as to the questions propounded substantially as follows:

"Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

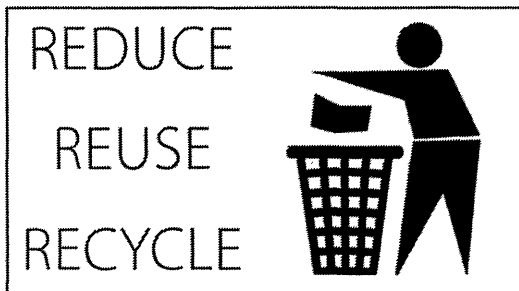
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Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

Pursuant to O.C.G.A. Section 36 82 100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However, the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.





# Education Briefs

BY TAYLOR ROBINS • Taylor@dekalbchamp.com

**2019 National Merit Scholarship Program includes Dunwoody students**

Dunwoody High School recently commended students in the 2019 National Merit Scholarship program. The students include Robert Garber, Athanasios Grivakis, Cade Lautenbacher, Valen Lawson, Samuel Mahle, Juan Martinez, Erika Smith, Nathan Stefanik and Madeline Tapp.

**Local students enroll at Clemson University**

Local students enrolled at Clemson University (Clemson, S. C.) for the fall 2018 semester are: Isaac Boa-Kouassi (Lithonia: English major), Chris Camacho (Brookhaven: computer science major), Luke William Hale (Brookhaven: undeclared major), Kalis Raquel Johnson (Stone Mountain: animal and veterinary sciences major), Patrick

Garrigan Rahiya (Brookhaven: computer science major), Deanna Edith Richards (Stone Mountain: general engineering major), Nate Rogers (Decatur: general engineering major), Owen David Tumperi (Decatur: biochemistry major) and Josie Wirtz (Brookhaven: pre-business major).

**Valdosta State University announces summer 2018 Dean's List**

Valdosta State University announced its summer 2018 Dean's List. Students who achieve a semester grade point average of 3.50 or higher on nine or more semester hours with an institutional grade point average of 3.00 or higher are recognized by being placed on the Dean's List.

Local students included on the list are Julia Allison (Decatur), Sylvia Glanton (Stone

Mountain), Walter Parker (Decatur) and Jatavius Williams (Lithonia).

Valdosta State University also announced that more than 200 students earned a spot on the summer 2018 Dean's List.

**UA announces graduation list for summer 2018**

The University of Alabama (Tuscaloosa) awarded 1,342 degrees during its summer commencement Aug. 4.

Jordan Riviere (Decatur), who received a bachelor of arts communication and Elisha Shaw (Stone Mountain), who received a bachelor of science in human environmental science are local students who were included in the commencement.

**NOTICE OF NONDISCRIMINATORY POLICY AS TO STUDENTS**  
 Atlanta Katorl, Inc. admits students of any race, color, national, and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, national, and ethnic origin in administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school-administered programs.



**NOTICE OF PUBLIC HEARING**  
 Notice is hereby given that the Mayor and Board of Commissioners for the City of Avondale Estates will hold a Public Hearing for the 2019 Proposed Budget on November 12, 2018 at 6:30 p.m. Final Adoption of the 2019 budget will occur in conjunction with the Board's regular monthly meeting on December 10, 2018, at 6:30 p.m. at City Hall, 21 North Avondale Plaza.  
 The proposed 2019 budget is available for public review on the City website and at City Hall during normal business hours Monday through Friday, 8:00 a.m. to 5:00 p.m.

**CITY OF BROOKHAVEN FY 2019 BUDGET REVIEW, PUBLIC HEARINGS, AND ADOPTION**  
 The proposed FY 2019 City of Brookhaven Budget will be presented to Mayor and Council by the City Manager on October 9, 2018 at the regularly scheduled Council Meeting beginning at 7:00 p.m. The City of Brookhaven will hold a public hearing on the proposed FY 2019 Budget at the regularly scheduled Council Meeting on Tuesday, October 23, 2018 at 7:00 p.m. Another public hearing will be held during the City Council meeting on Tuesday, November 13, 2018 at 7:00 p.m. Following the public hearing on November 13, 2018, the City Council will vote to adopt the FY 2019 Budget. The FY 2019 Budget will be available for public inspection at City Hall, 4362 Peachtree Road, and on the website www.brookhavenga.gov October 9, 2018.

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DECATUR

# Search for city manager continues

BY HORACE HOLLOMAN

horace@dekalbchamp.com

A consultant hired to help Decatur find its next city manager initially estimated the city would receive approximately 40 to 50 applications for the job. As the search continues to replace current city manager Peggy Merriss, an official with the consultant group reported it has received twice as many applications as expected.

Heidi Voorhees, co-founder of GovHRUSA—a firm that assists governments in selecting qualified candidates—said the firm is in the process of reviewing approximately 100 candidates for the city manager position.

“At the start of this process we estimated that 40 to 50 candidates would apply based upon other recruitments our firm has conducted for similar positions,” Voorhees said. “This extraordinary response to the recruitment is a reflection of [Decatur’s] progressive approach to governance, its political stability and the overall high quality of life the city has to offer.”

In the past 45 years, Decatur has had two city managers. Merriss plans to retire at the end of the year after 25 years as city manager. Curtis Branscome served in the position for 20 years.

Merriss announced her retirement in July stating, “I have been very fortunate that the community has elected outstanding city



Peggy Merriss

commissioners who have supported innovation, risk-taking and outcomes that further the mission and vision of Decatur. I have also worked with the most enthusiastic, dedicated and experienced public employees in the world. I cannot imagine having had any other opportunity that would have been so fulfilling.”

According to Decatur Mayor Patti Garrett, city officials will make a final decision on the new city manager by the end of 2018.

“All of us have reaped the benefits of Merriss’ visionary leadership, her ability to think creatively and her passion for developing a strong management team. She is an innovative thought leader, a model of integrity and has a unique ability to help the city pursue vibrant community engagement and healthy infrastructure while maintaining strong, conservative fiscal management for the city,” Garrett said in a statement.

PUBLIC NOTICE

CITY OF DUNWOODY  
NOTICE OF SPECIAL ELECTION  
November 6, 2018

The City of Dunwoody will hold a special election on Tuesday, November 6, 2018 for the purpose of submitting the question of Sunday sales to the electors of Dunwoody for approval or rejection. The question to be put before the electors on November 6, 2018 is as follows:

- ( ) YES Shall the governing authority of the City of Dunwoody be authorized to permit and regulate Sunday sales of distilled spirits or alcoholic beverages for beverage purposes by the drink from 11:00 A.M. to 12:30 P.M.?
- ( ) NO

Sharon Lowery  
City Clerk  
City of Dunwoody, Georgia  
October 18, 2018

BROOKHAVEN

# Real time notifications come to city

BY TAYLOR ROBINS

taylor@dekalbchamp.com

Part of Brookhaven’s September town hall meeting was dedicated to the city’s newest program, Brookhaven Alert.

“Brookhaven Alert enables us to notify you in real time,” Gary Yandura, Brookhaven police chief, said in a tweet. “This service allows for critical communication with the public and provides info to stay safe or take precautions during emergencies.”

Brookhaven Alert, also known as Rave Alert, is a platform that sends emergency and general alerts to residents who have made a profile on Smart 911.

Brookhaven Alert is

powered by Smart 911, a secure website that stores residents’ personal information for emergency dispatch use.

A resident’s Smart 911 profile is to be updated every six months with emergency contact information, pictures and work and home addresses.

City officials say storing information on the site can save time in dispatching help to a resident. The more information stored, the better and quicker emergency departments can help residents.

Residents participating in Brookhaven Alert may choose to have emergency or general- or both-notifications sent by text, email or voice call.

Emergency notifications include missing persons or children alerts, police activity and extreme weather. General

notifications include traffic-related situations.

For the remainder of the 2018 year the city has paid a prorated price of \$5,000 and a one-time set up fee of \$1,800 for the services. For a full year, the program costs \$10,000, according to city officials.

At the Sept. 20 town hall meeting, officials said 700 residents have signed up so far.

City officials are also wanting to increase awareness of the platform because, “this system is only as good as its outreach.”

Residents of Brookhaven can visit <https://www.brookhavenga.gov/brookhavenalert>.

Residents may also download the Smart 911 app on any smartphone.

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# Winding road brings lawyer to buy Tucker office building

**BY KATHY MITCHELL**  
Freelance Reporter

Jessica Woghiren on Oct. 5 celebrated a moment she said she's been moving toward for most of her life. She cut the ribbon opening her new law office, JW Law Firm in Tucker.

"This has not been an easy journey," she admitted. "I've had some setbacks, but I feel I am where I'm supposed to be."

After earning an associate's degree in political science from what was then Georgia Perimeter College, Woghiren enrolled in Georgia State University, with which Georgia Perimeter College later merged. Although her undergraduate degree is in English, Woghiren decided her next step should be law school.

"People have been telling me all my life that I should be a lawyer. I love helping people. I have always stood up for people who were unable to stand up for themselves. I was born in the United States, but I lived for a while in Nigeria, where my parents are from. Even there I saw people disrespected and taken advantage of because of their socio-economic status. I always said to myself, 'We're all people and we all deserve to be treated fairly whether we have money or not.'"

Woghiren was not accepted

the first time she applied to law school. "I cried my eyes out because I knew I was supposed to be a lawyer. I realized that I'm not good at certain types of tests, but I'm great with essay tests because I'm a story teller. I felt I was meant to be either a journalist or a lawyer because either way I get to tell stories—true stories that can change people's lives."

She applied for a journalist position at an Atlanta television station and although she passed the station's test she was not hired because of her lack of experience.

After applying a second time to law school, Woghiren was accepted. "The course I had trouble with was torts—personal injury—but the law school had a program that allowed students who didn't do well in class to take it a second time and have the original grade removed from their transcript. That's what I did and made a much higher grade the second time I took torts," she said.

Woghiren graduated from Western Michigan University's Thomas M. Cooley Law School nearly a decade ago but found herself entering the workforce as the economy hit a deep slump. "It was 2009 and no one was hiring," she recalled. "I had to take whatever I could get just to keep going, but I couldn't give up because



Jessica Woghiren celebrates the opening her new office, JW Law Firm in Tucker, which she called the fulfillment of a longtime dream.

I knew this was what I was meant to do."

Eventually, Woghiren opened a practice with a few clients, many of whom were referrals from other attorneys. "Interestingly, many were personal injury cases—the very area I had struggled with in law school. I realized that while I had difficulty with it in a classroom setting, I seemed to have a natural talent for it in practice," she said. "I handled mostly smaller cases in the \$50,000 to \$100,000 range, then I had the opportunity to handle a \$2 million case that involved a major corporation. I was a little nervous, but people who had worked with me kept telling me I could do it. When I won that case, it was a big boost to my confidence."

It also was a boost to her

financial situation, enabling her to purchase her own office building, Woghiren said. "I had been saving to buy a building, but the money from that lawsuit really put me over the top. I had been renting space in Gwinnett County, but I wanted to own my one building. The building on Presidents Way in Tucker has four floors. This allows me to have a full floor for my practice and rent out the other space."

"I looked at this space several times over a period of six months. Each time I walked away someone else would make an offer on the building but each time it fell through and I found myself considering it again. I believe that this is where God meant me to be," Woghiren said.

EXHIBIT A

NOTICE OF BOND ELECTION

TO THE QUALIFIED VOTERS OF THE CITY OF BROOKHAVEN, GEORGIA

YOU ARE HEREBY NOTIFIED that on November 6, 2018, an election will be held in all of the election districts of the City of Brookhaven, Georgia (the "City"), at which election there will be submitted to the qualified voters of the City the question for their determination of whether the City should issue general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), for the purpose of financing the cost of the projects listed in the form of the ballot below, and paying the cost of issuing the Bonds and capitalized interest on the Bonds.

The Bonds, if so authorized, may be issued in whole or in part and in one or more series. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

Year	Amount	Year	Amount	Year	Amount
2020	\$775,000	2030	\$1,095,000	2040	\$1,540,000
2021	\$805,000	2031	\$1,130,000	2041	\$1,595,000
2022	\$830,000	2032	\$1,170,000	2042	\$1,650,000
2023	\$860,000	2033	\$1,210,000	2043	\$1,710,000
2024	\$890,000	2034	\$1,255,000	2044	\$1,770,000
2025	\$920,000	2035	\$1,300,000	2045	\$1,830,000
2026	\$955,000	2036	\$1,345,000	2046	\$1,895,000
2027	\$985,000	2037	\$1,390,000	2047	\$1,960,000
2028	\$1,020,000	2038	\$1,440,000	2048	\$2,030,000
2029	\$1,055,000	2039	\$1,490,000	2049	\$2,100,000

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America at a bank or banks to be designated later.

Voters desiring to vote for the issuance of the Bonds shall do so by voting "YES" and voters desiring to vote against the issuance of the Bonds shall do so by voting "NO" as to the questions propounded substantially as follows:

"Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

The several places for holding said election shall be in the regular and established election districts of the City, and the polls will be open from 7:00 A.M. to 7:00 P.M. on the said date fixed for the election. Those qualified to vote at said election shall be determined in all respects in accordance and in conformity with the laws of the State of Georgia.

The last day to register to vote in this election shall be October 9, 2018.

Those residents qualified to vote at said election shall be determined in all respects in accordance with election laws of the State of Georgia.

Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

Pursuant to O.C.G.A. Section 36 82 100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.

**NOTICE OF SPECIAL ELECTION**  
**TO APPROVE OF THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION ON SUNDAYS FROM 11:00 A.M UNTIL 12:30 P.M. AT LICENSED EATING ESTABLISHMENTS TO THE QUALIFIED VOTERS OF THE CITY OF ATLANTA**

YOU ARE HEREBY NOTIFIED that Tuesday, November 6, 2018, the date chosen by the Secretary of State of the State of Georgia for the State-Wide General Election pursuant to Georgia law, an election will be held in all of the precincts of the City of Atlanta (the "City"). At the election there will be submitted to the qualified voters of the City for their determination the question authorized by Senate Bill 17 allowing Sunday sales of alcoholic beverages for on-premises consumption in eating establishments between the hours of 11:00 a.m. and 12:30 p.m.


Voters desiring to vote for authorizing Sunday sales of alcoholic beverages for on premises consumption in eating establishments between the hours of 11:00 a.m. and 12:30 p.m. shall do so by voting "YES" and voters desiring to vote against authorizing Sunday sales of alcoholic beverages for on-premises consumption in eating establishments between the hours of 11:00 a.m. and 12:30 p.m. shall do so by voting "NO," as to the question propounded to-wit:

Shall the governing authority of the City of Atlanta be authorized to permit and regulate Sunday sales of distilled spirits or alcoholic beverages for beverage purposes by the drink from 11:00 A.M. to 12:30 P.M.?

The ballot shall have printed the word "YES" and the word "NO" in order that each voter may vote in either the affirmative or the negative as to the question propounded. The polls in each of the precincts within the City shall be opened at 7:00a.m. and closed at 7:00p.m. on the day fixed for the election, and the election shall be held at the regular and established places for holding elections in the City. The election shall be held in accordance and in conformity with the Constitution and laws of the United States and the State of Georgia.

This notice is given pursuant to joint action of the City Council of the City of Atlanta and the Municipal Election Superintendent of the City.

CITY OF ATLANTA

  
Municipal Election Superintendent

MUNICIPAL ELECTION SUPERINTENDENT OF  
THE CITY OF ATLANTA

SOUTH DEKALB

# MARTA bus stop upgrades improve experience

BY CARLA PARKER  
carla@dekalbchamp.com

Passengers who catch the MARTA bus off Redan Road now have additional seating at the bus stop.

Upgrades to the bus stop near South Hairston Road came weeks after DeKalb County elected officials urged MARTA to address the level and quality of service that MARTA delivers in the county. In a memorandum to MARTA officials State Representative-elect Viola Davis thanked MARTA for listening to concerns from riders on issues of shelters, benches and bus stop signage.

"We were informed that the work completed at the bus stop in front of the new Waffle House added an improved upgrade to the area, plus additional seating," Davis said.

Along with a new bench, more trash receptacles were added to the Redan Road bus stop. Davis also wrote in the memorandum that Greater Hidden Hills Community Development Corporation (GHHDC) in south DeKalb also has a list of upgrades the organization would like to have addressed.

"[GHHDC] used streetscape beautification as the primary tool to push economic development," Davis said. "They partnered with private and public businesses and agencies such as MARTA to make this goal a reality."

According to Davis, GHHDC said other upgrades were promised to the community, including a bench for the bus stop at Fieldgreen Drive and South Hairston Road, the bus stops on South Hairston near Mainstreet Parkway were supposed to receive a bench and garbage receptacle more three

years ago and the bus stop on Redan Road, east of Allgood Road was to receive a bench also.

"We are focusing on the shelters and benches stated in the letter due to the extended time to deliver on the promise to complete these requests," Davis stated. "We would love to work with the same contact person to ensure continuity and decrease episodes of confusion and misunderstanding."

A letter dated Aug. 29 from DeKalb County CEO Michael Thurmond and all county commissioners, was sent to MARTA before the transit system's Sept. 6 vote on a contract with Gwinnett County Sept. 6. MARTA's board of directors approved a contract to extend bus, rail, and mobility services into Gwinnett.

In DeKalb's letter to MARTA, elected officials said the county welcomes new jurisdictions to MARTA, "however, we must address important deficiencies in the contract and in the level and quality of service that MARTA has delivered in DeKalb.

"Accordingly, we are writing to express DeKalb's expectations for maintenance and expansion of service under the existing MARTA penny, and conditions necessary for the success of proposals for an additional levy in the future," the letter stated. "On behalf of the governing authority of DeKalb County, we believe it is as important for MARTA to renew its commitment to its original members with the same specificity and deference as the proposed contract offers to its newest prospective member."

DeKalb officials said the county wants a commitment from MARTA to correct "long-standing" deficiencies within the current services in the county, including the quality and reliability of bus service, mobility services, bus stops and shelters.

In a statement sent to *The Champion* Sept. 14, MARTA officials said the transit system "takes seriously the concerns raised by our longtime partners in DeKalb County."

"We have been in conversation with CEO Michael Thurmond and Commissioner Jeff Rader about the issues they have outlined, and we are already taking steps to address them," MARTA said.

Upgrades to the bus stop near South Hairston Road were made after DeKalb County elected officials urged MARTA to address the level and quality of service that MARTA has delivered in the county. Photo provided

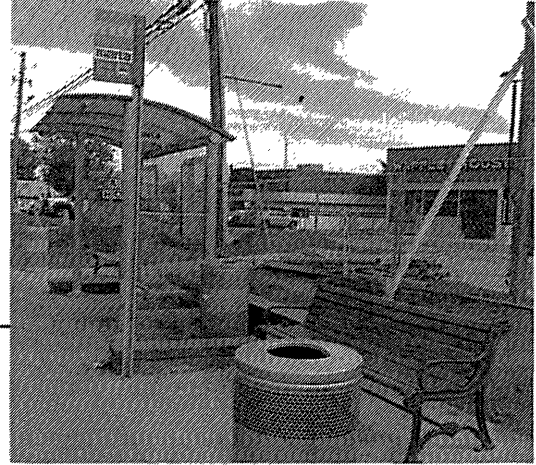


EXHIBIT A

NOTICE OF BOND ELECTION

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The Bonds, if so authorized, may be issued in whole or in part and in one or more series. The Bonds shall be dated the first day of the calendar month in which the Bonds are issued or the day the Bonds are issued and shall bear interest at rates not exceeding 6.0% per year (based upon a 360-day year comprised of twelve thirty-day months). The principal shall mature (by scheduled maturity or by mandatory redemption) in the years and amounts, as follows:

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2029	\$1,055,000	2039	\$1,490,000	2049	\$2,100,000

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America at a bank or banks to be designated later.

Voters desiring to vote for the issuance of the Bonds shall do so by voting "YES" and voters desiring to vote against the issuance of the Bonds shall do so by voting "NO" as to the questions propounded substantially as follows:

"Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

The several places for holding said election shall be in the regular and established election districts of the City, and the polls will be open from 7:00 A.M. to 7:00 P.M. on the said date fixed for the election. Those qualified to vote at said election shall be determined in all respects in accordance and in conformity with the laws of the State of Georgia.

The last day to register to vote in this election shall be October 9, 2018.

Those residents qualified to vote at said election shall be determined in all respects in accordance with election laws of the State of Georgia.

Any brochures, listings or other advertisements issued by the City or by any other person, firm, corporation or association with the knowledge and consent of the City, shall be deemed to be a statement of intention of the City concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the City in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested.

Pursuant to O.C.G.A. Section 36 82 100, the City notifies all interested parties that no independent performance audit or performance review (the "Bond Audit") will be conducted with respect to the Bonds. However the City will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Bond Audit.

CITY OF BROOKHAVEN FY 2019 BUDGET REVIEW, PUBLIC HEARINGS, AND ADOPTION

The proposed FY 2019 City of Brookhaven Budget will be presented to Mayor and Council by the City Manager on October 9, 2018 at the regularly scheduled Council Meeting beginning at 7:00 p.m. The City of Brookhaven will hold a public hearing on the proposed FY 2019 Budget at the regularly scheduled Council Meeting on Tuesday, October 23, 2018 at 7:00 p.m. Another public hearing will be held during the City Council meeting on Tuesday, November 13, 2018 at 7:00 p.m. Following the public hearing on November 13, 2018, the City Council will vote to adopt the FY 2019 Budget. The FY 2019 Budget will be available for public inspection at City Hall, 4362 Peachtree Road, and on the website [www.brookhavenga.gov](http://www.brookhavenga.gov) October 9, 2018.

**EXHIBIT 4**

**Resolution of City Declaring Election Results**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BROOKHAVEN DECLARING THE RESULTS OF AN ELECTION  
DETERMINING THE ISSUANCE OF GENERAL OBLIGATION BONDS BY  
THE CITY OF BROOKHAVEN AND FOR OTHER RELATED PURPOSES

WHEREAS, pursuant to a resolution adopted by the Council of the City of Brookhaven, Georgia (the "City") on July 24, 2018, and joint notice given by the City and the Board of Registration and Elections of DeKalb County (the "Board of Elections"), an election (the "Election") was held on November 6, 2018 in all election districts of the City; and

WHEREAS, the Election submitted to the qualified voters for their determination the question of whether the City's general obligation bonds, in one or more series, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds") shall be issued; and

WHEREAS, the Board of Elections brought up the returns, consolidated the returns and declared the results of the Election as set forth in Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City, and IT IS HEREBY RESOLVED by authority of the same, that the Election resulted in favor of the issuance of the Bonds by an affirmative vote of a majority of the qualified voters voting in the Election and that the issuance of the Bonds has been authorized as required by law.

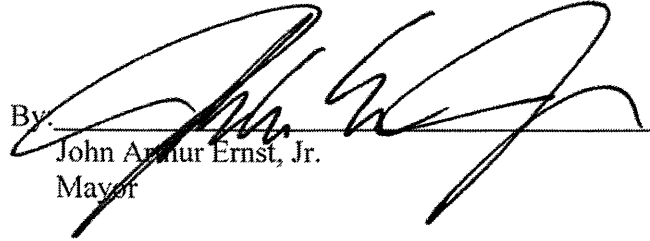
BE IT FURTHER RESOLVED that a duly executed copy of this resolution be furnished to the Board of Elections.

BE IT FURTHER RESOLVED that proper officers of the City take any and all actions that are required to validate the Bonds.

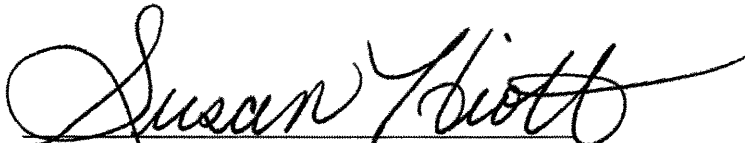
Adopted and approved this 27th day of November, 2018.

CITY OF BROOKHAVEN, GEORGIA


(SEAL)

By:   
John Arthur Ernst, Jr.  
Mayor

Attest:

  
Susan Hiott  
City Clerk

Approved as to form:

By:   
Christopher D. Balch  
City Attorney

**EXHIBIT A**

**CONSOLIDATED ELECTION RETURNS**



# CONSOLIDATED MUNICIPAL/COUNTY CERTIFICATION OF RETURNS FOR:

- SPECIAL ELECTION  
 GENERAL ELECTION  
 RUNOFF ELECTION

November 6, 2018  
 Date  
 BROOKHAVEN  
 Municipality/County

Instructions: Prepare and print (4) copies of the Election Summary (county consolidated vote totals report that is generated by GEMS). Attach copies of this consolidated certification report as follows:

1. White sheet is attached to Election Summary and returned to Secretary of State.
2. Yellow sheet is attached to Election Summary and maintained by Superintendent.
3. Pink sheet is attached to Election Summary and sent to Clerk of Superior Court.
4. Goldenrod Copy is attached to Election Summary and immediately posted at the City Hall (city) or Courthouse (county)

**ELECTION SUMMARY MUST BE ATTACHED TO THIS FORM**

REFERENDUM QUESTIONS: AFFIX a copy of the complete wording of the question(s) as such appeared on the ballot.  
 SHORT TITLE OF QUESTION(S) AS SHOWN ON ATTACHED ELECTION SUMMARY:

**QUESTION:**

"Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

This Referendum was held in accordance with (Citation of Act calling for the Election):

Local Act No. \_\_\_\_\_ Year \_\_\_\_\_

City Resolution 2018-07-03  
 Cit. Laws page No. \_\_\_\_\_

**QUESTION:**

"Shall the governing authority of the City of Brookhaven be authorized to permit and regulate Sunday sales of distilled spirits or alcoholic beverages for beverage purposes by the drink from 11:00 AM to 12:30 PM?"



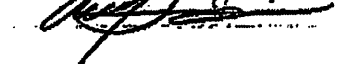
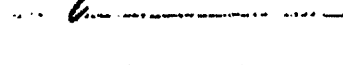

This Referendum was held in accordance with (Citation of Act calling for the Election):

Local Act No. \_\_\_\_\_ Year \_\_\_\_\_

Cit. Laws page No. \_\_\_\_\_

We, the undersigned Superintendent/Supervisor of Elections and his/her Assistants, do jointly and severally certify that the attached Election Summary is a true and correct count of the votes cast in this City/County. In TESTIMONY WHEREOF, We have hereunto set our hands and seals this 16th day of November 2018.

SIGNED IN QUADRUPPLICATE.

 Assistant  
 Assistant  
 Assistant  
 Assistant  
 Assistant

DEKALB COUNTY BOARD OF  
 REGISTRATION & ELECTIONS  
 Superintendent/Supervisor of Elections

**Election Summary Report**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
**Summary For City of Brookhaven, All Counters, City of Brookhaven**  
**Official and Complete-Recertification**

Date:11/16/18  
 Time:13:59:23  
 Page:1 of 1

Registered Voters 31403 - Cards Cast 21570 68.69%

Num. Report Precinct 12 - Num. Reporting 12 100.00%

Brookhaven - Bond Referendum							
	Polling	ABM	AIP1	AIP2	PRO	Total	
Number of Precincts	12	12	12	12	12	12	
Precincts Reporting	12	12	12	12	12	12	100.0 %
Times Counted (Reg. Voters 31401)	10700	1288	3782	5716	84	21570	68.7 %
<b>Total Votes</b>	<b>10313</b>	<b>1195</b>	<b>3661</b>	<b>5543</b>	<b>48</b>	<b>20760</b>	
YES	5806	816	2420	3375	31	12448	59.96%
NO	4507	379	1241	2168	17	8312	40.04%

Brookhaven - Sunday Alcohol Sales							
	Polling	ABM	AIP1	AIP2	PRO	Total	
Number of Precincts	12	12	12	12	12	12	
Precincts Reporting	12	12	12	12	12	12	100.0 %
Times Counted (Reg. Voters 31401)	10700	1288	3782	5716	84	21570	68.7 %
<b>Total Votes</b>	<b>10501</b>	<b>1226</b>	<b>3730</b>	<b>5637</b>	<b>74</b>	<b>21168</b>	
YES	8456	959	2930	4488	59	16892	79.80%
NO	2045	267	800	1149	15	4276	20.20%

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
**SOVC For City of Brookhaven, All Counters, City of Brookhaven**  
**Official and Complete-Recertification**

Date: 11/16/18  
 Time: 14:36:45  
 Page: 1 of 6

	TURN OUT		
	Reg. Voters	Cards Cast	% Turnout
<b>Jurisdiction Wide</b>			
<b>ASHFORD DUNWOODY RD</b>			
Polling	2794	1075	38.48%
Absentee by Mail	2794	146	5.23%
Advance in Person 1	2794	415	14.85%
Advance in Person 2	2794	526	18.83%
Provisional	2794	3	0.11%
<b>Total</b>	<b>2794</b>	<b>2165</b>	<b>77.49%</b>
<b>ASHFORD PARK ELEM</b>			
Polling	2313	1030	44.53%
Absentee by Mail	2313	72	3.11%
Advance in Person 1	2313	164	7.09%
Advance in Person 2	2313	447	19.33%
Provisional	2313	2	0.09%
<b>Total</b>	<b>2313</b>	<b>1715</b>	<b>74.15%</b>
<b>ASHFORD PARKSIDE</b>			
Polling	3475	1246	35.86%
Absentee by Mail	3475	187	5.38%
Advance in Person 1	3475	524	15.08%
Advance in Person 2	3475	419	12.06%
Provisional	3475	5	0.14%
<b>Total</b>	<b>3475</b>	<b>2381</b>	<b>68.52%</b>
<b>BRIARWOOD</b>			
Polling	2232	660	29.57%
Absentee by Mail	2232	78	3.49%
Advance in Person 1	2232	81	3.63%
Advance in Person 2	2232	635	28.45%
Provisional	2232	7	0.31%
<b>Total</b>	<b>2232</b>	<b>1461</b>	<b>65.46%</b>
<b>BROOKHAVEN</b>			
Polling	3245	1224	37.72%
Absentee by Mail	3245	108	3.33%
Advance in Person 1	3245	256	7.89%
Advance in Person 2	3245	692	21.33%
Provisional	3245	14	0.43%
<b>Total</b>	<b>3245</b>	<b>2294</b>	<b>70.69%</b>
<b>CROSS KEYS HIGH</b>			
Polling	2023	660	32.62%
Absentee by Mail	2023	88	4.35%
Advance in Person 1	2023	154	7.61%
Advance in Person 2	2023	363	17.94%
Provisional	2023	9	0.44%
<b>Total</b>	<b>2023</b>	<b>1274</b>	<b>62.98%</b>
<b>KITTREDGE ELEM</b>			
Polling	2005	616	30.72%
Absentee by Mail	2005	118	5.89%
Advance in Person 1	2005	548	27.33%
Advance in Person 2	2005	290	14.46%
Provisional	2005	5	0.25%
<b>Total</b>	<b>2005</b>	<b>1577</b>	<b>78.65%</b>
<b>MONTCLAIR ELEM</b>			
Polling	2020	575	28.47%
Absentee by Mail	2020	47	2.33%
Advance in Person 1	2020	129	6.39%
Advance in Person 2	2020	303	15.00%
Provisional	2020	7	0.35%
<b>Total</b>	<b>2020</b>	<b>1061</b>	<b>52.52%</b>
<b>MONTGOMERY ELEM</b>			

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
**SOVC For City of Brookhaven, All Counters, City of Brookhaven**  
**Official and Complete-Recertification**

Date:11/16/18  
 Time:14:36:45  
 Page:2 of 6

	TURN OUT		
	Reg Voters	Cards Cast	% Turnout
Polling	2256	768	34.04%
Absentee by Mail	2256	105	4.65%
Advance in Person 1	2256	655	29.03%
Advance in Person 2	2256	153	6.78%
Provisional	2256	4	0.18%
<b>Total</b>	<b>2256</b>	<b>1685</b>	<b>74.69%</b>
<b>SILVER LAKE</b>			
Polling	4706	1464	31.11%
Absentee by Mail	4706	214	4.55%
Advance in Person 1	4706	506	10.75%
Advance in Person 2	4706	878	18.66%
Provisional	4706	10	0.21%
<b>Total</b>	<b>4706</b>	<b>3072</b>	<b>65.28%</b>
<b>SKYLAND</b>			
Polling	1807	695	38.46%
Absentee by Mail	1807	63	3.49%
Advance in Person 1	1807	83	4.59%
Advance in Person 2	1807	449	24.85%
Provisional	1807	8	0.44%
<b>Total</b>	<b>1807</b>	<b>1298</b>	<b>71.83%</b>
<b>WOODWARD</b>			
Polling	2527	688	27.23%
Absentee by Mail	2527	104	4.12%
Advance in Person 1	2527	267	10.57%
Advance in Person 2	2527	561	22.20%
Provisional	2527	10	0.40%
<b>Total</b>	<b>2527</b>	<b>1630</b>	<b>64.50%</b>
<b>Total</b>			
Polling	31403	10701	34.08%
Absentee by Mail	31403	1330	4.24%
Advance in Person 1	31403	3782	12.04%
Advance in Person 2	31403	5716	18.20%
Provisional	31403	84	0.27%
<b>Total</b>	<b>31403</b>	<b>21613</b>	<b>68.82%</b>

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
**SOVC For City of Brookhaven, All Counters, City of Brookhaven**  
**Official and Complete-Recertification**

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		Brookhaven - Bond Referendum				
		Reg Voters	Times Counted	Total Votes	YES	NO
<b>Jurisdiction Wide</b>						
<b>ASHFORD DUNWOODY RD</b>						
	Polling	2794	1075	1049	560 53.38%	489 46.62%
	Absentee by Mail	2794	146	136	82 60.29%	54 39.71%
	Advance in Person 1	2794	415	402	248 61.69%	154 38.31%
	Advance in Person 2	2794	526	517	311 60.15%	206 39.85%
	Provisional	2794	3	3	2 66.67%	1 33.33%
	<b>Total</b>	<b>2794</b>	<b>2165</b>	<b>2107</b>	<b>1203 57.10%</b>	<b>904 42.90%</b>
<b>ASHFORD PARK ELEM</b>						
	Polling	2313	1030	1013	472 46.59%	541 53.41%
	Absentee by Mail	2313	72	70	38 54.29%	32 45.71%
	Advance in Person 1	2313	164	162	102 62.96%	60 37.04%
	Advance in Person 2	2313	447	434	222 51.15%	212 48.85%
	Provisional	2313	2	2	1 50.00%	1 50.00%
	<b>Total</b>	<b>2313</b>	<b>1715</b>	<b>1681</b>	<b>835 49.67%</b>	<b>846 50.33%</b>
<b>ASHFORD PARKSIDE</b>						
	Polling	3475	1246	1190	713 59.92%	477 40.08%
	Absentee by Mail	3475	145	133	97 72.93%	36 27.07%
	Advance in Person 1	3475	524	511	333 65.17%	178 34.83%
	Advance in Person 2	3475	419	408	270 66.18%	138 33.82%
	Provisional	3475	5	2	1 50.00%	1 50.00%
	<b>Total</b>	<b>3475</b>	<b>2339</b>	<b>2244</b>	<b>1414 63.01%</b>	<b>830 36.99%</b>
<b>BRIARWOOD</b>						
	Polling	2232	660	634	392 61.83%	242 38.17%
	Absentee by Mail	2232	78	71	56 78.87%	15 21.13%
	Advance in Person 1	2232	81	77	51 66.23%	26 33.77%
	Advance in Person 2	2232	635	619	395 63.81%	224 36.19%
	Provisional	2232	7	4	3 75.00%	1 25.00%
	<b>Total</b>	<b>2232</b>	<b>1461</b>	<b>1405</b>	<b>897 63.84%</b>	<b>508 36.16%</b>
<b>BROOKHAVEN</b>						
	Polling	3245	1224	1180	635 53.81%	545 46.19%
	Absentee by Mail	3245	108	98	69 70.41%	29 29.59%
	Advance in Person 1	3245	256	244	163 66.80%	81 33.20%
	Advance in Person 2	3245	692	672	391 58.18%	281 41.82%
	Provisional	3245	14	11	5 45.45%	6 54.55%
	<b>Total</b>	<b>3245</b>	<b>2294</b>	<b>2205</b>	<b>1263 57.28%</b>	<b>942 42.72%</b>
<b>CROSS KEYS HIGH</b>						
	Polling	2023	660	630	360 57.14%	270 42.86%
	Absentee by Mail	2023	88	80	63 78.75%	17 21.25%
	Advance in Person 1	2023	154	151	96 63.58%	55 36.42%
	Advance in Person 2	2023	363	352	223 63.35%	129 36.65%
	Provisional	2023	9	7	7 100.00%	0 0.00%
	<b>Total</b>	<b>2023</b>	<b>1274</b>	<b>1220</b>	<b>749 61.39%</b>	<b>471 38.61%</b>
<b>KITTREDGE ELEM</b>						
	Polling	2005	616	599	310 51.75%	289 48.25%
	Absentee by Mail	2005	118	113	75 66.37%	38 33.63%
	Advance in Person 1	2005	548	540	356 65.93%	184 34.07%
	Advance in Person 2	2005	290	280	147 52.50%	133 47.50%
	Provisional	2005	5	1	1 100.00%	0 0.00%
	<b>Total</b>	<b>2005</b>	<b>1577</b>	<b>1533</b>	<b>889 57.99%</b>	<b>644 42.01%</b>
<b>MONTCLAIR ELEM</b>						
	Polling	2020	575	542	385 71.03%	157 28.97%
	Absentee by Mail	2020	47	43	32 74.42%	11 25.58%
	Advance in Person 1	2020	129	126	81 64.29%	45 35.71%
	Advance in Person 2	2020	303	293	212 72.35%	81 27.65%
	Provisional	2020	7	0	0 0.00%	0 0.00%
	<b>Total</b>	<b>2020</b>	<b>1061</b>	<b>1004</b>	<b>710 70.72%</b>	<b>294 29.28%</b>
<b>MONTGOMERY ELEM</b>						

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
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**Official and Complete-Recertification**

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Brookhaven - Bond Referendum							
	Reg. Voters	Times Counted	Total Votes	YES		NO	
Polling	2256	768	742	389	52.43%	353	47.57%
Absentee by Mail	2256	105	97	63	64.95%	34	35.05%
Advance in Person 1	2256	655	640	431	67.34%	209	32.66%
Advance in Person 2	2256	153	150	84	56.00%	66	44.00%
Provisional	2256	4	2	2	100.00%	0	0.00%
<b>Total</b>	<b>2256</b>	<b>1685</b>	<b>1631</b>	<b>969</b>	<b>59.41%</b>	<b>662</b>	<b>40.59%</b>
<b>SILVER LAKE</b>							
Polling	4704	1463	1395	816	58.49%	579	41.51%
Absentee by Mail	4704	214	200	138	69.00%	62	31.00%
Advance in Person 1	4704	306	471	328	69.64%	143	30.36%
Advance in Person 2	4704	878	846	501	59.22%	345	40.78%
Provisional	4704	10	4	1	25.00%	3	75.00%
<b>Total</b>	<b>4704</b>	<b>3071</b>	<b>2916</b>	<b>1784</b>	<b>61.18%</b>	<b>1132</b>	<b>38.82%</b>
<b>SKYLAND</b>							
Polling	1807	695	678	362	53.39%	316	46.61%
Absentee by Mail	1807	63	60	33	55.00%	27	45.00%
Advance in Person 1	1807	83	77	48	62.34%	29	37.66%
Advance in Person 2	1807	449	431	257	59.63%	174	40.37%
Provisional	1807	8	6	4	66.67%	2	33.33%
<b>Total</b>	<b>1807</b>	<b>1298</b>	<b>1252</b>	<b>704</b>	<b>56.23%</b>	<b>548</b>	<b>43.77%</b>
<b>WOODWARD</b>							
Polling	2527	688	661	412	62.33%	249	37.67%
Absentee by Mail	2527	104	94	70	74.47%	24	25.53%
Advance in Person 1	2527	267	260	183	70.38%	77	29.62%
Advance in Person 2	2527	361	541	362	66.91%	179	33.09%
Provisional	2527	10	6	4	66.67%	2	33.33%
<b>Total</b>	<b>2527</b>	<b>1630</b>	<b>1562</b>	<b>1031</b>	<b>66.01%</b>	<b>531</b>	<b>33.99%</b>
Polling	31401	10700	10313	5806	56.30%	4507	43.70%
Absentee by Mail	31401	1288	1195	816	68.28%	379	31.72%
Advance in Person 1	31401	3782	3661	2420	66.10%	1241	33.90%
Advance in Person 2	31401	5716	5543	3375	60.89%	2168	39.11%
Provisional	31401	84	48	31	64.58%	17	35.42%
<b>Total</b>	<b>31401</b>	<b>21570</b>	<b>20760</b>	<b>12448</b>	<b>59.96%</b>	<b>8312</b>	<b>40.04%</b>

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
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Brookhaven - Sunday Alcohol Sales						
	Reg Voters	Times Counted	Total Votes	YES		NO
<b>Jurisdiction Wide</b>						
<b>ASHFORD DUNWOODY RD</b>						
Polling	2794	1075	1057	873 82.59%	184	17.41%
Absentee by Mail	2794	146	136	104 76.47%	32	23.53%
Advance in Person 1	2794	415	412	316 76.70%	96	23.30%
Advance in Person 2	2794	526	523	426 81.45%	97	18.55%
Provisional	2794	3	3	3 100.00%	0	0.00%
<b>Total</b>	<b>2794</b>	<b>2165</b>	<b>2131</b>	<b>1722 80.81%</b>	<b>409</b>	<b>19.19%</b>
<b>ASHFORD PARK ELEM</b>						
Polling	2313	1030	1019	846 83.02%	173	16.98%
Absentee by Mail	2313	72	68	55 80.88%	13	19.12%
Advance in Person 1	2313	164	160	123 76.88%	37	23.13%
Advance in Person 2	2313	447	442	361 81.67%	81	18.33%
Provisional	2313	2	2	2 100.00%	0	0.00%
<b>Total</b>	<b>2313</b>	<b>1715</b>	<b>1691</b>	<b>1387 82.02%</b>	<b>304</b>	<b>17.98%</b>
<b>ASHFORD PARKSIDE</b>						
Polling	3475	1246	1220	939 76.97%	281	23.03%
Absentee by Mail	3475	145	138	99 71.74%	39	28.26%
Advance in Person 1	3475	524	521	411 78.89%	110	21.11%
Advance in Person 2	3475	419	413	339 82.08%	74	17.92%
Provisional	3475	5	5	5 100.00%	0	0.00%
<b>Total</b>	<b>3475</b>	<b>2339</b>	<b>2297</b>	<b>1793 78.06%</b>	<b>504</b>	<b>21.94%</b>
<b>BRIARWOOD</b>						
Polling	2232	660	648	519 80.09%	129	19.91%
Absentee by Mail	2232	78	73	60 82.19%	13	17.81%
Advance in Person 1	2232	81	80	62 77.50%	18	22.50%
Advance in Person 2	2232	635	627	491 78.31%	136	21.69%
Provisional	2232	7	5	3 60.00%	2	40.00%
<b>Total</b>	<b>2232</b>	<b>1461</b>	<b>1433</b>	<b>1135 79.20%</b>	<b>298</b>	<b>20.80%</b>
<b>BROOKHAVEN</b>						
Polling	3245	1224	1201	1020 84.93%	181	15.07%
Absentee by Mail	3245	108	106	90 84.91%	16	15.09%
Advance in Person 1	3245	256	251	212 84.46%	39	15.54%
Advance in Person 2	3245	692	686	567 82.65%	119	17.35%
Provisional	3245	14	14	9 64.29%	5	35.71%
<b>Total</b>	<b>3245</b>	<b>2294</b>	<b>2258</b>	<b>1898 84.06%</b>	<b>360</b>	<b>15.94%</b>
<b>CROSS KEYS HIGH</b>						
Polling	2023	660	647	516 79.75%	131	20.25%
Absentee by Mail	2023	88	85	72 84.71%	13	15.29%
Advance in Person 1	2023	154	152	124 81.58%	28	18.42%
Advance in Person 2	2023	363	357	283 79.27%	74	20.73%
Provisional	2023	9	9	8 88.89%	1	11.11%
<b>Total</b>	<b>2023</b>	<b>1274</b>	<b>1250</b>	<b>1003 80.24%</b>	<b>247</b>	<b>19.76%</b>
<b>KITTREDGE ELEM</b>						
Polling	2005	616	602	485 80.56%	117	19.44%
Absentee by Mail	2005	118	113	86 76.11%	27	23.89%
Advance in Person 1	2005	548	540	437 80.93%	103	19.07%
Advance in Person 2	2005	290	285	223 78.25%	62	21.75%
Provisional	2005	5	5	3 60.00%	2	40.00%
<b>Total</b>	<b>2005</b>	<b>1577</b>	<b>1545</b>	<b>1234 79.87%</b>	<b>311</b>	<b>20.13%</b>
<b>MONTCLAIR ELEM</b>						
Polling	2020	575	559	398 71.20%	161	28.80%
Absentee by Mail	2020	47	46	32 69.57%	14	30.43%
Advance in Person 1	2020	129	128	86 67.19%	42	32.81%
Advance in Person 2	2020	303	301	225 74.75%	76	25.25%
Provisional	2020	7	4	3 75.00%	1	25.00%
<b>Total</b>	<b>2020</b>	<b>1061</b>	<b>1038</b>	<b>744 71.68%</b>	<b>294</b>	<b>28.32%</b>
<b>MONTGOMERY ELEM</b>						

**Statement of Votes Cast**  
**DeKalb County**  
**State of Georgia General Election**  
**November 6, 2018**  
**SOVC For City of Brookhaven, All Counters, City of Brookhaven**  
**Official and Complete-Recertification**

Date: 11/16/18  
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Brookhaven - Sunday Alcohol Sales

	Reg Voters	Times Counted	Total Votes	YES	NO
Polling	2256	768	756	610 80.69%	146 19.31%
Absentee by Mail	2256	105	101	78 77.23%	23 22.77%
Advance in Person 1	2256	655	648	510 78.70%	138 21.30%
Advance in Person 2	2256	153	153	122 79.74%	31 20.26%
Provisional	2256	4	4	2 50.00%	2 50.00%
<b>Total</b>	<b>2256</b>	<b>1685</b>	<b>1662</b>	<b>1322 79.54%</b>	<b>340 20.46%</b>
<b>SILVER LAKE</b>					
Polling	4704	1463	1433	1164 81.23%	269 18.77%
Absentee by Mail	4704	214	198	163 82.32%	35 17.68%
Advance in Person 1	4704	506	497	390 78.47%	107 21.53%
Advance in Person 2	4704	878	859	687 79.98%	172 20.02%
Provisional	4704	10	8	7 87.50%	1 12.50%
<b>Total</b>	<b>4704</b>	<b>3071</b>	<b>2995</b>	<b>2411 80.50%</b>	<b>584 19.50%</b>
<b>SKYLAND</b>					
Polling	1807	695	683	559 81.84%	124 18.16%
Absentee by Mail	1807	63	60	40 66.67%	20 33.33%
Advance in Person 1	1807	83	80	65 81.25%	15 18.75%
Advance in Person 2	1807	449	436	352 80.73%	84 19.27%
Provisional	1807	8	7	7 100.00%	0 0.00%
<b>Total</b>	<b>1807</b>	<b>1298</b>	<b>1266</b>	<b>1023 80.81%</b>	<b>243 19.19%</b>
<b>WOODWARD</b>					
Polling	2527	688	676	527 77.96%	149 22.04%
Absentee by Mail	2527	104	102	80 78.43%	22 21.57%
Advance in Person 1	2527	267	261	194 74.33%	67 25.67%
Advance in Person 2	2527	561	555	412 74.23%	143 25.77%
Provisional	2527	10	8	7 87.50%	1 12.50%
<b>Total</b>	<b>2527</b>	<b>1630</b>	<b>1602</b>	<b>1220 76.15%</b>	<b>382 23.85%</b>
<b>  Polling</b>	<b>31401</b>	<b>10700</b>	<b>10501</b>	<b>8456 80.53%</b>	<b>2045 19.47%</b>
<b>  Absentee by Mail</b>	<b>31401</b>	<b>1288</b>	<b>1226</b>	<b>959 78.22%</b>	<b>267 21.78%</b>
<b>  Advance in Person 1</b>	<b>31401</b>	<b>3782</b>	<b>3730</b>	<b>2930 78.55%</b>	<b>800 21.45%</b>
<b>  Advance in Person 2</b>	<b>31401</b>	<b>5716</b>	<b>5637</b>	<b>4488 79.62%</b>	<b>1149 20.38%</b>
<b>  Provisional</b>	<b>31401</b>	<b>84</b>	<b>74</b>	<b>59 79.73%</b>	<b>15 20.27%</b>
<b>Total</b>	<b>31401</b>	<b>21570</b>	<b>21168</b>	<b>16892 79.80%</b>	<b>4276 20.20%</b>



CLERK'S CERTIFICATE

STATE OF GEORGIA  
COUNTY OF DEKALB  
CITY OF BROOKHAVEN

The undersigned Clerk of the City of Brookhaven (the "City") DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution duly adopted by the Council of the City on the 27th day of November, 2018, in connection with an election held on November 6, 2018, the original of which resolution has been duly recorded in the Minute Book of the City, which is in my custody and control.

Witness my hand and the official seal of the City, this 27th day of November, 2018.

  
Clerk

(SEAL)

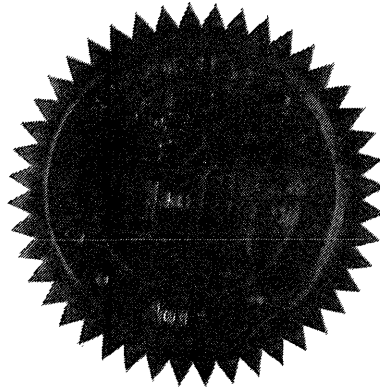


EXHIBIT 5

Election Certification

# CONSOLIDATED MUNICIPAL/COUNTY CERTIFICATION OF RETURNS FOR:

- SPECIAL ELECTION
- GENERAL ELECTION
- RUNOFF ELECTION

November 6, 2018

Date

BROOKHAVEN

Municipality/County

Instructions: Prepare and print (4) copies of the Election Summary (county consolidated vote totals report that is generated by GEMIS). Attach copies of this consolidated certification report as follows:

1. White sheet is attached to Election Summary and returned to Secretary of State.
2. Yellow sheet is attached to Election Summary and maintained by Superintendent.
3. Pink sheet is attached to Election Summary and sent to Clerk of Superior Court.
4. Goldenrod Copy is attached to Election Summary and immediately posted at the City Hall (city) or Courthouse (county)

**ELECTION SUMMARY MUST BE ATTACHED TO THIS FORM**

REFERENDUM QUESTIONS: Affix a copy of the complete wording of the question(s) as such appeared on the ballot. SHORT TITLE OF QUESTION(S) AS SHOWN ON ATTACHED ELECTION SUMMARY:

**QUESTION:**  
 "Shall general obligation bonds for Park and Park Improvements in an aggregate principal of up to \$40,000,000 be issued by the City of Brookhaven, Georgia for the purpose of financing the cost of the Citizen driven and City Council approved Park and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection the parks therewith?"

This Referendum was held in accordance with (Citation of Act calling for the Election):

Local Act No. \_\_\_\_\_ Year \_\_\_\_\_  
 City Resolution 2018-07-03  
 Ga. Laws page No. \_\_\_\_\_

**QUESTION:**  
 "Shall the governing authority of the City of Brookhaven be authorized to permit and regulate Sunday sales of distilled spirits or alcoholic beverages for beverage purposes by the drink from 11:00 AM to 12:30 PM?"

This Referendum was held in accordance with (Citation of Act calling for the Election):

Local Act No. \_\_\_\_\_ Year \_\_\_\_\_  
 Ga. Laws page No. \_\_\_\_\_

We, the undersigned Superintendent/Supervisor of Elections and his/her Assistants, do jointly and severally certify that the attached Election Summary is a true and correct count of the votes cast in this City/County. In TESTIMONY WHEREOF, We have hereunto set our hands and seals this 16th day of November 2018 SIGNED IN QUADRUPPLICATE.

*Samuel G. Till* Assistant  
*[Signature]* Assistant  
*[Signature]* Assistant  
 \_\_\_\_\_ Assistant  
 \_\_\_\_\_ Assistant

DEKALB COUNTY BOARD OF REGISTRATION & ELECTIONS

Superintendent/Supervisor of Elections

Election Summary Report  
DeKalb County  
State of Georgia General Election  
November 6, 2018

Date: 11/16/18  
Time: 13:59:23  
Page: 1 of 1

Summary For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

Registered Voters 31403 - Cards Cast 21570 68.69%

Num. Report Precinct 12 - Num. Reporting 12 100.00%

Brookhaven - Bond Referendum							
	Polling	ABM	AIP1	AIP2	PRO	Total	
Number of Precincts	12	12	12	12	12	12	
Precincts Reporting	12	12	12	12	12	12	100.0 %
Times Counted (Reg. Voters 31401)	10700	1288	3782	5716	84	21570	68.7 %
<b>Total Votes</b>	<b>10313</b>	<b>1195</b>	<b>3661</b>	<b>5543</b>	<b>48</b>	<b>20760</b>	
YES	5806	816	2420	3375	31	12448	59.96%
NO	4507	379	1241	2168	17	8312	40.04%

Brookhaven - Sunday Alcohol Sales							
	Polling	ABM	AIP1	AIP2	PRO	Total	
Number of Precincts	12	12	12	12	12	12	
Precincts Reporting	12	12	12	12	12	12	100.0 %
Times Counted (Reg. Voters 31401)	10700	1288	3782	5716	84	21570	68.7 %
<b>Total Votes</b>	<b>10501</b>	<b>1226</b>	<b>3730</b>	<b>5637</b>	<b>74</b>	<b>21168</b>	
YES	8456	959	2930	4488	59	16892	79.80%
NO	2045	267	800	1149	15	4276	20.20%

Statement of Votes Cast  
DeKalb County  
State of Georgia General Election  
November 6, 2018

Date: 11/16/18  
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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

	TURN OUT		
	Reg. Voters	Cards Cast	% Turnout
<b>Jurisdiction Wide</b>			
<b>ASHFORD DUNWOODY RD</b>			
Polling	2794	1075	38.48%
Absentee by Mail	2794	146	5.23%
Advance in Person 1	2794	415	14.85%
Advance in Person 2	2794	526	18.83%
Provisional	2794	3	0.11%
<b>Total</b>	<b>2794</b>	<b>2165</b>	<b>77.49%</b>
<b>ASHFORD PARK ELEM</b>			
Polling	2313	1030	44.53%
Absentee by Mail	2313	72	3.11%
Advance in Person 1	2313	164	7.09%
Advance in Person 2	2313	447	19.33%
Provisional	2313	2	0.09%
<b>Total</b>	<b>2313</b>	<b>1715</b>	<b>74.15%</b>
<b>ASHFORD PARKSIDE</b>			
Polling	3475	1246	35.86%
Absentee by Mail	3475	187	5.38%
Advance in Person 1	3475	524	15.08%
Advance in Person 2	3475	419	12.06%
Provisional	3475	5	0.14%
<b>Total</b>	<b>3475</b>	<b>2381</b>	<b>68.52%</b>
<b>BRIARWOOD</b>			
Polling	2232	660	29.57%
Absentee by Mail	2232	78	3.49%
Advance in Person 1	2232	81	3.63%
Advance in Person 2	2232	635	28.45%
Provisional	2232	7	0.31%
<b>Total</b>	<b>2232</b>	<b>1461</b>	<b>65.46%</b>
<b>BROOKHAVEN</b>			
Polling	3245	1224	37.72%
Absentee by Mail	3245	108	3.33%
Advance in Person 1	3245	256	7.89%
Advance in Person 2	3245	692	21.33%
Provisional	3245	14	0.43%
<b>Total</b>	<b>3245</b>	<b>2294</b>	<b>70.69%</b>
<b>CROSS KEYS HIGH</b>			
Polling	2023	660	32.62%
Absentee by Mail	2023	88	4.35%
Advance in Person 1	2023	154	7.61%
Advance in Person 2	2023	363	17.94%
Provisional	2023	9	0.44%
<b>Total</b>	<b>2023</b>	<b>1274</b>	<b>62.98%</b>
<b>KITTREDGE ELEM</b>			
Polling	2005	616	30.72%
Absentee by Mail	2005	118	5.89%
Advance in Person 1	2005	548	27.33%
Advance in Person 2	2005	290	14.46%
Provisional	2005	5	0.25%
<b>Total</b>	<b>2005</b>	<b>1577</b>	<b>78.65%</b>
<b>MONTCLAIR ELEM</b>			
Polling	2020	575	28.47%
Absentee by Mail	2020	47	2.33%
Advance in Person 1	2020	129	6.39%
Advance in Person 2	2020	303	15.00%
Provisional	2020	7	0.35%
<b>Total</b>	<b>2020</b>	<b>1061</b>	<b>52.52%</b>
<b>MONTGOMERY ELEM</b>			

Statement of Votes Cast  
DeKalb County  
State of Georgia General Election  
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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

	TURN OUT		
	Reg Voters	Cards Cast	% Turnout
Polling	2256	768	34.04%
Absentee by Mail	2256	105	4.65%
Advance in Person 1	2256	655	29.03%
Advance in Person 2	2256	153	6.78%
Provisional	2256	4	0.18%
Total	2256	1685	74.69%
<b>SILVER LAKE</b>			
Polling	4706	1464	31.11%
Absentee by Mail	4706	214	4.55%
Advance in Person 1	4706	506	10.75%
Advance in Person 2	4706	878	18.66%
Provisional	4706	10	0.21%
Total	4706	3072	65.28%
<b>SKYLAND</b>			
Polling	1807	695	38.46%
Absentee by Mail	1807	63	3.49%
Advance in Person 1	1807	83	4.59%
Advance in Person 2	1807	449	24.85%
Provisional	1807	8	0.44%
Total	1807	1298	71.83%
<b>WOODWARD</b>			
Polling	2527	688	27.23%
Absentee by Mail	2527	104	4.12%
Advance in Person 1	2527	267	10.57%
Advance in Person 2	2527	561	22.20%
Provisional	2527	10	0.40%
Total	2527	1630	64.50%
<b>Total</b>			
Polling	31403	10701	34.08%
Absentee by Mail	31403	1330	4.24%
Advance in Person 1	31403	3782	12.04%
Advance in Person 2	31403	5716	18.20%
Provisional	31403	84	0.27%
Total	31403	21613	68.82%

Statement of Votes Cast  
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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

		Brookhaven - Bond Referendum					
		Reg Voters	Times Counted	Total Votes	YES		NO
<b>Jurisdiction Wide</b>							
<b>ASHFORD DUNWOODY RD</b>							
Polling		2794	1075	1049	560	53.38%	489 46.62%
Absentee by Mail		2794	146	136	82	60.29%	54 39.71%
Advance in Person 1		2794	415	402	248	61.69%	154 38.31%
Advance in Person 2		2794	526	517	311	60.15%	206 39.85%
Provisional		2794	3	3	2	66.67%	1 33.33%
<b>Total</b>		2794	2165	2107	1203	57.10%	904 42.90%
<b>ASHFORD PARK ELEM</b>							
Polling		2313	1030	1013	472	46.59%	541 53.41%
Absentee by Mail		2313	72	70	38	54.29%	32 45.71%
Advance in Person 1		2313	164	162	102	62.96%	60 37.04%
Advance in Person 2		2313	447	434	222	51.15%	212 48.85%
Provisional		2313	2	2	1	50.00%	1 50.00%
<b>Total</b>		2313	1715	1681	835	49.67%	846 50.33%
<b>ASHFORD PARKSIDE</b>							
Polling		3475	1246	1190	713	59.92%	477 40.08%
Absentee by Mail		3475	145	133	97	72.93%	36 27.07%
Advance in Person 1		3475	524	511	333	65.17%	178 34.83%
Advance in Person 2		3475	419	408	270	66.18%	138 33.82%
Provisional		3475	5	2	1	50.00%	1 50.00%
<b>Total</b>		3475	2339	2244	1414	63.01%	830 36.99%
<b>BRIARWOOD</b>							
Polling		2232	660	634	392	61.83%	242 38.17%
Absentee by Mail		2232	78	71	56	78.87%	15 21.13%
Advance in Person 1		2232	81	77	51	66.23%	26 33.77%
Advance in Person 2		2232	635	619	395	63.81%	224 36.19%
Provisional		2232	7	4	3	75.00%	1 25.00%
<b>Total</b>		2232	1461	1405	897	63.84%	508 36.16%
<b>BROOKHAVEN</b>							
Polling		3245	1224	1180	635	53.81%	545 46.19%
Absentee by Mail		3245	108	98	69	70.41%	29 29.59%
Advance in Person 1		3245	256	244	163	66.80%	81 33.20%
Advance in Person 2		3245	692	672	391	58.18%	281 41.82%
Provisional		3245	14	11	5	45.45%	6 54.55%
<b>Total</b>		3245	2294	2205	1263	57.28%	942 42.72%
<b>CROSS KEYS HIGH</b>							
Polling		2023	660	630	360	57.14%	270 42.86%
Absentee by Mail		2023	88	80	63	78.75%	17 21.25%
Advance in Person 1		2023	154	151	96	63.58%	55 36.42%
Advance in Person 2		2023	363	352	223	63.35%	129 36.65%
Provisional		2023	9	7	7	100.00%	0 0.00%
<b>Total</b>		2023	1274	1220	749	61.39%	471 38.61%
<b>KITTREDGE ELEM</b>							
Polling		2005	616	599	310	51.75%	289 48.25%
Absentee by Mail		2005	118	113	75	66.37%	38 33.63%
Advance in Person 1		2005	548	540	356	65.93%	184 34.07%
Advance in Person 2		2005	290	280	147	52.50%	133 47.50%
Provisional		2005	5	1	1	100.00%	0 0.00%
<b>Total</b>		2005	1577	1533	889	57.99%	644 42.01%
<b>MONTCLAIR ELEM</b>							
Polling		2020	575	542	385	71.03%	157 28.97%
Absentee by Mail		2020	47	43	32	74.42%	11 25.58%
Advance in Person 1		2020	129	126	81	64.29%	45 35.71%
Advance in Person 2		2020	303	293	212	72.35%	81 27.65%
Provisional		2020	7	0	0	-	0 -
<b>Total</b>		2020	1061	1004	710	70.72%	294 29.28%
<b>MONTGOMERY ELEM</b>							

Statement of Votes Cast  
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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

Brookhaven - Bond Referendum							
	Reg Voters	Times Counted	Total Votes	YES		NO	
Polling	2256	768	742	389	52.43%	353	47.57%
Absentee by Mail	2256	105	97	63	64.95%	34	35.05%
Advance in Person 1	2256	655	640	431	67.34%	209	32.66%
Advance in Person 2	2256	153	150	84	56.00%	66	44.00%
Provisional	2256	4	2	2	100.00%	0	0.00%
Total	2256	1685	1631	969	59.41%	662	40.59%
<b>SILVER LAKE</b>							
Polling	4704	1463	1395	816	58.49%	579	41.51%
Absentee by Mail	4704	214	200	138	69.00%	62	31.00%
Advance in Person 1	4704	506	471	328	69.64%	143	30.36%
Advance in Person 2	4704	878	846	501	59.22%	345	40.78%
Provisional	4704	10	4	1	25.00%	3	75.00%
Total	4704	3071	2916	1784	61.18%	1132	38.82%
<b>SKYLAND</b>							
Polling	1807	695	678	362	53.39%	316	46.61%
Absentee by Mail	1807	63	60	33	55.00%	27	45.00%
Advance in Person 1	1807	83	77	48	62.34%	29	37.66%
Advance in Person 2	1807	449	431	257	59.63%	174	40.37%
Provisional	1807	8	6	4	66.67%	2	33.33%
Total	1807	1298	1252	704	56.23%	548	43.77%
<b>WOODWARD</b>							
Polling	2527	688	661	412	62.33%	249	37.67%
Absentee by Mail	2527	104	94	70	74.47%	24	25.53%
Advance in Person 1	2527	267	260	183	70.38%	77	29.62%
Advance in Person 2	2527	561	541	362	66.91%	179	33.09%
Provisional	2527	10	6	4	66.67%	2	33.33%
Total	2527	1630	1562	1031	66.01%	531	33.99%
Polling	31401	10700	10313	5806	56.30%	4507	43.70%
Absentee by Mail	31401	1288	1195	816	68.28%	379	31.72%
Advance in Person 1	31401	3782	3661	2420	66.10%	1241	33.90%
Advance in Person 2	31401	5716	5543	3375	60.89%	2168	39.11%
Provisional	31401	84	48	31	64.58%	17	35.42%
Total	31401	21570	20760	12448	59.96%	8312	40.04%



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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

Brookhaven - Sunday Alcohol Sales						
	Reg Voters	Times Counted	Total Votes	YES		NO
<b>Jurisdiction Wide</b>						
<b>ASHFORD DUNWOODY RD</b>						
Polling	2794	1075	1057	873	82.59%	184 17.41%
Absentee by Mail	2794	146	136	104	76.47%	32 23.53%
Advance in Person 1	2794	415	412	316	76.70%	96 23.30%
Advance in Person 2	2794	526	523	426	81.45%	97 18.55%
Provisional	2794	3	3	3	100.00%	0 0.00%
<b>Total</b>	2794	2165	2131	1722	80.81%	409 19.19%
<b>ASHFORD PARK ELEM</b>						
Polling	2313	1030	1019	846	83.02%	173 16.98%
Absentee by Mail	2313	72	68	55	80.88%	13 19.12%
Advance in Person 1	2313	164	160	123	76.88%	37 23.13%
Advance in Person 2	2313	447	442	361	81.67%	81 18.33%
Provisional	2313	2	2	2	100.00%	0 0.00%
<b>Total</b>	2313	1715	1691	1387	82.02%	304 17.98%
<b>ASHFORD PARKSIDE</b>						
Polling	3475	1246	1220	939	76.97%	281 23.03%
Absentee by Mail	3475	145	138	99	71.74%	39 28.26%
Advance in Person 1	3475	524	521	411	78.89%	110 21.11%
Advance in Person 2	3475	419	413	339	82.08%	74 17.92%
Provisional	3475	5	5	5	100.00%	0 0.00%
<b>Total</b>	3475	2339	2297	1793	78.06%	504 21.94%
<b>BRIARWOOD</b>						
Polling	2232	660	648	519	80.09%	129 19.91%
Absentee by Mail	2232	78	73	60	82.19%	13 17.81%
Advance in Person 1	2232	81	80	62	77.50%	18 22.50%
Advance in Person 2	2232	635	627	491	78.31%	136 21.69%
Provisional	2232	7	5	3	60.00%	2 40.00%
<b>Total</b>	2232	1461	1433	1135	79.20%	298 20.80%
<b>BROOKHAVEN</b>						
Polling	3245	1224	1201	1020	84.93%	181 15.07%
Absentee by Mail	3245	108	106	90	84.91%	16 15.09%
Advance in Person 1	3245	256	251	212	84.46%	39 15.54%
Advance in Person 2	3245	692	686	567	82.65%	119 17.35%
Provisional	3245	14	14	9	64.29%	5 35.71%
<b>Total</b>	3245	2294	2258	1898	84.06%	360 15.94%
<b>CROSS KEYS HIGH</b>						
Polling	2023	660	647	516	79.75%	131 20.25%
Absentee by Mail	2023	88	85	72	84.71%	13 15.29%
Advance in Person 1	2023	154	152	124	81.58%	28 18.42%
Advance in Person 2	2023	363	357	283	79.27%	74 20.73%
Provisional	2023	9	9	8	88.89%	1 11.11%
<b>Total</b>	2023	1274	1250	1003	80.24%	247 19.76%
<b>KITTREDGE ELEM</b>						
Polling	2005	616	602	485	80.56%	117 19.44%
Absentee by Mail	2005	118	113	86	76.11%	27 23.89%
Advance in Person 1	2005	548	540	437	80.93%	103 19.07%
Advance in Person 2	2005	390	285	223	78.25%	62 21.75%
Provisional	2005	5	5	3	60.00%	2 40.00%
<b>Total</b>	2005	1577	1545	1234	79.87%	311 20.13%
<b>MONTCLAIR ELEM</b>						
Polling	2020	575	559	398	71.20%	161 28.80%
Absentee by Mail	2020	47	46	32	69.57%	14 30.43%
Advance in Person 1	2020	129	128	86	67.19%	42 32.81%
Advance in Person 2	2020	303	301	225	74.75%	76 25.25%
Provisional	2020	7	4	3	75.00%	1 25.00%
<b>Total</b>	2020	1061	1038	744	71.68%	294 28.32%
<b>MONTGOMERY ELEM</b>						

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SOVC For City of Brookhaven, All Counters, City of Brookhaven  
Official and Complete-Recertification

Brookhaven - Sunday Alcohol Sales							
	Reg Voters	Times Counted	Total Votes	YES		NO	
Polling	2256	768	756	610	80.69%	146	19.31%
Absentee by Mail	2256	105	101	78	77.23%	23	22.77%
Advance in Person 1	2256	655	648	510	78.70%	138	21.30%
Advance in Person 2	2256	153	153	122	79.74%	31	20.26%
Provisional	2256	4	4	2	50.00%	2	50.00%
<b>Total</b>	<b>2256</b>	<b>1685</b>	<b>1662</b>	<b>1322</b>	<b>79.54%</b>	<b>340</b>	<b>20.46%</b>
<b>SILVER LAKE</b>							
Polling	4704	1463	1433	1164	81.23%	269	18.77%
Absentee by Mail	4704	214	198	163	82.32%	35	17.68%
Advance in Person 1	4704	306	497	390	78.47%	107	21.53%
Advance in Person 2	4704	878	859	687	79.98%	172	20.02%
Provisional	4704	10	8	7	87.50%	1	12.50%
<b>Total</b>	<b>4704</b>	<b>3071</b>	<b>2995</b>	<b>2411</b>	<b>80.50%</b>	<b>584</b>	<b>19.50%</b>
<b>SKYLAND</b>							
Polling	1807	695	683	559	81.84%	124	18.16%
Absentee by Mail	1807	63	60	40	66.67%	20	33.33%
Advance in Person 1	1807	83	80	65	81.25%	15	18.75%
Advance in Person 2	1807	449	436	352	80.73%	84	19.27%
Provisional	1807	8	7	7	100.00%	0	0.00%
<b>Total</b>	<b>1807</b>	<b>1298</b>	<b>1266</b>	<b>1023</b>	<b>80.81%</b>	<b>243</b>	<b>19.19%</b>
<b>WOODWARD</b>							
Polling	2527	688	676	527	77.96%	149	22.04%
Absentee by Mail	2527	104	102	80	78.43%	22	21.57%
Advance in Person 1	2527	267	261	194	74.33%	67	25.67%
Advance in Person 2	2527	561	555	412	74.23%	143	25.77%
Provisional	2527	10	8	7	87.50%	1	12.50%
<b>Total</b>	<b>2527</b>	<b>1630</b>	<b>1602</b>	<b>1230</b>	<b>76.15%</b>	<b>382</b>	<b>23.85%</b>
Polling	31401	10700	10501	8456	80.53%	2045	19.47%
Absentee by Mail	31401	1288	1226	959	78.22%	267	21.78%
Advance in Person 1	31401	3782	3730	2930	78.55%	800	21.45%
Advance in Person 2	31401	5716	5637	4488	79.62%	1149	20.38%
Provisional	31401	84	74	59	79.73%	15	20.27%
<b>Total</b>	<b>31401</b>	<b>21570</b>	<b>21168</b>	<b>16892</b>	<b>79.80%</b>	<b>4276</b>	<b>20.20%</b>

IN THE SUPERIOR COURT OF DEKALB COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. <u>18CV11963-10</u>
	)	
v.	)	BOND VALIDATION
	)	
CITY OF BROOKHAVEN, GEORGIA	)	
	)	
Defendant.	)	

RULE NISI ORDER


The foregoing petition and complaint having been presented and read, same is hereby sanctioned. Let it be filed and let the same and this order be served upon the defendant, City of Brookhaven.

IT IS ORDERED that the defendant, City of Brookhaven, Georgia (the "City"), by its proper officers, show cause before the Judge of the Superior Court of DeKalb County, Georgia, at the DeKalb County Courthouse in Decatur, Georgia, at 9 o'clock a.m., on the 8<sup>th</sup> day of January, 2019, why the prayers of the petition and complaint should not be granted, and why the City's general obligation bonds and the security therefor should not be confirmed and validated as provided by law.

IT IS FURTHER ORDERED that the Clerk of the Superior Court of DeKalb County, Georgia, publish in the official newspaper in which sheriff's advertisements are published for DeKalb County, Georgia, once a week for two successive weeks next preceding the week of the hearing of this cause, a notice to the public that on the day specified above said cause will be heard.

Let a copy of the petition and complaint and this Order be served on the defendant in the manner provided by law, and let the defendant, by its proper officers, make sworn answer, as is provided by law.

This 19 day of December, 2018.

  
Judge, Superior Court of DeKalb County, Georgia

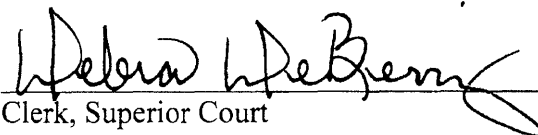
NOTICE TO THE PUBLIC

TO WHOM IT MAY CONCERN:

YOU ARE HEREBY NOTIFIED that there will be heard before a Judge of the Superior Court of DeKalb County, Georgia, on the 8<sup>th</sup> day of January, 2019, at 9:00 o'clock, A.m., at the DeKalb County Courthouse in Decatur, Georgia, the case of the State of Georgia v. City of Brookhaven, Georgia Civil Action File No. 18CV11963-0 pending in said Court, the same being a proceeding to confirm and validate not to exceed \$40,000,000 in aggregate principal amount of general obligation bonds proposed to be issued by the City of Brookhaven, Georgia and the security therefor.

Any citizen of the State of Georgia residing in the City of Brookhaven, Georgia or any other person wherever residing, who has a right to object, may intervene and become a party to this proceeding.

This 19<sup>th</sup> day of December, 2018.

  
Clerk, Superior Court  
DeKalb County, Georgia  
DEBRA DE BERRY

IN THE SUPERIOR COURT OF DEKALB COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 18CV11963-10
	)	
v.	)	BOND VALIDATION
	)	
CITY OF BROOKHAVEN, GEORGIA	)	
	)	
Defendant.	)	

ACKNOWLEDGMENT OF SERVICE BY  
CITY OF BROOKHAVEN, GEORGIA

Due and legal service of the foregoing petition and complaint with exhibits and order dated December 18, 2018, is hereby acknowledged; copy received, process and any and all other notice and service waived this 7th day of January, 2019.



