City Of

STATESBORO, GEORGIA









Comprehensive Annual Financial Report
For the Fiscal Year Ending June 30, 2013

City Of

STATESBORO, GEORGIA



Prepared by Cindy West, Finance Director and the Finance Department

Comprehensive Annual Financial Report

For the Fiscal Year Ending June 30, 2013

City of Statesboro, Georgia
Comprehensive Annual Financial Report
For The Year Ended June 30, 2013

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(Unaudited)

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Introduction

CITY OF STATESBORO

COUNCIL
Phil Boyum
Gary L. Lewis
William P. Britt
Travis L. Chance
John Riggs

Joe R. Brannen, Mayor
Frank Parker, City Manager
Sue Starling, City Clerk

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

December 20, 2013

To The Honorable Mayor, City Council,
and Citizens of the City of Statesboro:

The **Comprehensive Annual Financial Report (CAFR)** of the City of Statesboro, Georgia for the fiscal year ended June 30, 2013 is submitted herewith. This report was prepared by the City's Finance Department. Responsibility for the completeness and accuracy of the report rests with the City's management. We believe the data presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position, results of operations and cash flows of the City as measured by the financial activity of its various funds; that the statements and underlying financial data have been prepared in conformity with generally accepted accounting principles (GAAP) and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

City management's narrative on the financial activities of the City for the fiscal year ended June 30, 2013, is included in the Management's Discussion and Analysis (MD&A) section of this report, immediately following the independent auditor's report. The letter of transmittal is written to compliment the MD&A and the financial statements, and should be read from that perspective and in conjunction with all other CAFR sections.

PROFILE OF THE CITY

The City of Statesboro was created by an act of the General Assembly of the State of Georgia on December 19, 1803. The City operates under the Council/Manager form of government, providing the following services as authorized by its charter: public safety (police and fire), streets and drainage, community development, community services and general administrative services. The City also operates three public utilities (a water and sewer system and a natural gas distribution system) and provides sanitation collection and disposal services. The City and Bulloch County jointly operate a transfer station for transport of solid waste and an inert landfill.

The City reports a 2012 estimated population of 29,779, which is based upon the 2012 Statesboro, Georgia Population History Facts. This is less than 1% of the total State of Georgia population. 35.3% of the Bulloch County population lives below the federal poverty level as compared to 14.7% in the State of Georgia. However, this number is impacted by the fact that 20,574 university

students, when filling out census forms, do not have significant earned income. Georgia Southern University's Bureau of Business Research and Economic Development in a recent study confirmed that the non-student population has a much higher per capita income than the census for this reason; and, the university student population has a considerable amount of disposable income, though little earned income, as they are predominantly supported financially by parents.

The City of Statesboro is the county seat of Bulloch County, Georgia, located in the southeastern corner of the state. It is included on the southern leg of the Savannah River Parkway, a four-lane connector between Savannah and Augusta. It is located 53 miles west of Savannah, 76 miles south of Augusta, 121 miles east of Macon, 144 miles southwest of Charleston, SC, 168 miles north of Jacksonville, FL, and 199 miles southeast of Atlanta. Statesboro is 10 miles from Interstate 16, and is located on US Highways 301, 80, and 25, and State Routes 73, 46, 67, and 24.

The City is approximately 15.22 square miles with an average elevation of 240 feet above sea level, the terrain being mostly flat. The climate is seasonal, but moderate, with mild winters and warm, humid summers. The average high is 58 degrees in January and 91 degrees in July. The average annual rainfall is 47.0" and the relative humidity is 53% in January and 75% in July.

Statesboro is served by the Heart of Georgia Railway Company and numerous common freight carriers. The City and Bulloch County jointly own the Statesboro Municipal Airport that is located approximately 30 minutes from Interstate 16. It is 45 minutes from the Savannah/Hilton Head International Airport, which is serviced by 6 major airlines. The City of Statesboro also is located approximately fifty miles from the Georgia Ports Authority's Savannah terminal, and is within a reasonable distance of the ports of Charleston, Beaufort, Brunswick, and Jacksonville.

There are three institutions of higher learning located in the greater Statesboro area: Georgia Southern University (GSU) within the city limits, and Ogeechee Technical College, and East Georgia State College located just outside the city on US Highway 301 South. Accredited by the Southern Association of Colleges and Schools and Georgia's largest and most comprehensive center of higher education south of Atlanta, Georgia Southern offers more than 124 undergraduate and graduate degree programs through the doctoral level in its nine Colleges. The University's 20,574 students come from 49 U.S. states and 92 nations.

East Georgia State College-Statesboro (EGSC-S) provides students an opportunity to complete college level course work and transfer to another university-level institution or state college to complete their chosen degrees. EGSC-S students are able to take advantage of many of the benefits of Georgia Southern University, including library use, cultural events, campus meal plans, intramural sports, fitness extension facilities, athletic tickets, marching band, and more. Students attending EGSC-S are also eligible to enroll in health and physical education classes through Georgia Southern University.

Ogeechee Technical College is accredited by the Commission of the Council on Occupational Education and adheres to statewide curriculum standards established by the Georgia Department of Technical and Adult Education. OTC offers 105 programs of study including 30 diploma programs, 50 certificate programs, and 19 Associate degrees in conjunction with Georgia Southern University and East Georgia State College. There are 15 public schools, 3 private and parochial

schools, and 1 charter school in Bulloch County educating the county's 9,858 students. A total of 497 seniors graduated from these schools in 2012.

Statesboro is a leader in health care in southeast Georgia with East Georgia Regional Medical Center, a 150-bed hospital, employing approximately 716 staff and 75 physicians representing a wide range of specialties. The hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations, a distinction that is awarded only to those healthcare facilities that maintain the highest standards of quality.

The City is served by 6 local radio stations, WHKN, WMCD, WPMX, WPTB, WWNS and WVGS, and one daily newspaper, the *Statesboro Herald*. In addition, the *Savannah Morning News* reports on the news in Statesboro. Statesboro is covered locally by Northland Cable TV, which is located in the city. The City of Statesboro, Georgia Southern University, and Northland Cable TV have partnered to provide the community with a local government access channel, operated by the Communication Arts Department of GSU. Three television stations in Savannah also cover Statesboro regularly: WTOC (CBS), WJCL (ABC), and WSAV (NBC).

The City has 120 miles of roads of which 119 are paved. Natural gas is sold to 3,686 customers while water and sewer service is provided by the City to over 13,000 customers with an average daily water consumption of 2.79 million gallons. Statesboro has 187 miles of sanitary sewer and 221.5 miles of water mains with 1,503 fire hydrants. The City maintains a Class 3 ISO rating with 2 fire stations.

Utilities are provided by the following within the City:

City of Statesboro	Water and Sewer, Sanitation and Natural Gas
Excelsior EMC	Electricity
Georgia Power Company	Electricity
Frontier Communications	Telecommunications
Bulloch Rural Telephone	Telecommunications
Northland Cable TV	Telecommunications

ECONOMIC CONDITION AND OUTLOOK

Statesboro has an economy comprised of an industrial base, a growing university, expanding retail activity, and a regional medical center. The City has a highly diversified economy with several major industries located in the area and is a regional shopping center and health care provider for eight surrounding Georgia counties (Effingham, Screven, Jenkins, Emanuel, Candler, Evans, Tattnall, and Toombs).

The 2012 Statesboro per capita income was $12,261 or 46.5% of the State of Georgia per capita income. Per capita income is total personal income (including wages, dividends, interest, rent, and government payments) divided by the total population. It is commonly used as an indicator of the quality of consumer markets and the economic wellbeing of a community. As noted above, this figure is actually skewed lower by the high number of university students who do not report earned income, but have considerable disposable income.

The area offers many educational and vocational opportunities that provide a competitive advantage for a strong workforce. The October 2013 unemployment rate was 12.1%, above the

State of Georgia at 8.7% and the national rate of 7.3%. Approximately 29.2% of the Bulloch County civilian labor force is employed by the government sector including one of the City's largest employers, Georgia Southern University. Other government employers include Bulloch County, Bulloch County Board of Education, Ogeechee Technical College, and the City of Statesboro. Major private sector employers in the City include East Georgia Regional Medical Center and Wal-Mart Supercenter.

The City and County are experiencing moderate growth with the City approving 183 new building permits in 2012, and 155 in 2013. The cost of housing in Bulloch County is among the lowest in the nation. The average residential sales price is $152,000. The median value of owner occupied units was $104,900.

MAJOR INITIATIVES

For The Year. In FY 2013**,** The Engineering Department expended $1,466,546 in SPLOST funds to finance drainage improvements, street repaving, street striping and installation and repairs of sidewalks.

SPLOST dollars totaling $2,106,650 were expended to purchase police vehicles and a new aerial and pumper for the fire department.

The City's Water and Sewer Department expended $3,495.805 in SPLOST funds to finance emergency sewer line repairs, emergency well repairs, and water and sewer extensions.

The City of Statesboro entered into an agreement with Georgia Southern University for a Shooting and Sports Education Center. The City's funding portion will come from a 1% increase in Hotel/Motel Taxes. The City asked the State legislature to increase the Hotel/Motel Taxes from 5% to 6%.

For The Future. A 2013 SPLOST initiative approved in November 2012, will provide the City with an estimated $23.1 million in funding for capital projects for FY 2014 - FY 2019.

For FY 2014, the Engineering Department has budgeted $945,000 for street striping, sidewalk repairs, drainage improvements, storm water projects, street repaving, intersection improvements and traffic signal improvements.

Public Safety has budgeted $522,000 for police vehicles and conversions, personal protection equipment, small tools and equipment, and an addition to the fire station.

The Water and Sewer Department has budgeted $2,400,000 for water and sewer rehab projects, extension of water and sewer lines to unserved areas and to upgrade meters to a Flex Net Radio read system.

The Solid Waste Disposal fund has $310,000 of SPLOST dollars budgeted for equipment replacement.

In FY 2014, landfill closure/post-closure expenses and air rights in the Wayne County Landfill will continue to be funded by 2013 SPLOST in the amount of $1,346,875.

FINANCIAL INFORMATION

In developing and evaluating the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial statements, and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of 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. We believe that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

The City's accounting records for general governmental operations are maintained on a modified accrual basis and reported on the same basis at the fund financial reporting level. However, at the government-wide financial reporting level, these activities are presented on the accrual basis.

The City's enterprise funds account for the cost of services using an "economic resources" measurement focus. This means that all assets and liabilities (whether current or non-current) associated with the funds are included on their balance sheets. Their operating statements present increases (revenues) and decreases (expenses) in net total assets. The accrual basis of accounting is used for the proprietary funds.

Budgeting Controls. Budgets have been adopted and appropriated at the fund level for each City governmental fund. Budgetary control is maintained at the line-item level by the rendering of monthly reports of revenues and expenditures. Major variances between budget and actual are reviewed monthly with the City Council on an exceptions basis. Unexpended appropriations lapse at year-end for budgetary purposes and are subject to reappropriation in the following year.

Long-term Financial Planning. The City of Statesboro maintains a flexible, yet thorough five year capital improvement plan whereby capital needs are identified several years before funding and implementation, to allow adequate time for planning. This plan also provides for the orderly replacement of facilities and equipment. The City's current five year plan has identified $58,151,438 in projected expenditures through FY 2019. In FY 2014, the City has budgeted $8,993,083 in projected expenditures, with $2,860,000 being funded from the 2007 Special Purpose Local Option Sales Tax and $2,475,000 being funded from the 2013 Special Purpose Local Option Sales Tax. The projects funded from the 2007 and 2013 SPLOST include $945,000 in street and drainage projects, $882,000 for fire equipment and station renovations, $390,000 for police vehicles and equipment, $2,400,000 for water and sewer projects, $310,000 for solid waste equipment, and $1,346,875 for solid waste disposal projects.

OTHER INFORMATION

Independent Audit. State law requires annual audits of the accounting records by independent certified public accountants selected by the City Council. This requirement has been met, and the auditor's opinion is included in this report. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes 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 presentation. The auditor's examination encompassed the basic financial statements for the fiscal year ended June 30, 2013.

Awards. In 2013, the City received the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. A Certificate of Achievement for Excellence in Financial Reporting is a prestigious national award presented by the Government Finance Officers Association of the United States and Canada to government units whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting, A government must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This is the ninth consecutive year the City has received this award.

Also in 2012, the City received the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2012 from the Government Finance Officers Association of the United States and Canada (GFOA). This award is the highest form of recognition in governmental budgeting. It is presented to governments whose budgets adhere to program standards and its attainment represents significant achievement by the organization in providing a budget document that clearly presents financial, accounting, and policy information. In order to receive this award a government must publish a budget document which meets program criteria as a policy document, financial plan, operations guide, and as a communications device. This is the ninth consecutive year the City has received this award. Both the Certificate of Achievement and the Distinguished Budget award are valid for a period of one year.

Acknowledgments. We wish to express our gratitude and appreciation to the members of the staff of the City of Statesboro Finance Department for their assistance and support in the preparation of this report. We wish to acknowledge the guidance and technical support provided by our independent auditors, Thigpen, Lanier, Westerfield & Deal.

Respectfully submitted,

Frank C. Parker, III
City Manager

Cindy S. West
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Statesboro

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

CITY OF STATESBORO, GEORGIA
MAYOR AND COUNCIL

Joe R. Brannen
Mayor



In office since September 1998
Current term expires December 2013

Phil Boyum
District 1



In office since 2013
Current term expires December 2013

Gary L. Lewis
District 2



In office since January 1998
Current term expires December 2015

William P. Britt
District 3



In office since January 2004
Current term expires December 2015

John Riggs
District 4



In office since January 2010
Current term expires December 2013

Travis L. Chance
District 5

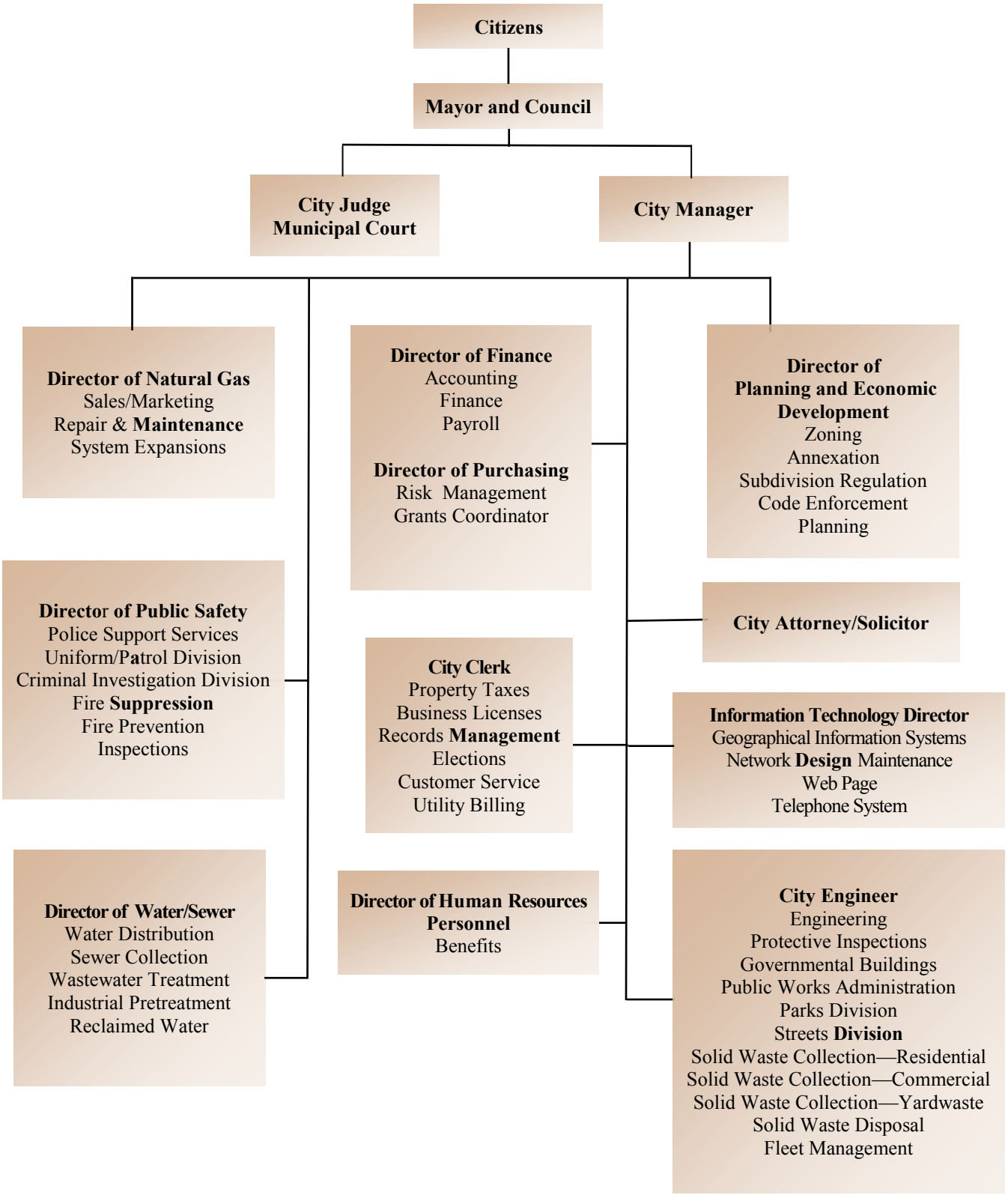


In office since January 2008
Current term expires December 2015

CITY OF STATESBORO, GEORGIA
APPOINTED PRINCIPAL OFFICIALS
As of June 30, 2013

NAME	POSITION	LENGTH OF TIME WITH CITY
Frank Parker	City Manager	3 years
Cindy West	Finance Director	16 years
Sue Starling	City Clerk	23 years
Alvin Leaphart	Staff Attorney	18 months
Robert Cheshire	City Engineer/Public Works Director	17 years
Wendell Turner	Public Safety Director	20 years
Steve Hotchkiss	Natural Gas Director	22 years
Mandi Cody	Director of Planning & Development	4 years
Wayne Johnson	Water/Wastewater Director	31 years
Bryant Tatum	Information Technology Director	5 years
Jeff Grant	Human Resources Director	3 years

ORGANIZATIONAL CHART FOR THE CITY OF STATESBORO





Financial

THIGPEN, LANIER, WESTERFIELD & DEAL

CERTIFIED PUBLIC ACCOUNTANTS
201 SOUTH ZETTEROWER AVENUE
P.O. BOX 505
STATESBORO, GEORGIA 30459
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MARSHALL R. THIGPEN, CPA
WILLIAM RUSSELL LANIER, CPA
JOSEPH S. WESTERFIELD, CPA
RICHARD N. DEAL, CPA

KAY S. PROCTOR, CPA
LEE ANN LANE, CPA
JENNIFER GROOMS, CPA
MEREDITH S. BARFIELD, CPA
BRANDI ODOM, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Statesboro, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Statesboro, Georgia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Statesboro, Georgia, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Statesboro Fire Service Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 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 City of Statesboro, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, schedule of SPLOST expenditures, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013, on our consideration of the City of Statesboro, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Statesboro, Georgia's internal control over financial reporting and compliance.

Thigpen, Lanier, Waterfield & Deal

Statesboro, GA
December 20, 2013



Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Statesboro, Georgia's (the City's) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2013. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The City had total net position (assets exceeded liabilities) of $72,808,371 at 2013 fiscal year-end. That is $4,300,303 or 6.3%, higher than the total net position of $68,508,068 at 2012 fiscal year-end . Fiscal year 2012 had seen a $2,614,913 or 4.0%, increase in total net position.

- Total net position is comprised of the following:

  (1) Capital assets, net of related debt, of $60,184,167 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets. The figure for fiscal year 2012 was $55,422,435. That is an increase of $4,761,732 or 8.6% . There was an increase of $2,722 for fiscal year 2012.

  (2) Net position of $7,596,739 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations. That is $1,867,070, or 19.7%, less than the fiscal year 2012 amount of $9,463,809. That was $2,230,643 (or 30.8%) more than fiscal year 2011's $7,233,166. The decrease in restricted net position is a result of the $1,780,152 decrease in 2007 SPLOST funds that were spent primarily on construction projects for roads and water and sewer in fiscal year 2013.

  (3) Unrestricted net position of $5,027,465 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is a $1,405,641 (or 38.8%) increase over the fiscal year 2012 total of $3,621,824. That amount was a $381,548 (or 11.8%) increase over fiscal year 2011's figure of $3,240,276. FY 2011 had seen a $1,435,442 (or 79.5%) increase over FY 2010's amount. In fiscal year 2013, unrestricted net position for business-type activities increased by $1,238,231 or 30.7%. The unrestricted net position for the governmental activities in fiscal year 2013 increased by $167,410.

- The City's governmental funds reported total ending fund balance of $7,353,015, compared to $9,234,981 in fiscal year 2012. This is a $1,881,966 (or 20.4%) decrease. The primary reason is a decrease in fund balance in the 2007 SPLOST fund. The fiscal year 2012 ending fund balance for governmental funds showed an increase of $2,611,024(or 39.4%).