Christopher D. Balch, Esq.  
Counsel for the City of Brookhaven, Georgia

Balch Law Group  
1270 Caroline Street  
Suite D120-315  
Atlanta, GA 30307  
Telephone: (404) 202-5934

State Bar No. 034015

## IN THE SUPERIOR COURT OF DEKALB COUNTY

## STATE OF GEORGIA

STATE OF GEORGIA, )

Plaintiff, )

v. )

CITY OF BROOKHAVEN, GEORGIA )

Defendant. )

CIVIL ACTION FILE NO. 18CV11963-10

BOND VALIDATION

ANSWER

COMES NOW the Defendant, BROOKHAVEN, GEORGIA (the “City”), and files this its answer to the petition and complaint (the “Petition and Complaint”) filed in the above-stated cause by the District Attorney of the Stone Mountain Judicial Circuit, which Petition and Complaint and order thereon has been duly served upon the City, and for answer says:

1.

The City admits each and every paragraph of the Petition and Complaint, and each and every allegation contained therein. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Petition and Complaint.

2.

Answering further, the defendant City shows that it desires to issue general obligation debt in the form of general obligation bonds in an aggregate principal amount of up to \$40,000,000 (the “Bonds”), as more fully described in the Petition and Complaint.

3.

Answering further, the City shows that due and legal notice of the date of the hearing pertaining to the validation of the Bonds has been published by the Clerk of the Superior Court of DeKalb County, Georgia, in *The Champion Newspaper* once a week in the two weeks immediately preceding the hearing of this cause, and an affidavit of the publisher of said newspapers as to its publication, together with a copy of said notice, are attached hereto, made a part hereof and marked Exhibit A.

4.

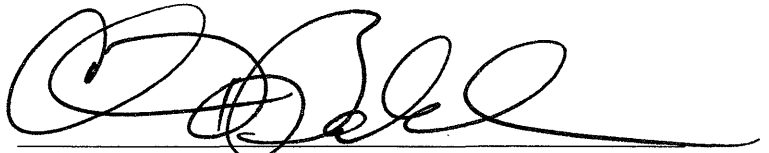
Answering further, the City shows that according to the 2018 Tax Digest of the City (which is the latest digest available), the value of net assessed property located within the City subject to taxation for general obligation bond purposes is as specified in the affidavit of the Tax Commissioner of DeKalb County, attached hereto, made a part hereof and marked Exhibit B. The Bonds, when added to all other indebtedness of the City will be within the applicable 10% constitutional debt limitation imposed by Article IX, Section III, Paragraph I of the Constitution of the State of Georgia when that limitation is measured with respect to the taxable property figure recited above.

5.

The City, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives the requirement that separate findings of fact and conclusions of law be entered in this action.



WHEREFORE, having answered fully, the City, having in all things relating to the issuance of the Bonds and the security therefor, complied with the Constitution and laws of the State of Georgia, prays that the Bonds and the security therefor be confirmed and validated, that the Clerk of the Superior Court of DeKalb County, Georgia, be authorized to execute the certificate of validation on each of the Bonds and exchanges therefor, and that this Honorable Court consider, determine, order and adjudge that the Bonds, when issued, sold and delivered as described in said petition and complaint, shall be valid and binding general obligations of the City.

A handwritten signature in black ink, appearing to read 'C. Balch', written over a horizontal line.

Christopher D. Balch, Esq.  
Counsel for the City of Brookhaven, Georgia

Balch Law Group  
1270 Caroline Street  
Suite D120-315  
Atlanta, GA 30307  
Telephone: (404) 202-5934

State Bar No. 034015

PUBLISHER'S AFFIDAVIT

The Champion Newspaper  
PO Box 1347  
Decatur, GA 30031-1347

Phone: (404) 373-7779  
Fax: (404) 371-1359

AP DEPARTMENT  
CITY OF BROOKHAVEN  
4362 PEACHTREE ROAD NE  
BROOKHAVEN , GA 30319

STATE OF GEORGIA  
COUNTY OF DEKALB

Personally appeared before me, the undersigned, a Notary Public within and for said county and state, Carolyn J. Glenn, Publisher of The Champion Newspaper, published at Decatur, County of DeKalb, State of Georgia, and being the official organ for the publication of legal advertisements for said county, who being duly sworn, states on oath that the report of Civil Action File No. 18CV11963-10

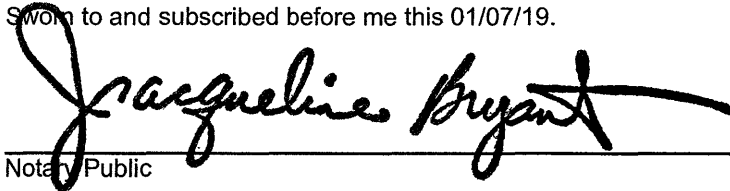
was published in said newspaper on the following date(s):

12/27/18, 01/03/19



CAROLYN J. GLENN, PUBLISHER

Sworn to and subscribed before me this 01/07/19.



Notary Public

My commission expires September 06, 2022

THE OFFICIAL LEGAL ORGAN OF DEKALB COUNTY

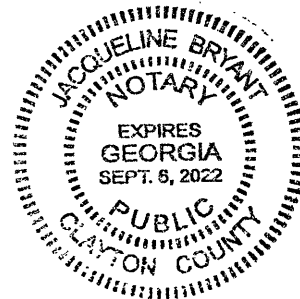


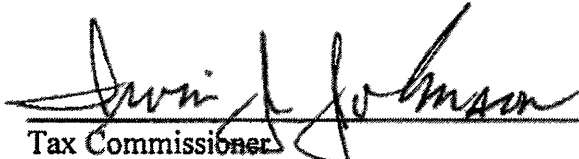


EXHIBIT B

TAX COMMISSIONER'S AFFIDAVIT

STATE OF GEORGIA     )  
  )  
COUNTY OF DEKALB    )

Personally appeared before the undersigned officer duly authorized to administer oaths, the undersigned, who under oath deposes and says: (a) that he is the Tax Commissioner of DeKalb County in which Brookhaven, Georgia (the "City") is located and, as such, is familiar with the taxable value of property located within the City subject to taxation for general obligation bond purposes; (b) that according to the 2018 Tax Digest (which is the latest digest available) the net assessed value of property located within the City, subject to taxation for general obligation bond purposes is not less than \$4,147,667,359; and (c) that the \$40,000,000 in principal amount of general obligation bonds proposed to be issued by the City will not exceed 10% of the assessed value of property within said City subject to taxation for bond purposes.

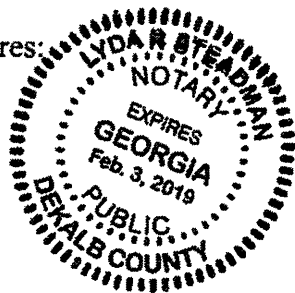
  
Tax Commissioner

Sworn to and subscribed  
before me this 17<sup>th</sup> day  
of December, 2018.

  
Notary Public

My commission expires:

(NOTARIAL SEAL)




VERIFICATION

STATE OF GEORGIA     )  
  )  
COUNTY OF DEKALB    )

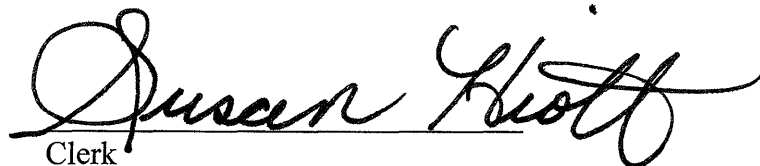
Personally appeared before the undersigned officer duly authorized to administer oaths, the Mayor of the City of Brookhaven, Georgia, who on oath deposes and says that he has read the above and foregoing answer; and that the facts set forth in said answer are true and correct.

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
Clerk

Sworn to and subscribed  
before me this 7th day  
of January, 2019.

  
\_\_\_\_\_  
Notary Public

My commission expires:

(NOTARIAL SEAL)

JANE KEEGAN  
NOTARY PUBLIC  
Gwinnett County  
State of Georgia  
My Commission Expires Oct. 19, 2019

ACKNOWLEDGEMENT OF SERVICE BY DISTRICT ATTORNEY

STATE OF GEORGIA     )  
                                  )  
COUNTY OF DEKALB    )

Due and legal service of the within and foregoing answer of the City of Brookhaven, Georgia, together with copies of all of the exhibits attached thereto, is hereby acknowledged; copy received; all other and further service is hereby waived.

This the 7<sup>th</sup> day of ~~December~~ January 9, 2018.

*Sherry Boston*

\_\_\_\_\_  
District Attorney  
Stone Mountain Judicial Circuit

IN THE SUPERIOR COURT OF DEKALB COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,

Plaintiff,

v.

CITY OF BROOKHAVEN, GEORGIA

Defendant.

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CIVIL ACTION FILE NO. 18CV11963-10

BOND VALIDATION

VALIDATION ORDER

The above-entitled cause coming on for a hearing in its regular order, pursuant to an order heretofore granted, and after an examination and inspection of all the proceedings concerning the issuance by the City of Brookhaven, Georgia (the "City") of its general obligation bonds, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"), it appears that the same are regular and in due form and after hearing the evidence on all matters pertaining thereto, IT IS HEREBY DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, as follows:

1.

This Court has jurisdiction over the parties hereto and subject matter hereof; and

2.

The City was duly and properly created and is now duly and legally existing as a municipal corporation of the State of Georgia; and

3.

The acts of the Board of Registration and Elections of DeKalb County (the "Board of Elections"), the director of the Board of Elections and the City in calling, holding and

declaring the result of the election determining the issuance or non-issuance of the Bonds (the “Election”) were proper and legal in all respects; and

4.

The results of the election were *prima facie* in favor of the issuance of the Bonds, and as a result, the City has the power and authority to issue the Bonds; and

5.

The City shall be required to levy an ad valorem tax sufficient to pay the principal of and interest on the Bonds as the same become due and payable, and when said tax is levied and the Bonds are issued, they shall be valid and binding general obligations of the City, and all taxable property located within the City subject to taxation for bond purposes will be subject to the levy of an ad valorem tax, unlimited as to rate or amount, to pay the principal of and interest on the Bonds as the same become due and payable; and

6.

The issuance of the Bonds by the City for the purposes set forth in the petition and complaint is in compliance with the Constitution and laws of the State of Georgia, and such issuance will not cause the City to exceed the 10% debt limitation as prescribed by Article IX, Section V, Paragraph I(a) of the Constitution of the State of Georgia; and

7.

Any and all of the Bonds may be issued in one or more series and on one or more dates of issuance as the City may choose; and

8.

The City has waived its obligation to complete the performance audit or review requirements set forth in O.C.G.A. Section 36-82-100 by including a specific waiver in the notice of election; and



9.

The Bonds and the security therefor are hereby confirmed and validated in each and every respect; and

10.

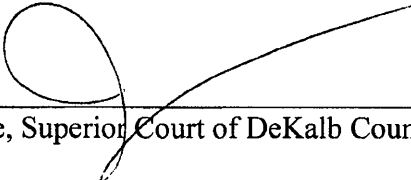
The Clerk of the Superior Court of DeKalb County is authorized to execute the certificate of validation upon each of the Bonds and that the provisions of the Bonds regarding the issuance of Bonds in exchange for Bonds previously issued are lawful and proper and said Clerk of the Superior Court of DeKalb County is hereby authorized and directed to execute a certificate of validation upon each such Bond issued in exchange for a bond previously issued upon the written request of the City or its agent specifying that such Bond is being issued in exchange for one of the Bonds issued and delivered to the initial purchaser thereof or one of the Bonds previously issued in exchange therefor; and

11.

The requirement that separate findings of fact and conclusions of law be entered into this action have been waived by the parties hereto.

Let the City pay the cost of these proceedings from the proceeds of the sale of the Bonds.

IN OPEN COURT, this the 8 day of January, 2019.

  
\_\_\_\_\_  
Judge, Superior Court of DeKalb County, Georgia

DEKALB SUPERIOR  
COURT  
SUBSTITUTE JUDGE  
AUTHORIZATION

INT MD DATE 1/8/19

IN THE SUPERIOR COURT OF DEKALB COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,

Plaintiff,

v.

CITY OF BROOKHAVEN, GEORGIA

Defendant.

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CIVIL ACTION FILE NO. 18CV11963-10

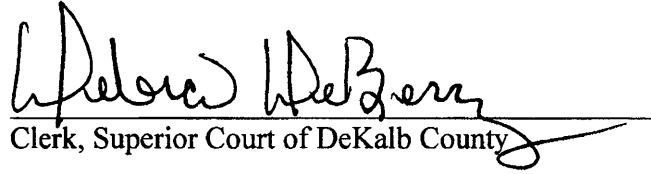
BOND VALIDATION

CLERK'S CERTIFICATE

The undersigned Clerk of the Superior Court of DeKalb County, DOES HEREBY CERTIFY that I have compared the foregoing copy of all pleadings, including the petition and complaint and all exhibits, notices, orders and documents attached thereto, the answer of the City of Brookhaven, Georgia, and the order of the Court dated January 8, 2019, the same constituting the entire file of the Clerk of the Court in said cause, there being no other matter of record other than the foregoing, with the original record thereof now remaining in this office, and the same is a correct and complete transcript therefrom, and the whole of such original record, and that this Court is a Court of Record.

I FURTHER CERTIFY that no intervention or objection was raised or filed in connection with the validation of the Bonds referred to in said record and that the validation order has been entered and is the final judgment in this cause and that no appeal has been filed thereto or taken therefrom.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said court this 8 day of January, 2019.

  
Clerk, Superior Court of DeKalb County

(SEAL)

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-1

Dated Date: January 31, 2019

\$100,000

Maturity Date: July 1, 2020

Interest Rate: 5.000%

CUSIP: 113071 AA2

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-2

Dated Date: January 31, 2019

\$720,000

Maturity Date: July 1, 2021

Interest Rate: 5.000%

CUSIP: 113071 AB0

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-3

Dated Date: January 31, 2019

\$755,000

Maturity Date: July 1, 2022

Interest Rate: 5.000%

CUSIP: 113071AC8

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-4

Dated Date: January 31, 2019

\$790,000

Maturity Date: July 1, 2023

Interest Rate: 5.000%

CUSIP: 113071 AD6

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-5

Dated Date: January 31, 2019

\$830,000

Maturity Date: July 1, 2024

Interest Rate: 5.000%

CUSIP: 113071 AE4

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.



UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-6

Dated Date: January 31, 2019

\$870,000

Maturity Date: July 1, 2025

Interest Rate: 5.000%

CUSIP: 113071 AF1

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-7

Dated Date: January 31, 2019

\$915,000

Maturity Date: July 1, 2026

Interest Rate: 5.000%

CUSIP: 113071 AG9

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-8

Dated Date: January 31, 2019

\$960,000

Maturity Date: July 1, 2027

Interest Rate: 5.000%

CUSIP: 113071 AH7

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-9

Dated Date: January 31, 2019

\$1,010,000

Maturity Date: July 1, 2028

Interest Rate: 5.000%

CUSIP: 113071 AJ3

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-10

Dated Date: January 31, 2019

\$1,055,000

Maturity Date: July 1, 2029

Interest Rate: 5.000%

CUSIP: 113071 AK0

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-11

Dated Date: January 31, 2019

\$1,095,000

Maturity Date: July 1, 2030

Interest Rate: 3.000%

CUSIP: 113071AL8

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-12

Dated Date: January 31, 2019

\$1,130,000

Maturity Date: July 1, 2031

Interest Rate: 4.000%

CUSIP: 113071 AM6

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-14

Dated Date: January 31, 2019

\$1,210,000

Maturity Date: July 1, 2033

Interest Rate: 3.000%

CUSIP: 113071 AP9

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-15

Dated Date: January 31, 2019

\$1,255,000

Maturity Date: July 1, 2034

Interest Rate: 3.000%

CUSIP: 113071 AQ7

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-16

Dated Date: January 31, 2019

\$1,300,000

Maturity Date: July 1, 2035

Interest Rate: 3.125%

CUSIP: 113071 AR5

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-17

Dated Date: January 31, 2019

\$1,345,000

Maturity Date: July 1, 2036

Interest Rate: 3.125%

CUSIP: 113071 AS3

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-18

Dated Date: January 31, 2019

\$1,390,000

Maturity Date: July 1, 2037

Interest Rate: 3.250%

CUSIP: 113071 AT1

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-19

Dated Date: January 31, 2019

\$1,440,000

Maturity Date: July 1, 2038

Interest Rate: 3.250%

CUSIP: 113071 AU8

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

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UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-20

Dated Date: January 31, 2019

\$1,485,000

Maturity Date: July 1, 2039

Interest Rate: 3.375%

CUSIP: 113071 AV6

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-21

Dated Date: January 31, 2019

\$1,535,000

Maturity Date: July 1, 2040

Interest Rate: 3.500%

CUSIP 113071 AW4

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.



UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-22

Dated Date: January 31, 2019

\$1,590,000

Maturity Date: July 1, 2041

Interest Rate: 3.500%

CUSIP: 113071 AX2

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-23

Dated Date: January 31, 2019

\$1,645,000

Maturity Date: July 1, 2042

Interest Rate: 3.500%

CUSIP: 113071 AY0

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-24

Dated Date: January 31, 2019

\$1,705,000

Maturity Date: July 1, 2043

Interest Rate: 3.500%

CUSIP: 113071 AZ7

KNOW ALL MEN BY THESE PRESENTS, That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-25

Dated Date: January 31, 2019

\$1,765,000

Maturity Date: July 1, 2044

Interest Rate: 3.500%

CUSIP: 113071 BA1

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-26

Dated Date: January 31, 2019

\$9,790,000

Maturity Date: July 1, 2049

Interest Rate: 3.500%

CUSIP: 113071 BF0

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the "City") hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC"), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be issued in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository").

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

This bond is one of a duly authorized issue of like tenor except as to numbers, denominations, interest rates and dates of maturity aggregating in the principal amount of \$38,855,000 (the "Bonds"). The proceeds of the sale of the Bonds will be used to (a) finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

The Bonds are authorized by the Constitution and laws of the State of Georgia, an election held on November 6, 2018 and by a resolution of the Council of the City duly adopted on January 22, 2019 (the "Bond Resolution").

As long as the Bonds are held in Book-Entry Form, this bond may be registered as transferred and exchanged in accordance with the rules of DTC. If the Bonds are no longer held in Book-Entry Form, this bond may be registered as transferred at the principal corporate office of the Bond Registrar by the registered owner hereof in person or by the owner's duly authorized attorney, upon surrender hereof, together with a written instrument of transfer executed by the owner or the owner's duly authorized attorney. If the Bonds are no longer held in Book-Entry Form, this bond may be exchanged at the principal corporate office of the Bond Registrar for an equal aggregate principal amount of bonds of the same maturity, interest rate, aggregate principal amount and tenor of any authorized denomination or denominations. No service charge shall be made for any registration of transfer or exchange, but the Bond Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge as a condition precedent to the exercise of such privilege.

The person in whose name this bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered holder shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid.

The Bonds maturing on or after July 1, 2029 are subject to optional redemption, in whole or in part at any time, on or after July 1, 2028, in the order of maturities selected by the City, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository while the Bonds are in Book-Entry form and (b) by first-class mail, postage prepaid to all registered owners of the Bonds to be redeemed if the Bonds are no longer in Book-Entry form. Failure of any holder of any Bond to receive any such notice, or any defect in the notice, shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Bonds so designated for redemption after the redemption date.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Bonds called for redemption, such notice will state

that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

If the Bonds are called for redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the City. If less than all of the Bonds of a maturity are to be called for redemption, then Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Bonds are held in Book-Entry Form and (b) by lot when the Bonds are not held in Book-Entry Form.

The Bonds maturing on July 1, 2049 are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below (the July 1, 2049 amount to be paid rather than redeemed):

<u>July 1 of the Year</u>	<u>Amount</u>
2045	\$1,825,000
2046	1,890,000
2047	1,955,000
2048	2,020,000
2049	2,095,000

At its option, to be exercised on or before the 45th day next preceding such scheduled mandatory redemption date, the City, may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the City on such scheduled mandatory redemption date and the principal amount of the Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

As described above, the Bonds are being issued in Book-Entry Form, with actual bonds immobilized at DTC or its successor as Securities Depository. Actual bonds are not available for distribution to the Beneficial Owners, except under the limited circumstances set forth in the Bond Resolution. The principal of and interest on the Bonds are payable by the Paying Agent to the Securities Depository or its nominee. Transfer of principal and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal and interest to Beneficial Owners by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. Notices will be sent by the Paying Agent to the Securities Depository or its nominee. The sending of notices to Beneficial Owners by participants of the Securities Depository will be

the responsibility of such participants and other nominees of Beneficial Owners. The City and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. Transfers of beneficial ownership shall be effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository. So long as any Bonds are registered in Book-Entry Form, the City and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation: (a) the payment of principal of and interest on such Bonds; (b) giving notices of redemption and other matters with respect to such Bonds; (c) registering transfers with respect to such Bonds; (d) the selection of Bonds for redemption; and (e) voting and obtaining consents under the Bond Resolution.

It is further certified and recited, that all acts, conditions and things required by the Constitution or statutes of the State of Georgia to exist, be performed or happen pursuant to and in the issuance of this bond, exist, have been performed and have happened in due and regular form as required by law, that provision has been made for the collection, if necessary, of a direct annual tax, unlimited as to rate or amount, on all property subject to taxation for general obligation bond purposes located in the City, sufficient to pay the principal of interest on this bond, in accordance with its terms, that the total indebtedness of the City, including this bond, does not exceed any limitation prescribed by said Constitution or statutes.

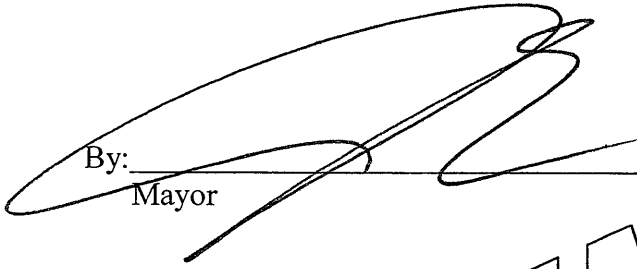
This bond shall not be entitled to any benefit under the Bond Resolution and shall not become valid or obligatory for any purpose until it shall have been authenticated by execution by the Bond Registrar by manual signature of the authentication certificate hereon endorsed.

SPECIMEN

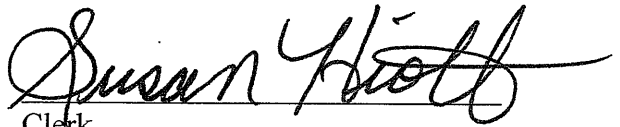


IN WITNESS WHEREOF, the City has caused this bond to be executed by the duly authorized manual signature of the Mayor of the City and its corporate seal to be impressed hereon and attested by the duly authorized manual signature of the Clerk of the City.

(SEAL)

By:   
Mayor

Attest:

  
Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned authorizing resolution adopted by the Council of the City of Brookhaven, Georgia on January 22, 2019, and is hereby authenticated as of the date of its execution as stated in this bond.

U.S. BANK NATIONAL ASSOCIATION, as Bond Registrar

By: April Britton  
Authorized Signatory

Date of Authentication: January 31, 2019

SPECIMEN

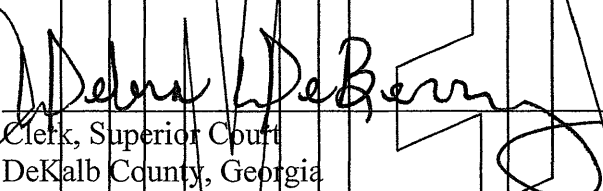
VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF DEKALB

The undersigned Clerk of the Superior Court of DeKalb County, State of Georgia, DOES HEREBY CERTIFY that this bond was confirmed and validated by judgment of the Superior Court of DeKalb County, Georgia, on the 8th day of January, 2019 (Civil Action File No. 18CV11963), that no intervention or objection was filed thereto and that no appeal has been prosecuted therefrom.

WITNESS my manual signature and the seal of the Superior Court of DeKalb County, Georgia.

  
Clerk, Superior Court  
DeKalb County, Georgia

(SEAL)

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A RESOLUTION PROVIDING FOR: (1) THE ISSUANCE OF \$38,855,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE CITY OF BROOKHAVEN GENERAL OBLIGATION BONDS, SERIES 2019; (2) THE NAMING OF AN AUTHENTICATING AGENT, BOND REGISTRAR AND PAYING AGENT FOR SAID BONDS; (3) THE ADOPTION OF A FORM TO WHICH SAID BONDS SHALL ADHERE; (4) THE PREPARATION OF A TAX DIGEST AND THE LEVY OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS; (5) THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; (6) THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AND (7) FOR OTHER RELATED PURPOSES:

WHEREAS, at an election duly called and held in the City of Brookhaven, Georgia (the "City") on November 6, 2018 (the "Election"), a majority of the qualified voters of the City voting in the Election approved the issuance of general obligation bonds by the City in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"); and

WHEREAS, the City proposes issuing a portion of the authorized Bonds; and

WHEREAS, the Bonds will be designated as the City of Brookhaven General Obligation Bonds, Series 2019; and

WHEREAS, the proceeds of the Bonds will be used to (a) finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith (the "Projects") and (b) pay the costs of issuing the Bonds; and

WHEREAS, it is necessary for the City to prepare a tax digest and to determine the amount to be raised by a tax on all of the property subject to taxation for general obligation bond purposes in the City and to cause the levy of an annual tax sufficient in amount to pay the principal of and interest on the Bonds as the same become due; and

WHEREAS, it is also necessary for the City to designate an Authenticating Agent, Bond Registrar and Paying Agent to act on its behalf with respect to the Bonds; and

WHEREAS, it is also necessary for the City to adopt a form to which the Bonds shall adhere and to provide for the execution and delivery of the Bonds and other matters in connection with the issuance and delivery of the Bonds; and

WHEREAS, it is also necessary for the City to ratify the distribution of a Preliminary Official Statement, dated January 15, 2019 (the “Preliminary Official Statement”) relating to the Bonds and to authorize the distribution and execution of an Official Statement, dated the date hereof (the “Official Statement”) relating to the Bonds; and

WHEREAS it is also necessary for the City to authorize the sale of the Bonds to Robert W. Baird & Co., Inc. (the “Underwriter”); and

WHEREAS, it is also necessary for the City to authorize the execution and delivery of a Continuing Disclosure Certificate, dated January 22, 2019 (the “Continuing Disclosure Certificate”).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Brookhaven, and IT IS HEREBY RESOLVED by the authority of the same, as follows:

Section 1. Terms of Bonds; Payment.

The issuance of \$38,855,000 in aggregate principal amount of Bonds is hereby authorized. The Bonds shall be designated as the “City of Brookhaven General Obligation Bonds, Series 2019.” The Bonds shall be dated their date of issuance, shall be issued in the denomination of \$5,000 each or any integral multiple thereof and shall be numbered R-1. The Bonds shall bear interest (based upon a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance) at the rates and yields per annum set forth below until paid. Interest shall be payable on January 1 and July 1 in each year (each such date, an “Interest Payment Date”), commencing January 1, 2020. The principal shall mature on the 1st day of July in the years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
2020	\$ 100,000	5.000%	1.670%
2021	720,000	5.000	1.680
2022	755,000	5.000	1.700
2023	790,000	5.000	1.750
2024	830,000	5.000	1.810
2025	870,000	5.000	1.870
2026	915,000	5.000	1.940
2027	960,000	5.000	2.030
2028	1,010,000	5.000	2.120
2029	1,055,000	5.000	2.230 <sup>C</sup>
2030	1,095,000	3.000	2.400 <sup>C</sup>
2031	1,130,000	4.000	2.600 <sup>C</sup>

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
2032	1,170,000	4.000	2.700 <sup>C</sup>
2033	1,210,000	3.000	3.000
2034	1,255,000	3.000	3.100
2035	1,300,000	3.125	3.200
2036	1,345,000	3.125	3.250
2037	1,390,000	3.250	3.300
2038	1,440,000	3.250	3.350
2039	1,485,000	3.375	3.400
2040	1,535,000	3.500	3.420 <sup>C</sup>
2041	1,590,000	3.500	3.440 <sup>C</sup>
2042	1,645,000	3.500	3.460 <sup>C</sup>
2043	1,705,000	3.500	3.480 <sup>C</sup>
2044	1,765,000	3.500	3.500
2049	9,790,000	3.500	3.550

<sup>C</sup> Yield calculated to call date of July 1, 2028.

Section 2. Medium and Places of Payment. The Bonds shall initially be issued in Book-Entry Form (hereinafter defined). As long as the Bonds are held in Book-Entry Form, the principal of and interest on the Bonds shall be payable in the manner set forth in Section 16 of this Resolution. When the Bonds are not in Book-Entry Form, the principal of the Bonds shall be payable upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. When the Bonds are not in Book-Entry Form, payments of interest on the Bonds shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on the fifteenth day of the calendar month next preceding each Interest Payment Date (the “Record Date”), and such payments of interest shall be mailed by first class mail to the registered owner at the address shown on the bond registration book; provided, however, interest on the Bonds shall be paid to any registered owner of more than \$1,000,000 in aggregate principal amount of the Bonds by wire transfer to such registered owner if written instructions are given to the Paying Agent prior to the Record Date preceding the Interest Payment Date, and interest shall continue to be so paid until such wire instructions are revoked in writing. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

Section 3. Authentication of Bonds. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed by the Bond Registrar shall be deemed to be validly issued hereunder. No Bonds shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been executed by the Bond Registrar, and such executed certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. It shall not be necessary that the same authorized signatory sign the certificate of authentication on all of the Bonds.

Section 4. Transfer and Exchange of Bonds. The Bond Registrar shall cause books for the registration of transfer of the Bonds to be kept. When the Bonds are in Book-Entry

Form, the Bonds may be registered as transferred or exchanged in the manner set forth in Section 16 of this Resolution.

When the Bonds are not in Book-Entry Form, the Bonds may be registered as transferred at the principal corporate trust office of the Bond Registrar by the registered owner thereof in person or by the owner's duly authorized attorney, upon surrender thereof, together with a written instrument of transfer executed by the owner or the owner's duly authorized attorney. Upon surrender for registration of transfer of any Bond, the City shall execute, and the Bond Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations, numbered consecutively in order of issuance according to the records of the Bond Registrar.

When the Bonds are not in Book-Entry form, the Bonds may be exchanged at the principal corporate office of the Bond Registrar for an equal aggregate principal amount of Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The City shall execute, and the Bond Registrar shall authenticate and deliver, Bonds which the Bondholder making such exchange is entitled to receive, bearing numbers not contemporaneously then outstanding.

Such transfers of registration or exchanges of Bonds shall be without charge to the owner of such Bonds, but any tax or other governmental charge, required to be paid with respect to the same shall be paid by the owner of the Bonds requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

All Bonds surrendered upon any transfer or exchange provided for in this Resolution shall be promptly canceled by the Bond Registrar and shall not be reissued. Upon request of the City a certificate evidencing such cancellation shall be furnished by the Bond Registrar to the City.

Section 5. Registered Owners. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest shall be made only to or upon the order of the registered owner thereof or his duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 6. Continuing Request. The inclusion of the foregoing provisions shall constitute (a) a continuing request from the City to the Clerk of the Superior Court of DeKalb County, Georgia, unless his or her signature shall occur by facsimile, to execute the certificate of validation on any replacement Bonds issued pursuant hereto, and (b) the appointment of the Bond Registrar as agent for the City to do any and all things necessary to affect any replacement, exchange or registration of transfer.

Section 7. Mutilated or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed or lost, the City may cause to be executed, authenticated and delivered

a new Bond of like date and tenor in exchange or substitution for any such Bond upon, in the case of mutilated Bonds, surrender of such Bonds, or in the case of destroyed or lost Bonds, the owners filing with the City, the Paying Agent and the Bond Registrar evidence satisfactory to them that such Bond was destroyed or lost and providing indemnity satisfactory to them. If any such Bond shall have matured, instead of issuing a new Bond, the City may pay the same.

Section 8. Redemption. The Bonds maturing on or after July 1, 2029 are subject to optional redemption, in whole or in part at any time, on or after July 1, 2028, in the order of maturities selected by the City, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository (hereinafter defined) while the Bonds are in Book-Entry form and (b) by first-class mail, postage prepaid to all registered owners of the Bonds to be redeemed if the Bonds are no longer in Book-Entry form. Failure of any holder of any Bond to receive any such notice, or any defect in the notice, shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Bonds so designated for redemption after the redemption date.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

If the Bonds are called for redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the City. If less than all of the Bonds of a maturity are to be called for redemption, then Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Bonds are held in Book-Entry Form and (b) by lot when the Bonds are not held in Book-Entry Form.

The Bonds maturing on July 1, 2049 are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below (the July 1, 2049 amount to be paid rather than redeemed):

<u>July 1 of the Year</u>	<u>Amount</u>
2045	\$1,825,000
2046	1,890,000
2047	1,955,000
2048	2,025,000
2049	2,095,000



At its option, to be exercised on or before the 45th day next preceding such scheduled mandatory redemption date, the City, may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the City on such scheduled mandatory redemption date and the principal amount of the Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

Section 9. Designation of Paying Agent. U.S. Bank National Association, Atlanta, Georgia, is hereby designated to act as Authenticating Agent, Bond Registrar and Paying Agent with respect to the Bonds.

Section 10. Debt Service Schedule. For the purpose of paying the principal of and interest on the Bonds, it is necessary to raise in each of the years set forth in **Exhibit A** attached hereto and made a part hereof (the “Debt Service Schedule”) the amounts set forth in the Debt Service Schedule.

Section 11. Preparation of Tax Digest. Prior to the issuance of the Bonds and each year that the Bonds are outstanding, the appropriate officer or employee of the City is hereby directed to ascertain from the tax returns made to the Tax Commissioner, and from the tax returns made to the Commissioner of the Department of Revenue of the State of Georgia, the total value of all the property in the City subject to taxation for bond purposes, and to prepare a digest of all such property.

Section 12. Tax Levy. There is hereby levied an annual tax upon all the property within the City subject to taxation for bond purposes sufficient to produce the amounts set forth in the Debt Service Schedule. Such tax is irrevocably pledged to the payment of the principal of and interest on the Bonds. Provisions shall be made in each year in the annual appropriation process to meet the requirements of this Resolution.

Section 13. Execution of Bonds. The Bonds shall be executed for and on behalf of the City by the manual or duly authorized reproduced facsimile signature of the Mayor or Mayor Pro-Tem and the seal of the City shall be impressed or imprinted thereon and attested by the manual or duly authorized reproduced facsimile signature of the Clerk or Assistant Clerk. In case any officer whose signature shall be affixed to the Bonds or who shall have sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually delivered, the Bonds, nevertheless, shall be valid Bonds of the City and may be delivered as such notwithstanding the fact that such officer or officers may have ceased to be such officer or officers of the City when the Bonds shall be actually delivered.

Section 14. Bond Form. The Bond, the certificate of validation and the provision for registration shall be in substantially the following forms:

(FORM OF BOND)

UNITED STATES OF AMERICA

STATE OF GEORGIA

CITY OF BROOKHAVEN

GENERAL OBLIGATION BOND, SERIES 2019

No. R-\_\_\_\_ Dated Date: January 31, 2019 \$ \_\_\_\_\_

Maturity Date: July 1, \_\_\_\_\_ Interest Rate: \_\_\_\_\_% CUSIP: \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That the City of Brookhaven, Georgia (the “City”) hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company (“DTC”), or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication to which interest has been paid, unless the date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless the date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from the dated date set forth above. The interest on this bond shall be paid on January 1 and July 1 of each year (each an “Interest Payment Date”), commencing January 1, 2020, until payment of the principal amount hereof, to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a “Record Date”). This bond shall initially be issued in book-entry form (“Book-Entry Form”). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the “Securities Depository”).

If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns \$1,000,000 in aggregate principal amount of Bonds (hereinafter defined), interest shall be paid by wire transfer in accordance with written instructions provided

to the Paying Agent prior to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

This bond is one of a duly authorized issue of like tenor except as to numbers, denominations, interest rates and dates of maturity aggregating in the principal amount of \$38,855,000 (the "Bonds"). The proceeds of the sale of the Bonds will be used to (a) finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

The Bonds are authorized by the Constitution and laws of the State of Georgia, an election held on November 6, 2018 and by a resolution of the Council of the City duly adopted on January 22, 2019 (the "Bond Resolution").

As long as the Bonds are held in Book-Entry Form, this bond may be registered as transferred and exchanged in accordance with the rules of DTC. If the Bonds are no longer held in Book-Entry Form, this bond may be registered as transferred at the principal corporate office of the Bond Registrar by the registered owner hereof in person or by the owner's duly authorized attorney, upon surrender hereof, together with a written instrument of transfer executed by the owner or the owner's duly authorized attorney. If the Bonds are no longer held in Book-Entry Form, this bond may be exchanged at the principal corporate office of the Bond Registrar for an equal aggregate principal amount of bonds of the same maturity, interest rate, aggregate principal amount and tenor of any authorized denomination or denominations. No service charge shall be made for any registration of transfer or exchange, but the Bond Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge as a condition precedent to the exercise of such privilege.

The person in whose name this bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered holder shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid.

The Bonds maturing on or after July 1, 2029 are subject to optional redemption, in whole or in part at any time, on or after July 1, 2028, in the order of maturities selected by the City, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository while the Bonds are in Book-Entry form and (b) by first-class mail, postage prepaid to all registered owners of the Bonds to be redeemed if the Bonds are no longer in Book-Entry form. Failure of any holder of any Bond to receive any such notice, or any defect in the notice, shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Bonds so designated for redemption after the redemption date.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

If the Bonds are called for redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the City. If less than all of the Bonds of a maturity are to be called for redemption, then Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Bonds are held in Book-Entry Form and (b) by lot when the Bonds are not held in Book-Entry Form.

The Bonds maturing on July 1, 2049 are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below (the July 1, 2049 amount to be paid rather than redeemed):

<u>July 1 of the Year</u>	<u>Amount</u>
2045	\$1,825,000
2046	1,890,000
2047	1,955,000
2048	2,025,000
2049	2,095,000

At its option, to be exercised on or before the 45th day next preceding such scheduled mandatory redemption date, the City, may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the City on such scheduled mandatory redemption date and the principal amount of the Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

As described above, the Bonds are being issued in Book-Entry Form, with actual bonds immobilized at DTC or its successor as Securities Depository. Actual bonds are not available for distribution to the Beneficial Owners, except under the limited circumstances set forth in the Bond Resolution. The principal of and interest on the Bonds are payable by the Paying Agent to the Securities Depository or its nominee. Transfer of principal and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal and interest to Beneficial Owners by participants of the Securities

Depository will be the responsibility of such participants and other nominees of Beneficial Owners. Notices will be sent by the Paying Agent to the Securities Depository or its nominee. The sending of notices to Beneficial Owners by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. The City and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. Transfers of beneficial ownership shall be effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository. So long as any Bonds are registered in Book-Entry Form, the City and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation: (a) the payment of principal of and interest on such Bonds; (b) giving notices of redemption and other matters with respect to such Bonds; (c) registering transfers with respect to such Bonds; (d) the selection of Bonds for redemption; and (e) voting and obtaining consents under the Bond Resolution.

It is further certified and recited, that all acts, conditions and things required by the Constitution or statutes of the State of Georgia to exist, be performed or happen pursuant to and in the issuance of this bond, exist, have been performed and have happened in due and regular form as required by law, that provision has been made for the collection, if necessary, of a direct annual tax, unlimited as to rate or amount, on all property subject to taxation for general obligation bond purposes located in the City, sufficient to pay the principal of interest on this bond, in accordance with its terms, that the total indebtedness of the City, including this bond, does not exceed any limitation prescribed by said Constitution or statutes.

This bond shall not be entitled to any benefit under the Bond Resolution and shall not become valid or obligatory for any purpose until it shall have been authenticated by execution by the Bond Registrar by manual signature of the authentication certificate hereon endorsed.

IN WITNESS WHEREOF, the City has caused this bond to be executed by the duly authorized manual signature of the Mayor of the City and its corporate seal to be impressed hereon and attested by the duly authorized manual signature of the Clerk of the City.

(SEAL)

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Clerk

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned authorizing resolution adopted by the Council of the City of Brookhaven, Georgia on January 22, 2019, and is hereby authenticated as of the date of its execution as stated in this bond.

U.S. BANK NATIONAL ASSOCIATION, as Bond Registrar

By: \_\_\_\_\_  
Authorized Signatory

Date of Authentication: January 31, 2019



VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF DEKALB

The undersigned Clerk of the Superior Court of DeKalb County, State of Georgia, DOES HEREBY CERTIFY that this bond was confirmed and validated by judgment of the Superior Court of DeKalb County, Georgia, on the 8th day of January, 2019 (Civil Action File No. 18CV11963), that no intervention or objection was filed thereto and that no appeal has been prosecuted therefrom.

WITNESS my manual signature and the seal of the Superior Court of DeKalb County, Georgia.

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Clerk, Superior Court  
DeKalb County, Georgia

(SEAL)

ASSIGNMENT FOR TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY  
OR OTHER IDENTIFYING NUMBER  
OF ASSIGNEE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

the within bond of the City of Brookhaven, Georgia and does hereby constitute and appoint \_\_\_\_\_ attorney to transfer the said bond on the books of the Bond Registrar, with full power of substitution in the premise.

Date: \_\_\_\_\_

In the presence of: \_\_\_\_\_

\_\_\_\_\_  
Bondholder

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

DTC FAST RIDER

Each such certificate shall remain in the Paying Agent's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Paying Agent and DTC.

(End of Bond Form)

Section 15. Delivery of Bonds: Application of Proceeds.

(a) Upon the receipt of the purchase price for the Bonds, there shall be delivered to the Bond Registrar properly executed Bonds in the aggregate principal amount, in the denomination(s), numbered, maturing and bearing interest as set forth above. The Mayor or his designee is authorized to execute for and on behalf of the City such receipt for the proceeds of the Bonds and such other closing certificates and proofs as may be necessary and proper.

(b) The proceeds of the sale of the Bonds shall be applied as follows:

(i) the Underwriter shall retain its underwriting discount for the Bonds; and

(ii) the balance of the Bond proceeds shall be remitted to the City and used by the City for the purpose of (A) financing the cost of the Projects and (B) paying the costs of issuing the Bonds.

(c) Notwithstanding the foregoing, if the Mayor shall determine that a different application of funds is required to carry out the intent of this Resolution, the different application of funds may be provided for in the authentication order to be delivered at the time of issuance of the Bonds.

Section 16. Global Form; Securities Depository; Ownership of Bonds.

(a) In addition to the terms hereinabove defined, the following terms shall be intended to have the meaning as follows:

“Agent Member” means a member of, or participant in, the Securities Depository.

“Beneficial Owner” means the owners of a beneficial interest in the Bonds registered in the Book-Entry System.

“Book-Entry Form” or “Book-Entry System” means, with respect to the Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Bonds and bond service charges may be transferred only through book-entry and (b) physical Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with physical Bonds in the custody of a Securities Depository.

“Securities Depository” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interest in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means initially, The Depository Trust Company (a limited purpose company), New York, New York.

“Securities Depository Nominee” means any nominee of a Securities Depository and shall initially mean CEDE & Co., New York, New York, as nominee of The Depository Trust Company.

(b) Upon the initial issuance, the ownership of each Bond shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, each maturity of the Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Beneficial Owners will not receive Bonds evidencing their ownership interests. As long as the Bonds are held in Book-Entry Form, the payment of the principal of and interest on the Bonds shall be made in accordance with the rules of the Securities Depository. As long as the Bonds are held in Book-Entry Form, the Bonds may be registered as transferred and exchanged in accordance with the rules of the Securities Depository.

(c) With respect to Bonds registered in the name of the Securities Depository or the Securities Depository Nominee, the City, the Paying Agent and the Bond Registrar shall have no responsibility or obligation to any Agent Member or Beneficial Owner. Without limiting the foregoing, neither the City, the Paying Agent, the Bond Registrar nor their respective affiliates shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository, the Securities Depository Nominee or any Agent Member with respect to any beneficial ownership interest in the Bonds;

(ii) the delivery to any Agent Member, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any notice with respect to the Bonds; or

(iii) the payment to any Agent Member, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any amount with respect to the principal, premium, if any, or interest on the Bonds.

So long as any Bonds are registered in Book-Entry Form, the City and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation:

(i) the payment of principal of and interest on the Bonds;

(ii) giving notices of redemption and other matters with respect to such Bonds;

(iii) registering transfers with respect to such Bonds;

(iv) the selection of Bonds for redemption; and

- (v) voting and obtaining consents under this Resolution.

So long as any Bonds are registered in Book-Entry Form, the Paying Agent shall pay all principal of and interest on the Bonds only to the Securities Depository or the Securities Depository Nominee as shown in the bond register, and all such payments shall be valid and effective to fully discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent so paid.

(d) If at any time (i) the City determines that the Securities Depository is incapable of discharging its responsibilities described herein, (ii) if the Securities Depository notifies the City that it is unwilling or unable to continue as Securities Depository with respect to the Bonds, or (iii) if the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation and a successor Securities Depository is not appointed by the City within 90 days after the City receives notice or becomes aware of such condition, as the case may be, then this subsection (d) shall no longer be applicable and the City shall execute and the Bond Registrar shall authenticate and deliver bonds representing the Bonds to the owners of the Bonds. Bonds issued pursuant to this subsection (d) shall be registered in such names and authorized denominations as the Securities Depository, pursuant to instructions from the Agent Member or otherwise, shall instruct the Bond Registrar. Upon exchange, the Bond Registrar shall deliver such certificates representing the Bonds to the persons in whose names such Bonds are so registered on the business day immediately preceding the date of such exchange.

Section 17. Investment and Application of Bond Proceeds. Bond proceeds not needed at the time for the payment of current obligations may be invested and reinvested in the investments specified in O.C.G.A. Section 36-82-7 or any other applicable law of the State of Georgia.

Bond proceeds may be used for the purpose of paying the cost of the Projects and the costs of issuing the Bonds. Without intending thereby to limit or to restrict or to extend any proper definition of such costs as may now or hereinafter be permitted by applicable law, such costs shall include, but are not limited to the following:

- (a) The cost of indemnity and fidelity bonds either to secure deposits in the Project Fund or to insure the faithful completion of any contract pertaining to the Projects;
- (b) Any taxes or any charges lawfully levied or assessed against the Projects;
- (c) Fees and expenses of engineers for engineering studies, surveys, and estimates, the cost of appraisals, and the preparation of plans and supervising the Projects;
- (d) Payments made for land, interests in land and easements and all costs associated therewith; and

- (e) Costs incident to the issuance of the Bonds.

After the completion of the Projects, any excess Bond proceeds, including investment earnings on such proceeds, shall be applied as set forth in O.C.G.A. § 36-82-4.2.

Section 18. Authorization of Official Statement; Deemed Final and Continuing Disclosure Certificate. The use and distribution of the Preliminary Official Statement is hereby ratified and approved. The execution, use and distribution of the Official Statement are hereby authorized. The Official Statement shall be executed by the Mayor or Mayor Pro-Tem. The Official Statement shall be in substantially the form as the Preliminary Official Statement presented at this meeting, subject to completing the offering prices and other terms omitted in accordance with Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”), and subject to such changes, insertions or omissions as may be approved by the person executing the same, and the execution of the Official Statement shall be conclusive evidence of any such approval. The execution and delivery of the certificate deeming the Preliminary Official Statement final as required by the Rule are hereby ratified and approved. The Continuing Disclosure Certificate shall be in substantially the form summarized in the Preliminary Official Statement, with such changes, insertions or omissions as may be approved by the Mayor or the Mayor Pro-Tem, and the execution and delivery of the Continuing Disclosure Certificate by the Mayor or the Mayor Pro-Tem as hereby authorized shall be conclusive evidence of any such approval. The City hereby covenants for the benefit of the owners of the Bonds and the Underwriter to comply with its obligations under the Continuing Disclosure Certificate.

Section 19. Tax Covenants and Representations. The Bonds are being issued by the City in compliance with the conditions necessary for the interest income on the Bonds to be exempt from federal income taxation pursuant to the provisions of Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”) relating to obligations of the State or political subdivisions thereof. It is the intention of the City that the interest on the Bonds be and remain excludable from gross income for federal income tax purposes, and, to that end, the City hereby covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the tax-exempt status of the interest on the Bonds under Section 103 of the Code.

Section 20. Payments Due on Saturday, Sunday or Holiday. If a payment on the Bonds is due on a Saturday, Sunday or any day that the office of the Paying Agent is authorized or required by law to remain closed, such payment shall be made on the next succeeding business day with the same force and effect as if such payment had been made on the original due date.

Section 21. Approval of Prior Actions; General Authority. All actions taken by any member of the Council of the City, any officer of the City or any agent or employee of the City relating to the authorization and issuance of the Bonds are hereby ratified, approved and confirmed. All officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute any and all such documents and certificates as may be necessary or desirable in connection with the issuance of the Bonds and the execution, delivery and performance of the documents and agreements authorized by this

Resolution. Without limiting the foregoing, in the event that the Mayor or the Clerk is unavailable to execute such documents and certificates, the Mayor Pro-Tem and Assistant Clerk are hereby authorized to act on their behalf.

Section 22. Wavier of Performance Audit. The City has waived, and hereby ratifies the waiver of, the performance audit referred to in O.C.G.A. Section 36-82-100.

Section 23. Sale of Bonds. The sale of the Bonds to the Underwriter at a price of \$40,083,022.65 is hereby approved.

Section 24. Repeal of Conflicting Resolutions. All resolutions, or parts thereof, that conflict with this Resolution are hereby repealed.



ADOPTED AND APPROVED on January 22, 2019.

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

By:   
Mayor

Attest:


  
Clerk

EXHIBIT A  
TO BOND RESOLUTION

DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
12/31/2020	\$ 100,000	\$ 2,065,078.75	\$ 2,165,078.75
12/31/2021	720,000	1,449,850.00	2,169,850.00
12/31/2022	755,000	1,413,850.00	2,168,850.00
12/31/2023	790,000	1,376,100.00	2,166,100.00
12/31/2024	830,000	1,336,600.00	2,166,600.00
12/31/2025	870,000	1,295,100.00	2,165,100.00
12/31/2026	915,000	1,251,600.00	2,166,600.00
12/31/2027	960,000	1,205,850.00	2,165,850.00
12/31/2028	1,010,000	1,157,850.00	2,167,850.00
12/31/2029	1,055,000	1,107,350.00	2,162,350.00
12/31/2030	1,095,000	1,054,600.00	2,149,600.00
12/31/2031	1,130,000	1,021,750.00	2,151,750.00
12/31/2032	1,170,000	976,550.00	2,146,550.00
12/31/2033	1,210,000	929,750.00	2,139,750.00
12/31/2034	1,255,000	893,450.00	2,148,450.00
12/31/2035	1,300,000	855,800.00	2,155,800.00
12/31/2036	1,345,000	815,175.00	2,160,175.00
12/31/2037	1,390,000	773,143.75	2,163,143.75
12/31/2038	1,440,000	727,968.75	2,167,968.75
12/31/2039	1,485,000	681,168.75	2,166,168.75
12/31/2040	1,535,000	631,050.00	2,166,050.00
12/31/2041	1,590,000	577,325.00	2,167,325.00
12/31/2042	1,645,000	521,675.00	2,166,675.00
12/31/2043	1,705,000	464,100.00	2,169,100.00
12/31/2044	1,765,000	404,425.00	2,169,425.00
12/31/2045	1,825,000	342,650.00	2,167,650.00
12/31/2046	1,890,000	278,775.00	2,168,775.00
12/31/2047	1,955,000	212,625.00	2,167,625.00
12/31/2048	2,025,000	144,200.00	2,169,200.00
12/31/2049	<u>2,095,000</u>	<u>73,325.00</u>	<u>2,168,325.00</u>
	<u>\$38,855,000</u>	<u>\$26,038,735.00</u>	<u>\$64,893,735.00</u>

CLERK'S CERTIFICATE

STATE OF GEORGIA

COUNTY OF DEKALB

The undersigned Clerk of the City of Brookhaven, Georgia (the "City"), DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted by the Council of the City on January 22, 2019 in a meeting duly assembled and open to the public and at which a quorum was present and acting throughout and that the original of such resolution has been duly recorded in the Minute Book of the City, which is in my custody and control.

WITNESS my hand, this 22nd day of January, 2019.

  
Clerk

(SEAL)

## PAYING AGENT AND BOND REGISTRAR AGREEMENT

**THIS PAYING AGENT AND BOND REGISTRAR AGREEMENT** (this “Agreement”), is entered into as of January 1, 2019 by and between the City of Brookhaven, Georgia (the “Issuer”) and U.S. Bank National Association (the “Bank”), as Paying Agent and Bond Registrar.

### RECITALS

**WHEREAS** the Issuer has duly authorized and provided for the issuance of its General Obligation Bonds, Series 2019 (the “Bonds”), pursuant to a Bond Resolution adopted by the Issuer on January 22, 2019 (the “Bond Resolution”) and the Bonds are fully registered bonds without coupons; and

**WHEREAS** the Issuer will ensure all things necessary to make the Bonds the valid obligation of the Issuer, in accordance with their terms, have been or will be done upon the issuance and delivery thereof; and

**WHEREAS** the Issuer and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal of and interest on the Bonds, in accordance with the terms thereof and in accordance with the terms of the Bond Resolution and under which the Bank will act as Bond Registrar; and

**WHEREAS** the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent and Bond Registrar for the Bonds; and

**WHEREAS**, the Issuer has transmitted to the Bank and the Bank hereby acknowledges receipt of an executed copy of the Bond Resolution; and

**WHEREAS** the Issuer has duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

**NOW, THEREFORE**, it is mutually agreed as follows:

### ARTICLE ONE

#### DEFINITIONS

##### Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

“Bank” means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, its successors and assigns.

“Bond Register” means the book or books of registration kept by the Bank in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

“Bond Registrar” means the Bank when it is performing the function of registrar for the Bonds.

“Issuer” means the City of Brookhaven, Georgia, a duly created and validly existing municipal corporation of the State of Georgia, its successors and assigns.

“Paying Agent” means the Bank when it is performing the function of paying agent for the Bonds.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Registered Owner” means a Person in whose name a Bond is registered in the Bond Register.

All other capitalized terms used but not defined herein shall have the meanings assigned thereto in the Bond Resolution.

## ARTICLE TWO

### APPOINTMENT OF BANK AS PAYING AGENT AND BOND REGISTRAR

#### Section 2.01. Appointment and Acceptance.

The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Bonds, to pay to the Registered Owners thereof, in accordance with the terms and provisions of this Agreement and the Bond Resolution, the principal of and interest on the Bonds.

The Issuer hereby appoints the Bank as Bond Registrar with respect to the Bonds. As Bond Registrar, the Bank shall keep and maintain for and on behalf of the Issuer, books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided in the Bond Resolution.

The Bank hereby accepts its appointment, and agrees to act as Paying Agent and Bond Registrar.

#### Section 2.02. Compensation.

As compensation for the Bank’s services as Paying Agent and Bond Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in the Bank’s current fee schedule then in effect for services as paying agent and bond registrar for municipalities, which shall be supplied by the Bank to the Issuer on or before the execution and delivery of this Agreement and thereafter on or before 90 days prior to the close of the Fiscal Year of the Issuer if there are any changes, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys, made or incurred by the Bank in connection with entering into and performing under this Agreement and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

## **ARTICLE THREE**

### **PAYING AGENT**

#### Section 3.01. Duties of Paying Agent.

As Paying Agent, the Bank, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the Issuer, shall pay on behalf of the Issuer the principal of and interest on each Bond in accordance with the provisions of the Bond.

#### Section 3.02. Payment Dates.

The Issuer hereby instructs the Bank to pay the principal of and interest on the Bonds on the date specified in the Bonds, to the extent such funds have herein been provided by the Issuer.

The Bank shall not be required to pay interest on any funds of the Issuer for any period during which such funds are held by the Bank awaiting the presentation of the Bonds for payment.

#### Section 3.03 Receipt of Funds.

The Issuer hereby agrees to provide the Paying Agent with sufficient funds to make principal and interest payments on the Bonds in accordance with the Bond Resolution. The Issuer shall make available moneys to make the required payments of principal of and interest on the Bonds as follows: (1) payment by check must be received by the Paying Agent at least five business days prior to the payment date and (2) payment by wire must be received by the Paying Agent no later than 11:30 a.m. CST on the payment date.

## **ARTICLE FOUR**

### **BOND REGISTRAR**

#### Section 4.01. Initial Delivery of Bonds.

The Bonds will be initially registered and delivered pursuant to the instructions of the Issuer.

#### Section 4.02. Duties of Bond Registrar.

The Bank shall provide for the proper registration of transfer, exchange and replacement of the Bonds. The Bonds surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an eligible guarantor institution, in form acceptable to the Bank, duly executed by the Registered Owner thereof or his attorney duly authorized in writing. The Bond Registrar may request any supporting documentation it deems necessary or appropriate to affect a re-registration.

#### Section 4.03. Unauthenticated Bonds.

The Issuer shall provide to the Bank on a continuing basis an adequate inventory of an unauthenticated Bond to facilitate transfers. The Bank agrees that it will maintain such unauthenticated Bond in safekeeping.

Section 4.04. Form of Bond Register.

The Bank will maintain its records as Bond Registrar in accordance with the Bank's general practices and procedures in effect from time to time.

Section 4.05. Reports.

The Bank will not release or disclose the content of the Bond Register to any person other than to the Issuer at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the Bank will notify the Issuer.

Section 4.06. Cancelled Bonds.

The Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it and, if surrendered to the Issuer, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Bond previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and the Bond so delivered shall be promptly cancelled by the Bank. A cancelled Bond held by the Bank for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the Issuer upon its written request.

Section 4.07. Mutilated, Lost, Stolen or Destroyed Bonds.

In case any Bond shall become mutilated or be destroyed, stolen or lost, the Bank shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bank in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing by the owner with the Bank of evidence satisfactory to the Bank that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bank of an appropriate bond of indemnity in form, substance and amount as may be required by law and as is satisfactory to the Bank. A Bond so surrendered to the Bank shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment, provided that the owner shall first provide the Bank with a bond of indemnity as set forth above.

## ARTICLE FIVE

### THE BANK

Section 5.01. Duties of Bank.

The Bank undertakes to perform the duties set forth herein and accepts the duties and obligations imposed by the Bond Resolution. No implied duties or obligations shall be read into this Agreement against the Bank. The Bank hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely as to the truth of the statements and correctness of the opinions expressed therein and on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable for any error of judgment made in good faith. The Bank shall not be liable for other than its gross negligence or willful misconduct in connection with any act or omission hereunder.

(c) No provision of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Bank may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Bank need not examine the ownership of any Bond, but shall be protected in acting upon receipt of Bond containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

(e) The Bank may consult with counsel, and the written advice or opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable care.

#### Section 5.03. Recitals of Issuer.

The recitals contained in the Bonds shall be taken as the statements of the Issuer and the Bank assumes no responsibility for their correctness.

#### Section 5.04. May Own Bonds.

The Bank, in its individual or any other capacity may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Bond Registrar for the Bonds.

#### Section 5.05. Money Held by Bank.

Money held by the Bank hereunder need not be segregated from other funds. The Bank shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money deposited with or otherwise held by the Bank for the payment of the principal of or interest on any Bond and that remains unclaimed by the Registered Owner (or by the Issuer (which claim by the Issuer shall be made in writing) after maturity and prior to escheatment) will be escheated pursuant to the applicable state law. If funds are returned to the Issuer, the Issuer and the Bank agree that the Registered Owner of such Bond shall thereafter look only to the Issuer for payment thereof, and that all liability of the Bank with respect to such moneys shall thereupon cease.

#### Section 5.06. Other Transactions.

The Bank may engage in or be interested in any financial or other transaction with the Issuer.



Section 5.07. Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The Issuer and the Bank further agree that the Bank has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 5.08. Indemnification.

To the extent permitted by the laws of the State of Georgia, the Issuer shall indemnify the Bank, its officers, directors, employees and agents (“Indemnified Parties”) for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Bank’s acceptance or administration of the Bank’s duties hereunder (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the Bank’s gross negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

**ARTICLE SIX**

**MISCELLANEOUS PROVISIONS**

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. Assignment

This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed, faxed, sent pdf or delivered to the Issuer or the Bank, respectively, at the address shown below, or such other address as may have been given by one party to the other by fifteen (15) days written notice:

If to the Issuer:                   City of Brookhaven, Georgia  
4362 Peachtree Road  
Brookhaven, GA 30319  
Attention: Mayor

With a copy to:                   Steven Chapman II  
Assistant City Manager/Chief Financial Officer  
4362 Peachtree Road  
Brookhaven, GA 30319

If to the Bank: U.S. Bank National Association  
1349 West Peachtree Street NW  
Suite 1050  
Mail Code: EX-GA-ATPT  
Atlanta, GA 30309  
Attention: Corporate Trust

Section 6.04. Effect of Headings.

The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns.

All covenants and agreements entered into herein by the Issuer and the Bank shall bind their successors and assigns, whether so expressed or not.

Section 6.06. Severability.

If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08. Entire Agreement.

This Agreement shall constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Bond Registrar, except as described in Section 6.09 hereof.

Section 6.09. Conflicts.

If the terms of this Agreement conflict with the terms of the Bond Resolution, the terms of the Bond Resolution shall control.

Section 6.10. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11. Term and Termination.

This Agreement shall be effective from and after its date and until the Bank resigns as permitted under this Section 6.11; provided, however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Bank hereunder.

The Bank may resign at any time by giving written notice thereof to the Issuer. If the Bank shall resign, or become incapable of acting, the Issuer shall promptly appoint a successor Paying Agent and Bond

Registrar. If an instrument of acceptance by a successor Paying Agent and Bond Registrar shall not have been delivered to the Bank within thirty 30 days after the Bank gives notice of resignation, the Bank may petition any court of competent jurisdiction at the expense of the Issuer for the appointment of a successor Paying Agent and Bond Registrar. In the event of resignation of the Bank as Paying Agent and Bond Registrar, upon the written request of the Issuer and upon payment of all amounts owing to the Bank hereunder the Bank shall deliver to the Issuer or its designee all funds and unauthenticated Bonds, and a copy of the Bond Register. The provisions of Section 2.02 and Section 5.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Georgia.

Section 6.13. Documents to be Filed with Bank.

At the time of the Bank's appointment as Paying Agent and Bond Registrar, the Issuer shall file with the Bank the following documents: (a) a specimen Bond; (b) a copy of the opinion of bond counsel provided to the Issuer in connection with the issuance of the Bonds; and (c) such other information that the Bank may request.

Section 6.14. Patriot Act Compliance.

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions, including the Bank, to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity including the Issuer, the Bank requires documentation to verify its formation and existence as a legal entity. The Bank is also permitted to request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the Issuer or other relevant documentation.

IN WITNESS WHEREOF, the Issuer and the Bank have caused this agreement to be executed in their respective names by their duly authorized representatives, in two counterparts, each of which shall be deemed an original.

**CITY OF BROOKHAVEN, GEORGIA, as Issuer**

By: \_\_\_\_\_  
Mayor



**U.S. BANK NATIONAL ASSOCIATION, as**  
*Paying Agent and Bond Registrar*

By April Bright  
April Bright  
Assistant Vice President

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Brookhaven, Georgia (the “City”), in connection with the issuance by the City of \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the “Bonds”). The Bonds are being issued pursuant to a resolution of the City adopted on January 22, 2019 (the “Resolution”). The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Beneficial Owners (as herein defined) of the Bonds and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to the Rule and this Disclosure Certificate.

“Beneficial Owners” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“City” shall mean the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia, its successors and assigns.

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“EMMA” shall mean MSRB’s Electronic Municipal Market Access system, as described in 1934 Act Release No. 59062 and maintained by the MSRB for the purposes of the Rule as further described herein.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the City as its fiscal year for financial reporting purposes and shall initially mean the period beginning on January 1 of each calendar year and ending December 31 of the same calendar year.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“Official Statement” shall mean the Official Statement of the City relating to the Bonds.

“Participating Underwriter” shall mean Robert W. Baird & Co., Inc.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Georgia.

### Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent (if any) to provide, not later than 270 days after the end of the City’s Fiscal Year (the “Reporting Date”), beginning for the Fiscal Year ending December 31, 2018, provide to EMMA in an electronic format prescribed by the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, however, that if audited financial statements are unavailable, unaudited financial statements may be submitted so long as such audited financial statements are furnished when available.

(b) The City or the Dissemination Agent (if any) shall:

(i) determine each year prior to the Reporting Date the appropriate electronic format prescribed by the MSRB for filing with the MSRB and the proper form of such filing;

(ii) if the Annual Report (or the audited financial statements which were to be separately submitted) is not filed by the date required in subsection (a), send a notice, in a timely manner to EMMA in an electronic format prescribed by the MSRB in substantially the form attached hereto as Exhibit A; and

(iii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and the date provided.

Section 4. Content of Annual Reports. The City’s Annual Report for each Fiscal Year shall contain or incorporate by reference the following:

(a) The financial statements of the City for the preceding Fiscal Year, which must be prepared in accordance with generally accepted accounting principles as in effect

from time to time. If audited financial statements of the City are not yet available, the unaudited financial statements of the City shall be provided, and when audited financial statements of the City are available, the audited financial statements of the City shall be substituted for the unaudited financial statements. Each set of such audited financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally accepted auditing standards.

(b) If generally accepted accounting standards changed from the previous Fiscal Year and if such changes are material to the City, a narrative description (as required by Section 8 of this Disclosure Certificate) of the impact of the changes on the City.

(c) A statement indicating that the City's Fiscal Year has not changed, or, if the Fiscal Year has changed, a statement indicating the new Fiscal Year.

(d) To the extent not included in items provided pursuant to subsection (a) above, information for the Fiscal Year of the type set forth in the Official Statement under the following headings: "CITY AD VALOREM TAXATION – Property Tax Collections," "– Property Tax Millage Rates," "– Ad Valorem Property Tax Digest," and "– Ten Largest Taxpayers."

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB in an electronic format prescribed by the MSRB. The City shall clearly identify each such other document so incorporated by reference. All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

#### Section 5. Reporting of Significant Events.

(a) Within ten (10) business days of the occurrence of one of the following Listed Events, the City or the Dissemination Agent (if any) shall file a notice of such occurrence with EMMA.

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults, if material.

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.



- (v) Substitution of credit or liquidity providers, or their failure to perform.
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds.
- (vii) Modification to rights of Beneficial Owners, if material.
- (viii) Bond calls, if material, and tender offers.
- (ix) Defeasances.
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material.
- (xi) Rating changes.
- (xii) Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person.
- (xiii) Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (xiv) Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

(b) The content of any notice of the occurrence of a listed event under subsection (a) above shall be determined by the City and shall be in substantially the form attached hereto as Exhibit B.

(c) All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the City and the City shall have no further responsibility hereunder. The City will provide notice of such termination to EMMA in an electronic format as prescribed by the MSRB.

Section 7. Dissemination Agent. The City may, from time to time, appoint a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and the City may, from time to time, discharge the Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. This Disclosure Certificate may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the City to the effect that the amendment does not violate the provisions of the Rule.

In the event that this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided in the Annual Report. If the amendment or waiver relates to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible, the comparison must also be quantitative. A notice of the change in the accounting principles shall be filed with the MSRB in an electronic format as prescribed by the MSRB (which, as of the date hereof, is EMMA) on or before the effective date of any such amendment or waiver.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Beneficial Owner may initiate an action against the City to compel performance. A default under this Disclosure Certificate shall not be deemed a “default” or an “event of default” under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if any) shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for the City), and the opinion of such counsel shall be full and complete

authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

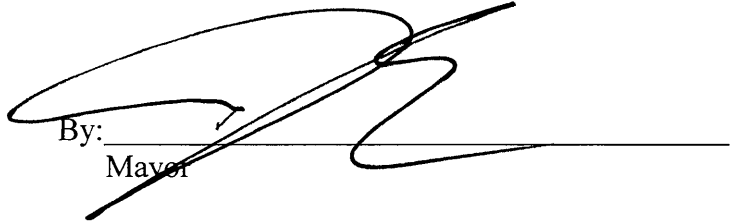
Section 14. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Georgia.

Section 15. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

WITNESS my hand and the seal of the City this 22nd day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

By:   
Mayor

Attest:

  
Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Brookhaven, Georgia

Name of Bond Issue: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

CUSIP Number(s)<sup>1</sup> \_\_\_\_\_

Date of Issuance: January 31, 2019

NOTICE IS HEREBY GIVEN that the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the "City") has not provided an Annual Report due with respect to the above-captioned Bonds as required by its Continuing Disclosure Certificate, dated January 22, 2019. The City anticipates that the Annual Report will be filed by \_\_\_\_\_.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to \_\_\_\_\_.

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

EXHIBIT B

NOTICE OF [INSERT THE LISTED EVENT]

Relating to

\$38,855,000

CITY OF BROOKHAVEN, GEORGIA  
GENERAL OBLIGATION BONDS, SERIES 2019

CUSIP NUMBERS<sup>1</sup>

Notice is hereby given that [insert the Listed Event] has occurred with respect to the above-captioned bonds (the “Bonds”). [Describe circumstances leading up to the event, action being taken and anticipated impact.]

[Notice of the Listed Events described in Section 5(a)(ix) shall include the following:

The City of Brookhaven, Georgia (the “City”) has reserved the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional redemption provisions of said defeased bonds.

OR

The City has covenanted not to exercise any optional redemption provisions under the Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Bonds have been defeased to [maturity/the first call date, which is \_\_\_\_\_]. This notice does not constitute a notice of redemption and no Bonds should be delivered to the City or to the Paying Agent as a result of this mailing. A Notice of Redemption instructing you where to submit your Bonds for payment will be mailed \_\_\_\_\_ to \_\_\_\_\_ days prior to the redemption date.]

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<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2019**

**NEW ISSUE – BOOK ENTRY ONLY**

**RATINGS:**  
**Moody's: "Aaa"**  
**S&P: "AAA"**  
(See "MISCELLANEOUS—Ratings")

*In the opinion of Bond Counsel, subject to the limitations and conditions described herein, and assuming compliance by the City with certain covenants, interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is exempt from present State of Georgia income taxation, is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals.*

**\$40,000,000\***  
**CITY OF BROOKHAVEN, GEORGIA**  
**GENERAL OBLIGATION BONDS, SERIES 2019**

**Dated: Date of Issuance**

**Due: July 1, as shown on the inside cover**

The City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the "City"), is issuing its General Obligation Bonds, Series 2019 (the "Bonds") in fully registered form and in denominations of \$5,000, or any integral multiple thereof, for the purpose of (a) financing certain capital projects and (b) paying the costs of issuing the Bonds. See "PLAN OF FINANCING."

The Bonds are direct and general obligations of the City. The principal of and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, to be levied upon all taxable property within the City subject to taxation for general obligation bond purposes. See "THE BONDS – Security and Sources of Payment for the Bonds" and "CITY AD VALOREM TAXATION."

Interest on the Bonds is payable semiannually on January 1 and July 1 of each year (each such date, an "Interest Payment Date"), commencing January 1, 2020, by U.S. Bank National Association, as Paying Agent, to the owners thereof as shown on the registration books maintained by U.S. Bank National Association, as Bond Registrar. The Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See "THE BONDS – Description."

The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. As long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System."

**THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.**

The Bonds are offered when, as, and if issued by the City and accepted by the Underwriter, subject to prior sale, to the withdrawal or modification of the offer without notice, and to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, as Bond Counsel and Disclosure Counsel to the City. Certain matters will be passed upon for the City by Balch Law Group, Atlanta, Georgia. Davenport & Company LLC is acting as the City's financial advisor. The Bonds are expected to be delivered through DTC in New York, New York on or about January 31, 2019.

Dated: \_\_\_\_\_, 2019

\*Preliminary, subject to change.



**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NOS.**

<u>Maturity</u> <u>July 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP No.†</u>
2020	\$ 775,000			
2021	805,000			
2022	830,000			
2023	860,000			
2024	890,000			
2025	920,000			
2026	955,000			
2027	985,000			
2028	1,020,000			
2029	1,055,000			
2030	1,095,000			
2031	1,130,000			
2032	1,170,000			
2033	1,210,000			
2034	1,255,000			
2035	1,300,000			
2036	1,345,000			
2037	1,390,000			
2038	1,440,000			
2039	1,490,000			
2040	1,540,000			
2041	1,595,000			
2042	1,650,000			
2043	1,710,000			
2044	1,770,000			
2045	1,830,000			
2046	1,895,000			
2047	1,960,000			
2048	2,030,000			
2049	2,100,000			

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† CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the City or the Underwriter and are intended solely for the convenience of the holders of the Bonds. Neither the City nor the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds as indicated above.

**CITY OF BROOKHAVEN, GEORGIA**

**Mayor and City Council**

John A. Ernst, Jr., Mayor  
Linley Jones  
John Park  
Bates Mattison  
Joe Gebbia

**City Staff**

Christian Sigman, City Manager  
Steven Chapman II, Assistant City Manager/Chief Financial Officer  
Linda Nabers, Finance Director

**COUNSEL TO THE CITY**

Balch Law Group  
Atlanta, Georgia

**CITY AUDITOR**

Mauldin & Jenkins, LLC  
Atlanta, Georgia

**BOND COUNSEL AND DISCLOSURE COUNSEL**

Murray Barnes Finister LLP  
Atlanta, Georgia

**FINANCIAL ADVISOR**

Davenport & Company LLC  
Atlanta, Georgia

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and the Appendices hereto and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are deemed to be reliable. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed this Official Statement in accordance with, and as part of, its responsibilities to investors under the Federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expression of opinions herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the City since the date hereof.

THE PRICES AT WHICH THE BONDS ARE OFFERED TO THE PUBLIC MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS, AND THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF ANY BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

IN MAKING AN INVESTMENT DECISION INVESTORS MAY RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

For purposes of compliance with Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") and in effect on the date hereof, this Preliminary Official Statement constitutes an official statement of the City that has been deemed final by the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

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\$40,000,000\*  
CITY OF BROOKHAVEN, GEORGIA  
GENERAL OBLIGATION BONDS, SERIES 2019

**SUMMARY STATEMENT**

The following information is furnished solely to provide limited introductory information regarding the terms of the Bonds (as hereinafter defined) and does not purport to be comprehensive. Such information is qualified in its entirety by reference to the more detailed descriptions appearing in the Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or to otherwise use it without the entire Official Statement.

**The City**

The City of Brookhaven, Georgia (the “City” or “Brookhaven”) is a municipal corporation of the State. The City is located in the northwest suburbs of the City of Atlanta and is the largest city in DeKalb County, Georgia (the “County” or “DeKalb County”). The City had an estimated population of 53,518 as of July 1, 2017 (the most recent information available). See “THE CITY.”

**Purpose of the Bonds**

The City is issuing its General Obligation Bonds, Series 2019 (the “Bonds”) for the purpose of (a) financing certain capital projects (the “Projects”) and (b) paying the costs of issuing the Bonds. See “PLAN OF FINANCING.”