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $313,505. That compares to $290,475 for fiscal year 2012 and ($33,145) for fiscal year 2011.

  The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position.* This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference between them reported as *net position.*

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other non-financial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities,* which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales and property taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, and public works. Business-type activities include the natural gas distribution system, the water and wastewater systems, and the solid waste collection and disposal systems.

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

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all other (non-major) funds are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City has two kinds of funds:

1. Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15-21 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

2. Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds. These enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for gas, water and wastewater utilities; and for solid waste collection and disposal systems.

The basic enterprise fund financial statements are presented on pages 22-25 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 26 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying note disclosures, this report also presents certain required supplementary information concerning the City's budget presentations. The budgetary comparison statement is included as a basic financial statement for the General Fund and the Statesboro Fire Service Fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget. During the fiscal year, the Mayor and City Council adopted by resolution four budget amendments, or revisions, to the original budget resolution.

As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in this section of this report beginning on page 50.

Financial Analysis of the City as a Whole

The City's net position at fiscal year 2013 were $72,808,371, compared to the fiscal year 2012 figure of $68,508,068. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total		Percentage of Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Assets:								
Current assets	$ 9,908,039	$ 11,180,948	$ 7,624,173	$ 6,647,135	$ 17,532,212	$ 17,828,083	18%	19%
Capital assets	26,751,158	24,905,332	50,491,494	45,137,222	77,242,652	70,042,554	77%	74%
Other Noncurrent assets	-	-	5,058,558	6,607,007	5,058,558	6,607,007	5%	7%
Total Assets	36,659,197	36,086,280	63,174,225	58,391,364	99,833,422	94,477,644	100%	100%
Liabilities:								
Current liabilities	2,362,041	1,996,355	2,435,311	2,450,784	4,797,352	4,447,139	18%	17%
Long-term liabilities	3,544,928	2,150,318	18,682,771	19,372,119	$ 22,227,699	21,522,437	82%	83%
Total Liabilities	5,906,969	4,146,673	21,118,082	21,822,903	27,025,051	25,969,576	100%	100%
Net Position:								
Net Investment in capital assets	24,191,592	23,678,952	35,992,575	31,743,483	60,184,167	55,422,435	83%	81%
Restricted	6,805,546	8,672,975	791,193	790,834	7,596,739	9,463,809	10%	14%
Unrestricted	(244,910)	(412,320)	5,272,375	4,034,144	5,027,465	3,621,824	7%	5%
Total net position	$ 30,752,228	$ 31,939,607	$ 42,056,143	$ 36,568,461	$ 72,808,371	$ 68,508,068	100%	100%

The current ratio divides the current assets by the current liabilities, and is an indication of the ability to pay current obligations. For fiscal year 2013, the current ratio for governmental activities is 4.2 and 3.1 for business type activities. For fiscal year 2012, the current ratio for governmental activities was 5.6, and for business type activities 2.7. For the City, overall, the current ratio for fiscal year 2013 is 3.7, compared to 4.0 for fiscal year 2012. For fiscal year 2011, the current ratio for governmental activities was 4.7 and for business type activities 2.8. For the City, overall, the current ratio was 3.7.

Net position for fiscal year 2013 decreased by $1,187,379 for governmental activities, and increased by $5,487,682 for business-type activities. Net position for fiscal year 2012 increased by $1,708,145 for governmental activities and by $906,768 for business type activities.

Note that in fiscal year 2013, 78.7%, and in fiscal year 2012, 74.1% of the governmental activities' net position were invested in capital assets. On the business type activities, the City has spent 85.6% of its net position in fiscal year 2013, and 86.8% in fiscal year 2012 on capital assets. This is not unusual, as the business type activities are primarily utilities, which are very capital-intensive operations. Expansion of these systems is necessary for the continued growth of the City and for its financial position, as these utility systems generate considerable revenues for all the City's operations. 82.7% in fiscal year 2013, and 80.9% in fiscal year 2012 of the City's total net position were included in capital assets.

The following table provides a summary of the changes in net position, with comparative data for both fiscal years 2013 and 2012:

Summary of Changes in Net Position

	2013				2012			
	Governmental Activities	**Business Activities**	**Total**	**Percentage of Total**	**Governmental Activities**	**Business Activities**	**Total**	**Percentage of Total**
Revenues:								
Program:								
Charges for services	$ 3,490,474	$ 20,080,002	$ 23,570,476	61%	$ 3,500,680	$ 18,045,880	$ 21,546,560	60%
Operating grants	127,208	-	127,208	0%	196,009	-	196,009	1%
Capital grants and contributions	5,659,290	720,091	6,379,381	16%	5,258,521	209,551	5,468,072	15%
General:						-		
Taxes	8,482,517	-	8,482,517	22%	8,497,318		8,497,318	24%
Other	65,902	264,161	330,063	1%	56,398	123,247	179,645	0%
Total revenues	17,825,391	21,064,254	38,889,645	100%	17,508,926	18,378,678	35,887,604	100%
Program Expenses:								
General government	1,961,130	-	1,961,130	6%	1,934,250	-	1,934,250	6%
Municipal court	567,964	-	567,964	2%	556,554	-	556,554	2%
Public safety	9,098,016	-	9,098,016	26%	9,119,780	-	9,119,780	27%
Public works	2,732,868	-	2,732,868	8%	2,807,901	-	2,807,901	8%
Community development	864,315	-	864,315	3%	622,364	-	622,364	2%
Parks and cemetries	442,998	-	442,998	1%	427,882	-	427,882	1%
Engineering	439,610	-	439,610	1%	437,128	-	437,128	1%
Planning and zoning	308,038	-	308,038	1%	273,996	-	273,996	1%
Community services	264,449	-	264,449	1%	269,663	-	269,663	1%
Interest	22,064	-	22,064	0%	27,512	-	27,512	0%
Water and sewer	-	8,695,892	8,695,892	25%	-	8,177,825	8,177,825	24%
Reclaimed water system	-	23,376	23,376	0%	-	21,359	21,359	0%
Gas	-	3,718,441	3,718,441	11%	-	3,528,771	3,528,771	11%
Solid waste collection	-	2,339,949	2,339,949	7%	-	2,183,140	2,183,140	7%
Solid waste disposal	-	2,931,680	2,931,680	8%	-	2,884,566	2,884,566	9%
Total expenses	16,701,452	17,709,338	34,410,790	100%	16,477,030	16,795,661	33,272,691	100%
Excess (deficiency)	1,123,939	3,354,916	4,478,855		1,031,896	1,583,017	2,614,913	
Transfers	(2,311,318)	2,311,318	-		676,249	(676,249)	-	
Change in net position	(1,187,379)	5,666,234	4,478,855		1,708,145	906,768	2,614,913	
Beginning net position	31,939,607	36,389,909	68,329,516		30,231,462	35,661,693	65,893,155	
Ending net position	$ 30,752,228	$ 42,056,143	$ 72,808,371		$ 31,939,607	$ 36,568,461	$ 68,508,068	

GOVERNMENTAL REVENUES

Bulloch County (including the City of Statesboro) is one of only eight counties out of 159 in Georgia that do not receive any of the 1% Local Option Sales Tax (LOST). A local Constitutional Amendment was passed by the Georgia General Assembly in the 1981 Session (Georgia Laws, 1981, p. 1931) which called for a referendum on the question of whether or not the local option sales tax should go to the Bulloch County Board of Education, with a dollar for dollar reduction in the school property tax. (Boards of Education in Georgia are limited to a maximum millage rate of 20.) The referendum passed on November 2, 1982. Since that time, this money has gone to the Board of Education. Since most Georgia counties and cities negotiate a formula to distribute this sales tax among the county and city governments in that county, this puts both the City of Statesboro and Bulloch County government at a

distinct disadvantage relative to almost all the other cities and counties in the state. It means that we have to rely more heavily on the local property tax and user fees than these other cities and counties. For example, if the City and County had equally split this approximately $9,872,925 in local option sales taxes in fiscal year 2013, the City would have had $4,936,462 in additional revenue. That is more than the City collected in property taxes. In effect, the City could have done away with its property tax levy totally if not for this local legislation and referendum in the early 1980's.

However, the City of Statesboro and Bulloch County (and the other cities in the county) do share the proceeds of a 1% Special Purpose Local Option Sales Tax (SPLOST), which has passed referendums in both 2006 for a six-year term and in 2012 (beginning collections in 2013) for a six-year term. In fiscal year 2013, sales taxes of $5,201,773 out of $17,786,414 in total governmental funds revenues, or 29.2%, were received from the 2007 SPLOST. $5,151,536 in 2007 SPLOST funds was transferred to the business-type funds for capital projects (water and sewer and solid waste collection and disposal systems). Similarly, in fiscal year 2012, $5,174,194 in sales taxes represented 29.5% of the $17,524,083 in governmental funds revenues.

The City is heavily reliant on taxes to support governmental activities operations. In total, taxes make up 47.6% of revenues as compared to 48.5% in fiscal year 2012. Property taxes provided $3,816,182 or 21.4% of the City's total governmental activities revenue as compared to 22.1% in fiscal year 2012.

Also, note that program revenues covered 55.5% in fiscal year 2013, and 54.3% in fiscal year 2012 of governmental operating expenses. This means that the government's taxpayers and the City's other general revenues funded the remaining 44.5% in fiscal year 2013, and 45.7% in fiscal year 2012 of the governmental activities. As this document, the general economy and the local businesses have a major impact on the City's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety function comprises 54.5% of the City's total governmental activity expenses and 26.4% of the total City expenses in fiscal year 2013. In fiscal year 2012, the figures were 55.3% and 27.4% respectively. In fiscal year 2013, general government totaled 11.7% of the total governmental activity expense, and 5.7% of the total City expenses. In fiscal year 2012, general government totaled 11.7% of the total governmental activity expenses, and 5.8% of the total City expenses. Of the total $16.7 million of governmental expenses, depreciation is 12.7% of that total. In fiscal year 2012, the numbers were $16.5 million and 11.9% respectively.

The following table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

	Governmental Activities			
	2013		2012	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	$ 1,961,130	$ 1,282,221	$ 1,934,250	1,277,692
Municipal Court	567,964	567,964	556,554	556,554
Public Safety	9,098,016	5,562,589	9,119,781	5,369,253
Public Works	2,732,868	(1,747,283)	2,807,901	(1,351,417)
Community Development	864,315	864,315	622,364	609,505
Parks and Cemeteries	442,998	442,998	427,882	427,882
Engineering	439,610	(42,875)	437,128	61,181
Planning and Zoning	308,038	308,038	273,996	273,996
Community Services	264,449	164,449	269,663	269,663
Interest	22,064	22,064	27,512	27,512
Total	$ 16,701,452	$ 7,424,480	$ 16,477,031	7,521,821

For fiscal year 2013 and 2012, all functions required a subsidy from general revenues except for public works and engineering. In fiscal year 2013 and 2012, $4,170,522 and $4,159,318, respectively, in SPLOST revenue received from the County was included in program revenue for public works.

BUSINESS-TYPE ACTIVITIES

Revenues vs. Expenses

For fiscal year 2011, the operating revenues for utility funds were 4.1% higher than 2010 and operating expenses were .7% higher than fiscal year 2010. Within the total business type activities of the City, these activities reported $3,102,868 in operating income, or an increase of 26% compared to fiscal year 2010. After transfers in and out between other funds, these funds reported a gain of $1,465,081, or an increase of $199,528, compared to fiscal year 2010. The primary reason for this increase was an increase in rates for services in the enterprise funds.

For fiscal year 2012, operating revenues for utility funds were 4% lower than 2011 and operating expenses were 1.6% higher than fiscal year 2011. Within the total business type activities of the City, these activities reported $2,104,934 in operating income, or a decrease of 32.2% compared to fiscal year 2011. After transfers in and out between other funds, these funds reported a gain of $916,004 or a decrease of $549,077, compared to fiscal year 2011. The primary reason for this decrease was a decrease in tap fees due to less development.

For fiscal year 2013, operating revenues for utility funds were 10.9% higher than 2012 and operating expenses were 7.5% higher that fiscal year 2012. Within the total business type activities of the City, have activities reported $2,873,872 in operating income, or an increase of 36.5% compared to fiscal year 2012. After transfers in and out between other funds, these funds reported a gain of $5,419,524 or an increase of $4,503,520, compared to fiscal year 2012. The primary reason for this increase was a $3,279,667 increase in transfers from the 2007 SPLOST fund for capital projects.

Each specific fund reported the following operating income or loss:

	2013		2012	
	Amount	Percent Change	Amount	Percent Change
Water and Sewer Fund	$ 1,405,036	14.6%	$ 1,226,116	(45.4) %
Reclaimed Water/Sewer Fund	$ 3,230	(32.6) %	$ 4,790	371%
Gas Fund	$ 1,409,992	30.2%	$ 1,082,978	3%
Solid Waste Collection Fund	$ 848,166	19.2%	$ 711,720	(6.9) %
Solid Waste Disposal Fund	$ (792,552)	13.9%	$ (920,670)	4%

The operating income for the water and sewer fund increased by 14.6% in fiscal year 2013. This is primarily due to an increase in tap fees for both water and sewer. The City had three new apartment complexes built during the fiscal year.

The gas fund's operating income increased by 30.2% over fiscal year 2012 primarily due to the City implementing a "floor" in its pricing of Natural Gas.

The solid waste collection fund's operating income increased 19.2% due to an increase in rates.

Finally, the solid waste disposal fund's operating loss decreased by 13.9% from fiscal year 2012. A rate increase is the prmary reason for the increase. The revenues do not cover all expenses, and SPLOST Funds is therefore used to make up the difference.

The City transfers resources from its enterprise funds to the general fund for the following reasons:

- Since the City does partial indirect cost allocation, the transfers help cover the General Fund's indirect costs that could be charged to the enterprise funds as indirect costs. These costs include the various staff divisions, such as personnel, finance, purchasing, and records, as well as part of the City Manager's time.

- If these enterprise funds were privately owned, the City would be entitled to a franchise fee equal to 5% of the gross revenues, similar to CATV, electricity, or telephone service providers. These transfers offset some of these costs.

- If these enterprise funds were privately owned, the City would be entitled to property taxes on the property in service, net of accumulated depreciation, similar to CATV, electricity, or telephone service providers. These transfers are made in lieu of property taxes.

- If these enterprise funds were privately owned, their approved rate tariffs would include a reasonable return on shareholder equity. Since the City's taxpayers are in fact the investors who started and financed these operations, they are being rewarded with a comparable return on equity in the form of lower property taxes. This return can be made while still maintaining retail rates that are at or below the surrounding market prices offered by private utility companies. For example, the City's natural gas system rates are considerably lower than any investor-owned utility or private gas marketer in our geographic area.

- Hosting a sizable regional university, as well as being the county seat, results in a considerable amount of state and county property not being subject to property taxation. However, services such as police, fire, street repair and cleaning, and traffic signalization must be provided and expanded as needed, and must be funded from general revenues. Transfers from the enterprise funds help offset this burden, while sharing it more equitably among all citizens and institutions.

The solid waste disposal fund recognized a transfer in from the 2007 SPLOST fund of $1,576,852 in fiscal year 2013, which was used for the purchase of landfill space (air rights) in the Wayne County Solid Waste Landfill and for post-closure costs for our Lakeview Landfill.

Financial Analysis of the City's Funds

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $7,353,015 in fiscal year 2013, compared to $9,234,981 in fiscal year 2012, and $6,623,957 in fiscal year 2011. Of these year-end totals, $7,030,808 (or 95.6%) in fiscal year 2013 and $8,649,183 (or 93.7%) in fiscal year 2012 was restricted for specific purposes and not available for continuing city service requirements.

The total ending fund balances of governmental funds show a decrease in fiscal year 2013 of $1,881,966 or 20.4% compared to an increase in fiscal year 2012 of $2,611,024 or 39.4%. This fiscal year 2013 decrease is primarily the result of 2007 SPLOST Funds being spent on road projects, as well as water and sewer projects. The 2012 increase is primarily the result of the City receiving 2007 SPLOST funds of $2,235,195 over amounts spent during the year for 2012.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by $45,065 in fiscal year 2013. The General Fund's fund balance increased by $320,941 in fiscal year 2012, and increased by $82,354 in fiscal year 2011 and decreased by $1,022,689 in fiscal year 2010. The decrease in 2010 was the result of budgeting for a deficit, the settlement of a lawsuit by a former employee, and making a large transfer to the Benefits Insurance Fund because of increased health insurance costs.

Total taxes for the general fund were $7,918,039, or 1.1% lower than in fiscal year 2012. Total property taxes in fiscal year 2013 were $3,805,670 compared to $3,876,889 in fiscal year 2012. In fiscal year 2012, total taxes were $8,002,568, or 4% higher than the $7,695,363 in fiscal year 2011.

The general fund's total expenditures increased by $173,802 or 1.6%, in fiscal year 2013 compared to a decrease of $838,484 or 7.0%, in fiscal year 2012.

The General Fund's ending unassigned fund balance $313,505 represents the equivalent of 2.3% of the $13,658,797 in annual expenditures and transfers out budgeted for the next fiscal year. The City's overall cash flow varies little from month to month. The only real peak is in the December-February timeframe, when property taxes become due, then delinquent. The reason for this is that the utility revenues are consistent on a monthly basis, and other General Fund revenues come in during months when property taxes do not. Given this relatively stable cash flow environment, the City has set a target for unassigned fund balance in the General Fund of 25% of the next fiscal year's budgeted General Fund expenditures and transfers out. This provides more than adequate cash flow to handle these monthly fluctuations, while providing a cushion against any major unexpected events. The unassigned fund balance is at 2.3%, below the 25% target set for unassigned fund balance. The governing body has adopted a conservative General Fund budget for fiscal year 2014, and should begin replenishing this fund balance to a level equal to the targeted amount over an anticipated five-year period.

The Statesboro Fire Service Fund was created in fiscal year 2008. This fund accounts for the operations of the Statesboro Fire Department, which serves all the citizens of Statesboro and county citizens within the five-mile fire district. This fund had a fund balance of $546,744 at year-end compared to $378,598 at the end of fiscal year 2012. This represents a $168,146 or 44.4% increase.

The 2007 SPLOST fund's ending restricted fund balance was $6,096,391 for fiscal year 2013. This is a decrease of $1,780,152 over fiscal year 2012. The reason is the City began spending some of the accumulated SPLOST funds on construction projects for roads and water and sewer.

The Proprietary Funds

The proprietary funds statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Each of the fund statements give detailed information about their financial condition.

Budgetary Highlights

The General Fund – Overall, the City recognized revenues equal to 97.5% of budgeted revenues in the final appropriated budget. The total expenditure budget was increased through budget amendments by $81,301. Overall, the City recognized expenditures equal to $265,424 less than, or 97.7% of budgeted expenditures in the final appropriated budget. In summary, the budget was underspent by 2.3% while revenue estimates were 2.5% under.

On the revenue side of the budget, property taxes came in $91,549 lower than the amended budget, but automobile taxes came in $91,377 more than budgeted. Franchise fees came in $101,060 less than budgeted. Insurance Premium Taxes came in $82,876 more than budgeted. Fines and Forfeitures came in $280,105 less than budgeted. In total, General Fund revenues came in $267,637 less than the budgeted amount.

On the expenditure side, the Governing Body, City Clerk, Human Resources, Engineering, Financial Administration, Public Safety, and Planning and Zoning costs were considerably below the budgeted amounts. Government Buildings and Public Works exceeded the budget due to some end of year adjustments. Overall, the General Fund expenditures were $265,424 less than budgeted.

Fund Balance was budgeted to increase by $70,583. However, fund balance increased by $26,367 less than budgeted, to end at $45,065 more than the previous year's fund balance.

The fiscal year 2014 Budget for the General Fund has used very conservative revenue projections to build the fund balance as discussed earlier.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental (including the fleet management internal service fund) and business-type activities as of June 30, 2013 was $26,751,158 and $50,491,494 respectively, for a total of

$77,242,652. That compares to fiscal year 2012 numbers of $24,905,332 and $45,137,222 respectively, for a total of $70,042,554. The fiscal year 2013 totals in this net investment were a 7.4% increase for governmental and a 11.9% increase for business-type activities. The overall increase was 10.3% for the City as a whole. See Note 3D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2013	2012	2013	2012	2013	2012
Non-depreciable assets:						
Land	$ 1,636,113	$ 1,636,113	$ 554,410	$ 554,410	$ 2,190,523	$ 2,190,523
Construction in progress	-	-	5,342,428	936,646	5,342,428	936,646
Total non-depreciable	1,636,113	1,636,113	5,896,838	1,491,056	7,532,951	3,127,169
Depreciable assets:						
Buildings	14,132,274	14,059,521	2,572,869	2,212,994	16,705,143	16,272,515
Improvements other than buildings	641,741	619,730	67,064,031	65,293,869	67,705,772	65,913,599
Machinery, equipment and furniture	11,614,949	9,625,587	10,951,982	10,309,385	22,566,931	19,934,972
Infrastructure	15,901,754	14,307,682	-	-	15,901,754	14,307,682
Total depreciable assets	42,290,718	38,612,520	80,588,882	77,816,248	122,879,600	116,428,768
Less accumulated depreciation	17,175,673	15,343,301	35,994,226	34,170,082	53,169,899	49,513,383
Book value - depreciable assets	25,115,045	23,269,219	44,594,656	43,646,166	69,709,701	66,915,385
Percentage depreciated	41%	40%	45%	44%	43%	43%
	$ 26,751,158	$ 24,905,332	$ 50,491,494	$ 45,137,222	$ 77,242,652	$ 70,042,554

At June 30, 2013, the depreciable capital assets for governmental activities were 41% depreciated. This percentage is higher than the fiscal year 2012 amount of 40%.