**Security and Sources of Payment for the Bonds**

The Bonds are direct and general obligations of the City. The principal of and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, which may be levied upon all taxable property within the territorial limits of the City subject to taxation for general obligation bond purposes. See “THE BONDS – Security and Sources of Payment for the Bonds” and “CITY AD VALOREM TAXATION.”

**Description of the Bonds**

*Redemption.* The Bonds are subject to redemption prior to their respective maturities. See “THE BONDS – Redemption.”

*Denominations.* The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

*Book-Entry Bonds.* The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. As long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry System of Registration.”

*Book-Entry Bonds.* The Bonds will be issued in book-entry form (“Book-Entry Form”) and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the “Securities Depository”). The Securities Depository will act as securities depository for the Bonds. Purchases will

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\*Throughout this Preliminary Official Statement, an asterisk indicates that the information is preliminary and subject to change.

be made only through the Participants (as herein defined) in the Securities Depository, and no physical delivery of the Bonds will be made to Beneficial Owners (as hereinafter defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by the Securities Depository through its Participants. Registrations of transfers and exchanges shall be made in accordance with the rules of the Securities Depository. See “THE BONDS – Book-Entry Only System” and Appendix D.

*Payments.* Interest on the Bonds will be payable semiannually on January 1 and July 1 of each year until maturity (each an “Interest Payment Date”), commencing January 1, 2020. Principal of the Bonds will be payable at the times and in the amounts shown on the inside front cover of this Official Statement. When in book-entry form, payment of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry System of Registration.”

When not in book-entry form, interest on the Bonds is payable by check or draft mailed to the registered owners thereof at the addresses which appear on the bond registration books of the Bond Registrar as of the close of business on the fifteenth calendar day of the month preceding each Interest Payment Date (the “Record Date”). When not in book-entry form, the principal of the Bonds is payable upon surrender thereof at the corporate trust office of the Paying Agent in Atlanta, Georgia. See “THE BONDS – Description.”

For a more complete description of the Bonds, see “THE BONDS.”

#### **Tax Exemption**

In the opinion of Bond Counsel, subject to the limitations and conditions described herein and assuming compliance by the City with certain covenants, interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is exempt from present State of Georgia income taxation, is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. See “LEGAL MATTERS – Tax Exemption” herein and Appendix B hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds.

#### **Bond Registrar and Paying Agent**

U.S. Bank National Association will act as Bond Registrar and as Paying Agent for the Bonds. The corporate trust office of U.S. Bank National Association in Atlanta is located at 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia 30309.

#### **Professionals Involved in the Offering**

Certain legal matters pertaining to the City and its authorization and issuance of the Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City. Copies of the opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of the opinion is attached hereto as Appendix B. Certain legal matters will be passed on for the City by its counsel, Balch Law Group. See “LEGAL MATTERS.” Davenport & Company LLC is acting as the City’s financial advisor (the “Financial Advisor”). The financial statements of the City for the fiscal year ended December 31, 2017 attached hereto as Appendix A have been audited by Mauldin & Jenkins, LLC, to the extent and for the period indicated in its report thereon which appears in Appendix A hereto. See “MISCELLANEOUS – Financial Advisor and “– Independent Auditors.”

#### **Authority for Issuance**

The Bonds are being issued pursuant to the Constitution and laws of the State of Georgia including particularly (a) an election held on November 6, 2018 (the “Election”) and (b) a resolution of the Council of the City of Brookhaven adopted on \_\_\_\_\_, 2019 (the “Bond Resolution”). In the Election, 60% of the voters voted in favor of the issuance of the Bonds.

## **Offering and Delivery of the Bonds**

The Bonds are offered when, as, and if issued by the City and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice. The Bonds in definitive form are expected to be delivered through The Depository Trust Company in New York, New York, on or about January 31, 2019.

## **Continuing Disclosure**

The City has covenanted for the benefit of the owners of the Bonds in a Disclosure Certificate (the "Disclosure Certificate") to provide (a) certain financial information and operating data relating to the City (the "Operating and Financial Data") annually to the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access System ("EMMA") and (b) notices of the occurrence of certain events within 10 business days of their occurrence (the "Events Notices") to EMMA. The City's undertaking to provide Operating and Financial Data and Events Notices is described in the Continuing Disclosure Certificate, a form of which is attached as Appendix C hereto. The covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the "Rule").

The City entered into its first continuing disclosure undertaking pursuant to the Rule in connection with the issuance on October 3, 2018 of the City of Brookhaven Public Facilities Authority Revenue Bonds (Peachtree Creek Greenway Project), Series 2018 in the original aggregate principal amount of \$12,640,000.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement contains forecasts, projections and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the City, the Bonds, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, and other documents are intended as summaries only and are qualified in their entirety by reference to such laws and documents, and references herein to the Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution and other documents and information are available, upon request and upon payment to the City of a charge for copying, mailing and handling, from City of Brookhaven, Georgia, 4362 Peachtree Road, Brookhaven, Georgia 30319, Attention: Chief Financial Officer, telephone: (404) 637-0620. During the period of the offering of the Bonds, copies of such documents are available, upon request and upon payment to the Financial Advisor of a charge for copying, mailing and handling, from Davenport & Company LLC, 3350 Riverwood Parkway, Suite 1900, Atlanta, Georgia 30339, telephone: (404) 825-9467.



## PLAN OF FINANCING

### Sources and Applications of Funds\*

The sources and applications of funds in connection with the issuance of the Bonds are set forth below.

Sources of Funds:

Par Amount of Bonds  
Plus: Net Original Issue Premium  
Total Sources of Funds

Application of Funds:

Projects  
Costs of Issuance<sup>(1)</sup>  
Total Application of Funds

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<sup>(1)</sup> Includes Underwriter's discount, legal and accounting fees, rating agency fees, printing costs, validation court costs and other costs of issuance.

### Projects

A portion of the proceeds of the Bonds will be used to finance the Projects. The Projects consist of the City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith. The proceeds of the Bonds that will be used to pay the costs of the Projects and the costs of issuing the Bonds will be remitted to the City and deposited into a segregated fund maintained by the City. Prior to the expenditure of the proceeds of the Bonds held by the City, such moneys will be invested as described herein.

### Investment of Bond Proceeds.

The Bond proceeds in the Project Fund will be invested pending their disbursement. Section 36-82-7 of the Official Code of Georgia Annotated provides that the proceeds of the Bonds may be invested and reinvested by the governing authority of the City in the following investments:

- (1) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated;
- (2) bonds or obligations of the County or of the State of Georgia or other states and bonds or obligations of other counties, municipal corporations, and political subdivisions of the State of Georgia;
- (3) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;
- (4) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence, provided however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;
- (5) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or

municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(6) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds, provided the portion of the certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, must be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above;

(7) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations described in paragraph (3) and (4) above and repurchase agreements fully collateralized by any such obligations,

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian,

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value, and

(d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(8) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

## THE BONDS

### Description

The Bonds will be dated their date of issuance and will bear interest at the rates specified on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance). Interest will be payable semiannually on each Interest Payment Date, commencing January 1, 2020. The principal amount of the Bonds is payable at the times and in the amounts set forth on the cover page of this Official Statement. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

When in book-entry form, payment of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry System of Registration."

When not in book-entry form, the principal of the Bonds shall be payable at maturity upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. When not in book-entry form, payments of interest on the Bonds shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on each Record Date, and such payments of interest shall be mailed to the registered owner at the address shown on the bond registration book.

### Security and Sources of Payment for the Bonds

In order to pay the principal of and interest on the Bonds, the City will levy an ad valorem tax, unlimited as to rate or amount, upon all taxable property within the City subject to taxation for general obligation bond purposes, including real and personal property, privately owned utilities, motor vehicles, and mobile homes which are not exempt from ad valorem taxes. The City, by and through its City Council, has the autonomous power to set its millage rates and to levy and collect ad valorem taxes. See "CITY AD VALOREM TAXATION" herein. Article IX, Section V, Paragraph VI of the Georgia Constitution requires the City place the ad valorem taxes levied to pay its general obligation bonds in a sinking fund to be used exclusively for paying the principal of and interest on such general obligation bonds. It also requires that the City keep such moneys separate and apart from all other revenues collected by the City.

### Enforcement of Remedies

The realization of value from the pledge of the taxing power of the City to the payment of the Bonds upon any default will depend upon the exercise of various remedies specified by Georgia law. These remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted to the extent applicable to the Bonds or the City.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no municipality of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, city council or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any municipality created under the Constitution or laws of the State of Georgia, of any petition for relief from payment of its debts as they mature or a petition for composition of its

debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

**Redemption**

The Bonds maturing on or after July 1, 2029\* are subject to optional redemption in whole or in part at any time on or after July 1, 2028\*, in the order of maturities selected by the City, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of DTC when the Bonds are in book-entry form and (b) by first-class mail, postage prepaid to all registered owners of the Bonds to be redeemed when the Bonds are no longer in book-entry form. Failure of any holder of any Bond to receive any such notice, or any defect in the notice, shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Bonds so designated for redemption after the redemption date.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited

**Book-Entry Only System**

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of the Bonds and, except as otherwise provided herein with respect to tenders by beneficial owners of beneficial ownership interests, beneficial owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Indenture.

The information set forth in Appendix D about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the City nor the Underwriter makes any representations, warranties or guarantees with respect to its accuracy or completeness.

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**PRINCIPAL AND INTEREST REQUIREMENTS\***

The following are the principal and interest payment requirements with respect to the Bonds for the fiscal years shown below.

Fiscal Year Ended <u>December 31</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 775,000		
2021	805,000		
2022	830,000		
2023	860,000		
2024	890,000		
2025	920,000		
2026	955,000		
2027	985,000		
2028	1,020,000		
2029	1,055,000		
2030	1,095,000		
2031	1,130,000		
2032	1,170,000		
2033	1,210,000		
2034	1,255,000		
2035	1,300,000		
2036	1,345,000		
2037	1,390,000		
2038	1,440,000		
2039	1,490,000		
2040	1,540,000		
2041	1,595,000		
2042	1,650,000		
2043	1,710,000		
2044	1,770,000		
2045	1,830,000		
2046	1,895,000		
2047	1,960,000		
2048	2,030,000		
2049	<u>2,100,000</u>		
Total	<u>\$40,000,000</u>		

See "CITY DEBT STRUCTURE" for a description of other tax supported debt of the City.

**THE CITY**

**Introduction**

The City is a municipal corporation of the State. After a July 31, 2012 voter referendum approving the establishment of Brookhaven, the City officially became the largest city in DeKalb County, Georgia on December 17, 2012. The City has a current estimated population of 53,518 as of July 1, 2017. Brookhaven is located in the northeast suburbs of the City of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, quality restaurants and shopping, and a large diverse international population.

## City Administration and Officials

Under the Charter of the City, the Council is comprised of a mayor and four council members who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with two Councilmembers' terms expiring on odd-numbered years on an alternating basis with the other two Councilmembers' terms.

The City is divided into four council districts. One member is elected from each district, and the Mayor is elected from the City at large. The Mayor is recognized as the head of the City government for all ceremonial purposes and serves as the chair of all meetings of the City Council. The Mayor votes only in the case of a tie or in the case where his or her vote will provide the number of votes necessary for approval of a matter.

Certain other information concerning the City Council members is set forth below:

<u>Name and Office Held</u>	<u>District</u>	<u>Number of Years in Office</u>	<u>Principal Occupation</u>
John A. Ernst, Jr., Mayor	At-Large	3	Attorney
Linley Jones	1	3½	Attorney
John Park	2	4	IT Consultant
Bates Mattison	3	6	Business Owner
Joe Gebbia, Mayor Pro Tem	4	6	Brokerage Executive

The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City. The City Manager is the chief administrative officer of the City and is responsible to the City Council for the proper administration of all affairs of the City.

*Christian Sigman, City Manager*, was appointed as City Manager on May 10, 2016. He has served in various leadership roles within several cities and counties including Hamilton County, Ohio, City of Cincinnati, and the District of Columbia. In total, Mr. Sigman has over 27 years of local government experience. Mr. Sigman has also served as a strategy consultant with Booz, Allen, Hamilton with an emphasis on financing public safety voice and data systems. He began his public service career as a police officer for Indiana University where he double majored in Psychology and Criminal Justice and went on to earn his MPA at the School of Public and Environmental Affairs. He has attended the Senior Executives in State and Local Government Program at Harvard University. Mr. Sigman is a Credentialed Manager with the International City/County Management Association.

*Steven Chapman II, Assistant City Manager and Chief Financial Officer*, was appointed to his position in August 2016. Mr. Chapman started his career with a small investment bank in Atlanta and has since served in many roles with federal, county and city governments over his 29-year career. Mr. Chapman is currently working on his PhD dissertation in Public Administration from Florida Atlantic University. Mr. Chapman holds an MS in Finance from Georgia State University's Jack M. Robinson School of Business and a BS in Management from the Georgia Institute of Technology. Mr. Chapman has been a prolific speaker on the topic of government finance at various national, state and local conferences as well as teaching classes at the university level. He previously served six years as a committee member for the GFOA Governmental Budget and Fiscal Policy committee where he championed the most recent best practice in fund balance policy. Mr. Chapman has been on many boards including serving on the Florida League of Cities Pension Investment Advisory Committee.

## Employees

The City employed 132 full-time and 50 part-time employees in all departments of government as of January 2019. No employees of the City are represented by labor organizations or are covered by collective bargaining agreements, and the City is not aware of any union organizing efforts at the present time. The City believes that employee relations are good.

## Retirement Plans and Other Post-Employment Benefits

*Defined Contribution Pension Plan.* Brookhaven offers two retirement plans for City employees. The 401(a) and 457 plan are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. For the 457 plan, the City matches employee contributions at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following 30 days of employment and are fully vested after 12 months. At November 30, 2018 there were 114 employees participating in the plan who contributed \$650,980.89 while the City's contributions totaled \$707,999.12. The City also contributes the social security withholding amount (6.2% for 2018) to a social security replacement plan for each eligible employee. All participants are fully vested in the social security replacement plan at all times. At November 30, 2018 there were 120 employees participating in the plan with total contributions from the City of \$506,662.76.

*Other Post-Employment Benefits.* The City does not currently offer other post-employment benefits than those set forth above.

## Demographic Information

*Population.* Set forth below is the estimated total population of the City and the County for the years 2013-2017, the most current data available.

<u>Year</u>	<u>City</u>	<u>County</u>
2017	53,518	753,253
2016	52,909	746,690
2015	52,554	737,418
2014	51,807	725,647
2013	51,216	717,321

Source: U.S. Census Bureau, Population Estimates for 2013-2017.

*Population By Age; Median Age.* The following table presents estimated population by age for the City for calendar year 2017, the most recent information available. The median age of residents of the City in 2017 was 34.1.

<u>Under 20 Years</u>	<u>20 to 44 Years</u>	<u>45 to 64 Years</u>	<u>65 Years and Over</u>
24.4%	46.2%	20.0%	9.3%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Population by Race.* The following table presents estimated population by race for the City for the calendar year 2017, the most recent information available.

<u>White<sup>(1)</sup></u>	<u>Black or African American<sup>(1)</sup></u>	<u>American Indian and Alaska Native<sup>(1)</sup></u>	<u>Asian<sup>(1)</sup></u>	<u>Other<sup>(1)</sup></u>	<u>Two or More Races</u>	<u>Hispanic or Latino<sup>(2)</sup></u>
71.4%	9.9%	2.5%	6.3%	7.9%	2.0%	24.6%

<sup>(1)</sup> Includes persons reporting only one race.

<sup>(2)</sup> Hispanics may be of any race, so also are included in applicable race categories.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Educational Attainment.* The following table presents the estimated level of education of the population aged 25 years and over for the City for the year 2017, the most recent information available.

Less than 9 <sup>th</sup> grade	8.0%
9 <sup>th</sup> to 12 grade, no diploma	4.6
High school graduate (including equivalency)	12.6
Some college, no degree	9.9
Associate degree	2.7
Bachelor's degree	34.7
Graduate or professional degree	<u>27.5</u>
	<u>100.0%</u>
Percent high school graduate or higher	87.4%
Percent bachelor's degree or higher	62.2%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Commuting Characteristics.* The following table presents the estimated percentages of the City's population employed at jobs located within the City and those employed at jobs located outside of the City for the calendar year 2017, the most recent information available.

Residents of the City Employed:

Inside the City	17.7%
Outside the City	82.3

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2013-2017.

**Economic Information**

The following information is provided to give prospective investors an overview of the general economic condition in the City. Where information related to the City is not available, information for the County has been provided instead. These statistics have not been adjusted to reflect economic trends and are not to be relied upon as a representation or guarantee of the City, the County or the Underwriter.

*Per Capita Personal Income.* The following table reflects the estimated per capita personal income for the City, the State and the United States for the calendar years 2013 through 2017, the most recent information available.

<u>Year</u>	<u>City</u>	<u>State of Georgia</u>	<u>United States</u>
2017	\$52,144	\$28,015	\$31,177
2016	50,343	26,678	29,829
2015	49,247	25,737	28,930
2014	46,429	25,427	28,555
2013	47,022	25,182	28,155

Source: U.S. Census Bureau, 2013-2017; 2012-2016, 2011-2015, 2010-2014, 2009-2013 American Community Survey 5-Year Estimates.



*Median and Mean Household Income.* The following table contains an estimate of the median and mean household incomes in the City, the County, the State and the United States for the year 2017, the most recent information available.

	<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
Median	\$ 78,863	\$55,876	\$52,977	\$57,652
Mean	123,625	82,139	74,763	81,283

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Poverty Levels.* The following table contains an estimate of the percentage of all people that were living below the poverty level in the City, the County, the State and the United States for the year 2017, the most recent information available.

<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
14.1%	17.6%	16.9%	14.6%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Household Income Distribution.* The following table reflects the estimated income distribution of all households in the City for the calendar year 2017 (the most recent information available).

<u>Income</u>	<u>Percent of Population</u>
Less than \$10,000	4.4%
\$10,000 to \$14,999	2.7
\$15,000 to \$24,999	7.0
\$25,000 to \$34,999	7.5
\$35,000 to \$49,999	10.3
\$50,000 to \$74,999	16.8
\$75,000 to \$99,999	10.2
\$100,000 to \$149,999	13.9
\$150,000 to \$199,999	9.5
\$200,000 or more	17.7
	<u>100.0%</u>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2013-2017.

*Median Home Values.* The following table contains the median home value for the City, the County, the State and the United States for census years 1980, 1990 and 2000 and estimates for the year 2017, the most recent information available.

<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2017	\$419,800	\$176,000	\$158,400	\$193,500
2000	N/A	135,100	111,200	119,600
1990	N/A	90,600	71,300	79,100
1980	N/A	50,900	36,900	47,200

Source: U.S. Census Bureau, 1980, 1990, 2000; U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Building Permits Summary.* The following table reflects the number of commercial and residential building permits issued in Brookhaven for the last five full fiscal years. The number of permits issued includes both commercial and residential, with each category including new construction, additions, alterations and conversions.

<u>Year</u>	<u>Building Permits Issued</u>
2018 <sup>(1)</sup>	3,476
2017	4,591
2016	4,403
2015	3,568
2014	4,609

<sup>(1)</sup> As of 12/18/2018.

Source: City of Brookhaven City Manager's Office.

*Banking Deposits.* The following table contains the number of banking institutions and the total banking deposits (in thousands) for all FDIC-insured institutions in the County for the last five years ended June 30, the most current information available. Comparable information for the City is not available.

<u>Year</u>	<u>Number of Institutions</u>	<u>Total Deposits (In Thousands)</u>
2018	25	\$12,278,737
2017	25	10,570,556
2016	26	9,778,717
2015	26	8,961,973
2014	26	8,415,327

Source: Federal Deposit Insurance Corporation.

*Largest Employers.* Set forth below are the 10 largest employers located in the City for the fiscal year ended December 31, 2018, their type of business and estimated number of employees. There can be no assurance that any employer listed below will continue to be located in the City or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability of the financial condition of the companies listed.

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
Autotrader.com Inc.	Automobile sales	900
Verizon Telematics, Inc.	Computer Programming Services	450
The Weather Company LLC	Cable & Other Pay TV Services	425
RelayHealth Pharmacy Solutions	Management Consulting Services	385
Fidelity Bank Operations Center	State Commercial Banks	381
Salvation Army Southern Territory	Social Services	325
Zurich	Insurance Agents, Broker, Service	300
Oglethorpe University	Education	250
Marist School	Education	200
AmeriGroup Community Care	Insurance Agents, Broker, Service	175

Source: Georgia Power Community and Economic Development (Business Wise).

*Labor Statistics.* The following table reflects the unemployment rates in the City, the County, the State and the United States for the calendar years 2013 through 2017 and for October 2018 (the most recent information available).

	<u>2018<sup>(1)</sup></u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Brookhaven Unemployment Rate	2.4%	3.1%	3.4%	3.8%	4.4%	5.1%
County Unemployment Rate	3.6	4.8	5.4	6.0	7.2	8.4
State Unemployment Rate	3.6	4.7	5.4	6.0	7.1	8.2
United States Unemployment Rate	3.5	4.4	4.9	5.3	6.2	7.4

<sup>(1)</sup> Reflects labor statistics for the month of October 2018.

Source: United States Department of Labor; Bureau of Labor Statistics.

*Industry Mix.* The following table sets forth an estimate of the industry mix within the County, based upon the average number of employees employed in the indicated industry covered by the State Trust Fund (unemployment insurance) as of the 2nd quarter of 2018 (the most current information available). The estimates include persons employed on a job site in the County regardless of where they reside. Comparable information for the City is not available.

<u>Industry</u>	<u>Number of Firms</u>	<u>Number of Employees</u>
Agricultural, forestry, fishing and hunting	5	22
Mining	5	64
Construction	840	10,853
Manufacturing	489	13,666
Utilities	20	916
Wholesale trade	1,017	10,486
Retail trade	2,049	33,370
Transportation and warehousing	359	13,626
Information	374	9,734
Finance and insurance	826	14,056
Real estate and rental and leasing	863	4,794
Professional, scientific and technical services	2,904	18,536
Management of companies and enterprises	95	8,129
Administrative and support and waste management and remediation	920	19,758
Educational services	310	19,057
Health care and social assistance	1,964	42,528
Arts, entertainment and recreation	262	3,993
Accommodation and food services	1,367	24,588
Other service (except public administration)	1,469	9,192
Unclassified – industry not assigned	1,149	848
Federal government	55	10,725
State government	92	8,051
Local government	<u>206</u>	<u>24,237</u>
All Industries <sup>(1)</sup>	17,640	301,232

<sup>(1)</sup> Figures may not sum accurately due to rounding as all figures presented represent annually prepared averages.

Source: Georgia Department of Labor.

*Category of Land Use.* The following table reflects the categories of land use in the City for the calendar year 2018.

<u>Land Type</u>	<u>Percentage<sup>(1)</sup></u>
Residential	70.86%
Commercial	27.43
Industrial	<u>1.71</u>
TOTAL	<u>100.00%</u>

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<sup>(1)</sup> Percentages are based on the number of acres excluding exempt property.  
Source: DeKalb County Tax Commissioner.

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## CITY DEBT STRUCTURE

### Summary of City Direct and Overlapping Debt by Category

The following table sets forth the outstanding tax-supported debt of the City and certain overlapping governmental entities and assumes the issuance of the Bonds. Although the City has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity that has this information available, and the amounts are based on information supplied by others. The information set forth below should be read in conjunction with the City's audited financial statements included as Appendix A and the notes thereto.

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>% Applicable to City of Brookhaven</u>	<u>Amount of Debt Applicable to City of Brookhaven</u>
<b>Direct:</b>			
The Bonds <sup>(1)</sup>	\$40,000,000*	100.00%	\$40,000,000*
General Obligation Sales Tax Bond <sup>(1)</sup>	12,000,000	100.00	12,000,000
Intergovernmental Contracts <sup>(4)</sup>	12,640,000	100.00	12,640,000
Capital Lease <sup>(3)</sup>	<u>46,953</u>	100.00	<u>46,953</u>
Total Direct Debt	<u>64,686,953*</u>		<u>64,686,953*</u>
<b>Overlapping Entities<sup>(2)</sup></b>			
<b>The County</b>			
General Obligation Bonds <sup>(1)</sup>	176,345,000	13.2%	23,277,540
Certificates of Participation <sup>(3)</sup>	22,215,000	13.2	2,932,380
Intergovernmental Contracts <sup>(4)</sup>	<u>67,505,000</u>	13.2	<u>8,910,660</u>
Total County Overlapping Debt	<u>266,065,000</u>		<u>35,120,580</u>
<b>Fulton-DeKalb Hospital Authority</b>			
Intergovernmental Contracts <sup>(4)</sup>	<u>21,870,000</u>	13.2	<u>2,886,840</u>
<b>DeKalb County Board of Education</b>			
General Obligation Bonds <sup>(1)</sup>	164,325,000	13.2	21,690,900
Capital Lease <sup>(3)</sup>	<u>33,841,000</u>	13.2	<u>4,467,012</u>
Total Board of Education Overlapping Debt	<u>198,166,000</u>		<u>26,157,912</u>
Total Overlapping Debt	<u>486,101,000</u>		<u>64,165,332</u>
<b>Total Direct and Overlapping Debt</b>	<b><u>\$550,787,953*</u></b>		<b><u>\$128,852,285*</u></b>

<sup>(1)</sup> General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged and constitute debt for purposes of a constitutional debt limit of 10% of the assessed value of property subject to taxation for general obligation general obligation bond purposes.

<sup>(2)</sup> The percentage of each overlapping entity's outstanding debt chargeable to property in the City is calculated by dividing the gross assessed valuation of property in the City by the gross assessed valuation of property in the unincorporated County. Approximately 13.2% of the County's debt has been included based upon the value of the City's 2018 gross tax digest as compared to the County's 2018 gross tax digest. Data for the County and the other overlapping entities is as of December 31, 2017.

<sup>(3)</sup> The financial obligations under the capital leases and the certificates of participation ("COPs") do not constitute general obligations of the governmental entity to which its faith and credit or taxing power are pledged, but are subject to and dependent upon lawful appropriations of general revenues being made by the governmental entity to pay the capital lease payments or COPs payments due in each year. The governmental entity's obligations under the capital leases and the COPs are from year to year only and do not constitute mandatory payment obligations of the governmental entity in any year in which funds are not appropriated by the governmental entity to pay the capital lease payments or COPs payments due in such year. The governmental entity's obligations under the capital leases and the COPs do not constitute debt of the governmental entity for purposes of the constitutional debt limit.

<sup>(4)</sup> The obligations under intergovernmental contracts are general obligations of the governmental entity to which its full faith and credit and taxing powers are pledged, but do not constitute debt for purposes of the constitutional debt limit. Excludes GEFA loans as they are expected to be paid from system revenues.

**Tax Supported Debt Ratios**

The following table sets forth certain tax-supported debt ratios assuming the issuance of the Bonds.

	<u>Direct Debt*</u>	<u>Overlapping Debt</u>	<u>Total Tax Supported Debt*</u>
Per Capita Debt <sup>(1)</sup>	\$461.28	\$1,198.95	\$1,660.23
Percentage of Net M&O Tax Digest <sup>(2)</sup>	0.74%	1.92%	2.66%
Percentage of Estimated Fair Market Value <sup>(3)</sup>	0.24	0.62	0.86
Per Capita Debt as Percentage of Per Capita Income <sup>(4)</sup>	0.92	2.38	3.30

- (1) Based upon 2017 estimated population figure of 53,518.
- (2) Based upon 2018 Net M&O Tax Digest of \$3,323,507,993.
- (3) Based on 2018 estimated actual fair market value of \$10,369,168,398.
- (4) Based upon 2017 per capita income figure for the City of \$52,144.

**Limitations on City Debt**

*General Obligation Debt.* The Constitution of the State of Georgia provides that the City may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of such governmental entity voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the City and the other governmental entities within the City may not incur long-term obligations payable out of general property taxes in excess of ten percent of the assessed value of all taxable property within such governmental entity.

As computed in the table below, based upon its 2018 net bond digest, the City could incur (upon necessary voter approval) approximately \$349,745,089\* of additional long-term obligations payable out of general property taxes (or general obligation bonds).

Computation of Legal Debt Margin

2018 Net Bond Digest	\$4,017,450,889
Debt Limit (10% of Assessed Value)	401,745,089
Amount of Debt Applicable to Debt Limit	<u>52,000,000*</u>
Legal Debt Margin	<u>\$349,745,089*</u>

*Other Debt.* Short-term obligations (those payable within the same calendar year in which they are incurred and intergovernmental obligations are not subject to the legal limitations described above. Georgia law provides that no lease or installment purchase contract subject to annual appropriation may be delivered if the principal portion of such contract, when added to the amount of debt subject to the debt limitation described above, exceeds 10 percent of the assessed value of all taxable property within the City. Georgia law also provides that no lease or installment purchase contract subject to annual appropriation with respect to real property may (with certain exceptions) be executed or renewed, refinanced, or restructured if the lesser of either of the following is exceeded:

- (a) the average annual payments on the aggregate of all such outstanding contracts exceed 7.5 percent of the governmental fund revenues of the City for the calendar year preceding the delivery of such contract plus any available special County one percent sales and use tax proceeds collected; or
- (b) the outstanding principal balance on the aggregate of all such outstanding contracts exceeds \$25 million.

**Proposed Debt**

The City does not expect any other borrowings during the next five years.

## CITY AD VALOREM TAXATION

### Introduction

An important source of revenue to fund the operations of the City is ad valorem property taxes. Ad valorem property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value.

### Property Subject to Taxation

Ad valorem property taxes are levied on the assessed value of real and personal property within the City limits. There are, however, certain classes of property which are exempt from taxation, including the following: (a) public property, (b) places of burial, (c) places of religious worship, (d) property owned by religious groups and used only for single-family residences, (e) property of nonprofit hospitals used in connection with patient care, the delivery of healthcare services or training or educating physicians, nurses and other health care personnel, (f) buildings erected for and used as a college, incorporated academy or other seminary of learning, (g) funds or property held or used as endowment by colleges, nonprofit hospitals, incorporated academies or other seminaries of learning when the funds or property are not invested in real estate, (h) real and personal property of public libraries and literary associations, (i) all books, philosophical apparatus, paintings and statuary of any company or association which are kept in a public hall and which are not held as merchandise or for purposes of sale or gain, (j) certain air or water pollution control property, (k) property of a nonprofit home for the aged used in connection with the provision of residential or health care services for the aged, (l) property of any nonprofit home for the mentally disabled used in connection with the provision of residential or healthcare services for the mentally disabled, (m) property which is owned by and used exclusively as the headquarters, post home or similar facility of a veterans organization, (n) property which is owned by and used exclusively by any veterans organization organized for the purpose of refurbishing and operating historic military aircraft, (o) property that is owned by a historical fraternal benefit association and which is used exclusively for charitable, fraternal and benevolent purposes, (p) certain qualified farm products and harvested agricultural products, (q) personal property used within the home, (r) certain other personal property including personal property valued at less than \$7,500 and (s) certain fertilizers.

Cities and counties are not permitted under Georgia law to reduce or abate a company's property taxes. When a community wants to offer economic incentives to a company in order to create or retain jobs, the company's property is transferred to a development authority and leased back to the company. The authority's fee ownership interest in the property becomes "public property" exempt from ad valorem taxation as described above. The company may or may not be taxed on the value of its leasehold interest. The City does not control the willingness of the Brookhaven Development Authority to accept title to property that may be removed from the City's digest in order to provide economic incentives. Therefore, property could be removed from the City's digest without the City's consent.

For purposes of reducing the burden of ad valorem taxation on property owned and occupied by a taxpayer as his or her legal residence, Georgia general law grants several types of homestead exemptions. In addition, the City by virtue of a local law offers a basic homestead exemption and additional homestead exemptions for senior citizens and the disabled who meet certain income limits and for surviving spouses of service members.

The City is authorized by law to exempt (a) (i) inventories of goods in the process of manufacture or production, (ii) inventory of finished goods manufactured or produced in Georgia held by the manufacturer or producer for a period not to exceed 12 months, (iii) inventory of finished goods which, on January 1, are stored in a warehouse, dock or wharf and which are destined for shipment to a final destination outside of Georgia and inventory of finished goods which are shipped into Georgia from outside of Georgia and stored for the transshipment to a final destination outside of Georgia for a period not to exceed 12 months and (iv) stock in trade of a fulfillment center which, on January 1, are stored in a fulfillment center and which are made available to remote purchasers who may make such purchases by electronic, internet, telephonic or other remote means and where such stock in trade of a fulfillment center will be shipped from the fulfillment center and delivered to the purchaser at a location other than the location of the fulfillment center for a period not to exceed 12 months (the "Freeport Exemption") and (b) goods, wares and merchandise of every character and kind constituting business inventory which would not otherwise qualify for the Freeport Exemption (the "Business Inventory Exemption"). Both the

Freeport Exemption and the Business Inventory Exemption must be approved by the voters and exempt 20%, 40%, 60%, 80% or 100% of the property. Once approved by the voters the Freeport Exemption and the Business Inventory Exemption remain in effect until they are repealed by the voters. The City has not approved a Freeport Exemption or a Business Inventory Exemption.

### **Motor Vehicles**

House Bill 386 eliminated the ad valorem taxation of vehicles and replaced it with a one-time title tax (the "Title Tax") that is levied whenever the title to a vehicle is registered to a new owner (except if a transfer is made between immediate family members). The Title Tax is based upon the value of the vehicle and is levied at a rate of 7.0% in 2018. The rate may be adjusted in future years; provided, however, the rate may not exceed 9%. The revenues will be shared among the State and local governments by formula.

### **Assessed Value**

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires taxable tangible property to be assessed, with certain exceptions, at 40 percent of its fair market value and to be taxed on a levy made by each tax jurisdiction according to 40 percent of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for ad valorem property tax purposes at 75 percent of the value of which other real property is assessed, requires certain historical property to be valued at a lower fair market value for ad valorem property tax purposes, and requires certain agricultural, timber, and environmentally sensitive real property and certain single-family real property located in transitional developing areas to be valued at their "current use value" (as opposed to fair market value). Standing timber is assessed at 100% of its fair market value.

The chief appraiser of DeKalb County is required to submit a certified list of assessments for all taxable property, except motor vehicles and property owned by public utilities, within the City to the DeKalb County Board of Tax Assessors. The City is required to present the tax returns of the City to the DeKalb County Board of Tax Assessors. The DeKalb County Board of Tax Assessors is required to complete its revision and assessment of returns by August 1 of each year and to forward a copy of the completed digest to the State of Georgia Revenue Commissioner for examination and approval. The State of Georgia Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations of property are reasonably uniform and equalized between and within counties. Assessments may also be subject to review at various stages by the DeKalb County Board of Equalization and by state courts.

The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles by make, model, and year by county and provides this information to each county tax office. The State of Georgia Property Tax Unit assesses the value of the property of public utilities and divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these amounts to the City, which bills these taxes to the utilities.

### **Annual Tax Levy**

*Generally.* The City determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within its territorial limits, will produce the necessary amount of property tax revenues. The City's Charter limits the millage that can be levied for maintenance and operations purposes to 3.35 mills unless a higher limit is recommended by resolution of the City Council and approved by a majority of the voters. There is no limit on the millage for general obligation bond purposes. The City then levies its ad valorem property taxes.

*Procedural Requirements.* Effective January 1, 2000, the General Assembly of the State of Georgia enacted Senate Bill 177, Act 431, known as The Property Taxpayer's Bill of Rights (the "Taxpayer's Act"). The purpose of the Taxpayer's Act was to prevent indirect tax increases resulting from increases to existing property values due purely to inflation. The Taxpayer's Act requires that each taxing jurisdiction located within the State (including local governments, such as the City), roll back (or reduce) the millage rate in each year to offset any inflationary increases in the tax digest of such taxing jurisdiction that have occurred since the last tax year. Any local



government or taxing jurisdiction that elects to set the millage rate higher than the rollback rate must follow certain requirements to notify the public of such increase, including three public hearings, the publication of a notice of the increase in the local newspaper and the publication of a press release to explain the intent of the increase in taxes. The Taxpayer's Act also requires that the notice of assessment sent to any taxpayer who receives a 15% increase or greater in their property value contains a simple, non-technical description of the basis for the increased assessment and permits taxpayers to have access to records used in preparing the increased assessment and to record any meetings or hearings held in connection with an appeal of their property tax assessment. The Taxpayer's Act also entitles any taxpayer who wins an appeal by demonstrating a property value that is 85% or less than the proposed assessed value (80% for commercial property) to recover litigation costs and reasonable attorney's fees.

*Impact of Foreclosures on Assessment Procedures.* In 2009, the Georgia legislature enacted Senate Bill 55, codified as Official Code of Georgia Annotated, Section 48-5-2, which requires county tax assessors to consider foreclosure sales, bank sales, sales by other financial institutions, distressed sales and the decreased value of property subject to conservation easements in determining the fair market value of real property.

**Property Tax Collections**

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect Brookhaven property taxes. The taxes are levied on or before August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

All taxes levied on real and personal property, together with interest thereon and penalties for late payment, constitute a perpetual lien on and against the property taxed. The lien normally becomes enforceable 30 days after notification. Georgia law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

Collection of delinquent real property taxes is enforceable by tax sale of such realty. Delinquent personal property taxes are similarly enforceable by seizure and sale of the taxpayer's personal property. There can be no assurance, however, that the value of property sold, in the event of a tax sale, will be sufficient to produce the amount required to pay in full the delinquent taxes, including any interest or penalties thereon.

When the last day for the payment of taxes has arrived, the tax collector may notify the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after thirty days from giving the notice described in the preceding sentence, an execution for nonpayment of taxes may be issued. A notice of the sale is then published in a local newspaper weekly for four weeks and gives the taxpayer ten days written notice by registered or certified mail. A public sale of the property may then be made on the first Tuesday of the month after the required notices are given.

**Property Tax Millage Rates**

The following table sets forth the millage rate (*i.e.*, the tax rates per \$1,000 of assessed value) of the various taxing entities located within the City (including the City itself) for the current year and for the last four fiscal years.

<u>Fiscal Year</u>	<u>State</u>	<u>City</u>	<u>County</u>	<u>School</u>	<u>Total</u>
2018	0.000	2.740	13.784	23.180	39.704
2017	0.000	2.740	13.307	23.280	39.327
2016	0.000	2.740	12.560	23.380	38.680
2015	0.050	2.740	14.670	23.730	41.190
2014	0.100	2.795	13.570	23.980	40.445

Source: Georgia Department of Revenue.

## Ad Valorem Property Tax Digest

The property tax digest of the City for the current year and for the last four fiscal years are set forth below.

Property Type <sup>(1)</sup>	2018	2017	2016	2015	2014
Residential	\$2,511,473,694	\$2,318,493,066	\$2,179,650,684	\$2,059,914,664	\$1,733,591,718
Historical	—	—	663,040	688,080	529,000
Commercial	1,556,171,879	1,370,789,734	1,222,319,234	1,081,894,182	950,202,195
Industrial	31,159,512	24,131,321	23,353,132	21,438,946	14,810,259
Utilities	26,441,934	24,103,976	20,281,585	17,710,345	14,644,304
Motor Vehicle	<u>22,420,340</u>	<u>40,040,890</u>	<u>47,578,450</u>	<u>67,891,300</u>	<u>82,633,320</u>
Gross Digest	4,147,667,359	3,777,558,987	3,493,846,125	3,249,537,517	2,796,410,796
M&O Exemptions	<u>824,159,366</u>	<u>760,277,266</u>	<u>725,068,341</u>	<u>641,930,239</u>	<u>436,491,094</u>
Net M&O Digest	<u>\$3,323,507,993</u>	<u>\$3,017,281,721</u>	<u>\$2,768,777,784</u>	<u>\$2,607,607,278</u>	<u>\$2,359,919,702</u>
Bond Exemptions	<u>\$ 130,216,470</u>	<u>\$ 127,310,371</u>	<u>\$ 107,191,601</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Bond Digest	<u>\$4,017,450,889</u>	<u>\$3,650,248,616</u>	<u>\$3,386,654,524</u>	<u>\$3,249,537,517</u>	<u>\$2,796,410,796</u>
Estimated Actual Value <sup>(2)</sup>	\$10,369,168,398	\$9,443,897,468	\$8,734,615,313	\$8,123,843,793	\$6,991,026,990

<sup>(1)</sup> Most real property other than timber is assessed at 40% of its fair market value. Standing timber is assessed at 100% of its fair market value and is subject to taxation even if the underlying land is exempt from taxation.

<sup>(2)</sup> Based on Gross Digest.

Source: Georgia Department of Revenue.

## Tax Collections

The following table sets forth the real and personal property tax levy and collection record of the City for the last five fiscal years.

Fiscal Year	Taxes Levied for the Fiscal Year <sup>(1)(3)</sup>	Collections within the Fiscal Year of Levy <sup>(2)(3)</sup>	Percentage of Levy	Collections in Subsequent Years	Total Collections to Date	Percentage of Levy
2017	\$8,802,942	\$8,641,016	98.2%	\$ —	\$8,641,016	98.2%
2016	8,004,716	7,848,448	98.0	149,634	7,998,082	99.9
2015	7,054,126	6,975,703	98.9	64,663	7,040,366	99.8
2014	6,373,661	6,299,520	98.8	68,261	6,367,781	99.9
2013	5,595,364	5,501,908	98.3	85,519	5,591,427	99.9

<sup>(1)</sup> Represents taxes levied for real and personal property (excludes motor vehicles, utilities and mobile homes). Includes adjustments made from the original levy.

<sup>(2)</sup> Collections within that fiscal year. Excludes collections from prior levies.

<sup>(3)</sup> For Fiscal Year 2018, taxes levied are \$9,106,412 and collections as of 12/31/2018 are \$8,489,418.

Source: DeKalb County Tax Commissioner and City of Brookhaven tax reports.

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**Ten Largest Taxpayers**

Set forth below are the 10 largest taxpayers of the City for the fiscal year ending December 31, 2018, based upon the assessed valuation of property within the City. A determination of the largest taxpayers within the City can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessment in excess of those set forth in the table below. Furthermore, the taxpayers shown in the table below may own additional parcels within the City. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City.

<u>Taxpayer</u>	<u>2018 Taxable Assessed Valuation</u>	<u>Percentage of Total Taxable Assessed Valuation<sup>(1)</sup></u>
CFATT LLC	\$50,401,165	1.52%
Development Authority of DeKalb County	49,508,729	1.49
20 Perimeter Summit, LLC	46,000,000	1.38
Lion Gables Realty LP	35,156,000	1.06
Perimeter Summit Parcel 2 LP	35,036,000	1.05
Goodwynn Multifamily, LLC	34,243,960	1.03
Real Estate Enterprises LLC	33,311,331	1.00
3450 Blair Circle LLC	33,200,000	1.00
Executive Park GA Partners LLC	28,048,587	0.84
CWS SGARR Brookhaven LLC	<u>27,857,908</u>	<u>0.84</u>
	<u>\$372,763,680</u>	<u>11.21%</u>

<sup>(1)</sup> Based upon 2018 Net M&O digest of \$3,323,507,993.  
Source: DeKalb County Tax Commissioner.

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## CITY FINANCIAL INFORMATION

### Accounting Policies

See Note 1 of the audited financial statements of the City for a detailed description of the City's significant accounting policies.

### Five Year General Fund History

Set forth below is an historical, comparative summary of the revenues, expenditures, and changes in fund balance of the City's General Fund for the five most recent fiscal years. The information in the following table has been extracted from audited financial statements of the City. Although taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of Brookhaven for the years shown. For more complete information, reference is made to the City's audited financial statements, copies of which are available from the City upon request.

#### General Fund History

	Fiscal Year Ended December 31,				
	<u>2013<sup>(1)</sup></u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenues</b>					
Property taxes	\$ 5,682,476	\$6,627,845	\$7,429,782	\$7,233,843	\$8,363,462
Sales taxes	—	—	—	—	55,590
Franchise taxes	1,472,669	2,050,890	3,961,934	4,111,311	4,630,027
Alcohol excise taxes	741,592	810,836	818,244	1,089,937	1,138,944
Business taxes	1,761,762	4,584,705	5,352,681	5,008,501	5,367,889
Excise taxes	57,663	70,807	291,053	307,029	329,125
Licenses and permits	2,033,031	2,667,375	2,043,013	3,445,759	3,207,348
Intergovernmental	—	300,041	11,426	24,390	6,281
Charges for services	442,827	730,732	1,158,201	1,062,359	795,095
Fines and forfeitures	359,364	1,293,124	1,275,812	1,029,051	902,971
Contributions	—	30,250	137,658	74,283	37,239
Interest earned	2,607	4,782	3,144	6,040	23,719
Miscellaneous	36,936	43,705	240,107	275,325	135,598
<b>Total Revenues</b>	<u>12,590,927</u>	<u>19,215,092</u>	<u>22,723,055</u>	<u>23,667,828</u>	<u>24,993,288</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	4,129,445	5,019,662	4,420,143	4,683,562	5,775,622
Judicial	478,426	489,077	582,977	565,815	576,361
Public safety	8,167,651	7,026,715	7,578,739	7,815,061	8,294,726
Public works	1,139,744	1,628,514	1,833,164	1,340,409	1,593,750
Recreation	595,935	1,504,372	1,905,750	2,474,935	2,477,765
Housing and development	1,259,431	2,443,380	2,883,570	2,835,252	3,246,127
<b>Debt service</b>					
Interest	31,590	30,914	13,956	—	—
<b>Total Expenditures</b>	<u>15,802,222</u>	<u>18,142,634</u>	<u>19,218,299</u>	<u>19,715,034</u>	<u>21,964,351</u>
Excess (deficiency) of revenues over expenditures	<u>(3,211,295)</u>	<u>1,072,458</u>	<u>3,504,756</u>	<u>3,952,794</u>	<u>3,028,937</u>
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	21,915	—	—	—	—
Issuance of capital lease	1,172,973	—	116,256	—	—
Transfers in	2,455,225	988,076	1,148,277	1,170,406	1,571,011
Transfers out	(4,250)	(746,830)	(1,144,184)	(2,274,889)	(2,375,951)
<b>Total other financing sources (uses)</b>	<u>3,645,863</u>	<u>241,246</u>	<u>120,349</u>	<u>(1,104,483)</u>	<u>(804,940)</u>
<b>Net change in fund balances</b>	<u>434,568</u>	<u>1,313,704</u>	<u>3,625,105</u>	<u>2,848,311</u>	<u>2,223,997</u>
<b>Fund balance, beginning of year</b>	<u>—</u>	<u>434,568</u>	<u>1,748,272</u>	<u>5,373,377</u>	<u>8,221,688</u>
<b>Fund balances, end of year</b>	<u>\$434,568</u>	<u>\$1,748,272</u>	<u>\$5,373,377</u>	<u>\$8,221,688</u>	<u>\$10,445,685</u>

<sup>(1)</sup> Fifty-four week reporting period from the inception of the City to December 31, 2013.

**Management’s Comments Concerning Material Trends in Revenues and Expenditures**

The City anticipates that financial performance for fiscal year 2018 will be in line with budgeted numbers. The City expects that fund balance will grow in fiscal year 2018. See “CITY FINANCIAL INFORMATION – Budget” for a summary of the City’s fiscal year 2018 and 2019 budgets.

For a narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2017, see “Management’s Discussion and Analysis,” included in Appendix A to this Official Statement. The Management’s Discussion and Analysis is not a required part of the basic financial statements of the City but is supplementary information required by the Governmental Accounting Standards Board that has not been audited by the City’s auditor.

**Budget**

See Note 3 of the audited financial statements of the City for a description of its budgetary processes. Georgia law requires each municipality to operate under an annual balanced budget adopted by ordinance or resolution. A budget ordinance or resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. A summary of the budget for the fiscal years ended December 31, 2018 and 2019 is set forth below.

General Fund Budget for the Fiscal Year Ending December 31,  
(Modified Accrual Budgetary Basis of Accounting)

	<u>2018 Budget</u>	<u>2019 Budget</u>
Revenues:		
Real Property Taxes	\$ 8,058,968	\$ 9,097,347
Other Taxes	11,461,830	11,999,260
Licenses and Permits	3,344,600	3,407,291
Charges for Services	697,650	539,650
Fines and Forfeitures	956,700	1,225,000
Investment Income	15,000	30,000
Miscellaneous Revenue	82,000	42,000
Other Financing Sources	<u>1,350,000</u>	<u>1,350,000</u>
Operating Revenues	\$25,966,748	\$27,690,548
Expenditures:		
Mayor and Council	\$ 337,224	\$ 426,700
City Manager	823,613	841,100
City Clerk	272,142	338,850
Finance	1,677,918	2,148,303
City Attorney	520,000	560,000
Information Technology	1,625,319	1,718,435
Human Resources	248,162	287,150
Communications	447,102	562,385
Municipal Court	599,886	866,900
Police	8,421,786	8,985,585
Public Works	1,513,900	1,565,900
Parks & Recreation	2,605,844	3,201,127
Community Development	2,783,409	3,387,310
Tree Conservation	5,000	5,000
Economic Development	151,357	159,850
Tourism	290,000	290,000
Non-Department	<u>3,644,086</u>	<u>2,345,953</u>
Operating Expenditures	\$25,966,748	\$27,690,548
Total Revenues Over (Under) Expenses	<u>\$0</u>	<u>\$0</u>

## **Insurance Coverage and Governmental Immunity**

Under Georgia law, the defense of sovereign immunity is available to the City, except for actions for the breach of written contracts and actions for the recovery of damage for any claim for which liability insurance protection has been provided, but only to the extent of the liability insurance provided. The City, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the City in the exercise of its delegated powers.

The City carries commercial insurance for risks of losses related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. Settled claims in the last three fiscal years have not exceeded the City's coverages. See Note 4 to the City's audited financial statements attached hereto as Appendix A.

## **Investment of Funds**

O.C.G.A. Section 36-80-3 provides that the governing body of the City may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the United States and of its agencies and instrumentalities,
- (2) bonds or certificates of indebtedness of the State of Georgia and of its agencies and instrumentalities, and
- (3) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured.

O.C.G.A. Section 36-83-4 provides that the governing body of the City may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the State of Georgia or other states,
- (2) obligations issued by the United States government,
- (3) obligations fully insured or guaranteed by the United States government or United States government agency,
- (4) obligations of any corporation of the United States government;
- (5) prime banker's acceptances,
- (6) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated,
- (7) repurchase agreements, and
- (8) obligations of other political subdivisions of the State of Georgia.

See Note 4 of the audited financial statements of the City for information regarding investment risk and policies.

## LEGAL MATTERS

### Pending Litigation

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The City, after reviewing the current status of all pending and threatened litigation with its attorney, believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the City or its officials in such capacity are adequately covered by insurance or sovereign immunity or will not have a material adverse effect upon the financial position or results of operations of the City.

There is no litigation now pending or, to the knowledge of the City, threatened against the City which (a) restrains or enjoins the issuance or delivery of the Bonds, the levy of an ad valorem tax for the payment of the Bonds or the use of the proceeds of the Bonds or (b) questions or contests the validity of the Bonds, the proceedings and authority under which they are to be issued or the security for the Bonds. Neither the creation, organization, or existence of the City, nor the title of the present members or other officials of the City to their respective offices, is being contested or questioned.

### Tax Exemption

*Generally.* Legal matters incident to the authorization, validity, and issuance of the Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City, which will be delivered contemporaneously with the delivery of the Bonds in substantially the form attached to this Official Statement as Appendix B. Copies of such opinion will be available at the time of the initial delivery of the Bonds.

*Federal Taxes.* In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, rulings and court decisions, and assuming compliance by the City with certain tax covenants, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. No opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on, or the ownership of, the Bonds.

Ownership of the Bonds may result in other collateral federal income tax consequences to certain taxpayers, including, without limitation, banks, thrift institutions and other financial institutions, foreign corporations which conduct a trade or business in the United States, property and casualty insurance corporations, S corporations, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. Purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

In rendering our opinion that the interest on the Bonds is not includable in gross income for federal income tax purposes, Bond Counsel will (a) rely as to certain factual matters upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Bonds), without undertaking to verify the same by independent investigation and (b) assume continued compliance by the City with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the related Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of such Bonds.

*State of Georgia Taxes.* In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia. Each purchaser of the Bonds should consult his or her own tax advisor regarding the tax-exempt status of interest on the Bonds in a particular state or local jurisdiction other than the State of Georgia.

*Changes in Federal Tax Law.* Current and future legislative proposals, if enacted by Congress, could cause interest on the Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds or could cause interest on the Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation.

### **Validation Proceedings**

The City caused proceedings to be instituted in the Superior Court of DeKalb County, Georgia to validate the Bonds, and the Bonds were validated on January 8, 2019. The order is not being appealed or contested.

### **Closing Certificates**

The City will deliver to the Underwriter a certificate that no litigation is pending or threatened against it which would have a material effect on the issuance or validity of the Bonds, the levy and collection of an ad valorem tax to pay the Bonds, or on the financial condition of the City. In addition, the City will represent to the Underwriter in the Bond Purchase Agreement that the information contained in this Official Statement does not contain any misrepresentation of a material fact and does not omit or state any material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

## **MISCELLANEOUS**

### **Ratings**

Moody's Investors Service, Inc. ("Moody's") has assigned the Bonds the rating of "Aaa" and S&P Global Ratings Inc. ("S&P") has assigned the Bonds the rating of "AAA." Any desired explanation of the significance of such ratings should be obtained from Moody's and S&P. Certain information and materials, including information and materials not included in this Official Statement, were furnished by the City to Moody's and S&P. Generally, the rating agencies base their ratings on the information and materials so furnished and on its respective investigations, studies and assumptions. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

There is no assurance that the ratings will be maintained for any given period of time or that they will not be lowered or withdrawn entirely if, in the judgment of Moody's or S&P circumstances so warrant. Any such change in or withdrawal of such ratings could have an adverse effect on the market price or the marketability of the Bonds.

### **Competitive Sale of Bonds**

The Bonds are being purchased by \_\_\_\_\_ (the "Underwriter"), as the successful bidder pursuant to a competitive sale. The Underwriter has agreed to purchase the Bonds at a purchase price of \$\_\_\_\_\_ (representing par, plus net original issue premium of \$\_\_\_\_\_, less an underwriting discount of \$\_\_\_\_\_). The Underwriter's obligation to purchase the Bonds is subject to certain conditions precedent set forth in the Official Notice of Sale. The Underwriter will be obligated to purchase all of the Bonds if any are purchased. The prices of the Bonds may be changed by the Underwriter after the Bonds are released for



sale, and the Bonds may be offered and sold by the Underwriter at prices other than the initial offering prices, including sales to dealers who may sell the Bonds to investment accounts.

### **Independent Auditors**

The financial statements of the City for the fiscal year ended December 31, 2017 included in Appendix A to this Official Statement have been audited by Mauldin & Jenkins, LLC, Atlanta, Georgia (the “Auditor”), certified public accountants, for the period indicated in its report. Such financial statements have been included herein in reliance upon the report of the Auditor, given upon the authority of such firm as an independent auditor. The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

### **Financial Advisor**

Davenport & Company LLC, Atlanta, Georgia, serves as Financial Advisor to the City and has no underwriting responsibility to the City with respect to this transaction. As Financial Advisor, Davenport & Company LLC has advised the City in matters relating to the planning, structuring and issuance of the Bonds, assisted the City with the preparation of this Official Statement and provided to the City other advice with respect to the issuance and sale of the Bonds. The Financial Advisor’s fee will be paid from proceeds of the Bonds.

Although Davenport & Company LLC has assisted in the preparation of the Official Statement, Davenport & Company LLC is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

### **Additional Information**

Use of the words “shall” or “will” in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

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**CERTIFICATION**

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the City.

CITY OF BROOKHAVEN, GEORGIA

By: \_\_\_\_\_  
Mayor

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**APPENDIX A**

**Financial Statements of the City for Fiscal Year Ended December 31, 2017**

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**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2017**

**Prepared by:**  
**Finance Department**

**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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## INTRODUCTORY SECTION

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June 13, 2018

Honorable Mayor,  
Members of the City Council, City Manager and Assistant City Manager  
City of Brookhaven, Georgia

The Finance Department of the City of Brookhaven (the "City") is pleased to submit the Comprehensive Annual Financial Report of the City of Brookhaven, Georgia for the fiscal year ended December 31, 2017. The purpose of the report is to provide the Mayor, City Council, management, staff, the public and other interested parties with detailed information reflecting the City's financial condition.

#### **THE REPORT**

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report has been prepared in accordance with State statutes set forth in the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p.464), and as amended by the Act approved April 21, 1968 (GA Laws 1977, p.883). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position of the City of Brookhaven. We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The management of the City of Brookhaven has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Brookhaven's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Brookhaven's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Brookhaven's financial statements have been audited by Mauldin & Jenkins, LLC. The responsibility of the independent audit was to provide reasonable assurance that the financial statements of the City of Brookhaven for the fiscal year ended December 31, 2017 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Brookhaven's financial statements for the fiscal year ended December 31, 2017 are fairly presented in conformity with GAAP. Note that the auditors do not express an opinion on the effectiveness of the City's internal controls. The independent auditor's report is presented as the first component of the financial section of this report.

Also included in the report is the Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis. The basic financial statements, including the accompanying notes, represent the core of the financial section. These financial statements present the financial condition of the City of Brookhaven as a single entity, as well as the individual funds that account for the City's various governmental and business-type activities.

## **PROFILE OF THE CITY**

After a July 31, 2012 voter referendum, approving the establishment of the City of Brookhaven, the City officially became the largest city in DeKalb, Georgia on December 17, 2012. Brookhaven is in the northeast suburbs of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, scores of quality restaurants, quality shopping, and a large diverse international population.

Under the Charter, the Council is comprised of a Mayor and four Council Members who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with the Mayor and two Councilmembers alternating with the other two Councilmembers on odd-numbered years. The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City. Since incorporation, the City has undergone one annexation which became effective and grew the City by 0.3 square miles.

The City provides a range of municipal services including general government, public safety (police), streets, parks and recreation, planning and zoning, code enforcement, and stormwater utility. Sanitation collection services, fire protection, and emergency medical services are provided to residents via an intergovernmental agreement with DeKalb County. DeKalb County also provides water and sewer services to all municipalities, within its borders, including Brookhaven.

The annual budget of the City of Brookhaven serves as the foundation for the City's financial planning and control. The budget is prepared by the City Manager, transmitted to the City Council by the Mayor, and adopted by the City Council in accordance with policies and procedures established by the Brookhaven Charter and council ordinances. The appropriated budget is prepared and presented by fund, department (e.g. police) or function (e.g. debt service), and major cost category (e.g., personnel services). All expenditures of the City are made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Brookhaven Code ordinance. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors. Transfers among expenditure accounts in one department may occur with the approval of the Finance Director. Transfers between operating departments may occur with the approval of the City Council. Transfers between funds accomplished via budget amendment must be approved by the City Council. Budget amendments, increasing or decreasing fund appropriations, must also be approved by the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For all governmental funds with appropriated annual budgets, this comparison is presented in the required supplementary information (RSI) or combining fund section of this report.

## **ECONOMIC CONDITION AND OUTLOOK**

Some of the factors, which will contribute to the future growth and development of the City of Brookhaven, are listed below:

### Improved Transportation System

The City of Brookhaven is home to a heavy rail rapid transit station operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Opening in 1984, the Brookhaven station has over 2,350 daily passengers pass through its turnstiles. Transportation systems have a major impact on the growth and development of any community. With access to I-85 and I-285, the City's major local thoroughfares include Buford Highway (GA 13), Ashford Dunwoody Road, and Peachtree Road. Also, the City has paved over 20 lane-miles during the last two years, while a total of over 9,000 linear feet of new sidewalks have been added.

### Redevelopment of Existing Land/Properties

With most of the land/property in the City developed, the City's growth has been redevelopment in nature. This redevelopment includes mixed-use (commercial and residential), multiple family residences, and larger, modern homes. With an estimated population of 54,169 (Source: January 2018 ESRI Community Profile), the Community Development Department continues to work with developers and builders on projects promoting live-work-play communities, bike and pedestrian mobility, and neighborhood character preservation. Continuous measures have been

implemented to make the City of Brookhaven esthetically pleasing for its citizens and business owners such as design standards and overlay districts.

### Recent Economic Development

The City continues its growth through mixed-use development and other zoning improvements. Located on Ashford Dunwoody Road, near Perimeter Summit and I-285, the Ashford Green Development is a 1.13 million square foot project, consisting of two (2) 10-story office buildings and approximately 300 apartments.

Children's Healthcare of Atlanta (CHOA), recognized by US News and World Reports as one of the top pediatric hospitals in the country, has started building an 8-story, 300,000 square foot clinic/ambulatory care facility at its I-85 and North Druid Hills Road location. The facility was in the area annexed into the City in 2014, and is under construction. The facility is expected to service 300,000 patients annually, provide for ancillary health services, and treat children with complex and chronic illnesses.

Decide DeKalb, the development authority arm of DeKalb County, provided tax incentives for the development of an 18-story, 400,000 square foot office tower at Perimeter Parkway. Perimeter Summit is an 83-acre master planned development in the northern, I-285 area of the city currently consisting of three office buildings providing a total of more than 1.3 million square feet of Class A office space, two hotels (Hyatt Regency and Villa Christina) and residential housing. The Perimeter Summit development has over 300 residential condominiums and almost 200 hotel rooms.

### Budgetary Controls

The City of Brookhaven maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Activities of the General Fund, Confiscated Funds, E911 Fund, Special Tax District Fund, Hotel Motel Tax Fund, Streetlight Fund, Homestead Option Sales Tax Fund, Capital Project Fund, and Debt Service Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level.

A copy of the City of Brookhaven's annual budget can be obtained from the City of Brookhaven's Finance Department by calling (404) 637-0500. The copies of the annual budget or the various master plans can also be accessed through the department's web site at [www.brookhavenga.gov](http://www.brookhavenga.gov).

### Financial Policies

The City's Financial Management Policy guides management in the preparation of its annual budget and daily financial operations. The Policy provides standards for the use of contingencies, unexpected expenditures, the establishment of an unassigned fund balance reserve of 25% of

annually budgeted following year expenditures in the General Fund, cash and investment management, grant management, purchasing policies, and internal control policies.

Internal accounting controls are designed to provide reasonable assurance regarding the safety of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

### Long-Term Financial Planning

The City actively engages in multi-year financial planning. The City has developed several master plans including parks, transportation and sidewalks, and stormwater infrastructure. The 2017 budget funded substantial progress for execution. It is expected that work on these plans will be implemented over the subsequent ten-year (2018-2028) period. As part of the annual capital improvement program, future capital acquisitions and capital asset replacements are considered in the forecast. The City uses various data in forecasts for future operating and capital needs in the preparation of the City's annual budget document.

## **MAJOR INITIATIVES**

### Parks Master Plan

With the conveyance of the park property from DeKalb County in 2014, the City primarily concluded its park master planning process in 2015. The master plan establishes the amenities and functional thresholds for City parks and recreational facilities. The City is executing the parks master plan in a pay as you go manner. Personalizing each park will include the various park specific amenities – signage, tennis courts, open fields, athletic fields, walking and nature trails, playground structures, parking, restroom construction/renovation, and stream cleanup/stabilization.

Since the fall of 2016, the City has completed three (3) park master plan projects to include Clacks Corner Park, Georgian Hills Park Phase I, and Murphey Candler Park Open Space Field Project. Other projects included the Tike Track and the Sand Box Shade Structure at Ashford Park. Substantial work was done on Skyland Park Project and Park Monument Signs were installed in all parks.

### Peachtree Creek Greenway Project

The Peachtree Creek Greenway is a 12-mile multi-city trail project beginning just outside of I-285, following the North Fork of Peachtree Creek to its confluence with the South Fork, and linking with regional trails including the Atlanta Beltline. Brookhaven is leveraging the project to provide

transportation and recreation alternatives, while encouraging development facing the creek. Plans call for a 2.7-mile multi-use trail and linear park featuring a series of paved multi-purpose and promenade trails near a revitalized corridor dotted with residences, offices, restaurants, bike rental stands, coffee shops, and picnic areas. The City plans to leverage funding via the Atlanta Regional Transportation Improvement Plan, grants, and a bond funded via Hotel/Motel tax to meet the projected \$38 million cost for this portion of the Peachtree Creek Greenway.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) *Certificate of Achievement for Excellence in Financial Reporting (CAFR)* is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a *Certificate of Achievement*, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. The document must satisfy both generally accepted accounting principles and applicable legal requirements. Our 2015 report was our first submittal and the City was successful in receiving the GFOA Certificate of Achievement. We are submitting our fiscal year 2017 report expecting to receive the award for a third time.

I would like to thank all members of the Finance Department as well as all other departments who assisted with assembling the information presented in this report. I would like to acknowledge the City's auditors, Mauldin & Jenkins, LLC, with the assistance they provided in meeting the deadlines established for publication of the document. The Mayor, City Council, City Manager and Assistant City Manager have been significant agents of change. Many projects have been completed and more are underway.

Respectfully submitted,

Linda Nabers  
Finance Director

**CITY OF BROOKHAVEN, GEORGIA**  
**LIST OF PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2017**

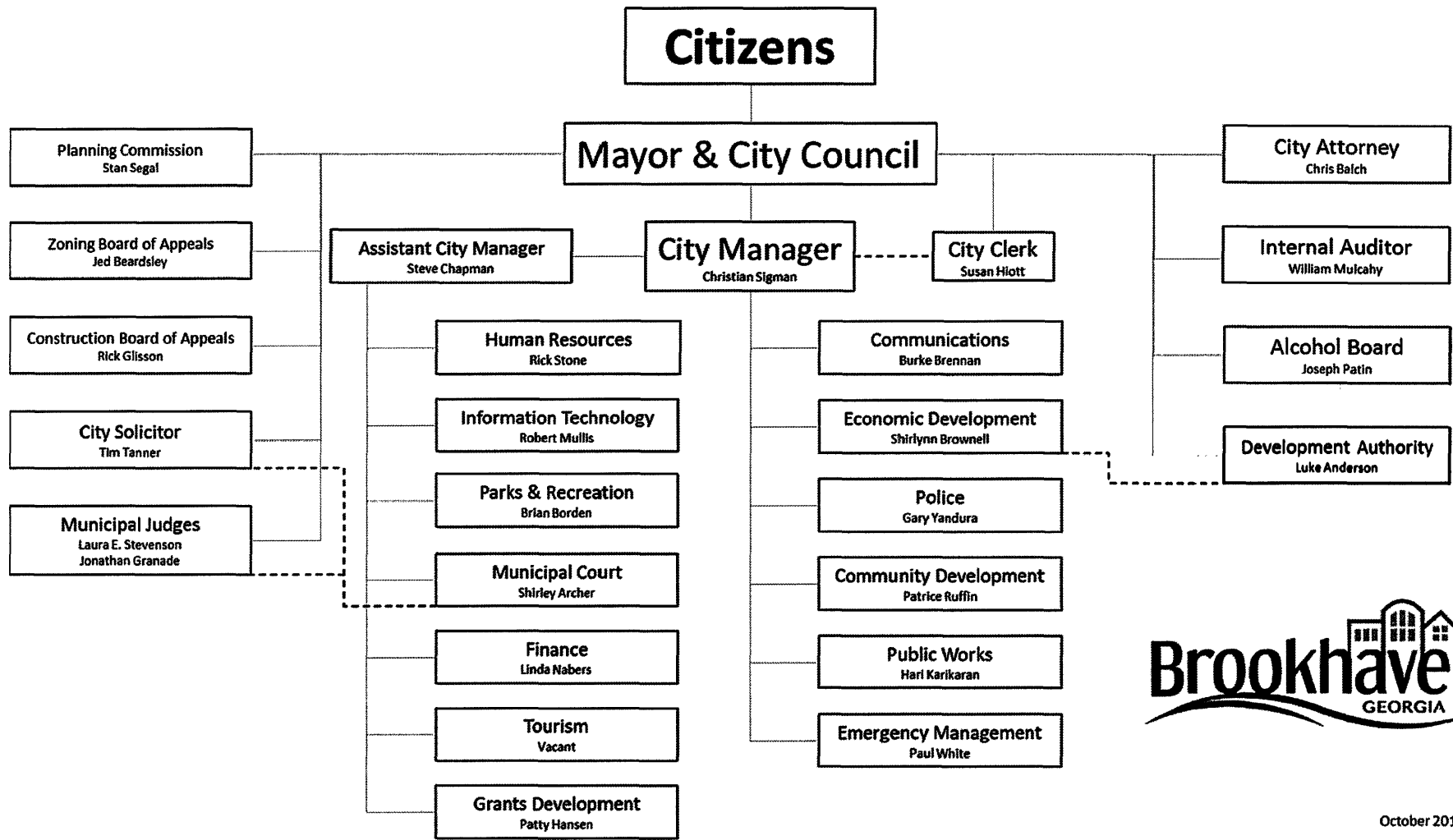
**LEGISLATIVE BRANCH**

Mayor	John A. Ernst, Jr.
Council Member – District 1	Linley Jones
Council Member – District 2	John Park
Council Member – District 3	Bates Mattison
Council Member – District 4	Joe Gebbia

**MANAGEMENT STAFF**

City Manager	Christian Sigman
Asst. City Manager/CFO	Steve Chapman II
City Clerk	Susan Hiott
Director of Human Resources	Rick Stone
Director of Finance	Linda Nabers
Communications Director	Burke Brennan
Director of Information Technology	Robert Mullis
Municipal Court Administrator	Shirley Archer
Police Chief	Gary Yandura
Director of Public Works	Hari Karikaran
Director of Parks & Recreation	Brian Borden
Director of Community Development	Patrice Ruffin
Director of Economic Development	Shirlynn Brownell





October 2017



Government Finance Officers Association

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

Presented to

**City of Brookhaven  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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**The Honorable Mayor and Members  
of the City Council of the  
City of Brookhaven, Georgia**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Brookhaven, Georgia**, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and General Fund and Grant Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis), 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's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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*Other Information (Continued)*

The combining and individual fund financial statements and schedules (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 June 13, 2018, on our consideration of the City’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’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’s internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
June 13, 2018

## CITY OF BROOKHAVEN, GEORGIA MANAGEMENT'S DISCUSSION AND ANALYSIS

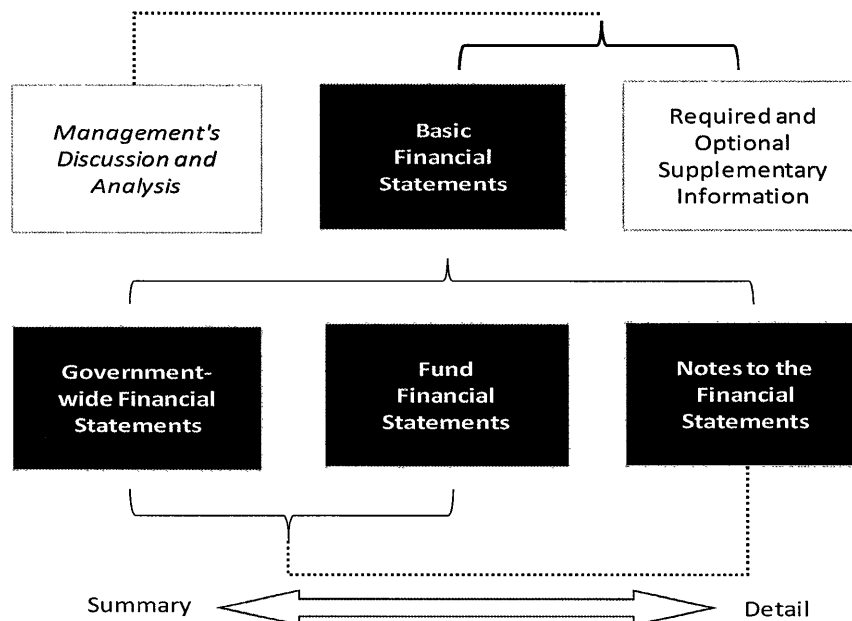
As management of the City of Brookhaven (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2017. We encourage readers to consider the information presented in conjunction with the basic financial statements, notes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

### FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal period by \$107,673,951. Of this amount, unrestricted net position of \$25,524,070 is available to meet the ongoing obligations of the government.
- As of the close of the fiscal period, the City's governmental funds reported combined ending fund balances of \$27,247,538.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is comprised of four segments as dictated by generally accepted accounting principles (GAAP); management's discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the City comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) 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 and liabilities, with the difference between them reported as net position. Overtime, 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 City's net position changed during the most recent fiscal period. 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 cashflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cashflows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

<b>Major Features of the City of Brookhaven's Government-wide and Fund Financial Statements</b>			
	<b>Government-wide Statements</b>	<b>Fund Statements</b>	
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>
Scope	Entire City government	Activities of the City that are not proprietary, such as police, zoning, and parks	Activities the City operates similar to private business; stormwater utility
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures, and changes in fund balance	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, housing and development and recreation.



The government-wide financial statements can be found on pages 25 and 26 of this report.

**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 governmental funds or 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 the City'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 City'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 four major governmental funds. The City's major governmental funds are the General, Homestead Option Sales Tax (HOST), Grant and Capital Projects fund. 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 these major funds.

The City adopts an annual appropriated budget for its general and special revenue funds. A project length budget is adopted for the capital project fund. A budgetary comparison statement has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27 through 29 of this report.

**Proprietary Funds.** Under GASB Statement No. 34, governments report two types of proprietary funds if applicable. The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its stormwater fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 30 through 32 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 on pages 33 through 52 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedule for the general fund and major special revenue funds as presented on a generally accepted accounting principal basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted

basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted and amended budget. Required supplementary information can be found on pages 53 through 55 of this report.

The combining fund financial statements are presented immediately following the required supplementary information. They can be found on pages 56 and 57 of this report.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

#### City of Brookhaven, Georgia's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current assets	\$ 32,034,129	\$ 25,493,827	\$ 1,929,770	\$ 1,954,037	\$ 33,963,899	\$ 27,447,864
Capital assets, net	77,328,582	65,150,566	7,412,334	7,146,150	84,740,916	72,296,716
<b>Total assets</b>	<b>109,362,711</b>	<b>90,644,393</b>	<b>9,342,104</b>	<b>9,100,187</b>	<b>118,704,815</b>	<b>99,744,580</b>
<b>Liabilities</b>						
Current liabilities	4,706,898	2,424,274	236,690	89,327	4,943,588	2,513,601
Long-term liabilities	6,087,276	1,469,276	-	-	6,087,276	1,469,276
<b>Total liabilities</b>	<b>10,794,174</b>	<b>3,893,550</b>	<b>236,690</b>	<b>89,327</b>	<b>11,030,864</b>	<b>3,982,877</b>
<b>Net Position</b>						
Net investment in						
capital assets	72,013,003	64,370,907	7,412,334	7,146,150	79,425,337	71,517,057
Restricted	2,724,544	2,405,177	-	-	2,724,544	2,405,177
Unrestricted	23,830,990	19,974,759	1,693,080	1,864,710	25,524,070	21,839,469
<b>Total net position</b>	<b>\$ 98,568,537</b>	<b>\$ 86,750,843</b>	<b>\$ 9,105,414</b>	<b>\$ 9,010,860</b>	<b>\$ 107,673,951</b>	<b>\$ 95,761,703</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$107,673,951 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (73.8%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$2,724,544) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$25,524,070 or 23.7%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

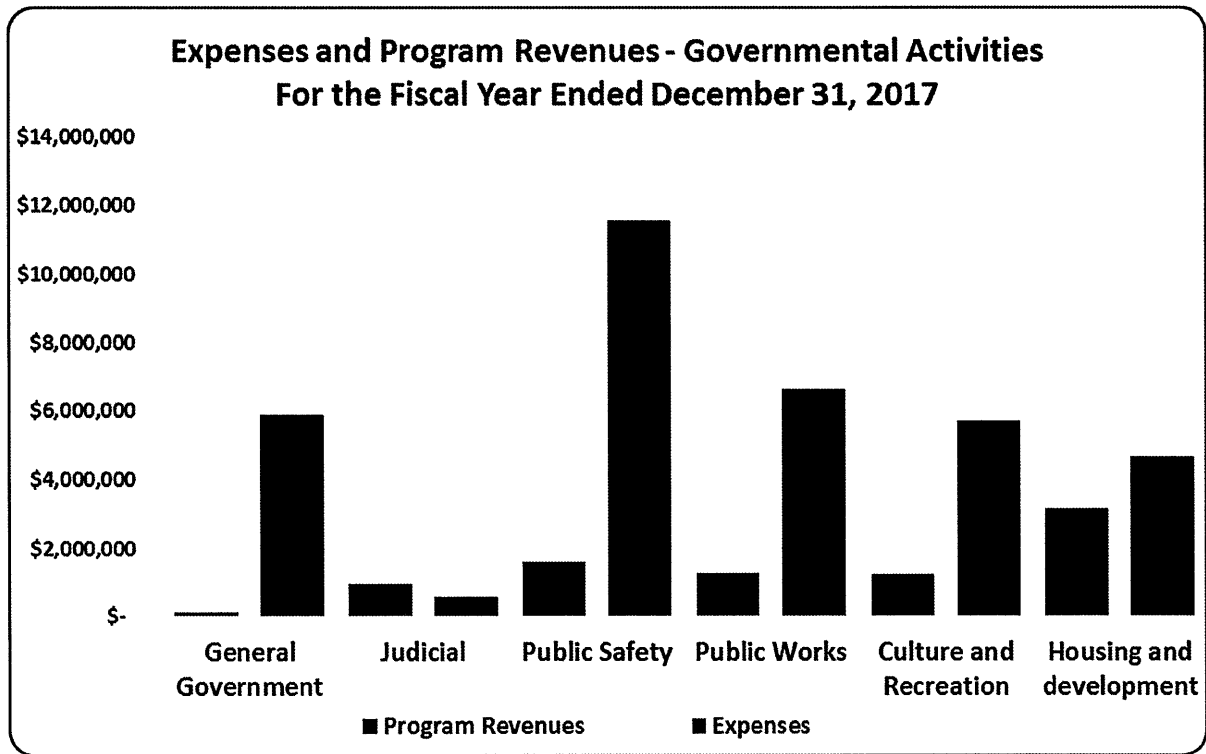
**Governmental Activities.** Governmental activities increased the City of Brookhaven's net position by \$11,817,694, thereby accounting for 99.2% of the total increase in the net position of the City. Key elements of this increase are shown in detail in the table on the following page.

**City of Brookhaven, Georgia's Change in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for services	\$ 5,921,195	\$ 6,867,248	\$ 1,988,504	\$ 1,581,760	\$ 7,909,699	\$ 8,449,008
Capital grants & contributions	2,492,933	326,032	-	-	2,492,933	326,032
<b>General revenues:</b>						
Property taxes	9,454,749	7,684,986	-	-	9,454,749	7,684,986
Sales taxes	6,691,614	6,911,336	-	-	6,691,614	6,911,336
Hotel/Motel tax	2,948,420	1,950,677	-	-	2,948,420	1,950,677
Franchise taxes	4,630,027	4,111,311	-	-	4,630,027	4,111,311
Business tax	5,367,889	5,008,501	-	-	5,367,889	5,008,501
Alcohol and excise taxes	1,468,069	1,396,966	-	-	1,468,069	1,396,966
<b>Unrestricted</b>						
Investment earnings	43,259	9,677	-	-	43,259	9,677
Miscellaneous	424,329	403,235	-	-	424,329	403,235
Gain on sale of capital assets	7,429,465	-	-	-	7,429,465	-
Capital contributions	-	-	-	251,800	-	251,800
<b>Total revenues</b>	<b>46,871,949</b>	<b>34,669,969</b>	<b>1,988,504</b>	<b>1,833,560</b>	<b>48,860,453</b>	<b>36,503,529</b>
<b>Expenses:</b>						
General government	5,896,748	5,101,706	-	-	5,896,748	5,101,706
Judicial	580,297	584,753	-	-	580,297	584,753
Public safety	11,552,258	10,595,386	-	-	11,552,258	10,595,386
Public works	6,628,883	4,295,145	-	-	6,628,883	4,295,145
Housing and development	4,644,383	3,736,194	-	-	4,644,383	3,736,194
Culture and recreation	5,695,736	4,423,411	-	-	5,695,736	4,423,411
Community development	-	146,983	-	-	-	146,983
Interest on long-term debt	95,950	28,226	-	-	95,950	28,226
Stormwater	-	-	1,853,950	1,488,786	1,853,950	1,488,786
<b>Total expenses</b>	<b>35,094,255</b>	<b>28,911,804</b>	<b>1,853,950</b>	<b>1,488,786</b>	<b>36,948,205</b>	<b>30,400,590</b>
Transfers	40,000	-	(40,000)	-	-	-
Changes in net position	11,817,694	5,758,165	94,554	344,774	11,912,248	6,102,939
Net position, beginning of year	86,750,843	80,992,678	9,010,860	8,666,086	95,761,703	89,658,764
<b>Net position, end of year</b>	<b>\$ 98,568,537</b>	<b>\$ 86,750,843</b>	<b>\$ 9,105,414</b>	<b>\$ 9,010,860</b>	<b>\$ 107,673,951</b>	<b>\$ 95,761,703</b>

- The City's governmental activities has recognized a \$946,053 or 13.8% decrease in charges for services from 2016. This is principally due to decreased judicial fines, as well as, the end of the legal fee reimbursement, offset marginally by the building permitting activities.
- Property tax revenues for 2017 were \$1.8 million greater than those of 2016. This 23.0% increase was due to the healthy growth in the tax digest due to new construction and improvements. Additionally, the City Council did not rollback the millage from 2.740 mills, providing approximately \$933,000 in additional property taxes as a result of property appreciation. This amount has been assigned for capital improvement through the City Council's approval of the FY 2018 budget.

- A slight decrease in the sales tax revenues in 2017 from 2016 by (\$219,722). The HOST revenues are dedicated to capital improvements. The HOST funds were moved to a Capital Improvement Fund where projects were established and the funds were designated appropriately, to Council approved projects which included various park improvements, road and sidewalks improvements.
- Franchise fees for the City increased by \$518.7 thousand or 12.6%. The City collected franchise fees that included electricity, cable and telephone. The Georgia Power distribution was the major contributor in this increase.
- The City's business tax revenues increased by \$359.4 thousand or 7.2% from 2016 revenues. The City had new business revenues for 2017 showing a strengthening economy.
- The City made an exchange with the DeKalb County Board of Education on land that resulted in a gain on the exchange of capital assets in the amount of \$7.4 million. The exchange of property was for relocation of Skyland Park and the new park is expected to be finished in 2018.



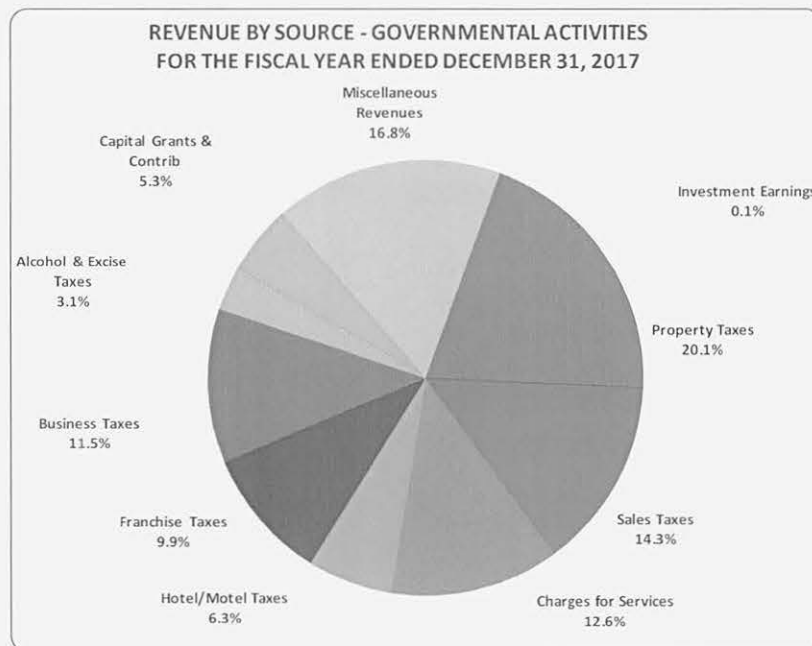
The increase in governmental activities expenses of \$6.1 million is attributed to the following major changes:

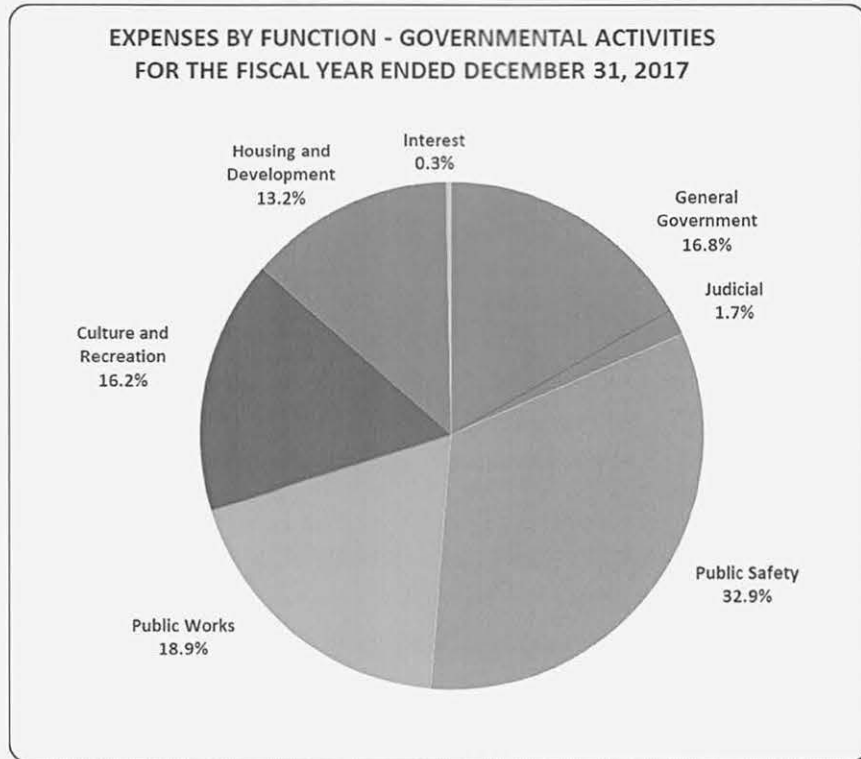
- In 2017, the general government activities expenses of the City increased by \$795.0 thousand over the 2016 expenses. This 15.6% increase was primarily due to the digital video archiving project, the City's fifth anniversary celebration, and first floor City hall women's restroom

renovation \$50 thousand. Legal fees for condemnation matters and other legal matters \$190 thousand, archiving digital data and implementation of City Works for Public Works and Community Development \$200 thousand, and transition from contracted positions in Communications to full time City employees. We added several parks that also included the contracted maintenance expenses to increase in this area by \$190 thousand.

- Public safety activities increased by \$956.9 thousand or 9.0% for 2017. Contributing to the increase is the active Government of Highway Safety Grant (GOHS) and the Project Safe Neighborhood Grant (PSN) for a total of \$284.5 thousand. The City also purchased 18 new Public Safety vehicles for \$630.7 thousand.
- In 2017, public works activity expenses increased by \$2.3 million or 54.3%. This increased as the City continues to prioritize street paving funded through HOST and the Capital Projects Fund.
- In 2017, the City continued bringing various parks online, resulting in investments in repair and maintenance and park facility programming. The expenses for culture and recreation increased by \$1.2 million due to the engagement of technical and professional contractors and staff to bring parks, pools and recreational amenities online. Over \$1.5 million was expended in the Capital Projects Fund for Skyland Park in 2017. Georgian Hills Park was near completion in 2017 as well.
- Housing and development expenses increased \$908.2 thousand or 24.3% from those for 2016. This difference is principally attributed to the City's increase in the Hotel/Motel tax rate from 5% to 8%. The change went into effect in October thus causing an increase in the expenses paid to the Dekalb Convention Visitors Bureau. The City also collected back taxes from the Marriott in the amount of \$545 thousand.

The charts below denote the source of the City's governmental revenues and expenses:





**Business-Type Activities.** Business-type activities increased the City's net position by \$94,554, thereby accounting for 0.8% of the total increase in the net position of the City. The sole business-type activity is its stormwater operations, which are accounted for in its Stormwater Fund. This fund is used to facilitate the repair, maintenance, and improvements to the City's stormwater facilities.

**Stormwater Fund Operations**

	Operating Revenues		Operating Expenses		Income from Operations	
	2017	2016	2017	2016	2017	2016
Fund:						
Stormwater	\$1,988,504	\$1,581,760	\$1,853,950	\$1,488,786	\$134,554	\$92,974
Totals	\$1,988,504	\$1,581,760	\$1,853,950	\$1,488,786	\$134,554	\$92,974

The revenues for the Stormwater Fund increased \$406,744 or 25.7% from the previous year. Although the City took over stormwater services during incorporation of the City in 2012, efforts continue to define the elements of the stormwater program.

Stormwater assessment fees (computed based on a property's impervious surface area) were \$1,894,504 up from 2016 by \$312,744; the stormwater fund also recaptured \$94,000 from the buildout of Byrnwick Drive Bypass. Depreciation on the capital assets accounted for 9.9% of the operating expenses.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$27,247,538.

<u>General Government Fund Balance</u>		<u>Purpose</u>	<u>2017</u>	<u>2016</u>	<u>Diff.</u>
<b>UNRESTRICTED FUND BALANCE</b>	<b>Non-spendable</b> "inherently non-expendable" such as deposits or inventory	Prepaid Expenses	\$ 697,283	\$ 431,443	\$ 265,840
	<b>Restricted</b> External "legal limitations" on use	Streetlighting	335,582	337,995	(2,413)
		Confiscated Funds	300,353	194,165	106,188
		E911 Operations	-	167,434	(167,434)
		Public Works	562,446	-	562,446
		Tourism (Hotel Motel)	1,485,020	1,660,476	(175,456)
		Police Donations	30,928	31,569	(641)
	<b>Committed</b> "Self-imposed" limitations on use	Debt Service	1,194,763	-	1,194,763
		HOST	1,661,404	9,486,486	(7,825,082)
	<b>Assigned</b> Limitations resulting from "intended use"	Subsequent year's budget: appropriation of fund balance	173,719	550,043	(376,324)
		Capital Projects	10,975,319	3,028,983	7,946,336
		Public Safety	286,966	-	286,966
		Future Capital Improvements	933,953	933,953	-
		Tree Conservation	43,969	21,369	22,600
		<b>Unassigned</b> "Residual" net resources	General Fund	8,565,833	6,253,311
Special Tax District No 1	-		(76,521)	76,521	
<b>TOTALS FOR GOVERNMENTAL FUNDS</b>			<b>\$ 27,247,538</b>	<b>\$ 23,020,706</b>	<b>\$ 4,226,832</b>

**General Fund.** The general fund is the primary operating fund of the City. At the end of the current fiscal period, unassigned fund balance was \$8,565,833 while total fund balance was \$10,445,685. This balance includes \$697,283 in prepaid expenses and \$30,928 in police donations as restricted fund balance. Additionally, \$1,151,641 was assigned for other purposes. This includes \$173,719 for next year's budget, \$933,953 for future capital improvements, and \$43,969 for tree conservation. Fund balance increased \$2,223,997 over the prior year primarily from actual revenues exceeding expectations for electric and gas

franchise fees by \$1.4 million, due to prior annexation changes. Permitting fees were up by \$967.3 thousand due to the new construction associated with the Children's Healthcare of Atlanta complex and insurance premium tax increased by \$477.3 thousand. The Unassigned Reserve accounts for 33% of FY 2018 approved budgetary expenditures which is above the target set by the City's fund balance policy as approved by the City Council. This is the second year that the City has fully funded its policy mandated unassigned reserve.

**Homestead Option Sales Tax Fund (HOST).** The HOST fund was set up to account for receipt of HOST sales tax revenues and associated expenditures for capital improvements. During the current year, \$6,655,518 (\$6,636,024 in sales tax revenues, and \$19,494 in investment income) was recognized as revenues, while a total of \$667,961 was expended and \$13.8 million was transferred out to the Capital Project Fund.

**Grant Fund.** The Grant Fund was established to account for funds received from the federal and state government. In 2017, \$1.6 million in revenues were received, and \$285.1 thousand spent mostly on the Project Safe Neighborhood Program and the Government of Highway Safety Grant. There were transfers out to the Capital Projects Fund for expenditures related to transportation improvements of \$718,748. The primary increase was due to receipt of State LMIG funding (916 thousand) in 2017.

**Capital Projects Fund.** The Capital Projects Fund was set up to capture the costs related to major projects that include, public safety, public works and recreation. The projects were funded using fund balance from the HOST fund, as well as, proceeds from the sale of capital assets and a new GEFA loan was obtained to fund the purchase of greenspace property. During 2017, \$920,360 was recognized as intergovernmental revenues. There was \$11.6 million spent on capital outlay with the bulk of the expenses used for street paving, sidewalk projects, and park improvements. The fund balance remains at \$10.2 million at the end of 2017 to be used for future capital projects. The primary increase in fund balance was due to \$4.7 million received from DeKalb County for the sale of land and transfers in from the HOST fund.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City utilized a conservative approach for budgeting purposes. Emphasis was given to ensuring financial stability for the current period as well as long-term stability.

The City employs an annual mid-year budget process in order to re-align appropriations made during the annual budget process with significant unexpected trends. This ensures adjustments facilitating appropriations to be in alignment with expected resources. On September 1, 2017, the City Council amended the 2017 budget by \$933,953 and appropriated from fund balance projects to include future Capital Improvement Projects. On November 2, 2017, the Council also amended the 2017 Budget by \$350,000 being appropriated from fund balance, so Public Works could proceed on projects for 2018 road paving.

The General Fund 2017 actual revenues were \$2.5 million or 11.2% greater than the amended budget. This variance is principally attributed to \$1.4 million franchisee fees and \$967 thousand in building permit revenues offset slightly by less than anticipated revenues from property taxes (\$220.4 thousand), and fines and forfeitures (\$447.0 thousand). The 2017 expenditures were \$1.2 million or 5.3% less than the amended budget. No departments exceeded their appropriations for 2017. Details of the original general fund budget and the amended budget are contained on pages 53 and 54 of this report.



## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities at December 31, 2017, amounts to \$84,740,916 (net of accumulated depreciation). This investment in capital assets includes land, structures, vehicles, as well as infrastructure assets such as streets, curbs, sidewalks, culverts and drainage ponds. A majority of these infrastructure assets were transferred to the City from DeKalb County. The City continues to work on projects and improvements.

The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government.

**City of Brookhaven, Georgia's Capital Assets**  
(Net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 11,304,991	\$ 1,924,238	\$ -	\$ -	\$ 11,304,991	\$ 1,924,238
Construction in progress	4,725,214	208,911	251,800	251,800	4,977,014	460,711
Improvements	2,103,893	2,102,832	-	-	2,103,893	2,102,832
Buildings	1,349,246	1,443,224	-	-	1,349,246	1,443,224
Machinery and equipment	2,129,338	2,785,233	-	-	2,129,338	2,785,233
Infrastructure	55,715,900	56,686,128	-	-	55,715,900	56,686,128
Stormwater infrastructure	-	-	7,160,534	6,894,350	7,160,534	6,894,350
Totals	<u>\$ 77,328,582</u>	<u>\$ 65,150,566</u>	<u>\$ 7,412,334</u>	<u>\$ 7,146,150</u>	<u>\$ 84,740,916</u>	<u>\$ 72,296,716</u>

Additional information on the City's capital assets can be found in note 6 on pages 45 and 46 of this report.

**Long-Term Debt.** At December 31, 2017, the City's long-term debt amounted to \$6,087,276. The debt consisted of capital leases used to acquire police equipment, computers and software, as well as any accrued compensated absences in the amount of \$771.7 thousand.

The City took out a Georgia Environmental Finance Authority (GEFA) loan in the amount of \$5.2 million for the purchase of greenspace near the Peachtree Dekalb Airport utilizing a low interest rate loan acquired through the Clean Water State Revolving Fund.

Additional information on the City's long-term debt can be found in note 7 on pages 46 through 48 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's management and elected officials considered many factors when adopting the budget for the fiscal year ending December 31, 2018.

- The 2018 budget anticipates a relatively stable tax digest.
- The City has an operating millage rate cap of 3.35 mills that is set by City Charter. The 2018 budget was prepared using the same rate as in FY 2017 of 2.740 mills.
- The City changed health care carriers in 2017 in order to stay within the budgeted employee benefits budgeted for 2018, while still maintaining the same level of services for healthcare.
- The City sees the biggest challenge in the upcoming budget year as continuing to strive to provide excellent customer service to citizens, while executing on completion of budgeted capital improvements throughout the City.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Brookhaven's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Brookhaven, 4362 Peachtree Road, Brookhaven, Georgia, 30319, or by calling (404)637-0500.

**CITY OF BROOKHAVEN, GEORGIA**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 25,257,864	\$ 1,855,051	\$ 27,112,915
Accounts receivable	3,220,013	60,500	3,280,513
Property taxes receivable	472,524	-	472,524
Due from other governments	2,386,445	-	2,386,445
Prepays	697,283	14,219	711,502
Capital assets:			
Nondepreciable	16,030,205	251,800	16,282,005
Depreciable, net of accumulated depreciation	61,298,377	7,160,534	68,458,911
<b>Total assets</b>	<b>109,362,711</b>	<b>9,342,104</b>	<b>118,704,815</b>
<b>LIABILITIES</b>			
Accounts payable	3,688,503	236,690	3,925,193
Accrued liabilities	309,214	-	309,214
Unearned revenue	709,181	-	709,181
Compensated absences, due within one year	617,357	-	617,357
Compensated absences, due in more than one year	154,340	-	154,340
Capital leases payable, due within one year	230,830	-	230,830
Capital leases payable, due in more than one year	23,682	-	23,682
Note payable, due within one year	239,856	-	239,856
Note payable, due in more than one year	4,821,211	-	4,821,211
<b>Total liabilities</b>	<b>10,794,174</b>	<b>236,690</b>	<b>11,030,864</b>
<b>NET POSITION</b>			
Net investment in capital assets	72,013,003	7,412,334	79,425,337
Restricted for streetlight service	345,059	-	345,059
Restricted for law enforcement	301,091	-	301,091
Restricted for promotion of tourism	1,485,020	-	1,485,020
Restricted for police donations	30,928	-	30,928
Restricted for public works	562,446	-	562,446
Unrestricted	23,830,990	1,693,080	25,524,070
<b>Total net position</b>	<b>\$ 98,568,537</b>	<b>\$ 9,105,414</b>	<b>\$ 107,673,951</b>

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

**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary government:</b>						
Governmental activities:						
General government	\$ 5,896,748	\$ 142,787	\$ -	\$ (5,753,961)	\$ -	\$ (5,753,961)
Judicial	580,297	979,400	-	399,103	-	399,103
Public safety	11,552,258	1,320,894	292,724	(9,938,640)	-	(9,938,640)
Public works	6,628,883	-	1,279,849	(5,349,034)	-	(5,349,034)
Housing and development	4,644,383	3,150,238	-	(1,494,145)	-	(1,494,145)
Culture and recreation	5,695,736	327,876	920,360	(4,447,500)	-	(4,447,500)
Interest and fiscal charges	95,950	-	-	(95,950)	-	(95,950)
Total governmental activities	<u>35,094,255</u>	<u>5,921,195</u>	<u>2,492,933</u>	<u>(26,680,127)</u>	<u>-</u>	<u>(26,680,127)</u>
Business-type activities:						
Stormwater	<u>1,853,950</u>	<u>1,988,504</u>	<u>-</u>	<u>-</u>	<u>134,554</u>	<u>134,554</u>
Total primary government	<u>\$ 36,948,205</u>	<u>\$ 7,909,699</u>	<u>\$ 2,492,933</u>	<u>(26,680,127)</u>	<u>134,554</u>	<u>(26,545,573)</u>
General revenues:						
Property taxes				9,454,749	-	9,454,749
Sales taxes				6,691,614	-	6,691,614
Hotel/Motel taxes				2,948,420	-	2,948,420
Franchise taxes				4,630,027	-	4,630,027
Business taxes				5,367,889	-	5,367,889
Alcohol & excise taxes				1,468,069	-	1,468,069
Unrestricted investment earnings				43,259	-	43,259
Miscellaneous revenues				424,329	-	424,329
Gain on sale of capital assets				7,429,465	-	7,429,465
Transfers				40,000	(40,000)	-
Total general revenues and transfers				<u>38,497,821</u>	<u>(40,000)</u>	<u>38,457,821</u>
Change in net position				11,817,694	94,554	11,912,248
Net position, beginning of year				86,750,843	9,010,860	95,761,703
Net position, end of year				<u>\$ 98,568,537</u>	<u>\$ 9,105,414</u>	<u>\$ 107,673,951</u>

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

**CITY OF BROOKHAVEN, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	General Fund	Homestead Option Sales Tax Fund	Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 8,440,054	\$ 32,752	\$ 747,753	\$ 11,039,834	\$ 4,997,471	\$ 25,257,864
Accounts receivable	3,128,856	-	-	-	91,157	3,220,013
Taxes receivable, net of allowance	149,739	-	-	-	322,785	472,524
Due from other funds	-	-	-	507,092	-	507,092
Intergovernmental receivable	43,431	1,631,212	358,402	353,400	-	2,386,445
Prepays	697,283	-	-	-	-	697,283
Total assets	<u>\$ 12,459,363</u>	<u>\$ 1,663,964</u>	<u>\$ 1,106,155</u>	<u>\$ 11,900,326</u>	<u>\$ 5,411,413</u>	<u>\$ 32,541,221</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 1,279,138	\$ 2,560	\$ 36,617	\$ 1,727,813	\$ 642,375	\$ 3,688,503
Accrued liabilities	289,347	-	-	-	12,150	301,497
Due to other funds	-	-	507,092	-	-	507,092
Unearned revenue	367,998	-	-	-	341,183	709,181
Total liabilities	<u>1,936,483</u>	<u>2,560</u>	<u>543,709</u>	<u>1,727,813</u>	<u>995,708</u>	<u>5,206,273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	77,195	-	-	-	10,215	87,410
Total deferred inflows of resources	<u>77,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,215</u>	<u>87,410</u>
<b>FUND BALANCES</b>						
Fund balances:						
Nonspendable:						
Prepays	697,283	-	-	-	-	697,283
Restricted:						
Law enforcement	-	-	-	-	300,353	300,353
Streetlight service	-	-	-	-	335,582	335,582
E-911 operations	-	-	-	-	-	-
Tourism	-	-	-	-	1,485,020	1,485,020
Police donations	30,928	-	-	-	-	30,928
Public works	-	-	562,446	-	-	562,446
Committed - debt service	-	-	-	-	1,194,763	1,194,763
Assigned:						
Future capital improvements	933,953	-	-	-	-	933,953
Subsequent year's budget, appropriations of fund balance	173,719	-	-	-	-	173,719
Tree fund activities	43,969	-	-	-	-	43,969
HOST activities	-	1,661,404	-	-	-	1,661,404
Public safety	-	-	-	-	286,966	286,966
Capital projects	-	-	-	10,172,513	802,806	10,975,319
Unassigned	8,565,833	-	-	-	-	8,565,833
Total fund balances	<u>10,445,685</u>	<u>1,661,404</u>	<u>562,446</u>	<u>10,172,513</u>	<u>4,405,490</u>	<u>27,247,538</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,459,363</u>	<u>\$ 1,663,964</u>	<u>\$ 1,106,155</u>	<u>\$ 11,900,326</u>	<u>\$ 5,411,413</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 funds.	77,328,582
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(6,094,993)
Some revenues are not available in the current period and, therefore, are not reported in the funds.	87,410
Net position of governmental activities	<u>\$ 98,568,537</u>

The accompanying notes are an integral part of these statements.

**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Fund	Homestead Option Sales Tax Fund	Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 8,363,462	\$ -	\$ -	\$ -	\$ 1,062,147	\$ 9,425,609
Sales taxes	55,590	6,636,024	-	-	-	6,691,614
Hotel/Motel taxes	-	-	-	-	2,948,420	2,948,420
Franchise taxes	4,630,027	-	-	-	-	4,630,027
Alcohol excise taxes	1,138,944	-	-	-	-	1,138,944
Business taxes	5,367,889	-	-	-	-	5,367,889
Excise taxes	329,125	-	-	-	-	329,125
Licenses and permits	3,207,348	-	-	-	-	3,207,348
Intergovernmental	6,281	-	1,566,292	920,360	-	2,492,933
Charges for services	795,095	-	-	-	939,532	1,734,627
Fines and forfeitures	902,971	-	-	-	76,249	979,220
Contributions	37,239	-	-	-	-	37,239
Interest earned	23,719	19,494	43	-	3	43,259
Miscellaneous	135,598	-	-	-	251,492	387,090
Total revenues	<u>24,993,288</u>	<u>6,655,518</u>	<u>1,566,335</u>	<u>920,360</u>	<u>5,277,843</u>	<u>39,413,344</u>
<b>Expenditures:</b>						
Current:						
General government	5,775,622	50	-	-	-	5,775,672
Judicial	576,361	-	-	-	-	576,361
Public safety	8,294,726	-	284,521	263,580	1,662,812	10,505,639
Public works	1,593,750	990	620	2,526,706	440,802	4,562,868
Recreation	2,477,765	-	-	2,948,853	-	5,426,618
Housing and development	3,246,127	-	-	-	1,385,326	4,631,453
Capital outlay	-	666,921	-	11,589,537	677,269	12,933,727
Debt service:						
Principal	-	-	-	-	664,080	664,080
Interest	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	57,000	57,000
Total expenditures	<u>21,964,351</u>	<u>667,961</u>	<u>285,141</u>	<u>17,328,676</u>	<u>4,927,945</u>	<u>45,174,074</u>
Excess (deficiency) of revenues over (under) expenditures	3,028,937	5,987,557	1,281,194	(16,408,316)	349,898	(5,760,730)
<b>Other financing sources (uses):</b>						
Transfers in	1,571,011	-	-	16,022,879	2,511,610	20,105,500
Transfers out	(2,375,951)	(13,812,639)	(718,748)	(1,419,612)	(1,738,550)	(20,065,500)
Proceeds from issuance of note payable	-	-	-	5,200,000	-	5,200,000
Proceeds from sale of capital assets	-	-	-	4,747,562	-	4,747,562
Total other financing sources (uses)	<u>(804,940)</u>	<u>(13,812,639)</u>	<u>(718,748)</u>	<u>24,550,829</u>	<u>773,060</u>	<u>9,987,562</u>
Net change in fund balances	2,223,997	(7,825,082)	562,446	8,142,513	1,122,958	4,226,832
<b>Fund balances, beginning of year</b>	<u>8,221,688</u>	<u>9,486,486</u>	<u>-</u>	<u>2,030,000</u>	<u>3,282,532</u>	<u>23,020,706</u>
<b>Fund balances, end of year</b>	<u>\$ 10,445,685</u>	<u>\$ 1,661,404</u>	<u>\$ 562,446</u>	<u>\$ 10,172,513</u>	<u>\$ 4,405,490</u>	<u>\$ 27,247,538</u>

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

## CITY OF BROOKHAVEN, GEORGIA

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2017

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

Net change in fund balances - total governmental funds	\$ 4,226,832
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	9,496,113
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.	2,681,903
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	29,140
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 effect of these differences in the treatment of long-term debt.	(4,535,920)
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.	<u>(80,374)</u>
Change in net position - governmental activities	<u>\$ 11,817,694</u>

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

**CITY OF BROOKHAVEN, GEORGIA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2017**

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<b>ASSETS</b>	<b>Stormwater Fund</b>
<b>CURRENT ASSETS</b>	
Cash	\$ 1,855,051
Accounts receivable, net of allowance	60,500
Prepays	14,219
Total current assets	<u>1,929,770</u>
<b>NONCURRENT ASSETS</b>	
Capital assets, non-depreciable	251,800
Capital assets, depreciable	7,918,876
Accumulated depreciation	<u>(758,342)</u>
Total capital assets, net	<u>7,412,334</u>
Total assets	<u>9,342,104</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable and accrued liabilities	<u>236,690</u>
Total current liabilities	<u>236,690</u>
<b>NET POSITION</b>	
Investment in capital assets	7,412,334
Unrestricted	<u>1,693,080</u>
Total net position	<u>\$ 9,105,414</u>

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



**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Stormwater Fund</b>
<b>OPERATING REVENUE</b>	
Stormwater fees	\$ 1,894,505
Other operating revenue	93,999
	1,988,504
<b>OPERATING EXPENSES</b>	
Cost of services	1,671,220
Depreciation	182,730
	1,853,950
Operating income before transfers	134,554
Transfers out	(40,000)
Change in net position	94,554
<b>Total net position, beginning</b>	<b>9,010,860</b>
<b>Total net position, ending</b>	<b>\$ 9,105,414</b>

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

**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Stormwater Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 1,955,004
Payments to suppliers	(1,537,513)
Net cash provided by operating activities	417,491
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(448,914)
Net cash used in capital and related financing activities	(448,914)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer out to other funds	(40,000)
Net cash used in noncapital financing activities	(40,000)
Net change in cash	(71,423)
Cash, beginning of year	1,926,474
Cash, end of year	\$ 1,855,051
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 134,554
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	182,730
Change in assets and liabilities:	
Increase in accounts receivable	(33,500)
Increase in prepaid items	(13,656)
Increase in accounts payable	147,363
Net cash provided by operating activities	\$ 417,491

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

# CITY OF BROOKHAVEN, GEORGIA

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brookhaven, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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, which was incorporated in 2012, operates under a charter adopted December 17, 2012, as a municipal corporation governed by an elected mayor and a four-member council. The government provides such services as police protection, cultural and recreational activities, community development and public works.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable.

##### Blended Component Unit

The Brookhaven Government Finance Corporation (the "BGFC") has been included as a blended component unit in the accompanying financial statements. The City appoints the four 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 BGFC 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 BGFC are not prepared. The City reports the BGFC as a debt service fund.

#### 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 non-fiduciary activities of the primary government and its component unit. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial 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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements (Continued)

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 those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, sales taxes, franchise taxes, intergovernmental grants, and investment income 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 revenue of the enterprise fund are charges to customers for services provided. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance on or before November 30, 1989.

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

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 **Homestead Option Sales Tax Fund** is used to account for locally funded acquisition and construction of major capital projects financed by homestead option sales tax funds.

The **Grant Fund** is used to account for federal and state funded initiatives and projects that are restricted for the specific purposes of those initiatives and projects

The **Capital Projects Fund** is used to account for the expenditures of money for major capital projects.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The **Stormwater Fund** is used to account for the charges and expenses of maintaining the City's stormwater infrastructure.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues which are legally restricted to expenditures for particular purposes.

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

The **Capital Projects Funds** are used to account for the expenditures of money for major capital projects. These funds are general in nature and may be used to finance any capital project that the City Council designates.

#### D. Budgets

Formal budgetary accounting is employed as a management control device for the general fund, special revenue funds, debt service fund, and capital projects funds of the City. The governmental funds budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted for the General Fund and each Special Revenue Fund each fiscal year through passage of an annual budget ordinance and amended as required. The City adopts project length budgets for the Capital Projects Funds. During the fiscal year ended December 31, 2017, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

All unencumbered budget appropriations lapse at the end of each year.

#### E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

#### G. Interfund 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 are reported as “due to/from other funds.”

#### H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

#### I. Capital Assets

Capital assets, which include improvements, machinery and equipment, and infrastructure assets, are reported 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. The City has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Capital assets of the City are depreciated using the straight line method over the following useful lives:

Improvements	15-40 years
Buildings	50 years
Machinery and equipment	3-20 years
Infrastructure	7-60 years

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Deferred Outflows/Inflows of Resources

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

#### K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation 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 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.

#### L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures. Issuance costs are expenses when incurred.

#### M. 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

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. 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 through a resolution of the City Council. Only the City Council may modify or rescind the commitment, also through 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 Fund Balance Policy, as adopted by the City Council, delegates the authority to the City manager or his or her designee to assign fund balance 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.

The City's policy is to obtain and then maintain a minimum General Fund fund balance reserve equal to three months (25%) of annual budgeted expenditures.

**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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. Fund Equity (Continued)

**Net Position** – Net position represents the difference between assets and liabilities 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. The remaining portion of net position is reported as unrestricted.

The City applies restricted resources first to fund outlays for which both restricted and unrestricted net position is available.

#### N. Use of 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 amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### 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 \$6,094,993 difference are as follows:

Capital leases	\$ (254,512)
Notes payable	(5,061,067)
Accrued interest payable	(7,717)
Compensated absences (i.e., vacation)	<u>(771,697)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (6,094,993)</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**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change 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 estimated useful lives and reported as depreciation expense.” The details of this \$9,496,113 difference are as follows:

Capital outlay	\$ 12,919,365
Depreciation expense	<u>(3,423,252)</u>
 Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	 <u>\$ 9,496,113</u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.” The details of this \$2,681,903 difference are as follows:

Capital assets received in land transaction	\$ 3,043,403
Net book value of capital assets sold	<u>(361,500)</u>
 Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	 <u>\$ 2,681,903</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 the reconciliation states “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. The details of this \$4,535,920 difference are as follows:

Principal payments	\$ 664,080
Issuance of note payable	<u>(5,200,000)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ (4,535,920)</u>

Another element of the reconciliation states 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 \$80,374 difference are as follows:

Compensated absences	\$ (82,080)
Accrued interest	<u>1,706</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ (80,374)</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. LEGAL COMPLIANCE – BUDGETS

#### A. Budgets and Budgetary Accounting

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Finance Director. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget ordinance.

#### B. Excess Expenditures Over Appropriations

For the year ended December 31, 2017, the following funds and departments had actual expenditures in excess of their appropriations:

Grant Fund - Public works	\$	620
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These expenditures in excess of appropriations were funded by lower than budgeted expenditures in other areas and available fund balance.

### NOTE 4. DEPOSITS

**Custodial Credit Risk – Deposits:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of December 31, 2017, all of the City's bank balances were insured and collateralized as defined by GASB and State statutes.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect City of Brookhaven property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

Receivables at December 31, 2017, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Homestead Option Sales Tax</u>	<u>Grant</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Stormwater</u>
Receivables:						
Accounts	\$ 3,128,856	\$ -	\$ -	\$ -	\$ 91,157	\$ 95,500
Taxes	215,739	-	-	-	335,312	-
Intergovernmental	43,431	1,631,212	358,402	353,400	-	-
Total receivables	<u>3,388,026</u>	<u>1,631,212</u>	<u>358,402</u>	<u>353,400</u>	<u>426,469</u>	<u>95,500</u>
Less allowance for uncollectibles	(66,000)	-	-	-	(12,527)	(35,000)
Net total receivable	<u>\$ 3,322,026</u>	<u>\$ 1,631,212</u>	<u>\$ 358,402</u>	<u>\$ 353,400</u>	<u>\$ 413,942</u>	<u>\$ 60,500</u>

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the year ended December 31, 2017 is as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 1,924,238	\$ 9,742,253	\$ (361,500)	\$ 11,304,991
Construction in progress	208,911	4,516,303	-	4,725,214
Total	2,133,149	14,258,556	(361,500)	16,030,205
Capital assets, being depreciated:				
Improvements	3,831,140	158,669	-	3,989,809
Buildings	3,953,205	-	-	3,953,205
Machinery and equipment	7,519,496	919,685	-	8,439,181
Infrastructure	62,916,394	625,858	-	63,542,252
Total	78,220,235	1,704,212	-	79,924,447
Less accumulated depreciation for:				
Improvements	(1,728,308)	(157,608)	-	(1,885,916)
Buildings	(2,509,981)	(93,978)	-	(2,603,959)
Machinery and equipment	(4,734,263)	(1,575,579)	-	(6,309,842)
Infrastructure	(6,230,266)	(1,596,087)	-	(7,826,353)
Total	(15,202,818)	(3,423,252)	-	(18,626,070)
Capital assets, net depreciation	63,017,417	(1,719,040)	-	61,298,377
Governmental activities capital assets, net	\$ 65,150,566	\$ 12,539,516	\$ (361,500)	\$ 77,328,582

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Ending Balance</b>
<b>Business-type activities:</b>			
Capital assets, not being depreciated			
Land	\$ 251,800	\$ -	\$ 251,800
Capital assets, being depreciated:			
Infrastructure	7,469,962	448,914	7,918,876
Less accumulated depreciation for:			
Infrastructure	(575,612)	(182,730)	(758,342)
Capital assets, net depreciation	6,894,350	266,184	7,160,534
Business-type activities capital assets, net	\$ 7,146,150	\$ 266,184	\$ 7,412,334

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 106,383
Public safety	988,202
Public works	2,062,528
Recreation	255,527
Judicial	2,196
Housing and development	8,416
Total depreciation expense - governmental activities	<u>\$ 3,423,252</u>
Business-type activities:	
Stormwater	<u>\$ 182,730</u>

### NOTE 7. LONG-TERM DEBT

#### Capital Leases

On January 28, 2013, the City entered into a capital lease to purchase computers and software through the Georgia Municipal Association ("GMA") for \$1,000,000. Annual payments of \$211,482, including interest at a rate of 1.89% began January 28, 2014 and will continue through January 28, 2018. The outstanding balance at December 31, 2017 is \$207,559.

On May 19, 2015, the City entered into a capital lease to purchase vehicles through the Georgia Municipal Association ("GMA") for \$116,256. Annual payments of \$24,081, including interest at a rate of 1.71% began July 29, 2015 and will continue through July 29, 2019. The outstanding balance at December 31, 2017 is \$46,953.

As of December 31, 2017, the cost and accumulated depreciation on the assets acquired under capital leases are \$1,119,573 and \$1,032,106, respectively. The annual depreciation is included in the capital asset depreciation total in Note 6.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### Capital Leases (Continued)

The total debt service requirements to maturity for the City's capital leases are as follows:

<u>Year Ending December 31,</u>	
2018	\$ 235,656
2019	24,175
Total minimum lease payments	<u>259,831</u>
Less amounts representing interest	<u>(5,319)</u>
Present value of minimum lease payments	<u><u>\$ 254,512</u></u>

#### Note payable

On May 1, 2017, the City issued a note payable to borrow a total of \$5,700,000 from the Georgia Environmental Finance Authority (GEFA) for the purpose of acquiring a greenspace at the Peachtree DeKalb Airport. Additionally, the agreement with GEFA included a principal forgiveness component equal to approximately 8.77% of the face value of the note, or \$500,000. Principal and interest payments totaling \$23,660 are paid each month beginning June 1, 2017 through May 1, 2037 at an interest rate of .89%.

The total debt service requirements to maturity for the City's note payable is as follows:

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 239,856	\$ 44,067	\$ 283,923
2019	241,999	41,923	283,922
2020	244,162	39,761	283,923
2021	246,344	37,579	283,923
2022	248,545	35,377	283,922
2023-2027	1,276,441	143,170	1,419,611
2028-2032	1,334,504	85,108	1,419,612
2033-2037	1,229,216	24,773	1,253,989
Total	<u><u>\$ 5,061,067</u></u>	<u><u>\$ 451,758</u></u>	<u><u>\$ 5,512,825</u></u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

The following is a summary of long-term debt activity of the City for the year ended December 31, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Capital leases	\$ 779,659	\$ -	\$ (525,147)	\$ 254,512	\$ 230,830
Note payable	-	5,200,000	(138,933)	5,061,067	239,856
Compensated absences	689,617	1,034,425	(952,345)	771,697	617,357
Governmental activity long-term liabilities	<u>\$ 1,469,276</u>	<u>\$ 6,234,425</u>	<u>\$ (1,616,425)</u>	<u>\$ 6,087,276</u>	<u>\$ 1,088,043</u>

For governmental activities, compensated absences are liquidated by the General Fund.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2017, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
Capital Projects Fund	Grant Fund	\$ 507,092

This balance 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. The balance between the Grant Fund and the Capital Projects Fund relates to supplemental funding of a capital project.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	\$ 1,571,011
Capital Projects Fund	General Fund	1,283,953
Capital Projects Fund	HOST Fund	13,812,639
Capital Projects Fund	Grants Fund	718,748
Capital Projects Fund	Nonmajor governmental funds	167,539
Capital Projects Fund	Stormwater Fund	40,000
Nonmajor governmental funds	General Fund	1,091,998
Nonmajor governmental funds	Capital Projects Fund	1,419,612
		\$ 20,105,500

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect 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 accounted for in other funds in accordance with budgetary authorizations.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OPERATING LEASES

The government leases the office facilities (city hall, police station and municipal court) under non-cancelable operating leases. The City accrues rent expense in an amount such that the total rent expense under the lease is recognized ratably over the lease term. The lease expense on the city hall facility and the police station/municipal court were \$347,959 and \$216,497 respectively for the year ended December 31, 2017.

The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	<u>City Hall</u>	<u>Police Station / Municipal Court</u>	<u>Total</u>
2018	\$ 301,526	\$ 227,268	\$ 528,794
2019	309,065	232,956	542,021
2020	318,912	238,812	557,724
2021	326,885	244,836	571,721
2022	335,057	251,016	586,073
2023-2024	695,453	257,364	952,817
Total lease payments	<u>\$ 2,286,898</u>	<u>\$ 1,452,252</u>	<u>\$ 3,739,150</u>

### NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

The government is a defendant in various lawsuits. The total range of reasonably possible amounts for these cases is from \$1,000 to \$500,000. In the opinion of City's management and legal counsel, any potential liability related to these suits pending or unasserted claims are not estimable.

The City has entered several public/private contractual partnerships for outsourced services and operations. Through these contracts with private companies, an array of operational services are provided via outsourcing. These contracts are an operating contract for which the City is continually monitoring its outsourcing needs as compared to providing services in-house. Currently, these contracts are approximately \$3.4 million annually. The contracts were bid for four annual service periods and run through the year ending December 31, 2021.

As of December 31, 2017, construction commitments on uncompleted contracts were \$5,747,741.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 11. DEFINED CONTRIBUTION PENSION PLAN**

The City of Brookhaven offers two Retirement Plans for City employees. The 401(a) and 457 plan are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. For the 457 plan, The City matches employee contributions at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following thirty days of employment and are fully vested after twelve months. At December 31, 2017 there were 101 employees participating in the plan who contributed \$570,955 while the City's contributions totaled \$710,363.

The City also contributes the Social Security withholding amount (6.2% for 2017) to a social security replacement 401(a) plan for each eligible employee. All participants are fully vested in their social security replacement plan at all times. At December 31, 2017 there were 127 employees participating in the plan with total contributions from the City of \$516,687.

### **NOTE 12. JOINT VENTURE**

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which DeKalb County has paid on behalf of the City of Brookhaven. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street NE, Atlanta, Georgia 30303.

### **NOTE 13. HOTEL/MOTEL LODGING TAX**

The City's lodging tax rate changed from 5% to 8% on October 1, 2017. The Official Code of Georgia Annotated 48-13-51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended December 31, 2017, the City received \$2,948,420 in hotel/motel taxes. Of this amount, \$1,385,326, or 47%, was used for the promotion of tourism, conventions, or trade shows.

### **NOTE 14. RISK MANAGEMENT**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the previous three years.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 15. TAX ABATEMENTS**

For the year ended December 31, 2017, City property tax revenues were reduced by \$352,258 under agreements entered into by the DeKalb County Development Authority and Brookhaven Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

### **NOTE 16. SUBSEQUENT EVENT**

On May 22, 2018, the City issued \$12,000,000 of Sales Tax Bonds for the purpose of financing capital projects improvements. The issuance of these bonds was approved by a Special Purpose Local Option Sales Tax (SPLOST) referendum in November 2017. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. Collections of the sales tax begin on April 1, 2018. The bonds carry interest rate of 2.75% and mature on July 1, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF BROOKHAVEN, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 8,583,863	\$ 8,583,863	\$ 8,363,462	\$ (220,401)
Sales and use taxes	-	-	55,590	55,590
Franchise taxes	3,200,000	3,200,000	4,630,027	1,430,027
Alcohol excise taxes	825,000	825,000	1,138,944	313,944
Business taxes	4,958,000	4,958,000	5,367,889	409,889
Excise taxes	182,127	182,127	329,125	146,998
Licenses and permits	2,240,000	2,240,000	3,207,348	967,348
Intergovernmental	-	-	6,281	6,281
Charges for services	773,317	773,317	795,095	21,778
Fines and forfeitures	1,350,000	1,350,000	902,971	(447,029)
Contributions	75,000	75,000	37,239	(37,761)
Interest earned	5,000	5,000	23,719	18,719
Miscellaneous	276,561	276,561	135,598	(140,963)
Total revenues	<u>22,468,868</u>	<u>22,468,868</u>	<u>24,993,288</u>	<u>2,524,420</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Mayor and council	218,262	231,614	227,812	3,802
City manager	1,153,301	1,196,874	1,188,490	8,384
City clerk	319,710	290,490	288,419	2,071
Finance and administration	1,580,661	1,505,522	1,502,749	2,773
Legal	470,000	565,000	556,924	8,076
Data processing	1,426,028	1,697,022	1,618,948	78,074
Public information	164,756	393,118	392,280	838
Contingency	1,604,279	-	-	-
Total general government	<u>6,936,997</u>	<u>5,879,640</u>	<u>5,775,622</u>	<u>104,018</u>
Judicial	<u>629,345</u>	<u>578,757</u>	<u>576,361</u>	<u>2,396</u>
Public safety	<u>8,433,344</u>	<u>8,369,587</u>	<u>8,294,726</u>	<u>74,861</u>
Public works	<u>1,521,230</u>	<u>1,606,230</u>	<u>1,593,750</u>	<u>12,480</u>
Recreation	<u>2,201,205</u>	<u>3,429,286</u>	<u>2,477,765</u>	<u>951,521</u>
Housing and development	<u>3,038,508</u>	<u>3,336,740</u>	<u>3,246,127</u>	<u>90,613</u>

Continued



**CITY OF BROOKHAVEN, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Total expenditures	22,760,629	23,200,240	21,964,351	1,235,889
Excess (deficiency) of revenues over expenditures	(291,761)	(731,372)	3,028,937	3,760,309
<b>Other financing sources (uses):</b>				
Transfers in	1,320,000	1,320,000	1,571,011	251,011
Transfers out	(1,028,239)	(2,402,192)	(2,375,951)	26,241
Total other financing sources (uses)	291,761	(1,082,192)	(804,940)	277,252
Net change in fund balance	-	(1,813,564)	2,223,997	4,037,561
Fund balance, beginning of year	8,221,688	8,221,688	8,221,688	-
Fund balance, end of year	\$ 8,221,688	\$ 6,408,124	\$ 10,445,685	\$ 4,037,561

**CITY OF BROOKHAVEN, GEORGIA**

**GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 1,076,486	\$ 1,076,486	\$ 1,566,292	\$ 489,806
Interest	-	-	43	43
Total revenues	<u>1,076,486</u>	<u>1,076,486</u>	<u>1,566,335</u>	<u>489,849</u>
<b>Expenditures:</b>				
Public safety	566,603	566,603	284,521	282,082
Public works	-	-	620	(620)
Total expenditures	<u>566,603</u>	<u>566,603</u>	<u>285,141</u>	<u>281,462</u>
Excess of revenues over expenditures	509,883	509,883	1,281,194	771,311
<b>Other financing uses:</b>				
Transfers out	(509,883)	(509,883)	(718,748)	(208,865)
Total other financing uses	<u>(509,883)</u>	<u>(509,883)</u>	<u>(718,748)</u>	<u>(208,865)</u>
Net change in fund balances	-	-	562,446	562,446
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 562,446</u>	<u>\$ 562,446</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

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**Confiscated Assets Fund** – To account for the use of the City's share of monies that have been forfeited through the court system and are restricted for law enforcement purposes.

**Special Tax District No. 1 Fund** – To account for the cost of providing public safety services in the Special Tax District created by the City, which is restricted by City ordinance.

**Hotel/Motel Tax Fund** – To account for the 5% (first nine months of year) and 8% (last three months of year) lodging tax levied in the City, which is restricted by State law.

**Streetlight Fund** – To account for special assessments to defray the costs of operating, maintaining and repairing the street lighting system in the City and are restricted for these purposes.

**Emergency 911 Fund** – To account for the monthly 911 charges that are required to be spent on the cost of providing emergency 911 services as restricted by State law.

**Vehicle Capital Project Fund** – To account for the resources needed to purchase vehicles for the City's fleet. These amounts are assigned by City Council.

**Debt Service Fund** – To account for the debt service expenditures of the City.

**CITY OF BROOKHAVEN, GEORGIA**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

ASSETS	Special Revenue Funds							Total Nonmajor Governmental Funds
	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund	Debt Service Fund	
Cash and cash equivalents	\$ 415,997	\$ 233,275	\$ 1,660,565	\$ 358,065	\$ 288,197	\$ 846,609	\$ 1,194,763	\$ 4,997,471
Accounts receivable	-	-	-	-	88,352	2,805	-	91,157
Taxes receivable, net of allowance	-	4,361	297,675	20,749	-	-	-	322,785
<b>Total assets</b>	<b>\$ 415,997</b>	<b>\$ 237,636</b>	<b>\$ 1,958,240</b>	<b>\$ 378,814</b>	<b>\$ 376,549</b>	<b>\$ 849,414</b>	<b>\$ 1,194,763</b>	<b>\$ 5,411,413</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 658	\$ -	\$ 473,220	\$ 32,306	\$ 89,583	\$ 46,608	\$ -	\$ 642,375
Accrued liabilities	-	10,701	-	1,449	-	-	-	12,150
Unearned revenue	199,760	141,423	-	-	-	-	-	341,183
<b>Total liabilities</b>	<b>200,418</b>	<b>152,124</b>	<b>473,220</b>	<b>33,755</b>	<b>89,583</b>	<b>46,608</b>	<b>-</b>	<b>995,708</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue- property taxes	-	738	-	9,477	-	-	-	10,215
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>738</b>	<b>-</b>	<b>9,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,215</b>
<b>FUND BALANCES</b>								
Restricted:								
Law enforcement	215,579	84,774	-	-	-	-	-	300,353
Streetlight service	-	-	-	335,582	-	-	-	335,582
Tourism	-	-	1,485,020	-	-	-	-	1,485,020
Committed- debt service	-	-	-	-	-	-	1,194,763	1,194,763
Assigned:								
Public safety	-	-	-	-	286,966	-	-	286,966
Capital projects	-	-	-	-	-	802,806	-	802,806
<b>Total fund balances</b>	<b>215,579</b>	<b>84,774</b>	<b>1,485,020</b>	<b>335,582</b>	<b>286,966</b>	<b>802,806</b>	<b>1,194,763</b>	<b>4,405,490</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 415,997</b>	<b>\$ 237,636</b>	<b>\$ 1,958,240</b>	<b>\$ 378,814</b>	<b>\$ 376,549</b>	<b>\$ 849,414</b>	<b>\$ 1,194,763</b>	<b>\$ 5,411,413</b>

**CITY OF BROOKHAVEN, GEORGIA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Special Revenue Funds						Total Nonmajor Governmental Funds	
	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund		Debt Service Fund
<b>Revenues</b>								
Property taxes	\$ -	\$ 623,758	\$ -	\$ 438,389	\$ -	\$ -	\$ -	\$ 1,062,147
Hotel/Motel taxes	-	-	2,948,420	-	-	-	-	2,948,420
Charges for services	-	-	-	-	939,532	-	-	939,532
Miscellaneous	-	70,511	-	-	-	141,092	39,889	251,492
Fines and forfeitures	76,249	-	-	-	-	-	-	76,249
Interest	3	-	-	-	-	-	-	3
Total revenues	<u>76,252</u>	<u>694,269</u>	<u>2,948,420</u>	<u>438,389</u>	<u>939,532</u>	<u>141,092</u>	<u>39,889</u>	<u>5,277,843</u>
<b>Expenditures</b>								
Current:								
Public safety	54,838	532,974	-	-	1,075,000	-	-	1,662,812
Public works	-	-	-	440,802	-	-	-	440,802
Housing and development	-	-	1,385,326	-	-	-	-	1,385,326
Capital outlay	-	-	-	-	-	677,269	-	677,269
Debt service:								
Principal	-	-	-	-	-	-	664,080	664,080
Interest	-	-	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	-	-	57,000	57,000
Total expenditures	<u>54,838</u>	<u>532,974</u>	<u>1,385,326</u>	<u>440,802</u>	<u>1,075,000</u>	<u>677,269</u>	<u>761,736</u>	<u>4,927,945</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,414</u>	<u>161,295</u>	<u>1,563,094</u>	<u>(2,413)</u>	<u>(135,468)</u>	<u>(536,177)</u>	<u>(721,847)</u>	<u>349,898</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	255,000	340,000	1,916,610	2,511,610
Transfers out	-	-	(1,738,550)	-	-	-	-	(1,738,550)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,738,550)</u>	<u>-</u>	<u>255,000</u>	<u>340,000</u>	<u>1,916,610</u>	<u>773,060</u>
Net change in fund balances	21,414	161,295	(175,456)	(2,413)	119,532	(196,177)	1,194,763	1,122,958
Fund balances (deficit), beginning of year	194,165	(76,521)	1,660,476	337,995	167,434	998,983	-	3,282,532
Fund balances, end of year	<u>\$ 215,579</u>	<u>\$ 84,774</u>	<u>\$ 1,485,020</u>	<u>\$ 335,582</u>	<u>\$ 286,966</u>	<u>\$ 802,806</u>	<u>\$ 1,194,763</u>	<u>\$ 4,405,490</u>

**CITY OF BROOKHAVEN, GEORGIA**

**CONFISCATED ASSETS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 76,249	\$ 26,249
Interest	-	-	3	3
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>76,252</u>	<u>26,252</u>
<b>Expenditures:</b>				
Public safety	<u>64,900</u>	<u>64,900</u>	<u>54,838</u>	<u>10,062</u>
Total expenditures	<u>64,900</u>	<u>64,900</u>	<u>54,838</u>	<u>10,062</u>
Net change in fund balances	(14,900)	(14,900)	21,414	36,314
<b>Fund balances, beginning of year</b>	<u>194,165</u>	<u>194,165</u>	<u>194,165</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 179,265</u></u>	<u><u>\$ 179,265</u></u>	<u><u>\$ 215,579</u></u>	<u><u>\$ 36,314</u></u>

**CITY OF BROOKHAVEN, GEORGIA**

**SPECIAL TAX DISTRICT NO. 1 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 488,713	\$ 488,713	\$ 623,758	\$ 135,045
Charges for services	46,099	46,099	-	(46,099)
Miscellaneous	-	-	70,511	70,511
Total revenues	<u>534,812</u>	<u>534,812</u>	<u>694,269</u>	<u>159,457</u>
<b>Expenditures:</b>				
Public safety	<u>534,812</u>	<u>534,812</u>	<u>532,974</u>	<u>1,838</u>
Total expenditures	<u>534,812</u>	<u>534,812</u>	<u>532,974</u>	<u>1,838</u>
Net change in fund balances	-	-	161,295	161,295
<b>Fund balances (deficit), beginning of year</b>	<u>(76,521)</u>	<u>(76,521)</u>	<u>(76,521)</u>	<u>-</u>
<b>Fund balances (deficit), end of year</b>	<u>\$ (76,521)</u>	<u>\$ (76,521)</u>	<u>\$ 84,774</u>	<u>\$ 161,295</u>

**CITY OF BROOKHAVEN, GEORGIA**

**HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 2,200,000	\$ 2,735,000	\$ 2,948,420	\$ 213,420
Total revenues	<u>2,200,000</u>	<u>2,735,000</u>	<u>2,948,420</u>	<u>213,420</u>
<b>Expenditures:</b>				
Housing and development	880,000	1,396,448	1,385,326	11,122
Total expenditures	<u>880,000</u>	<u>1,396,448</u>	<u>1,385,326</u>	<u>11,122</u>
Excess of revenues over expenditures	1,320,000	1,338,552	1,563,094	224,542
<b>Other financing uses:</b>				
Transfers out	(1,320,000)	(1,738,552)	(1,738,550)	2
Total other financing uses	<u>(1,320,000)</u>	<u>(1,738,552)</u>	<u>(1,738,550)</u>	<u>2</u>
Net change in fund balances	-	(400,000)	(175,456)	224,544
<b>Fund balances, beginning of year</b>	<u>1,660,476</u>	<u>1,660,476</u>	<u>1,660,476</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 1,660,476</u>	<u>\$ 1,260,476</u>	<u>\$ 1,485,020</u>	<u>\$ 224,544</u>



**CITY OF BROOKHAVEN, GEORGIA**

**STREETLIGHT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 427,511	\$ 427,511	\$ 438,389	\$ 10,878
Total revenues	427,511	427,511	438,389	10,878
<b>Expenditures:</b>				
Public works	450,000	450,000	440,802	9,198
Total expenditures	450,000	450,000	440,802	9,198
Net change in fund balances	(22,489)	(22,489)	(2,413)	20,076
Fund balances, beginning of year	337,995	337,995	337,995	-
Fund balances, end of year	\$ 315,506	\$ 315,506	\$ 335,582	\$ 20,076

**CITY OF BROOKHAVEN, GEORGIA**

**E-911 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 820,000	\$ 820,000	\$ 939,532	\$ 119,532
Total revenues	820,000	820,000	939,532	119,532
<b>Expenditures:</b>				
Public safety	1,075,000	1,075,000	1,075,000	-
Total expenditures	1,075,000	1,075,000	1,075,000	-
Deficiency of revenues over expenditures	(255,000)	(255,000)	(135,468)	119,532
<b>Other financing sources:</b>				
Transfers in	255,000	255,000	255,000	-
Total other financing sources	255,000	255,000	255,000	-
Net change in fund balances	-	-	119,532	119,532
<b>Fund balances, beginning of year</b>	167,434	167,434	167,434	-
<b>Fund balances, end of year</b>	<u>\$ 167,434</u>	<u>\$ 167,434</u>	<u>\$ 286,966</u>	<u>\$ 119,532</u>

**CITY OF BROOKHAVEN, GEORGIA**

**DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 39,889	\$ 39,889
Total revenues	-	-	39,889	39,889
<b>Expenditures:</b>				
Debt service:				
Principal	\$ 508,215	\$ 1,853,819	\$ 664,080	\$ 1,189,739
Interest	15,024	41,712	40,656	1,056
Issuance cost	-	47,320	57,000	(9,680)
Total expenditures	523,239	1,942,851	761,736	1,181,115
Deficiency of revenues over expenditures	(523,239)	(1,942,851)	(721,847)	1,221,004
<b>Other financing sources:</b>				
Transfers in	523,239	1,942,851	1,916,610	(26,241)
Total other financing sources	523,239	1,942,851	1,916,610	(26,241)
Net change in fund balances	-	-	1,194,763	(1,194,763)
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	\$ -	\$ -	\$ 1,194,763	\$ (1,194,763)

## STATISTICAL SECTION

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This part of the City of Brookhaven’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>
<b>Financial Trends</b> .....	<b>64</b>
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b> .....	<b>69</b>
These schedules contain information to help the reader assess the City’s most significant local revenue source, property tax.	
<b>Debt Capacity</b> .....	<b>73</b>
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.	
<b>Demographic and Economic Information</b> .....	<b>75</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b>Operating Information</b> .....	<b>77</b>
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. Note that 2013 was the first year of operations.

**CITY OF BROOKHAVEN, GEORGIA**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental activities					
Net investment in capital assets	\$ 72,013,003	\$ 64,370,907	\$ 65,484,793	\$ 66,691,916	\$ 60,658,099
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	23,830,990	19,974,759	13,305,139	9,000,585	3,551,798
Total governmental activities net position	<u>\$ 98,568,537</u>	<u>\$ 86,750,843</u>	<u>\$ 80,992,678</u>	<u>\$ 77,265,835</u>	<u>\$ 65,638,673</u>
Business-type activities					
Investment in capital assets	\$ 7,412,334	\$ 7,146,150	\$ 6,860,091	\$ 6,825,621	\$ 6,487,443
Unrestricted	1,693,080	1,864,710	1,805,995	1,349,322	1,079,849
Total business-type activities net position	<u>\$ 9,105,414</u>	<u>\$ 9,010,860</u>	<u>\$ 8,666,086</u>	<u>\$ 8,174,943</u>	<u>\$ 7,567,292</u>
Primary government					
Net investment in capital assets	\$ 79,425,337	\$ 71,517,057	\$ 72,344,884	\$ 73,517,537	\$ 67,145,542
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	25,524,070	21,839,469	15,111,134	10,349,907	4,631,647
Total primary government net position	<u>\$ 107,673,951</u>	<u>\$ 95,761,703</u>	<u>\$ 89,658,764</u>	<u>\$ 85,440,778</u>	<u>\$ 73,205,965</u>

**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Expenses</b>					
Governmental activities:					
General government	\$ 5,896,748	\$ 5,101,706	\$ 4,525,493	\$ 5,211,523	\$ 3,942,196
Judicial	580,297	584,753	601,508	508,592	468,589
Public safety	11,552,258	10,595,386	11,301,632	7,876,343	6,324,863
Public works	6,628,883	4,295,145	4,225,043	5,614,702	3,070,672
Housing and development	4,644,383	3,736,194	2,898,485	2,442,100	1,272,777
Culture and recreation	5,695,736	4,423,411	3,506,276	1,766,940	595,935
Community development	-	146,983	146,642	76,515	11,794
Interest and fiscal charges	95,950	28,226	61,895	101,252	81,633
Total governmental activities expenses	<u>35,094,255</u>	<u>28,911,804</u>	<u>27,266,974</u>	<u>23,597,967</u>	<u>15,768,459</u>
Business-type activities:					
Stormwater	1,853,950	1,488,786	1,122,485	1,206,891	441,792
Total business-type activities expenses	<u>1,853,950</u>	<u>1,488,786</u>	<u>1,122,485</u>	<u>1,206,891</u>	<u>441,792</u>
Total primary government expenses	<u>\$ 36,948,205</u>	<u>\$ 30,400,590</u>	<u>\$ 28,389,459</u>	<u>\$ 24,804,858</u>	<u>\$ 16,210,251</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 142,787	\$ 530,353	\$ 836,595	\$ 499,051	\$ 438,665
Judicial	979,400	1,332,434	1,395,173	1,354,603	359,364
Public safety	1,320,894	1,538,695	771,697	356,111	1,700
Public works	-	-	412,402	429,769	362,219
Housing and development	3,150,238	2,995,110	1,523,186	2,237,592	1,652,368
Culture and recreation	327,876	470,656	240,247	127,830	26,856
Capital grants and contributions	2,492,933	326,032	400,655	2,147,621	-
Total governmental activities program revenues	<u>8,414,128</u>	<u>7,193,280</u>	<u>5,579,955</u>	<u>7,152,577</u>	<u>2,841,172</u>
Business-type activities:					
Charges for services:					
Stormwater	1,988,504	1,581,760	1,613,628	1,538,632	1,466,735
Capital grants and contributions	-	251,800	-	275,910	-
Total business-type activities program revenues	<u>1,988,504</u>	<u>1,833,560</u>	<u>1,613,628</u>	<u>1,814,542</u>	<u>1,466,735</u>
Total primary government program revenues	<u>\$ 10,402,632</u>	<u>\$ 9,026,840</u>	<u>\$ 7,193,583</u>	<u>\$ 8,967,119</u>	<u>\$ 4,307,907</u>

(continued)

**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (26,680,127)	\$ (21,718,524)	\$ (21,687,019)	\$ (16,445,390)	\$ (12,927,287)
Business-type activities	134,554	344,774	491,143	607,651	1,024,943
Total primary government net expense	<u>\$ (26,545,573)</u>	<u>\$ (21,373,750)</u>	<u>\$ (21,195,876)</u>	<u>\$ (15,837,739)</u>	<u>\$ (11,902,344)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Property taxes	\$ 9,454,749	\$ 7,684,986	\$ 6,516,128	\$ 6,594,450	\$ 5,747,333
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	4,398,368	3,056,603	1,472,669
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Alcohol & excise taxes	1,468,069	1,396,966	1,109,297	881,643	741,592
Insurance premium	-	-	-	-	57,663
Unrestricted investment earnings	43,259	9,677	3,166	4,782	2,607
Miscellaneous	424,329	403,235	377,765	73,955	30,986
Gain on sale of capital asset	7,429,465	-	-	-	-
Special item - donation of infrastructure at incorporation	-	-	-	-	62,252,906
Transfers	40,000	-	-	-	-
Total governmental activities	<u>38,497,821</u>	<u>27,476,689</u>	<u>25,413,862</u>	<u>23,203,008</u>	<u>78,565,960</u>
Business-type activities:					
Special item - donation of infrastructure at incorporation	-	-	-	-	6,542,349
Transfers	(40,000)	-	-	-	-
Total business-type activities	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,542,349</u>
Total primary government	<u>\$ 38,457,821</u>	<u>\$ 27,476,689</u>	<u>\$ 25,413,862</u>	<u>\$ 23,203,008</u>	<u>\$ 85,108,309</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 11,817,694	\$ 5,758,165	\$ 3,726,843	\$ 6,757,618	\$ 65,638,673
Business-type activities	94,554	344,774	491,143	607,651	7,567,292
Total primary government	<u>\$ 11,912,248</u>	<u>\$ 6,102,939</u>	<u>\$ 4,217,986</u>	<u>\$ 7,365,269</u>	<u>\$ 73,205,965</u>

**CITY OF BROOKHAVEN, GEORGIA**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>General fund</b>					
Nonspendable:					
Prepaid expenditures	\$ 697,283	\$ 431,443	\$ 425,023	\$ 227,320	\$ 165,450
Restricted:					
Streetlight service	-	-	368,189	415,981	377,994
Police donations	30,928	31,569	-	-	-
Assigned:					
Tree fund activities	43,969	21,369	27,086	-	-
Future capital improvements	933,953	933,953	-	-	-
Assigned for subsequent year budget	173,719	550,043	-	-	-
Unassigned	8,565,833	6,253,311	4,553,079	1,104,971	(108,876)
<b>Total general fund</b>	<u>\$ 10,445,685</u>	<u>\$ 8,221,688</u>	<u>\$ 5,373,377</u>	<u>\$ 1,748,272</u>	<u>\$ 434,568</u>
<b>All other governmental funds</b>					
Restricted:					
Law enforcement	\$ 300,353	\$ 194,165	\$ 21,665	\$ 13,748	\$ -
E-911 operations	-	167,434	54,460	54,460	-
Tourism	1,485,020	1,660,476	1,758,432	1,089,145	543,839
Streetlight service	335,582	337,995	-	-	506,943
Public works	562,446	-	-	-	-
Committed:					
Debt service	1,194,763	-	-	-	-
Assigned:					
HOST activities	1,661,404	9,486,486	8,699,500	7,115,659	3,740,069
Capital projects	10,975,319	3,028,983	-	-	-
Public safety	286,966	-	-	-	-
Unassigned	-	(76,521)	(288,119)	-	-
<b>Total all other governmental funds</b>	<u>\$ 16,801,853</u>	<u>\$ 14,799,018</u>	<u>\$ 10,245,938</u>	<u>\$ 8,273,012</u>	<u>\$ 4,790,851</u>



**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Revenues</b>					
Property taxes	\$ 9,425,609	\$ 8,100,863	\$ 7,515,590	\$ 6,627,845	\$ 5,682,476
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	3,961,934	2,050,890	1,472,669
Alcohol excise taxes	1,138,944	1,089,937	818,244	810,836	741,592
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Excise taxes	329,125	307,029	291,053	70,807	57,663
Licenses and permits	3,207,348	3,445,759	2,043,013	2,667,375	2,033,031
Intergovernmental	2,492,933 (1)	316,032	300,655	300,041	-
Charges for services	1,734,627	2,206,972	1,847,239	1,030,145	442,827
Fines and forfeitures	979,220	1,214,517	1,289,048	1,307,436	359,364
Contributions	37,239	74,283	137,658	30,250	-
Interest earned	43,259	9,677	3,166	4,782	2,607
Miscellaneous	387,090	328,952	240,107	43,705	36,936
<b>Total revenues</b>	<u>39,413,344</u>	<u>35,075,846</u>	<u>31,456,845</u>	<u>27,535,687</u>	<u>19,089,369</u>
<b>Expenditures</b>					
General government	5,775,672	4,740,681	4,420,143	5,107,867	4,129,445
Judicial	576,361	565,815	582,977	489,077	478,426
Public safety	10,505,639	9,342,980	8,978,542	7,256,316	8,167,651
Public works	4,562,868	2,093,179	2,176,941	2,757,346	1,139,744
Culture and recreation	5,426,618	2,633,492	2,266,481	1,734,171	595,935
Housing and development	4,631,453	3,713,479	2,883,570	2,443,380	1,259,431
Community development	-	-	100,560	76,515	11,794
Capital outlay	12,933,727	3,778,129	3,735,866	2,097,406	917,693
Debt service					
Principal	664,080	773,391	764,022	672,157	35,840
Interest	40,656	33,309	65,968	105,587	22,879
Issuance cost	57,000	-	-	-	-
<b>Total expenditures</b>	<u>45,174,074</u>	<u>27,674,455</u>	<u>25,975,070</u>	<u>22,739,822</u>	<u>16,758,838</u>
Excess (deficiency) of revenues over (under) expenditures	(5,760,730)	7,401,391	5,481,775	4,795,865	2,330,531
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	4,747,562	-	-	-	21,915
Issuance of capital lease	-	-	116,256	-	2,872,973
Issuance of note payable	5,200,000	-	-	-	-
Transfers in	20,105,500	5,475,295	2,292,461	1,734,906	2,459,475
Transfers out	(20,065,500)	(5,475,295)	(2,292,461)	(1,734,906)	(2,459,475)
<b>Total other financing sources (uses)</b>	<u>9,987,562</u>	<u>-</u>	<u>116,256</u>	<u>-</u>	<u>2,894,888</u>
<b>Net change in fund balances</b>	<u>\$ 4,226,832</u>	<u>\$ 7,401,391</u>	<u>\$ 5,598,031</u>	<u>\$ 4,795,865</u>	<u>\$ 5,225,419</u>
Debt service as a percentage of noncapital expenditures	2.18%	3.09%	3.35%	3.65%	0.45%

(1) Intergovernmental revenues increased during 2017 as a result of additional State funding for road improvements.