The major increase in capital assets in fiscal year 2013 was several road projects and the acquisition of vehicles and equipment for the police and fire department using SPLOST proceeds.

In the City's business type activities, 45% of the asset values were depreciated at June 30, 2013 and 44% at June 30, 2012. The major increase in capital assets in fiscal year 2013 was the completion of several water and sewer projects and the purchase of solid waste disposal equipment.

Long-term Debt

In fiscal year 2010, the City issued $15,040,000 in water and sewer refunding and improvement revenue bonds to advance refund water and sewer revenue refunding bonds of $215,000 and several water and sewer notes payable totaling $6,132,934. In addition, $7,675,000 of the bond proceeds were provided to fund future water and sewer projects. Total long-term debt for the City increased by $8,344,163 in fiscal year 2010.

In fiscal year 2011, the capital leases decreased by $411,588; the bonded debt decreased by $487,575; and the notes payable increased by $181,846. Combined, this represented a decrease in long-term debt of $717,317.

In fiscal year 2012, the capital leases decreased by $287,044, the bonded debt decreased by $462,575, and the notes payable decreased by $95,394. Combined, this represented a decrease in long-term debt of $845,013.

In fiscal year 2013, the capital leases increased by $1,260,012, primarily from financing a $1,500,000 aerial fire truck purchase. The bonded debt decreased by $477,575 and the notes payable decreased by $179,630. Combined, this represented an increase in long-term debt of $602,807.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Capital Leases	$ 2,559,566	$ 1,226,380	$ 52,173	$ 125,347	$ 2,611,739	$ 1,351,727
Revenue bonds (including unamortized premium)	-	-	13,898,359	14,375,934	13,898,359	14,375,934
Notes Payable	-	-	3,655,888	3,835,518	3,655,888	3,835,518
Landfill closure and postclosure care	-	-	1,318,652	1,450,864	1,318,652	1,450,864
Other post employment benefits	1,043,839	745,589	440,049	299,798	1,483,888	1,045,387
Compensated absences	545,879	502,753	206,537	205,029	752,416	707,782
Total	$ 4,149,284	$ 2,474,722	$ 19,571,658	$ 20,292,490	$ 23,720,942	$ 22,767,212

See Note 3G for additional information about the City's long-term debt.

Economic Conditions Affecting the City

As of October 2013, the local unemployment rate was 12.1%, which was higher than the state rate of 8.7% and the national rate of 7.3%. Our local economy is experiencing the effects of the national recession, declines in the financial markets, and the recent credit crunch caused by substandard home mortgages. New residential construction and home sales have declined significantly.

As in the past, a strong industrial base, a growing regional public university, a regional medical center and increasing medical specialties, and a regional retail base influence Statesboro's economy. This diversification should continue to help the local economy weather the current recession better than the nation as a whole.

The outlook long-term is considerably more upbeat. Coastal Georgia is projected to be one of the hottest real estate markets in the country over the next decade, as thousands of baby boomers seek inexpensive, warmer climates for retirement. That will fuel the housing, medical, and retail segments of our local economy as well. Georgia Southern University should continue its student body expansion. The new industrial park puts us in a prime position to benefit from additional industrial investment as the weakened dollar continues to attract capital to the United States. With our recent investments in water, sewer, natural gas, and roads, this community should be in an excellent position to benefit from these economic opportunities.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department at 50 East Main Street, Statesboro, Georgia, 30458, or call (912) 764-5468.



Basic Financial Statements

City of Statesboro, Georgia
Statement of Net Position
June 30, 2013

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Current Assets				
Cash and cash equivalents	$ 8,561,917	$ 2,965,945	$ 11,527,862	$ 308,227
Receivables:				
Accounts	111,352	2,346,357	2,457,709	-
Taxes	325,282	-	325,282	-
Hotel/motel taxes	48,368	-	48,368	-
Intergovernmental	1,062,018	122,651	1,184,669	14,541
Notes	257,120	-	257,120	-
Other	25,264	-	25,264	-
Internal balances	(1,009,194)	1,009,194	-	-
Inventory	141,284	433,928	575,212	-
Prepaid items	384,628	115,232	499,860	1,014
Restricted assets - Cash and cash equivalents	-	630,866	630,866	-
Total Current Assets	9,908,039	7,624,173	17,532,212	323,782
Noncurrent Assets				
Restricted assets - Cash and cash equivalents	-	5,058,558	5,058,558	-
Capital Assets:				
Nondepreciable capital assets	1,636,113	5,896,838	7,532,951	-
Depreciable capital assets, net	25,115,045	44,594,656	69,709,701	844,982
Total Noncurrent Assets	26,751,158	55,550,052	82,301,210	844,982
Total Assets	36,659,197	63,174,225	99,833,422	1,168,764
Liabilities				
Current Liabilities				
Accounts payable	850,985	704,458	1,555,443	-
Accrued payroll and payroll taxes	85,963	37,786	123,749	1,380
Intergovernmental payable	-	16,933	16,933	-
Accrued interest payable	-	156,381	156,381	-
Claims payable	438,192	-	438,192	-
Unearned revenue	187,765	-	187,765	-
Other payables	194,780	-	194,780	-
Compensated absences payable	109,176	41,307	150,483	-
Capital leases payable	495,180	52,173	547,353	-
Notes payable	-	187,056	187,056	29,195
Revenue bonds payable	-	475,000	475,000	-
Customer deposits	-	630,866	630,866	-
Landfill post-closure care costs	-	133,351	133,351	-
Total Current Liabilities	2,362,041	2,435,311	4,797,352	30,575
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	436,703	165,230	601,933	-
Other post employment benefits payable	1,043,839	440,049	1,483,888	-
Capital leases payable (net of current portion)	2,064,386	-	2,064,386	-
Revenue bonds payable, net of unamortized premium (net of current portion)	-	13,423,359	13,423,359	-
Notes payable (net of current portion)	-	3,468,832	3,468,832	475,505
Landfill post-closure care costs (net of current portion)	-	1,185,301	1,185,301	-
Total Long-Term Liabilities	3,544,928	18,682,771	22,227,699	475,505
Total Liabilities	5,906,969	21,118,082	27,025,051	506,080
Net Position				
Net investment in capital assets	24,191,592	35,992,575	60,184,167	340,282
Restricted for:				
Capital projects	6,096,391	-	6,096,391	-
Program purposes	709,155	-	709,155	-
Revenue bond retirement	-	791,193	791,193	-
Unrestricted	(244,910)	5,272,375	5,027,465	322,402
Total Net Position	$ 30,752,228	$ 42,056,143	$ 72,808,371	$ 662,684

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Activities
For the Year Ended June 30, 2013

Program/Function	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Primary Government								
General government	$ 1,961,130	$ 678,909	$ -	$ -	$ (1,282,221)	$ -	$ (1,282,221)	$ -
Municipal court	567,964	-	-	-	(567,964)	-	(567,964)	-
Public safety	9,098,016	2,329,080	127,208	1,079,139	(5,562,589)	-	(5,562,589)	-
Public works	2,732,868	-	-	4,480,151	1,747,283	-	1,747,283	-
Community development	864,315	-	-	-	(864,315)	-	(864,315)	-
Parks and cemeteries	442,998	-	-	-	(442,998)	-	(442,998)	-
Engineering	439,610	482,485	-	-	42,875	-	42,875	-
Planning and zoning	308,038	-	-	-	(308,038)	-	(308,038)	-
Community services	264,449	-	-	100,000	(164,449)	-	(164,449)	-
Interest	22,064	-	-	-	(22,064)	-	(22,064)	-
Total Governmental Activities	16,701,452	3,490,474	127,208	5,659,290	(7,424,480)	-	(7,424,480)	-
Business-Type Activities:								
Water and sewer	8,695,892	9,542,530	-	720,091	-	1,566,729	1,566,729	-
Reclaimed water system	23,376	26,606	-	-	-	3,230	3,230	-
Gas	3,718,441	5,131,134	-	-	-	1,412,693	1,412,693	-
Solid waste collection	2,339,949	3,222,984	-	-	-	883,035	883,035	-
Solid waste disposal	2,931,680	2,156,748	-	-	-	(774,932)	(774,932)	-
Total Business-Type Activities	17,709,338	20,080,002	-	720,091	-	3,090,755	3,090,755	-
Total - Primary Government	$ 34,410,790	$ 23,570,476	$ 127,208	$ 6,379,381	(7,424,480)	3,090,755	(4,333,725)	-
Component Unit								
Downtown Statesboro Development Authority	$ 174,849	$ 62,256	$ 221,341	$ 56,171	-	-	-	164,919
		General Revenues						
		Property taxes levied for:						
		General purposes			3,816,182	-	3,816,182	-
		Hotel/motel taxes			553,966	-	553,966	-
		Insurance premium taxes			1,415,987	-	1,415,987	-
		Franchise taxes			1,897,448	-	1,897,448	-
		Other taxes			798,934	-	798,934	-
		Gain on sale of capital assets			28,465	190,287	218,752	21,825
		Investment earnings			-	4,411	4,411	219
		Miscellaneous			37,437	69,463	106,900	-
		Total General Revenues			8,548,419	264,161	8,812,580	22,044
		Transfers			(2,311,318)	2,311,318	-	-
		Total General Revenues and Transfers			6,237,101	2,575,479	8,812,580	22,044
		Change in Net Position			(1,187,379)	5,666,234	4,478,855	186,963
		Net Position Beginning of Year, As Restated			31,939,607	36,389,909	68,329,516	475,721
		Net Position End of Year			$ 30,752,228	$ 42,056,143	$ 72,808,371	$ 662,684

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia
Balance Sheet
Governmental Funds
June 30, 2013

	General	Statesboro Fire Service	2007 SPLOST	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 62,746	$ 512,403	$ 6,607,333	$ 204,142	$ 7,386,624
Receivables:					
Accounts	66,602	27,653	-	-	94,255
Taxes	325,282	-	-	-	325,282
Hotel/motel taxes	-	-	-	48,368	48,368
Intergovernmental	61,918	31,175	824,829	144,096	1,062,018
Interfund	1,238,329	-	-	15,443	1,253,772
Notes	-	-	-	257,120	257,120
Other	-	-	-	25,264	25,264
Prepaid items	233,964	26,726	-	5,000	265,690
Total Assets	$ 1,988,841	$ 597,957	$ 7,432,162	$ 699,433	$ 10,718,393
Liabilities					
Accounts payable	$ 265,734	$ 18,655	$ 459,820	$ 37,925	$ 782,134
Accrued payroll and payroll taxes	64,093	19,168	-	-	83,261
Interfund payable	787,377	-	875,951	414,764	2,078,092
Unearned revenue	174,375	13,390	-	-	187,765
Other liabilities	110,447	-	-	84,333	194,780
Total Liabilities	1,402,026	51,213	1,335,771	537,022	3,326,032
Deferred Inflows of Resources					
Unavailable revenue - property taxes	39,346	-	-	-	39,346
Fund Balances					
Nonspendable	233,964	26,726	-	5,000	265,690
Unassigned	313,505	-	-	(256,988)	56,517
Restricted:					
Special revenue funds	-	520,018	-	414,399	934,417
Capital projects funds	-	-	6,096,391	-	6,096,391
Total Fund Balances	547,469	546,744	6,096,391	162,411	7,353,015
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,988,841	$ 597,957	$ 7,432,162	$ 699,433	$ 10,718,393

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2013

Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:				
Total Governmental Fund Balances			$	7,353,015
Capital assets used in governmental activities (excludes internal service funds) are not financial resources and therefore are not reported in the funds:				
Cost	$	43,447,544		
Less accumulated depreciation		(16,892,968)		26,554,576
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds:				
Property taxes				39,346
The internal service funds are used by management to charge the costs of the operation and maintanance of the vehicle fleet , workers' compensation, health insurance, and wellness program to individual funds. Certain assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.				898,716
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:				
Interfund receivables	$	1,014,067		
Interfund payables		(1,014,067)		-
Long-term liabilities, including capital leases, compensated absences and other post employment benefits payable are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position:				
Capital leases payable	$	(2,559,566)		
Other post employment benefits payable		(1,008,452)		
Compensated absences		(525,407)		(4,093,425)
Net Position Of Governmental Activities			$	30,752,228

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	General	Statesboro Fire Service	2007 SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 3,805,670	$ -	$ -	$ -	$ 3,805,670
Insurance premium taxes	1,415,987	-	-	-	1,415,987
Franchise taxes	1,897,448	-	-	-	1,897,448
Other taxes	798,934	-	-	-	798,934
Hotel/motel taxes	-	-	-	553,966	553,966
Intergovernmental	-	17,162	5,473,489	257,934	5,748,585
Licenses and permits	1,071,307	-	-	-	1,071,307
Fines and forfeitures	1,092,820	-	-	153,587	1,246,407
Charges for services	251,885	920,875	-	-	1,172,760
Investment earnings	-	-	10,871	-	10,871
Miscellaneous	37,056	12	27,042	369	64,479
Total Revenues	10,371,107	938,049	5,511,402	965,856	17,786,414
Expenditures					
Current:					
General government	1,838,780	-	-	-	1,838,780
Municipal court	569,468	-	-	-	569,468
Public safety	5,382,842	2,493,926		315,361	8,192,129
Public works	1,940,179	-	-	-	1,940,179
Community development	81,491	-	-	776,267	857,758
Parks and cemeteries	377,665	-	-	-	377,665
Engineering	403,009	-	-	-	403,009
Planning and zoning	314,132	-	-	-	314,132
Community services	166,669	-	-	-	166,669
Capital Outlay	-	-	2,073,196	1,888,664	3,961,860
Debt Service:					
Principal retirement	157,031	-	66,822	-	223,853
Interest and fiscal charges	22,064	-	-	-	22,064
Total Expenditures	11,253,330	2,493,926	2,140,018	2,980,292	18,867,566
Excess (Deficiency) of Revenues Over (Under) Expenditures	(882,223)	(1,555,877)	3,371,384	(2,014,436)	(1,081,152)
Other Financing Sources (Uses)					
Sale of capital assets	28,465	-	-	-	28,465
Proceeds from capital leases	-	-	-	1,557,039	1,557,039
Transfers in	2,505,846	1,724,023	-	172,023	4,401,892
Transfers out	(1,607,023)	-	(5,151,536)	(29,651)	(6,788,210)
Total Other Financing Sources (Uses)	927,288	1,724,023	(5,151,536)	1,699,411	(800,814)
Net Change in Fund Balances	45,065	168,146	(1,780,152)	(315,025)	(1,881,966)
Fund Balances Beginning of Year	502,404	378,598	7,876,543	477,436	9,234,981
Fund Balances End of Year	$ 547,469	$ 546,744	$ 6,096,391	$ 162,411	$ 7,353,015

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2013

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:			
Net Change In Fund Balance - Total Governmental Funds			$ (1,881,966)
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 as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (2,104,205)	
	Capital outlay	3,898,399	1,794,194
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
	Property taxes:		
	Unavailable revenue @ 6/30/13	$ 39,346	
	Unavailable revenue @ 6/30/12	(28,834)	10,512
Elimination of transfers between governmental funds:			
	Transfers in	$ 1,561,674	
	Transfers out	(1,561,674)	-
Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.			-
The internal service funds used by management to charge the the costs of self-insurance and fleet management to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.			551,528
Other financing sources for the inception of capital leases are reported on the fund level operating statement but are reported as a liability on the governmental-wide financial statements.			(1,557,039)
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			223,853
Compensated absences and other post employment benefits (OPEB) 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.			
	Compensated absences liability @ 6/30/13	$ (525,407)	
	Compensated absences liability @ 6/30/12	484,670	(40,737)
	OPEB liability @ 6/30/13	$ (1,008,452)	
	OPEB liability @ 6/30/12	720,728	(287,724)
Change In Net Position of Governmental Activities			$ (1,187,379)

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes:				
Property	$ 3,615,842	$ 3,615,842	$ 3,524,293	$ (91,549)
Automobiles	190,000	190,000	281,377	91,377
Franchise	1,998,508	1,998,508	1,897,448	(101,060)
Insurance premium	1,333,111	1,333,111	1,415,987	82,876
Alcoholic beverage	694,958	694,958	690,423	(4,535)
Other	130,000	130,000	108,511	(21,489)
Licenses and permits	919,000	1,007,795	1,071,307	63,512
Charges for services	236,000	236,000	251,885	15,885
Fines and forfeitures	1,367,600	1,372,925	1,092,820	(280,105)
Miscellaneous	50,900	59,605	37,056	(22,549)
Total Revenues	10,535,919	10,638,744	10,371,107	(267,637)
Expenditures				
Current:				
General government				
Governing body	232,587	220,587	200,594	19,993
City manager's office	125,384	126,021	123,060	2,961
City clerk's office	203,036	200,036	179,944	20,092
Elections	100	2,532	2,532	-
Financial administration	367,707	377,707	357,035	20,672
Legal	90,518	75,684	71,611	4,073
Information technology	388,286	432,786	426,626	6,160
Human resources	209,308	211,513	176,752	34,761
Government buildings	198,238	250,738	263,622	(12,884)
General administration fees	36,538	36,723	37,004	(281)
Total general government	1,851,702	1,934,327	1,838,780	95,547
Municipal court	587,669	569,055	569,468	(413)

(continued)

City of Statesboro, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

(continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public safety				
Police	$ 5,386,832	$ 5,381,331	$ 5,335,842	$ 45,489
Emergency management	5,000	5,000	5,000	-
Animal control	42,000	46,716	42,000	4,716
Total public safety	5,433,832	5,433,047	5,382,842	50,205
Streets/public works	1,938,028	1,935,117	1,940,179	(5,062)
Parks and cemeteries	396,557	396,557	377,665	18,892
Engineering	427,123	422,783	403,009	19,774
Planning and zoning	400,417	388,772	314,132	74,640
Community services				
Arts Center	130,706	136,197	136,740	(543)
Other	27,250	33,250	29,929	3,321
Total community services	157,956	169,447	166,669	2,778
Community development	61,011	86,491	81,491	5,000
Debt Service:				
Principal retirement	148,342	148,342	157,031	(8,689)
Interest and fiscal charges	34,816	34,816	22,064	12,752
Total Debt Service	183,158	183,158	179,095	4,063
Total Expenditures	11,437,453	11,518,754	11,253,330	265,424
Deficiency of Revenues Under Expenditures	(901,534)	(880,010)	(882,223)	(2,213)
Other Financing Sources (Uses)				
Transfers in	2,427,117	2,504,942	2,505,846	904
Transfers out	(1,460,000)	(1,581,500)	(1,607,023)	(25,523)
Sale of capital assets	5,000	28,000	28,465	465
Total Other Financing Sources (Uses)	972,117	951,442	927,288	(24,154)
Net Change in Fund Balances	$ 70,583	$ 71,432	45,065	$ (26,367)
Fund Balances Beginning of Year			502,404	
Fund Balances End of Year			$ 547,469	

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia
Statesboro Fire Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 7,163	$ 17,162	$ 9,999
Charges for services	1,010,000	1,010,000	920,875	(89,125)
Miscellaneous	850	850	12	(838)
Total Revenues	1,010,850	1,018,013	938,049	(79,964)
Expenditures				
Current:				
Public safety - Fire	2,399,868	2,609,033	2,493,926	115,107
Deficiency of Revenues Under Expenditures	(1,389,018)	(1,591,020)	(1,555,877)	35,143
Other Financing Sources				
Transfers in	1,360,000	1,592,760	1,724,023	131,263
Net Change in Fund Balances	$ (29,018)	$ 1,740	168,146	$ 166,406
Fund Balances Beginning of Year			378,598	
Fund Balances End of Year			$ 546,744	