## CITY OF BROOKHAVEN, GEORGIA

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

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Fiscal Year	Real Property			Personal Property	
	Residential	Commercial	Industrial	Motor Vehicle	Other (1)
2013	\$ 1,523,386,393	\$ 649,523,762	\$ 12,668,560	\$ -	\$ 72,178,713
2014	1,733,667,148	750,897,616	13,633,280	82,633,320	200,673,125
2015	2,060,648,765	864,293,618	20,659,330	67,891,300	218,557,894
2016	2,180,835,535	1,092,206,786	19,896,863	47,578,450	150,094,412
2017	2,318,323,246	1,215,555,686	21,372,467	40,040,890	158,162,722

Source: Georgia Department of Revenue

(1) Includes aircraft, boats, equipment and other miscellaneous personal property.

<u>Public Utility</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>
\$ -	\$ 254,330,508	\$ 2,003,426,920	2.850	\$ 5,008,567,300	40%
14,644,304	432,899,327	2,363,249,466	2.795	5,908,123,665	40%
17,710,345	646,602,506	2,603,158,746	2.740	6,507,896,865	40%
20,281,585	728,901,965	2,781,991,666	2.740	6,954,979,165	40%
24,103,976	760,277,266	3,017,281,721	2.740	7,543,204,303	40%

# CITY OF BROOKHAVEN, GEORGIA

## PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Per \$1000 of Assessed Value) LAST FIVE YEARS

---

<u>Calendar Year</u>	<u>City of Brookhaven</u>	<u>DeKalb County</u>	<u>DeKalb County Schools</u>	<u>State</u>	<u>Total Direct &amp; Overlapping Rates</u>
2013	2.850	16.250	23.980	0.150	43.230
2014	2.795	13.570	23.900	0.100	40.365
2015	2.740	14.670	23.730	0.050	41.190
2016	2.740	12.560	23.730	0.000	39.030
2017	2.740	13.307	23.280	0.000	39.327

Source: DeKalb County Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the City of Brookhaven. There are no components of the City's tax rate to disclose.

The City's legal millage rate is capped at 3.35.

**CITY OF BROOKHAVEN, GEORGIA**

**PRINCIPAL TAXPAYERS  
CURRENT AND FOUR YEARS AGO**

Taxpayer	2017			2013		
	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
CFATT LLC	\$ 50,401,165	1	1.67 %	\$ 31,234,985	2	1.56 %
20 Perimeter Summit, LLC	40,587,200	2	1.35	27,118,720	3	1.35
AT&T Mobility, LLC	39,021,510	3	1.29	35,585,501	1	1.78
Development Auth of DeKalb County	38,755,719	4	1.28	20,196,001	4	1.01
Goodwynn Multifamily, LLC	34,243,960	5	1.13	19,620,000	5	0.98
3450 Blair Circle LLC	33,200,000	6	1.10			
Development Auth of DeKalb County	30,038,920	7	1.00			
CWS SGARR Brookhaven LLC	23,161,400	8	0.77			
Columbia Brookhaven, LLC	22,730,400	9	0.75			
Lion Gables Realty LP	22,000,000	10	0.73			
50 Lincoln Court, LLC				16,400,000	6	0.82
Post Glen, LLC				15,760,000	7	0.79
Mid America Apartments LP				14,344,520	8	0.72
BIR Lenox, LLC				13,800,000	9	0.69
Manufacturers Life Insurance				12,320,200	10	0.61
	<u>\$ 334,140,274</u>		<u>11.07 %</u>	<u>\$ 206,379,927</u>		<u>10.30 %</u>

Source: DeKalb County Tax Commissioner

**CITY OF BROOKHAVEN, GEORGIA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST FIVE FISCAL YEARS**

---

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2013	\$ 5,595,364	\$ 5,501,908	98.3%	\$ 89,519	\$ 5,591,427	99.93%
2014	6,373,661	6,299,520	98.8%	68,261	6,367,781	99.91%
2015	7,054,126	6,975,703	98.9%	64,663	7,040,366	99.80%
2016	8,004,716	7,848,448	98.0%	149,634	7,998,082	99.92%
2017	8,802,942	8,641,016	98.2%	-	8,641,016	98.16%

Source: DeKalb County Tax Commissioner and City of Brookhaven Tax Department.

**CITY OF BROOKHAVEN, GEORGIA**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST FIVE FISCAL YEARS**

---

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Total</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
	<u>Capital Leases</u>	<u>Notes Payable</u>			
2013	\$ 2,872,973	\$ -	\$ 2,872,973	0.15%	\$ 61
2014	2,200,816	-	2,200,816	0.10%	44
2015	1,553,050	-	1,553,050	0.07%	30
2016	779,659	-	779,659	0.03%	15
2017	254,512	5,061,067	5,315,579	N/A	98

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

N/A - Not Available

## CITY OF BROOKHAVEN, GEORGIA

### DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2017

<u>Governmental Unit</u>	<u>Net Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Brookhaven (1)</u>	<u>Amount Applicable to City of Brookhaven</u>
Debt repaid with property taxes:			
DeKalb County	\$ 305,265,000	11.04%	\$ 33,701,256
Fulton-DeKalb Hospital Authority	21,870,000	11.04%	2,414,448
DeKalb County Board of Education	<u>194,485,000</u>	11.04%	<u>21,471,144</u>
Total overlapping debt	521,620,000		57,586,848
 City direct debt	 <u>5,315,579</u>	 100.00%	 <u>5,315,579</u>
 Total direct and overlapping debt	 <u>\$ 526,935,579</u>		 <u>\$ 62,902,427</u>

Source: Assessed value data used to estimate applicable percentages and debt outstanding obtained from DeKalb County's Finance Department.

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 business of the City of Brookhaven, 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 BROOKHAVEN, GEORGIA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST FIVE FISCAL YEARS**

---

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (1)</u>
2013	47,253	\$ 1,954,195	\$ 41,356	32.8	7,591	6.2%
2014	50,181	2,200,738	43,856	33.3	7,903	4.5%
2015	51,910	2,384,434	45,934	N/A	8,117	N/A
2016	52,444	2,582,710	47,348	33.8	7,804	3.4%
2017	54,169	N/A	N/A	34.2	7,910	4.1%

(1) Source: U.S. Census Bureau

(2) Source: DeKalb County Schools

N/A - Not Available

**CITY OF BROOKHAVEN, GEORGIA**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TWO YEARS AGO**

Employer	2017			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Autotrader.Com	1,525	1	4.63 %			%
AT&T Services, Inc	1,476	2	4.48	1,430	2	9.90
AT&T Mobility	1,271	3	3.86	1,606	1	11.12
Verizon Telematics, Inc	577	4	1.75	629	4	4.35
Crawford and Company	462	5	1.40	554	5	3.83
Source One Direct Inc	386	6	1.17			
Fidelity Bank	370	7	1.12			
Kroger Company	349	8	1.06	387	7	2.68
SSC Atlanta Operating Company	284	9	0.86			
Lavoi Corporation	280	10	0.85			
Cox Communications				1,142	3	7.90
SAP America, Inc				454	6	3.14
United Healthcare Services				372	8	2.57
Insight Global, LLC				270	9	1.87
NDC Health Corporation				251	10	1.74
	<u>6,980</u>		<u>21.19 %</u>	<u>7,095</u>		<u>49.11 %</u>

Source: 2017 and 2015 individual employer's business filings.

Note: Data prior to 2015 is not available.

## CITY OF BROOKHAVEN, GEORGIA

### FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST FIVE YEARS

<b>Function</b>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General government	26	21	12	9	7
Judicial	3	5	7	4	1
Public safety					
Police officers	76	75	75	59	57
Civilians	8	11	6	6	6
Public works	-	-	2	-	-
Culture and recreation	7	11	10	7	-
Housing and development	11	12	11	7	3
<b>Total</b>	<u>131</u>	<u>135</u>	<u>123</u>	<u>92</u>	<u>74</u>

Source: City of Brookhaven Human Resources Department

# CITY OF BROOKHAVEN, GEORGIA

## OPERATING INDICATORS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>General Government</b>					
Ordinances approved	47	26	38	63	68
Resolutions	45	35	36	31	38
Open records requests	408	346	349	261	140
Information system service calls	2,165	2,168	2,921	2,312	N/A
Facebook "likes"	4,136	4,153	1,837	N/A	N/A
Constant contact (eBlast)	3,277	3,161	2,516	2,338	1,716
<b>Judicial</b>					
Municipal court					
Case filings:	5,146	5,848	9,148	10,512	5,338
City Code	789	867	922	730	819
Misdemeanors	11	27	39	211	349
Parking	113	254	261	156	3
Traffic	4,233	4,700	7,926	9,415	4,167
Number of Court Dockets	105	119	175	257	103
Number of Defendants on Docket	6,559	4,751	6,582	10,403	3,282
<b>Public Safety</b>					
Police					
Calls for service	46,512	54,000	59,494	N/A	N/A
Custodial arrests	1,868	2,271	2,177	1,116	427
Traffic citations issued	8,757	5,559	8,070	8,324	3,753
Average response time (all calls)	6m33s	6m15s	7m20s	7m18s	N/A
Average response time (high priority calls)	4m34s	4m12s	3m58s	3m40s	N/A
<b>Public Works</b>					
Lane-miles paved	26.1	9.4	20.2	20.2	N/A
Linear feet new sidewalks	4,810	4,330	2,610	5,230	N/A
Street maintenance work orders completed	478	267	133	229	132
Stormwater work orders completed	130	160	134	84	50
Signal/sign work orders completed	199	235	235	182	23
Right-of-way work orders completed	139	110	61	129	62

Continued

# CITY OF BROOKHAVEN, GEORGIA

## OPERATING INDICATORS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>Culture and Recreation</b>					
Park acres maintained	276	271	224	224	224
Program participants	7,283	2,866	2,949	2,666	40
Aquatics program participants	11,589	8,851	10,499	N/A	N/A
Athletic program participants	6,715	6,775	6,775	4,013	N/A
<b>Community Development</b>					
Special land use permits (SLUPS)	6	3	12	6	2
Variances	72	68	74	79	54
Code enforcement inspections	6,271	6,620	7,751	8,905	N/A
Building inspections	10,490	9,254	8,905	15,697	998
Development inspections	4,150	4,084	2,511	2,653	N/A
Tree removal permits	419	378	265	115	N/A
Land disturbance permits issued	36	28	20	9	N/A
Plat reviews	56	66	58	31	N/A
Plats approved	26	21	19	15	N/A

Source: Various City departments

N/A: Not Available

# CITY OF BROOKHAVEN, GEORGIA

## CAPITAL ASSET STATISTICS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>General Government</b>					
Buildings (1)	1	1	1	1	1
Vehicles	-	-	1	1	1
<b>Judicial</b>					
Building (1)	1	1	1	1	1
<b>Public Safety</b>					
Police stations (1)	1	1	1	1	1
Patrol units	65	65	60	54	49
Patrol zones	6	6	10	10	10
<b>Public Works</b>					
Miles of streets (lane miles)	120.0	120.0	119.2	117.4	117.4
Miles of sidewalks	67.4	66.5	64.6	63.0	63.0
Number of traffic signals	51	50	50	47	47
Miles of storm sewer	113	113	113	113	113
<b>Culture and Recreation</b>					
Parks acreage	332	271	224	224	224
Parks	14	14	11	11	11
Tennis courts	28	28	30	30	30
Soccer fields	2	2	2	2	2
Baseball/Softball fields	14	14	14	14	14
Multipurpose fields	5	5	5	5	5
Community centers	2	2	3/2	3/2	3/2
Swimming pools	3	3	3	3	3
Vehicles	2	2	2	2	2
<b>Housing and Development</b>					
Vehicles	5	5	3	1	-

Source: Various City departments  
(1) Reflects building operating lease

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**APPENDIX B**

**Form of Opinion of Bond Counsel**



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# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

\_\_\_\_\_, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

U.S. Bank National Association, as paying agent  
Atlanta, Georgia

Re: \$ \_\_\_\_\_ City of Brookhaven, Georgia General Obligation Bonds, Series  
2019

To the Addressees:

We have acted as Bond Counsel and Disclosure Counsel to the City of Brookhaven, Georgia (the "City") in connection with the issuance by the City of \$ \_\_\_\_\_ in aggregate principal amount of its General Obligation Bonds, Series 2019 (the "Bonds"). In our capacity as Bond Counsel, we have examined certified copies of the transcripts of the validation proceedings concluded in the Superior Court of DeKalb County, Georgia with respect to the Bonds, the resolution of the City adopted on \_\_\_\_\_, 2019 (the "Bond Resolution") and such other laws, documents, records, instruments and certificates of public officials as we have deemed necessary to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. All capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Bond Resolution.

The proceeds of the Bonds will be used to (a) finance City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

In rendering our opinion that the interest on the Bonds is excluded from the gross for federal income tax purposes, we have (a) relied as to questions of fact material to our opinion upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Bonds), without undertaking to verify the same by independent investigation and (b) assumed continued compliance by the City with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such certificates or representations or the failure of the City to comply with any of such covenants could cause interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance of the Bonds.

In our capacity as Bond Counsel, we express no opinion (a) with respect to the accuracy, completeness or sufficiency of the Official Statement or (b) as to compliance by the

City or the initial purchasers of the Bonds with any federal or state statute, regulation or ruling with respect to the sale or distribution of the Bonds.

Based on our examinations, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Bonds are valid and binding general obligations of the City payable from an ad valorem tax, without limitation as to rate or amount, levied on all property in the City subject to taxation for general obligation bond purposes.

2. The City has levied an ad valorem tax, without limitation as to rate or amount, on all property in the City subject to taxation for general obligation bond purposes in order to pay the principal of and interest on the Bonds as same become due.

3. The interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. We express no opinion regarding any other federal tax consequences arising with respect to ownership of the Bonds.

4. The interest on the Bonds is exempt from all present State of Georgia income taxes.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

MURRAY BARNES FINISTER LLP

By: \_\_\_\_\_  
A Partner

**APPENDIX C**

**Form of Continuing Disclosure Certificate**

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## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Brookhaven, Georgia (the “City”), in connection with the issuance by the City of \$\_\_\_\_\_ in aggregate principal amount of its General Obligation Bonds, Series 2019 (the “Bonds”). The Bonds are being issued pursuant to a resolution of the City adopted on \_\_\_\_\_, 2019 (the “Resolution”). The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Beneficial Owners (as herein defined) of the Bonds and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to the Rule and this Disclosure Certificate.

“Beneficial Owners” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“City” shall mean the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia, its successors and assigns.

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“EMMA” shall mean MSRB’s Electronic Municipal Market Access system, as described in 1934 Act Release No. 59062 and maintained by the MSRB for the purposes of the Rule as further described herein.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the City as its fiscal year for financial reporting purposes and shall initially mean the period beginning on January 1 of each calendar year and ending December 31 of the same calendar year.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“Official Statement” shall mean the Official Statement of the City relating to the Bonds.

“Participating Underwriter” shall mean \_\_\_\_\_.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Georgia.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent (if any) to provide, not later than 270 days after the end of the City’s Fiscal Year (the “Reporting Date”), beginning for the Fiscal Year ending December 31, 2018, provide to EMMA in an electronic format prescribed by the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, however, that if audited financial statements are unavailable, unaudited financial statements may be submitted so long as such audited financial statements are furnished when available.

(b) The City or the Dissemination Agent (if any) shall:

(i) determine each year prior to the Reporting Date the appropriate electronic format prescribed by the MSRB for filing with the MSRB and the proper form of such filing;

(ii) if the Annual Report (or the audited financial statements which were to be separately submitted) is not filed by the date required in subsection (a), send a notice, in a timely manner to EMMA in an electronic format prescribed by the MSRB in substantially the form attached hereto as Exhibit A; and

(iii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and the date provided.

Section 4. Content of Annual Reports. The City’s Annual Report for each Fiscal Year shall contain or incorporate by reference the following:

(a) The financial statements of the City for the preceding Fiscal Year, which must be prepared in accordance with generally accepted accounting principles as in effect

from time to time. If audited financial statements of the City are not yet available, the unaudited financial statements of the City shall be provided, and when audited financial statements of the City are available, the audited financial statements of the City shall be substituted for the unaudited financial statements. Each set of such audited financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally accepted auditing standards.

(b) If generally accepted accounting standards changed from the previous Fiscal Year and if such changes are material to the City, a narrative description (as required by Section 8 of this Disclosure Certificate) of the impact of the changes on the City.

(c) A statement indicating that the City's Fiscal Year has not changed, or, if the Fiscal Year has changed, a statement indicating the new Fiscal Year.

(d) To the extent not included in items provided pursuant to subsection (a) above, information for the Fiscal Year of the type set forth in the Official Statement under the following headings: "CITY AD VALOREM TAXATION – Property Tax Collections," "– Property Tax Millage Rates," "– Ad Valorem Property Tax Digest," and "– Ten Largest Taxpayers."

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB in an electronic format prescribed by the MSRB. The City shall clearly identify each such other document so incorporated by reference. All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

#### Section 5. Reporting of Significant Events.

(a) Within ten (10) business days of the occurrence of one of the following Listed Events, the City or the Dissemination Agent (if any) shall file a notice of such occurrence with EMMA.

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults, if material.

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.



- (v) Substitution of credit or liquidity providers, or their failure to perform.
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds.
- (vii) Modification to rights of Beneficial Owners, if material.
- (viii) Bond calls, if material, and tender offers.
- (ix) Defeasances.
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material.
- (xi) Rating changes.
- (xii) Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person.
- (xiii) Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (xiv) Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

(b) The content of any notice of the occurrence of a listed event under subsection (a) above shall be determined by the City and shall be in substantially the form attached hereto as Exhibit B.

(c) All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the City and the City shall have no further responsibility hereunder. The City will provide notice of such termination to EMMA in an electronic format as prescribed by the MSRB.

Section 7. Dissemination Agent. The City may, from time to time, appoint a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and the City may, from time to time, discharge the Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. This Disclosure Certificate may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the City to the effect that the amendment does not violate the provisions of the Rule.

In the event that this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided in the Annual Report. If the amendment or waiver relates to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible, the comparison must also be quantitative. A notice of the change in the accounting principles shall be filed with the MSRB in an electronic format as prescribed by the MSRB (which, as of the date hereof, is EMMA) on or before the effective date of any such amendment or waiver.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Beneficial Owner may initiate an action against the City to compel performance. A default under this Disclosure Certificate shall not be deemed a “default” or an “event of default” under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if any) shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for the City), and the opinion of such counsel shall be full and complete

authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Georgia.

Section 15. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

2019. WITNESS my hand and the seal of the City this \_\_\_\_\_ day of \_\_\_\_\_,

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Brookhaven, Georgia

Name of Bond Issue: \$ \_\_\_\_\_ City of Brookhaven, Georgia General Obligation Bonds, Series 2019

CUSIP Number(s)<sup>1</sup> \_\_\_\_\_

Date of Issuance: \_\_\_\_\_, 2019

NOTICE IS HEREBY GIVEN that the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the "City") has not provided an Annual Report due with respect to the above-captioned Bonds as required by its Continuing Disclosure Certificate, dated \_\_\_\_\_, 2019. The City anticipates that the Annual Report will be filed by \_\_\_\_\_.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to \_\_\_\_\_.

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

EXHIBIT B

NOTICE OF [INSERT THE LISTED EVENT]

Relating to

\$ \_\_\_\_\_  
CITY OF BROOKHAVEN, GEORGIA  
GENERAL OBLIGATION BONDS, SERIES 2019

CUSIP NUMBERS<sup>1</sup>

Notice is hereby given that [insert the Listed Event] has occurred with respect to the above-captioned bonds (the “Bonds”). [Describe circumstances leading up to the event, action being taken and anticipated impact.]

[Notice of the Listed Events described in Section 5(a)(ix) shall include the following:

The City of Brookhaven, Georgia (the “City”) has reserved the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional redemption provisions of said defeased bonds.

OR

The City has covenanted not to exercise any optional redemption provisions under the Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Bonds have been defeased to [maturity/the first call date, which is \_\_\_\_\_]. This notice does not constitute a notice of redemption and no Bonds should be delivered to the City or to the Paying Agent as a result of this mailing. A Notice of Redemption instructing you where to submit your Bonds for payment will be mailed \_\_\_\_\_ to \_\_\_\_\_ days prior to the redemption date.]

---

<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**APPENDIX D**

**Form of Book-Entry Only System**



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## BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all the Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the City or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NEITHER THE CITY NOR THE PAYING AGENT NOR THE UNDERWRITER (OTHER THAN IN THEIR CAPACITY, IF ANY, AS A DIRECT PARTICIPANT OR AN INDIRECT PARTICIPANT) WILL HAVE ANY OBLIGATION TO THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO DTC'S PROCEDURES OR ANY PROCEDURES OR ARRANGEMENTS BETWEEN DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS AND BENEFICIAL OWNERS.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (1) SENDING TRANSACTION STATEMENTS; (2) MAINTAINING, SUPERVISING OR REVIEWING, THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (3) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON BONDS; (4) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OF ANY NOTICE OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO HOLDERS OR OWNERS OF BONDS; OR (5) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF BONDS.

**NEW ISSUE – BOOK ENTRY ONLY**

**RATINGS:**  
**Moody's: "Aaa"**  
**S&P: "AAA"**  
(See "MISCELLANEOUS—Ratings")

*In the opinion of Bond Counsel, subject to the limitations and conditions described herein, and assuming compliance by the City with certain covenants, interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is exempt from present State of Georgia income taxation, is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals.*

**\$38,855,000**  
**CITY OF BROOKHAVEN, GEORGIA**  
**GENERAL OBLIGATION BONDS, SERIES 2019**

**Dated: Date of Issuance**

**Due: July 1, as shown on the inside cover**

The City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the "City"), is issuing its General Obligation Bonds, Series 2019 (the "Bonds") in fully registered form and in denominations of \$5,000, or any integral multiple thereof, for the purpose of (a) financing certain capital projects and (b) paying the costs of issuing the Bonds. See "PLAN OF FINANCING."

The Bonds are direct and general obligations of the City. The principal of and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, to be levied upon all taxable property within the City subject to taxation for general obligation bond purposes. See "THE BONDS – Security and Sources of Payment for the Bonds" and "CITY AD VALOREM TAXATION."

Interest on the Bonds is payable semiannually on January 1 and July 1 of each year (each such date, an "Interest Payment Date"), commencing January 1, 2020, by U.S. Bank National Association, as Paying Agent, to the owners thereof as shown on the registration books maintained by U.S. Bank National Association, as Bond Registrar. The Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See "THE BONDS – Description."

The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. As long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System."

**THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.**

The Bonds are offered when, as, and if issued by the City and accepted by the Underwriter, subject to prior sale, to the withdrawal or modification of the offer without notice, and to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, as Bond Counsel and Disclosure Counsel to the City. Certain matters will be passed upon for the City by Balch Law Group, Atlanta, Georgia. Davenport & Company LLC is acting as the City's financial advisor. The Bonds are expected to be delivered through DTC in New York, New York on or about January 31, 2019.

Dated: January 22, 2019

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NOS.**

## \$29,065,000 Serial Bonds

<u>Maturity July 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP No.<sup>†</sup></u>
2020	\$ 100,000	5.000%	1.670%	113071 AA2
2021	720,000	5.000	1.680	113071 AB0
2022	755,000	5.000	1.700	113071 AC8
2023	790,000	5.000	1.750	113071 AD6
2024	830,000	5.000	1.810	113071 AE4
2025	870,000	5.000	1.870	113071 AF1
2026	915,000	5.000	1.940	113071 AG9
2027	960,000	5.000	2.030	113071 AH7
2028	1,010,000	5.000	2.120	113071 AJ3
2029	1,055,000	5.000	2.230 <sup>C</sup>	113071 AK0
2030	1,095,000	3.000	2.400 <sup>C</sup>	113071 AL8
2031	1,130,000	4.000	2.600 <sup>C</sup>	113071 AM6
2032	1,170,000	4.000	2.700 <sup>C</sup>	113071 AN4
2033	1,210,000	3.000	3.000	113071 AP9
2034	1,255,000	3.000	3.100	113071 AQ7
2035	1,300,000	3.125	3.200	113071 AR5
2036	1,345,000	3.125	3.250	113071 AS3
2037	1,390,000	3.250	3.300	113071 AT1
2038	1,440,000	3.250	3.350	113071 AU8
2039	1,485,000	3.375	3.400	113071 AV6
2040	1,535,000	3.500	3.420 <sup>C</sup>	113071 AW4
2041	1,590,000	3.500	3.440 <sup>C</sup>	113071 AX2
2042	1,645,000	3.500	3.460 <sup>C</sup>	113071 AY0
2043	1,705,000	3.500	3.480 <sup>C</sup>	113071 AZ7
2044	1,765,000	3.500	3.500	113071 BA1

\$9,790,000 3.500% Term Bond due July 1, 2049 Priced to Yield 3.550%, CUSIP No. 113071 BF0

<sup>C</sup>Yield calculated to call date of July 1, 2028.

<sup>†</sup>CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the City or the Underwriter and are intended solely for the convenience of the holders of the Bonds. Neither the City nor the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds as indicated above.

**CITY OF BROOKHAVEN, GEORGIA**

**Mayor and City Council**

John A. Ernst, Jr., Mayor  
Linley Jones  
John Park  
Bates Mattison  
Joe Gebbia

**City Staff**

Christian Sigman, City Manager  
Steven Chapman II, Assistant City Manager/Chief Financial Officer  
Linda Nabers, Finance Director

**COUNSEL TO THE CITY**

Balch Law Group  
Atlanta, Georgia

**CITY AUDITOR**

Mauldin & Jenkins, LLC  
Atlanta, Georgia

**BOND COUNSEL AND DISCLOSURE COUNSEL**

Murray Barnes Finister LLP  
Atlanta, Georgia

**FINANCIAL ADVISOR**

Davenport & Company LLC  
Atlanta, Georgia

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and the Appendices hereto and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are deemed to be reliable. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed this Official Statement in accordance with, and as part of, its responsibilities to investors under the Federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expression of opinions herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the City since the date hereof.

THE PRICES AT WHICH THE BONDS ARE OFFERED TO THE PUBLIC MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS, AND THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF ANY BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

IN MAKING AN INVESTMENT DECISION INVESTORS MAY RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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**\$38,855,000**  
**CITY OF BROOKHAVEN, GEORGIA**  
**GENERAL OBLIGATION BONDS, SERIES 2019**

**SUMMARY STATEMENT**

The following information is furnished solely to provide limited introductory information regarding the terms of the Bonds (as hereinafter defined) and does not purport to be comprehensive. Such information is qualified in its entirety by reference to the more detailed descriptions appearing in the Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or to otherwise use it without the entire Official Statement.

**The City**

The City of Brookhaven, Georgia (the “City” or “Brookhaven”) is a municipal corporation of the State. The City is located in the northwest suburbs of the City of Atlanta and is the largest city in DeKalb County, Georgia (the “County” or “DeKalb County”). The City had an estimated population of 53,518 as of July 1, 2017 (the most recent information available). See “THE CITY.”

**Purpose of the Bonds**

The City is issuing its General Obligation Bonds, Series 2019 (the “Bonds”) for the purpose of (a) financing certain capital projects (the “Projects”) and (b) paying the costs of issuing the Bonds. See “PLAN OF FINANCING.”

**Security and Sources of Payment for the Bonds**

The Bonds are direct and general obligations of the City. The principal of and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, which may be levied upon all taxable property within the territorial limits of the City subject to taxation for general obligation bond purposes. See “THE BONDS – Security and Sources of Payment for the Bonds” and “CITY AD VALOREM TAXATION.”

**Description of the Bonds**

*Redemption.* The Bonds are subject to redemption prior to their respective maturities. See “THE BONDS – Redemption.”

*Denominations.* The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

*Book-Entry Bonds.* The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. As long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry System of Registration.”

*Book-Entry Bonds.* The Bonds will be issued in book-entry form (“Book-Entry Form”) and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the “Securities Depository”). The Securities Depository will act as securities depository for the Bonds. Purchases will be made only through the Participants (as herein defined) in the Securities Depository, and no physical delivery of the Bonds will be made to Beneficial Owners (as hereinafter defined). Payment of principal of and interest on the Bonds will be made to Beneficial Owners by the Securities Depository through its Participants. Registrations of

transfers and exchanges shall be made in accordance with the rules of the Securities Depository. See “THE BONDS – Book-Entry Only System” and Appendix D.

*Payments.* Interest on the Bonds will be payable semiannually on January 1 and July 1 of each year until maturity (each an “Interest Payment Date”), commencing January 1, 2020. Principal of the Bonds will be payable at the times and in the amounts shown on the inside front cover of this Official Statement. When in book-entry form, payment of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry System of Registration.”

When not in book-entry form, interest on the Bonds is payable by check or draft mailed to the registered owners thereof at the addresses which appear on the bond registration books of the Bond Registrar as of the close of business on the fifteenth calendar day of the month preceding each Interest Payment Date (the “Record Date”). When not in book-entry form, the principal of the Bonds is payable upon surrender thereof at the corporate trust office of the Paying Agent in Atlanta, Georgia. See “THE BONDS – Description.”

For a more complete description of the Bonds, see “THE BONDS.”

### **Tax Exemption**

In the opinion of Bond Counsel, subject to the limitations and conditions described herein and assuming compliance by the City with certain covenants, interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is exempt from present State of Georgia income taxation, is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. See “LEGAL MATTERS – Tax Exemption” herein and Appendix B hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds.

### **Bond Registrar and Paying Agent**

U.S. Bank National Association will act as Bond Registrar and as Paying Agent for the Bonds. The corporate trust office of U.S. Bank National Association in Atlanta is located at 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia 30309.

### **Professionals Involved in the Offering**

Certain legal matters pertaining to the City and its authorization and issuance of the Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City. Copies of the opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of the opinion is attached hereto as Appendix B. Certain legal matters will be passed on for the City by its counsel, Balch Law Group. See “LEGAL MATTERS.” Davenport & Company LLC is acting as the City’s financial advisor (the “Financial Advisor”). The financial statements of the City for the fiscal year ended December 31, 2017 attached hereto as Appendix A have been audited by Mauldin & Jenkins, LLC, to the extent and for the period indicated in its report thereon which appears in Appendix A hereto. See “MISCELLANEOUS – Financial Advisor and “– Independent Auditors.”

### **Authority for Issuance**

The Bonds are being issued pursuant to the Constitution and laws of the State of Georgia including particularly (a) an election held on November 6, 2018 (the “Election”) and (b) a resolution of the Council of the City of Brookhaven adopted on January 22, 2019 (the “Bond Resolution”). In the Election, 60% of the voters voted in favor of the issuance of the Bonds.

## **Offering and Delivery of the Bonds**

The Bonds are offered when, as, and if issued by the City and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice. The Bonds in definitive form are expected to be delivered through The Depository Trust Company in New York, New York, on or about January 31, 2019.

## **Continuing Disclosure**

The City has covenanted for the benefit of the owners of the Bonds in a Disclosure Certificate (the "Disclosure Certificate") to provide (a) certain financial information and operating data relating to the City (the "Operating and Financial Data") annually to the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access System ("EMMA") and (b) notices of the occurrence of certain events within 10 business days of their occurrence (the "Events Notices") to EMMA. The City's undertaking to provide Operating and Financial Data and Events Notices is described in the Continuing Disclosure Certificate, a form of which is attached as Appendix C hereto. The covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the "Rule").

The City entered into its first continuing disclosure undertaking pursuant to the Rule in connection with the issuance on October 3, 2018 of the City of Brookhaven Public Facilities Authority Revenue Bonds (Peachtree Creek Greenway Project), Series 2018 in the original aggregate principal amount of \$12,640,000.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement contains forecasts, projections and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the City, the Bonds, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, and other documents are intended as summaries only and are qualified in their entirety by reference to such laws and documents, and references herein to the Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution and other documents and information are available, upon request and upon payment to the City of a charge for copying, mailing and handling, from City of Brookhaven, Georgia, 4362 Peachtree Road, Brookhaven, Georgia 30319, Attention: Chief Financial Officer, telephone: (404) 637-0620. During the period of the offering of the Bonds, copies of such documents are available, upon request and upon payment to the Financial Advisor of a charge for copying, mailing and handling, from Davenport & Company LLC, 3350 Riverwood Parkway, Suite 1900, Atlanta, Georgia 30339, telephone: (404) 825-9467.

## PLAN OF FINANCING

### Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Bonds are set forth below.

Sources of Funds:	
Par Amount of Bonds	\$38,855,000
Plus: Net Original Issue Premium	<u>1,619,123</u>
Total Sources of Funds	<u>\$40,474,123</u>
Application of Funds:	
Projects	\$39,703,023
Costs of Issuance <sup>(1)</sup>	<u>771,100</u>
Total Application of Funds	<u>\$40,474,123</u>

<sup>(1)</sup> Includes Underwriter's discount, legal and accounting fees, rating agency fees, printing costs, validation court costs and other costs of issuance.

### Projects

A portion of the proceeds of the Bonds will be used to finance the Projects. The Projects consist of the City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith. The proceeds of the Bonds that will be used to pay the costs of the Projects and the costs of issuing the Bonds will be remitted to the City and deposited into a segregated fund maintained by the City. Prior to the expenditure of the proceeds of the Bonds held by the City, such moneys will be invested as described herein.

### Investment of Bond Proceeds.

The Bond proceeds in the Project Fund will be invested pending their disbursement. Section 36-82-7 of the Official Code of Georgia Annotated provides that the proceeds of the Bonds may be invested and reinvested by the governing authority of the City in the following investments:

- (1) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated;
- (2) bonds or obligations of the County or of the State of Georgia or other states and bonds or obligations of other counties, municipal corporations, and political subdivisions of the State of Georgia;
- (3) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;
- (4) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence, provided however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;
- (5) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or

municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(6) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds, provided the portion of the certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, must be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above;

(7) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations described in paragraph (3) and (4) above and repurchase agreements fully collateralized by any such obligations,

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian,

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value, and

(d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(8) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

## **THE BONDS**

### **Description**

The Bonds will be dated their date of issuance and will bear interest at the rates specified on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance). Interest will be payable semiannually on each Interest Payment Date, commencing January 1, 2020. The principal amount of the Bonds is payable at the times and in the amounts set forth on the cover page of this Official Statement. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

When in book-entry form, payment of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants and Indirect Participants and thereafter to Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry System of Registration.”

When not in book-entry form, the principal of the Bonds shall be payable at maturity upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. When not in book-entry form, payments of interest on the Bonds shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on each Record Date, and such payments of interest shall be mailed to the registered owner at the address shown on the bond registration book.

### **Security and Sources of Payment for the Bonds**

In order to pay the principal of and interest on the Bonds, the City will levy an ad valorem tax, unlimited as to rate or amount, upon all taxable property within the City subject to taxation for general obligation bond purposes, including real and personal property, privately owned utilities, motor vehicles, and mobile homes which are not exempt from ad valorem taxes. The City, by and through its City Council, has the autonomous power to set its millage rates and to levy and collect ad valorem taxes. See “CITY AD VALOREM TAXATION” herein. Article IX, Section V, Paragraph VI of the Georgia Constitution requires the City place the ad valorem taxes levied to pay its general obligation bonds in a sinking fund to be used exclusively for paying the principal of and interest on such general obligation bonds. It also requires that the City keep such moneys separate and apart from all other revenues collected by the City.

### **Enforcement of Remedies**

The realization of value from the pledge of the taxing power of the City to the payment of the Bonds upon any default will depend upon the exercise of various remedies specified by Georgia law. These remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted to the extent applicable to the Bonds or the City.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no municipality of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, city council or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any municipality created under the Constitution or laws of the State of Georgia, of any petition for relief from payment of its debts as they mature or a petition for composition of its

debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

### **Redemption**

The Bonds maturing on or after July 1, 2029 are subject to optional redemption in whole or in part at any time on or after July 1, 2028, in the order of maturities selected by the City, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, shall be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of DTC when the Bonds are in book-entry form and (b) by first-class mail, postage prepaid to all registered owners of the Bonds to be redeemed when the Bonds are no longer in book-entry form. Failure of any holder of any Bond to receive any such notice, or any defect in the notice, shall not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Bonds so designated for redemption after the redemption date.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited

If the Bonds are called for redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the City. If less than all of the Bonds of a maturity are to be called for redemption, then Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by DTC when the Bonds are held in book-entry form and (b) by lot when the Bonds are not held in book-entry form.

The Bonds maturing on July 1, 2049 are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below (the July 1, 2049 amount to be paid rather than redeemed):

<u>July 1 of the Year</u>	<u>Amount</u>
2045	\$1,825,000
2046	1,890,000
2047	1,955,000
2048	2,025,000
2049	2,095,000

At its option, to be exercised on or before the 45th day next preceding such scheduled mandatory redemption date, the City, may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the City on such scheduled mandatory redemption date and the principal amount of the Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

### **Book-Entry Only System**

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of the Bonds and, except as otherwise provided herein with respect to tenders by beneficial owners



of beneficial ownership interests, beneficial owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Indenture.

The information set forth in Appendix D about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the City nor the Underwriter makes any representations, warranties or guarantees with respect to its accuracy or completeness.

### PRINCIPAL AND INTEREST REQUIREMENTS

The following are the principal and interest payment requirements with respect to the Bonds for the fiscal years shown below.

Fiscal Year Ended <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 100,000	\$ 2,065,078.75	\$ 2,165,078.75
2021	720,000	1,449,850.00	2,169,850.00
2022	755,000	1,413,850.00	2,168,850.00
2023	790,000	1,376,100.00	2,166,100.00
2024	830,000	1,336,600.00	2,166,600.00
2025	870,000	1,295,100.00	2,165,100.00
2026	915,000	1,251,600.00	2,166,600.00
2027	960,000	1,205,850.00	2,165,850.00
2028	1,010,000	1,157,850.00	2,167,850.00
2029	1,055,000	1,107,350.00	2,162,350.00
2030	1,095,000	1,054,600.00	2,149,600.00
2031	1,130,000	1,021,750.00	2,151,750.00
2032	1,170,000	976,550.00	2,146,550.00
2033	1,210,000	929,750.00	2,139,750.00
2034	1,255,000	893,450.00	2,148,450.00
2035	1,300,000	855,800.00	2,155,800.00
2036	1,345,000	815,175.00	2,160,175.00
2037	1,390,000	773,143.75	2,163,143.75
2038	1,440,000	727,968.75	2,167,968.75
2039	1,485,000	681,168.75	2,166,168.75
2040	1,535,000	631,050.00	2,166,050.00
2041	1,590,000	577,325.00	2,167,325.00
2042	1,645,000	521,675.00	2,166,675.00
2043	1,705,000	464,100.00	2,169,100.00
2044	1,765,000	404,425.00	2,169,425.00
2045	1,825,000	342,650.00	2,167,650.00
2046	1,890,000	278,775.00	2,168,775.00
2047	1,955,000	212,625.00	2,167,625.00
2048	2,025,000	144,200.00	2,169,200.00
2049	<u>2,095,000</u>	<u>73,325.00</u>	<u>2,168,325.00</u>
Total	<u>\$38,855,000</u>	<u>\$26,038,735.00</u>	<u>\$64,893,735.00</u>

See "CITY DEBT STRUCTURE" for a description of other tax supported debt of the City.

## THE CITY

### Introduction

The City is a municipal corporation of the State. After a July 31, 2012 voter referendum approving the establishment of Brookhaven, the City officially became the largest city in DeKalb County, Georgia on December 17, 2012. The City has a current estimated population of 53,518 as of July 1, 2017. Brookhaven is located in the northeast suburbs of the City of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, quality restaurants and shopping, and a large diverse international population.

### City Administration and Officials

Under the Charter of the City, the Council is comprised of a mayor and four council members who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with two Councilmembers' terms expiring on odd-numbered years on an alternating basis with the other two Councilmembers' terms.

The City is divided into four council districts. One member is elected from each district, and the Mayor is elected from the City at large. The Mayor is recognized as the head of the City government for all ceremonial purposes and serves as the chair of all meetings of the City Council. The Mayor votes only in the case of a tie or in the case where his or her vote will provide the number of votes necessary for approval of a matter.

Certain other information concerning the City Council members is set forth below:

<u>Name and Office Held</u>	<u>District</u>	<u>Number of Years in Office</u>	<u>Principal Occupation</u>
John A. Ernst, Jr., Mayor	At-Large	3	Attorney
Linley Jones	1	3½	Attorney
John Park	2	4	IT Consultant
Bates Mattison	3	6	Business Owner
Joe Gebbia, Mayor Pro Tem	4	6	Brokerage Executive

The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City. The City Manager is the chief administrative officer of the City and is responsible to the City Council for the proper administration of all affairs of the City.

*Christian Sigman, City Manager*, was appointed as City Manager on May 10, 2016. He has served in various leadership roles within several cities and counties including Hamilton County, Ohio, City of Cincinnati, and the District of Columbia. In total, Mr. Sigman has over 27 years of local government experience. Mr. Sigman has also served as a strategy consultant with Booz, Allen, Hamilton with an emphasis on financing public safety voice and data systems. He began his public service career as a police officer for Indiana University where he double majored in Psychology and Criminal Justice and went on to earn his MPA at the School of Public and Environmental Affairs. He has attended the Senior Executives in State and Local Government Program at Harvard University. Mr. Sigman is a Credentialed Manager with the International City/County Management Association.

*Steven Chapman II, Assistant City Manager and Chief Financial Officer*, was appointed to his position in August 2016. Mr. Chapman started his career with a small investment bank in Atlanta and has since served in many roles with federal, county and city governments over his 29-year career. Mr. Chapman is currently working on his PhD dissertation in Public Administration from Florida Atlantic University. Mr. Chapman holds an MS in Finance from Georgia State University's Jack M. Robinson School of Business and a BS in Management from the Georgia

Institute of Technology. Mr. Chapman has been a prolific speaker on the topic of government finance at various national, state and local conferences as well as teaching classes at the university level. He previously served six years as a committee member for the GFOA Governmental Budget and Fiscal Policy committee where he championed the most recent best practice in fund balance policy. Mr. Chapman has been on many boards including serving on the Florida League of Cities Pension Investment Advisory Committee.

**Employees**

The City employed 132 full-time and 50 part-time employees in all departments of government as of January 2019. No employees of the City are represented by labor organizations or are covered by collective bargaining agreements, and the City is not aware of any union organizing efforts at the present time. The City believes that employee relations are good.

**Retirement Plans and Other Post-Employment Benefits**

*Defined Contribution Pension Plan.* Brookhaven offers two retirement plans for City employees. The 401(a) and 457 plan are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. For the 457 plan, the City matches employee contributions at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following 30 days of employment and are fully vested after 12 months. At November 30, 2018 there were 114 employees participating in the plan who contributed \$650,980.89 while the City’s contributions totaled \$707,999.12. The City also contributes the social security withholding amount (6.2% for 2018) to a social security replacement plan for each eligible employee. All participants are fully vested in the social security replacement plan at all times. At November 30, 2018 there were 120 employees participating in the plan with total contributions from the City of \$506,662.76.

*Other Post-Employment Benefits.* The City does not currently offer other post-employment benefits than those set forth above.

**Demographic Information**

*Population.* Set forth below is the estimated total population of the City and the County for the years 2013-2017, the most current data available.

<u>Year</u>	<u>City</u>	<u>County</u>
2017	53,518	753,253
2016	52,909	746,690
2015	52,554	737,418
2014	51,807	725,647
2013	51,216	717,321

Source: U.S. Census Bureau, Population Estimates for 2013-2017.

*Population By Age; Median Age.* The following table presents estimated population by age for the City for calendar year 2017, the most recent information available. The median age of residents of the City in 2017 was 34.1.

<u>Under 20 Years</u>	<u>20 to 44 Years</u>	<u>45 to 64 Years</u>	<u>65 Years and Over</u>
24.4%	46.2%	20.0%	9.3%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Population by Race.* The following table presents estimated population by race for the City for the calendar year 2017, the most recent information available.

<u>White</u> <sup>(1)</sup>	<u>Black or African American</u> <sup>(1)</sup>	<u>American Indian and Alaska Native</u> <sup>(1)</sup>	<u>Asian</u> <sup>(1)</sup>	<u>Other</u> <sup>(1)</sup>	<u>Two or More Races</u>	<u>Hispanic or Latino</u> <sup>(2)</sup>
71.4%	9.9%	2.5%	6.3%	7.9%	2.0%	24.6%

<sup>(1)</sup> Includes persons reporting only one race.

<sup>(2)</sup> Hispanics may be of any race, so also are included in applicable race categories.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Educational Attainment.* The following table presents the estimated level of education of the population aged 25 years and over for the City for the year 2017, the most recent information available.

Less than 9 <sup>th</sup> grade	8.0%
9 <sup>th</sup> to 12 grade, no diploma	4.6
High school graduate (including equivalency)	12.6
Some college, no degree	9.9
Associate degree	2.7
Bachelor's degree	34.7
Graduate or professional degree	<u>27.5</u>
	<u>100.0%</u>
Percent high school graduate or higher	87.4%
Percent bachelor's degree or higher	62.2%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Commuting Characteristics.* The following table presents the estimated percentages of the City's population employed at jobs located within the City and those employed at jobs located outside of the City for the calendar year 2017, the most recent information available.

Residents of the City Employed:

Inside the City	17.7%
Outside the City	82.3

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2013-2017.

## **Economic Information**

The following information is provided to give prospective investors an overview of the general economic condition in the City. Where information related to the City is not available, information for the County has been provided instead. These statistics have not been adjusted to reflect economic trends and are not to be relied upon as a representation or guarantee of the City, the County or the Underwriter.

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*Per Capita Personal Income.* The following table reflects the estimated per capita personal income for the City, the State and the United States for the calendar years 2013 through 2017, the most recent information available.

<u>Year</u>	<u>City</u>	<u>State of Georgia</u>	<u>United States</u>
2017	\$52,144	\$28,015	\$31,177
2016	50,343	26,678	29,829
2015	49,247	25,737	28,930
2014	46,429	25,427	28,555
2013	47,022	25,182	28,155

Source: U.S. Census Bureau, 2013-2017; 2012-2016, 2011-2015, 2010-2014, 2009-2013 American Community Survey 5-Year Estimates.

*Median and Mean Household Income.* The following table contains an estimate of the median and mean household incomes in the City, the County, the State and the United States for the year 2017, the most recent information available.

	<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
Median	\$ 78,863	\$55,876	\$52,977	\$57,652
Mean	123,625	82,139	74,763	81,283

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Poverty Levels.* The following table contains an estimate of the percentage of all people that were living below the poverty level in the City, the County, the State and the United States for the year 2017, the most recent information available.

<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
14.1%	17.6%	16.9%	14.6%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Household Income Distribution.* The following table reflects the estimated income distribution of all households in the City for the calendar year 2017 (the most recent information available).

<u>Income</u>	<u>Percent of Population</u>
Less than \$10,000	4.4%
\$10,000 to \$14,999	2.7
\$15,000 to \$24,999	7.0
\$25,000 to \$34,999	7.5
\$35,000 to \$49,999	10.3
\$50,000 to \$74,999	16.8
\$75,000 to \$99,999	10.2
\$100,000 to \$149,999	13.9
\$150,000 to \$199,999	9.5
\$200,000 or more	17.7
	<u>100.0%</u>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2013-2017.

*Median Home Values.* The following table contains the median home value for the City, the County, the State and the United States for census years 1980, 1990 and 2000 and estimates for the year 2017, the most recent information available.

<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2017	\$419,800	\$176,000	\$158,400	\$193,500
2000	N/A	135,100	111,200	119,600
1990	N/A	90,600	71,300	79,100
1980	N/A	50,900	36,900	47,200

Source: U.S. Census Bureau, 1980, 1990, 2000; U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

*Building Permits Summary.* The following table reflects the number of commercial and residential building permits issued in Brookhaven for the last five full fiscal years. The number of permits issued includes both commercial and residential, with each category including new construction, additions, alterations and conversions.

<u>Year</u>	<u>Building Permits Issued</u>
2018 <sup>(1)</sup>	3,476
2017	4,591
2016	4,403
2015	3,568
2014	4,609

<sup>(1)</sup> As of 12/18/2018.

Source: City of Brookhaven City Manager's Office.

*Banking Deposits.* The following table contains the number of banking institutions and the total banking deposits (in thousands) for all FDIC-insured institutions in the County for the last five years ended June 30, the most current information available. Comparable information for the City is not available.

<u>Year</u>	<u>Number of Institutions</u>	<u>Total Deposits (In Thousands)</u>
2018	25	\$12,278,737
2017	25	10,570,556
2016	26	9,778,717
2015	26	8,961,973
2014	26	8,415,327

Source: Federal Deposit Insurance Corporation.

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*Largest Employers.* Set forth below are the 10 largest employers located in the City for the fiscal year ended December 31, 2018, their type of business and estimated number of employees. There can be no assurance that any employer listed below will continue to be located in the City or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability of the financial condition of the companies listed.

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
Autotrader.com Inc.	Automobile sales	900
Verizon Telematics, Inc.	Computer Programming Services	450
The Weather Company LLC	Cable & Other Pay TV Services	425
RelayHealth Pharmacy Solutions	Management Consulting Services	385
Fidelity Bank Operations Center	State Commercial Banks	381
Salvation Army Southern Territory	Social Services	325
Zurich	Insurance Agents, Broker, Service	300
Oglethorpe University	Education	250
Marist School	Education	200
AmeriGroup Community Care	Insurance Agents, Broker, Service	175

Source: Georgia Power Community and Economic Development (Business Wise).

*Labor Statistics.* The following table reflects the unemployment rates in the City, the County, the State and the United States for the calendar years 2013 through 2017 and for October 2018 (the most recent information available).

	<u>2018</u> <sup>(1)</sup>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Brookhaven Unemployment Rate	2.4%	3.1%	3.4%	3.8%	4.4%	5.1%
County Unemployment Rate	3.6	4.8	5.4	6.0	7.2	8.4
State Unemployment Rate	3.6	4.7	5.4	6.0	7.1	8.2
United States Unemployment Rate	3.5	4.4	4.9	5.3	6.2	7.4

<sup>(1)</sup> Reflects labor statistics for the month of October 2018.

Source: United States Department of Labor; Bureau of Labor Statistics.

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*Industry Mix.* The following table sets forth an estimate of the industry mix within the County, based upon the average number of employees employed in the indicated industry covered by the State Trust Fund (unemployment insurance) as of the 2nd quarter of 2018 (the most current information available). The estimates include persons employed on a job site in the County regardless of where they reside. Comparable information for the City is not available.

<u>Industry</u>	<u>Number of Firms</u>	<u>Number of Employees</u>
Agricultural, forestry, fishing and hunting	5	22
Mining	5	64
Construction	840	10,853
Manufacturing	489	13,666
Utilities	20	916
Wholesale trade	1,017	10,486
Retail trade	2,049	33,370
Transportation and warehousing	359	13,626
Information	374	9,734
Finance and insurance	826	14,056
Real estate and rental and leasing	863	4,794
Professional, scientific and technical services	2,904	18,536
Management of companies and enterprises	95	8,129
Administrative and support and waste management and remediation	920	19,758
Educational services	310	19,057
Health care and social assistance	1,964	42,528
Arts, entertainment and recreation	262	3,993
Accommodation and food services	1,367	24,588
Other service (except public administration)	1,469	9,192
Unclassified – industry not assigned	1,149	848
Federal government	55	10,725
State government	92	8,051
Local government	<u>206</u>	<u>24,237</u>
All Industries <sup>(1)</sup>	17,640	301,232

<sup>(1)</sup> Figures may not sum accurately due to rounding as all figures presented represent annually prepared averages.  
Source: Georgia Department of Labor.

*Category of Land Use.* The following table reflects the categories of land use in the City for the calendar year 2018.

<u>Land Type</u>	<u>Percentage<sup>(1)</sup></u>
Residential	70.86%
Commercial	27.43
Industrial	<u>1.71</u>
TOTAL	<u>100.00%</u>

<sup>(1)</sup> Percentages are based on the number of acres excluding exempt property.  
Source: DeKalb County Tax Commissioner.

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## CITY DEBT STRUCTURE

### Summary of City Direct and Overlapping Debt by Category

The following table sets forth the outstanding tax-supported debt of the City and certain overlapping governmental entities and assumes the issuance of the Bonds. Although the City has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity that has this information available, and the amounts are based on information supplied by others. The information set forth below should be read in conjunction with the City's audited financial statements included as Appendix A and the notes thereto.

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>% Applicable to City of Brookhaven</u>	<u>Amount of Debt Applicable to City of Brookhaven</u>
<b>Direct:</b>			
The Bonds <sup>(1)</sup>	\$38,855,000	100.00%	\$38,855,000
General Obligation Sales Tax Bond <sup>(1)</sup>	12,000,000	100.00	12,000,000
Intergovernmental Contracts <sup>(4)</sup>	12,640,000	100.00	12,640,000
Capital Lease <sup>(3)</sup>	<u>46,953</u>	100.00	<u>46,953</u>
Total Direct Debt	<u>63,541,953</u>		<u>63,541,953</u>
<b>Overlapping Entities<sup>(2)</sup></b>			
The County			
General Obligation Bonds <sup>(1)</sup>	176,345,000	13.2%	23,277,540
Certificates of Participation <sup>(3)</sup>	22,215,000	13.2	2,932,380
Intergovernmental Contracts <sup>(4)</sup>	<u>67,505,000</u>	13.2	<u>8,910,660</u>
Total County Overlapping Debt	<u>266,065,000</u>		<u>35,120,580</u>
Fulton-DeKalb Hospital Authority			
Intergovernmental Contracts <sup>(4)</sup>	<u>21,870,000</u>	13.2	<u>2,886,840</u>
DeKalb County Board of Education			
General Obligation Bonds <sup>(1)</sup>	164,325,000	13.2	21,690,900
Capital Lease <sup>(3)</sup>	<u>33,841,000</u>	13.2	<u>4,467,012</u>
Total Board of Education Overlapping Debt	<u>198,166,000</u>		<u>26,157,912</u>
Total Overlapping Debt	<u>486,101,000</u>		<u>64,165,332</u>
<b>Total Direct and Overlapping Debt</b>	<u><b>\$549,642,953</b></u>		<u><b>\$127,707,285</b></u>

<sup>(1)</sup> General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged and constitute debt for purposes of a constitutional debt limit of 10% of the assessed value of property subject to taxation for general obligation general obligation bond purposes.

<sup>(2)</sup> The percentage of each overlapping entity's outstanding debt chargeable to property in the City is calculated by dividing the gross assessed valuation of property in the City by the gross assessed valuation of property in the unincorporated County. Approximately 13.2% of the County's debt has been included based upon the value of the City's 2018 gross tax digest as compared to the County's 2018 gross tax digest. Data for the County and the other overlapping entities is as of December 31, 2017.

<sup>(3)</sup> The financial obligations under the capital leases and the certificates of participation ("COPs") do not constitute general obligations of the governmental entity to which its faith and credit or taxing power are pledged, but are subject to and dependent upon lawful appropriations of general revenues being made by the governmental entity to pay the capital lease payments or COPs payments due in each year. The governmental entity's obligations under the capital leases and the COPs are from year to year only and do not constitute mandatory payment obligations of the governmental entity in any year in which funds are not appropriated by the governmental entity to pay the capital lease payments or COPs payments due in such year. The governmental entity's obligations under the capital leases and the COPs do not constitute debt of the governmental entity for purposes of the constitutional debt limit.

<sup>(4)</sup> The obligations under intergovernmental contracts are general obligations of the governmental entity to which its full faith and credit and taxing powers are pledged, but do not constitute debt for purposes of the constitutional debt limit. Excludes GEFA loans as they are expected to be paid from system revenues.

## Tax Supported Debt Ratios

The following table sets forth certain tax-supported debt ratios assuming the issuance of the Bonds.

	<u>Direct Debt</u>	<u>Overlapping Debt</u>	<u>Total Tax Supported Debt</u>
Per Capita Debt <sup>(1)</sup>	\$1,187.30	\$1,198.95	\$2,386.25
Percentage of Net M&O Tax Digest <sup>(2)</sup>	1.91%	1.93%	3.84%
Percentage of Estimated Fair Market Value <sup>(3)</sup>	0.61%	0.62%	1.23%
Per Capita Debt as Percentage of Per Capita Income <sup>(4)</sup>	2.28%	2.30%	4.58%

(1) Based upon 2017 estimated population figure of 53,518.

(2) Based upon 2018 Net M&O Tax Digest of \$3,323,507,993.

(3) Based on 2018 estimated actual fair market value of \$10,369,168,398.

(4) Based upon 2017 per capita income figure for the City of \$52,144.

## Limitations on City Debt

*General Obligation Debt.* The Constitution of the State of Georgia provides that the City may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of such governmental entity voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the City and the other governmental entities within the City may not incur long-term obligations payable out of general property taxes in excess of ten percent of the assessed value of all taxable property within such governmental entity.

As computed in the table below, based upon its 2018 net bond digest, the City could incur (upon necessary voter approval) approximately \$350,890,089 of additional long-term obligations payable out of general property taxes (or general obligation bonds).

### Computation of Legal Debt Margin

2018 Net Bond Digest	\$4,017,450,889
Debt Limit (10% of Assessed Value)	401,745,089
Amount of Debt Applicable to Debt Limit	<u>50,855,000</u>
Legal Debt Margin	<u>\$350,890,089</u>

*Other Debt.* Short-term obligations (those payable within the same calendar year in which they are incurred and intergovernmental obligations are not subject to the legal limitations described above. Georgia law provides that no lease or installment purchase contract subject to annual appropriation may be delivered if the principal portion of such contract, when added to the amount of debt subject to the debt limitation described above, exceeds 10 percent of the assessed value of all taxable property within the City. Georgia law also provides that no lease or installment purchase contract subject to annual appropriation with respect to real property may (with certain exceptions) be executed or renewed, refinanced, or restructured if the lesser of either of the following is exceeded:

(a) the average annual payments on the aggregate of all such outstanding contracts exceed 7.5 percent of the governmental fund revenues of the City for the calendar year preceding the delivery of such contract plus any available special County one percent sales and use tax proceeds collected; or

(b) the outstanding principal balance on the aggregate of all such outstanding contracts exceeds \$25 million.

## Proposed Debt

The City does not expect any other borrowings during the next five years.

## CITY AD VALOREM TAXATION

### Introduction

An important source of revenue to fund the operations of the City is ad valorem property taxes. Ad valorem property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value.

### Property Subject to Taxation

Ad valorem property taxes are levied on the assessed value of real and personal property within the City limits. There are, however, certain classes of property which are exempt from taxation, including the following: (a) public property, (b) places of burial, (c) places of religious worship, (d) property owned by religious groups and used only for single-family residences, (e) property of nonprofit hospitals used in connection with patient care, the delivery of healthcare services or training or educating physicians, nurses and other health care personnel, (f) buildings erected for and used as a college, incorporated academy or other seminary of learning, (g) funds or property held or used as endowment by colleges, nonprofit hospitals, incorporated academies or other seminaries of learning when the funds or property are not invested in real estate, (h) real and personal property of public libraries and literary associations, (i) all books, philosophical apparatus, paintings and statuary of any company or association which are kept in a public hall and which are not held as merchandise or for purposes of sale or gain, (j) certain air or water pollution control property, (k) property of a nonprofit home for the aged used in connection with the provision of residential or health care services for the aged, (l) property of any nonprofit home for the mentally disabled used in connection with the provision of residential or healthcare services for the mentally disabled, (m) property which is owned by and used exclusively as the headquarters, post home or similar facility of a veterans organization, (n) property which is owned by and used exclusively by any veterans organization organized for the purpose of refurbishing and operating historic military aircraft, (o) property that is owned by a historical fraternal benefit association and which is used exclusively for charitable, fraternal and benevolent purposes, (p) certain qualified farm products and harvested agricultural products, (q) personal property used within the home, (r) certain other personal property including personal property valued at less than \$7,500 and (s) certain fertilizers.

Cities and counties are not permitted under Georgia law to reduce or abate a company's property taxes. When a community wants to offer economic incentives to a company in order to create or retain jobs, the company's property is transferred to a development authority and leased back to the company. The authority's fee ownership interest in the property becomes "public property" exempt from ad valorem taxation as described above. The company may or may not be taxed on the value of its leasehold interest. The City does not control the willingness of the Brookhaven Development Authority to accept title to property that may be removed from the City's digest in order to provide economic incentives. Therefore, property could be removed from the City's digest without the City's consent.

For purposes of reducing the burden of ad valorem taxation on property owned and occupied by a taxpayer as his or her legal residence, Georgia general law grants several types of homestead exemptions. In addition, the City by virtue of a local law offers a basic homestead exemption and additional homestead exemptions for senior citizens and the disabled who meet certain income limits and for surviving spouses of service members.

The City is authorized by law to exempt (a) (i) inventories of goods in the process of manufacture or production, (ii) inventory of finished goods manufactured or produced in Georgia held by the manufacturer or producer for a period not to exceed 12 months, (iii) inventory of finished goods which, on January 1, are stored in a warehouse, dock or wharf and which are destined for shipment to a final destination outside of Georgia and inventory of finished goods which are shipped into Georgia from outside of Georgia and stored for the transshipment to a final destination outside of Georgia for a period not to exceed 12 months and (iv) stock in trade of a fulfillment center which, on January 1, are stored in a fulfillment center and which are made available to remote purchasers who may make such purchases by electronic, internet, telephonic or other remote means and where such stock in trade of a fulfillment center will be shipped from the fulfillment center and delivered to the purchaser at a location other than the location of the fulfillment center for a period not to exceed 12 months (the "Freeport Exemption") and (b) goods, wares and merchandise of every character and kind constituting business inventory which would not otherwise qualify for the Freeport Exemption (the "Business Inventory Exemption"). Both the

Freeport Exemption and the Business Inventory Exemption must be approved by the voters and exempt 20%, 40%, 60%, 80% or 100% of the property. Once approved by the voters the Freeport Exemption and the Business Inventory Exemption remain in effect until they are repealed by the voters. The City has not approved a Freeport Exemption or a Business Inventory Exemption.

### **Motor Vehicles**

House Bill 386 eliminated the ad valorem taxation of vehicles and replaced it with a one-time title tax (the "Title Tax") that is levied whenever the title to a vehicle is registered to a new owner (except if a transfer is made between immediate family members). The Title Tax is based upon the value of the vehicle and is levied at a rate of 7.0% in 2018. The rate may be adjusted in future years; provided, however, the rate may not exceed 9%. The revenues will be shared among the State and local governments by formula.

### **Assessed Value**

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires taxable tangible property to be assessed, with certain exceptions, at 40 percent of its fair market value and to be taxed on a levy made by each tax jurisdiction according to 40 percent of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for ad valorem property tax purposes at 75 percent of the value of which other real property is assessed, requires certain historical property to be valued at a lower fair market value for ad valorem property tax purposes, and requires certain agricultural, timber, and environmentally sensitive real property and certain single-family real property located in transitional developing areas to be valued at their "current use value" (as opposed to fair market value). Standing timber is assessed at 100% of its fair market value.

The chief appraiser of DeKalb County is required to submit a certified list of assessments for all taxable property, except motor vehicles and property owned by public utilities, within the City to the DeKalb County Board of Tax Assessors. The City is required to present the tax returns of the City to the DeKalb County Board of Tax Assessors. The DeKalb County Board of Tax Assessors is required to complete its revision and assessment of returns by August 1 of each year and to forward a copy of the completed digest to the State of Georgia Revenue Commissioner for examination and approval. The State of Georgia Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations of property are reasonably uniform and equalized between and within counties. Assessments may also be subject to review at various stages by the DeKalb County Board of Equalization and by state courts.

The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles by make, model, and year by county and provides this information to each county tax office. The State of Georgia Property Tax Unit assesses the value of the property of public utilities and divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these amounts to the City, which bills these taxes to the utilities.

### **Annual Tax Levy**

*Generally.* The City determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within its territorial limits, will produce the necessary amount of property tax revenues. The City's Charter limits the millage that can be levied for maintenance and operations purposes to 3.35 mills unless a higher limit is recommended by resolution of the City Council and approved by a majority of the voters. There is no limit on the millage for general obligation bond purposes. The City then levies its ad valorem property taxes.

*Procedural Requirements.* Effective January 1, 2000, the General Assembly of the State of Georgia enacted Senate Bill 177, Act 431, known as The Property Taxpayer's Bill of Rights (the "Taxpayer's Act"). The purpose of the Taxpayer's Act was to prevent indirect tax increases resulting from increases to existing property values due purely to inflation. The Taxpayer's Act requires that each taxing jurisdiction located within the State (including local governments, such as the City), roll back (or reduce) the millage rate in each year to offset any inflationary increases in the tax digest of such taxing jurisdiction that have occurred since the last tax year. Any local

government or taxing jurisdiction that elects to set the millage rate higher than the rollback rate must follow certain requirements to notify the public of such increase, including three public hearings, the publication of a notice of the increase in the local newspaper and the publication of a press release to explain the intent of the increase in taxes. The Taxpayer’s Act also requires that the notice of assessment sent to any taxpayer who receives a 15% increase or greater in their property value contains a simple, non-technical description of the basis for the increased assessment and permits taxpayers to have access to records used in preparing the increased assessment and to record any meetings or hearings held in connection with an appeal of their property tax assessment. The Taxpayer’s Act also entitles any taxpayer who wins an appeal by demonstrating a property value that is 85% or less than the proposed assessed value (80% for commercial property) to recover litigation costs and reasonable attorney’s fees.

*Impact of Foreclosures on Assessment Procedures.* In 2009, the Georgia legislature enacted Senate Bill 55, codified as Official Code of Georgia Annotated, Section 48-5-2, which requires county tax assessors to consider foreclosure sales, bank sales, sales by other financial institutions, distressed sales and the decreased value of property subject to conservation easements in determining the fair market value of real property.

**Property Tax Collections**

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect Brookhaven property taxes. The taxes are levied on or before August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

All taxes levied on real and personal property, together with interest thereon and penalties for late payment, constitute a perpetual lien on and against the property taxed. The lien normally becomes enforceable 30 days after notification. Georgia law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

Collection of delinquent real property taxes is enforceable by tax sale of such realty. Delinquent personal property taxes are similarly enforceable by seizure and sale of the taxpayer’s personal property. There can be no assurance, however, that the value of property sold, in the event of a tax sale, will be sufficient to produce the amount required to pay in full the delinquent taxes, including any interest or penalties thereon.

When the last day for the payment of taxes has arrived, the tax collector may notify the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after thirty days from giving the notice described in the preceding sentence, an execution for nonpayment of taxes may be issued. A notice of the sale is then published in a local newspaper weekly for four weeks and gives the taxpayer ten days written notice by registered or certified mail. A public sale of the property may then be made on the first Tuesday of the month after the required notices are given.

**Property Tax Millage Rates**

The following table sets forth the millage rate (*i.e.*, the tax rates per \$1,000 of assessed value) of the various taxing entities located within the City (including the City itself) for the current year and for the last four fiscal years.

<u>Fiscal Year</u>	<u>State</u>	<u>City</u>	<u>County</u>	<u>School</u>	<u>Total</u>
2018	0.000	2.740	13.784	23.180	39.704
2017	0.000	2.740	13.307	23.280	39.327
2016	0.000	2.740	12.560	23.380	38.680
2015	0.050	2.740	14.670	23.730	41.190
2014	0.100	2.795	13.570	23.980	40.445

Source: Georgia Department of Revenue.

## Ad Valorem Property Tax Digest

The property tax digest of the City for the current year and for the last four fiscal years are set forth below.

Property Type <sup>(1)</sup>	2018	2017	2016	2015	2014
Residential	\$2,511,473,694	\$2,318,493,066	\$2,179,650,684	\$2,059,914,664	\$1,733,591,718
Historical	—	—	663,040	688,080	529,000
Commercial	1,556,171,879	1,370,789,734	1,222,319,234	1,081,894,182	950,202,195
Industrial	31,159,512	24,131,321	23,353,132	21,438,946	14,810,259
Utilities	26,441,934	24,103,976	20,281,585	17,710,345	14,644,304
Motor Vehicle	<u>22,420,340</u>	<u>40,040,890</u>	<u>47,578,450</u>	<u>67,891,300</u>	<u>82,633,320</u>
Gross Digest	4,147,667,359	3,777,558,987	3,493,846,125	3,249,537,517	2,796,410,796
M&O Exemptions	<u>824,159,366</u>	<u>760,277,266</u>	<u>725,068,341</u>	<u>641,930,239</u>	<u>436,491,094</u>
Net M&O Digest	<u>\$3,323,507,993</u>	<u>\$3,017,281,721</u>	<u>\$2,768,777,784</u>	<u>\$2,607,607,278</u>	<u>\$2,359,919,702</u>
Bond Exemptions	<u>\$ 130,216,470</u>	<u>\$ 127,310,371</u>	<u>\$ 107,191,601</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Bond Digest	<u>\$4,017,450,889</u>	<u>\$3,650,248,616</u>	<u>\$3,386,654,524</u>	<u>\$3,249,537,517</u>	<u>\$2,796,410,796</u>
Estimated Actual Value <sup>(2)</sup>	\$10,369,168,398	\$9,443,897,468	\$8,734,615,313	\$8,123,843,793	\$6,991,026,990

<sup>(1)</sup> Most real property other than timber is assessed at 40% of its fair market value. Standing timber is assessed at 100% of its fair market value and is subject to taxation even if the underlying land is exempt from taxation.

<sup>(2)</sup> Based on Gross Digest.

Source: Georgia Department of Revenue.

## Tax Collections

The following table sets forth the real and personal property tax levy and collection record of the City for the last five fiscal years.

Fiscal Year	Taxes Levied for the Fiscal Year <sup>(1)(3)</sup>	Collections within the Fiscal Year of Levy <sup>(2)(3)</sup>	Percentage of Levy	Collections in Subsequent Years	Total Collections to Date	Percentage of Levy
2017	\$8,802,942	\$8,641,016	98.2%	\$ —	\$8,641,016	98.2%
2016	8,004,716	7,848,448	98.0	149,634	7,998,082	99.9
2015	7,054,126	6,975,703	98.9	64,663	7,040,366	99.8
2014	6,373,661	6,299,520	98.8	68,261	6,367,781	99.9
2013	5,595,364	5,501,908	98.3	85,519	5,591,427	99.9

<sup>(1)</sup> Represents taxes levied for real and personal property (excludes motor vehicles, utilities and mobile homes). Includes adjustments made from the original levy.

<sup>(2)</sup> Collections within that fiscal year. Excludes collections from prior levies.

<sup>(3)</sup> For Fiscal Year 2018, taxes levied are \$9,106,412 and collections as of 12/31/2018 are \$8,489,418.

Source: DeKalb County Tax Commissioner and City of Brookhaven tax reports.

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**Ten Largest Taxpayers**

Set forth below are the 10 largest taxpayers of the City for the fiscal year ending December 31, 2018, based upon the assessed valuation of property within the City. A determination of the largest taxpayers within the City can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessment in excess of those set forth in the table below. Furthermore, the taxpayers shown in the table below may own additional parcels within the City. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City.

<u>Taxpayer</u>	2018 Taxable Assessed <u>Valuation</u>	Percentage of Total Taxable Assessed <u>Valuation</u> <sup>(1)</sup>
CFATT LLC	\$50,401,165	1.52%
Development Authority of DeKalb County	49,508,729	1.49
20 Perimeter Summit, LLC	46,000,000	1.38
Lion Gables Realty LP	35,156,000	1.06
Perimeter Summit Parcel 2 LP	35,036,000	1.05
Goodwynn Multifamily, LLC	34,243,960	1.03
Real Estate Enterprises LLC	33,311,331	1.00
3450 Blair Circle LLC	33,200,000	1.00
Executive Park GA Partners LLC	28,048,587	0.84
CWS SGARR Brookhaven LLC	<u>27,857,908</u>	<u>0.84</u>
	<u>\$372,763,680</u>	<u>11.21%</u>

<sup>(1)</sup> Based upon 2018 Net M&O digest of \$3,323,507,993.  
Source: DeKalb County Tax Commissioner.

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## CITY FINANCIAL INFORMATION

### Accounting Policies

See Note 1 of the audited financial statements of the City for a detailed description of the City's significant accounting policies.

### Five Year General Fund History

Set forth below is an historical, comparative summary of the revenues, expenditures, and changes in fund balance of the City's General Fund for the five most recent fiscal years. The information in the following table has been extracted from audited financial statements of the City. Although taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of Brookhaven for the years shown. For more complete information, reference is made to the City's audited financial statements, copies of which are available from the City upon request.

#### General Fund History

	Fiscal Year Ended December 31,				
	<u>2013<sup>(1)</sup></u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenues</b>					
Property taxes	\$ 5,682,476	\$6,627,845	\$7,429,782	\$7,233,843	\$8,363,462
Sales taxes	—	—	—	—	55,590
Franchise taxes	1,472,669	2,050,890	3,961,934	4,111,311	4,630,027
Alcohol excise taxes	741,592	810,836	818,244	1,089,937	1,138,944
Business taxes	1,761,762	4,584,705	5,352,681	5,008,501	5,367,889
Excise taxes	57,663	70,807	291,053	307,029	329,125
Licenses and permits	2,033,031	2,667,375	2,043,013	3,445,759	3,207,348
Intergovernmental	—	300,041	11,426	24,390	6,281
Charges for services	442,827	730,732	1,158,201	1,062,359	795,095
Fines and forfeitures	359,364	1,293,124	1,275,812	1,029,051	902,971
Contributions	—	30,250	137,658	74,283	37,239
Interest earned	2,607	4,782	3,144	6,040	23,719
Miscellaneous	36,936	43,705	240,107	275,325	135,598
Total Revenues	<u>12,590,927</u>	<u>19,215,092</u>	<u>22,723,055</u>	<u>23,667,828</u>	<u>24,993,288</u>
<b>Expenditures</b>					
Current					
General government	4,129,445	5,019,662	4,420,143	4,683,562	5,775,622
Judicial	478,426	489,077	582,977	565,815	576,361
Public safety	8,167,651	7,026,715	7,578,739	7,815,061	8,294,726
Public works	1,139,744	1,628,514	1,833,164	1,340,409	1,593,750
Recreation	595,935	1,504,372	1,905,750	2,474,935	2,477,765
Housing and development	1,259,431	2,443,380	2,883,570	2,835,252	3,246,127
Debt service					
Interest	31,590	30,914	13,956	—	—
Total Expenditures	<u>15,802,222</u>	<u>18,142,634</u>	<u>19,218,299</u>	<u>19,715,034</u>	<u>21,964,351</u>
Excess (deficiency) of revenues over expenditures	<u>(3,211,295)</u>	<u>1,072,458</u>	<u>3,504,756</u>	<u>3,952,794</u>	<u>3,028,937</u>
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	21,915	—	—	—	—
Issuance of capital lease	1,172,973	—	116,256	—	—
Transfers in	2,455,225	988,076	1,148,277	1,170,406	1,571,011
Transfers out	(4,250)	(746,830)	(1,144,184)	(2,274,889)	(2,375,951)
Total other financing sources (uses)	<u>3,645,863</u>	<u>241,246</u>	<u>120,349</u>	<u>(1,104,483)</u>	<u>(804,940)</u>
Net change in fund balances	434,568	1,313,704	3,625,105	2,848,311	2,223,997
Fund balance, beginning of year	—	434,568	1,748,272	5,373,377	8,221,688
Fund balances, end of year	<u>\$434,568</u>	<u>\$1,748,272</u>	<u>\$5,373,377</u>	<u>\$8,221,688</u>	<u>\$10,445,685</u>

<sup>(1)</sup> Fifty-four week reporting period from the inception of the City to December 31, 2013.



## Management’s Comments Concerning Material Trends in Revenues and Expenditures

The City anticipates that financial performance for fiscal year 2018 will be in line with budgeted numbers. The City expects that fund balance will grow in fiscal year 2018. See “CITY FINANCIAL INFORMATION – Budget” for a summary of the City’s fiscal year 2018 and 2019 budgets.

For a narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2017, see “Management’s Discussion and Analysis,” included in Appendix A to this Official Statement. The Management’s Discussion and Analysis is not a required part of the basic financial statements of the City but is supplementary information required by the Governmental Accounting Standards Board that has not been audited by the City’s auditor.

### Budget

See Note 3 of the audited financial statements of the City for a description of its budgetary processes. Georgia law requires each municipality to operate under an annual balanced budget adopted by ordinance or resolution. A budget ordinance or resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. A summary of the budget for the fiscal years ended December 31, 2018 and 2019 is set forth below.

General Fund Budget for the Fiscal Year Ending December 31,  
(Modified Accrual Budgetary Basis of Accounting)

	<u>2018 Budget</u>	<u>2019 Budget</u>
Revenues:		
Real Property Taxes	\$ 8,058,968	\$ 9,097,347
Other Taxes	11,461,830	11,999,260
Licenses and Permits	3,344,600	3,407,291
Charges for Services	697,650	539,650
Fines and Forfeitures	956,700	1,225,000
Investment Income	15,000	30,000
Miscellaneous Revenue	82,000	42,000
Other Financing Sources	<u>1,350,000</u>	<u>1,350,000</u>
Operating Revenues	\$25,966,748	\$27,690,548
Expenditures:		
Mayor and Council	\$ 337,224	\$ 426,700
City Manager	823,613	841,100
City Clerk	272,142	338,850
Finance	1,677,918	2,148,303
City Attorney	520,000	560,000
Information Technology	1,625,319	1,718,435
Human Resources	248,162	287,150
Communications	447,102	562,385
Municipal Court	599,886	866,900
Police	8,421,786	8,985,585
Public Works	1,513,900	1,565,900
Parks & Recreation	2,605,844	3,201,127
Community Development	2,783,409	3,387,310
Tree Conservation	5,000	5,000
Economic Development	151,357	159,850
Tourism	290,000	290,000
Non-Department	<u>3,644,086</u>	<u>2,345,953</u>
Operating Expenditures	\$25,966,748	\$27,690,548
Total Revenues Over (Under) Expenses	<u>\$0</u>	<u>\$0</u>

## **Insurance Coverage and Governmental Immunity**

Under Georgia law, the defense of sovereign immunity is available to the City, except for actions for the breach of written contracts and actions for the recovery of damage for any claim for which liability insurance protection has been provided, but only to the extent of the liability insurance provided. The City, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the City in the exercise of its delegated powers.

The City carries commercial insurance for risks of losses related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. Settled claims in the last three fiscal years have not exceeded the City's coverages. See Note 4 to the City's audited financial statements attached hereto as Appendix A.

## **Investment of Funds**

O.C.G.A. Section 36-80-3 provides that the governing body of the City may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the United States and of its agencies and instrumentalities,
- (2) bonds or certificates of indebtedness of the State of Georgia and of its agencies and instrumentalities, and
- (3) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured.

O.C.G.A. Section 36-83-4 provides that the governing body of the City may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the State of Georgia or other states,
- (2) obligations issued by the United States government,
- (3) obligations fully insured or guaranteed by the United States government or United States government agency,
- (4) obligations of any corporation of the United States government;
- (5) prime banker's acceptances,
- (6) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated,
- (7) repurchase agreements, and
- (8) obligations of other political subdivisions of the State of Georgia.

See Note 4 of the audited financial statements of the City for information regarding investment risk and policies.

## LEGAL MATTERS

### Pending Litigation

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The City, after reviewing the current status of all pending and threatened litigation with its attorney, believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the City or its officials in such capacity are adequately covered by insurance or sovereign immunity or will not have a material adverse effect upon the financial position or results of operations of the City.

There is no litigation now pending or, to the knowledge of the City, threatened against the City which (a) restrains or enjoins the issuance or delivery of the Bonds, the levy of an ad valorem tax for the payment of the Bonds or the use of the proceeds of the Bonds or (b) questions or contests the validity of the Bonds, the proceedings and authority under which they are to be issued or the security for the Bonds. Neither the creation, organization, or existence of the City, nor the title of the present members or other officials of the City to their respective offices, is being contested or questioned.

### Tax Exemption

*Generally.* Legal matters incident to the authorization, validity, and issuance of the Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City, which will be delivered contemporaneously with the delivery of the Bonds in substantially the form attached to this Official Statement as Appendix B. Copies of such opinion will be available at the time of the initial delivery of the Bonds.

*Federal Taxes.* In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, rulings and court decisions, and assuming compliance by the City with certain tax covenants, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Except as set forth below with respect to original issue premium and original issue discount, no opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on, or the ownership of, the Bonds.

Ownership of the Bonds may result in other collateral federal income tax consequences to certain taxpayers, including, without limitation, banks, thrift institutions and other financial institutions, foreign corporations which conduct a trade or business in the United States, property and casualty insurance corporations, S corporations, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. Purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

In rendering our opinion that the interest on the Bonds is not includable in gross income for federal income tax purposes, Bond Counsel will (a) rely as to certain factual matters upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Bonds), without undertaking to verify the same by independent investigation and (b) assume continued compliance by the City with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the related Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of such Bonds.

*Original Issue Premium.* An amount equal to the excess of the purchase price of a Bond over its stated redemption price at maturity constitutes premium on such Bond. A purchaser of a Bond must amortize any premium over such Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax

deduction is allowed. Purchasers of any Bonds at a premium, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Bonds.

*Original Issue Discount.* In the opinion of Bond Counsel, under existing law, any original issue discount in the selling price of a Bond, to the extent properly allocable to a holder of such Bond, is excluded from gross income for federal income tax purposes with respect to such holder. The original issue discount is the excess of the stated redemption price at maturity of such Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Bond was sold.

Under Section 1288 of the Code, original issue discount on tax-exempt obligations accrues on a constant yield to maturity basis. The amount of the original issue discount that accrues to an owner of a discount bond who acquires such discount bond during any accrual period generally equals (a) the issue price of such discount bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (b) the yield to maturity of such discount bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (c) any interest payable on such discount bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in a discount bond for the purpose of determining gain or loss upon a subsequent sale, exchange, payment, or redemption. Any gain realized by an owner from a sale, exchange, payment, or redemption of a discount bond would be treated as gain from the sale or exchange of such discount bond.

The foregoing is a general discussion of certain federal income tax consequences of original issue premium and original issue discount and does not purport to deal with all tax questions that may be relevant to particular investors or circumstances. Holders of the Bonds should consult their own tax advisors with respect to the apportionment for federal income tax purposes of accrued tax-exempt interest upon a sale or exchange (including redemption) and with respect to the state and local tax consequences of original issue premium and original issue discount.

*State of Georgia Taxes.* In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia. Each purchaser of the Bonds should consult his or her own tax advisor regarding the tax-exempt status of interest on the Bonds in a particular state or local jurisdiction other than the State of Georgia.

*Changes in Federal Tax Law.* Current and future legislative proposals, if enacted by Congress, could cause interest on the Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds or could cause interest on the Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation.

### **Validation Proceedings**

The City caused proceedings to be instituted in the Superior Court of DeKalb County, Georgia to validate the Bonds, and the Bonds were validated on January 8, 2019. The order is not being appealed or contested.

## **Closing Certificates**

The City will deliver to the Underwriter a certificate that no litigation is pending or threatened against it which would have a material effect on the issuance or validity of the Bonds, the levy and collection of an ad valorem tax to pay the Bonds, or on the financial condition of the City. In addition, the City will represent to the Underwriter in the Bond Purchase Agreement that the information contained in this Official Statement does not contain any misrepresentation of a material fact and does not omit or state any material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

## **MISCELLANEOUS**

### **Ratings**

Moody's Investors Service, Inc. ("Moody's") has assigned the Bonds the rating of "Aaa" and S&P Global Ratings Inc. ("S&P") has assigned the Bonds the rating of "AAA." Any desired explanation of the significance of such ratings should be obtained from Moody's and S&P. Certain information and materials, including information and materials not included in this Official Statement, were furnished by the City to Moody's and S&P. Generally, the rating agencies base their ratings on the information and materials so furnished and on its respective investigations, studies and assumptions. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

There is no assurance that the ratings will be maintained for any given period of time or that they will not be lowered or withdrawn entirely if, in the judgment of Moody's or S&P circumstances so warrant. Any such change in or withdrawal of such ratings could have an adverse effect on the market price or the marketability of the Bonds.

### **Competitive Sale of Bonds**

The Bonds are being purchased by Robert W. Baird & Co., Inc. (the "Underwriter"), as the successful bidder pursuant to a competitive sale. The Underwriter has agreed to purchase the Bonds at a purchase price of \$40,083,022.65 (representing par, plus net original issue premium of \$1,619,122.70, less an underwriting discount of \$391,100.05). The Underwriter's obligation to purchase the Bonds is subject to certain conditions precedent set forth in the Official Notice of Sale. The Underwriter will be obligated to purchase all of the Bonds if any are purchased. The prices of the Bonds may be changed by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold by the Underwriter at prices other than the initial offering prices, including sales to dealers who may sell the Bonds to investment accounts.

### **Independent Auditors**

The financial statements of the City for the fiscal year ended December 31, 2017 included in Appendix A to this Official Statement have been audited by Mauldin & Jenkins, LLC, Atlanta, Georgia (the "Auditor"), certified public accountants, for the period indicated in its report. Such financial statements have been included herein in reliance upon the report of the Auditor, given upon the authority of such firm as an independent auditor. The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

### **Financial Advisor**

Davenport & Company LLC, Atlanta, Georgia, serves as Financial Advisor to the City and has no underwriting responsibility to the City with respect to this transaction. As Financial Advisor, Davenport & Company LLC has advised the City in matters relating to the planning, structuring and issuance of the Bonds, assisted the City with the preparation of this Official Statement and provided to the City other advice with respect to the issuance and sale of the Bonds. The Financial Advisor's fee will be paid from proceeds of the Bonds.

Although Davenport & Company LLC has assisted in the preparation of the Official Statement, Davenport & Company LLC is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

**Additional Information**

Use of the words “shall” or “will” in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

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**CERTIFICATION**

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the City.

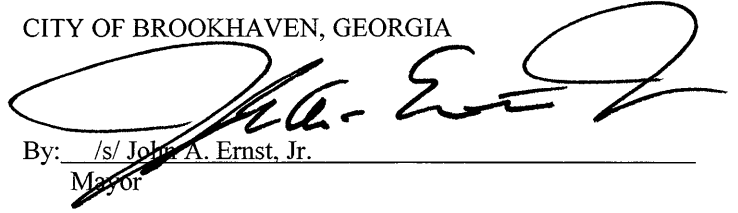
CITY OF BROOKHAVEN, GEORGIA

By: /s/ John A. Ernst, Jr.  
Mayor

**CERTIFICATION**

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the City.

CITY OF BROOKHAVEN, GEORGIA

A large, stylized handwritten signature in black ink, appearing to read 'John A. Ernst, Jr.', is written over a horizontal line.

By:           /s/ John A. Ernst, Jr.            
Mayor



**APPENDIX A**

**Financial Statements of the City for Fiscal Year Ended December 31, 2017**

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**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2017**

**Prepared by:**  
**Finance Department**

**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**CITY OF BROOKHAVEN, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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## INTRODUCTORY SECTION

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June 13, 2018

Honorable Mayor,  
Members of the City Council, City Manager and Assistant City Manager  
City of Brookhaven, Georgia

The Finance Department of the City of Brookhaven (the "City") is pleased to submit the Comprehensive Annual Financial Report of the City of Brookhaven, Georgia for the fiscal year ended December 31, 2017. The purpose of the report is to provide the Mayor, City Council, management, staff, the public and other interested parties with detailed information reflecting the City's financial condition.

## **THE REPORT**

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report has been prepared in accordance with State statutes set forth in the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p.464), and as amended by the Act approved April 21, 1968 (GA Laws 1977, p.883). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position of the City of Brookhaven. We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The management of the City of Brookhaven has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Brookhaven's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Brookhaven's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Brookhaven's financial statements have been audited by Mauldin & Jenkins, LLC. The responsibility of the independent audit was to provide reasonable assurance that the financial statements of the City of Brookhaven for the fiscal year ended December 31, 2017 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Brookhaven's financial statements for the fiscal year ended December 31, 2017 are fairly presented in conformity with GAAP. Note that the auditors do not express an opinion on the effectiveness of the City's internal controls. The independent auditor's report is presented as the first component of the financial section of this report.

Also included in the report is the Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis. The basic financial statements, including the accompanying notes, represent the core of the financial section. These financial statements present the financial condition of the City of Brookhaven as a single entity, as well as the individual funds that account for the City's various governmental and business-type activities.

## **PROFILE OF THE CITY**

After a July 31, 2012 voter referendum, approving the establishment of the City of Brookhaven, the City officially became the largest city in DeKalb, Georgia on December 17, 2012. Brookhaven is in the northeast suburbs of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, scores of quality restaurants, quality shopping, and a large diverse international population.

Under the Charter, the Council is comprised of a Mayor and four Council Members who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with the Mayor and two Councilmembers alternating with the other two Councilmembers on odd-numbered years. The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City. Since incorporation, the City has undergone one annexation which became effective and grew the City by 0.3 square miles.

The City provides a range of municipal services including general government, public safety (police), streets, parks and recreation, planning and zoning, code enforcement, and stormwater utility. Sanitation collection services, fire protection, and emergency medical services are provided to residents via an intergovernmental agreement with DeKalb County. DeKalb County also provides water and sewer services to all municipalities, within its borders, including Brookhaven.



The annual budget of the City of Brookhaven serves as the foundation for the City's financial planning and control. The budget is prepared by the City Manager, transmitted to the City Council by the Mayor, and adopted by the City Council in accordance with policies and procedures established by the Brookhaven Charter and council ordinances. The appropriated budget is prepared and presented by fund, department (e.g. police) or function (e.g. debt service), and major cost category (e.g., personnel services). All expenditures of the City are made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Brookhaven Code ordinance. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors. Transfers among expenditure accounts in one department may occur with the approval of the Finance Director. Transfers between operating departments may occur with the approval of the City Council. Transfers between funds accomplished via budget amendment must be approved by the City Council. Budget amendments, increasing or decreasing fund appropriations, must also be approved by the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For all governmental funds with appropriated annual budgets, this comparison is presented in the required supplementary information (RSI) or combining fund section of this report.

## **ECONOMIC CONDITION AND OUTLOOK**

Some of the factors, which will contribute to the future growth and development of the City of Brookhaven, are listed below:

### Improved Transportation System

The City of Brookhaven is home to a heavy rail rapid transit station operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Opening in 1984, the Brookhaven station has over 2,350 daily passengers pass through its turnstiles. Transportation systems have a major impact on the growth and development of any community. With access to I-85 and I-285, the City's major local thoroughfares include Buford Highway (GA 13), Ashford Dunwoody Road, and Peachtree Road. Also, the City has paved over 20 lane-miles during the last two years, while a total of over 9,000 linear feet of new sidewalks have been added.

### Redevelopment of Existing Land/Properties

With most of the land/property in the City developed, the City's growth has been redevelopment in nature. This redevelopment includes mixed-use (commercial and residential), multiple family residences, and larger, modern homes. With an estimated population of 54,169 (Source: January 2018 ESRI Community Profile), the Community Development Department continues to work with developers and builders on projects promoting live-work-play communities, bike and pedestrian mobility, and neighborhood character preservation. Continuous measures have been

implemented to make the City of Brookhaven esthetically pleasing for its citizens and business owners such as design standards and overlay districts.

### Recent Economic Development

The City continues its growth through mixed-use development and other zoning improvements. Located on Ashford Dunwoody Road, near Perimeter Summit and I-285, the Ashford Green Development is a 1.13 million square foot project, consisting of two (2) 10-story office buildings and approximately 300 apartments.

Children's Healthcare of Atlanta (CHOA), recognized by US News and World Reports as one of the top pediatric hospitals in the country, has started building an 8-story, 300,000 square foot clinic/ambulatory care facility at its I-85 and North Druid Hills Road location. The facility was in the area annexed into the City in 2014, and is under construction. The facility is expected to service 300,000 patients annually, provide for ancillary health services, and treat children with complex and chronic illnesses.

Decide DeKalb, the development authority arm of DeKalb County, provided tax incentives for the development of an 18-story, 400,000 square foot office tower at Perimeter Parkway. Perimeter Summit is an 83-acre master planned development in the northern, I-285 area of the city currently consisting of three office buildings providing a total of more than 1.3 million square feet of Class A office space, two hotels (Hyatt Regency and Villa Christina) and residential housing. The Perimeter Summit development has over 300 residential condominiums and almost 200 hotel rooms.

### Budgetary Controls

The City of Brookhaven maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Activities of the General Fund, Confiscated Funds, E911 Fund, Special Tax District Fund, Hotel Motel Tax Fund, Streetlight Fund, Homestead Option Sales Tax Fund, Capital Project Fund, and Debt Service Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level.

A copy of the City of Brookhaven's annual budget can be obtained from the City of Brookhaven's Finance Department by calling (404) 637-0500. The copies of the annual budget or the various master plans can also be accessed through the department's web site at [www.brookhavenga.gov](http://www.brookhavenga.gov).

### Financial Policies

The City's Financial Management Policy guides management in the preparation of its annual budget and daily financial operations. The Policy provides standards for the use of contingencies, unexpected expenditures, the establishment of an unassigned fund balance reserve of 25% of

annually budgeted following year expenditures in the General Fund, cash and investment management, grant management, purchasing policies, and internal control policies.

Internal accounting controls are designed to provide reasonable assurance regarding the safety of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

### Long-Term Financial Planning

The City actively engages in multi-year financial planning. The City has developed several master plans including parks, transportation and sidewalks, and stormwater infrastructure. The 2017 budget funded substantial progress for execution. It is expected that work on these plans will be implemented over the subsequent ten-year (2018-2028) period. As part of the annual capital improvement program, future capital acquisitions and capital asset replacements are considered in the forecast. The City uses various data in forecasts for future operating and capital needs in the preparation of the City's annual budget document.

## **MAJOR INITIATIVES**

### Parks Master Plan

With the conveyance of the park property from DeKalb County in 2014, the City primarily concluded its park master planning process in 2015. The master plan establishes the amenities and functional thresholds for City parks and recreational facilities. The City is executing the parks master plan in a pay as you go manner. Personalizing each park will include the various park specific amenities – signage, tennis courts, open fields, athletic fields, walking and nature trails, playground structures, parking, restroom construction/renovation, and stream cleanup/stabilization.

Since the fall of 2016, the City has completed three (3) park master plan projects to include Clacks Corner Park, Georgian Hills Park Phase I, and Murphey Candler Park Open Space Field Project. Other projects included the Tike Track and the Sand Box Shade Structure at Ashford Park. Substantial work was done on Skyland Park Project and Park Monument Signs were installed in all parks.

### Peachtree Creek Greenway Project

The Peachtree Creek Greenway is a 12-mile multi-city trail project beginning just outside of I-285, following the North Fork of Peachtree Creek to its confluence with the South Fork, and linking with regional trails including the Atlanta Beltline. Brookhaven is leveraging the project to provide

transportation and recreation alternatives, while encouraging development facing the creek. Plans call for a 2.7-mile multi-use trail and linear park featuring a series of paved multi-purpose and promenade trails near a revitalized corridor dotted with residences, offices, restaurants, bike rental stands, coffee shops, and picnic areas. The City plans to leverage funding via the Atlanta Regional Transportation Improvement Plan, grants, and a bond funded via Hotel/Motel tax to meet the projected \$38 million cost for this portion of the Peachtree Creek Greenway.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) *Certificate of Achievement for Excellence in Financial Reporting (CAFR)* is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a *Certificate of Achievement*, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. The document must satisfy both generally accepted accounting principles and applicable legal requirements. Our 2015 report was our first submittal and the City was successful in receiving the GFOA Certificate of Achievement. We are submitting our fiscal year 2017 report expecting to receive the award for a third time.

I would like to thank all members of the Finance Department as well as all other departments who assisted with assembling the information presented in this report. I would like to acknowledge the City's auditors, Mauldin & Jenkins, LLC, with the assistance they provided in meeting the deadlines established for publication of the document. The Mayor, City Council, City Manager and Assistant City Manager have been significant agents of change. Many projects have been completed and more are underway.

Respectfully submitted,

Linda Nabers  
Finance Director

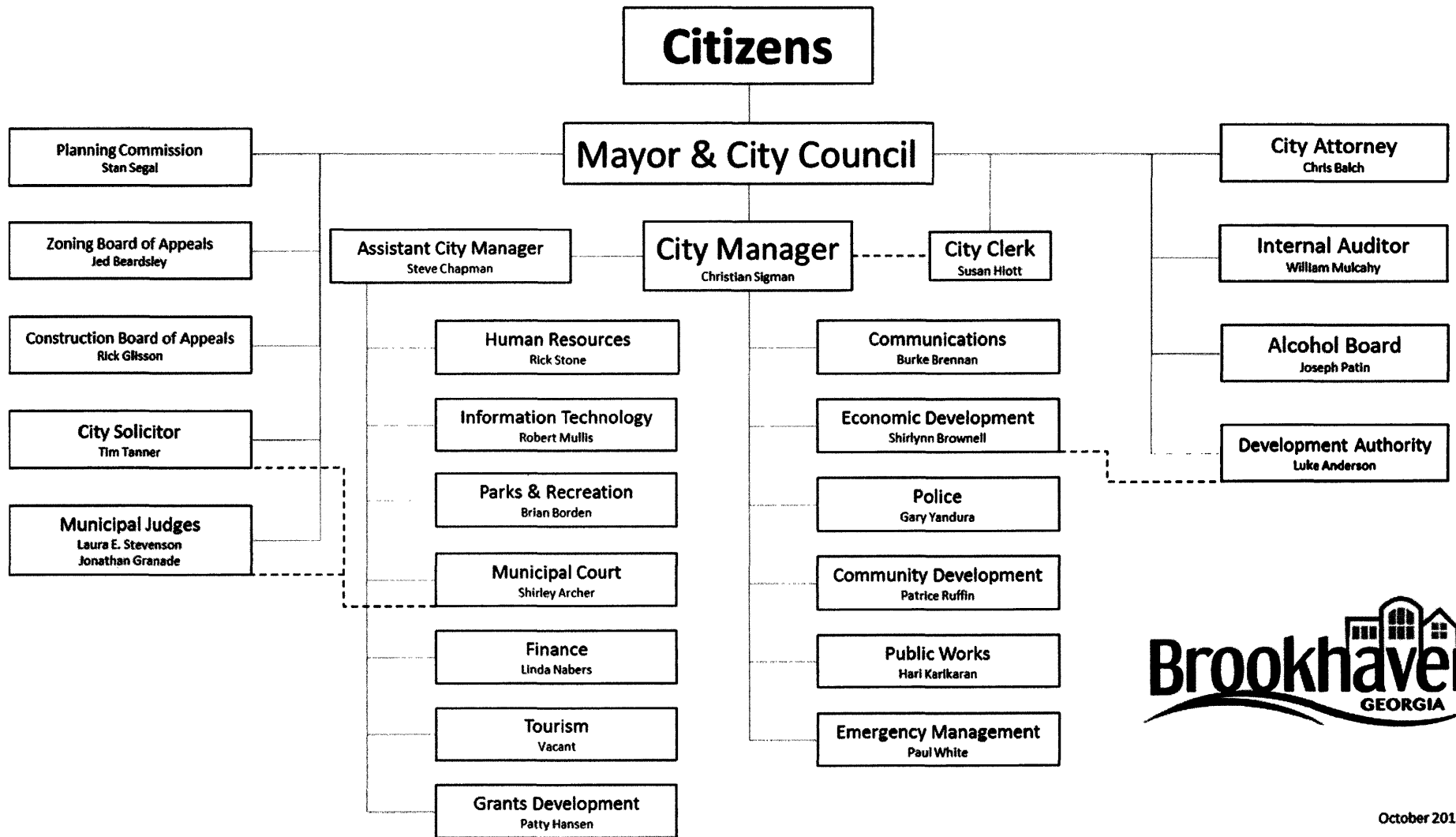
**CITY OF BROOKHAVEN, GEORGIA**  
**LIST OF PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2017**

**LEGISLATIVE BRANCH**

Mayor	John A. Ernst, Jr.
Council Member – District 1	Linley Jones
Council Member – District 2	John Park
Council Member – District 3	Bates Mattison
Council Member – District 4	Joe Gebbia

**MANAGEMENT STAFF**

City Manager	Christian Sigman
Asst. City Manager/CFO	Steve Chapman II
City Clerk	Susan Hiott
Director of Human Resources	Rick Stone
Director of Finance	Linda Nabers
Communications Director	Burke Brennan
Director of Information Technology	Robert Mullis
Municipal Court Administrator	Shirley Archer
Police Chief	Gary Yandura
Director of Public Works	Hari Karikaran
Director of Parks & Recreation	Brian Borden
Director of Community Development	Patrice Ruffin
Director of Economic Development	Shirlynn Brownell





Government Finance Officers Association

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

Presented to

**City of Brookhaven  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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**The Honorable Mayor and Members  
of the City Council of the  
City of Brookhaven, Georgia**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Brookhaven, Georgia**, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and General Fund and Grant Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis), 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's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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*Other Information (Continued)*

The combining and individual fund financial statements and schedules (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 June 13, 2018, on our consideration of the City’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’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’s internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
June 13, 2018

# CITY OF BROOKHAVEN, GEORGIA MANAGEMENT'S DISCUSSION AND ANALYSIS

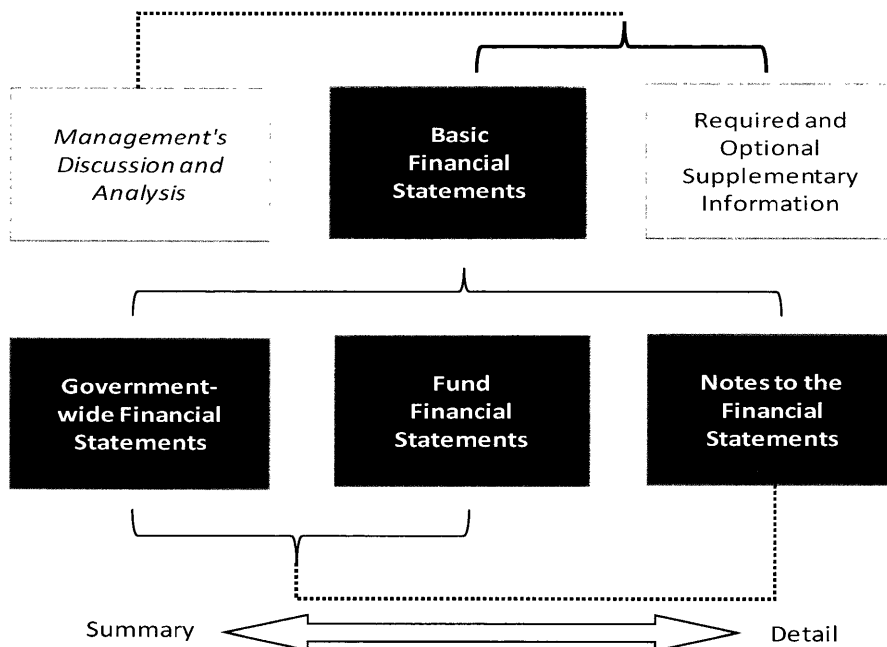
As management of the City of Brookhaven (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2017. We encourage readers to consider the information presented in conjunction with the basic financial statements, notes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

## FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal period by \$107,673,951. Of this amount, unrestricted net position of \$25,524,070 is available to meet the ongoing obligations of the government.
- As of the close of the fiscal period, the City's governmental funds reported combined ending fund balances of \$27,247,538.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is comprised of four segments as dictated by generally accepted accounting principles (GAAP); management's discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the City comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) 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 and liabilities, with the difference between them reported as net position. Overtime, 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 City's net position changed during the most recent fiscal period. 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 cashflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cashflows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

<b>Major Features of the City of Brookhaven's Government-wide and Fund Financial Statements</b>			
	<b>Government-wide Statements</b>	<b>Fund Statements</b>	
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>
Scope	Entire City government	Activities of the City that are not proprietary, such as police, zoning, and parks	Activities the City operates similar to private business; stormwater utility
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures, and changes in fund balance	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, housing and development and recreation.

The government-wide financial statements can be found on pages 25 and 26 of this report.

**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 governmental funds or 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 the City'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 City'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 four major governmental funds. The City's major governmental funds are the General, Homestead Option Sales Tax (HOST), Grant and Capital Projects fund. 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 these major funds.

The City adopts an annual appropriated budget for its general and special revenue funds. A project length budget is adopted for the capital project fund. A budgetary comparison statement has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27 through 29 of this report.

**Proprietary Funds.** Under GASB Statement No. 34, governments report two types of proprietary funds if applicable. The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its stormwater fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 30 through 32 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 on pages 33 through 52 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedule for the general fund and major special revenue funds as presented on a generally accepted accounting principal basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted

basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted and amended budget. Required supplementary information can be found on pages 53 through 55 of this report.

The combining fund financial statements are presented immediately following the required supplementary information. They can be found on pages 56 and 57 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**City of Brookhaven, Georgia's Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current assets	\$ 32,034,129	\$ 25,493,827	\$ 1,929,770	\$ 1,954,037	\$ 33,963,899	\$ 27,447,864
Capital assets, net	77,328,582	65,150,566	7,412,334	7,146,150	84,740,916	72,296,716
Total assets	<u>109,362,711</u>	<u>90,644,393</u>	<u>9,342,104</u>	<u>9,100,187</u>	<u>118,704,815</u>	<u>99,744,580</u>
<b>Liabilities</b>						
Current liabilities	4,706,898	2,424,274	236,690	89,327	4,943,588	2,513,601
Long-term liabilities	6,087,276	1,469,276	-	-	6,087,276	1,469,276
Total liabilities	<u>10,794,174</u>	<u>3,893,550</u>	<u>236,690</u>	<u>89,327</u>	<u>11,030,864</u>	<u>3,982,877</u>
<b>Net Position</b>						
Net investment in capital assets	72,013,003	64,370,907	7,412,334	7,146,150	79,425,337	71,517,057
Restricted	2,724,544	2,405,177	-	-	2,724,544	2,405,177
Unrestricted	23,830,990	19,974,759	1,693,080	1,864,710	25,524,070	21,839,469
Total net position	<u>\$ 98,568,537</u>	<u>\$ 86,750,843</u>	<u>\$ 9,105,414</u>	<u>\$ 9,010,860</u>	<u>\$ 107,673,951</u>	<u>\$ 95,761,703</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$107,673,951 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (73.8%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$2,724,544) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$25,524,070 or 23.7%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

**Governmental Activities.** Governmental activities increased the City of Brookhaven's net position by \$11,817,694, thereby accounting for 99.2% of the total increase in the net position of the City. Key elements of this increase are shown in detail in the table on the following page.

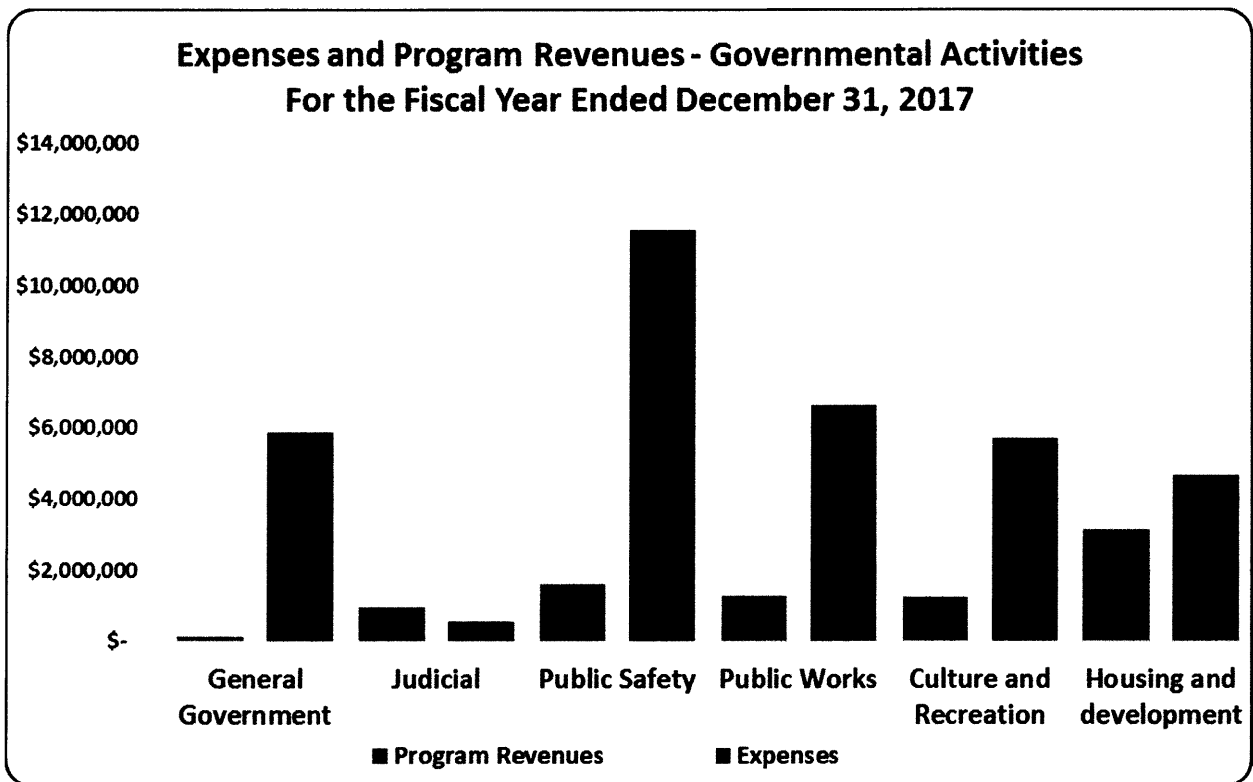
**City of Brookhaven, Georgia's Change in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 5,921,195	\$ 6,867,248	\$ 1,988,504	\$ 1,581,760	\$ 7,909,699	\$ 8,449,008
Capital grants & contributions	2,492,933	326,032	-	-	2,492,933	326,032
General revenues:						
Property taxes	9,454,749	7,684,986	-	-	9,454,749	7,684,986
Sales taxes	6,691,614	6,911,336	-	-	6,691,614	6,911,336
Hotel/Motel tax	2,948,420	1,950,677	-	-	2,948,420	1,950,677
Franchise taxes	4,630,027	4,111,311	-	-	4,630,027	4,111,311
Business tax	5,367,889	5,008,501	-	-	5,367,889	5,008,501
Alcohol and excise taxes	1,468,069	1,396,966	-	-	1,468,069	1,396,966
Unrestricted						
Investment earnings	43,259	9,677	-	-	43,259	9,677
Miscellaneous	424,329	403,235	-	-	424,329	403,235
Gain on sale of capital assets	7,429,465	-	-	-	7,429,465	-
Capital contributions	-	-	-	251,800	-	251,800
<b>Total revenues</b>	<b>46,871,949</b>	<b>34,669,969</b>	<b>1,988,504</b>	<b>1,833,560</b>	<b>48,860,453</b>	<b>36,503,529</b>
<b>Expenses:</b>						
General government	5,896,748	5,101,706	-	-	5,896,748	5,101,706
Judicial	580,297	584,753	-	-	580,297	584,753
Public safety	11,552,258	10,595,386	-	-	11,552,258	10,595,386
Public works	6,628,883	4,295,145	-	-	6,628,883	4,295,145
Housing and development	4,644,383	3,736,194	-	-	4,644,383	3,736,194
Culture and recreation	5,695,736	4,423,411	-	-	5,695,736	4,423,411
Community development	-	146,983	-	-	-	146,983
Interest on long-term debt	95,950	28,226	-	-	95,950	28,226
Stormwater	-	-	1,853,950	1,488,786	1,853,950	1,488,786
<b>Total expenses</b>	<b>35,094,255</b>	<b>28,911,804</b>	<b>1,853,950</b>	<b>1,488,786</b>	<b>36,948,205</b>	<b>30,400,590</b>
Transfers	40,000	-	(40,000)	-	-	-
Changes in net position	11,817,694	5,758,165	94,554	344,774	11,912,248	6,102,939
Net position, beginning of year	86,750,843	80,992,678	9,010,860	8,666,086	95,761,703	89,658,764
<b>Net position, end of year</b>	<b>\$ 98,568,537</b>	<b>\$ 86,750,843</b>	<b>\$ 9,105,414</b>	<b>\$ 9,010,860</b>	<b>\$ 107,673,951</b>	<b>\$ 95,761,703</b>

- The City's governmental activities has recognized a \$946,053 or 13.8% decrease in charges for services from 2016. This is principally due to decreased judicial fines, as well as, the end of the legal fee reimbursement, offset marginally by the building permitting activities.
- Property tax revenues for 2017 were \$1.8 million greater than those of 2016. This 23.0% increase was due to the healthy growth in the tax digest due to new construction and improvements. Additionally, the City Council did not rollback the millage from 2.740 mills, providing approximately \$933,000 in additional property taxes as a result of property appreciation. This amount has been assigned for capital improvement through the City Council's approval of the FY 2018 budget.



- A slight decrease in the sales tax revenues in 2017 from 2016 by (\$219,722). The HOST revenues are dedicated to capital improvements. The HOST funds were moved to a Capital Improvement Fund where projects were established and the funds were designated appropriately, to Council approved projects which included various park improvements, road and sidewalks improvements.
- Franchise fees for the City increased by \$518.7 thousand or 12.6%. The City collected franchise fees that included electricity, cable and telephone. The Georgia Power distribution was the major contributor in this increase.
- The City's business tax revenues increased by \$359.4 thousand or 7.2% from 2016 revenues. The City had new business revenues for 2017 showing a strengthening economy.
- The City made an exchange with the DeKalb County Board of Education on land that resulted in a gain on the exchange of capital assets in the amount of \$7.4 million. The exchange of property was for relocation of Skyland Park and the new park is expected to be finished in 2018.



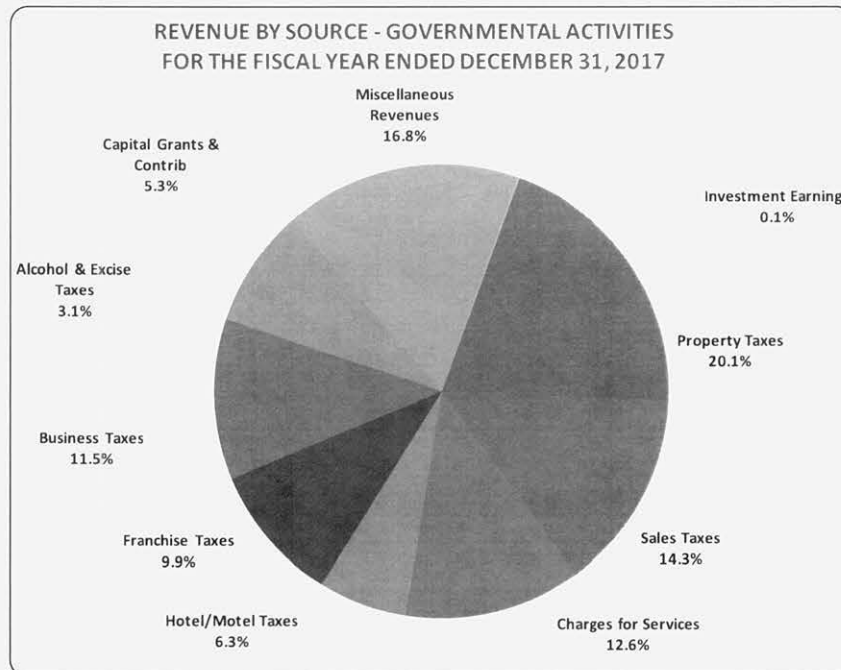
The increase in governmental activities expenses of \$6.1 million is attributed to the following major changes:

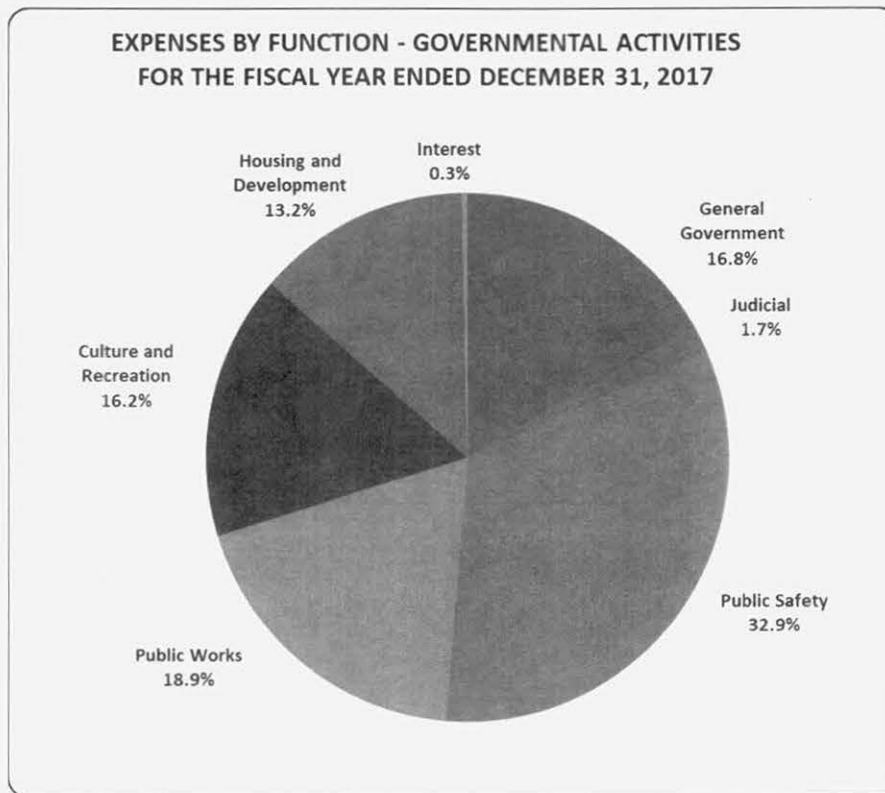
- In 2017, the general government activities expenses of the City increased by \$795.0 thousand over the 2016 expenses. This 15.6% increase was primarily due to the digital video archiving project, the City's fifth anniversary celebration, and first floor City hall women's restroom

renovation \$50 thousand. Legal fees for condemnation matters and other legal matters \$190 thousand, archiving digital data and implementation of City Works for Public Works and Community Development \$200 thousand, and transition from contracted positions in Communications to full time City employees. We added several parks that also included the contracted maintenance expenses to increase in this area by \$190 thousand.

- Public safety activities increased by \$956.9 thousand or 9.0% for 2017. Contributing to the increase is the active Government of Highway Safety Grant (GOHS) and the Project Safe Neighborhood Grant (PSN) for a total of \$284.5 thousand. The City also purchased 18 new Public Safety vehicles for \$630.7 thousand.
- In 2017, public works activity expenses increased by \$2.3 million or 54.3%. This increased as the City continues to prioritize street paving funded through HOST and the Capital Projects Fund.
- In 2017, the City continued bringing various parks online, resulting in investments in repair and maintenance and park facility programming. The expenses for culture and recreation increased by \$1.2 million due to the engagement of technical and professional contractors and staff to bring parks, pools and recreational amenities online. Over \$1.5 million was expended in the Capital Projects Fund for Skyland Park in 2017. Georgian Hills Park was near completion in 2017 as well.
- Housing and development expenses increased \$908.2 thousand or 24.3% from those for 2016. This difference is principally attributed to the City's increase in the Hotel/Motel tax rate from 5% to 8%. The change went into effect in October thus causing an increase in the expenses paid to the Dekalb Convention Visitors Bureau. The City also collected back taxes from the Marriott in the amount of \$545 thousand.

The charts below denote the source of the City's governmental revenues and expenses:





**Business-Type Activities.** Business-type activities increased the City's net position by \$94,554, thereby accounting for 0.8% of the total increase in the net position of the City. The sole business-type activity is its stormwater operations, which are accounted for in its Stormwater Fund. This fund is used to facilitate the repair, maintenance, and improvements to the City's stormwater facilities.

**Stormwater Fund Operations**

	Operating Revenues		Operating Expenses		Income from Operations	
	2017	2016	2017	2016	2017	2016
Fund:						
Stormwater	\$1,988,504	\$1,581,760	\$1,853,950	\$1,488,786	\$134,554	\$92,974
Totals	\$1,988,504	\$1,581,760	\$1,853,950	\$1,488,786	\$134,554	\$92,974

The revenues for the Stormwater Fund increased \$406,744 or 25.7% from the previous year. Although the City took over stormwater services during incorporation of the City in 2012, efforts continue to define the elements of the stormwater program.

Stormwater assessment fees (computed based on a property's impervious surface area) were \$1,894,504 up from 2016 by \$312,744; the stormwater fund also recaptured \$94,000 from the buildout of Byrnwick Drive Bypass. Depreciation on the capital assets accounted for 9.9% of the operating expenses.

## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$27,247,538.

General Government Fund Balance		Purpose	2017	2016	Diff.
UNRESTRICTED FUND BALANCE	<b>Non-spendable</b> "inherently non-expendable" such as deposits or inventory	Prepaid Expenses	\$ 697,283	\$ 431,443	\$ 265,840
	<b>Restricted</b> External "legal limitations" on use	Streetlighting	335,582	337,995	(2,413)
		Confiscated Funds	300,353	194,165	106,188
		E911 Operations	-	167,434	(167,434)
		Public Works	562,446	-	562,446
		Tourism (Hotel Motel)	1,485,020	1,660,476	(175,456)
		Police Donations	30,928	31,569	(641)
	<b>Committed</b> "Self-imposed" limitations on use	Debt Service	1,194,763	-	1,194,763
		HOST	1,661,404	9,486,486	(7,825,082)
	<b>Assigned</b> Limitations resulting from "intended use"	Subsequent year's budget: appropriation of fund balance	173,719	550,043	(376,324)
		Capital Projects	10,975,319	3,028,983	7,946,336
		Public Safety	286,966	-	286,966
		Future Capital Improvements	933,953	933,953	-
		Tree Conservation	43,969	21,369	22,600
<b>Unassigned</b> "Residual" net resources		General Fund	8,565,833	6,253,311	2,312,522
	Special Tax District No 1	-	(76,521)	76,521	
<b>TOTALS FOR GOVERNMENTAL FUNDS</b>			<u>\$ 27,247,538</u>	<u>\$ 23,020,706</u>	<u>\$ 4,226,832</u>

**General Fund.** The general fund is the primary operating fund of the City. At the end of the current fiscal period, unassigned fund balance was \$8,565,833 while total fund balance was \$10,445,685. This balance includes \$697,283 in prepaid expenses and \$30,928 in police donations as restricted fund balance. Additionally, \$1,151,641 was assigned for other purposes. This includes \$173,719 for next year's budget, \$933,953 for future capital improvements, and \$43,969 for tree conservation. Fund balance increased \$2,223,997 over the prior year primarily from actual revenues exceeding expectations for electric and gas

franchise fees by \$1.4 million, due to prior annexation changes. Permitting fees were up by \$967.3 thousand due to the new construction associated with the Children's Healthcare of Atlanta complex and insurance premium tax increased by \$477.3 thousand. The Unassigned Reserve accounts for 33% of FY 2018 approved budgetary expenditures which is above the target set by the City's fund balance policy as approved by the City Council. This is the second year that the City has fully funded its policy mandated unassigned reserve.

**Homestead Option Sales Tax Fund (HOST).** The HOST fund was set up to account for receipt of HOST sales tax revenues and associated expenditures for capital improvements. During the current year, \$6,655,518 (\$6,636,024 in sales tax revenues, and \$19,494 in investment income) was recognized as revenues, while a total of \$667,961 was expended and \$13.8 million was transferred out to the Capital Project Fund.

**Grant Fund.** The Grant Fund was established to account for funds received from the federal and state government. In 2017, \$1.6 million in revenues were received, and \$285.1 thousand spent mostly on the Project Safe Neighborhood Program and the Government of Highway Safety Grant. There were transfers out to the Capital Projects Fund for expenditures related to transportation improvements of \$718,748. The primary increase was due to receipt of State LMIG funding (916 thousand) in 2017.

**Capital Projects Fund.** The Capital Projects Fund was set up to capture the costs related to major projects that include, public safety, public works and recreation. The projects were funded using fund balance from the HOST fund, as well as, proceeds from the sale of capital assets and a new GEFA loan was obtained to fund the purchase of greenspace property. During 2017, \$920,360 was recognized as intergovernmental revenues. There was \$11.6 million spent on capital outlay with the bulk of the expenses used for street paving, sidewalk projects, and park improvements. The fund balance remains at \$10.2 million at the end of 2017 to be used for future capital projects. The primary increase in fund balance was due to \$4.7 million received from DeKalb County for the sale of land and transfers in from the HOST fund.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City utilized a conservative approach for budgeting purposes. Emphasis was given to ensuring financial stability for the current period as well as long-term stability.

The City employs an annual mid-year budget process in order to re-align appropriations made during the annual budget process with significant unexpected trends. This ensures adjustments facilitating appropriations to be in alignment with expected resources. On September 1, 2017, the City Council amended the 2017 budget by \$933,953 and appropriated from fund balance projects to include future Capital Improvement Projects. On November 2, 2017, the Council also amended the 2017 Budget by \$350,000 being appropriated from fund balance, so Public Works could proceed on projects for 2018 road paving.

The General Fund 2017 actual revenues were \$2.5 million or 11.2% greater than the amended budget. This variance is principally attributed to \$1.4 million franchisee fees and \$967 thousand in building permit revenues offset slightly by less than anticipated revenues from property taxes (\$220.4 thousand), and fines and forfeitures (\$447.0 thousand). The 2017 expenditures were \$1.2 million or 5.3% less than the amended budget. No departments exceeded their appropriations for 2017. Details of the original general fund budget and the amended budget are contained on pages 53 and 54 of this report.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities at December 31, 2017, amounts to \$84,740,916 (net of accumulated depreciation). This investment in capital assets includes land, structures, vehicles, as well as infrastructure assets such as streets, curbs, sidewalks, culverts and drainage ponds. A majority of these infrastructure assets were transferred to the City from DeKalb County. The City continues to work on projects and improvements.

The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government.

**City of Brookhaven, Georgia's Capital Assets**  
(Net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 11,304,991	\$ 1,924,238	\$ -	\$ -	\$ 11,304,991	\$ 1,924,238
Construction in progress	4,725,214	208,911	251,800	251,800	4,977,014	460,711
Improvements	2,103,893	2,102,832	-	-	2,103,893	2,102,832
Buildings	1,349,246	1,443,224	-	-	1,349,246	1,443,224
Machinery and equipment	2,129,338	2,785,233	-	-	2,129,338	2,785,233
Infrastructure	55,715,900	56,686,128	-	-	55,715,900	56,686,128
Stormwater infrastructure	-	-	7,160,534	6,894,350	7,160,534	6,894,350
<b>Totals</b>	<b>\$ 77,328,582</b>	<b>\$ 65,150,566</b>	<b>\$ 7,412,334</b>	<b>\$ 7,146,150</b>	<b>\$ 84,740,916</b>	<b>\$ 72,296,716</b>

Additional information on the City's capital assets can be found in note 6 on pages 45 and 46 of this report.

**Long-Term Debt.** At December 31, 2017, the City's long-term debt amounted to \$6,087,276. The debt consisted of capital leases used to acquire police equipment, computers and software, as well as any accrued compensated absences in the amount of \$771.7 thousand.

The City took out a Georgia Environmental Finance Authority (GEFA) loan in the amount of \$5.2 million for the purchase of greenspace near the Peachtree Dekalb Airport utilizing a low interest rate loan acquired through the Clean Water State Revolving Fund.

Additional information on the City's long-term debt can be found in note 7 on pages 46 through 48 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's management and elected officials considered many factors when adopting the budget for the fiscal year ending December 31, 2018.

- The 2018 budget anticipates a relatively stable tax digest.
- The City has an operating millage rate cap of 3.35 mills that is set by City Charter. The 2018 budget was prepared using the same rate as in FY 2017 of 2.740 mills.
- The City changed health care carriers in 2017 in order to stay within the budgeted employee benefits budgeted for 2018, while still maintaining the same level of services for healthcare.
- The City sees the biggest challenge in the upcoming budget year as continuing to strive to provide excellent customer service to citizens, while executing on completion of budgeted capital improvements throughout the City.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Brookhaven's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Brookhaven, 4362 Peachtree Road, Brookhaven, Georgia, 30319, or by calling (404)637-0500.

**CITY OF BROOKHAVEN, GEORGIA**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 25,257,864	\$ 1,855,051	\$ 27,112,915
Accounts receivable	3,220,013	60,500	3,280,513
Property taxes receivable	472,524	-	472,524
Due from other governments	2,386,445	-	2,386,445
Prepays	697,283	14,219	711,502
Capital assets:			
Nondepreciable	16,030,205	251,800	16,282,005
Depreciable, net of accumulated depreciation	61,298,377	7,160,534	68,458,911
<b>Total assets</b>	<b>109,362,711</b>	<b>9,342,104</b>	<b>118,704,815</b>
<b>LIABILITIES</b>			
Accounts payable	3,688,503	236,690	3,925,193
Accrued liabilities	309,214	-	309,214
Unearned revenue	709,181	-	709,181
Compensated absences, due within one year	617,357	-	617,357
Compensated absences, due in more than one year	154,340	-	154,340
Capital leases payable, due within one year	230,830	-	230,830
Capital leases payable, due in more than one year	23,682	-	23,682
Note payable, due within one year	239,856	-	239,856
Note payable, due in more than one year	4,821,211	-	4,821,211
<b>Total liabilities</b>	<b>10,794,174</b>	<b>236,690</b>	<b>11,030,864</b>
<b>NET POSITION</b>			
Net investment in capital assets	72,013,003	7,412,334	79,425,337
Restricted for streetlight service	345,059	-	345,059
Restricted for law enforcement	301,091	-	301,091
Restricted for promotion of tourism	1,485,020	-	1,485,020
Restricted for police donations	30,928	-	30,928
Restricted for public works	562,446	-	562,446
Unrestricted	23,830,990	1,693,080	25,524,070
<b>Total net position</b>	<b>\$ 98,568,537</b>	<b>\$ 9,105,414</b>	<b>\$ 107,673,951</b>

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



**CITY OF BROOKHAVEN, GEORGIA**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Net (Expenses) Revenues and Changes in Net Position</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Capital</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
			<b>Grants and Contributions</b>			
<b>Primary government:</b>						
Governmental activities:						
General government	\$ 5,896,748	\$ 142,787	\$ -	\$ (5,753,961)	\$ -	\$ (5,753,961)
Judicial	580,297	979,400	-	399,103	-	399,103
Public safety	11,552,258	1,320,894	292,724	(9,938,640)	-	(9,938,640)
Public works	6,628,883	-	1,279,849	(5,349,034)	-	(5,349,034)
Housing and development	4,644,383	3,150,238	-	(1,494,145)	-	(1,494,145)
Culture and recreation	5,695,736	327,876	920,360	(4,447,500)	-	(4,447,500)
Interest and fiscal charges	95,950	-	-	(95,950)	-	(95,950)
Total governmental activities	<u>35,094,255</u>	<u>5,921,195</u>	<u>2,492,933</u>	<u>(26,680,127)</u>	<u>-</u>	<u>(26,680,127)</u>
Business-type activities:						
Stormwater	1,853,950	1,988,504	-	-	134,554	134,554
<b>Total primary government</b>	<u>\$ 36,948,205</u>	<u>\$ 7,909,699</u>	<u>\$ 2,492,933</u>	<u>(26,680,127)</u>	<u>134,554</u>	<u>(26,545,573)</u>
General revenues:						
Property taxes				9,454,749	-	9,454,749
Sales taxes				6,691,614	-	6,691,614
Hotel/Motel taxes				2,948,420	-	2,948,420
Franchise taxes				4,630,027	-	4,630,027
Business taxes				5,367,889	-	5,367,889
Alcohol & excise taxes				1,468,069	-	1,468,069
Unrestricted investment earnings				43,259	-	43,259
Miscellaneous revenues				424,329	-	424,329
Gain on sale of capital assets				7,429,465	-	7,429,465
Transfers				40,000	(40,000)	-
Total general revenues and transfers				<u>38,497,821</u>	<u>(40,000)</u>	<u>38,457,821</u>
Change in net position				11,817,694	94,554	11,912,248
Net position, beginning of year				86,750,843	9,010,860	95,761,703
Net position, end of year				<u>\$ 98,568,537</u>	<u>\$ 9,105,414</u>	<u>\$ 107,673,951</u>

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

**CITY OF BROOKHAVEN, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

<b>ASSETS</b>	<b>General Fund</b>	<b>Homestead Option Sales Tax Fund</b>	<b>Grant Fund</b>	<b>Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Cash and cash equivalents	\$ 8,440,054	\$ 32,752	\$ 747,753	\$ 11,039,834	\$ 4,997,471	\$ 25,257,864
Accounts receivable	3,128,856	-	-	-	91,157	3,220,013
Taxes receivable, net of allowance	149,739	-	-	-	322,785	472,524
Due from other funds	-	-	-	507,092	-	507,092
Intergovernmental receivable	43,431	1,631,212	358,402	353,400	-	2,386,445
Prepays	697,283	-	-	-	-	697,283
<b>Total assets</b>	<b>\$ 12,459,363</b>	<b>\$ 1,663,964</b>	<b>\$ 1,106,155</b>	<b>\$ 11,900,326</b>	<b>\$ 5,411,413</b>	<b>\$ 32,541,221</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 1,279,138	\$ 2,560	\$ 36,617	\$ 1,727,813	\$ 642,375	\$ 3,688,503
Accrued liabilities	289,347	-	-	-	12,150	301,497
Due to other funds	-	-	507,092	-	-	507,092
Unearned revenue	367,998	-	-	-	341,183	709,181
<b>Total liabilities</b>	<b>1,936,483</b>	<b>2,560</b>	<b>543,709</b>	<b>1,727,813</b>	<b>995,708</b>	<b>5,206,273</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	77,195	-	-	-	10,215	87,410
<b>Total deferred inflows of resources</b>	<b>77,195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,215</b>	<b>87,410</b>
<b>FUND BALANCES</b>						
Fund balances:						
Nonspendable:						
Prepays	697,283	-	-	-	-	697,283
Restricted:						
Law enforcement	-	-	-	-	300,353	300,353
Streetlight service	-	-	-	-	335,582	335,582
E-911 operations	-	-	-	-	-	-
Tourism	-	-	-	-	1,485,020	1,485,020
Police donations	30,928	-	-	-	-	30,928
Public works	-	-	562,446	-	-	562,446
Committed - debt service	-	-	-	-	1,194,763	1,194,763
Assigned:						
Future capital improvements	933,953	-	-	-	-	933,953
Subsequent year's budget, appropriations of fund balance	173,719	-	-	-	-	173,719
Tree fund activities	43,969	-	-	-	-	43,969
HOST activities	-	1,661,404	-	-	-	1,661,404
Public safety	-	-	-	-	286,966	286,966
Capital projects	-	-	-	10,172,513	802,806	10,975,319
Unassigned	8,565,833	-	-	-	-	8,565,833
<b>Total fund balances</b>	<b>10,445,685</b>	<b>1,661,404</b>	<b>562,446</b>	<b>10,172,513</b>	<b>4,405,490</b>	<b>27,247,538</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 12,459,363</b>	<b>\$ 1,663,964</b>	<b>\$ 1,106,155</b>	<b>\$ 11,900,326</b>	<b>\$ 5,411,413</b>	
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 funds.						77,328,582
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(6,094,993)
Some revenues are not available in the current period and, therefore, are not reported in the funds.						87,410
<b>Net position of governmental activities</b>						<b>\$ 98,568,537</b>

The accompanying notes are an integral part of these statements.

**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Fund	Homestead Option Sales Tax Fund	Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 8,363,462	\$ -	\$ -	\$ -	\$ 1,062,147	\$ 9,425,609
Sales taxes	55,590	6,636,024	-	-	-	6,691,614
Hotel/Motel taxes	-	-	-	-	2,948,420	2,948,420
Franchise taxes	4,630,027	-	-	-	-	4,630,027
Alcohol excise taxes	1,138,944	-	-	-	-	1,138,944
Business taxes	5,367,889	-	-	-	-	5,367,889
Excise taxes	329,125	-	-	-	-	329,125
Licenses and permits	3,207,348	-	-	-	-	3,207,348
Intergovernmental	6,281	-	1,566,292	920,360	-	2,492,933
Charges for services	795,095	-	-	-	939,532	1,734,627
Fines and forfeitures	902,971	-	-	-	76,249	979,220
Contributions	37,239	-	-	-	-	37,239
Interest earned	23,719	19,494	43	-	3	43,259
Miscellaneous	135,598	-	-	-	251,492	387,090
Total revenues	<u>24,993,288</u>	<u>6,655,518</u>	<u>1,566,335</u>	<u>920,360</u>	<u>5,277,843</u>	<u>39,413,344</u>
<b>Expenditures:</b>						
Current:						
General government	5,775,622	50	-	-	-	5,775,672
Judicial	576,361	-	-	-	-	576,361
Public safety	8,294,726	-	284,521	263,580	1,662,812	10,505,639
Public works	1,593,750	990	620	2,526,706	440,802	4,562,868
Recreation	2,477,765	-	-	2,948,853	-	5,426,618
Housing and development	3,246,127	-	-	-	1,385,326	4,631,453
Capital outlay	-	666,921	-	11,589,537	677,269	12,933,727
Debt service:						
Principal	-	-	-	-	664,080	664,080
Interest	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	57,000	57,000
Total expenditures	<u>21,964,351</u>	<u>667,961</u>	<u>285,141</u>	<u>17,328,676</u>	<u>4,927,945</u>	<u>45,174,074</u>
Excess (deficiency) of revenues over (under) expenditures	3,028,937	5,987,557	1,281,194	(16,408,316)	349,898	(5,760,730)
<b>Other financing sources (uses):</b>						
Transfers in	1,571,011	-	-	16,022,879	2,511,610	20,105,500
Transfers out	(2,375,951)	(13,812,639)	(718,748)	(1,419,612)	(1,738,550)	(20,065,500)
Proceeds from issuance of note payable	-	-	-	5,200,000	-	5,200,000
Proceeds from sale of capital assets	-	-	-	4,747,562	-	4,747,562
Total other financing sources (uses)	<u>(804,940)</u>	<u>(13,812,639)</u>	<u>(718,748)</u>	<u>24,550,829</u>	<u>773,060</u>	<u>9,987,562</u>
Net change in fund balances	2,223,997	(7,825,082)	562,446	8,142,513	1,122,958	4,226,832
<b>Fund balances, beginning of year</b>	<u>8,221,688</u>	<u>9,486,486</u>	<u>-</u>	<u>2,030,000</u>	<u>3,282,532</u>	<u>23,020,706</u>
<b>Fund balances, end of year</b>	<u>\$ 10,445,685</u>	<u>\$ 1,661,404</u>	<u>\$ 562,446</u>	<u>\$ 10,172,513</u>	<u>\$ 4,405,490</u>	<u>\$ 27,247,538</u>

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

# CITY OF BROOKHAVEN, GEORGIA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2017

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

Net change in fund balances - total governmental funds	\$ 4,226,832
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	9,496,113
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.	2,681,903
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	29,140
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 effect of these differences in the treatment of long-term debt.	(4,535,920)
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.	<u>(80,374)</u>
Change in net position - governmental activities	<u>\$ 11,817,694</u>

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

**CITY OF BROOKHAVEN, GEORGIA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2017**

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<b>ASSETS</b>	<b>Stormwater Fund</b>
<b>CURRENT ASSETS</b>	
Cash	\$ 1,855,051
Accounts receivable, net of allowance	60,500
Prepays	14,219
Total current assets	<u>1,929,770</u>
<b>NONCURRENT ASSETS</b>	
Capital assets, non-depreciable	251,800
Capital assets, depreciable	7,918,876
Accumulated depreciation	<u>(758,342)</u>
Total capital assets, net	<u>7,412,334</u>
Total assets	<u>9,342,104</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable and accrued liabilities	<u>236,690</u>
Total current liabilities	<u>236,690</u>
<b>NET POSITION</b>	
Investment in capital assets	7,412,334
Unrestricted	<u>1,693,080</u>
Total net position	<u>\$ 9,105,414</u>

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

**CITY OF BROOKHAVEN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Stormwater Fund</b>
<b>OPERATING REVENUE</b>	
Stormwater fees	\$ 1,894,505
Other operating revenue	93,999
Total operating revenues	1,988,504
<b>OPERATING EXPENSES</b>	
Cost of services	1,671,220
Depreciation	182,730
Total operating expenses	1,853,950
Operating income before transfers	134,554
Transfers out	(40,000)
Change in net position	94,554
<b>Total net position, beginning</b>	<b>9,010,860</b>
<b>Total net position, ending</b>	<b>\$ 9,105,414</b>

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

# CITY OF BROOKHAVEN, GEORGIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE YEAR ENDED DECEMBER 31, 2017

	<b>Stormwater Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 1,955,004
Payments to suppliers	(1,537,513)
Net cash provided by operating activities	417,491
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(448,914)
Net cash used in capital and related financing activities	(448,914)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer out to other funds	(40,000)
Net cash used in noncapital financing activities	(40,000)
Net change in cash	(71,423)
Cash, beginning of year	1,926,474
Cash, end of year	\$ 1,855,051
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 134,554
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	182,730
Change in assets and liabilities:	
Increase in accounts receivable	(33,500)
Increase in prepaid items	(13,656)
Increase in accounts payable	147,363
Net cash provided by operating activities	\$ 417,491

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

# CITY OF BROOKHAVEN, GEORGIA

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017

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### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Brookhaven, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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, which was incorporated in 2012, operates under a charter adopted December 17, 2012, as a municipal corporation governed by an elected mayor and a four-member council. The government provides such services as police protection, cultural and recreational activities, community development and public works.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable.

##### Blended Component Unit

The Brookhaven Government Finance Corporation (the "BGFC") has been included as a blended component unit in the accompanying financial statements. The City appoints the four 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 BGFC 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 BGFC are not prepared. The City reports the BGFC as a debt service fund.

#### **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 non-fiduciary activities of the primary government and its component unit. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial 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.



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements (Continued)

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 those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, sales taxes, franchise taxes, intergovernmental grants, and investment income 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 revenue of the enterprise fund are charges to customers for services provided. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance on or before November 30, 1989.

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

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 **Homestead Option Sales Tax Fund** is used to account for locally funded acquisition and construction of major capital projects financed by homestead option sales tax funds.

The **Grant Fund** is used to account for federal and state funded initiatives and projects that are restricted for the specific purposes of those initiatives and projects

The **Capital Projects Fund** is used to account for the expenditures of money for major capital projects.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The **Stormwater Fund** is used to account for the charges and expenses of maintaining the City's stormwater infrastructure.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues which are legally restricted to expenditures for particular purposes.

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

The **Capital Projects Funds** are used to account for the expenditures of money for major capital projects. These funds are general in nature and may be used to finance any capital project that the City Council designates.

#### D. Budgets

Formal budgetary accounting is employed as a management control device for the general fund, special revenue funds, debt service fund, and capital projects funds of the City. The governmental funds budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted for the General Fund and each Special Revenue Fund each fiscal year through passage of an annual budget ordinance and amended as required. The City adopts project length budgets for the Capital Projects Funds. During the fiscal year ended December 31, 2017, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

All unencumbered budget appropriations lapse at the end of each year.

#### E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

#### G. Interfund 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 are reported as "due to/from other funds."

#### H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

#### I. Capital Assets

Capital assets, which include improvements, machinery and equipment, and infrastructure assets, are reported 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. The City has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Capital assets of the City are depreciated using the straight line method over the following useful lives:

Improvements	15-40 years
Buildings	50 years
Machinery and equipment	3-20 years
Infrastructure	7-60 years

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Deferred Outflows/Inflows of Resources

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

#### K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation 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 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.

#### L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures. Issuance costs are expenses when incurred.

#### M. 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

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. 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 through a resolution of the City Council. Only the City Council may modify or rescind the commitment, also through 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 Fund Balance Policy, as adopted by the City Council, delegates the authority to the City manager or his or her designee to assign fund balance 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.

The City's policy is to obtain and then maintain a minimum General Fund fund balance reserve equal to three months (25%) of annual budgeted expenditures.

**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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. Fund Equity (Continued)

**Net Position** – Net position represents the difference between assets and liabilities 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. The remaining portion of net position is reported as unrestricted.

The City applies restricted resources first to fund outlays for which both restricted and unrestricted net position is available.

#### N. Use of 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 amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### 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 \$6,094,993 difference are as follows:

Capital leases	\$ (254,512)
Notes payable	(5,061,067)
Accrued interest payable	(7,717)
Compensated absences (i.e., vacation)	<u>(771,697)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (6,094,993)</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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change 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 estimated useful lives and reported as depreciation expense.” The details of this \$9,496,113 difference are as follows:

Capital outlay	\$ 12,919,365
Depreciation expense	<u>(3,423,252)</u>
 Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	 \$ <u>9,496,113</u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.” The details of this \$2,681,903 difference are as follows:

Capital assets received in land transaction	\$ 3,043,403
Net book value of capital assets sold	<u>(361,500)</u>
 Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	 \$ <u>2,681,903</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 the reconciliation states “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. The details of this \$4,535,920 difference are as follows:

Principal payments	\$ 664,080
Issuance of note payable	<u>(5,200,000)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ (4,535,920)</u>

Another element of the reconciliation states 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 \$80,374 difference are as follows:

Compensated absences	\$ (82,080)
Accrued interest	<u>1,706</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ (80,374)</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. LEGAL COMPLIANCE – BUDGETS

#### A. Budgets and Budgetary Accounting

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Finance Director. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget ordinance.

#### B. Excess Expenditures Over Appropriations

For the year ended December 31, 2017, the following funds and departments had actual expenditures in excess of their appropriations:

Grant Fund - Public works	\$	620
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These expenditures in excess of appropriations were funded by lower than budgeted expenditures in other areas and available fund balance.

### NOTE 4. DEPOSITS

**Custodial Credit Risk – Deposits:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of December 31, 2017, all of the City's bank balances were insured and collateralized as defined by GASB and State statutes.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect City of Brookhaven property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

Receivables at December 31, 2017, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Homestead Option Sales Tax</u>	<u>Grant</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Stormwater</u>
Receivables:						
Accounts	\$ 3,128,856	\$ -	\$ -	\$ -	\$ 91,157	\$ 95,500
Taxes	215,739	-	-	-	335,312	-
Intergovernmental	43,431	1,631,212	358,402	353,400	-	-
Total receivables	<u>3,388,026</u>	<u>1,631,212</u>	<u>358,402</u>	<u>353,400</u>	<u>426,469</u>	<u>95,500</u>
Less allowance for uncollectibles	(66,000)	-	-	-	(12,527)	(35,000)
Net total receivable	<u>\$ 3,322,026</u>	<u>\$ 1,631,212</u>	<u>\$ 358,402</u>	<u>\$ 353,400</u>	<u>\$ 413,942</u>	<u>\$ 60,500</u>

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the year ended December 31, 2017 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 1,924,238	\$ 9,742,253	\$ (361,500)	\$ 11,304,991
Construction in progress	208,911	4,516,303	-	4,725,214
Total	<u>2,133,149</u>	<u>14,258,556</u>	<u>(361,500)</u>	<u>16,030,205</u>
Capital assets, being depreciated:				
Improvements	3,831,140	158,669	-	3,989,809
Buildings	3,953,205	-	-	3,953,205
Machinery and equipment	7,519,496	919,685	-	8,439,181
Infrastructure	62,916,394	625,858	-	63,542,252
Total	<u>78,220,235</u>	<u>1,704,212</u>	<u>-</u>	<u>79,924,447</u>
Less accumulated depreciation for:				
Improvements	(1,728,308)	(157,608)	-	(1,885,916)
Buildings	(2,509,981)	(93,978)	-	(2,603,959)
Machinery and equipment	(4,734,263)	(1,575,579)	-	(6,309,842)
Infrastructure	(6,230,266)	(1,596,087)	-	(7,826,353)
Total	<u>(15,202,818)</u>	<u>(3,423,252)</u>	<u>-</u>	<u>(18,626,070)</u>
Capital assets, net depreciation	<u>63,017,417</u>	<u>(1,719,040)</u>	<u>-</u>	<u>61,298,377</u>
Governmental activities capital assets, net	<u>\$ 65,150,566</u>	<u>\$ 12,539,516</u>	<u>\$ (361,500)</u>	<u>\$ 77,328,582</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>			
Capital assets, not being depreciated			
Land	\$ 251,800	\$ -	\$ 251,800
Capital assets, being depreciated:			
Infrastructure	7,469,962	448,914	7,918,876
Less accumulated depreciation for:			
Infrastructure	(575,612)	(182,730)	(758,342)
Capital assets, net depreciation	<u>6,894,350</u>	<u>266,184</u>	<u>7,160,534</u>
Business-type activities capital assets, net	<u>\$ 7,146,150</u>	<u>\$ 266,184</u>	<u>\$ 7,412,334</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
General government	\$	106,383
Public safety		988,202
Public works		2,062,528
Recreation		255,527
Judicial		2,196
Housing and development		8,416
Total depreciation expense - governmental activities	<u>\$</u>	<u>3,423,252</u>
Business-type activities:		
Stormwater	<u>\$</u>	<u>182,730</u>

### NOTE 7. LONG-TERM DEBT

#### Capital Leases

On January 28, 2013, the City entered into a capital lease to purchase computers and software through the Georgia Municipal Association ("GMA") for \$1,000,000. Annual payments of \$211,482, including interest at a rate of 1.89% began January 28, 2014 and will continue through January 28, 2018. The outstanding balance at December 31, 2017 is \$207,559.