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water and Sewer	Reclaimed Water System	Gas	Solid Waste Collection	Solid Waste Disposal	Total	
Assets							
Current Assets:							
Cash and cash equivalents	$ 1,460,936	$ -	$ 1,098,851	$ 405,908	$ 250	$ 2,965,945	$ 1,175,293
Receivables:							
Accounts	557,086	3,662	308,546	174,843	88,717	1,132,854	17,097
Unbilled accounts	545,587	-	226,997	269,164	171,755	1,213,503	-
Intergovernmental	122,651	-	-	-	-	122,651	-
Interfund	1,541,420	-	-	-	291,666	1,833,086	-
Inventory	338,293	-	95,635	-	-	433,928	141,284
Prepaid items	62,612	112	20,875	16,673	14,960	115,232	118,938
Restricted assets - Cash and cash equivalents	455,962	-	94,095	80,809	-	630,866	-
Total Current Assets	5,084,547	3,774	1,844,999	947,397	567,348	8,448,065	1,452,612
Noncurrent Assets:							
Restricted Assets:							
Cash and cash equivalents	5,058,558	-	-	-	-	5,058,558	-
Capital Assets:							
Land	352,981	-	78,004	-	123,425	554,410	-
Construction in progress	5,173,402	78,879	18,759	-	71,388	5,342,428	-
Depreciable capital assets, net	37,806,001	826,013	2,561,300	1,435,759	1,965,583	44,594,656	196,582
Total Noncurrent Assets	48,390,942	904,892	2,658,063	1,435,759	2,160,396	55,550,052	196,582
Total Assets	53,475,489	908,666	4,503,062	2,383,156	2,727,744	63,998,117	1,649,194
Liabilities							
Current Liabilities:							
Accounts payable	350,873	360	223,685	71,807	57,733	704,458	68,851
Accrued payroll	25,051	-	4,019	6,065	2,651	37,786	2,702
Intergovernmental payable	-	-	16,933	-	-	16,933	-
Compensated absences payable	27,033	-	6,185	4,403	3,687	41,307	4,094
Notes payable	161,294	-	25,762	-	-	187,056	-
Capital leases payable	-	-	6,689	19,566	25,918	52,173	
Revenue bonds payable	475,000	-	-	-	-	475,000	-
Customer deposits	455,962	-	94,095	80,809	-	630,866	-
Landfill post-closure care costs	-	-	-	-	133,351	133,351	-
Accrued interest payable	154,437	-	1,944	-	-	156,381	-
Claims payable	-	-	-	-	-	-	438,192
Interfund payable	-	34,083	-	-	760,148	794,231	214,535
Total Current Liabilities	1,649,650	34,443	379,312	182,650	983,488	3,229,542	728,374
Long-Term Liabilities:							
Compensated absences payable (net of current portion)	108,132	-	24,739	17,612	14,746	165,230	16,378
Other post employment benefits payable	290,753	-	49,125	61,903	38,268	440,049	35,387
Landfill post-closure care costs (net of current portion)	-	-	-	-	1,185,301	1,185,301	-
Notes payable (net of current portion)	3,232,469	-	236,363	-	-	3,468,832	-
Revenue bonds payable, net of unamortized premium (net of current portion)	13,423,359	-	-	-	-	13,423,359	-
Total Long-Term Liabilities	17,054,713	-	310,227	79,515	1,238,315	18,682,771	51,765
Total Liabilities	18,704,363	34,443	689,539	262,165	2,221,803	21,912,313	780,139
Net Position							
Net investment in capital assets	29,147,763	904,892	2,389,249	1,416,193	2,134,478	35,992,575	196,582
Restricted for revenue bond retirement	791,193	-	-	-	-	791,193	-
Unrestricted	4,832,170	(30,669)	1,424,274	704,798	(1,628,537)	5,302,036	672,473
Total Net Position	$ 34,771,126	$ 874,223	$ 3,813,523	$ 2,120,991	$ 505,941	42,085,804	$ 869,055
	Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.					(29,661)	
	Net assets of business-type activities					$ 42,056,143	

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water and Sewer	Reclaimed Water System	Gas	Solid Waste Collection	Solid Waste Disposal	Total	
Operating Revenues							
Charges for services	$ 9,542,530	$ 26,606	$ 5,131,134	$ 3,222,984	$ 2,156,748	$ 20,080,002	$ 5,133,806
Miscellaneous	17,604	-	9,311	-	2,190	29,105	5,120
Total Operating Revenues	9,560,134	26,606	5,140,445	3,222,984	2,158,938	20,109,107	5,138,926
Operating Expenses							
Salaries	2,124,118	-	350,316	553,106	242,196	3,269,736	229,781
Employee benefits	1,134,914	-	141,391	313,197	156,769	1,746,271	118,899
Purchased services	1,590,451	6,050	232,248	991,156	2,256,216	5,076,121	388,420
Materials and supplies	727,347	212	100,055	169,404	64,499	1,061,517	37,919
Cost of sales	-	-	2,750,415	-	-	2,750,415	404,176
Indirect cost allocation	880,573	-	-	-	-	880,573	-
Depreciation	1,663,259	17,114	129,367	323,675	230,380	2,363,795	11,432
Claims	-	-	-	-	-	-	3,223,870
Other	34,436	-	26,661	24,280	1,430	86,807	1,191
Total Operating Expenses	8,155,098	23,376	3,730,453	2,374,818	2,951,490	17,235,235	4,415,688
Operating Income (Loss)	1,405,036	3,230	1,409,992	848,166	(792,552)	2,873,872	723,238
Non-Operating Revenues (Expenses)							
Intergovernmental	122,651	-	-	-	-	122,651	-
Investment earnings	4,411	-	-	-	-	4,411	-
Interest expense	(712,666)	-	(8,147)	-	-	(720,813)	-
Insurance proceeds	-	-	-	-	40,358	40,358	-
Gain on sale of capital assets	9,630	-	2,000	10,100	168,557	190,287	-
Total Non-Operating Revenues (Expenses)	(575,974)	-	(6,147)	10,100	208,915	(363,106)	-
Income (Loss) before Capital Contributions and Transfers	829,062	3,230	1,403,845	858,266	(583,637)	2,510,766	723,238
Capital contributions	597,440	-	-	-	-	597,440	-
Transfers in	3,495,805	78,879	-	-	1,576,852	5,151,536	75,000
Transfers out	(1,151,217)	-	(900,000)	(575,001)	(214,000)	(2,840,218)	-
Change in Net Position	3,771,090	82,109	503,845	283,265	779,215	5,419,524	798,238
Net Position Beginning of Year, As Restated	31,000,036	792,114	3,309,678	1,837,726	(273,274)		70,817
Net Position End of Year	$ 34,771,126	$ 874,223	$ 3,813,523	$ 2,120,991	$ 505,941		$ 869,055

Some amounts reported for business-type activities in the statement of activities are different because the net revenue of certain internal service funds is reported with business-type activities. 246,710

$ 5,666,234

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water and Sewer	Reclaimed Water System	Gas	Solid Waste Collection	Solid Waste Disposal	Total	
Cash Flows from Operating Activities							
Cash received from customers	$ 9,384,093	$ 25,466	$ 4,939,990	$ 3,236,650	$ 2,095,494	$ 19,681,693	$ 5,236,106
Cash payments to employees for services	(3,165,526)	(1,064)	(474,492)	(847,921)	(385,642)	(4,874,645)	(335,744)
Cash payments for goods and services	(2,805,082)	(6,262)	(3,053,558)	(1,417,371)	(2,445,401)	(9,727,674)	(826,826)
Cash payments for claims	-	-	-	-	-	-	(3,491,263)
Net Cash Provided by (Used in) Operating Activities	3,413,485	18,140	1,411,940	971,358	(735,549)	5,079,374	582,273
Cash Flows from Noncapital Financing Activities							
Advances from (to) other funds	(311,583)	(18,140)	-	-	(135,315)	(465,038)	(37,886)
Transfers in (out)	(1,151,217)	-	(900,000)	(575,001)	(214,000)	(2,840,218)	75,000
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,462,800)	(18,140)	(900,000)	(575,001)	(349,315)	(3,305,256)	37,114
Cash Flows from Capital and Related Financing Activities							
Proceeds from sale of capital assets	9,630	-	2,000	10,100	174,360	196,090	-
Capital contributions	597,440	-	-	-	-	597,440	-
Insurance proceeds	-	-	-	-	40,358	40,358	-
Payments on capital lease	-	-	(6,689)	(40,567)	(25,918)	(73,174)	-
Transfers in from capital projects funds	3,495,805	78,879	-	-	1,576,852	5,151,536	-
Principal paid on revenue bonds	(465,000)	-	-	-	-	(465,000)	-
Principal paid on notes payable	(154,627)	-	(25,003)	-	-	(179,630)	-
Interest paid on debt	(728,248)	-	(8,333)	-	-	(736,581)	-
Payments for capital acquisitions	(6,592,696)	(78,879)	(60,254)	(311,253)	(680,788)	(7,723,870)	(63,064)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(3,837,696)	-	(98,279)	(341,720)	1,084,864	(3,192,831)	(63,064)
Cash Flows from Investing Activities							
Investment earnings	4,411	-	-	-	-	4,411	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,882,600)	-	413,661	54,637	-	(1,414,302)	556,323
Cash and Cash Equivalents Beginning of Year	8,858,056	-	779,285	432,080	250	10,069,671	618,970
Cash and Cash Equivalents End of Year	$ 6,975,456	$ -	$ 1,192,946	$ 486,717	$ 250	$ 8,655,369	$ 1,175,293

(continued)

City of Statesboro, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities - Enterprise Funds						Governmental Activities -
	Water and Sewer	Reclaimed Water System	Gas	Solid Waste Collection	Solid Waste Disposal	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities							
Operating Income (Loss)	$ 1,405,036	$ 3,230	$ 1,409,992	$ 848,166	$ (792,552)	$ 2,873,872	$ 723,238
Adjustments:							
Depreciation	1,663,259	17,114	129,367	323,675	230,380	2,363,795	11,432
(Increase) Decrease in Assets:							
Accounts receivable	(184,091)	(1,723)	(203,426)	(67,143)	(63,444)	(519,827)	97,180
Materials and supplies inventory	10,342	-	(11,612)	-	-	(1,270)	(11,098)
Prepaid items	339,121	583	(1,330)	(2,400)	(1,921)	334,053	(7,352)
Increase (Decrease) in Liabilities:							
Accounts payable	78,262	(1,064)	75,368	(230,131)	10,877	(66,688)	17,095
Accrued payroll	924	-	(324)	52	15	667	21
Compensated absences payable	1,324	-	3,174	(5,412)	2,422	1,508	2,389
Other post employment benefits payable	91,258	-	14,365	23,742	10,886	140,251	10,526
Sales taxes payable	-	-	(6,605)	-	-	(6,605)	-
Customer deposits	8,050	-	2,971	80,809	-	91,830	-
Accrued landfill postclosure costs	-	-	-	-	(132,212)	(132,212)	-
Claims payable	-	-	-	-	-	-	(261,158)
Net Cash Provided by (Used in) Operating Activities	$ 3,413,485	$ 18,140	$ 1,411,940	$ 971,358	$ (735,549)	$ 5,079,374	$ 582,273

See accompanying notes to the basic financial statements



Notes To The Basic Financial Statements

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The City of Statesboro (the "City") was chartered by an act of the General Assembly of the State of Georgia. The City operates under a Council/Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, community development, community services and general administrative services. The City also operates three public utilities (water and sewer system and gas system) and provides sanitation services. The City and Bulloch County jointly operate a transfer station for transport of solid waste and an inert landfill.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the City's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the City's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

A brief description of the City's discretely presented component unit follows:

Downtown Statesboro Development Authority (the Authority) – The Authority is a public corporation created in 1981. The primary purpose of the Authority is to promote industry and trade in the downtown area. The City Council appoints one board member and provides its primary funding. The Authority is fiscally dependent on the City and the City has a financial burden relationship with the Authority. There are no separate financial statements for the Authority.

Related Organizations
The Housing Authority of the City of Statesboro, Georgia is considered a related organization based upon the criteria in GASB Statement 14. The Housing Authority is a legally separate entity and the City does not appoint any of its board members. The City of Statesboro, Georgia is not able to impose its will upon the Housing Authority and a financial benefit/burden relationship does not exist between them. Therefore, based upon the criteria above, the Housing Authority of the City of Statesboro, Georgia is a related organization and is excluded from the reporting entity.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the component unit are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and City's general revenues, from business-type activities, generally financed in whole or in part with service charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

Major individual governmental and proprietary funds are reported in separate columns.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

> ***Governmental Funds*** - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City's major governmental funds:

Note 1 - Summary of Significant Accounting Policies (Continued)

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

Statesboro Fire Service Fund – This fund accounts for revenues collected from city taxpayers and taxpayers in the county's five mile fire district used to fund the City's fire department.

2007 SPLOST Fund – This fund accounts for the special purpose local option sales tax collected pursuant to a 2007 referendum for various capital improvements within the City.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The proprietary funds are classified as enterprise funds and internal service funds. The City's major enterprise funds consist of:

Water and Sewer Operating Fund – This fund accounts for the water and sewer provided to the City's constituents.

Reclaimed Water System Fund – This fund accounts for the reclaimed water provided for irrigation to the City's constituents.

Gas Operating Fund – This fund accounts for the gas services provided to the City's constituents.

Solid Waste Collection Fund – This fund accounts for the solid waste collection program.

Solid Waste Disposal Fund – This fund accounts for the solid waste disposal program.

The City's internal service funds account for the City's health insurance, workers compensation insurance, wellness, and fleet management programs.

1-C. Measurement Focus

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

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.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. Unbilled water, sewer and gas charges are accrued as receivables and revenue at June 30, 2013
.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

1-E-4 Consumable Inventories

On the government-wide and the proprietary fund financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2013, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Restricted assets represent sinking funds required by enterprise fund revenue bonds and designated as such by management, customer utility deposits, funds held specifically for water and sewer system improvements, and funds designated for capital purchases.

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the City fund financial statements.

Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, water and sewer lines and gas lines. Water and sewer lines and gas lines are classified as "improvements other than buildings". Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based

Note 1 - Summary of Significant Accounting Policies (Continued)

on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	15 – 40 years	15 - 40 years
Improvements other than buildings	8 – 40 years	15 – 50 years
Machinery and equipment	5 – 20 years	5 – 15 years
Infrastructure	12 – 25 years	---

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-8 Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditure) until then. The City does not have any deferred outflows of resources as of June 30, 2013.

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 and 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 revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

1-E-9 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

1-E-10 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of those funds. However, compensated absences that will be

Note 1 - Summary of Significant Accounting Policies (Continued)

paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-11 Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable and bond issuance costs are expensed when incurred. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

1-E-12 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 current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable – *F*und 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Assigned– Fund balances are reported as assigned when amounts are constrained by the City Council's intent to be used for specific purposes, but are neither restricted or committed. Through resolution, the City Council has authorized the City's finance director to assign balances.

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

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

- Committed
- Assigned
- Unassigned

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

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

1-E-13 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, gas, solid waste, and the insurance benefits and fleet management programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

1-E-14 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-15 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

1-E-16 Estimates

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

1-E-17 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The City adopts an annual operating budget for the general fund and each special revenue fund. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The City Manager may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires City Council approval.

During the year, the City Council approved budget revisions.

All unexpended annual appropriations lapse at year-end.

2-B. Excess of Expenditures over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations for the following departments within the general fund:

Governmental Buildings	$ 12,884
General Administration Fees	281
Municipal Court	413
Streets/Public Works	5,062
Arts Center	543
Principal Retirement	8,689

These overexpenditures were funded primarily by underexpenditures in other departments.

Expenditures exceeded appropriations by $23,153 in the Multiple Grant Fund and these overexpenditures were funded by additional revenues.

2-C. Deficit Fund Balances

The Hotel/Motel tax special revenue fund had a deficit fund balance of $251,952 at June 30, 1013, which will be reduced by future Hotel/Motel tax revenue. The Multiple Grant special revenue fund had a deficit fund balance of $36 at June 30, 2013.

Note 3 - Detailed Notes on All Funds

3-A. Cash and Cash Equivalents

At June 30, 2013, the carrying amount of the City's deposits (i.e., checking and certificates of deposits) was $17,217,286 and the bank balance was $17,699,372. Of the bank balance, $250,000 was covered by federal depository insurance and $17,449,372 was collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

Note 3 - Detailed Notes on All Funds (Continued)

Cash & Cash Equivalent Reconciliation:

	Cash and Cash Equivalents
Fund Reporting Level:	
Governmental Funds - Balance Sheet	$ 7,386,624
Enterprise Fund Statement of Net Position	2,965,945
Enterprise Fund Statement of Net Position - Restricted	5,689,424
Internal Service Fund Statement of Net Position	1,175,293
Total	$ 17,217,286

3-B. Receivables

Receivables at June 30, 2013, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility. The allowances for uncollectibles netted against receivables at June 30, 2013 follow:

Fund	Allowance For Uncollectibles
General	$ 20,214
Water and sewer	217,461
Gas	110,078
Solid waste collection	83,648
Solid waste disposal	567

3-C. Property Taxes

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied on or about October 20 of each year and are due and payable within 60 days of the tax bill mailing date. The City bills and collects its own property taxes.

Property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e. collectible in 60 days). For the year ended June 30, 2013, property taxes were levied on September 7, 2012 and were due December 20, 2012.

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity (including the fleet management internal service fund) for the year ended June 30, 2013, was as follows:

	Balance 7/1/2012	Additions	Deductions	Balance 6/30/2013
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 1,636,113	$ -	$ -	$ 1,636,113
Capital assets being depreciated				
Buildings	14,059,521	72,753	-	14,132,274
Improvements other than buildings	619,730	22,011	-	641,741
Machinery and equipment	9,625,587	2,302,369	313,007	11,614,949
Infrastructure	14,307,682	1,594,072	-	15,901,754
Total capital assets being depreciated	38,612,520	3,991,205	313,007	42,290,718
Total capital assets	40,248,633	3,991,205	313,007	43,926,831
Accumulated depreciation:				
Buildings	3,297,945	344,747	-	3,642,692
Improvements other than buildings	185,945	21,931	-	207,876
Machinery and equipment	6,667,589	985,596	313,007	7,340,178
Infrastructure	5,191,822	793,105	-	5,984,927
Total accumulated depreciation	15,343,301	2,145,379	313,007	17,175,673
Governmental activities capital assets, net	$ 24,905,332	$ 1,845,826	$ -	$ 26,751,158

Governmental activities depreciation expense:	
General government	$ 130,914
Municipal court	4,035
Public safety	981,256
Public works	801,694
Parks and cemeteries	73,792
Engineering	12,532
Planning and zoning	2,202
Community services	97,780
Fleet management internal service fund	11,432
Total depreciation expense	$ 2,115,637

Note 3 - Detailed Notes on All Funds (Continued)

The following table presents the changes in capital assets for the City's enterprise funds:

	Balance 7/1/2012	Additions	Deductions	Balance 6/30/2013
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 554,410	$ -	$ -	$ 554,410
Construction in progress	936,646	4,982,170	576,388	5,342,428
Total capital assets not being depreciated	1,491,056	4,982,170	576,388	5,896,838
Capital assets being depreciated				
Buildings	2,212,994	359,875	-	2,572,869
Improvements other than buildings	65,293,869	1,770,162	-	67,064,031
Machinery and equipment	10,309,385	1,188,051	545,454	10,951,982
Total capital assets being depreciated	77,816,248	3,318,088	545,454	80,588,882
Total capital assets	79,307,304	8,300,258	1,121,842	86,485,720
Accumulated depreciation:				
Buildings	981,190	72,872	-	1,054,062
Improvements other than buildings	25,599,960	1,620,650	-	27,220,610
Machinery and equipment	7,588,932	670,273	539,651	7,719,554
Total accumulated depreciation	34,170,082	2,363,795	539,651	35,994,226
Business-type activities capital assets, net	$ 45,137,222	$ 5,936,463	$ 582,191	$ 50,491,494

The following table presents the changes in capital assets for the City's component unit:

	Balance 7/1/2012	Additions	Deductions	Balance 6/30/2013
Component Unit - Downtown Statesboro Development Authority:				
Capital assets not being depreciated:				
Land	$ 20,912	$ -	$ 20,912	$ -
Capital assets being depreciated:				
Buildings	976,203	296,820	370,861	902,162
Machinery and equipment	9,285	415	-	9,700
Total capital assets being depreciated	1,006,400	297,235	370,861	911,862
Total Capital Assets	1,006,400	297,235	391,773	911,862
Accumulated depreciation:				
Buildings	57,863	21,785	20,861	58,787
Machinery and equipment	7,506	587	-	8,093
Total accumulated depreciation	65,369	22,372	20,861	66,880
Component unit capital assets, net	$ 941,031	$ 274,863	$ 370,912	$ 844,982

Note 3 - Detailed Notes on All Funds (Continued)

3-E. - Interfund Balances and Transfers

Interfund balances at June 30, 2013, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

Receivable Fund	Payable Fund	Amount
General Fund	Community Development Block Grant Fund	$ 35,336
	Multiple Grant Fund	38,688
	Hotel/Motel Tax Fund	247,696
	Capital Improvements Program Fund	93,044
	Solid Waste Disposal Fund	24,106
	Fleet Management Fund	211,463
	Worker's Compensation Fund	2,670
	Health Insurance	402
	2007 SPLOST Fund	583,860
	Reclaimed Water Fund	1,064
Technology Fee Fund	General Fund	15,018
Capital Improvements Program Fund	2007 SPLOST Fund	425
Water and Sewer Operations Fund	General Fund	772,359
	Solid Waste Disposal Fund	736,042
	Reclaimed Water Fund	33,019
Solid Waste Disposal Fund	2007 SPLOST Fund	291,666
		$ 3,086,858

Interfund transfers for the year ended June 30, 2013, consisted of the following:

	Transfers From:							
Transfer to:	General Fund	2007 SPLOST Fund	Water and Sewer Operating Fund	Gas Operating Fund	Solid Waste Collection Fund	Solid Waste Disposal Fund	Hotel/ Motel Tax Fund	Total
General Fund	$ -	$ -	$ 787,194	$ 900,000	$ 575,001	$ 214,000	$ 29,651	$ 2,505,846
Statesboro Fire Service Fund	1,360,000	-	364,023	-	-	-	-	1,724,023
Capital Improvements Fund	172,023	-	-	-	-	-	-	172,023
Water and Sewer Operating Fund	-	3,495,805	-	-	-	-	-	3,495,805
Reclaimed Water System Fund	-	78,879		-	-	-	-	78,879
Solid Waste Disposal Fund	-	1,576,852	-	-	-	-	-	1,576,852
Fleet Management Fund	75,000						-	75,000
	$ 1,607,023	$ 5,151,536	$ 1,151,217	$ 900,000	$ 575,001	$ 214,000	$ 29,651	$ 9,628,428

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to segregate money for anticipated capital projects (e.g., SPLOST approved projects); to report enterprise fund transfers for the equivalent of franchise fees and property taxes as if the utility funds were privately owned; and to return money to the fund from which it was originally provided once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Landfill Closure and Postclosure Care

State and federal laws and regulations required the City to place a final cover on its landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Effective July 1, 1997, the City stopped accepting waste into its landfill. The remaining accrued landfill postclosure care costs liability at June 30, 2013, was $1,318,652. This amount is based on what it would cost to perform all postclosure care in 2013. Actual costs may be higher due to inflation, unexpected mitigation requirements, changes in technology, or changes in regulations.

3-G. Long-Term Debt

Water and Sewer Refunding and Improvement Revenue Bonds - During the fiscal year ended June 30, 2010, the City issued revenue bonds of $15,040,000. The City issued the Series 2010 Water and Sewer Refunding and Improvement Revenue Bonds to advance refund Water and Sewer Revenue Refunding Bonds, Series 1995, with an outstanding balance of $215,000, and ten Georgia Environmental Facilities Authority (GEFA) notes with an outstanding balance of $6,132,934. Additionally, a portion of the net proceeds was deposited into the Water and Sewer System Fund Construction Account. The amount of outstanding bonds at June 30, 2013 was $13,650,000.

The City pledges income derived from the constructed or acquired assets to pay debt service. The revenue bonds have interest rates ranging from 2.0 percent to 5.0 percent. The bonds require principal payments each April 1 and interest is payable semiannually on April 1 and October 1 each year.

Annual debt service requirements to amortize all obligations outstanding, as of June 30, 2013 follow:

Year	Principal	Interest	Total
2014	$ 475,000	$ 569,721	$ 1,044,721
2015	480,000	560,221	1,040,221
2016	500,000	541,021	1,041,021
2017	520,000	521,021	1,041,021
2018	535,000	505,421	1,040,421
2019-2023	3,030,000	2,181,155	5,211,155
2024-2028	3,790,000	1,410,170	5,200,170
2029-2033	4,320,000	548,638	4,868,638
Total	$ 13,650,000	$ 6,837,368	$ 20,487,368

Notes Payable – The City has entered into a number of notes with the Georgia Environmental Facilities Authority (GEFA), and One Georgia Authority with balances at June 30, 2013, as follows:

Note 3 - Detailed Notes on All Funds (Continued)

One Georgia Authority, payable in quarterly installments of $8,334 including interest at 3% through April 1, 2022	$ 262,125
GEFA (2006 L25WJA), payable in monthly installments of $10,381 including interest at 4.28% through April 1, 2028	1,366,149
GEFA (2006-L25WJB), payable in monthly installments of $4,857 including interest at 4.28% through April 2028	639,178
GEFA (2007-L31WJ), payable in monthly installments of $3,247 including interest at 4.10% through March 1, 2029	442,123
GEFA (2008-L05WJ), payable in monthly installments of $6,705 including interest at 4.10% through July 1, 2029	946,313
	$ 3,655,888

Component Unit - Downtown Statesboro Development Authority

Note payable to Citizens Bank of Bulloch County, payable in monthly installments of $1,261 including interest at 2.5%, with a final payment of principal and interest due April 5, 2016.	$ 178,302
Note payable to Heritage Bank of the South, payable in monthly installments of $2,315 including interest at 2.95%, with a final payment of principal and interest due November 14, 2015	326,398
	$ 504,700

Annual debt service requirements to amortize all notes payable outstanding, as of June 30, 2013 follow:

	Primary Government			Component Unit		
Year	Principal	Interest	Total	Principal	Interest	Total
2014	$ 187,056	$ 148,543	$ 335,599	$ 29,195	$ 13,716	$ 42,911
2015	194,823	140,776	335,599	30,018	12,893	42,911
2016	202,889	132,711	335,600	445,487	7,066	452,553
2017	211,378	124,222	335,600	-	-	-
2018	220,141	115,459	335,600	-	-	-
2019-2023	1,212,366	433,828	1,646,194	-	-	-
2024-2028	1,313,358	167,486	1,480,844	-	-	-
2029-2033	113,877	2,586	116,463	-	-	-
Total	$ 3,655,888	$ 1,265,611	$ 4,921,499	$ 504,700	$ 33,675	$ 538,375

Capital Leases – The City currently has the following outstanding capital leases.

Capital Lease – City Hall - In 1995 the Downtown Statesboro Development Authority provided for the issuance of a Revenue Bond in the amount of $1,500,000 to provide for the acquisition, renovation, and equipping of the old Jaeckel Hotel for the purpose of converting it to the new Statesboro City Hall.

Note 3 - Detailed Notes on All Funds (Continued)

The Bond bears an interest rate of 70% of the prime rate but can never be less than 4.2% or more than 10.5%. Interest on the Bond is paid to Sea Island Bank by the City of Statesboro semi-annually on the first day of June and the first day of December beginning June 1, 1997. Principal payments are made in annual installments on December 1, each year beginning in 1997 and ending in 2022.

Upon payment in full of the debt the Downtown Statesboro Development Authority will convey the property to the City without further consideration.

The total cost for the project under the capital lease was $1,733,719.

The lease requires annual payments as follows:

Year	Principal	Interest	Total
2014	$ 69,500	$ 31,972	$ 101,472
2015	73,500	28,970	102,470
2016	78,000	25,788	103,788
2017	82,500	22,417	104,917
2018	87,500	18,848	106,348
2019-2022	405,000	35,217	440,217
Total	$ 796,000	$ 163,212	$ 959,212

Capital Lease – Georgia Municipal Association (GMA) **–**The City has entered into lease agreements with GMA to purchase the following equipment:

	Cost
2008 F150 Truck	$ 15,412
2008 Chevrolet Silverado	21,108
2009 F150 Truck	22,297
(2) 2008 East Tandem Trucks	129,590
2008 F250 Truck	18,036
2008 Peterbilt 320 Garbage Truck	202,834
Pierce Custom Contender Fire Engine	334,111
Side Dresser	72,000
Pierce Aerial Pumper Fire Truck	1,500,000
2012 F350 Truck	31,775
2012 F250 Truck	25,264
	$ 2,372,427

The leases require annual payments without interest as follows:

Year	Governmental Activities Principal	Business-Type Activities Principal	Total
2014	$ 425,680	$ 52,173	$ 477,853
2015	395,999	-	395,999
2016	329,177		329,177
2017	306,355		306,355
2018	306,355		306,355
Total	$ 1,763,566	$ 52,173	$ 1,815,739

Note 3 – Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2013:

Primary Government Governmental Activities	Outstanding 7/1/2012	Additions	Reductions	Outstanding 6/30/2013	Amounts Due in One Year
Capital lease - City Hall	$ 861,500	$ -	$ 65,500	$ 796,000	$ 69,500
Capital lease - GMA	364,880	1,557,039	158,353	1,763,566	425,680
Other post employment benefits	745,589	298,250	-	1,043,839	-
Compensated absences	502,753	46,486	3,360	545,879	109,176
Total Governmental Activities	$ 2,474,722	$ 1,901,775	$ 227,213	$ 4,149,284	$ 604,356
Business-Type Activities					
Water and sewer revenue bonds	$ 14,115,000	$ -	$ 465,000	$ 13,650,000	$ 475,000
Unamortized bond premium	260,934	-	12,575	248,359	-
	14,375,934	-	477,575	13,898,359	475,000
Notes payable - water fund	3,548,390	-	154,627	3,393,763	161,294
Notes payable - gas fund	287,128	-	25,003	262,125	25,762
Capital lease - GMA	125,347	-	73,174	52,173	52,173
Landfill closure and post-closure care	1,450,864	-	132,212	1,318,652	133,351
Other post employment benefits	299,798	140,251	-	440,049	-
Compensated absences	205,029	1,508	-	206,537	41,307
Total Business-Type Activities	$ 20,292,490	$ 141,759	$ 862,591	$ 19,571,658	$ 888,887
Component Unit					
Downtown Statesboro Development Authority					
Notes payable	$ 700,925	$ 180,000	$ 376,225	$ 504,700	$ 29,195

The capital lease obligations for governmental funds will be paid from the General Fund and for business-type activities from the fund which incurred the capital lease obligation. The compensated absences and other post employment benefits liability for governmental funds will be paid from the General Fund and for business-type activities from the fund from which the employees' salaries are paid. Principal and interest payments related to notes payable for the City's Water and Sewer System are financed from income derived from the operation of the Water and Sewer System. Principal and interest payments related to notes payable for the City's gas system are financed from income derived from this system. The landfill closure and post-closure care liability will be retired from the solid waste disposal fund.

3-H. Pensions

Plan Description - The City's defined benefit pension plan, the City of Statesboro Retirement Plan (the "Plan"), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal Employees Benefit System (the "System"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. The System issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Note 3 – Detailed Notes on All Funds (Continued)

Funding Policy - Employees are not required to contribute to the Plan. The City is required to contribute at an actuarially determined rate. The minimum annual contribution requirements of the City are established by Public Retirement Systems Standards Law (Georgia Code Section 47-20-10).

Annual Pension Cost and Net Pension Obligation - For 2013, the City's annual pension cost of $542,630 for the plan was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2013, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) projected salary increases of 3.5% per year for inflation, (c) additional projected salary increases of 3.5% per year attributed to seniority/merit, and (d) no post-retirement benefit increase. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten-year period. The period, and related method, for amortizing the initial unfunded actuarial accrued liability is thirty years from 1982 and current changes in the unfunded actuarial accrued liability over fifteen years for actuarial gains and losses, twenty years for plan provisions and thirty years for actuarial assumptions and cost methods at a level dollar amount. These amortization periods, if applicable, are closed for this plan year.

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(Funding Excess) (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL/(funding Excess) as a Percentage of Covered Payroll
1/1/2011	16,365,217	14,216,904	115.1%	$ (2,148,313)	8,761,645	-24.5%
1/1/2012	17,536,111	15,532,914	112.9%	$ (2,003,197)	9,058,361	-22.1%
1/1/2013	18,777,346	16,364,026	114.7%	$ (2,413,320)	9,174,764	-26.3%

Schedule of Employer Contributions

Year Ended June 30	Annual Pension Cost	Percentage Contributed
2011	706,853	100%
2012	730,791	100%
2013	542,630	100%

3-I. Defined Contribution Plan

The City sponsors a defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code for the Municipal Court Judge and the City Attorney. The plan is administered by the Georgia Municipal Association. The City Council is responsible and has authority to amend the plan provisions. The City contributes 4 percent of salary to the plan. The employees are not required to contribute to the plan. The City made $5,480 in contributions to the plan during the year ended June 30, 2013.

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Equity

As of June 30, 2013, governmental fund balances are composed of the following:

	General Fund	Statesboro Fire Service	2007 SPLOST	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	$ 233,964	$ 26,726	$ -	$ 5,000	$ 265,690
Restricted:					
Capital projects	-	-	6,096,391	-	6,096,391
Fire protection	-	520,018	-	-	520,018
Police	-	-	-	187,615	187,615
Community development	-	-	-	226,784	226,784
Unassigned	313,505	-	-	(256,988)	56,517
Total fund balances	$ 547,469	$ 546,744	$ 6,096,391	$ 162,411	$ 7,353,015

Net investment in capital assets on the government-wide statement of net position as of June 30, 2013 is as follows:

	Governmental Activities	Business Type Activities	Component Unit
Cost of capital assets	$ 43,926,831	$ 86,485,720	$ 911,862
Less accumulated depreciation	17,175,673	35,994,226	66,880
Book value	26,751,158	50,491,494	844,982
Less capital related debt	2,559,566	17,606,420	504,700
Plus unspent bond proceeds	-	3,107,501	-
Net investment in capital assets	$ 24,191,592	$ 35,992,575	$ 340,282

Note 4 – Other Notes

4-A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the city carries commercial insurance.

Pursuant to Title 34, Chapter 9, Article 4 of the Official Code of Georgia Annotated, the City of Statesboro became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund (GMAWCSIF). The liability of the fund to the employees of any employer (City) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

Employees that qualify are covered for wage replacement and medical benefits when injured in the process of performing their job duties. The coverage is provided by GMAWCSIF and the City of Statesboro participates in the pool or group with other Georgia Cities. This lessens exposure due to the grouped resources that GMAWCSIF provides.

The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be

Note 4 – Other Notes (Continued)

instituted against them on account of injuries or death within the purview of the Workers' Compensation Law of Georgia, or

on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs assessed against members in any legal proceedings defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The City's responsibilities relating to the workers' compensation pool is to pay all costs, other than those referenced in the above paragraph regarding litigation. The City prepays an estimated annual premium based upon claims experience. Then an audit is conducted of actual experience, with the difference in the premium being paid or refunded as applicable.

In fiscal year 2006, based on prior years loss experience and claims, the City elected to self insure a portion of its workers' compensation claims by increasing the deductible to $50,000 per occurrence and thereby significantly decreasing the annual premium.

In January 1991 the City elected to establish a self-insurance fund (an internal service fund) to cover all employee health insurance claims. The City makes payments to this fund on a monthly basis based on estimated premiums provided by the third party administrator to fund this program. Amounts are also withheld from employees by payroll deduction and paid to the self-insurance fund.

A third party administrator pays all claims from funds provided to them from the self-insurance fund's bank account. The City carries specific reinsurance for claims from one individual within one year exceeding $60,000.

The claims liability of $438,192 reported at June 30, 2013 for the Internal Service Funds represents known claims incurred on or prior to June 30, 2013 and an estimate for claims that have been incurred but not reported. Changes in the funds' claims liability for the year ended June 30, 2013 were as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2011	$ 535,000	$ 3,784,284	$ 3,893,556	$ 425,728
2012	425,728	3,969,918	3,696,296	699,350
2013	699,350	3,223,870	3,485,028	438,192

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the City's insurance coverage during the past three years.

4-B. Contingent Liabilities

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

The City was a defendant in several lawsuits at June 30, 2013. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

4-C. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the ten county coastal Georgia area, is a member of the Coastal Regional Commission of Georgia(RC) and is required to pay annual dues thereto. During the year ended June

Note 4 – Other Notes (Continued)

30, 2013, the City paid $28,604 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the Coastal Regional Commission of Georgia, 1181 Coastal Drive SW, Darien, Georgia 31305.

4-D. Hotel-Motel Lodging Tax

The City has levied a 5% lodging tax. A summary of the transactions for the year ended June 30, 2013 follows:

		Percentage of tax receipts
Lodging tax receipts	$ 553,966	
Disbursements to the:		
Statesboro Convention and Visitors Bureau for promotion of tourism	(210,507)	38%
Statesboro Arts Council for performing arts center	(184,194)	33%
Downtown Statesboro Development Authority for promotion of tourism	(131,567)	24%
City of Statesboro for administrative costs	(27,698)	5%
Total	$ -	

All expenditures were for promotion of tourism as required by O.C.G.A. 48-13-51.

4-E. Other Post-Employment Benefits

Plan Description. The City sponsors a single-employer post-retirement medical plan. The plan provides medical, prescription and death benefits to eligible retirees and their spouses. At June 30, 2013,six retired employees were eligible to participate. Since the plan has no assets, reporting another employee benefit trust fund in the accompanying financial statements is not required nor was a separate or stand-alone report issued.

Funding Policy. The contribution requirements of plan members and the City are established and may be amended by the City Council. Plan members are not required to contribute; however, plan members receiving healthcare benefits pay for 50% of the health care insurance premium for individual and family coverage if the employee had 10 to 25 years of service at retirement and 100% of coverage if the employee has 25 or more years of service.

For the year ended June 30, 2013, the City made no contributions and instead elected to continue funding on a *pay-as-you-go* basis, which amounted to $122,250 for 2013. These costs are recognized as an expense when claims or premiums are paid.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other post-retirement benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB Obligation.

Note 4 – Other Notes (Continued)

Annual Required Contribution	$ 577,065
Interest on Net OPEB Obligation	41,815
Adjustment to Annual Required Contribution	(58,130)
Annual OPEB Cost (Expense)	560,750
Contributions Made	(122,248)
Increase in Net Obligation	438,501
Net OPEB Obligation (BOY)	1,045,387
Net OPEB Obligation (BOY)	$ 1,483,888

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011-2013 is as follows:

Fiscal Year Ended	Annual OPEB Cost	OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	554,940	24%	598,422
6/30/2012	554,940	19%	1,045,387
6/30/2013	560,750	22%	1,483,888

Funded Status and Funding Progress. As of July 1, 2012, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was $4,242,088 and the actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $4,242,088. The covered payroll (annual payroll of active employees covered by the plan) was $10,371,753 and the ratio of the UAAL to the covered payroll was 40.9%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and includes the type of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan assets at the valuation date, and an annual healthcare cost trend rate of 5.5% initially, reduced by decrements to an ultimate rate of 5% after ten years. The actuarial value of assets was determined using a standard balanced portfolio expectation for retirement plan asset returns. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at July 1, 2012 was 30 years.

4-F. Subsequent Events

Management has evaluated subsequent events through December 20, 2013, the date that the financial statements were available for issue. No subsequent events were noted.

Note 4 – Other Notes (Continued)

4-G Changes in Accounting Principles

For the fiscal year 2013, the City implemented Governmental Accounting Standards Board (GASB) Statements No. 63 and 65. Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position. Statement No. 65, *Items Previously Reported as Assets and Liabilities* specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources, and inflows of resources.

Due to the changes in accounting principles described above, beginning net position as of July 1, 2012 for the water and sewer enterprise fund and business type activities for the government-wide financial statements has been decreased by $178,552. The difference represents a restatement for bond issue costs that were amortized under the prior standards but expensed in the period incurred under the new standards.