On May 19, 2015, the City entered into a capital lease to purchase vehicles through the Georgia Municipal Association ("GMA") for \$116,256. Annual payments of \$24,081, including interest at a rate of 1.71% began July 29, 2015 and will continue through July 29, 2019. The outstanding balance at December 31, 2017 is \$46,953.

As of December 31, 2017, the cost and accumulated depreciation on the assets acquired under capital leases are \$1,119,573 and \$1,032,106, respectively. The annual depreciation is included in the capital asset depreciation total in Note 6.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM DEBT (CONTINUED)**

**Capital Leases (Continued)**

The total debt service requirements to maturity for the City's capital leases are as follows:

<u>Year Ending December 31,</u>	
2018	\$ 235,656
2019	24,175
Total minimum lease payments	<u>259,831</u>
Less amounts representing interest	<u>(5,319)</u>
Present value of minimum lease payments	<u><u>\$ 254,512</u></u>

**Note payable**

On May 1, 2017, the City issued a note payable to borrow a total of \$5,700,000 from the Georgia Environmental Finance Authority (GEFA) for the purpose of acquiring a greenspace at the Peachtree DeKalb Airport. Additionally, the agreement with GEFA included a principal forgiveness component equal to approximately 8.77% of the face value of the note, or \$500,000. Principal and interest payments totaling \$23,660 are paid each month beginning June 1, 2017 through May 1, 2037 at an interest rate of .89%.

The total debt service requirements to maturity for the City's note payable is as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 239,856	\$ 44,067	\$ 283,923
2019	241,999	41,923	283,922
2020	244,162	39,761	283,923
2021	246,344	37,579	283,923
2022	248,545	35,377	283,922
2023-2027	1,276,441	143,170	1,419,611
2028-2032	1,334,504	85,108	1,419,612
2033-2037	1,229,216	24,773	1,253,989
Total	<u><u>\$ 5,061,067</u></u>	<u><u>\$ 451,758</u></u>	<u><u>\$ 5,512,825</u></u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

The following is a summary of long-term debt activity of the City for the year ended December 31, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Capital leases	\$ 779,659	\$ -	\$ (525,147)	\$ 254,512	\$ 230,830
Note payable	-	5,200,000	(138,933)	5,061,067	239,856
Compensated absences	689,617	1,034,425	(952,345)	771,697	617,357
Governmental activity long-term liabilities	<u>\$ 1,469,276</u>	<u>\$ 6,234,425</u>	<u>\$ (1,616,425)</u>	<u>\$ 6,087,276</u>	<u>\$ 1,088,043</u>

For governmental activities, compensated absences are liquidated by the General Fund.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2017, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
Capital Projects Fund	Grant Fund	\$ 507,092

This balance 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. The balance between the Grant Fund and the Capital Projects Fund relates to supplemental funding of a capital project.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	\$ 1,571,011
Capital Projects Fund	General Fund	1,283,953
Capital Projects Fund	HOST Fund	13,812,639
Capital Projects Fund	Grants Fund	718,748
Capital Projects Fund	Nonmajor governmental funds	167,539
Capital Projects Fund	Stormwater Fund	40,000
Nonmajor governmental funds	General Fund	1,091,998
Nonmajor governmental funds	Capital Projects Fund	1,419,612
		\$ 20,105,500

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect 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 accounted for in other funds in accordance with budgetary authorizations.



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 9. OPERATING LEASES**

The government leases the office facilities (city hall, police station and municipal court) under non-cancelable operating leases. The City accrues rent expense in an amount such that the total rent expense under the lease is recognized ratably over the lease term. The lease expense on the city hall facility and the police station/municipal court were \$347,959 and \$216,497 respectively for the year ended December 31, 2017.

The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	<u>City Hall</u>	<u>Police Station / Municipal Court</u>	<u>Total</u>
2018	\$ 301,526	\$ 227,268	\$ 528,794
2019	309,065	232,956	542,021
2020	318,912	238,812	557,724
2021	326,885	244,836	571,721
2022	335,057	251,016	586,073
2023-2024	695,453	257,364	952,817
Total lease payments	<u>\$ 2,286,898</u>	<u>\$ 1,452,252</u>	<u>\$ 3,739,150</u>

**NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES**

The government is a defendant in various lawsuits. The total range of reasonably possible amounts for these cases is from \$1,000 to \$500,000. In the opinion of City's management and legal counsel, any potential liability related to these suits pending or unasserted claims are not estimable.

The City has entered several public/private contractual partnerships for outsourced services and operations. Through these contracts with private companies, an array of operational services are provided via outsourcing. These contracts are an operating contract for which the City is continually monitoring its outsourcing needs as compared to providing services in-house. Currently, these contracts are approximately \$3.4 million annually. The contracts were bid for four annual service periods and run through the year ending December 31, 2021.

As of December 31, 2017, construction commitments on uncompleted contracts were \$5,747,741.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 11. DEFINED CONTRIBUTION PENSION PLAN**

The City of Brookhaven offers two Retirement Plans for City employees. The 401(a) and 457 plan are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. For the 457 plan, The City matches employee contributions at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following thirty days of employment and are fully vested after twelve months. At December 31, 2017 there were 101 employees participating in the plan who contributed \$570,955 while the City's contributions totaled \$710,363.

The City also contributes the Social Security withholding amount (6.2% for 2017) to a social security replacement 401(a) plan for each eligible employee. All participants are fully vested in their social security replacement plan at all times. At December 31, 2017 there were 127 employees participating in the plan with total contributions from the City of \$516,687.

### **NOTE 12. JOINT VENTURE**

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which DeKalb County has paid on behalf of the City of Brookhaven. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street NE, Atlanta, Georgia 30303.

### **NOTE 13. HOTEL/MOTEL LODGING TAX**

The City's lodging tax rate changed from 5% to 8% on October 1, 2017. The Official Code of Georgia Annotated 48-13-51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended December 31, 2017, the City received \$2,948,420 in hotel/motel taxes. Of this amount, \$1,385,326, or 47%, was used for the promotion of tourism, conventions, or trade shows.

### **NOTE 14. RISK MANAGEMENT**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the previous three years.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 15. TAX ABATEMENTS**

For the year ended December 31, 2017, City property tax revenues were reduced by \$352,258 under agreements entered into by the DeKalb County Development Authority and Brookhaven Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

### **NOTE 16. SUBSEQUENT EVENT**

On May 22, 2018, the City issued \$12,000,000 of Sales Tax Bonds for the purpose of financing capital projects improvements. The issuance of these bonds was approved by a Special Purpose Local Option Sales Tax (SPLOST) referendum in November 2017. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. Collections of the sales tax begin on April 1, 2018. The bonds carry interest rate of 2.75% and mature on July 1, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF BROOKHAVEN, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 8,583,863	\$ 8,583,863	\$ 8,363,462	\$ (220,401)
Sales and use taxes	-	-	55,590	55,590
Franchise taxes	3,200,000	3,200,000	4,630,027	1,430,027
Alcohol excise taxes	825,000	825,000	1,138,944	313,944
Business taxes	4,958,000	4,958,000	5,367,889	409,889
Excise taxes	182,127	182,127	329,125	146,998
Licenses and permits	2,240,000	2,240,000	3,207,348	967,348
Intergovernmental	-	-	6,281	6,281
Charges for services	773,317	773,317	795,095	21,778
Fines and forfeitures	1,350,000	1,350,000	902,971	(447,029)
Contributions	75,000	75,000	37,239	(37,761)
Interest earned	5,000	5,000	23,719	18,719
Miscellaneous	276,561	276,561	135,598	(140,963)
<b>Total revenues</b>	<b>22,468,868</b>	<b>22,468,868</b>	<b>24,993,288</b>	<b>2,524,420</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Mayor and council	218,262	231,614	227,812	3,802
City manager	1,153,301	1,196,874	1,188,490	8,384
City clerk	319,710	290,490	288,419	2,071
Finance and administration	1,580,661	1,505,522	1,502,749	2,773
Legal	470,000	565,000	556,924	8,076
Data processing	1,426,028	1,697,022	1,618,948	78,074
Public information	164,756	393,118	392,280	838
Contingency	1,604,279	-	-	-
<b>Total general government</b>	<b>6,936,997</b>	<b>5,879,640</b>	<b>5,775,622</b>	<b>104,018</b>
<b>Judicial</b>	<b>629,345</b>	<b>578,757</b>	<b>576,361</b>	<b>2,396</b>
<b>Public safety</b>	<b>8,433,344</b>	<b>8,369,587</b>	<b>8,294,726</b>	<b>74,861</b>
<b>Public works</b>	<b>1,521,230</b>	<b>1,606,230</b>	<b>1,593,750</b>	<b>12,480</b>
<b>Recreation</b>	<b>2,201,205</b>	<b>3,429,286</b>	<b>2,477,765</b>	<b>951,521</b>
<b>Housing and development</b>	<b>3,038,508</b>	<b>3,336,740</b>	<b>3,246,127</b>	<b>90,613</b>

Continued

**CITY OF BROOKHAVEN, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Total expenditures	22,760,629	23,200,240	21,964,351	1,235,889
Excess (deficiency) of revenues over expenditures	(291,761)	(731,372)	3,028,937	3,760,309
<b>Other financing sources (uses):</b>				
Transfers in	1,320,000	1,320,000	1,571,011	251,011
Transfers out	(1,028,239)	(2,402,192)	(2,375,951)	26,241
Total other financing sources (uses)	291,761	(1,082,192)	(804,940)	277,252
Net change in fund balance	-	(1,813,564)	2,223,997	4,037,561
<b>Fund balance, beginning of year</b>	8,221,688	8,221,688	8,221,688	-
<b>Fund balance, end of year</b>	\$ 8,221,688	\$ 6,408,124	\$ 10,445,685	\$ 4,037,561

**CITY OF BROOKHAVEN, GEORGIA**

**GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 1,076,486	\$ 1,076,486	\$ 1,566,292	\$ 489,806
Interest	-	-	43	43
Total revenues	<u>1,076,486</u>	<u>1,076,486</u>	<u>1,566,335</u>	<u>489,849</u>
<b>Expenditures:</b>				
Public safety	566,603	566,603	284,521	282,082
Public works	-	-	620	(620)
Total expenditures	<u>566,603</u>	<u>566,603</u>	<u>285,141</u>	<u>281,462</u>
Excess of revenues over expenditures	509,883	509,883	1,281,194	771,311
<b>Other financing uses:</b>				
Transfers out	(509,883)	(509,883)	(718,748)	(208,865)
Total other financing uses	<u>(509,883)</u>	<u>(509,883)</u>	<u>(718,748)</u>	<u>(208,865)</u>
Net change in fund balances	-	-	562,446	562,446
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 562,446</u>	<u>\$ 562,446</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

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**Confiscated Assets Fund** – To account for the use of the City's share of monies that have been forfeited through the court system and are restricted for law enforcement purposes.

**Special Tax District No. 1 Fund** – To account for the cost of providing public safety services in the Special Tax District created by the City, which is restricted by City ordinance.

**Hotel/Motel Tax Fund** – To account for the 5% (first nine months of year) and 8% (last three months of year) lodging tax levied in the City, which is restricted by State law.

**Streetlight Fund** – To account for special assessments to defray the costs of operating, maintaining and repairing the street lighting system in the City and are restricted for these purposes.

**Emergency 911 Fund** – To account for the monthly 911 charges that are required to be spent on the cost of providing emergency 911 services as restricted by State law.

**Vehicle Capital Project Fund** – To account for the resources needed to purchase vehicles for the City's fleet. These amounts are assigned by City Council.

**Debt Service Fund** – To account for the debt service expenditures of the City.



**CITY OF BROOKHAVEN, GEORGIA**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

ASSETS	Special Revenue Funds							Total Nonmajor Governmental Funds
	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund	Debt Service Fund	
Cash and cash equivalents	\$ 415,997	\$ 233,275	\$ 1,660,565	\$ 358,065	\$ 288,197	\$ 846,609	\$ 1,194,763	\$ 4,997,471
Accounts receivable	-	-	-	-	88,352	2,805	-	91,157
Taxes receivable, net of allowance	-	4,361	297,675	20,749	-	-	-	322,785
<b>Total assets</b>	<b>\$ 415,997</b>	<b>\$ 237,636</b>	<b>\$ 1,958,240</b>	<b>\$ 378,814</b>	<b>\$ 376,549</b>	<b>\$ 849,414</b>	<b>\$ 1,194,763</b>	<b>\$ 5,411,413</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 658	\$ -	\$ 473,220	\$ 32,306	\$ 89,583	\$ 46,608	\$ -	\$ 642,375
Accrued liabilities	-	10,701	-	1,449	-	-	-	12,150
Unearned revenue	199,760	141,423	-	-	-	-	-	341,183
<b>Total liabilities</b>	<b>200,418</b>	<b>152,124</b>	<b>473,220</b>	<b>33,755</b>	<b>89,583</b>	<b>46,608</b>	<b>-</b>	<b>995,708</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue- property taxes	-	738	-	9,477	-	-	-	10,215
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>738</b>	<b>-</b>	<b>9,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,215</b>
<b>FUND BALANCES</b>								
Restricted:								
Law enforcement	215,579	84,774	-	-	-	-	-	300,353
Streetlight service	-	-	-	335,582	-	-	-	335,582
Tourism	-	-	1,485,020	-	-	-	-	1,485,020
Committed- debt service	-	-	-	-	-	-	1,194,763	1,194,763
Assigned:								
Public safety	-	-	-	-	286,966	-	-	286,966
Capital projects	-	-	-	-	-	802,806	-	802,806
<b>Total fund balances</b>	<b>215,579</b>	<b>84,774</b>	<b>1,485,020</b>	<b>335,582</b>	<b>286,966</b>	<b>802,806</b>	<b>1,194,763</b>	<b>4,405,490</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 415,997</b>	<b>\$ 237,636</b>	<b>\$ 1,958,240</b>	<b>\$ 378,814</b>	<b>\$ 376,549</b>	<b>\$ 849,414</b>	<b>\$ 1,194,763</b>	<b>\$ 5,411,413</b>

**CITY OF BROOKHAVEN, GEORGIA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Special Revenue Funds						Total Nonmajor Governmental Funds	
	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund		Debt Service Fund
<b>Revenues</b>								
Property taxes	\$ -	\$ 623,758	\$ -	\$ 438,389	\$ -	\$ -	\$ -	\$ 1,062,147
Hotel/Motel taxes	-	-	2,948,420	-	-	-	-	2,948,420
Charges for services	-	-	-	-	939,532	-	-	939,532
Miscellaneous	-	70,511	-	-	-	141,092	39,889	251,492
Fines and forfeitures	76,249	-	-	-	-	-	-	76,249
Interest	3	-	-	-	-	-	-	3
<b>Total revenues</b>	<b>76,252</b>	<b>694,269</b>	<b>2,948,420</b>	<b>438,389</b>	<b>939,532</b>	<b>141,092</b>	<b>39,889</b>	<b>5,277,843</b>
<b>Expenditures</b>								
Current:								
Public safety	54,838	532,974	-	-	1,075,000	-	-	1,662,812
Public works	-	-	-	440,802	-	-	-	440,802
Housing and development	-	-	1,385,326	-	-	-	-	1,385,326
Capital outlay	-	-	-	-	-	677,269	-	677,269
Debt service:								
Principal	-	-	-	-	-	-	664,080	664,080
Interest	-	-	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	-	-	57,000	57,000
<b>Total expenditures</b>	<b>54,838</b>	<b>532,974</b>	<b>1,385,326</b>	<b>440,802</b>	<b>1,075,000</b>	<b>677,269</b>	<b>761,736</b>	<b>4,927,945</b>
Excess (deficiency) of revenues over (under) expenditures	21,414	161,295	1,563,094	(2,413)	(135,468)	(536,177)	(721,847)	349,898
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	255,000	340,000	1,916,610	2,511,610
Transfers out	-	-	(1,738,550)	-	-	-	-	(1,738,550)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,738,550)</b>	<b>-</b>	<b>255,000</b>	<b>340,000</b>	<b>1,916,610</b>	<b>773,060</b>
Net change in fund balances	21,414	161,295	(175,456)	(2,413)	119,532	(196,177)	1,194,763	1,122,958
<b>Fund balances (deficit), beginning of year</b>	<b>194,165</b>	<b>(76,521)</b>	<b>1,660,476</b>	<b>337,995</b>	<b>167,434</b>	<b>998,983</b>	<b>-</b>	<b>3,282,532</b>
<b>Fund balances, end of year</b>	<b>\$ 215,579</b>	<b>\$ 84,774</b>	<b>\$ 1,485,020</b>	<b>\$ 335,582</b>	<b>\$ 286,966</b>	<b>\$ 802,806</b>	<b>\$ 1,194,763</b>	<b>\$ 4,405,490</b>

**CITY OF BROOKHAVEN, GEORGIA**

**CONFISCATED ASSETS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 76,249	\$ 26,249
Interest	-	-	3	3
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>76,252</u>	<u>26,252</u>
<b>Expenditures:</b>				
Public safety	<u>64,900</u>	<u>64,900</u>	<u>54,838</u>	<u>10,062</u>
Total expenditures	<u>64,900</u>	<u>64,900</u>	<u>54,838</u>	<u>10,062</u>
Net change in fund balances	(14,900)	(14,900)	21,414	36,314
<b>Fund balances, beginning of year</b>	<u>194,165</u>	<u>194,165</u>	<u>194,165</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 179,265</u>	<u>\$ 179,265</u>	<u>\$ 215,579</u>	<u>\$ 36,314</u>

**CITY OF BROOKHAVEN, GEORGIA**

**SPECIAL TAX DISTRICT NO. 1 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 488,713	\$ 488,713	\$ 623,758	\$ 135,045
Charges for services	46,099	46,099	-	(46,099)
Miscellaneous	-	-	70,511	70,511
Total revenues	<u>534,812</u>	<u>534,812</u>	<u>694,269</u>	<u>159,457</u>
<b>Expenditures:</b>				
Public safety	534,812	534,812	532,974	1,838
Total expenditures	<u>534,812</u>	<u>534,812</u>	<u>532,974</u>	<u>1,838</u>
Net change in fund balances	-	-	161,295	161,295
<b>Fund balances (deficit), beginning of year</b>	<u>(76,521)</u>	<u>(76,521)</u>	<u>(76,521)</u>	<u>-</u>
<b>Fund balances (deficit), end of year</b>	<u>\$ (76,521)</u>	<u>\$ (76,521)</u>	<u>\$ 84,774</u>	<u>\$ 161,295</u>

**CITY OF BROOKHAVEN, GEORGIA**

**HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 2,200,000	\$ 2,735,000	\$ 2,948,420	\$ 213,420
Total revenues	2,200,000	2,735,000	2,948,420	213,420
<b>Expenditures:</b>				
Housing and development	880,000	1,396,448	1,385,326	11,122
Total expenditures	880,000	1,396,448	1,385,326	11,122
Excess of revenues over expenditures	1,320,000	1,338,552	1,563,094	224,542
<b>Other financing uses:</b>				
Transfers out	(1,320,000)	(1,738,552)	(1,738,550)	2
Total other financing uses	(1,320,000)	(1,738,552)	(1,738,550)	2
Net change in fund balances	-	(400,000)	(175,456)	224,544
<b>Fund balances, beginning of year</b>	1,660,476	1,660,476	1,660,476	-
<b>Fund balances, end of year</b>	\$ 1,660,476	\$ 1,260,476	\$ 1,485,020	\$ 224,544

**CITY OF BROOKHAVEN, GEORGIA**

**STREETLIGHT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 427,511	\$ 427,511	\$ 438,389	\$ 10,878
Total revenues	427,511	427,511	438,389	10,878
<b>Expenditures:</b>				
Public works	450,000	450,000	440,802	9,198
Total expenditures	450,000	450,000	440,802	9,198
Net change in fund balances	(22,489)	(22,489)	(2,413)	20,076
<b>Fund balances, beginning of year</b>	337,995	337,995	337,995	-
<b>Fund balances, end of year</b>	\$ 315,506	\$ 315,506	\$ 335,582	\$ 20,076

**CITY OF BROOKHAVEN, GEORGIA**

**E-911 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 820,000	\$ 820,000	\$ 939,532	\$ 119,532
Total revenues	820,000	820,000	939,532	119,532
<b>Expenditures:</b>				
Public safety	1,075,000	1,075,000	1,075,000	-
Total expenditures	1,075,000	1,075,000	1,075,000	-
Deficiency of revenues over expenditures	(255,000)	(255,000)	(135,468)	119,532
<b>Other financing sources:</b>				
Transfers in	255,000	255,000	255,000	-
Total other financing sources	255,000	255,000	255,000	-
Net change in fund balances	-	-	119,532	119,532
<b>Fund balances, beginning of year</b>	167,434	167,434	167,434	-
<b>Fund balances, end of year</b>	\$ 167,434	\$ 167,434	\$ 286,966	\$ 119,532

**CITY OF BROOKHAVEN, GEORGIA**

**DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 39,889	\$ 39,889
Total revenues	-	-	39,889	39,889
<b>Expenditures:</b>				
Debt service:				
Principal	\$ 508,215	\$ 1,853,819	\$ 664,080	\$ 1,189,739
Interest	15,024	41,712	40,656	1,056
Issuance cost	-	47,320	57,000	(9,680)
Total expenditures	523,239	1,942,851	761,736	1,181,115
Deficiency of revenues over expenditures	(523,239)	(1,942,851)	(721,847)	1,221,004
<b>Other financing sources:</b>				
Transfers in	523,239	1,942,851	1,916,610	(26,241)
Total other financing sources	523,239	1,942,851	1,916,610	(26,241)
Net change in fund balances	-	-	1,194,763	(1,194,763)
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	\$ -	\$ -	\$ 1,194,763	\$ (1,194,763)



## STATISTICAL SECTION

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This part of the City of Brookhaven’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>
<b>Financial Trends</b> .....	<b>64</b>
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b> .....	<b>69</b>
These schedules contain information to help the reader assess the City’s most significant local revenue source, property tax.	
<b>Debt Capacity</b> .....	<b>73</b>
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.	
<b>Demographic and Economic Information</b> .....	<b>75</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b>Operating Information</b> .....	<b>77</b>
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. Note that 2013 was the first year of operations.

**CITY OF BROOKHAVEN, GEORGIA**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities</b>					
Net investment in capital assets	\$ 72,013,003	\$ 64,370,907	\$ 65,484,793	\$ 66,691,916	\$ 60,658,099
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	<u>23,830,990</u>	<u>19,974,759</u>	<u>13,305,139</u>	<u>9,000,585</u>	<u>3,551,798</u>
<b>Total governmental activities net position</b>	<u>\$ 98,568,537</u>	<u>\$ 86,750,843</u>	<u>\$ 80,992,678</u>	<u>\$ 77,265,835</u>	<u>\$ 65,638,673</u>
<b>Business-type activities</b>					
Investment in capital assets	\$ 7,412,334	\$ 7,146,150	\$ 6,860,091	\$ 6,825,621	\$ 6,487,443
Unrestricted	<u>1,693,080</u>	<u>1,864,710</u>	<u>1,805,995</u>	<u>1,349,322</u>	<u>1,079,849</u>
<b>Total business-type activities net position</b>	<u>\$ 9,105,414</u>	<u>\$ 9,010,860</u>	<u>\$ 8,666,086</u>	<u>\$ 8,174,943</u>	<u>\$ 7,567,292</u>
<b>Primary government</b>					
Net investment in capital assets	\$ 79,425,337	\$ 71,517,057	\$ 72,344,884	\$ 73,517,537	\$ 67,145,542
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	<u>25,524,070</u>	<u>21,839,469</u>	<u>15,111,134</u>	<u>10,349,907</u>	<u>4,631,647</u>
<b>Total primary government net position</b>	<u>\$ 107,673,951</u>	<u>\$ 95,761,703</u>	<u>\$ 89,658,764</u>	<u>\$ 85,440,778</u>	<u>\$ 73,205,965</u>

**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Expenses</b>					
Governmental activities:					
General government	\$ 5,896,748	\$ 5,101,706	\$ 4,525,493	\$ 5,211,523	\$ 3,942,196
Judicial	580,297	584,753	601,508	508,592	468,589
Public safety	11,552,258	10,595,386	11,301,632	7,876,343	6,324,863
Public works	6,628,883	4,295,145	4,225,043	5,614,702	3,070,672
Housing and development	4,644,383	3,736,194	2,898,485	2,442,100	1,272,777
Culture and recreation	5,695,736	4,423,411	3,506,276	1,766,940	595,935
Community development	-	146,983	146,642	76,515	11,794
Interest and fiscal charges	95,950	28,226	61,895	101,252	81,633
Total governmental activities expenses	<u>35,094,255</u>	<u>28,911,804</u>	<u>27,266,974</u>	<u>23,597,967</u>	<u>15,768,459</u>
Business-type activities:					
Stormwater	<u>1,853,950</u>	<u>1,488,786</u>	<u>1,122,485</u>	<u>1,206,891</u>	<u>441,792</u>
Total business-type activities expenses	<u>1,853,950</u>	<u>1,488,786</u>	<u>1,122,485</u>	<u>1,206,891</u>	<u>441,792</u>
Total primary government expenses	<u>\$ 36,948,205</u>	<u>\$ 30,400,590</u>	<u>\$ 28,389,459</u>	<u>\$ 24,804,858</u>	<u>\$ 16,210,251</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 142,787	\$ 530,353	\$ 836,595	\$ 499,051	\$ 438,665
Judicial	979,400	1,332,434	1,395,173	1,354,603	359,364
Public safety	1,320,894	1,538,695	771,697	356,111	1,700
Public works	-	-	412,402	429,769	362,219
Housing and development	3,150,238	2,995,110	1,523,186	2,237,592	1,652,368
Culture and recreation	327,876	470,656	240,247	127,830	26,856
Capital grants and contributions	2,492,933	326,032	400,655	2,147,621	-
Total governmental activities program revenues	<u>8,414,128</u>	<u>7,193,280</u>	<u>5,579,955</u>	<u>7,152,577</u>	<u>2,841,172</u>
Business-type activities:					
Charges for services:					
Stormwater	1,988,504	1,581,760	1,613,628	1,538,632	1,466,735
Capital grants and contributions	-	251,800	-	275,910	-
Total business-type activities program revenues	<u>1,988,504</u>	<u>1,833,560</u>	<u>1,613,628</u>	<u>1,814,542</u>	<u>1,466,735</u>
Total primary government program revenues	<u>\$ 10,402,632</u>	<u>\$ 9,026,840</u>	<u>\$ 7,193,583</u>	<u>\$ 8,967,119</u>	<u>\$ 4,307,907</u>

(continued)

**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (26,680,127)	\$ (21,718,524)	\$ (21,687,019)	\$ (16,445,390)	\$ (12,927,287)
Business-type activities	134,554	344,774	491,143	607,651	1,024,943
Total primary government net expense	<u>\$ (26,545,573)</u>	<u>\$ (21,373,750)</u>	<u>\$ (21,195,876)</u>	<u>\$ (15,837,739)</u>	<u>\$ (11,902,344)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Property taxes	\$ 9,454,749	\$ 7,684,986	\$ 6,516,128	\$ 6,594,450	\$ 5,747,333
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	4,398,368	3,056,603	1,472,669
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Alcohol & excise taxes	1,468,069	1,396,966	1,109,297	881,643	741,592
Insurance premium	-	-	-	-	57,663
Unrestricted investment earnings	43,259	9,677	3,166	4,782	2,607
Miscellaneous	424,329	403,235	377,765	73,955	30,986
Gain on sale of capital asset	7,429,465	-	-	-	-
Special item - donation of infrastructure at incorporation	-	-	-	-	62,252,906
Transfers	40,000	-	-	-	-
Total governmental activities	<u>38,497,821</u>	<u>27,476,689</u>	<u>25,413,862</u>	<u>23,203,008</u>	<u>78,565,960</u>
Business-type activities:					
Special item - donation of infrastructure at incorporation	-	-	-	-	6,542,349
Transfers	(40,000)	-	-	-	-
Total business-type activities	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,542,349</u>
Total primary government	<u>\$ 38,457,821</u>	<u>\$ 27,476,689</u>	<u>\$ 25,413,862</u>	<u>\$ 23,203,008</u>	<u>\$ 85,108,309</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 11,817,694	\$ 5,758,165	\$ 3,726,843	\$ 6,757,618	\$ 65,638,673
Business-type activities	94,554	344,774	491,143	607,651	7,567,292
Total primary government	<u>\$ 11,912,248</u>	<u>\$ 6,102,939</u>	<u>\$ 4,217,986</u>	<u>\$ 7,365,269</u>	<u>\$ 73,205,965</u>

**CITY OF BROOKHAVEN, GEORGIA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST FIVE FISCAL YEARS**  
**(modified accrual basis of accounting)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>General fund</b>					
Nonspendable:					
Prepaid expenditures	\$ 697,283	\$ 431,443	\$ 425,023	\$ 227,320	\$ 165,450
Restricted:					
Streetlight service	-	-	368,189	415,981	377,994
Police donations	30,928	31,569	-	-	-
Assigned:					
Tree fund activities	43,969	21,369	27,086	-	-
Future capital improvements	933,953	933,953	-	-	-
Assigned for subsequent year budget	173,719	550,043	-	-	-
Unassigned	8,565,833	6,253,311	4,553,079	1,104,971	(108,876)
<b>Total general fund</b>	<b><u>\$ 10,445,685</u></b>	<b><u>\$ 8,221,688</u></b>	<b><u>\$ 5,373,377</u></b>	<b><u>\$ 1,748,272</u></b>	<b><u>\$ 434,568</u></b>
<b>All other governmental funds</b>					
Restricted:					
Law enforcement	\$ 300,353	\$ 194,165	\$ 21,665	\$ 13,748	\$ -
E-911 operations	-	167,434	54,460	54,460	-
Tourism	1,485,020	1,660,476	1,758,432	1,089,145	543,839
Streetlight service	335,582	337,995	-	-	506,943
Public works	562,446	-	-	-	-
Committed:					
Debt service	1,194,763	-	-	-	-
Assigned:					
HOST activities	1,661,404	9,486,486	8,699,500	7,115,659	3,740,069
Capital projects	10,975,319	3,028,983	-	-	-
Public safety	286,966	-	-	-	-
Unassigned	-	(76,521)	(288,119)	-	-
<b>Total all other governmental funds</b>	<b><u>\$ 16,801,853</u></b>	<b><u>\$ 14,799,018</u></b>	<b><u>\$ 10,245,938</u></b>	<b><u>\$ 8,273,012</u></b>	<b><u>\$ 4,790,851</u></b>

**CITY OF BROOKHAVEN, GEORGIA**

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

	2017	2016	2015	2014	2013
<b>Revenues</b>					
Property taxes	\$ 9,425,609	\$ 8,100,863	\$ 7,515,590	\$ 6,627,845	\$ 5,682,476
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	3,961,934	2,050,890	1,472,669
Alcohol excise taxes	1,138,944	1,089,937	818,244	810,836	741,592
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Excise taxes	329,125	307,029	291,053	70,807	57,663
Licenses and permits	3,207,348	3,445,759	2,043,013	2,667,375	2,033,031
Intergovernmental	2,492,933 (1)	316,032	300,655	300,041	-
Charges for services	1,734,627	2,206,972	1,847,239	1,030,145	442,827
Fines and forfeitures	979,220	1,214,517	1,289,048	1,307,436	359,364
Contributions	37,239	74,283	137,658	30,250	-
Interest earned	43,259	9,677	3,166	4,782	2,607
Miscellaneous	387,090	328,952	240,107	43,705	36,936
<b>Total revenues</b>	<b>39,413,344</b>	<b>35,075,846</b>	<b>31,456,845</b>	<b>27,535,687</b>	<b>19,089,369</b>
<b>Expenditures</b>					
General government	5,775,672	4,740,681	4,420,143	5,107,867	4,129,445
Judicial	576,361	565,815	582,977	489,077	478,426
Public safety	10,505,639	9,342,980	8,978,542	7,256,316	8,167,651
Public works	4,562,868	2,093,179	2,176,941	2,757,346	1,139,744
Culture and recreation	5,426,618	2,633,492	2,266,481	1,734,171	595,935
Housing and development	4,631,453	3,713,479	2,883,570	2,443,380	1,259,431
Community development	-	-	100,560	76,515	11,794
Capital outlay	12,933,727	3,778,129	3,735,866	2,097,406	917,693
Debt service					
Principal	664,080	773,391	764,022	672,157	35,840
Interest	40,656	33,309	65,968	105,587	22,879
Issuance cost	57,000	-	-	-	-
<b>Total expenditures</b>	<b>45,174,074</b>	<b>27,674,455</b>	<b>25,975,070</b>	<b>22,739,822</b>	<b>16,758,838</b>
Excess (deficiency) of revenues over (under) expenditures	(5,760,730)	7,401,391	5,481,775	4,795,865	2,330,531
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	4,747,562	-	-	-	21,915
Issuance of capital lease	-	-	116,256	-	2,872,973
Issuance of note payable	5,200,000	-	-	-	-
Transfers in	20,105,500	5,475,295	2,292,461	1,734,906	2,459,475
Transfers out	(20,065,500)	(5,475,295)	(2,292,461)	(1,734,906)	(2,459,475)
<b>Total other financing sources (uses)</b>	<b>9,987,562</b>	<b>-</b>	<b>116,256</b>	<b>-</b>	<b>2,894,888</b>
<b>Net change in fund balances</b>	<b>\$ 4,226,832</b>	<b>\$ 7,401,391</b>	<b>\$ 5,598,031</b>	<b>\$ 4,795,865</b>	<b>\$ 5,225,419</b>
Debt service as a percentage of noncapital expenditures	2.18%	3.09%	3.35%	3.65%	0.45%

(1) Intergovernmental revenues increased during 2017 as a result of additional State funding for road improvements.

# CITY OF BROOKHAVEN, GEORGIA

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

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Fiscal Year	Real Property			Personal Property	
	Residential	Commercial	Industrial	Motor Vehicle	Other (1)
2013	\$ 1,523,386,393	\$ 649,523,762	\$ 12,668,560	\$ -	\$ 72,178,713
2014	1,733,667,148	750,897,616	13,633,280	82,633,320	200,673,125
2015	2,060,648,765	864,293,618	20,659,330	67,891,300	218,557,894
2016	2,180,835,535	1,092,206,786	19,896,863	47,578,450	150,094,412
2017	2,318,323,246	1,215,555,686	21,372,467	40,040,890	158,162,722

Source: Georgia Department of Revenue

(1) Includes aircraft, boats, equipment and other miscellaneous personal property.

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<u>Public Utility</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>
\$ -	\$ 254,330,508	\$ 2,003,426,920	2.850	\$ 5,008,567,300	40%
14,644,304	432,899,327	2,363,249,466	2.795	5,908,123,665	40%
17,710,345	646,602,506	2,603,158,746	2.740	6,507,896,865	40%
20,281,585	728,901,965	2,781,991,666	2.740	6,954,979,165	40%
24,103,976	760,277,266	3,017,281,721	2.740	7,543,204,303	40%



# CITY OF BROOKHAVEN, GEORGIA

## PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Per \$1000 of Assessed Value) LAST FIVE YEARS

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<u>Calendar Year</u>	<u>City of Brookhaven</u>	<u>DeKalb County</u>	<u>DeKalb County Schools</u>	<u>State</u>	<u>Total Direct &amp; Overlapping Rates</u>
2013	2.850	16.250	23.980	0.150	43.230
2014	2.795	13.570	23.900	0.100	40.365
2015	2.740	14.670	23.730	0.050	41.190
2016	2.740	12.560	23.730	0.000	39.030
2017	2.740	13.307	23.280	0.000	39.327

Source: DeKalb County Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the City of Brookhaven. There are no components of the City's tax rate to disclose.

The City's legal millage rate is capped at 3.35.

**CITY OF BROOKHAVEN, GEORGIA**

**PRINCIPAL TAXPAYERS  
CURRENT AND FOUR YEARS AGO**

Taxpayer	2017			2013		
	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
CFATT LLC	\$ 50,401,165	1	1.67 %	\$ 31,234,985	2	1.56 %
20 Perimeter Summit, LLC	40,587,200	2	1.35	27,118,720	3	1.35
AT&T Mobility, LLC	39,021,510	3	1.29	35,585,501	1	1.78
Development Auth of DeKalb County	38,755,719	4	1.28	20,196,001	4	1.01
Goodwynn Multifamily, LLC	34,243,960	5	1.13	19,620,000	5	0.98
3450 Blair Circle LLC	33,200,000	6	1.10			
Development Auth of DeKalb County	30,038,920	7	1.00			
CWS SGARR Brookhaven LLC	23,161,400	8	0.77			
Columbia Brookhaven, LLC	22,730,400	9	0.75			
Lion Gables Realty LP	22,000,000	10	0.73			
50 Lincoln Court, LLC				16,400,000	6	0.82
Post Glen, LLC				15,760,000	7	0.79
Mid America Apartments LP				14,344,520	8	0.72
BIR Lenox, LLC				13,800,000	9	0.69
Manufacturers Life Insurance				12,320,200	10	0.61
	<u>\$ 334,140,274</u>		<u>11.07 %</u>	<u>\$ 206,379,927</u>		<u>10.30 %</u>

Source: DeKalb County Tax Commissioner

**CITY OF BROOKHAVEN, GEORGIA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST FIVE FISCAL YEARS**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2013	\$ 5,595,364	\$ 5,501,908	98.3%	\$ 89,519	\$ 5,591,427	99.93%
2014	6,373,661	6,299,520	98.8%	68,261	6,367,781	99.91%
2015	7,054,126	6,975,703	98.9%	64,663	7,040,366	99.80%
2016	8,004,716	7,848,448	98.0%	149,634	7,998,082	99.92%
2017	8,802,942	8,641,016	98.2%	-	8,641,016	98.16%

Source: DeKalb County Tax Commissioner and City of Brookhaven Tax Department.

# CITY OF BROOKHAVEN, GEORGIA

## RATIOS OF OUTSTANDING DEBT BY TYPE LAST FIVE FISCAL YEARS

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<u>Fiscal Year</u>	<u>Governmental Activities</u>			<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
	<u>Capital Leases</u>	<u>Notes Payable</u>	<u>Total</u>		
2013	\$ 2,872,973	\$ -	\$ 2,872,973	0.15%	\$ 61
2014	2,200,816	-	2,200,816	0.10%	44
2015	1,553,050	-	1,553,050	0.07%	30
2016	779,659	-	779,659	0.03%	15
2017	254,512	5,061,067	5,315,579	N/A	98

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

N/A - Not Available

# CITY OF BROOKHAVEN, GEORGIA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2017

<u>Governmental Unit</u>	<u>Net Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Brookhaven (1)</u>	<u>Amount Applicable to City of Brookhaven</u>
Debt repaid with property taxes:			
DeKalb County	\$ 305,265,000	11.04%	\$ 33,701,256
Fulton-DeKalb Hospital Authority	21,870,000	11.04%	2,414,448
DeKalb County Board of Education	<u>194,485,000</u>	11.04%	<u>21,471,144</u>
Total overlapping debt	521,620,000		57,586,848
City direct debt	<u>5,315,579</u>	100.00%	<u>5,315,579</u>
Total direct and overlapping debt	<u>\$ 526,935,579</u>		<u>\$ 62,902,427</u>

Source: Assessed value data used to estimate applicable percentages and debt outstanding obtained from DeKalb County's Finance Department.

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 business of the City of Brookhaven, 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 BROOKHAVEN, GEORGIA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST FIVE FISCAL YEARS**

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<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income (1)</b>	<b>Median Age (1)</b>	<b>School Enrollment (2)</b>	<b>Unemployment Rate (1)</b>
2013	47,253	\$ 1,954,195	\$ 41,356	32.8	7,591	6.2%
2014	50,181	2,200,738	43,856	33.3	7,903	4.5%
2015	51,910	2,384,434	45,934	N/A	8,117	N/A
2016	52,444	2,582,710	47,348	33.8	7,804	3.4%
2017	54,169	N/A	N/A	34.2	7,910	4.1%

(1) Source: U.S. Census Bureau

(2) Source: DeKalb County Schools

N/A - Not Available

**CITY OF BROOKHAVEN, GEORGIA**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TWO YEARS AGO**

<b>Employer</b>	<b>2017</b>			<b>2015</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Autotrader.Com	1,525	1	4.63 %			%
AT&T Services, Inc	1,476	2	4.48	1,430	2	9.90
AT&T Mobility	1,271	3	3.86	1,606	1	11.12
Verizon Telematics, Inc	577	4	1.75	629	4	4.35
Crawford and Company	462	5	1.40	554	5	3.83
Source One Direct Inc	386	6	1.17			
Fidelity Bank	370	7	1.12			
Kroger Company	349	8	1.06	387	7	2.68
SSC Atlanta Operating Company	284	9	0.86			
Lavoi Corporation	280	10	0.85			
Cox Communications				1,142	3	7.90
SAP America, Inc				454	6	3.14
United Healthcare Services				372	8	2.57
Insight Global, LLC				270	9	1.87
NDC Health Corporation				251	10	1.74
	<u>6,980</u>		<u>21.19 %</u>	<u>7,095</u>		<u>49.11 %</u>

Source: 2017 and 2015 individual employer's business filings.

Note: Data prior to 2015 is not available.

# CITY OF BROOKHAVEN, GEORGIA

## FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST FIVE YEARS

<b>Function</b>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General government	26	21	12	9	7
Judicial	3	5	7	4	1
Public safety					
Police officers	76	75	75	59	57
Civilians	8	11	6	6	6
Public works	-	-	2	-	-
Culture and recreation	7	11	10	7	-
Housing and development	11	12	11	7	3
<b>Total</b>	<u>131</u>	<u>135</u>	<u>123</u>	<u>92</u>	<u>74</u>

Source: City of Brookhaven Human Resources Department



# CITY OF BROOKHAVEN, GEORGIA

## OPERATING INDICATORS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>General Government</b>					
Ordinances approved	47	26	38	63	68
Resolutions	45	35	36	31	38
Open records requests	408	346	349	261	140
Information system service calls	2,165	2,168	2,921	2,312	N/A
Facebook "likes"	4,136	4,153	1,837	N/A	N/A
Constant contact (eBlast)	3,277	3,161	2,516	2,338	1,716
<b>Judicial</b>					
Municipal court					
Case filings:	5,146	5,848	9,148	10,512	5,338
City Code	789	867	922	730	819
Misdemeanors	11	27	39	211	349
Parking	113	254	261	156	3
Traffic	4,233	4,700	7,926	9,415	4,167
Number of Court Dockets	105	119	175	257	103
Number of Defendants on Docket	6,559	4,751	6,582	10,403	3,282
<b>Public Safety</b>					
Police					
Calls for service	46,512	54,000	59,494	N/A	N/A
Custodial arrests	1,868	2,271	2,177	1,116	427
Traffic citations issued	8,757	5,559	8,070	8,324	3,753
Average response time (all calls)	6m33s	6m15s	7m20s	7m18s	N/A
Average response time (high priority calls)	4m34s	4m12s	3m58s	3m40s	N/A
<b>Public Works</b>					
Lane-miles paved	26.1	9.4	20.2	20.2	N/A
Linear feet new sidewalks	4,810	4,330	2,610	5,230	N/A
Street maintenance work orders completed	478	267	133	229	132
Stormwater work orders completed	130	160	134	84	50
Signal/sign work orders completed	199	235	235	182	23
Right-of-way work orders completed	139	110	61	129	62

**Continued**

# CITY OF BROOKHAVEN, GEORGIA

## OPERATING INDICATORS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>Culture and Recreation</b>					
Park acres maintained	276	271	224	224	224
Program participants	7,283	2,866	2,949	2,666	40
Aquatics program participants	11,589	8,851	10,499	N/A	N/A
Athletic program participants	6,715	6,775	6,775	4,013	N/A
<b>Community Development</b>					
Special land use permits (SLUPS)	6	3	12	6	2
Variances	72	68	74	79	54
Code enforcement inspections	6,271	6,620	7,751	8,905	N/A
Building inspections	10,490	9,254	8,905	15,697	998
Development inspections	4,150	4,084	2,511	2,653	N/A
Tree removal permits	419	378	265	115	N/A
Land disturbance permits issued	36	28	20	9	N/A
Plat reviews	56	66	58	31	N/A
Plats approved	26	21	19	15	N/A

Source: Various City departments

N/A: Not Available

# CITY OF BROOKHAVEN, GEORGIA

## CAPITAL ASSET STATISTICS BY FUNCTION LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
<b>General Government</b>					
Buildings (1)	1	1	1	1	1
Vehicles	-	-	1	1	1
<b>Judicial</b>					
Building (1)	1	1	1	1	1
<b>Public Safety</b>					
Police stations (1)	1	1	1	1	1
Patrol units	65	65	60	54	49
Patrol zones	6	6	10	10	10
<b>Public Works</b>					
Miles of streets (lane miles)	120.0	120.0	119.2	117.4	117.4
Miles of sidewalks	67.4	66.5	64.6	63.0	63.0
Number of traffic signals	51	50	50	47	47
Miles of storm sewer	113	113	113	113	113
<b>Culture and Recreation</b>					
Parks acreage	332	271	224	224	224
Parks	14	14	11	11	11
Tennis courts	28	28	30	30	30
Soccer fields	2	2	2	2	2
Baseball/Softball fields	14	14	14	14	14
Multipurpose fields	5	5	5	5	5
Community centers	2	2	3/2	3/2	3/2
Swimming pools	3	3	3	3	3
Vehicles	2	2	2	2	2
<b>Housing and Development</b>					
Vehicles	5	5	3	1	-

Source: Various City departments  
(1) Reflects building operating lease

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**APPENDIX B**

**Form of Opinion of Bond Counsel**

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# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

U.S. Bank National Association, as paying agent  
Atlanta, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressees:

We have acted as Bond Counsel and Disclosure Counsel to the City of Brookhaven, Georgia (the "City") in connection with the issuance by the City of \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the "Bonds"). In our capacity as Bond Counsel, we have examined certified copies of the transcripts of the validation proceedings concluded in the Superior Court of DeKalb County, Georgia with respect to the Bonds, the resolution of the City adopted on January 22, 2019 (the "Bond Resolution") and such other laws, documents, records, instruments and certificates of public officials as we have deemed necessary to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. All capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Bond Resolution.

The proceeds of the Bonds will be used to (a) finance City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

In rendering our opinion that the interest on the Bonds is excluded from the gross for federal income tax purposes, we have (a) relied as to questions of fact material to our opinion upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Bonds), without undertaking to verify the same by independent investigation and (b) assumed continued compliance by the City with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such certificates or representations or the failure of the City to comply with any of such covenants could cause interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance of the Bonds.

In our capacity as Bond Counsel, we express no opinion (a) with respect to the accuracy, completeness or sufficiency of the Official Statement or (b) as to compliance by the

City or the initial purchasers of the Bonds with any federal or state statute, regulation or ruling with respect to the sale or distribution of the Bonds.

Based on our examinations, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Bonds are valid and binding general obligations of the City payable from an ad valorem tax, without limitation as to rate or amount, levied on all property in the City subject to taxation for general obligation bond purposes.

2. The City has levied an ad valorem tax, without limitation as to rate or amount, on all property in the City subject to taxation for general obligation bond purposes in order to pay the principal of and interest on the Bonds as same become due.

3. The interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. We express no opinion regarding any other federal tax consequences arising with respect to ownership of the Bonds.

4. The interest on the Bonds is exempt from all present State of Georgia income taxes.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

MURRAY BARNES FINISTER LLP

By: \_\_\_\_\_  
A Partner



**APPENDIX C**

**Form of Continuing Disclosure Certificate**

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## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Brookhaven, Georgia (the “City”), in connection with the issuance by the City of \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the “Bonds”). The Bonds are being issued pursuant to a resolution of the City adopted on January 22, 2019 (the “Resolution”). The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Beneficial Owners (as herein defined) of the Bonds and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to the Rule and this Disclosure Certificate.

“Beneficial Owners” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“City” shall mean the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia, its successors and assigns.

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“EMMA” shall mean MSRB’s Electronic Municipal Market Access system, as described in 1934 Act Release No. 59062 and maintained by the MSRB for the purposes of the Rule as further described herein.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the City as its fiscal year for financial reporting purposes and shall initially mean the period beginning on January 1 of each calendar year and ending December 31 of the same calendar year.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“Official Statement” shall mean the Official Statement of the City relating to the Bonds.

“Participating Underwriter” shall mean Robert W. Baird & Co., Inc.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Georgia.

### Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent (if any) to provide, not later than 270 days after the end of the City’s Fiscal Year (the “Reporting Date”), beginning for the Fiscal Year ending December 31, 2018, provide to EMMA in an electronic format prescribed by the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, however, that if audited financial statements are unavailable, unaudited financial statements may be submitted so long as such audited financial statements are furnished when available.

(b) The City or the Dissemination Agent (if any) shall:

(i) determine each year prior to the Reporting Date the appropriate electronic format prescribed by the MSRB for filing with the MSRB and the proper form of such filing;

(ii) if the Annual Report (or the audited financial statements which were to be separately submitted) is not filed by the date required in subsection (a), send a notice, in a timely manner to EMMA in an electronic format prescribed by the MSRB in substantially the form attached hereto as Exhibit A; and

(iii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and the date provided.

Section 4. Content of Annual Reports. The City’s Annual Report for each Fiscal Year shall contain or incorporate by reference the following:

(a) The financial statements of the City for the preceding Fiscal Year, which must be prepared in accordance with generally accepted accounting principles as in effect

from time to time. If audited financial statements of the City are not yet available, the unaudited financial statements of the City shall be provided, and when audited financial statements of the City are available, the audited financial statements of the City shall be substituted for the unaudited financial statements. Each set of such audited financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally accepted auditing standards.

(b) If generally accepted accounting standards changed from the previous Fiscal Year and if such changes are material to the City, a narrative description (as required by Section 8 of this Disclosure Certificate) of the impact of the changes on the City.

(c) A statement indicating that the City's Fiscal Year has not changed, or, if the Fiscal Year has changed, a statement indicating the new Fiscal Year.

(d) To the extent not included in items provided pursuant to subsection (a) above, information for the Fiscal Year of the type set forth in the Official Statement under the following headings: "CITY AD VALOREM TAXATION – Property Tax Collections," "– Property Tax Millage Rates," "– Ad Valorem Property Tax Digest," and "– Ten Largest Taxpayers."

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB in an electronic format prescribed by the MSRB. The City shall clearly identify each such other document so incorporated by reference. All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

#### Section 5. Reporting of Significant Events.

(a) Within ten (10) business days of the occurrence of one of the following Listed Events, the City or the Dissemination Agent (if any) shall file a notice of such occurrence with EMMA.

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults, if material.

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.

(v) Substitution of credit or liquidity providers, or their failure to perform.

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds.

(vii) Modification to rights of Beneficial Owners, if material.

(viii) Bond calls, if material, and tender offers.

(ix) Defeasances.

(x) Release, substitution or sale of property securing repayment of the Bonds, if material.

(xi) Rating changes.

(xii) Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person.

(xiii) Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(xiv) Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

(b) The content of any notice of the occurrence of a listed event under subsection (a) above shall be determined by the City and shall be in substantially the form attached hereto as Exhibit B.

(c) All of the documents provided to EMMA shall be accompanied by identifying information prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the City and the City shall have no further responsibility hereunder. The City will provide notice of such termination to EMMA in an electronic format as prescribed by the MSRB.

Section 7. Dissemination Agent. The City may, from time to time, appoint a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and the City may, from time to time, discharge the Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. This Disclosure Certificate may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the City to the effect that the amendment does not violate the provisions of the Rule.

In the event that this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided in the Annual Report. If the amendment or waiver relates to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible, the comparison must also be quantitative. A notice of the change in the accounting principles shall be filed with the MSRB in an electronic format as prescribed by the MSRB (which, as of the date hereof, is EMMA) on or before the effective date of any such amendment or waiver.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Beneficial Owner may initiate an action against the City to compel performance. A default under this Disclosure Certificate shall not be deemed a “default” or an “event of default” under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if any) shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for the City), and the opinion of such counsel shall be full and complete

authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Georgia.

Section 15. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.



WITNESS my hand and the seal of the City this 22nd day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

(SEAL)

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Brookhaven, Georgia

Name of Bond Issue: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

CUSIP Number(s)<sup>1</sup> \_\_\_\_\_

Date of Issuance: January 31, 2019

NOTICE IS HEREBY GIVEN that the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the "City") has not provided an Annual Report due with respect to the above-captioned Bonds as required by its Continuing Disclosure Certificate, dated January 22, 2019. The City anticipates that the Annual Report will be filed by \_\_\_\_\_.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to \_\_\_\_\_.

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

EXHIBIT B

NOTICE OF [INSERT THE LISTED EVENT]

Relating to

\$38,855,000  
CITY OF BROOKHAVEN, GEORGIA  
GENERAL OBLIGATION BONDS, SERIES 2019

CUSIP NUMBERS<sup>1</sup>

Notice is hereby given that [insert the Listed Event] has occurred with respect to the above-captioned bonds (the “Bonds”). [Describe circumstances leading up to the event, action being taken and anticipated impact.]

[Notice of the Listed Events described in Section 5(a)(ix) shall include the following:

The City of Brookhaven, Georgia (the “City”) has reserved the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional redemption provisions of said defeased bonds.

OR

The City has covenanted not to exercise any optional redemption provisions under the Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Bonds have been defeased to [maturity/the first call date, which is \_\_\_\_\_]. This notice does not constitute a notice of redemption and no Bonds should be delivered to the City or to the Paying Agent as a result of this mailing. A Notice of Redemption instructing you where to submit your Bonds for payment will be mailed \_\_\_\_\_ to \_\_\_\_\_ days prior to the redemption date.]

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<sup>1</sup> No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

Dated: \_\_\_\_\_

CITY OF BROOKHAVEN, GEORGIA

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPENDIX D**

**Form of Book-Entry Only System**

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## BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all the Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the City or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NEITHER THE CITY NOR THE PAYING AGENT NOR THE UNDERWRITER (OTHER THAN IN THEIR CAPACITY, IF ANY, AS A DIRECT PARTICIPANT OR AN INDIRECT PARTICIPANT) WILL HAVE ANY OBLIGATION TO THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO DTC'S PROCEDURES OR ANY PROCEDURES OR ARRANGEMENTS BETWEEN DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS AND BENEFICIAL OWNERS.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (1) SENDING TRANSACTION STATEMENTS; (2) MAINTAINING, SUPERVISING OR REVIEWING, THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (3) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON BONDS; (4) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OF ANY NOTICE OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO HOLDERS OR OWNERS OF BONDS; OR (5) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF BONDS.



11:42:56 a.m. EDST	Upcoming Calendar	Overview	Compare	Summary
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**Bid Results**

**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

The following bids were submitted using **PARITY**<sup>®</sup> and displayed ranked by lowest TIC.  
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	<a href="#">Robert W. Baird &amp; Co., Inc.</a>	3.326891
<input type="checkbox"/>	<a href="#">Mesirow Financial, Inc.</a>	3.429122
<input type="checkbox"/>	<a href="#">J.P. Morgan Securities LLC</a>	3.447077
<input type="checkbox"/>	<a href="#">Citigroup Global Markets Inc.</a>	3.463196
<input type="checkbox"/>	<a href="#">Wells Fargo Bank, National Association</a>	3.488364
<input type="checkbox"/>	<a href="#">RBC Capital Markets</a>	3.489798
<input type="checkbox"/>	<a href="#">HilltopSecurities</a>	3.496304
<input type="checkbox"/>	<a href="#">Piper Jaffray</a>	3.497089
<input type="checkbox"/>	<a href="#">Fidelity Capital Markets</a>	3.527089
<input type="checkbox"/>	<a href="#">Bank of America Merrill Lynch</a>	3.554065

\*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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Upcoming Calendar	Overview	Result	Excel
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**Robert W. Baird & Co., Inc. - Red Bank , NJ's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,307,949.25, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6700	104.641
07/01/2021	805M	5.0000	1.6800	107.829
07/01/2022	830M	5.0000	1.7000	110.907
07/01/2023	860M	5.0000	1.7500	113.754
07/01/2024	890M	5.0000	1.8100	116.387
07/01/2025	920M	5.0000	1.8700	118.841
07/01/2026	955M	5.0000	1.9400	121.041
07/01/2027	985M	5.0000	2.0300	122.870
07/01/2028	1,020M	5.0000	2.1200	124.465
07/01/2029	1,055M	5.0000	2.2300	123.408
07/01/2030	1,095M	3.0000	2.4000	105.028
07/01/2031	1,130M	4.0000	2.6000	111.625
07/01/2032	1,170M	4.0000	2.7000	110.743
07/01/2033	1,210M	3.0000	3.0000	100.000
07/01/2034	1,255M	3.0000	3.1000	98.780
07/01/2035	1,300M	3.1250	3.2000	99.046
07/01/2036	1,345M	3.1250	3.2500	98.345
07/01/2037	1,390M	3.2500	3.3000	99.312
07/01/2038	1,440M	3.2500	3.3500	98.579
07/01/2039	1,490M	3.3750	3.4000	99.632
07/01/2040	1,540M	3.5000	3.4200	100.637
07/01/2041	1,595M	3.5000	3.4400	100.477
07/01/2042	1,650M	3.5000	3.4600	100.317
07/01/2043	1,710M	3.5000	3.4800	100.157
07/01/2044	1,770M	3.5000	3.5000	100.000
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	9,815M	3.5000	3.5500	99.072

Total Interest Cost: \$26,236,399.53  
 Premium: \$1,307,949.25  
 Net Interest Cost: \$24,928,450.28  
 TIC: 3.326891  
 Time Last Bid Received On: 01/22/2019 10:56:24 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**Mesirow Financial, Inc. - Chicago , IL's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,101,129.18, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6500	104.670
07/01/2021	805M	5.0000	1.6700	107.853
07/01/2022	830M	5.0000	1.7000	110.907
07/01/2023	860M	5.0000	1.7500	113.754
07/01/2024	890M	5.0000	1.8100	116.387
07/01/2025	920M	5.0000	1.8600	118.908
07/01/2026	955M	5.0000	1.9300	121.118
07/01/2027	985M	5.0000	2.0100	123.044
07/01/2028	1,020M	5.0000	2.1000	124.659
07/01/2029	1,055M	5.0000	2.1900	123.791
07/01/2030	1,095M	5.0000	2.3000	122.741
07/01/2031	1,130M	3.0000	2.7200	102.310
07/01/2032	1,170M	4.0000	2.7300	110.481
07/01/2033	1,210M	4.0000	2.8400	109.523
07/01/2034	1,255M	3.0000	3.1500	98.177
07/01/2035	1,300M	3.0000	3.2300	97.085
07/01/2036	1,345M	3.1250	3.3000	97.694
07/01/2037	1,390M	3.2500	3.3700	98.361
07/01/2038	1,440M	3.2500	3.4500	97.184
07/01/2039	1,490M	3.3750	3.5200	97.898
07/01/2040	1,540M	3.3750	3.5700	97.095
07/01/2041	1,595M	3.3750	3.6000	96.556
07/01/2042	1,650M	3.5000	3.6300	97.958
07/01/2043	1,710M	3.5000	3.6600	97.429
07/01/2044	1,770M	3.5000	3.6800	97.042
07/01/2045	1,830M	3.5000	3.7000	96.644
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	7,985M	3.6250	3.7640	97.500

Total Interest Cost: \$26,697,088.45  
 Premium: \$1,101,129.18  
 Net Interest Cost: \$25,595,959.27  
 TIC: 3.429122  
 Time Last Bid Received On:01/22/2019 10:59:53 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**J.P. Morgan Securities LLC - New York , NY's Bid**



**Brookhaven**

**\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$42,203,893.71, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.7000	104.598
07/01/2021	805M	5.0000	1.7100	107.754
07/01/2022	830M	5.0000	1.7400	110.766
07/01/2023	860M	2.0000	1.7900	100.887
07/01/2024	890M	5.0000	1.8500	116.162
07/01/2025	920M	5.0000	1.9100	118.575
07/01/2026	955M	5.0000	1.9500	120.964
07/01/2027	985M	5.0000	2.0300	122.870
07/01/2028	1,020M	5.0000	2.1200	124.465
07/01/2029	1,055M	5.0000	2.2100	123.599
07/01/2030	1,095M	5.0000	2.3000	122.741
07/01/2031	1,130M	2.8750	2.9500	99.223
07/01/2032	1,170M	3.0000	3.0700	99.233
07/01/2033	1,210M	3.1250	3.1700	99.480
07/01/2034	1,255M	3.2500	3.2500	100.000
07/01/2035	1,300M	3.2500	3.3300	98.992
07/01/2036	1,345M	3.3750	3.4000	99.671
07/01/2037	1,390M	3.3750	3.4700	98.713
07/01/2038	1,440M	3.5000	3.5400	99.439
07/01/2039	1,490M	3.5000	3.6000	98.560
07/01/2040	1,540M	3.6250	3.6400	99.775
<u>07/01/2041</u>				
<u>07/01/2042</u>				
<u>07/01/2043</u>				
<u>07/01/2044</u>	6,725M	4.0000	3.4500	104.387
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	9,815M	4.0000	3.5000	103.979

Total Interest Cost: \$28,598,006.89  
 Premium: \$2,203,893.71  
 Net Interest Cost: \$26,394,113.18  
 TIC: 3.447077  
 Time Last Bid Received On:01/22/2019 10:59:49 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**Citigroup Global Markets Inc. - Los Angeles , CA's Bid**



**Brookhaven**

**\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,827,033.05, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6500	104.670
07/01/2021	805M	5.0000	1.6700	107.853
07/01/2022	830M	5.0000	1.7000	110.907
07/01/2023	860M	5.0000	1.7400	113.799
07/01/2024	890M	5.0000	1.8000	116.443
07/01/2025	920M	5.0000	1.8600	118.908
07/01/2026	955M	5.0000	1.9300	121.118
07/01/2027	985M	5.0000	2.0100	123.044
07/01/2028	1,020M	5.0000	2.1100	124.562
07/01/2029	1,055M	5.0000	2.2000	123.695
07/01/2030	1,095M	5.0000	2.2900	122.836
07/01/2031	1,130M	2.8750	2.9500	99.223
07/01/2032	1,170M	3.0000	3.0700	99.233
07/01/2033	1,210M	3.1250	3.1700	99.480
07/01/2034	1,255M	3.2500	3.2500	100.000
07/01/2035	1,300M	3.2500	3.3300	98.992
07/01/2036	1,345M	3.3750	3.4000	99.671
07/01/2037	1,390M	3.3750	3.4700	98.713
07/01/2038	1,440M	3.5000	3.5400	99.439
07/01/2039	1,490M	3.5000	3.6000	98.560
07/01/2040	1,540M	3.6250	3.6400	99.775
<u>07/01/2041</u>				
<u>07/01/2042</u>				
<u>07/01/2043</u>	4,955M	3.5000	3.6500	97.587
<u>07/01/2044</u>				
<u>07/01/2045</u>				
<u>07/01/2046</u>	5,495M	4.0000	3.5800	103.329
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	6,090M	4.0000	3.6100	103.087

Total Interest Cost: \$28,131,236.82  
 Premium: \$1,827,033.05  
 Net Interest Cost: \$26,304,203.77  
 TIC: 3.463196  
 Time Last Bid Received On:01/22/2019 10:59:35 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**Wells Fargo Bank, National Association - Charlotte , NC's Bid ✉**  
**Brookhaven**  
**\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,698,017.90, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.7000	104.598
07/01/2021	805M	5.0000	1.7100	107.754
07/01/2022	830M	5.0000	1.7400	110.766
07/01/2023	860M	2.0000	1.7900	100.887
07/01/2024	890M	5.0000	1.8500	116.162
07/01/2025	920M	5.0000	1.9100	118.575
07/01/2026	955M	5.0000	1.9800	120.734
07/01/2027	985M	5.0000	2.0600	122.610
07/01/2028	1,020M	5.0000	2.1500	124.176
07/01/2029	1,055M	3.0000	2.2500	106.331
07/01/2030	1,095M	4.0000	2.3800	113.592
07/01/2031	1,130M	2.8750	2.9500	99.223
07/01/2032	1,170M	3.0000	3.0700	99.233
07/01/2033	1,210M	3.1250	3.1700	99.480
07/01/2034	1,255M	3.2500	3.2500	100.000
07/01/2035	1,300M	3.2500	3.3300	98.992
07/01/2036	1,345M	3.3750	3.4000	99.671
07/01/2037	1,390M	3.3750	3.4700	98.713
07/01/2038	1,440M	3.5000	3.5400	99.439
07/01/2039	1,490M	3.5000	3.6000	98.560
07/01/2040	1,540M	3.6250	3.6400	99.775
07/01/2041	1,595M	4.0000	3.4600	104.305
07/01/2042	1,650M	4.0000	3.4900	104.060
07/01/2043	1,710M	4.0000	3.5200	103.816
07/01/2044	1,770M	4.0000	3.5400	103.654
07/01/2045	1,830M	4.0000	3.5600	103.491
07/01/2046	1,895M	4.0000	3.5800	103.329
07/01/2047	1,960M	4.0000	3.5900	103.249
07/01/2048	2,030M	4.0000	3.6000	103.168
07/01/2049	2,100M	4.0000	3.6100	103.087

Total Interest Cost: \$28,253,113.70  
 Premium: \$1,698,017.90  
 Net Interest Cost: \$26,555,095.80  
 TIC: 3.488364  
 Time Last Bid Received On:01/22/2019 10:59:52 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**RBC Capital Markets - New York , NY's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$40,635,199.36, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6500	104.670
07/01/2021	805M	5.0000	1.6700	107.853
07/01/2022	830M	5.0000	1.7100	110.872
07/01/2023	860M	2.0000	1.7900	100.887
07/01/2024	890M	2.0000	1.8800	100.614
07/01/2025	920M	5.0000	1.9100	118.575
07/01/2026	955M	5.0000	2.0000	120.581
07/01/2027	985M	5.0000	2.0900	122.350
07/01/2028	1,020M	5.0000	2.1900	123.791
07/01/2029	1,055M	5.0000	2.2900	122.836
07/01/2030	1,095M	4.0000	2.5800	111.802
07/01/2031	1,130M	2.8750	2.9500	99.223
07/01/2032	1,170M	3.0000	3.0700	99.233
07/01/2033	1,210M	3.1250	3.1700	99.480
07/01/2034	1,255M	3.2500	3.2500	100.000
07/01/2035	1,300M	3.2500	3.3300	98.992
07/01/2036	1,345M	3.3750	3.4000	99.671
07/01/2037	1,390M	3.3750	3.4700	98.713
07/01/2038	1,440M	3.5000	3.5400	99.439
07/01/2039	1,490M	3.5000	3.6000	98.560
07/01/2040	1,540M	3.6250	3.6400	99.775
<u>07/01/2041</u>				
<u>07/01/2042</u>				
<u>07/01/2043</u>				
<u>07/01/2044</u>	6,725M	3.5000	3.7000	96.721
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>	5,685M	3.6250	3.7500	97.824
<u>07/01/2048</u>				
<u>07/01/2049</u>	4,130M	3.7500	3.8200	98.744

Total Interest Cost: \$26,628,469.44  
 Premium: \$635,199.36  
 Net Interest Cost: \$25,993,270.08  
 TIC: 3.489798  
 Time Last Bid Received On:01/22/2019 10:59:19 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**HilltopSecurities - Dallas , TX's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$42,040,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6700	104.641
07/01/2021	805M	5.0000	1.6800	107.829
07/01/2022	830M	5.0000	1.7100	110.872
07/01/2023	860M	2.0000	1.7600	101.014
07/01/2024	890M	2.0000	1.8200	100.923
07/01/2025	920M	5.0000	1.8800	118.775
07/01/2026	955M	5.0000	1.9500	120.964
07/01/2027	985M	5.0000	2.0300	122.870
07/01/2028	1,020M	5.0000	2.1200	124.465
07/01/2029	1,055M	5.0000	2.2000	123.695
07/01/2030	1,095M	4.0000	2.5300	112.246
07/01/2031	1,130M	4.0000	2.7200	110.568
07/01/2032	1,170M	4.0000	2.8300	109.610
07/01/2033	1,210M	4.0000	2.9400	108.661
07/01/2034	1,255M	4.0000	3.0200	107.978
07/01/2035	1,300M	4.0000	3.1100	107.214
07/01/2036	1,345M	4.0000	3.1900	106.541
07/01/2037	1,390M	4.0000	3.2700	105.873
07/01/2038	1,440M	4.0000	3.3500	105.210
07/01/2039	1,490M	3.3750	3.5600	97.329
<u>07/01/2040</u>				
<u>07/01/2041</u>				
<u>07/01/2042</u>				
<u>07/01/2043</u>				
<u>07/01/2044</u>	8,265M	3.5000	3.6700	97.203
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	9,815M	4.0000	3.6100	103.087

Total Interest Cost: \$28,662,299.13  
 Premium: \$2,040,000.00  
 Net Interest Cost: \$26,622,299.13  
 TIC: 3.496304  
 Time Last Bid Received On:01/22/2019 10:59:40 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.



Upcoming Calendar	Overview	Result	Excel
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**Piper Jaffray - Minneapolis , MN's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,683,045.34, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.7000	104.598
07/01/2021	805M	5.0000	1.7100	107.754
07/01/2022	830M	5.0000	1.7400	110.766
07/01/2023	860M	2.0000	1.7900	100.887
07/01/2024	890M	2.0000	1.8800	100.614
07/01/2025	920M	5.0000	1.9500	118.310
07/01/2026	955M	5.0000	2.0300	120.352
07/01/2027	985M	5.0000	2.1100	122.178
07/01/2028	1,020M	5.0000	2.2000	123.695
07/01/2029	1,055M	5.0000	2.3000	122.741
07/01/2030	1,095M	5.0000	2.4000	121.795
07/01/2031	1,130M	2.8750	2.9500	99.223
07/01/2032	1,170M	3.0000	3.0700	99.233
07/01/2033	1,210M	3.1250	3.1700	99.480
07/01/2034	1,255M	3.2500	3.2500	100.000
07/01/2035	1,300M	3.2500	3.3300	98.992
07/01/2036	1,345M	3.3750	3.4000	99.671
07/01/2037	1,390M	3.3750	3.4700	98.713
07/01/2038	1,440M	3.5000	3.5400	99.439
07/01/2039	1,490M	3.5000	3.6000	98.560
07/01/2040	1,540M	3.6250	3.6400	99.775
07/01/2041	1,595M	3.5000	3.6500	97.714
<u>07/01/2042</u>				
<u>07/01/2043</u>				
<u>07/01/2044</u>	5,130M	4.0000	3.5600	103.491
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	9,815M	4.0000	3.6600	102.685

Total Interest Cost: \$28,274,512.66  
 Premium: \$1,683,045.34  
 Net Interest Cost: \$26,591,467.32  
 TIC: 3.497089  
 Time Last Bid Received On:01/22/2019 10:59:51 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**Fidelity Capital Markets - Boston , MA's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$41,781,562.18, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.6700	104.641
07/01/2021	805M	5.0000	1.6800	107.829
07/01/2022	830M	5.0000	1.7100	110.872
07/01/2023	860M	5.0000	1.7600	113.708
07/01/2024	890M	5.0000	1.8200	116.331
07/01/2025	920M	5.0000	1.8800	118.775
07/01/2026	955M	5.0000	1.9500	120.964
07/01/2027	985M	5.0000	2.0300	122.870
07/01/2028	1,020M	5.0000	2.1200	124.465
07/01/2029	1,055M	5.0000	2.2500	123.217
07/01/2030	1,095M	4.0000	2.4200	113.232
07/01/2031	1,130M	4.0000	2.5700	111.891
07/01/2032	1,170M	4.0000	2.7000	110.743
07/01/2033	1,210M	3.0000	3.0000	100.000
07/01/2034	1,255M	3.0000	3.0900	98.901
07/01/2035	1,300M	3.0000	3.1800	97.710
07/01/2036	1,345M	3.2500	3.2600	99.866
07/01/2037	1,390M	3.3750	3.4000	99.657
07/01/2038	1,440M	3.5000	3.5000	100.000
07/01/2039	1,490M	4.0000	3.4500	104.387
07/01/2040	1,540M	3.6250	3.6500	99.628
<u>07/01/2041</u>				
<u>07/01/2042</u>	3,245M	4.0000	3.5800	103.329
<u>07/01/2043</u>				
<u>07/01/2044</u>	3,480M	4.0000	3.6400	102.845
<u>07/01/2045</u>				
<u>07/01/2046</u>	3,725M	3.6250	3.7500	97.867
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	6,090M	4.0000	3.7500	101.965

Total Interest Cost: \$28,525,009.77  
 Premium: \$1,781,562.18  
 Net Interest Cost: \$26,743,447.59  
 TIC: 3.527089  
 Time Last Bid Received On:01/22/2019 10:59:14 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Upcoming Calendar	Overview	Result	Excel
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**Bank of America Merrill Lynch - New York , NY's Bid**



**Brookhaven  
\$40,000,000 General Obligation Bonds, Series 2019**

For the aggregate principal amount of \$40,000,000.00, we will pay you \$43,096,050.98, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
07/01/2020	775M	5.0000	1.7300	104.555
07/01/2021	805M	5.0000	1.7600	107.631
07/01/2022	830M	5.0000	1.7900	110.591
07/01/2023	860M	5.0000	1.8400	113.344
07/01/2024	890M	5.0000	1.9000	115.883
07/01/2025	920M	5.0000	1.9500	118.310
07/01/2026	955M	5.0000	2.0000	120.581
07/01/2027	985M	5.0000	2.1200	122.091
07/01/2028	1,020M	5.0000	2.2200	123.504
07/01/2029	1,055M	5.0000	2.3300	122.456
07/01/2030	1,095M	5.0000	2.4400	121.419
07/01/2031	1,130M	5.0000	2.5400	120.485
07/01/2032	1,170M	5.0000	2.6000	119.929
07/01/2033	1,210M	4.0000	2.9600	108.490
07/01/2034	1,255M	4.0000	3.0700	107.553
07/01/2035	1,300M	4.0000	3.1700	106.709
07/01/2036	1,345M	4.0000	3.2500	106.040
07/01/2037	1,390M	4.0000	3.3100	105.541
07/01/2038	1,440M	4.0000	3.3700	105.044
07/01/2039	1,490M	4.0000	3.4200	104.633
<u>07/01/2040</u>				
<u>07/01/2041</u>				
<u>07/01/2042</u>				
<u>07/01/2043</u>				
<u>07/01/2044</u>	8,265M	4.0000	3.5800	103.329
<u>07/01/2045</u>				
<u>07/01/2046</u>				
<u>07/01/2047</u>				
<u>07/01/2048</u>				
<u>07/01/2049</u>	9,815M	4.0000	3.6600	102.685

Total Interest Cost: \$30,504,249.72  
 Premium: \$3,096,050.98  
 Net Interest Cost: \$27,408,198.74  
 TIC: 3.554065  
 Time Last Bid Received On:01/22/2019 10:57:30 EST


This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

RECEIPT FOR BONDS

Robert W. Baird & Co., Inc., HEREBY ACKNOWLEDGES receipt of \$38,855,000 in aggregate principal amount of City of Brookhaven, Georgia General Obligation Bonds, Series 2019 (the "Bonds"). The Bonds are more particularly described in the bond resolution adopted by the City of Brookhaven, Georgia on January 22, 2019.