Nonmajor Governmental Funds—By Fund Type

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 204,142	$ -	$ 204,142
Receivables:			
Hotel/motel taxes	48,368	-	48,368
Intergovernmental	44,096	100,000	144,096
Interfund	15,018	425	15,443
Notes	257,120	-	257,120
Other	-	25,264	25,264
Prepaid items	5,000	-	5,000
Total Assets	$ 573,744	$ 125,689	$ 699,433
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 5,280	$ 32,645	$ 37,925
Interfund payable	321,720	93,044	414,764
Other	84,333	-	84,333
Total Liabilities	411,333	125,689	537,022
Fund Balances			
Nonspendable	5,000	-	5,000
Restricted	414,399	-	414,399
Unassigned	(256,988)	-	(256,988)
Total Fund Balances	162,411	-	162,411
Total Liabilities and Fund Balances	$ 573,744	$ 125,689	$ 699,433

City of Statesboro, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Hotel/motel taxes	$ 553,966	$ -	$ 553,966
Intergovernmental	157,934	100,000	257,934
Fines and forfeitures	153,587	-	153,587
Miscellaneous	369	-	369
Total Revenues	865,856	100,000	965,856
Expenditures			
Current:			
Public safety	315,361	-	315,361
Community development	776,267	-	776,267
Capital Outlay:			
General government	-	41,519	41,519
Public safety	-	1,500,000	1,500,000
Public works	-	133,125	133,125
Parks and cemeteries	-	52,545	52,545
Community services	-	135,289	135,289
Engineering	-	26,186	26,186
Total Expenditures	1,091,628	1,888,664	2,980,292
Excess (Deficiency) of Revenues Over (Under) Expenditures	(225,772)	(1,788,664)	(2,014,436)
Other Financing Sources (Uses)			
Transfers in	-	172,023	172,023
Transfers out	(29,651)	-	(29,651)
Proceeds from capital lease	-	1,557,039	1,557,039
Total Other Financing Sources (Uses)	(29,651)	1,729,062	1,699,411
Net Change in Fund Balances	(255,423)	(59,602)	(315,025)
Fund Balances Beginning of Year	417,834	59,602	477,436
Fund Balances End of Year	$ 162,411	$ -	$ 162,411



General Fund

City of Statesboro, Georgia
General Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 62,746	$ 14,381
Receivables:		
Taxes	325,282	365,020
Accounts	66,602	54,035
Intergovernmental	61,918	22,193
Interfund	1,238,329	819,594
Prepaid items	233,964	211,929
Total Assets	$ 1,988,841	$ 1,487,152
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 265,734	$ 263,407
Accrued payroll and payroll taxes	64,093	75,887
Other liabilities	110,447	86,290
Interfund payable	787,377	391,455
Unearned revenue	174,375	138,875
Total Liabilities	1,402,026	955,914
Deferred Inflows of Resources		
Unavailable revenue - property taxes	39,346	28,834
Fund Balances		
Nonspendable	233,964	211,929
Unassigned	313,505	290,475
Total Fund Balances	547,469	502,404
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,988,841	$ 1,487,152

City of Statesboro, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Taxes:		
Property	$ 3,524,293	$ 3,675,552
Automobiles	281,377	201,337
Franchise	1,897,448	1,974,408
Insurance premium	1,415,987	1,333,111
Alcoholic beverage	690,423	672,491
Other	108,511	145,669
Licenses and permits	1,071,307	941,669
Intergovernmental	-	12,859
Charges for services	251,885	231,011
Fines and forfeitures	1,092,820	1,250,937
Miscellaneous	37,056	34,400
Total Revenues	10,371,107	10,473,444
Expenditures		
Current:		
General government		
Governing body	200,594	221,231
City manager's office	123,060	112,427
City clerk's office	179,944	219,733
Elections	2,532	4,016
Financial administration	357,035	426,719
Legal	71,611	72,177
Information technology	426,626	359,739
Human resources	176,752	158,802
Government buildings	263,622	150,851
General administration fees	37,004	36,822
Total general government	1,838,780	1,762,517
Municipal court	569,468	541,681
Public safety:		
Police	5,335,842	5,302,723
Emergency management	5,000	5,000
Animal control	42,000	46,716
Total public safety	5,382,842	5,354,439

(continued)

General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2013 and 2012

(continued)

	2013	2012
Streets/public works	$ 1,940,179	$ 1,917,899
Parks and cemeteries	377,665	338,438
Engineering	403,009	396,485
Planning and zoning	314,132	260,767
Community services:		
Arts Center	136,740	135,897
Other	29,929	35,986
Total community services	166,669	171,883
Community development	81,491	95,860
Debt Service:		
Principal retirement	157,031	212,047
Interest and fiscal charges	22,064	27,512
Total Debt Service	179,095	239,559
Total Expenditures	11,253,330	11,079,528
Deficiency of Revenues Under Expenditures	(882,223)	(606,084)
Other Financing Sources (Uses)		
Transfers in	2,505,846	2,373,118
Transfers out	(1,607,023)	(1,460,000)
Sale of capital assets	28,465	13,907
Total Other Financing Sources (Uses)	927,288	927,025
Net Change in Fund Balances	45,065	320,941
Fund Balances Beginning of Year	502,404	181,463
Fund Balances End of Year	$ 547,469	$ 502,404



Major Capital Projects Fund

City of Statesboro, Georgia
2007 SPLOST Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 6,607,333	$ 7,874,563
Intergovernmental receivable	824,829	841,178
Total Assets	$ 7,432,162	$ 8,715,741
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 459,820	$ 199,146
Interfund payable	875,951	640,052
Total Liabilities	1,335,771	839,198
Fund Balances		
Restricted	6,096,391	7,876,543
Total Liabilities and Fund Balances	$ 7,432,162	$ 8,715,741

City of Statesboro, Georgia
2007 SPLOST Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental - Sales taxes	$ 5,201,773	$ 5,174,194
Intergovernmental	271,716	-
Investment earnings	10,871	9,327
Miscellaneous	27,042	-
Total Revenues	5,511,402	5,183,521
Expenditures		
Capital outlay:		
Public safety	606,650	474,726
Public works	1,466,546	534,909
Debt Service-Principal	66,822	66,822
Total Expenditures	2,140,018	1,076,457
Excess of Revenues Over Expenditures	3,371,384	4,107,064
Other Financing Sources (Uses)		
Transfers out	(5,151,536)	(1,871,869)
Net Change in Fund Balances	(1,780,152)	2,235,195
Fund Balances Beginning of Year	7,876,543	5,641,348
Fund Balances End of Year	$ 6,096,391	$ 7,876,543



Nonmajor Capital Projects Funds

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013

	Capital Improvements Program Fund	2013 SPLOST Fund	Total Nonmajor Capital Projects Funds
Assets			
Receivables:			
Intergovernmental	$ 100,000	$ -	$ 100,000
Interfund	425	-	425
Lease receivable	25,264	-	25,264
Total Assets	$ 125,689	$ -	$ 125,689
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 32,645	$ -	$ 32,645
Interfund payable	93,044	-	93,044
Total Liabilities	125,689	-	125,689
Fund Balances			
Assigned	-	-	-
Total Liabilities and Fund Balances	$ 125,689	$ -	$ 125,689

City of Statesboro, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2013

	Capital Improvements Program Fund	2013 SPLOST Fund	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	$ 100,000	$ -	$ 100,000
Expenditures			
Capital Outlay:			
General government	41,519	-	41,519
Engineering	26,186	-	26,186
Parks and cemeteries	52,545	-	52,545
Public safety	-	1,500,000	1,500,000
Public works	133,125	-	133,125
Recreation	135,289	-	135,289
Total Expenditures	388,664	1,500,000	1,888,664
Excess (Deficiency) of Revenues Over (Under) Expenditures	(288,664)	(1,500,000)	(1,788,664)
Other Financing Sources (Uses)			
Transfers in	172,023	-	172,023
Proceeds from capital lease	57,039	1,500,000	1,557,039
Total Other Financing Sources (Uses)	229,062	1,500,000	1,729,062
Net Change in Fund Balances	(59,602)	-	(59,602)
Fund Balances Beginning of Year	59,602	-	59,602
Fund Balances End of Year	$ -	$ -	$ -

City of Statesboro, Georgia
Capital Improvements Program Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ -	$ 61,374
Intergovernmental receivable	100,000	-
Interfund receivable	425	
Lease receivable	25,264	-
Total Assets	$ 125,689	$ 61,374
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 32,645	$ 1,772
Interfund payable	93,044	-
Total Liabilities	125,689	1,772
Fund Balances		
Assigned	-	59,602
Total Liabilities and Fund Balances	$ 125,689	$ 61,374

City of Statesboro, Georgia
Capital Improvements Program Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ 100,000	$ -
Expenditures		
Capital Outlay		
General government	41,519	105,607
Public works	133,125	85,066
Recreation	135,289	-
Parks and cemeteries	52,545	16,345
Engineering	26,186	8,552
Community development	-	7,350
Total Expenditures	388,664	222,920
Deficiency of Revenues Under Expenditures	(288,664)	(222,920)
Other Financing Sources		
Transfers in	172,023	275,000
Proceeds from capital lease	57,039	72,000
Total Other Financing Sources	229,062	347,000
Net Change in Fund Balances	(59,602)	124,080
Fund Balances Beginning of Year	59,602	(64,478)
Fund Balances End of Year	$ -	$ 59,602

City of Statesboro, Georgia
2013 SPLOST Fund
Balance Sheet
June 30, 2013

	2013
Assets	
Cash and cash equivalents	$ -
Intergovernmental receivable	-
Total Assets	$ -
Liabilities and Fund Balances	
Liabilities	
Accounts payable	$ -
Interfund payable	-
Total Liabilities	-
Fund Balances	
Restricted	-
Total Liabilities and Fund Balances	$ -

City of Statesboro, Georgia
2013 SPLOST Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2013

	2013
Revenues	
Intergovernmental	$ -
Expenditures	
Capital outlay:	
Public safety	1,500,000
Deficiency of Revenues Under Expenditures	(1,500,000)
Other Financing Sources (Uses)	
Proceeds from capital lease	1,500,000
Net Change in Fund Balances	-
Fund Balances Beginning of Year	-
Fund Balances End of Year	$ -



Major Special Revenue Fund

City of Statesboro, Georgia
Statesboro Fire Service Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 512,403	$ 290,639
Receivables:		
Accounts	27,653	22,850
Intergovernmental	31,175	93,473
Prepaid items	26,726	23,792
Total Assets	$ 597,957	$ 430,754
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 18,655	$ 18,371
Unearned revenue	13,390	20,489
Accrued payroll	19,168	13,296
Total Liabilities	51,213	52,156
Fund Balances		
Nonspendable	26,726	23,792
Restricted	520,018	354,806
Total Fund Balances	546,744	378,598
Total Liabilities and Fund Balances	$ 597,957	$ 430,754

City of Statesboro, Georgia
Statesboro Fire Service Fund
Comparative Statement of Revenues,
Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Charges for services	$ 920,875	$ 858,390
Intergovernmental	17,162	-
Miscellaneous	12	401
Total Revenues	938,049	858,791
Expenditures		
Current:		
Public safety - Fire	2,493,926	2,335,919
Deficiency of Revenues Under Expenditures	(1,555,877)	(1,477,128)
Other Financing Sources		
Transfers in	1,724,023	1,360,000
Sale of capital assets	-	11,287
Total Other Financing Sources	1,724,023	1,371,287
Net Change in Fund Balances	168,146	(105,841)
Fund Balances Beginning of Year	378,598	484,439
Fund Balances End of Year	$ 546,744	$ 378,598



Nonmajor Special Revenue Funds

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	Total Nonmajor Special Revenue Funds
Assets							
Cash and cash equivalents	$ 92,421	$ -	$ 101,552	$ -	$ -	$ 10,169	$ 204,142
Receivables:							
Hotel/motel taxes	-	-	-	48,368	-	-	48,368
Intergovernmental	-	5,000	-	-	39,096	-	44,096
Notes	-	257,120	-	-	-	-	257,120
Interfund	-	-	-	-	-	15,018	15,018
Prepaid items	-	-	-	5,000	-	-	5,000
Total Assets	$ 92,421	$ 262,120	$ 101,552	$ 53,368	$ 39,096	$ 25,187	$ 573,744
Liabilities and Fund Balances							
Liabilities							
Accounts payable	$ -	$ -	$ 134	$ -	$ 444	$ 4,702	$ 5,280
Interfund payable	-	35,336	-	247,696	38,688	-	321,720
Other	26,709	-	-	57,624	-	-	84,333
Total Liabilities	26,709	35,336	134	305,320	39,132	4,702	411,333
Fund Balances							
Nonspendable	-	-	-	5,000	-	-	5,000
Restricted	65,712	226,784	101,418	-	-	20,485	414,399
Unassigned	-	-	-	(256,952)	(36)	-	(256,988)
Total Fund Balances	65,712	226,784	101,418	(251,952)	(36)	20,485	162,411
Total Liabilities and Fund Balances	$ 92,421	$ 262,120	$ 101,552	$ 53,368	$ 39,096	$ 25,187	$ 573,744

City of Statesboro, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2013

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	Total Nonmajor Special Revenue Funds
Revenues							
Hotel/motel taxes	$ -	$ -	$ -	$ 553,966	$ -	$ -	$ 553,966
Intergovernmental	-	-	-	-	157,934	-	157,934
Fines and forfeitures	15,865	-	50,738	-	-	86,984	153,587
Miscellaneous	369	-	-	-	-	-	369
Total Revenues	16,234	-	50,738	553,966	157,934	86,984	865,856
Expenditures							
Current:							
Public safety	21,201	-	55,020	-	157,970	81,170	315,361
Community development	-	-	-	776,267	-	-	776,267
Total Expenditures	21,201	-	55,020	776,267	157,970	81,170	1,091,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,967)	-	(4,282)	(222,301)	(36)	5,814	(225,772)
Other Financing Uses							
Transfers out	-	-	-	(29,651)	-	-	(29,651)
Net Change in Fund Balances	(4,967)	-	(4,282)	(251,952)	(36)	5,814	(255,423)
Fund Balances Beginning of Year	70,679	226,784	105,700	-	-	14,671	417,834
Fund Balances End of Year	$ 65,712	$ 226,784	$ 101,418	$ (251,952)	$ (36)	$ 20,485	$ 162,411

City of Statesboro, Georgia
Confiscated Assets Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2012	2011
Assets		
Cash and cash equivalents	$ 92,421	$ 110,642
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 26,709	$ 39,963
Fund Balances		
Restricted	65,712	70,679
Total Liabilities and Fund Balances	$ 92,421	$ 110,642

City of Statesboro, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	$ 22,000	$ 29,684	$ 15,865	$ (13,819)	$ 26,883
Miscellaneous	-	-	369	369	-
Total Revenues	22,000	29,684	16,234	(13,450)	26,883
Expenditures					
Current:					
Public safety	22,000	39,200	21,201	17,999	54,296
Net Change in Fund Balances	$ -	$ (9,516)	(4,967)	$ 4,549	(27,413)
Fund Balances Beginning of Year			70,679		98,092
Fund Balances End of Year			$ 65,712		$ 70,679

City of Statesboro, Georgia
Community Development Block Grant Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Notes receivable	$ 257,120	$ 253,007
Intergovernmental receivable	5,000	5,000
Total Assets	$ 262,120	$ 258,007
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 35,336	$ 31,223
Fund Balances		
Restricted	226,784	226,784
Total Liabilities and Fund Balances	$ 262,120	$ 258,007

City of Statesboro, Georgia
Community Development Block Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013			2012
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Sale of lots	$ -	$ -	$ -	$ 5,000
Expenditures				
Current:				
Community development	-	-	-	-
Net Change in Fund Balances	$ -	-	$ -	5,000
Fund Balances Beginning of Year		226,784		221,784
Fund Balances End of Year		$ 226,784		$ 226,784

City of Statesboro, Georgia
Department of Justice Grant Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 101,552	$ 108,693
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 134	$ 2,993
Fund Balances		
Restricted	101,418	105,700
Total Liabilities and Fund Balances	$ 101,552	$ 108,693

City of Statesboro, Georgia
Department of Justice Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	60,000	60,000	50,738	(9,262)	100,225
Total Revenues	60,000	60,000	50,738	(9,262)	100,225
Expenditures					
Current:					
Public safety	60,000	82,969	55,020	27,949	51,150
Net Change in Fund Balances	$ -	$ (22,969)	(4,282)	$ 18,687	49,075
Fund Balances Beginning of Year			105,700		56,625
Fund Balances End of Year			$ 101,418		$ 105,700

City of Statesboro, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ -	$ 6,066
Taxes receivable	48,368	47,189
Prepaid items	5,000	-
Total Assets	$ 53,368	$ 53,255
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 57,624	$ 53,255
Interfund payable	247,696	-
Total Liabilities	305,320	53,255
Fund Balances		
Nonspendable	5,000	-
Unassigned	(256,952)	-
Total Fund Balances	(251,952)	-
Total Liabilities and Fund Balances	$ 53,368	$ 53,255

City of Statesboro, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Hotel/motel taxes	$ 575,000	$ 575,000	$ 553,966	$ (21,034)	$ 526,504
Expenditures					
Current:					
Community development	546,250	801,250	776,267	24,983	526,504
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,750	(226,250)	(222,301)	3,949	-
Other Financing Sources (Uses)					
Transfers out	(28,750)	(28,750)	(29,651)	(901)	
Net Change in Fund Balances	$ -	$ (255,000)	$ (251,952)	$ 3,048	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ (251,952)		$ -

City of Statesboro, Georgia
Multiple Grant Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Intergovernmental receivable	$ 39,096	$ 78,260
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 444	$ -
Interfund payable	38,688	78,260
Total Liablities	39,132	78,260
Fund Balances		
Unassigned	(36)	-
Total Liabilities and Fund Balances	$ 39,096	$ 78,260

City of Statesboro, Georgia
Multiple Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Intergovernmental	$ 106,929	$ 158,255	$ 157,934	$ (321)	$ 258,150
Expenditures					
Current:					
Public safety	106,929	134,817	157,970	(23,153)	258,150
Net Change in Fund Balances	$ -	$ 23,438	$ (36)	$ (23,474)	$ -
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ (36)		$ -

City of Statesboro, Georgia
Technology Fee Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	$ 10,169	$ 19,091
Interfund receivable	15,018	-
Total Assets	$ 25,187	$ 19,091
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 4,702	$ 4,420
Fund Balances		
Restricted	20,485	14,671
Total Liabilities and Fund Balances	$ 25,187	$ 19,091

City of Statesboro, Georgia
Technology Fee Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With Comparative Actual Amounts for the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	$ 95,000	$ 95,000	$ 86,984	$ (8,016)	$ 91,565
Expenditures					
Public safety	70,236	84,232	81,170	3,062	81,578
Net Change in Fund Balances	$ 24,764	$ 10,768	5,814	$ (4,954)	9,987
Fund Balances Beginning of Year			14,671		4,684
Fund Balances End of Year			$ 20,485		$ 14,671



Major Enterprise Funds

City of Statesboro, Georgia
Water and Sewer Operating Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,460,936	$ 1,981,689
Receivables:		
Accounts	557,086	333,076
Unbilled accounts	545,587	585,506
Intergovernmental	122,651	-
Interfund	1,541,420	1,229,837
Materials and supplies inventory	338,293	348,635
Prepaid items	62,612	401,733
Restricted assets - Cash and cash equivalents	455,962	447,912
Total Current Assets	5,084,547	5,328,388
Noncurrent Assets:		
Restricted Assets:		
Cash and cash equivalents	5,058,558	6,428,455
Capital Assets:		
Land	352,981	352,981
Buildings	1,029,380	669,505
Improvements other than buildings	61,312,673	59,506,161
Machinery and equipment	4,456,902	4,378,855
Less accumulated depreciation	(28,992,954)	(27,379,806)
Construction in progress	5,173,402	875,251
Total Capital Assets	43,332,384	38,402,947
Total Noncurrent Assets	48,390,942	44,831,402
Total Assets	53,475,489	50,159,790
Liabilities		
Current Liabilities:		
Accounts payable	350,873	272,611
Accrued payroll	25,051	24,127
Accrued interest payable	154,437	157,444
Current portion of notes payable	161,294	154,602
Current portion of revenue bonds payable	475,000	465,000
Customer deposits	455,962	447,912
Compensated absences payable	27,033	26,768
Total Current Liabilities	1,649,650	1,548,464
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	108,132	107,073
Other post employment benefits payable	290,753	199,495
Notes payable (net of current portion)	3,232,469	3,393,788
Revenue bonds payable, net of unamortized premium (net of current portion)	13,423,359	13,910,934
Total Long-Term Liabilites	17,054,713	17,611,290
Total Liabilities	18,704,363	19,159,754
Net Position		
Net investment in capital assets	29,147,763	25,421,683
Restricted for revenue bond retirement	791,193	790,834
Unrestricted	4,832,170	4,787,519
Total Net Position	$ 34,771,126	$ 31,000,036

City of Statesboro, Georgia
Water and Sewer Opearating Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For The Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Water sales	$ 3,930,498	$ 4,003,776
Sewer charges	3,863,870	3,571,571
Penalties	118,594	111,579
Reconnecting charges	138,717	153,831
Service fees	159,989	178,664
Tap fees	1,171,752	392,920
Rental income	159,110	149,630
Miscellaneous	17,604	86,864
Total Operating Revenues	9,560,134	8,648,835
Operating Expenses		
Salaries	2,124,118	2,057,338
Employee benefits	1,134,914	1,039,323
Purchased services:		
Training	10,395	8,006
Dues and certification	8,528	4,082
Repairs and maintenance	300,450	288,303
Inspections	48,996	47,833
Contracted services	75,964	22,105
Laboratory services	19,425	15,884
Electricity	740,191	750,447
Telephone	26,423	21,952
Insurance	66,643	42,714
Equipment rental	7,249	4,650
Engineering fees	51,368	69,706
Tippage fees	141,321	152,483
Travel	26,629	22,637
Advertising	1,601	3,024
Postage	65,268	65,975
Materials and supplies:		
Uniforms	19,391	18,874
Materials and supplies	459,401	291,599
Chemicals	88,407	67,003
Gasoline, oil, etc.	93,786	85,694
Small equipment	66,362	31,322
Indirect cost allocation	880,573	610,882
Depreciation	1,663,259	1,637,140
Bad debts	31,012	59,277
Other	3,424	4,466
Total Operating Expenses	8,155,098	7,422,719
Operating Income	1,405,036	1,226,116
Non-Operating Revenues (Expenses)		
Intergovernmental	122,651	-
Investment earnings	4,411	11,822
Gain on sale of assets	9,630	-
Interest expense	(712,666)	(733,400)
Total Non-Operating Revenues (Expenses)	(575,974)	(721,578)
Income Before Capital Contributions and Transfers	829,062	504,538
Capital contributions	597,440	209,551
Transfers in	3,495,805	358,109
Transfers out	(1,151,217)	(888,118)
Change in Net Position	3,771,090	184,080
Net Position Beginning of Year, As Restated	31,000,036	30,815,956
Net Position End of Year	$ 34,771,126	$ 31,000,036

City of Statesboro, Georgia
Reclaimed Water System Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Accounts receivable	$ 3,662	$ 1,939
Prepaid insurance	112	695
Total Current Assets	3,774	2,634
Noncurrent Assets		
Capital Assets:		
Improvements other than buildings	855,701	838,235
Less accumulated depreciation	(29,688)	(12,574)
Construction in progress	78,879	17,466
Total Capital Assets	904,892	843,127
Total Assets	908,666	845,761
Liabilities		
Current Liabilities:		
Accounts payable	360	1,424
Interfund payable	34,083	52,223
Total Current Liabilities	34,443	53,647
Net Position		
Net investment in capital assets	904,892	843,127
Unrestricted	(30,669)	(51,013)
Total Net Position	$ 874,223	$ 792,114

City of Statesboro, Georgia
Reclaimed Water System Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For The Year Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 26,606	$ 26,149
Operating Expenses		
Purchased services:		
Insurance	717	139
Electricity	5,333	6,090
Materials and supplies:		
Parts and materials	-	610
Chemicals	212	1,923
Depreciation	17,114	12,574
Other	-	23
Total Operating Expenses	23,376	21,359
Operating Income	3,230	4,790
Transfers in	78,879	571
Change in Net Position	82,109	5,361
Net Position Beginning of Year	792,114	786,753
Net Position End of Year	$ 874,223	$ 792,114

City of Statesboro, Georgia
Gas Operating Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,098,851	$ 688,161
Receivables:		
Accounts	308,546	101,068
Unbilled accounts	226,997	231,049
Inventory	95,635	84,023
Prepaid items	20,875	19,545
Restricted assets - Cash and cash equivalents	94,095	91,124
Total Current Assets	1,844,999	1,214,970
Capital Assets:		
Land	78,004	78,004
Buildings	191,038	191,038
Improvements other than buildings	4,622,898	4,622,898
Machinery and equipment	573,953	562,201
Less accumulated depreciation	(2,826,589)	(2,726,965)
Construction in progress	18,759	-
Total Capital Assets	2,658,063	2,727,176
Total Assets	4,503,062	3,942,146
Liabilities		
Current Liabilities:		
Accounts payable	223,685	148,317
Accrued payroll	4,019	4,343
Accrued interest payable	1,944	2,130
Compensated absences payable	6,185	5,550
Sales tax payable	16,933	23,538
Customer deposits	94,095	91,124
Notes payable	25,762	25,003
Capital lease payable	6,689	6,690
Total Current Liabilities	379,312	306,695
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	24,739	22,200
Other post employment benefits payable	49,125	34,760
Notes payable (net of current portion)	236,363	262,125
Capital lease payable (net of current portion)	-	6,688
Total Long-Term Liabilities	310,227	325,773
Total Liabilities	689,539	632,468
Net Position		
Net investment in capital assets	2,389,249	2,426,670
Unrestricted	1,424,274	883,008
Total Net Position	$ 3,813,523	$ 3,309,678

City of Statesboro, Georgia
Gas Operating Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 5,041,781	$ 4,509,383
Penalties	53,052	45,586
Reconnecting charges	4,600	3,250
Tap fees	1,650	2,780
Transport fees	26,776	34,153
Service fees	3,275	2,575
Miscellaneous	9,311	3,184
Total Operating Revenues	5,140,445	4,600,911
Operating Expenses		
Salaries	350,316	352,279
Employee benefits	141,391	161,410
Purchased Services:		
Training	822	1,487
Dues and certification	2,111	2,090
Repairs and maintenance	47,969	84,014
Contracted services	90,401	99,923
Electricity	11,523	11,852
Telephone	7,406	7,436
Insurance	16,901	13,144
Equipment rental	3,900	1,908
Engineering fees	4,445	6,976
Water heater program	27,789	28,381
Travel	9,435	10,004
Advertising	332	794
Postage	75	274
Franchise fee	9,139	7,374
Materials and supplies:		
Uniforms	4,645	3,351
Materials and supplies	61,980	46,726
Chemicals	56	301
Gasoline, oil, etc.	26,373	26,571
Small equipment	7,001	12,206
Cost of sales	2,750,415	2,490,506
Depreciation	129,367	124,119
Bad debts	8,580	17,689
Other	18,081	7,118
Total Operating Expenses	3,730,453	3,517,933
Operating Income	1,409,992	1,082,978
Non-Operating Revenues (Expenses)		
Gain on sale of assets	2,000	-
Interest expense	(8,147)	(8,889)
Total Non-Operating Revenues (Expenses)	(6,147)	(8,889)
Income Before Transfers	1,403,845	1,074,089
Transfers out	(900,000)	(925,000)
Change in Net Position	503,845	149,089
Net Position Beginning of Year	3,309,678	3,160,589
Net Position End of Year	$ 3,813,523	$ 3,309,678

City of Statesboro, Georgia
Solid Waste Collection Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 405,908	$ 432,080
Receivables:		
Accounts	174,843	134,539
Unbilled accounts	269,164	242,325
Prepaid items	16,673	14,273
Restricted assets - Cash and cash equivalents	80,809	-
Total Current Assets	947,397	823,217
Noncurrent Assets:		
Capital Assets:		
Buildings	74,602	74,602
Machinery and equipment	3,579,478	3,329,074
Less accumulated depreciation	(2,218,321)	(1,955,495)
Total Capital Assets	1,435,759	1,448,181
Total Assets	2,383,156	2,271,398
Liabilities		
Current Liabilities		
Accounts payable	71,807	301,938
Accrued payroll	6,065	6,013
Compensated absences payable	4,403	5,485
Capital lease payable	19,566	40,567
Customer deposits	80,809	-
Total Current Liabilities	182,650	354,003
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	17,612	21,942
Other post employment benefits payable	61,903	38,161
Capital lease payable (net of current portion)	-	19,566
Total Long-Term Liabilities	79,515	79,669
Total Liabilities	262,165	433,672
Net Position		
Net investment in capital assets	1,416,193	1,388,048
Unrestricted	704,798	449,678
Total Net Position	$ 2,120,991	$ 1,837,726

City of Statesboro, Georgia
Solid Waste Collection Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Sanitation charges	$ 3,179,848	$ 2,859,256
Penalties	43,136	40,830
Total Operating Revenues	3,222,984	2,900,086
Operating Expenses		
Salaries	553,106	500,584
Employee benefits	313,197	291,299
Purchases services:		
Training	2,191	537
Dues and certification	428	233
Repairs and maintenance	242,574	329,534
Contracted services	5,000	-
Telephone	6,068	1,058
Insurance	21,038	5,021
Tippage fees	711,475	658,684
Travel	1,805	-
Advertising	577	412
Materials and supplies:		
Uniforms	6,847	12,216
Materials and supplies	5,052	3,779
Gasoline, oil, etc.	155,049	140,384
Chemicals	2,456	1,688
Depreciation	323,675	210,481
Bad debts	22,670	29,389
Other	1,610	3,067
Total Operating Expenses	2,374,818	2,188,366
Operating Income	848,166	711,720
Non-Operating Revenues (Expenses)		
Gain on sale of capital assets	10,100	16,839
Income Before Transfers	858,266	728,559
Transfers in	-	346,522
Transfers out	(575,001)	(543,000)
Change in Net Position	283,265	532,081
Net Position Beginning of Year	1,837,726	1,305,645
Net Position End of Year	$ 2,120,991	$ 1,837,726

City of Statesboro, Georgia
Solid Waste Disposal Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 250	$ 250
Receivables:		
Accounts	88,717	37,945
Unbilled accounts	171,755	159,083
Interfund	291,666	291,667
Prepaid items	14,960	13,039
Total Current Assets	567,348	501,984
Noncurrent Assets:		
Capital Assets:		
Land	123,425	123,425
Buildings	1,277,962	1,277,962
Improvements other than buildings	202,801	202,801
Infrastructure	225,697	225,697
Machinery and equipment	2,185,797	1,937,219
Less accumulated depreciation	(1,926,674)	(2,095,242)
Construction in progress	71,388	43,929
Total Capital Assets	2,160,396	1,715,791
Total Assets	2,727,744	2,217,775
Liabilities		
Current Liabilities:		
Accounts payable	57,733	46,856
Accrued payroll	2,651	2,636
Compensated absences payable	3,687	3,202
Capital lease payable	25,918	25,918
Interfund payable	760,148	895,464
Landfill postclosure care costs	133,351	161,585
Total Current Liabilities	983,488	1,135,661
Long-Term Liabilities:		
Compensated absences payable	14,746	12,809
Other post employment benefits payable	38,268	27,382
Landfill postclosure care costs (net of current portion)	1,185,301	1,289,279
Capital lease payable (net of current portion)	-	25,918
Total Long-Term Liabilities	1,238,315	1,355,388
Total Liabilities	2,221,803	2,491,049
Net Position		
Net investment in capital assets	2,134,478	1,663,955
Unrestricted	(1,628,537)	(1,937,229)
Total Net Position	$ 505,941	$ (273,274)

City of Statesboro, Georgia
Solid Waste Disposal Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Tippage fees	$ 2,135,206	$ 1,951,390
Penalties	21,542	8,557
Miscellaneous	2,190	4,538
Total Operating Revenues	2,158,938	1,964,485
Operating Expenses		
Salaries	242,196	251,515
Employee benefits	156,769	152,708
Purchased services:		
Training	225	2,156
Dues and certification	709	233
Repairs and maintenance	132,131	185,602
Contracted services	7,598	10,885
Electricity	6,513	8,515
Telephone	3,561	3,156
Insurance	16,610	14,869
Equipment rental	606	357
Transportation and disposal	709,204	654,151
Air rights	1,161,971	1,103,875
Advertising	1,231	302
Special projects/programs	48,000	70,000
Waste reduction	45,269	34,648
Enforcement and monitoring	122,000	122,000
Travel	588	232
Materials and supplies:		
Uniforms	1,543	5,154
Materials and supplies	11,508	11,581
Gasoline, oil, etc.	51,288	39,584
Chemicals	160	1,306
Depreciation	230,380	210,726
Miscellaneous	1,430	1,600
Total Operating Expenses	2,951,490	2,885,155
Operating (Loss)	(792,552)	(920,670)
Non-Operating Revenues		
Insurance proceeds	40,358	-
Gain on sale of capital assets	168,557	-
Total Non-Operating Revenues	208,915	-
Loss before Transfers	(583,637)	(920,670)
Transfers in	1,576,852	1,166,667
Transfers out	(214,000)	(192,000)
Change in Net Postion	779,215	53,997
Net Position Beginning of Year	(273,274)	(327,271)
Net Position End of Year	$ 505,941	$ (273,274)



Internal Service Funds

City of Statesboro, Georgia
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Assets					
Current Assets:					
Cash and cash equivalents	$ 1,155,234	$ -	$ -	$ 20,059	$ 1,175,293
Accounts receivable	17,097	-	-	-	17,097
Inventory	-	141,284	-	-	141,284
Prepaid items	-	4,119	114,819	-	118,938
Total Current Assets	1,172,331	145,403	114,819	20,059	1,452,612
Noncurrent Assets:					
Capital Assets:					
Depreciable capital assets, net	-	196,582	-	-	196,582
Total Assets	1,172,331	341,985	114,819	20,059	1,649,194
Liabilities					
Current Liabilities:					
Accounts payable	12,397	56,454	-	-	68,851
Accrued payroll	-	2,702	-	-	2,702
Claims payable	427,752	-	10,440	-	438,192
Compensated absences payable	-	4,094	-	-	4,094
Interfund payable	402	211,463	2,670	-	214,535
Total Current Liabilities	440,551	274,713	13,110	-	728,374
Long-Term Liabilities					
Compensated absences payable (net of current portion)	-	16,378	-	-	16,378
Other post employment benefits payable	-	35,387	-	-	35,387
Total Long-Term Liabilities	-	51,765	-	-	51,765
Total Liabilites	440,551	326,478	13,110	-	780,139
Net Position					
Net investment in capital assets	-	196,582	-	-	196,582
Unrestricted	731,780	(181,075)	101,709	20,059	672,473
Total Net Position	$ 731,780	$ 15,507	$ 101,709	$ 20,059	$ 869,055

City of Statesboro, Georgia
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2013

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Operating Revenues					
Charges for services	$ 3,766,593	$ 907,001	$ 438,200	$ 22,012	$ 5,133,806
Miscellaneous	-	5,120	-	-	5,120
Total Operating Revenues	3,766,593	912,121	438,200	22,012	5,138,926
Operating Expenses					
Salaries	-	229,781	-	-	229,781
Employee benefits	-	118,899	-	-	118,899
Purchased services	-	171,361	216,306	753	388,420
Materials and supplies	-	36,719	-	1,200	37,919
Cost of sales	-	404,176	-	-	404,176
Depreciation	-	11,432	-	-	11,432
Claims	3,068,574	-	155,296	-	3,223,870
Miscellaneous	-	1,191	-	-	1,191
Total Operating Expenses	3,068,574	973,559	371,602	1,953	4,415,688
Operating Income (Loss)	698,019	(61,438)	66,598	20,059	723,238
Transfers in	-	75,000	-		75,000
Change in Net Position	698,019	13,562	66,598	20,059	798,238
Net Position Beginning of Year	33,761	1,945	35,111	-	70,817
Net Position End of Year	$ 731,780	$ 15,507	$ 101,709	$ 20,059	$ 869,055

City of Statesboro, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2013

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Cash Flows from Operating Activities					
Cash received from customers	$ 3,863,773	$ 912,121	$ 438,200	$ 22,012	$ 5,236,106
Cash payments to employees for services	-	(335,744)	-	-	(335,744)
Cash payments for goods and services	-	(608,567)	(216,306)	(1,953)	(826,826)
Cash payments for claims	(3,327,911)	-	(163,352)	-	(3,491,263)
Net Cash Provided by (Used in) Operating Activities	535,862	(32,190)	58,542	20,059	582,273
Cash Flows from Noncapital Financing Activities					
Advances from (to) other funds	402	20,254	(58,542)	-	(37,886)
Transfers in (out)	-	75,000	-	-	75,000
Net Cash Provided by (Used in) Noncapital Financing Activities	402	95,254	(58,542)	-	37,114
Cash Flows from Capital and Related Financing Activities					
Purchases of capital assets	-	(63,064)	-	-	(63,064)
Net Increase (Decrease) in Cash and Cash Equivalents	536,264	-	-	20,059	556,323
Cash and Cash Equivalents Beginning of Year	618,970	-	-	-	618,970
Cash and Cash Equivalents End of Year	$ 1,155,234	$ -	$ -	$ 20,059	$ 1,175,293

City of Statesboro, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2013

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 698,019	$ (61,438)	$ 66,598	$ 20,059	$ 723,238
Adjustments:					
Depreciation	-	11,432	-	-	11,432
(Increase) Decrease in Assets:					
Accounts receivable	97,180	-	-	-	97,180
Materials and supplies inventory	-	(11,098)	-	-	(11,098)
Prepaid items	-	(1,519)	(5,833)	-	(7,352)
Increase (Decrease) in Liabilities:					
Accounts payable	(402)	17,497	-	-	17,095
Accrued payroll	-	21	-	-	21
Claims payable	(258,935)	-	(2,223)	-	(261,158)
Compensated absences payable	-	2,389	-	-	2,389
Other post employment benefits payable	-	10,526	-	-	10,526
Net Cash Provided by (Used in) Operating Activities	$ 535,862	$ (32,190)	$ 58,542	$ 20,059	$ 582,273

City of Statesboro, Georgia
Health Insurance Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,155,234	$ 618,970
Accounts receivable	17,097	114,277
Total Current Assets	1,172,331	733,247
Liabilities		
Current Liabilities:		
Claims payable	427,752	686,687
Accounts payable	12,397	12,799
Interfund payable	402	-
Total Current Liabilities	440,551	699,486
Net Position		
Unrestricted	$ 731,780	$ 33,761

City of Statesboro, Georgia
Health Insurance Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Premiums - City and employees	$ 3,766,593	$ 3,751,899
Miscellaneous	-	66
Total Operating Revenues	3,766,593	3,751,965
Operating Expenses		
Claims	3,068,574	3,889,535
Change in Net Position	698,019	(137,570)
Net Position Beginning of Year	33,761	171,331
Net Position End of Year	$ 731,780	$ 33,761

City of Statesboro, Georgia
Fleet Management Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Inventory	$ 141,284	$ 130,186
Prepaid items	4,119	2,600
Total Current Assets	145,403	132,786
Noncurrent Assets:		
Capital Assets:		
Buildings	135,458	135,458
Equipment	343,830	280,766
Less accumulated depreciation	(282,706)	(271,274)
Total Capital Assets	196,582	144,950
Total Assets	341,985	277,736
Liabilities		
Current Liabilities:		
Accounts payable	56,454	38,957
Accrued payroll	2,702	2,681
Compensated absences payable	4,094	3,617
Interfund payable	211,463	191,209
Total Current Liabilities	274,713	236,464
Long-Term Liabilities		
Compensated absences payable (net of current portion)	16,378	14,466
Other post employment benefits payable	35,387	24,861
Total Long-Term Liabilities	51,765	39,327
Total Liabilites	326,478	275,791
Net Position		
Net investment in capital assets	196,582	144,950
Unrestricted	(181,075)	(143,005)
Total Net Position	$ 15,507	$ 1,945

City of Statesboro, Georgia
Fleet Management Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Parts sales and labor charges	$ 907,001	$ 949,456
Miscellaneous	5,120	1,760
Total Operating Revenues	912,121	951,216
Operating Expenses		
Salaries	229,781	252,427
Employee benefits	118,899	116,090
Purchased services:		
Training	3,170	175
Dues and certification	142	123
Repairs and maintenance	16,285	7,839
Contracted services	128,514	110,623
Electricity	14,683	16,302
Telephone	1,364	695
Advertising	-	540
Insurance	3,563	1,870
Equipment rental	490	902
Travel	3,150	876
Materials and supplies:		
Uniforms	3,240	3,635
Materials and supplies	28,387	24,270
Gasoline, oil, etc.	5,092	4,541
Cost of sales	404,176	396,378
Depreciation	11,432	12,885
Miscellaneous	1,191	1,094
Total Operating Expenses	973,559	951,265
Operating Income (Loss)	(61,438)	(49)
Non-Operating Revenues		
Gain on sale of capital assets	-	667
Income (Loss) before Transfers	(61,438)	618
Transfers in	75,000	-
Change in Net Position	13,562	618
Net Position Beginning of Year	1,945	1,327
Net Position End of Year	$ 15,507	$ 1,945

City of Statesboro, Georgia
Workers Compensation Fund
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Prepaid insurance	$ 114,819	$ 108,986
Liabilities		
Current Liabilities:		
Claims payable	10,440	12,663
Interfund payable	2,670	61,212
Total Current Liabilities	13,110	73,875
Net Position		
Unrestricted	$ 101,709	$ 35,111

City of Statesboro, Georgia
Workers Compensation Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Premiums	$ 438,200	$ 410,699
Operating Expenses		
Premiums	216,306	215,398
Claims	155,296	80,383
Total Operating Expenses	371,602	295,781
Change in Net Position	66,598	114,918
Net Position Beginning of Year	35,111	(79,807)
Net Position End of Year	$ 101,709	$ 35,111

City of Statesboro, Georgia
Wellness Program Fund
Statement of Net Position
June 30, 2013

	2013
Assets	
Current Assets:	
Cash and cash equivalents	$ 20,059
Net Position	
Unrestricted	$ 20,059

City of Statesboro, Georgia
Wellness Program Fund
Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2013

	2013
Operating Revenues	
Wellness dues	$ 22,012
Operating Expenses	
Repairs and maintenance	753
Small tools and equipment	1,200
Total Operating Expenses	1,953
Change in Net Position	20,059
Net Position Beginning of Year	-
Net Position End of Year	$ 20,059



Downtown Statesboro Development Authority

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Comparative Statement of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 308,227	$ 572,550
Intergovernmental receivable	14,541	13,314
Prepaid items	1,014	1,164
Total Current Assets	323,782	587,028
Noncurrent Assets:		
Capital Assets:		
Land	-	20,912
Buildings	902,162	976,203
Equipment	9,700	9,285
Less accumulated depreciation	(66,880)	(65,369)
Total Capital Assets	844,982	941,031
Total Assets	1,168,764	1,528,059
Liabilities		
Current Liabilities:		
Accrued payroll and payroll taxes	1,380	1,413
Other payables	-	350,000
Notes payable	29,195	25,534
Total Current Liabilities	30,575	376,947
Long-Term Liabilities		
Notes payable (net of current portion)	475,505	675,391
Total Liabilites	506,080	1,052,338
Net Position		
Net investment in capital assets	340,282	240,106
Unrestricted	322,402	235,615
Total Net Position	$ 662,684	$ 475,721