WITNESS my hand, this 31st day of January, 2019.

ROBERT W. BAIRD & CO., INC.

By:   
Name: *Peter Andersen*  
Title: *Managing Director*

(Receipt for Bonds)

RULE 15c2-12 CERTIFICATE  
CITY OF BROOKHAVEN, GEORGIA

The undersigned hereby certifies and represents that he is the Mayor of the City of Brookhaven, Georgia (the “City”) and is authorized to execute and deliver this Certificate. The undersigned hereby further certifies on behalf of the City to the original purchaser (the “Purchaser”), as follows:

(1) This Certificate is delivered to enable the Purchaser to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) in connection with the offering and sale of the City of Brookhaven, Georgia General Obligation Bonds, Series 2019 (the “Bonds”).

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated the date hereof (the “Preliminary Official Statement”), setting forth, among other things, certain information concerning the Bonds and the City.

(3) As used herein, “Permitted Omissions” shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the underwriter (if any) and other terms of the Bonds and any underlying obligations depending on such matters, all with respect to the Bonds and any underlying obligations.

(4) The information in the Preliminary Official Statement is, except for the Permitted Omissions, final as of its date, and the information therein is accurate and complete except for the Permitted Omissions.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed this 15<sup>th</sup> day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

By:  \_\_\_\_\_  
Mayor

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# S&P Global Ratings

55 Water Street, 38th  
Floor  
New York, NY  
10041-0003  
tel 212-438-2000  
reference no.: 1554420

January 4, 2019

Brookhaven  
4362 Peachtree Road NE  
Brookhaven, GA 30319  
Attention: Mr. Christian Sigman, City Manager

Re: *US\$40,000,000 City of Brookhaven, Georgia, General Obligation Bonds, Series 2019,  
dated: Date of delivery, due: July 1, 2049*

Dear Mr. Sigman:

Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "AAA" . S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on [standardandpoors.com](http://standardandpoors.com). Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: [pubfin\\_statelocalgovt@spglobal.com](mailto:pubfin_statelocalgovt@spglobal.com). If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:  
S&P Global Ratings  
Public Finance Department  
55 Water Street  
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and



Conditions are incorporated herein by reference.

S&P Global Ratings is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at [www.standardandpoors.com](http://www.standardandpoors.com). If you have any questions, please contact us. Thank you for choosing S&P Global Ratings.

Sincerely yours,

S&P Global Ratings  
a division of Standard & Poor's Financial Services LLC

ns  
enclosures

cc: *Mr. Doug Gebhardt, Associate Vice President  
Davenport & Company LLC*

# **S&P Global Ratings**

## **S&P Global Ratings Terms and Conditions Applicable To Public Finance Credit Ratings**

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# MOODY'S

## INVESTORS SERVICE

7 World Trade Center  
250 Greenwich Street  
New York 10007  
[www.moodys.com](http://www.moodys.com)

January 7, 2019

Mr. Christian Sigman  
City of Brookhaven, GA  
4362 Peachtree Road  
Brookhaven, GA 30319

Dear Mr. Sigman:

We wish to inform you that on January 4, 2019, Moody's Investors Service reviewed and assigned a rating of **Aaa** to the City of Brookhaven, GA, General Obligation Bonds, Series 2019.

Credit ratings issued by Moody's Investors Service, Inc. and its affiliates ("Moody's") are Moody's current opinions of the relative future credit risk of entities, credit commitments, or debt or debt-like securities and are not statements of current or historical fact. Moody's credit ratings address credit risk only and do not address any other risk, including but not limited to: liquidity risk, market value risk, or price volatility.

This letter uses capitalized terms and rating symbols that are defined or referenced either in *Moody's Definitions and Symbols Guide* or *MIS Code of Professional Conduct* as of the date of this letter, both published on [www.moodys.com](http://www.moodys.com). The Credit Ratings will be publicly disseminated by Moody's through normal print and electronic media as well as in response to verbal requests to Moody's Rating Desk. Moody's related research and analyses will also be published on [www.moodys.com](http://www.moodys.com) and may be further distributed as otherwise agreed in writing with us.

Moody's Credit Ratings or any corresponding outlook, if assigned, will be subject to revision, suspension or withdrawal, or may be placed on review, by Moody's at any time, without notice, in the sole discretion of Moody's. For the most current Credit Rating, please visit [www.moodys.com](http://www.moodys.com).

Moody's has not consented and will not consent to being named as an expert under applicable securities laws, such as section 7 of the Securities Act of 1933. The assignment of a rating does not create a fiduciary relationship between Moody's and you or between Moody's and other recipients of a Credit Rating. Moody's Credit Ratings are not and do not provide investment advice or recommendations to purchase, sell or hold particular securities. Moody's issues Credit Ratings with the expectation and understanding that each investor will make its own evaluation of each security that is under consideration for purchase, sale or holding.

Moody's adopts all necessary measures so that the information it uses in assigning a Credit Rating is of sufficient quality and from sources Moody's considers to be reliable including, when appropriate, independent third-party sources. However, Moody's is not an auditor and cannot in every instance independently validate or verify information received in the rating process. Moody's expects and is relying upon you possessing all legal rights and required consents to disclose the information to Moody's, and that such information is not subject to any restrictions that would prevent use by Moody's for its ratings process. In assigning the Credit Ratings, Moody's has relied upon the truth, accuracy, and completeness of the information supplied by you or on your behalf to Moody's. Moody's expects that you will, and is relying upon you to, on an ongoing basis, promptly provide Moody's with all information necessary in order for Moody's to accurately and timely monitor the Credit Ratings, including current financial and statistical information.

Under no circumstances shall Moody's have any liability (whether in contract, tort or otherwise) to any person or entity for any loss, injury or damage or cost caused by, resulting from, or relating to, in whole or in part, directly or indirectly, any action or error (negligent or otherwise) on the part of, or other circumstance or contingency within or outside the control of, Moody's or any of its or its affiliates' directors, officers, employees or agents in connection with the Credit Ratings. **ALL INFORMATION, INCLUDING THE CREDIT RATING, ANY FEEDBACK OR OTHER COMMUNICATION RELATING THERETO IS PROVIDED "AS IS" WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND. MOODY'S MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR**

January 7, 2019

Mr. Christian Sigman  
City of Brookhaven, GA  
4362 Peachtree Road  
Brookhaven, GA 30319

**IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH INFORMATION.**

Any non-public information discussed with or revealed to you must be kept confidential and only disclosed either (i) to your legal counsel acting in their capacity as such; (ii) to your other authorized agents acting in their capacity as such with a need to know that have entered into non-disclosure agreements with Moody's in the form provided by Moody's and (iii) as required by applicable law or regulation. You agree to cause your employees, affiliates, agents and advisors to keep non-public information confidential.

If there is a conflict between the terms of this rating letter and any related Moody's rating application, the terms of the executed rating application will govern and supercede this rating letter.

Should you have any questions regarding the above, please do not hesitate to contact the analyst assigned to this transaction, Lauren Von Bargen at 212-553-4491.

Sincerely,

*Moody's Investors Service, Inc.*

Moody's Investors Service, Inc.

cc: Mr. Courtney Rogers  
Davenport & Company, LLC  
901 E. Cary Street  
Richmond, VA 23219

AUTHENTICATION ORDER

U.S. Bank National Association  
Atlanta, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

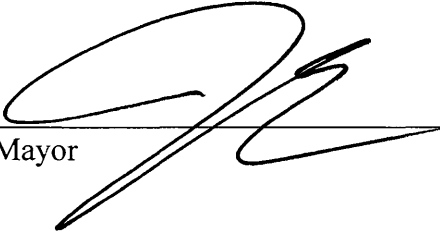
To the Addressee:

The City of Brookhaven, Georgia (the “City”) has sold the above-captioned bonds (the “Bonds”), which are more fully described in a resolution adopted by the City on January 22, 2019 (the “Bond Resolution”). The net sale proceeds of the Bonds shall be applied in accordance with the terms of the Bond Resolution. A copy of the Bond Resolution has been delivered to you.

The City has heretofore delivered the Bonds to you as Authenticating Agent. You are hereby authorized and directed to authenticate and register one Bond of each maturity in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), and to hold the Bonds on behalf of DTC.

WITNESS my hand, this 31st day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

By:   
Mayor

INCUMBENCY CERTIFICATE

The undersigned City Clerk of the City of Brookhaven, Georgia (the “City”), DOES HEREBY CERTIFY, as follows:

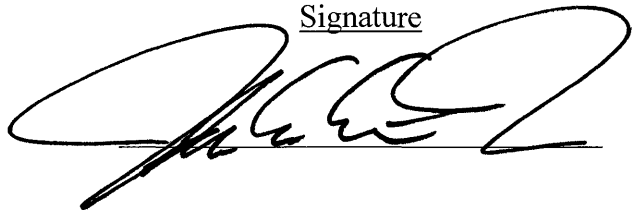
1. I am the duly acting City Clerk of the City and have the authority to execute this certificate.
2. The City Council is the governing body of the City. The City is a municipal corporation of the State of Georgia.
3. The City Council is composed of five members elected by the voters of the City.
4. The names of the present members of the City Council, and the dates of the ending of their respective terms of office are as follows:

<u>Name</u>	<u>Date of Expiration of Term</u>
John A. Ernst, Jr., Mayor	December 31, 2019
Linley Jones	December 31, 2019
John Park	December 31, 2021
Bates Mattison	December 31, 2019
Joe Gebbia	December 31, 2021

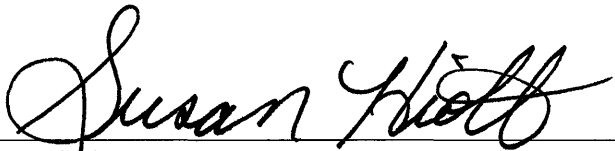
5. All of the foregoing members have duly filed their oaths of office, and each of them legally required to give bond or undertaking has filed such bond or undertaking in form and amount as required by law, and has otherwise duly qualified and each is an acting member of the City Council.
6. The official seal of the City, being the only seal used by the City in the execution of bonds, notes, certificates and contracts, is the seal which has been impressed opposite my signature upon this certificate.



7. The below-named person has been duly elected and is the Mayor of the City, and the signature set forth below opposite his name is his genuine signature.


<u>Name</u>	<u>Title</u>	<u>Signature</u>
John A. Ernst, Jr.	Mayor	

WITNESS my hand and the official seal of the City, this 31st day of January, 2019.

  
\_\_\_\_\_  
City Clerk

(SEAL)

I HEREBY CERTIFY that the signature of the City Clerk of the City of Brookhaven, Georgia above subscribed is true and genuine.

  
\_\_\_\_\_  
Attorney for the City of Brookhaven, Georgia

EXECUTION, SIGNATURE, NO-LITIGATION AND OFFICERS' CERTIFICATE

We, the undersigned Mayor and City Clerk of the City of Brookhaven, Georgia (the "City") DO HEREBY CERTIFY, as follows:

1. We have the authority to execute this certificate.

2. We have signed on behalf of the City \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the "Bonds"). Each of the Bonds bears the manual signature of the Mayor, and the corporate seal of the City has been impressed thereon and attested by the manual signature of the City Clerk.

WE HEREBY FURTHER CERTIFY, as follows:

3. The City is a municipal corporation of the State of Georgia, properly created, organized and existing under the Constitution and laws of the State of Georgia. The City has the power to (a) adopt the resolution dated January 22, 2019 (the "Bond Resolution") authorizing the issuance of the Bonds and perform its obligations thereunder; (b) issue, execute, deliver and perform its obligations under the Bonds; (c) execute, deliver and perform its obligations under the (i) Continuing Disclosure Certificate, dated January 22, 2019 (the "Disclosure Certificate") and (ii) Paying Agent and Bond Registrar Agreement, dated as of January 1, 2019 (the "Paying Agent Agreement"), between the City and U.S. Bank National Association, as paying agent (together with the Continuing Disclosure Certificate, the "City Documents"), between the City and U.S. Bank National Association, as custodian of the project fund; (d) distribute the Preliminary Official Statement, dated January 15, 2019 (the "Preliminary Official Statement") and execute and distribute the Official Statement, dated January 22, 2019 (the "Official Statement"); (e) carry out and consummate all of the transactions contemplated on its part by the Bond Resolution, the City Documents and the Official Statement; (f) acquire, construct and equip the Projects (as defined in the Bond Resolution); and (g) to levy and collect an ad valorem property tax, unlimited as to rate or amount, to pay the principal of and interest on the Bonds ((a) through (g) are collectively referred to herein as the "Transactions").

4. The Bond Resolution has been duly adopted and constitutes the legal, valid and binding obligation of the City. The Bond Resolution remains in full force and effect as of the date hereof and not been amended, modified, revoked or rescinded. The City has duly authorized all actions required to be taken by the City for the Transactions.

5. The Bonds have been duly executed and constitute the legal, valid and binding general obligations of the City payable from an ad valorem tax, levied on all property located within the territorial limits of the City subject to taxation for general obligation bond purposes, without limitation as to rate or amount. The bonded indebtedness to be created by the issuance of the Bonds when added to all other outstanding general obligation debt of the City will be within the 10% limitation prescribed by the Constitution of the State of Georgia.

6. The City Documents have been duly executed and constitute the legal, valid and binding obligations of the City, enforceable in accordance with their respective terms.

7. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the City, threatened against or affecting the City (or, to the knowledge of the City, any meritorious basis therefor) (a) attempting to limit, enjoin or otherwise restrict or prevent the City from (i) issuing the Bonds, (ii) levying or collecting an ad valorem tax to pay the principal of or interest on the Bonds, or (iii) functioning; (b) contesting or questioning the existence of the City or the titles of the present officers of the City to their offices; or (c) wherein an unfavorable decision, ruling or finding would adversely affect the (i) tax-exempt status of the Bonds, (ii) Transactions, (iii) security for the Bonds or (iv) financial condition of the City.

8. The Transactions will not conflict with or constitute on the part of the City a violation of, breach of or default under any (a) constitutional provision or any statute, including, but not limited to its charter, (b) indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the City is a party or by which the City or any of its properties is bound; or (c) order, rule or regulation of any court or governmental agency or body having jurisdiction over the City or any of its properties.

9. The City is not in breach of or default under any (a) constitutional provision or any statute, including, but not limited to its charter, (b) indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the City is a party or by which the City or any of its properties is bound; or (c) order, rule or regulation of any court or governmental agency or body having jurisdiction over the City or any of its properties which breach or default would in any way adversely affect the Transactions. No event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default.

10. All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the City as of the date hereof in connection with the Transactions have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or "blue sky" laws.

11. The City has duly executed the Official Statement. The information in the Preliminary Official Statement and the Official Statement is true, complete and correct in all material respects as of the date hereof, and the Preliminary Official Statement and the Official Statement do not contain any untrue statement of a material fact or omit to state any material fact which should be included therein for the purpose for which the Preliminary Official Statement or the Official Statement was or is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

12. The representations and warranties contained in the City Documents (if any) are true and correct in all material respects as of the date hereof. The City has complied with all of the agreements and satisfied all conditions on its part required to be performed or

satisfied as of the date hereof under the Bond Resolution and the City Documents. The Bonds and the City Documents, as executed by the City, are in the form or in substantially the form approved in the Bond Resolution. Since December 31, 2017, there has not been any material adverse change in the properties, financial position or results of operations of the City, whether or not arising from transactions in the ordinary course of business, other than as set forth in the Official Statement. Since December 31, 2017, the City has not incurred any liabilities other than in the ordinary course of business or as set forth in the Official Statement.

13. The information set forth in the Internal Revenue Service Form 8038-G being filed on behalf of the City with respect to Bonds is true and correct.

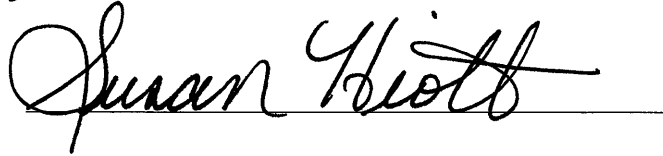
WITNESS our hands, this 31st day of January, 2019.

SIGNATURE

OFFICIAL TITLE

A large, stylized handwritten signature in black ink, written over a horizontal line.

Mayor

A handwritten signature in black ink that reads "Susan Hiott", written over a horizontal line.

City Clerk

CERTIFICATE OF VALIDATION

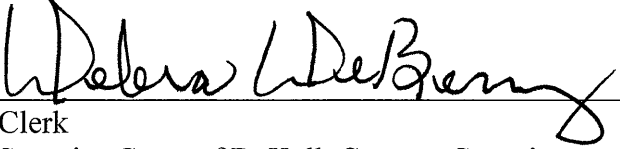
GEORGIA, DEKALB COUNTY

I, the undersigned Clerk of the Superior Court of DeKalb County, Georgia, DO HEREBY CERTIFY that I have executed and sealed the certificate of validation for each of the above-described Bonds.

I DO FURTHER CERTIFY that the Bonds were confirmed and validated by judgment of the Superior Court of DeKalb County, Georgia by a validation order entered on January 8, 2019 (Civil Action File No. 18CV11963), that no intervention or objection was filed thereto and that no appeal has been prosecuted therefrom.

WITNESS my hand and seal of the Superior Court of DeKalb County, Georgia, this 31st day of January, 2019.

(SEAL)

  
Clerk  
Superior Court of DeKalb County, Georgia

## TAX AND NON-ARBITRAGE CERTIFICATE

I, the undersigned, DO HEREBY CERTIFY that I am the duly elected, qualified and acting Mayor of the City of Brookhaven, Georgia, a municipal corporation of the State of Georgia (the “City”), and that I have all the corporate authority necessary to execute this Certificate on behalf of the City.

I HEREBY FURTHER CERTIFY for and on behalf of the City, as follows:

### 1. General.

1.1. I am familiar with the \$38,855,000 in aggregate principal amount of the City’s General Obligation Bonds, Series 2019 (the “Bonds”), being issued and sold by the City pursuant to and in accordance with a Bond Resolution adopted by the City on January 22, 2019 (the “Bond Resolution”). All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

1.2. The Bonds are being issued for the purpose of (a) financing the Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith (the “Projects”) and (b) paying the costs of issuing the Bonds.

1.3. I have examined a completed copy of the Information Return for Tax Exempt Governmental Bond Issues (IRS Form 8038-G) of even date herewith filed pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended (the “Code”) on behalf of the City with the Internal Revenue Service Center, Ogden, Utah 84201, and, to the best of my knowledge, all information therein is true and correct as of the date of this Certificate.

1.4. The Bonds are direct and general obligations of the City. The principal of and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, levied upon all taxable property within the City subject to taxation for general obligation bond purposes.

1.5. The City is a duly created and validly existing municipal corporation of the State of Georgia, with substantial sovereign powers of taxation, eminent domain and police.

### 2. Sources and Uses of Funds.

2.1. The total sources and uses of the proceeds of the Bonds are set forth in Exhibit “A” attached hereto.

### 3. Overissuance Test.

3.1. Reasonably expected “proceeds” of the Bonds means the sum of (a) the “sale proceeds” of the Bonds (defined in Treasury Regulation § 1.148-1(b) as any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter’s discount and post-issuance accrued interest), plus (b) any “investment proceeds” of the Bonds (as

defined in Treasury Regulation § 1.148-1(b)), plus (c) any “transferred proceeds” of the Bonds (as defined in Treasury Regulation § 1.148-9).

3.2. There are no transferred proceeds of the Bonds.

3.3. The reasonably expected proceeds of the Bonds (a) will not exceed the amount necessary to accomplish the governmental purposes of the issue and (b) are not in excess of the amount of sale proceeds allocated to expenditures for the governmental purposes of the issue.

4. Disbursements of Funds and Schedule of Expenditures; Reimbursement.

4.1. The sale proceeds derived from the sale of the Bonds shall be applied as follows:

(a) \$391,100.05 will be retained by the underwriter as its underwriting discount; and

(b) the balance shall be remitted to the City and applied for the purpose of (i) financing the Projects and (ii) paying the costs of issuing the Bonds.

4.2. On July 24, 2018, the City adopted a resolution calling the election with respect to the authorization and issuance of the Bonds, thereby declaring its official intent to incur indebtedness to finance a portion of the Projects. The City has expended its funds for certain costs of the Projects in the amount of \$526,266 for which it will be reimbursed with proceeds of the Bonds on the date of issuance of the Bonds. No expenditures for the Projects were paid more than three years prior to the date of issuance of the Bonds, and no portion of the Projects were placed in service more than 18 months prior to the date of issuance of the Bonds. For purposes of this Certificate, “Preliminary Expenditures” means architectural, engineering, surveying, soil testing and similar costs which in the aggregate are not in excess of 20% of the aggregate issue price of the Bonds that are incurred prior to the commencement of the acquisition, construction and installation of the Projects, other than land acquisition, site preparation and similar costs incident to commencement of construction. No portion of the proceeds of the Bonds is expected to be applied to reimburse the City or any related party for costs of the Projects which were paid before 60 days prior to July 24, 2018 other than for Preliminary Expenditures

5. Yield.

5.1. The yield on the Bonds is 3.2497%. For purposes of this Certificate, the “yield” is, and shall be, calculated in the manner set forth in the Code and in accordance with Treasury Regulation § 1.148-4(b). Generally, the “yield” on a fixed yield issue means the discount rate which, when used in computing the present value of all unconditionally payable payments of principal, interest, and fees for a “qualified guarantee” (as defined in Treasury Regulation § 1.148-4(f)), produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of such obligation as of the issue date. In the case of the Bonds, the “issue price” of any Bond is defined in the same manner as such term is defined under Sections 1273 and 1274 of the Code. The issue price and yield of the Bonds is based on the Certificate of the Financial Advisor attached hereto as Exhibit “B.”



6. Funds and Accounts.

6.1. Other than the sinking fund required by Article IX, Section V, Paragraph VI of the Georgia Constitution (the “Sinking Fund”), no “sinking fund” or “pledged fund” (as such terms are defined in Treasury Regulation § 1.148-1(c)(2) and (3), respectively), debt service fund, redemption fund, reserve fund, revolving fund or any similar fund or account has been or will be created or established by the City or will be established by any other person or entity with moneys or property derived from the City or any related party from which the principal of, redemption premium (if any) or interest on the Bonds is reasonably expected to be paid, directly or indirectly.

6.2. The Sinking Fund is a “bona fide debt service fund” within the meaning of Section 148 of the Code and Treasury Regulation § 1.148-1(b) in that:

(a) it is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year; and

(b) it is to be depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on the Sinking Fund for the immediately preceding bond year, or (ii) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

6.3. The City intends that the Bond proceeds and the investment earnings thereon qualify for the three-year temporary period in Treasury Regulation § 1.148-2(e)(2). As of the date of this Certificate, the City has incurred, or reasonably expects to incur within six months of the date of this Certificate, a substantial binding obligation to a third party or parties which is not subject to contingencies within the City’s, or a related party’s, control to expend at least 5% of such moneys on the acquisition of the Projects. Work on the acquisition of the Projects and the allocation of the moneys to expenditures therefor are reasonably expected to proceed with due diligence to completion. The City reasonably expects that at least 85% of the Bond proceeds will be expended for expenditures for the Projects within three years from the date of this Certificate.

6.4. Any moneys remaining following the completion of the acquisition of the Projects and the payment of all costs in connection shall be applied as set forth in O.C.G.A. § 36-82-4.2; provided, however, prior to such use, the City shall obtain an opinion from nationally recognized bond counsel to the effect that such use will not adversely affect the tax-exempt status of the Bonds.

6.5. No portion of the cost of the acquisition of the Projects includes reimbursement to the City for any costs of the acquisition of any portion of the Projects paid or incurred by the City prior to the date the City adopted the resolution calling the election authorizing the Bonds. No portion of the proceeds of the Bonds will be applied to replace any funds of the City that the City had committed or intended to use to finance the Projects.

6.6. The Bond proceeds will be invested pending their disbursement.

7. Pledged and Replacement Funds.

7.1. No stock or other “security” as defined in Section 165(g)(2)(A) and (B) of the Code, annuity contract, “investment-type property” as described or defined in Section 148(d)(2)(D) of the Code and Treasury Regulation § 1.148-1(d), or any other obligation (other than an obligation described in Section 103(a) of the Internal Revenue Code of 1954, as amended, or Section 103(a) of the Code which is not a “specified private activity bond” within the meaning of Section 57(a)(5)(C) of the Code), will be pledged as security for the payment of principal of, redemption premium (if any) and interest on the Bonds.

7.2. All of the proceeds of the Bonds (including any investment proceeds) are being expended for the purposes set forth in paragraph 1.2 hereof, and no portion of the proceeds of the Bonds is expected to be used to finance or be allocated to working capital expenditures or to create any working capital reserve, directly or indirectly.

7.3. The Bonds will not be outstanding longer than is reasonably necessary for the governmental purposes of the issue, as determined under Treasury Regulation § 1.148-10. The weighted average maturity of the Bonds does not exceed the reasonably expected remaining weighted average economic life of the facilities financed or refinanced by the Bonds by more than 20%. The proceeds of the Bonds are not expected to be used directly or indirectly to replace funds which were or are to be used directly or indirectly to acquire “high yielding investments” within the meaning of Section 148(b) of the Code.

7.4. The City has not entered into any agreement obligating it to maintain any amount at a particular level for the benefit of the owners of the Bonds.

8. Composite Issues.

8.1. There are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia, which:

- (a) are to be sold less than 15 days prior to or after the date of sale of the Bonds;
- (b) are to be sold pursuant to the same plan of financing with the Bonds; and
- (c) are reasonably expected to be paid from substantially the same source of funds as the Bonds, determined without regard to guarantees from unrelated parties.

9. Private Activity Bond Test.

9.1. The Projects are or will be owned by a governmental entity. No portion of the proceeds of the Bonds or the Projects is to be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit (other than use as a member of the general public) (a “private business use”), and no portion of the principal of or interest on the Bonds is, under the Bond Resolution or pursuant to any underlying agreement, directly or indirectly (a) secured by any property used or to be used in a private business use or payments in

respect of such property, or (b) to be derived from payments (whether or not to the City) in respect of property, or borrowed money, used or to be used for a private business use.

9.2. There is no management contract, cooperative research agreement, output contract or similar agreement with respect to the Projects or any of the products or services provided at the Projects. No private business has a contractual arrangement or special legal entitlement for the use of any portion of the Projects. The Projects does not confer special economic benefits on any private business.

9.3. No portion of the proceeds of the Bonds is being used (a) to finance or refinance any “output facility” (within the meaning of Section 141(b)(4) of the Code), (b) to make or to finance loans to persons other than governmental units or (c) directly or indirectly, for the acquisition by a governmental unit of nongovernmental output property (within the meaning of Section 141(d) of the Code).

9.4. The City reasonably expects as of the date of this Certificate that public use of the Projects will continue as long as the Bonds are outstanding.

#### 10. Hedge Bonds.

10.1. The City reasonably expects that (a) at least 85% of the “spendable proceeds” of the Bonds will be spent for the governmental purposes for which such Bonds were issued within the three year period beginning the date of issuance of such Bonds and (b) not more than 50% of the proceeds of the Bonds will be invested in “nonpurpose investments” (as defined in Treasury Regulation § 1.148-1(b)) having a substantially guaranteed yield for four years or more.

10.2. The Bonds are being issued for the significant governmental purposes set forth in paragraph 1.2, and are not being issued to hedge against future increases in interest rates.

#### 11. Rebate to the United States.

11.1. The City hereby covenants and agrees that, unless the “gross proceeds” (as defined in Treasury Regulation § 1.148-1(b)) of the Bonds are expended or allocated to expenditures for the governmental purpose for which the Bonds are issued in accordance with one of the spending exceptions to the rebate requirement in Treasury Regulation § 1.148-7, each five years beginning on the date of issuance of the Bonds, or on such other date as may be permitted by applicable temporary, proposed or final Treasury Regulations (each such date a “Computation Date”) the City shall compute the Rebate Amount (as described in paragraph 11.2 of this Certificate) with respect to the Bonds and within 60 days thereafter, make installment payments to the United States in an amount that, when added to the future value, as of the computation date, of previous rebate payments made with respect to the Bonds, equals at least 90% of the Rebate Amount with respect to the Bonds as of such date. The final installment (the “Final Rebate”) shall be paid not later than the later of (a) the date 60 days after the final computation date or (b) if the Bonds are retired within three years after the date of issuance thereof, within 60 days after the final computation date of the Rebate Amount which Computation Date need not occur before the end of eight months after the date of issuance of the Bonds, and shall be in an amount sufficient to pay all of the Rebate Amount as of the final computation date.

11.2. Generally, the Rebate Amount with respect to the Bonds as of any computation date is the excess of (a) the future value as of the date of computation of all nonpurpose receipts with respect to the Bonds; over (b) the future value as of the date of computation of all payments on nonpurpose payments with respect to the Bonds, computed as required by Treasury Regulation 1.148-3(c).

11.3. For purposes of determining the Rebate Amount, any amount earned on investments in a bona fide debt service fund shall not be taken into account.

11.4. Each payment of the Rebateable Arbitrage required under the provisions of this Certificate shall be (a) filed with the Internal Revenue Service Center, Ogden, Utah 84201, and (b) accompanied by a copy of the IRS Form 8038-T to be filed with respect to the Rebateable Arbitrage which is being paid, except as may otherwise be provided by applicable Treasury Regulations.

11.5. Unless the City shall receive an opinion of nationally recognized bond counsel experienced in matters relating to Section 148 of the Code to the effect that failure to pay any rebate under Section 148(f) of the Code will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes, the City agrees it shall file all reports and make all payments required to be made to the United States in accordance with Section 148(f) of the Code and Treasury Regulation §§ 1.148-0 to 1.148-11, or any successor temporary, proposed or final Treasury Regulations thereto.

## 12. Miscellaneous.

12.1. The City has no present expectation or intention of selling or otherwise disposing of any portion of the Projects or its interest therein prior to the last maturity of the Bonds.

12.2. The Bonds are not and will not be “federally guaranteed” within the meaning of Section 149(b) of the Code.

12.3. No portion of the Bonds is being used, directly or indirectly, in connection with a transaction or a series of transactions that attempts to circumvent the provisions of Section 148 of the Code or the proposed, temporary or final Treasury Regulations applicable thereto (a) enabling the City to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage and (b) increasing the burden on the market for tax exempt obligations. The Bonds are not being issued sooner than is reasonably necessary for the purposes for which the Bonds are issued.

12.4. The City has received no notice of deficiency or other notice from the Internal Revenue Service, the Department of Treasury or any other governmental agency or department challenging or questioning in any way the status of the interest on the Bonds as being excludable from gross income for federal income tax purposes, nor has the City been notified of any listing or proposed listing of the City by the Internal Revenue Service as an issuer that may not certify its bonds.

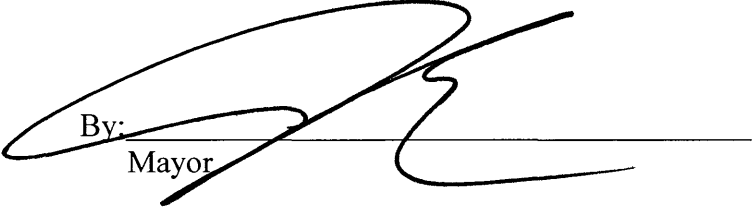
12.5. The City shall retain all records relating to the Bonds needed to comply with Section 6001 of the Code. Without limiting the foregoing, the City shall retain the following:

(a) basic records relating to the transaction (including the bond document, the opinion of bond counsel, etc.), (b) documents evidencing expenditure of the Bond proceeds, (c) documentation evidencing the use, if any, of the Projects by public and private entities (*e.g.*, copies of management contracts, leases and research agreements), (d) documentation pertaining to any investment of Bond proceeds (including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments, actual investment income received from the investment of Bond proceeds, guaranteed investment contracts and rebate calculations), (e) records sufficient to show that all Bond-related returns submitted to the IRS are correct and (f) records necessary to satisfy the safe harbor requirements relating to guaranteed investment contracts and yield restricted defeasance escrows. Such records shall be maintained as long as the Bonds are outstanding, plus three years after the final payment or redemption date.

12.6. To the best of my knowledge, information and belief there are no other facts, estimates or circumstances that would materially change any of the foregoing certifications. Representations contained in this Certificate are made for the benefit of the purchasers of the Bonds, Bond Counsel and others, and may be relied upon by the purchasers of the Bonds, Bond Counsel and others in determining whether the interest on the Bonds is excluded from gross income for federal income tax purposes.

IN WITNESS WHEREOF, this Certificate has been executed on behalf of the City by the undersigned this 31st day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

By:  \_\_\_\_\_  
Mayor

Appendices, exhibits and schedules:

Exhibit "A" Sources and Uses of Funds

Exhibit "B" Certificate as to Yield and Weighted Average Maturity with attached Issue Price Certificate

Exhibit "A"

SOURCES AND USE OF FUNDS

Sources of Funds:

Principal Amount of Bonds	\$38,855,000
Plus: Net Original Issue Premium	<u>1,619,123</u>
Total Sources of Funds	<u>\$40,474,123</u>

Uses of Funds:

Projects	\$39,703,023
Costs of Issuance	<u>771,100</u>
Total Uses of Funds	<u>\$40,474,123</u>



Exhibit "B"

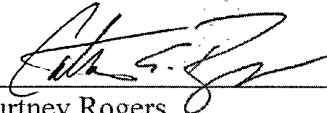
CERTIFICATE AS TO YIELD AND  
WEIGHTED AVERAGE MATURITY

I, the undersigned officer of Davenport & Company, LLC, as financial advisor to the City of Brookhaven, Georgia (the "City") in connection with the issuance of \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the "Bonds"), DO HEREBY CERTIFY that the yield on the Bonds is 3.2497% and the weighted average maturity of the Bonds is 18.4033 years for purposes of the IRS Form 8038-G. In determining the foregoing, we have relied upon the Issue Price Certificate attached hereto.

We understand that the representations contained in this certificate may be relied upon by (a) the City in making certain representations in the Tax and Non-Arbitrage Certificate, dated the date hereof, executed by the City relating to the Bonds and (b) Murray Barnes Finister LLP, as bond counsel, in connection with providing its opinion with respect to the excludability of interest on the Bonds from gross income for federal income tax purposes.

Witness my hand this 31st day of January, 2019.

DAVENPORT & COMPANY LLC

By:   
\_\_\_\_\_  
Courtney Rogers  
Senior Vice President

(Certificate as to Yield and Weighted Average Maturity)

## ISSUE PRICE CERTIFICATE

This Certificate is furnished by Robert W. Baird & Co., Inc. (the “Underwriter”) in connection with the sale and issuance by the City of Brookhaven, Georgia (the “Issuer”), of its \$38,855,000 General Obligation Bonds, Series 2019 (the “Bonds”), issued on January 31, 2019, for use by the Issuer in establishing, among other things, the “issue price” of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the “Code”), and certain other expectations with respect to the Bonds for purposes of Section 148 of the Code. All terms not defined herein are as defined in the Tax and Non-Arbitrage Certificate of the Issuer for the Bonds, which we have reviewed.

1. The Underwriter purchased the Bonds from the Issuer at a price of \$40,083,022.65 (calculated as the principal amount, plus net original issue premium of \$1,619,122.70, less the Underwriter’s discount of \$391,100.05).

2. On January 22, 2019 (the “Sale Date”), the Underwriter made a bona fide offering of all the Bonds of each maturity to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (the “Public”) at prices not in excess of the initial public offering prices (expressed as a percentage of principal amount) set forth below:

<u>Maturity (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2020	\$ 100,000	5.000%	1.670%
2021	720,000	5.000	1.680
2022	755,000	5.000	1.700
2023	790,000	5.000	1.750
2024	830,000	5.000	1.810
2025	870,000	5.000	1.870
2026	915,000	5.000	1.940
2027	960,000	5.000	2.030
2028	1,010,000	5.000	2.120
2029	1,055,000	5.000	2.230 <sup>C</sup>
2030	1,095,000	3.000	2.400 <sup>C</sup>
2031	1,130,000	4.000	2.600 <sup>C</sup>
2032	1,170,000	4.000	2.700 <sup>C</sup>
2033	1,210,000	3.000	3.000
2034	1,255,000	3.000	3.100
2035	1,300,000	3.125	3.200
2036	1,345,000	3.125	3.250
2037	1,390,000	3.250	3.300
2038	1,440,000	3.250	3.350
2039	1,485,000	3.375	3.400
2040	1,535,000	3.500	3.420 <sup>C</sup>
2041	1,590,000	3.500	3.440 <sup>C</sup>
2042	1,645,000	3.500	3.460 <sup>C</sup>

<u>Maturity (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2043	1,705,000	3.500	3.480 <sup>c</sup>
2044	1,765,000	3.500	3.500
2049	9,790,000	3.500	3.550


<sup>c</sup> Yield calculated to call date of July 1, 2028.

3. As of the Sale Date, the Underwriter reasonably expected at least ten percent (10%) of the aggregate face amount of each maturity of the Bonds would be first sold to the Public at prices equal to the respective initial public offering prices. The Underwriter had no reason to believe as of the Sale Date that a willing buyer would purchase the respective Bonds from a willing seller in a bona fide, arm's length transaction executed on the Sale Date at prices higher than their respective initial offering prices. No Bonds were held back from such offering, and no maturity (or portion thereof) of the Bonds was sold directly or indirectly to the Underwriter, any affiliate thereof, any dealer or into related accounts of the Underwriter or any dealer with the expectation that such maturity (or portion thereof) would be resold prior to the date hereof at a price in excess of its respective initial public offering price.

We understand that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Non-Arbitrage Certificate and by Murray Barnes Finister LLP, Atlanta, Georgia, in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned's interpretation of any laws, in particular the regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other purchasers, bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

Witness my hand this 31st day of January, 2019.

ROBERT W. BAIRD & CO., INC.

By:   
 Name: Peter Andersen  
 Title: Managing Director

(Issue Price Certificate)

RECEIPT FOR BOND PROCEEDS

The undersigned, on behalf of the City of Brookhaven, Georgia (the "City"), acknowledges receipt of payment in full from Robert W. Baird & Co., Inc. as underwriter (the "Underwriter") of \$38,855,000 in aggregate principal amount of the City's General Obligation Bonds, Series 2019. The sum received from the Underwriter for the Bonds is:

Par Amount of Bonds	\$38,855,000.00
Plus: Net Original Issue Premium	1,619,122.70
Less: Underwriter's Discount	<u>391,100.05</u>
Net Proceeds	<u>\$40,083,022.65</u>

The net proceeds from the sale of the Bonds shall be applied in accordance with the terms of the resolution adopted by the City on January 22, 2019.

WITNESS my hand, this 31st day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA



Mayor

(Receipt for Bond Proceeds)

CERTIFICATE DESIGNATING  
AUTHORIZED REPRESENTATIVES

The City of Brookhaven, Georgia (the "City") hereby designates **Christian Sigman** and **Steven G. Chapman II**, each of whose signature appears below, as Authorized Representatives, and authorizes each of them to take all actions and to do all things as Authorized Representatives required under the resolution adopted by the City on January 22, 2019.

SPECIMEN SIGNATURE: Christian Sigman  
Authorized Representative

SPECIMEN SIGNATURE: [Signature]  
Authorized Representative

WITNESS my hand, this 31st day of January, 2019.

CITY OF BROOKHAVEN, GEORGIA

By: [Signature]  
Mayor

# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

**Via Federal Express**

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Internal Revenue Service Center  
Ogden, Utah 84201

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressee:

City of Brookhaven, Georgia has heretofore issued the Bonds referenced above and encloses herewith a completed I.R.S. Form 8038-G "Information Return for Tax-Exempt Governmental Obligations," with respect to such Bonds. If you should have any questions concerning the enclosed Form 8038-G, please contact me at the above address.

Sincerely,



Rachel D. Jones  
Legal Assistant

Enclosure



► Under Internal Revenue Code section 149(e)  
► See separate instructions.

Department of the Treasury  
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.  
► Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

**Part I Reporting Authority** If Amended Return, check here

<b>1</b> Issuer's name <b>City of Brookhaven, Georgia</b>		<b>2</b> Issuer's employer identification number (EIN) <b>46-1567295</b>
<b>3a</b> Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		<b>3b</b> Telephone number of other person shown on 3a
<b>4</b> Number and street (or P.O. box if mail is not delivered to street address) <b>4362 Peachtree Road NE</b>	Room/suite	<b>5</b> Report number (For IRS Use Only) <b>3</b>
<b>6</b> City, town, or post office, state, and ZIP code <b>Brookhaven, GA 30319</b>		<b>7</b> Date of issue <b>01/31/2019</b>
<b>8</b> Name of issue <b>City of Brookhaven, Georgia General Obligation Bonds, Series 2019</b>		<b>9</b> CUSIP number <b>113071 BF0</b>
<b>10a</b> Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>Steven G. Chapman II, Chief Financial Officer</b>		<b>10b</b> Telephone number of officer or other employee shown on 10a <b>404-637-0620</b>

**Part II Type of Issue (enter the issue price).** See the instructions and attach schedule.

<b>11</b> Education	<b>11</b>	
<b>12</b> Health and hospital	<b>12</b>	
<b>13</b> Transportation	<b>13</b>	
<b>14</b> Public safety	<b>14</b>	
<b>15</b> Environment (including sewage bonds)	<b>15</b>	
<b>16</b> Housing	<b>16</b>	
<b>17</b> Utilities	<b>17</b>	
<b>18</b> Other. Describe ► <b>Parks and Recreation</b>	<b>18</b>	<b>40,474,123</b>
<b>19a</b> If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>		
<b>b</b> If bonds are BANs, check only box 19b <input type="checkbox"/>		
<b>20</b> If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>		

**Part III Description of Bonds.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
<b>21</b>	<b>07/01/2049</b>	<b>\$ 40,474,123</b>	<b>\$ 38,855,000</b>	<b>18.4033</b> years	<b>3.2497</b> %

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

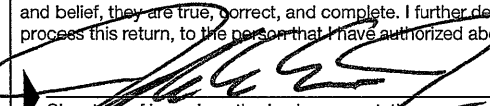
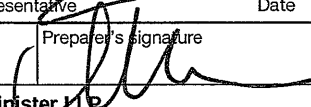
<b>22</b> Proceeds used for accrued interest	<b>22</b>	
<b>23</b> Issue price of entire issue (enter amount from line 21, column (b))	<b>23</b>	<b>40,474,123</b>
<b>24</b> Proceeds used for bond issuance costs (including underwriters' discount)	<b>24</b>	<b>771,100</b>
<b>25</b> Proceeds used for credit enhancement	<b>25</b>	
<b>26</b> Proceeds allocated to reasonably required reserve or replacement fund	<b>26</b>	
<b>27</b> Proceeds used to refund prior tax-exempt bonds. Complete Part V	<b>27</b>	
<b>28</b> Proceeds used to refund prior taxable bonds. Complete Part V	<b>28</b>	
<b>29</b> Total (add lines 24 through 28)	<b>29</b>	<b>771,100</b>
<b>30</b> Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	<b>30</b>	<b>39,703,023</b>

**Part V Description of Refunded Bonds.** Complete this part only for refunding bonds.

<b>31</b> Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	_____ years
<b>32</b> Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	_____ years
<b>33</b> Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	_____
<b>34</b> Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	_____

**Part VI Miscellaneous**

<b>35</b> Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	<b>35</b>		
<b>36a</b> Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . .	<b>36a</b>		
<b>b</b> Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____			
<b>c</b> Enter the name of the GIC provider ▶ _____			
<b>37</b> Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	<b>37</b>		
<b>38a</b> If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:			
<b>b</b> Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____			
<b>c</b> Enter the EIN of the issuer of the master pool bond ▶ _____			
<b>d</b> Enter the name of the issuer of the master pool bond ▶ _____			
<b>39</b> If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ▶ <input type="checkbox"/>			
<b>40</b> If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ▶ <input type="checkbox"/>			
<b>41a</b> If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:			
<b>b</b> Name of hedge provider ▶ _____			
<b>c</b> Type of hedge ▶ _____			
<b>d</b> Term of hedge ▶ _____			
<b>42</b> If the issuer has superintegrated the hedge, check box . . . . . ▶ <input type="checkbox"/>			
<b>43</b> If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ▶ <input checked="" type="checkbox"/>			
<b>44</b> If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▶ <input checked="" type="checkbox"/>			
<b>45a</b> If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input checked="" type="checkbox"/> and enter the amount of reimbursement . . . . . ▶ <u>526,266</u>			
<b>b</b> Enter the date the official intent was adopted ▶ (MM/DD/YYYY) <u>07/24/2018</u>			

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
		Date <u>1-31-19</u>	▶ <b>John A. Ernst, Jr., Mayor</b> Type or print name and title	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed
	<b>Mae Charles Barnes</b>		<u>1/31/19</u>	<b>P01354786</b>
	Firm's name ▶ <b>Murray Barnes Finster LLP</b>	Firm's EIN ▶ <b>80-0084586</b>		
	Firm's address ▶ <b>3525 Piedmont Road NE, Suite 5-515, Atlanta, GA 30305</b>	Phone no. <b>678-999-0350</b>		

# The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

## BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

City of Brookhaven, Georgia

(Name of Issuer and Co-Issuer(s), if applicable)

5/22/2018

(Date)

**The Depository Trust Company**  
570 Washington Blvd, 4th FL  
Jersey City, NJ 07310  
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: (Note: Issuer shall represent one and cross out the other.)

~~incorporated in~~ formed under the laws of the State of Georgia.

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Very truly yours,

Note:  
Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

City of Brookhaven, Georgia

(Issuer)

By: 

(Authorized Officer's Signature)

John Ernst

(Print Name)

4362 Peachtree Road NE

(Street Address)

Brookhaven, Georgia, USA, 30319

(City) (State) (Country) (Zip Code)

(404) 637-0500

(Phone Number)

mayorandcouncil@brookhavenga.gov

(E-mail Address)

**DTCC**

BLOR 06-2013

**SCHEDULE A**  
(To Blanket Issuer Letter of Representations)

**SAMPLE OFFERING DOCUMENT LANGUAGE**  
**DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

## SCHEDULE A

(To Blanket Issuer Letter of Representations)

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

OFFICER'S CERTIFICATE OF THE PAYING AGENT,  
BOND REGISTRAR AND AUTHENTICATION AGENT

The undersigned officer of U.S. Bank National Association (the "Bank"), as Paying Agent, Bond Registrar and Authentication Agent under and pursuant to the Bond Resolution (hereinafter defined), DOES HEREBY CERTIFY that he has the authority to execute this certificate, and the undersigned DOES HEREBY FURTHER CERTIFY, as follows:

1. The Bank is a national banking association. Under the applicable laws of the United States and the State of Georgia, the Bank is authorized to perform its obligations under the resolution adopted by the City of Brookhaven, Georgia (the "City") on January 22, 2019 (the "Bond Resolution"), authorizing the issuance of the City's General Obligation Bonds, Series 2019 (the "Bonds") and execute, deliver and perform its obligations under the Paying Agent and Bond Registrar Agreement, dated as of January 1, 2019 (the "Paying Agent Agreement"), between the City and the Bank.

2. The Bank has received a certified copy of the Bond Resolution.

3. The Bank has duly authorized by all necessary corporate action the performance of its obligations under the Bond Resolution and the execution, delivery and performance of its obligations under the Paying Agent Agreement. The Paying Agent Agreement has been duly executed by the Bank and constitutes a legal, valid and binding obligation of the Bank, enforceable against the Bank in accordance with its terms.

4. The Bank has received the Bonds from the City and has, pursuant to the Authentication Order of the City, duly authenticated all of the Bonds and duly registered one Bond of each maturity in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") and is holding them on behalf of DTC.

5. The Bonds were authenticated by the Bank by persons who, at the time of affixing their signatures, were and still are officers of the Bank or duly authorized signatories of the Bank as indicated by the titles under their signatures, and said officers or signatories were and are duly authorized to authenticate the Bonds on behalf of the Bank.

5. All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the Bank as of the date hereof in connection with the performance of its obligations under the Bond Resolution and the execution, delivery and performance of its obligations under the Paying Agent Agreement have been obtained and remain in full force and effect.

6. The performance of its obligations under the Bond Resolution and the execution, delivery and performance of its obligations under the Paying Agent Agreement will not conflict with or constitute on the part of the Bank a violation of, breach of or default under (a) its articles or by-laws, (b) any constitutional provision, statute or order, rule or regulation of any court or governmental agency or body having jurisdiction over the Bank or any of its properties or (c) any material indenture, mortgage, lease, resolution, note agreement or other

agreement or instrument to which the Bank is a party or by which the Bank or any of its properties is bound.

7. There is no action, suit, proceeding, controversy or litigation of any nature pending or, to the knowledge of the Bank, threatened against or affecting the Bank before or by any court, public board or body, (i) questioning or contesting the existence of the Bank, the title of any of the present officers thereof to their respective offices or (ii) wherein an unfavorable decision, ruling or finding would have a material adverse effect on its ability to perform its obligations under Bond Resolution and the Paying Agent Agreement.

8. The Bank has performed all obligations on its part required to be performed under the Bond Resolution at or prior to the date hereof.

WITNESS my hand, this 31st day of January, 2019.

U.S. BANK NATIONAL ASSOCIATION

By: April Bright  
April Bright  
Assistant Vice President

(Certificate of Paying Agent, Bond Registrar and Authentication Agent)





**BALCH LAW GROUP**

**Christopher D. Balch**

830 Caroline Street, Suite 510-220

Atlanta, GA 30316

404.202.5934 FAX 678.228.1885

chris@balchlawgroup.com

www.balchlawgroup.com

January 31, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

U.S. Bank National Association, as paying  
agent  
Atlanta, Georgia

Robert W. Baird & Co., Inc.  
Red Bank, New Jersey

Murray Barnes Finister LLP  
Atlanta, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressees:

We have acted as counsel to the City of Brookhaven, Georgia (the "City") in connection with the authorization and issuance by the City of the above-captioned bonds (the "Bonds"). In such capacity, we have examined the following:

- (1) the bond resolution adopted by the City on January 22, 2019 (the "Bond Resolution");
- (2) the Bonds;
- (3) the Paying Agent and Bond Registrar Agreement, dated as of January 1, 2019 (the "Paying Agent Agreement"), between the City and U.S. Bank National Association, as paying agent;
- (4) the Continuing Disclosure Certificate, dated January 22, 2019 (the "Disclosure Certificate");
- (5) a certified copy of the transcript of the validation proceeding concluded in the Superior Court of DeKalb County, Georgia relating to the Bonds; and
- (6) the Preliminary Official Statement, dated January 15, 2019 (the "Preliminary Official Statement") and the Official Statement, dated January 22, 2019 (the "Official Statement"), relating to the Bonds.

# THE BALCH LAW GROUP

Re: Series 2019 Brookhaven General Obligation Bonds

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We have also examined and relied upon the original, certified, conformed or photographic copies of such other documents, records, agreements and certificates as we have considered necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. Capitalized terms used, but not defined herein, shall have the meanings assigned to them in the Official Statement.

We have not been engaged to undertake, nor have we undertaken, any investigation as to the (a) exclusion of interest on the Bonds from gross income for federal or State of Georgia income tax purposes, (b) exemption of the Bonds from the registration requirements of the Securities Act of 1933, as amended or (c) exemption of the Bond Resolution from the registration requirements of the Trust Indenture Act of 1939, as amended, and we express no opinion herein with respect thereto.

Based upon such examination, and such other examinations as we have deemed appropriate in rendering this opinion, we are of the opinion that as of this date:

(1) The City is a municipal corporation of the State of Georgia, properly created, organized and existing under the Constitution and laws of said State and has full legal right, power and authority to (a) adopt the Bond Resolution authorizing, among other things, the issuance of the Bonds, and perform its obligations thereunder; (b) issue, execute, deliver and perform its obligations under the Bonds; (c) execute, deliver and perform its obligations under the Paying Agent Agreement, the Custodial Agreement and the Disclosure Certificate (collectively, the "City Documents"); (d) use and distribute the Preliminary Official Statement and use, distribute and execute the Official Statement; (e) acquire, construct and equip the Projects (as defined in the Bond Resolution); (f) levy and collect an ad valorem tax, unlimited as to rate or amount, to pay the principal of and interest on the Bonds; and (g) carry out and consummate all of the transactions contemplated on its part by the Bond Resolution, the City Documents and the Official Statement. Items (a) through (g) above are collectively referred to herein as the "Transactions."

(2) The City has duly authorized all actions required to be taken by it in connection with the Transactions. The Bond Resolution has been duly adopted and remains in full force and effect and has not been amended, modified, revoked or rescinded.

(3) The Bonds have been duly executed and are the legal, valid and binding general obligations of the City payable from an ad valorem tax, without limitation as to rate or amount, levied on all property in the City subject to taxation for general obligation bond purposes. The City Documents have been duly executed and are the legal, valid and binding obligations of the City; provided, however that no opinion is given with respect to the enforceability of any indemnification provisions contained therein.

# THE BALCH LAW GROUP

Re: Series 2019 Brookhaven General Obligation Bonds

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(4) The City has levied an ad valorem tax upon all property in the City subject to taxation for general obligation bond purposes in an amount which will be sufficient to pay the principal of and interest on the Bonds as the same become due.

(5) The Bonds have been duly confirmed and validated by the judgment of the Superior Court of DeKalb County, Georgia, and no appeals are pending with respect to such decree of validation.

(6) The City has duly authorized the use and distribution of the Preliminary Official Statement, and the use, distribution and execution of the Official Statement. The Official Statement has been duly executed by the City.

(7) There is no action, suit, proceeding or investigation, at law or in equity, before or by any court, public board or body, pending or to the best of our knowledge threatened against or affecting the City (a) attempting to limit, enjoin or otherwise restrict or prevent the City from (i) issuing the Bonds, (ii) levying or collecting an ad valorem tax to pay the Bonds, or (iii) functioning; (b) contesting or questioning the existence of the City or the titles of the present officers of the City to their offices; or (c) wherein an unfavorable decision, ruling or finding would materially adversely affect the (i) tax-exempt status of the Bonds, (ii) enforceability of the Bond Resolution, the Bonds, the City Documents or any agreement or instrument to which the City is a party and which is used or contemplated for use in the carrying out or consummation of the Transactions, (iii) financial condition or results of operations of the City, (iv) powers of the City, (v) Transactions or (vi) security for the Bonds.

(9) All licenses, consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the City as of the date hereof in connection with the Transactions, have been duly obtained and remain in full force and effect, except that no representation is made as to compliance with any applicable state securities or “blue sky” laws.

(10) To our knowledge, the City is not in (i) breach of or default under any indenture, mortgage, lease, resolution, note agreement or other agreement or instrument known to us to which the City is a party or by which it or any of its property is bound (a “Contractual Requirement”) or (ii) violation of any constitutional provision, statute or order, rule or regulation of any court or governmental agency or body having jurisdiction over the City or any of its properties (a “Legal Requirement”), which breach or default or violation would in any way materially adversely affect the Transactions. To our knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default or violation.

(11) The Transactions will not result in a (i) breach of or default under any Contractual Requirement or (ii) violation of a Legal Requirement.

# THE BALCH LAW GROUP

Re: Series 2019 Brookhaven General Obligation Bonds

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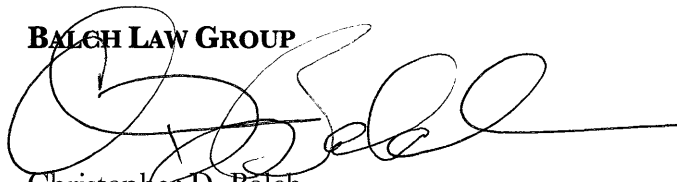
(12) As counsel to the City, we have rendered legal advice and assistance to the City in the course of the issuance of the Bonds. This assistance involved, among other things, discussions and inquiries concerning various legal matters, review of various documents relating to the offering and participation in the conferences during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed. While we do not pass upon or assume responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, nothing has come to our attention which causes us to believe that any portion of the Preliminary Official Statement or the Official Statement (other than the statistical and financial data included therein and the financial statements and related notes attached thereto as Appendix A and the information set forth under the heading “THE BONDS – Book-Entry Only System,” as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The enforceability of the Bond Resolution, the Bonds and the City Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors’ rights generally or principles of equity applicable to the availability of specific performance or other equitable relief.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Sincerely yours,

**BALCH LAW GROUP**

A handwritten signature in black ink, appearing to read "C. Balch", written over the printed name of Christopher D. Balch.

Christopher D. Balch  
Managing Member

# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

U.S. Bank National Association, as paying agent  
Atlanta, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressees:

We have acted as Bond Counsel and Disclosure Counsel to the City of Brookhaven, Georgia (the "City") in connection with the issuance by the City of \$38,855,000 in aggregate principal amount of its General Obligation Bonds, Series 2019 (the "Bonds"). In our capacity as Bond Counsel, we have examined certified copies of the transcripts of the validation proceedings concluded in the Superior Court of DeKalb County, Georgia with respect to the Bonds, the resolution of the City adopted on January 22, 2019 (the "Bond Resolution") and such other laws, documents, records, instruments and certificates of public officials as we have deemed necessary to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. All capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Bond Resolution.

The proceeds of the Bonds will be used to (a) finance City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

In rendering our opinion that the interest on the Bonds is excluded from the gross for federal income tax purposes, we have (a) relied as to questions of fact material to our opinion upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Bonds), without undertaking to verify the same by independent investigation and (b) assumed continued compliance by the City with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such certificates or representations or the failure of the City to comply with any of such covenants could cause interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance of the Bonds.

In our capacity as Bond Counsel, we express no opinion (a) with respect to the accuracy, completeness or sufficiency of the Official Statement or (b) as to compliance by the

City or the initial purchasers of the Bonds with any federal or state statute, regulation or ruling with respect to the sale or distribution of the Bonds.

Based on our examinations, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Bonds are valid and binding general obligations of the City payable from an ad valorem tax, without limitation as to rate or amount, levied on all property in the City subject to taxation for general obligation bond purposes.
2. The City has levied an ad valorem tax, without limitation as to rate or amount, on all property in the City subject to taxation for general obligation bond purposes in order to pay the principal of and interest on the Bonds as same become due.
3. The interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. We express no opinion regarding any other federal tax consequences arising with respect to ownership of the Bonds.
4. The interest on the Bonds is exempt from all present State of Georgia income taxes.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

MURRAY BARNES FINISTER LLP

By: 

A Partner

# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

U.S. Bank National Association, as paying  
agent  
Atlanta, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressees:


We have acted as Bond Counsel and Disclosure Counsel to the City of Brookhaven, Georgia in connection with the issuance of the above-captioned bonds (the "Bonds"). In our capacity as bond counsel, we have examined the Official Statement, dated January 22, 2019 (the "Official Statement"), relating to the Bonds, and such other documents, records, agreements, instruments and certificates of public officials as we have considered necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. Terms used and not otherwise defined herein shall have the meanings set forth in the Official Statement.

Based upon the examinations, certificates and provisions referred to above, we are of the opinion that as of the date hereof and under existing law, as follows:

1. No registration of the Bonds under the Securities Act of 1933, as amended, and no qualification of the Bond Resolution under the Trust Indenture Act of 1939, as amended, is required in connection with sale of the Bonds to the public.
2. We have reviewed the portions of the Preliminary Official Statement and the Official Statement appearing under the captions "THE BONDS" (other than the information under the caption "Book-Entry Only System," as to which we express no opinion) and "LEGAL MATTERS – Tax Exemption" and are of the opinion that the statements made under such captions fairly summarize the matters purported to be summarized therein. We express no further opinion regarding the accuracy of the Preliminary Official Statement or the Official Statement or their sufficiency for any purpose.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressees and their permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

MURRAY BARNES FINISTER LLP

By:  \_\_\_\_\_  
A Partner



# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

City of Brookhaven, Georgia  
Brookhaven, Georgia

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

To the Addressee:

We have acted as Bond and Disclosure Counsel to the City of Brookhaven, Georgia (the "City") in connection with the issuance of the above-captioned bonds (the "Bonds"). In our capacity as Disclosure Counsel, we have examined the Preliminary Official Statement, dated January 15, 2019 (the "Preliminary Official Statement") relating to the Bonds, the Official Statement, dated January 22, 2019 relating to the Bonds (the "Official Statement"), and such other documents, instruments and certificates of public officials as we have deemed necessary or appropriate to enable us to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all documents submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

We have rendered legal advice and assistance to the City in the course of its preparation of the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters and the review of the documents referred to above. We have also participated in conferences with your representatives and counsel during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed. The limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Official Statement are such, however, that we do not assume responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement.

On the basis of the information that was developed in the course of the performance of the services referred to above, considered in light of our understanding of the applicable law and the experience we have gained through our practice thereunder, we advise you that nothing came to our attention that caused us to believe that the Official Statement (other than the statistical and financial data included therein and in the Appendices thereto, including, without limitation, the financial statements and related notes and schedules attached thereto as Appendix A and the information set forth under the heading "THE BONDS – Book-Entry Only System" and in Appendix D, as to which we express no view) as of the date thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to

January 31, 2019

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make the statements made therein, in light of the circumstances under which they were made, not misleading.

We are members of the State Bar of Georgia. Our opinions herein are limited to the laws of the State of Georgia and any applicable federal laws of the United States. This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. This opinion is intended solely for the use of the addressee and its permitted successors and/or assigns and may not be relied upon by any other person for any purpose without our prior written consent in each instance. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

MURRAY BARNES FINISTER LLP

By: \_\_\_\_\_

A Partner



# DEBT ISSUANCE REPORT

Georgia Department of Community Affairs  
60 Executive Park South, N.E.  
Atlanta, Georgia 30329-2231



Chapter 82 of Title 36 of the Official Code of Georgia requires any municipality, county, local government authority, board or other commission empowered to enter into debt, which issues general obligation bonds, revenue bonds, or any other bond notes, certificates of participation, or other such obligations in an amount exceeding \$1 million, to file a report with the Department of Community Affairs.

Please complete this Report and save it to your hard drive. Please do not mail a hard copy.  
EMAIL a copy of your saved report to:  
debt.issuance@dca.ga.gov

[Use Proper Case (Upper/Lower); Do NOT type in all Upper Case.]

Legal Name of Entity Issuing Debt:

Entity Contact Person: Name  Entity Phone:

Date of Pricing:  Date of Issue:

Maturity Date:  (month/year only)

This Issue has varying maturity dates:  Yes (Change No to Yes if applicable)

Amount of Debt Issued:  (whole dollars only, no cents)

Select Type of Issue:   If OTHER, Specify:

Amount of Issuance Costs:  (whole dollars only, no cents)

Interest Rate:  (Change No to Yes if applicable)

This issue has variable interest rates:

This issue has multiple non-variable rates:

NOTE: If Multiple non-variable rates is YES, the Serial and Term Bonds Schedule must also be completed. (Use tab at bottom)

True Interest Percentage:

Purpose(s) for which debt was issued: (Change No to Yes where applicable)

- |  |  |  |
|--|--|--|
| <input type="text" value="No"/> Airport                  | <input type="text" value="No"/> Health care                      | <input type="text" value="No"/> Public buildings           |
| <input type="text" value="No"/> Education                | <input type="text" value="No"/> Highways, streets and drainage   | <input type="text" value="No"/> Public transit system      |
| <input type="text" value="No"/> Electric utility system  | <input type="text" value="No"/> Industrial revenue bonds         | <input type="text" value="No"/> Single family housing      |
| <input type="text" value="No"/> Enterprize Zone facility | <input type="text" value="No"/> Jails                            | <input type="text" value="No"/> Solid waste system         |
| <input type="text" value="No"/> Exempt facility bonds    | <input type="text" value="No"/> Law enforcement and corrections  | <input type="text" value="No"/> Telecommunications         |
| <input type="text" value="No"/> Fire protection          | <input type="text" value="No"/> Multi-family housing             | <input type="text" value="No"/> Water/sewer system         |
| <input type="text" value="No"/> Gas utility system       | <input type="text" value="Yes"/> Parks and recreation facilities | <input type="text" value="No"/> Other (must specify below) |

Recovery Zone Bond Allocation?  (Change No to Yes if applicable)

If YES, one of these two boxes MUST be "Yes":  
 Economic Development Bond  
 Facility Bond (Private Activity)  
(Only ONE may be YES)

Provide a detailed description of the purpose(s) of the debt:

The proceeds of the Bonds will be used to (a) finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment and real and personal property useful or desirable in connection therewith and (b) pay the costs of issuing the Bonds.

Beneficiary of Bond Proceeds IF different from Issuer:

Name of Lead Bond Underwriter:   
Name of Lead Bond Counsel:   
Sal First Name Middle Name Last Name Desig. (Jr., Sr., etc.)

Person Completing This Report:    
Title Email Address

Report Date:   
Firm Name Firm Phone  
   
Firm Mailing Address City State Zip



# DEBT ISSUANCE REPORT

Georgia Department of Community Affairs  
60 Executive Park South, N.E.  
Atlanta, Georgia 30329-2231



## Schedule of Serial and Term Bonds

	<b>Maturity Date</b>	<b>Type of Issue</b>	<b>Principal Amount</b>	<b>Interest Rate</b>
	(month/year)	Alternative Min. Tax or Non-Alternative Min. Tax (use dropdown list)	(whole dollars only)	(percentage)
1	07/2020	Non-Alternative Min. Tax	\$100,000	5.000%
2	07/2021	Non-Alternative Min. Tax	\$720,000	5.000%
3	07/2022	Non-Alternative Min. Tax	\$755,000	5.000%
4	07/2023	Non-Alternative Min. Tax	\$790,000	5.000%
5	07/2024	Non-Alternative Min. Tax	\$830,000	5.000%
6	07/2025	Non-Alternative Min. Tax	\$870,000	5.000%
7	07/2026	Non-Alternative Min. Tax	\$915,000	5.000%
8	07/2027	Non-Alternative Min. Tax	\$960,000	5.000%
9	07/2028	Non-Alternative Min. Tax	\$1,010,000	5.000%
10	07/2029	Non-Alternative Min. Tax	\$1,055,000	5.000%
11	07/2030	Non-Alternative Min. Tax	\$1,095,000	3.000%
12	07/2031	Non-Alternative Min. Tax	\$1,130,000	4.000%
13	07/2032	Non-Alternative Min. Tax	\$1,170,000	4.000%
14	07/2033	Non-Alternative Min. Tax	\$1,210,000	3.000%
15	07/2034	Non-Alternative Min. Tax	\$1,255,000	3.000%
16	07/2035	Non-Alternative Min. Tax	\$1,300,000	3.125%
17	07/2036	Non-Alternative Min. Tax	\$1,345,000	3.125%
18	07/2037	Non-Alternative Min. Tax	\$1,390,000	3.250%
19	07/2038	Non-Alternative Min. Tax	\$1,440,000	3.250%
20	07/2039	Non-Alternative Min. Tax	\$1,485,000	3.375%
21	07/2040	Non-Alternative Min. Tax	\$1,535,000	3.500%
22	07/2041	Non-Alternative Min. Tax	\$1,590,000	3.500%
23	07/2042	Non-Alternative Min. Tax	\$1,645,000	3.500%
24	07/2043	Non-Alternative Min. Tax	\$1,705,000	3.500%
25	07/2044	Non-Alternative Min. Tax	\$1,765,000	3.500%
26	07/2049	Non-Alternative Min. Tax	\$9,790,000	3.500%
27		Non-Alternative Min. Tax		
28		Non-Alternative Min. Tax		
29		Non-Alternative Min. Tax		
30		Non-Alternative Min. Tax		
31		Non-Alternative Min. Tax		
32		Alternative Min. Tax		
33		Alternative Min. Tax		
34		Alternative Min. Tax		
35		Alternative Min. Tax		
36		Alternative Min. Tax		
37		Alternative Min. Tax		
38		Alternative Min. Tax		
39		Alternative Min. Tax		
40		Alternative Min. Tax		

## Rachel Jones

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**From:** Jackson Lilly <jackson.lilly@dca.ga.gov>  
**Sent:** Monday, February 04, 2019 9:39 AM  
**To:** Rachel Jones  
**Subject:** CONFIRMATION OF RECEIPT -- DEBT ISSUANCE

Good Morning,

Thank you for submitting a Debt Issuance Report for City of Brookhaven, Georgia. Please retain this email as documentation that the Department of Community Affairs' Office of Research received from Murray Barnes Finister LLP via email a Debt Issuance Report for debt issued by City of Brookhaven, Georgia on the date and in the amount indicated below.

Date of Issuance: 1/31/2019

Amount Issued: \$38,855,000

If you have any questions or otherwise need assistance please feel free to contact me.

Thank you,

Jackson



*Learn more about our commitment to [fair housing](#).*



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### Jackson Lilly

Research and Planning Intern  
Georgia Department of Community Affairs  
60 Executive Park South, NE  
Atlanta, Georgia 30329

[jackson.lilly@dca.ga.gov](mailto:jackson.lilly@dca.ga.gov)

# MURRAY BARNES FINISTER LLP

3525 PIEDMONT ROAD • 5 PIEDMONT CENTER • SUITE 515 • ATLANTA, GEORGIA 30305

January 31, 2019

Mr. Steven G. Chapman II  
Chief Financial Officer  
City of Brookhaven, Georgia  
4362 Peachtree Road NE  
Brookhaven, GA 30319

Re: \$38,855,000 City of Brookhaven, Georgia General Obligation Bonds, Series 2019

Dear Steve:

Thank you again for allowing us to act as bond counsel and disclosure counsel to the City of Brookhaven (the "City") in connection with the issuance of the above-captioned bonds (the "Bonds"). The purpose of this letter is to (a) remind you of the City's post-closing obligations to provide continuing disclosure, to retain records and to comply with its policy with respect to tax-exempt debt (the "Tax Policy") and (b) advise you that our representation has terminated.

## Continuing Disclosure

In the Continuing Disclosure Certificate, the City agreed to provide updated operating and financial data annually (the "Annual Report") to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA") and to provide notices of certain events to EMMA (the "Event Notices"). The Annual Report must be filed not later than 270 days after the end of the fiscal year. The Event Notices must be filed almost immediately after the occurrence of the event (within 10 business days).

## Sinking Fund

Please be mindful that Article IX, Section V, Paragraph VI of the Georgia Constitution requires the City place the ad valorem taxes levied to pay the Bonds in a sinking fund to be used exclusively for paying the principal of and interest on such Bonds. It also requires that the City keep such moneys separate and apart from all other revenues collected by the City.

## Record Retention

In the Tax Certificate, the City agreed to retain all records relating to the Bonds in order to comply with Section 6001 of the Internal Revenue Code of 1986, as amended. These records should include, among other things, (a) basic records relating to the transaction (including the bond documents, the opinion of bond counsel, etc.), (b) documents evidencing expenditure of the Bond proceeds, (c) documentation evidencing the use of Bond-financed property by public and private entities (e.g., copies of management contracts, leases and research agreement) and (d)

documentation pertaining to any investment of Bond proceeds (including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments, actual investment income received from the investment of Bond proceeds, guaranteed investment contracts and rebate calculations). Such records must be maintained as long as the Bonds are outstanding, plus three years after the final payment or redemption date.

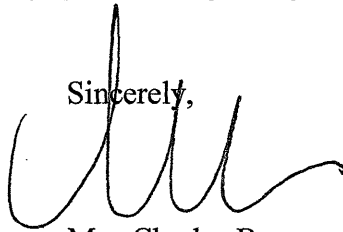
Tax Policy

In the Tax Policy, the City agreed to, among other things, (a) monitor private business use of property that was refinanced with the proceeds of the Bonds and take remedial action with respect thereto and (b) monitor compliance with the arbitrage, yield restriction and rebate requirements related to the Bonds and its other tax-exempt debt. The Tax Policy should be reviewed annually with staff.

Termination of Representation

Our insurance carriers require that we advise our client at the end of a transaction that our representation has ended. Accordingly, we are advising you that our representation of the City and the attorney-client relationship with the City concluded upon the issuance of the Bonds. However, do not hesitate to call us if you have any questions regarding the Bonds.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mae Charles Barnes', written in a cursive style.

Mae Charles Barnes

cc: Christopher D. Balch, Esq.

INDEX FOR CLOSING TRANSCRIPT

\$38,855,000  
City of Brookhaven, Georgia  
General Obligation Bonds, Series 2019

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The following documents were delivered by the parties indicated at the Closing held in the offices of Murray Barnes Finister LLP, Atlanta, Georgia, on January 31, 2019.

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PARTIES:

City:	City of Brookhaven, Georgia Brookhaven, Georgia
Underwriter:	Robert W. Baird & Co., Inc. Red Bank, New Jersey
Paying Agent, Bond Registrar and Authentication Agent:	U.S. Bank National Association Atlanta, Georgia
City's Counsel:	Balch Law Group Atlanta, Georgia
Bond and Disclosure Counsel:	Murray Barnes Finister LLP Atlanta, Georgia
Financial Advisor:	Davenport & Company, LLC Atlanta, Georgia



### BASIC DOCUMENTS

1. Certified copy of the Validation Transcript for the Bonds.
2. Specimen Bond.
3. Certified copy of the Bond Resolution adopted by the City on January 22, 2019.
4. Executed counterpart of the Paying Agent and Bond Registrar Agreement, dated as of January 1, 2019, between the City and the Paying Agent.

### UNDERWRITING DOCUMENTS

5. Executed counterpart of the Continuing Disclosure Certificate, dated January 22, 2019.
6. Preliminary Official Statement, dated January 15, 2019.
7. Official Statement, dated January 22, 2019.
8. Bids and Winning Bid.
9. Receipt for Bonds.
10. 15c2-12 Certificate of the City.
11. Rating Letters.

### CLOSING DOCUMENTS OF THE CITY

12. Authentication Order.
13. Incumbency Certificate.
14. Execution, Signature, No-Litigation and Officers' Certificate, with attached certificate of validation from the Superior Court of DeKalb County.
15. Tax and Non-Arbitrage Certificate.
16. Receipt for Bond Proceeds.
17. Certificate Designating Authorized Representatives.
18. IRS Form 8038-G.
19. DTC Letter of Representations.

CLOSING DOCUMENTS OF PAYING AGENT

20. Officer's Certificate of Paying Agent, Bond Registrar and Authentication Agent.

OPINIONS

21. Opinion of City's Counsel.
22. Opinion of Bond Counsel.
23. Supplemental Opinion of Bond Counsel.
24. Opinion of Disclosure Counsel.

MISCELLANEOUS

25. Debt Issuance Report.
26. Post-Closing Letter.