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Intergovernmental:		
City of Statesboro	$ 81,186	$ 80,706
City of Statesboro - Hotel/ Motel tax	131,567	131,626
Other	8,588	6,188
Licenses	9,875	-
Rental income	39,600	43,800
Miscellaneous	12,781	27,390
Total Operating Revenues	283,597	289,710
Operating Expenses		
Salaries	70,120	70,358
Employee benefits	5,722	5,715
Purchased services:		
Training	788	737
Dues and subscriptions	2,503	2,748
Repairs and maintenance	4,808	9,033
Contracted services	1,060	45,116
Bank charges	1,252	1,442
Telephone	4,444	4,253
Advertising	6,922	7,851
Postage	161	199
Printing	972	970
Insurance	4,227	2,044
Annual meeting	2,254	3,728
Travel	2,139	1,705
Farmers market	8,256	5,562
Facade grants	2,121	1,610
Special events	8,910	9,951
Materials and supplies	1,439	995
Depreciation	22,372	30,055
Miscellaneous	4,194	4,757
Total Operating Expenses	154,664	208,829
Operating Income	128,933	80,881
Non-Operating Revenues (Expenses)		
Investment earnings	219	1,286
Gain on sale of capital assets	21,825	-
Interest expense	(20,185)	(36,279)
Total Non-Operating Revenues (Expenses)	1,859	(34,993)
Income before Capital Contributions	130,792	45,888
Capital contributions	56,171	-
Change in Net Position	186,963	45,888
Net Position Beginning of Year	475,721	429,833
Net Position End of Year	$ 662,684	$ 475,721

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Statement of Cash Flows
For the Year Ended June 30, 2013

Cash Flows from Operating Activities		
Cash received from customers	$	282,370
Cash payments to employees for services		(75,875)
Cash payments for goods and services		(56,300)
Net Cash Provided by (Used in) Operating Activities		150,195
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets		(61,063)
Proceeds from sale of capital assets		42,736
Interest paid on notes payable		(20,185)
Principal paid on notes payable		(376,225)
Net Cash Provided by (Used in) Capital and Related Financing Activities		(414,737)
Cash Flows from Investing Activities		
Investment earnings		219
Net Increase (Decrease) in Cash and Cash Equivalents		(264,323)
Cash and Cash Equivalents Beginning of Year		572,550
Cash and Cash Equivalents End of Year	$	308,227
Schedule of Noncash Capital and Related Financing Activities		
Contributions of capital assets	$	56,171
Purchase of capital asset financed with note payable		180,000

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Statement of Cash Flows
For the Year Ended June 30, 2013

Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	128,933
Adjustments:		
Depreciation		22,372
(Increase) Decrease in Assets:		
Intergovernmental receivable		(1,227)
Prepaid items		150
Increase (Decrease) in Liabilities:		
Accrued payroll and payroll taxes		(33)
Net Cash Provided by (Used in) Operating Activities	$	150,195

City of Statesboro, Georgia
Schedule of SPLOST Expenditures
From Inception and for the Fiscal Year Ended June 30, 2013

2007 SPLOST

	Original Estimated Costs	Current Estimated Costs	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Joint City/County Solid Waste Disposal	$ 7,000,000	$ 7,000,000	$ 5,554,790	$ 1,362,034	$ 6,916,824	99%
Cemetery Expansion	900,000	900,000	887,828	-	887,828	99%
Waste and Sewer Projects	9,860,000	9,860,000	593,978	3,574,684	4,168,662	42%
Street and Drainage Projects	5,307,500	5,307,500	870,438	1,167,788	2,038,226	38%
Public Safety Facilities and Equipment	4,200,000	4,200,000	1,424,162	673,472	2,097,634	50%
Solid Waste Handling Equipment	1,400,000	1,400,000	478,379	214,818	693,197	50%
	$ 28,667,500	$ 28,667,500	$ 9,809,575	$ 6,992,796	$ 16,802,371	59%

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

Total 2007 SPLOST fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	$ 2,140,018
Transfer to other funds	5,151,536
Less:	
Intergovernmental revenue from other sources	(271,716)
Miscellaneous revenue	(27,042)
Total current year expenditures per above	$ 6,992,796



Statistical Section

City of Statesboro, Georgia

Statistical Section

(Unaudited)

This part of the City of Statesboro's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, not disclosures, and supplementary information. This information has not been audited by the independent auditor.

Contents **Page**

Financial Trends **S-1**

These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.

Revenue Capacity **S-10**

These tables contain information that may assist the reader in assessing the City's two most significant local revenue sources, the property and sales taxes.

Debt Capacity **S-18**

These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Economic & Demographic Information **S-22**

This table offers economic and demographic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.

Operating Information **S-24**

These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year.

City of Statesboro, Georgia
Government-wide Expenses, Program Revenues and Net (Expense)/Revenue by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	Fiscal Year 2013			Fiscal Year 2012			Fiscal Year 2011			Fiscal Year 2010			Fiscal Year 2009		
	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]
Governmental Activities															
General government	$ 1,961,130	$ 678,909	$ (1,282,221)	$ 1,934,249	$ 656,558	$ (1,277,691)	$ 2,368,425	$ 927,986	$ (1,440,439)	$ 2,364,710	$ 661,459	$ (1,703,251)	$ 2,683,348	$ 765,661	$ (1,917,687)
Municipal court	567,964	-	(567,964)	556,554	-	(556,554)	622,589	-	(622,589)	603,544	-	(603,544)	697,203	-	(697,203)
Public safety	9,098,016	3,535,427	(5,562,589)	9,119,781	3,750,528	(5,369,253)	8,806,859	3,718,363	(5,088,496)	8,935,759	4,084,378	(4,851,381)	8,465,499	3,255,928	(5,209,571)
Public works	2,732,868	4,480,151	1,747,283	2,807,901	4,159,318	1,351,417	2,634,834	4,372,241	1,737,407	2,530,638	4,942,553	2,411,915	2,452,550	2,121,763	(330,787)
Community development	864,315	-	(864,315)	622,364	12,859	(609,505)	553,860	-	(553,860)	534,041	-	(534,041)	539,771	-	(539,771)
Parks and cemeteries	442,998	-	(442,998)	427,882	-	(427,882)	458,607	-	(458,607)	514,166	-	(514,166)	533,706	-	(533,706)
Engineering	439,610	482,485	42,875	437,128	375,947	(61,181)	597,136	352,570	(244,566)	850,662	284,887	(565,775)	760,687	100,637	(660,050)
Planning and zoning	308,038	-	(308,038)	273,996	-	(273,996)	477,485	-	(477,485)	326,066	-	(326,066)	285,709	-	(285,709)
Community services	264,449	100,000	(164,449)	269,663	-	(269,663)	519,484	-	(519,484)	284,557	-	(284,557)	535,258	5,500	(529,758)
Interest on long-term debt	22,064	-	(22,064)	27,512	-	(27,512)	42,893	-	(42,893)	34,202	-	(34,202)	30,966	-	(30,966)
Subtotal Governmental Activities	16,701,452	9,276,972	(7,424,480)	16,477,030	8,955,210	(7,521,820)	17,082,172	9,371,160	(7,711,012)	16,978,346	9,973,277	(7,005,069)	16,984,697	6,249,489	(10,735,208)
Business-type Activities															
Water and sewer	8,695,892	10,262,621	1,566,729	8,177,825	8,771,522	593,697	7,668,906	9,565,811	1,896,905	6,906,526	8,750,086	1,843,560	6,557,573	6,931,624	374,051
Reclaimed Water	23,376	26,606	3,230	21,359	26,149	4,790	927	1,944	1,017	-	-	-	-	-	-
Gas	3,718,441	5,131,134	1,412,693	3,528,771	4,597,727	1,068,956	4,169,752	5,204,257	1,034,505	4,293,665	5,294,826	1,001,161	5,040,258	6,053,741	1,013,483
Solid waste collection	2,339,949	3,222,984	883,035	2,183,140	2,900,086	716,946	2,005,386	2,701,765	696,379	2,094,925	2,605,201	510,276	2,026,631	2,538,590	511,959
Solid waste disposal	2,931,680	2,156,748	(774,932)	2,884,566	1,959,947	(924,619)	2,828,187	1,782,842	(1,045,345)	3,103,903	1,969,726	(1,134,177)	3,284,953	2,075,990	(1,208,963)
Subtotal Business-type Activities	17,709,338	20,800,093	3,090,755	16,795,661	18,255,431	1,459,770	16,673,158	19,256,619	2,583,461	16,399,019	18,619,839	2,220,820	16,909,415	17,599,945	690,530
Total Primary Government	$ 34,410,790	$ 30,077,065	$ (4,333,725)	$ 33,272,691	$ 27,210,641	$ (6,062,050)	$ 33,755,330	$ 28,627,779	$ (5,127,551)	$ 33,377,365	$ 28,593,116	$ (4,784,248)	$ 33,894,112	$ 23,849,434	$ (10,044,678)

Function/Program	Fiscal Year 2008			Fiscal Year 2007			Fiscal Year 2006			Fiscal Year 2005			Fiscal Year 2004		
	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]	Expenses	Program Revenues	Net (Expense)/ Revenue [1]
Governmental Activities															
General government	$ 2,266,551	$ 782,058	$ (1,484,493)	$ 2,110,223	$ 620,563	$ (1,489,660)	$ 1,861,605	$ 572,414	$ (1,289,191)	$ 1,753,174	$ 578,353	$ (1,174,821)	$ 1,654,987	$ 594,551	$ (1,060,436)
Municipal court	635,975	-	(635,975)	639,563	-	(639,563)	415,176	-	(415,176)	424,274	-	(424,274)	390,188	-	(390,188)
Public safety	7,978,175	3,843,208	(4,134,967)	7,154,050	3,081,888	(4,072,162)	6,552,311	3,217,236	(3,335,075)	6,144,619	2,490,824	(3,653,795)	5,564,625	1,869,402	(3,695,223)
Public works	2,531,841	2,424,054	(107,787)	2,272,342	4,094,204	1,821,862	2,005,572	1,727,145	(278,427)	1,914,240	1,729,928	(184,312)	2,028,312	3,650,868	1,622,556
Community development	495,059	4,500	(490,559)	484,187	-	(484,187)	413,832	-	(413,832)	393,169	8,992	(384,177)	392,554	1,790,448	1,397,894
Parks and cemeteries	528,039	684,374	156,335	478,762	-	(478,762)	352,504	17,744	(334,760)	393,658	298,000	(95,658)	340,928	142,591	(198,337)
Engineering	701,021	153,737	(547,284)	701,041	332,604	(368,437)	728,455	445,368	(283,087)	611,241	124,870	(486,371)	640,525	73,043	(567,482)
Planning and zoning	241,067	-	(241,067)	210,291	-	(210,291)	117,322	-	(117,322)	119,935	-	(119,935)	115,631	-	(115,631)
Community services	349,975	6,250	(343,725)	807,676	18,750	(788,926)	314,091	-	(314,091)	197,110	-	(197,110)	104,683	1,253,500	1,148,817
Interest on long-term debt	46,241	-	(46,241)	67,886	-	(67,886)	66,886	-	(66,886)	-	-	-	18,297	-	(18,297)
Subtotal Governmental Activities	15,773,944	7,898,181	(7,875,763)	14,926,021	8,148,009	(6,778,012)	12,827,754	5,979,907	(6,847,847)	11,951,420	5,230,967	(6,720,453)	11,250,730	9,374,403	(1,876,327)
Business-type Activities															
Water and sewer	6,394,274	7,898,918	1,504,644	5,990,457	8,317,809	2,327,352	5,679,698	7,563,594	1,883,896	5,379,060	6,521,643	1,142,583	5,080,975	6,024,896	943,921
Reclaimed Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	5,299,783	6,224,982	925,199	5,833,902	6,277,707	443,805	6,837,031	7,543,421	706,390	5,449,209	6,296,422	847,213	4,633,855	5,632,987	999,132
Solid waste collection	1,968,174	2,471,249	503,075	1,891,991	2,359,448	467,457	1,769,572	2,236,029	466,457	1,736,580	2,218,105	481,525	1,770,032	2,180,263	410,231
Solid waste disposal	3,614,938	2,290,392	(1,324,546)	3,455,805	2,360,360	(1,095,445)	3,179,109	2,109,065	(1,070,044)	2,851,868	1,986,143	(865,725)	2,705,237	1,839,152	(866,085)
Subtotal Business-type Activities	17,277,169	18,885,541	1,608,372	17,172,155	19,315,324	2,143,169	17,465,410	19,452,109	1,986,699	15,416,717	17,022,313	1,605,596	14,190,099	15,677,298	1,487,199
Total Primary Government	$ 33,051,113	$ 26,783,722	$ (6,267,390)	$ 32,098,176	$ 27,463,333	$ (4,634,843)	$ 30,293,164	$ 25,432,016	$ (4,861,148)	$ 27,368,137	$ 22,253,280	$ (5,114,857)	$ 25,440,829	$ 25,051,701	$ (389,128)

Notes:

[1] Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses are net revenues, meaning that program revenues were more than sufficient to cover expenses.

City of Statesboro, Georgia
Government-wide Program Revenues [1] by Category
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009
Governmental Activities					
Charges for Services:					
General Government	$ 678,909	$ 656,558	$ 658,209	$ 661,459	$ 672,700
Public Safety	2,329,080	2,468,175	2,501,127	2,576,214	2,752,193
Engineering	482,485	375,947	352,570	284,887	100,637
Operating Grants and Contributions	127,208	196,009	186,407	134,935	162,191
Capital Grants and Contributions	5,659,290	5,258,521	5,672,847	6,315,782	2,561,768
Subtotal Governmental Activities Program Revenues	9,276,972	8,955,210	9,371,160	9,973,277	6,249,489
Business-type Activities					
Charges for Services:					
Water and Sewer	9,542,530	8,561,971	9,011,417	8,045,383	6,792,832
Reclaimed Water System	26,606	26,149	1,944	-	-
Gas	5,131,134	4,597,727	5,204,257	5,276,270	6,008,260
Solid Waste Collection	3,222,984	2,900,086	2,701,765	2,605,201	2,538,590
Solid Waste Disposal	2,156,748	1,959,947	1,782,842	1,969,726	2,073,273
Operating Grants and Contributions	-	-	-	18,556	48,198
Capital Grants and Contributions	720,091	209,551	554,394	704,703	138,792
Subtotal Business-type Activities Program Revenues	20,800,093	18,255,431	19,256,619	18,619,839	17,599,945
Primary Government					
Charges for Services	23,570,476	21,546,560	22,214,131	21,419,140	20,938,485
Operating Grants and Contributions	127,208	196,009	186,407	153,491	210,389
Capital Grants and Contributions	6,379,381	5,468,072	6,227,241	7,020,485	2,700,560
Total Primary Government Program Revenues	$ 30,077,065	$ 27,210,641	$ 28,627,779	$ 28,593,116	$ 23,849,434

Governmental Activities	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
Charges for Services:					
General Government	$ 689,222	$ 518,673	$ 468,630	$ 471,472	$ 470,889
Public Safety	2,388,834	2,172,221	1,789,377	1,911,813	1,809,666
Engineering	153,737	332,604	445,368	124,870	73,043
Operating Grants and Contributions	359,659	156,840	103,784	116,945	213,455
Capital Grants and Contributions	4,306,729	4,967,671	3,172,748	2,605,867	6,807,350
Subtotal Governmental Activities Program Revenues	7,898,181	8,148,009	5,979,907	5,230,967	9,374,403
Business-type Activities					
Charges for Services:					
Water and Sewer	7,267,501	6,696,230	6,912,432	6,135,710	5,833,055
Reclaimed Water	-	-	-	-	-
Gas	6,179,396	6,232,576	7,496,631	6,247,110	5,558,803
Solid Waste Collection	2,471,249	2,359,448	2,236,029	2,218,105	2,180,263
Solid Waste Disposal	2,290,392	2,333,218	2,109,065	1,986,143	1,839,152
Operating Grants and Contributions	45,586	72,373	46,790	49,312	74,184
Capital Grants and Contributions	631,417	1,621,579	651,162	385,933	191,841
Subtotal Business-type Activities Program Revenues	18,885,541	19,315,424	19,452,109	17,022,313	15,677,298
Primary Government					
Charges for Services	21,440,331	20,644,970	21,457,532	19,095,223	17,764,871
Operating Grants and Contributions	405,245	229,213	150,574	166,257	287,639
Capital Grants and Contributions	4,938,146	6,589,250	3,823,910	2,991,800	6,999,191
Total Primary Government Program Revenues	$ 26,783,722	$ 27,463,433	$ 25,432,016	$ 22,253,280	$ 25,051,701

Notes:

[1] Program revenues are related to specific activities of the City. Their sources is either fees, fines, charges for services or grants restricted to a specific purpose.

City of Statesboro, Georgia
Government-wide General Revenues and Other Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
Net (Expense), Total Primary Government (see page S-1)										
Governmental activities	$ (7,424,480)	$ (7,521,820)	$ (7,711,012)	$ (7,005,068)	$ (10,735,209)	$ (7,875,763)	$ (6,778,012)	$ (6,847,847)	$ (6,720,453)	$ (1,876,327)
Business activities	3,090,755	1,459,770	2,583,461	2,220,820	690,530	1,608,372	2,143,169	1,986,699	1,605,596	1,487,199
Total Primary Government	(4,333,725)	(6,062,050)	(5,127,551)	(4,784,248)	(10,044,678)	(6,267,391)	(4,634,842)	(4,861,148)	(5,114,857)	(389,128)
General revenues and other changes in net position										
Governmental Activities:										
Taxes										
Property taxes levied for general purposes	3,816,182	3,845,135	3,833,544	3,960,151	3,785,398	3,720,220	3,360,813	3,188,375	3,111,124	2,986,241
Hotel/motel taxes	553,966	526,504	473,055	439,838	456,994	422,526	405,157	376,838	358,315	322,824
Insurance premium taxes	1,415,987	1,333,111	1,221,874	1,258,448	1,270,366	1,240,647	1,189,372	1,136,795	1,056,630	974,995
Franchise taxes	1,897,448	1,974,408	1,815,932	1,688,915	1,587,617	1,432,343	1,310,552	1,221,274	1,094,343	1,048,355
Other taxes	798,934	818,160	773,241	751,225	812,149	785,555	791,653	741,913	781,329	765,429
Gain (loss) on sale of capital assets	28,465	16,597	377	4,641	(17,225)	(18,855)	16,310	28,230	24,677	456,314
Investment earnings	-	-	14,063	4,473	12,624	69,887	148,643	192,461	166,013	178,010
Miscellaneous	37,437	39,801	136,829	56,671	38,698	49,403	79,184	84,203	106,974	95,180
Transfers from (to) business-type activities	(2,311,318)	676,249	1,471,179	1,369,524	2,389,521	1,111,704	2,250,677	1,859,492	1,282,596	(431,276)
Subtotal Governmental Activities	6,237,101	9,229,965	9,740,094	9,533,886	10,336,142	8,813,430	9,552,361	8,829,581	7,982,001	6,396,072
Business-type Activities:										
Gain (loss) on the sale of capital assets	190,287	16,839	36,125	4,708	66,753	74,269	16,118	58,641	(32,458)	61,294
Investment earnings	4,411	11,822	4,414	4,153	9,316	58,365	143,201	147,984	88,723	93,636
Miscellaneous	69,463	94,586	186,479	248,261	163,021	188,561	149,983	109,252	151,972	80,439
Transfers from (to) governmental activities	2,311,318	(676,249)	(1,471,179)	(1,369,524)	(2,389,521)	(1,111,704)	(2,250,677)	(1,859,492)	(1,282,596)	431,276
Subtotal Business-type Activities	2,575,479	(553,002)	(1,244,161)	(1,112,402)	(2,150,431)	(790,509)	(1,941,375)	(1,543,615)	(1,074,359)	666,645
Change in Net Position										
Governmental activities	(1,187,379)	1,708,145	2,029,082	2,528,818	(399,067)	937,667	2,774,349	1,981,734	1,261,548	4,519,745
Business-type activities	5,666,234	906,768	1,339,299	1,108,418	(1,459,900)	817,863	201,795	443,084	531,237	2,153,844
Total Primary Government	$ 4,478,855	$ 2,614,913	$ 3,368,381	$ 3,637,236	$ (1,858,967)	$ 1,755,530	$ 2,976,144	$ 2,424,818	$ 1,792,785	$ 6,673,589

City of Statesboro, Georgia

Government-wide Net Position by Category [1]

Last Ten Fiscal Years

(accrual basis of accounting)

	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004
Governmental Activities										
Net investment in capital assets	$ 24,191,592	$ 23,678,952	$ 24,229,149	$ 24,168,198	$ 23,985,317	$ 23,841,321	$ 23,224,510	$ 13,872,311	$ 12,233,346	$ 10,311,153
Restricted for:										
Capital projects	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623	1,256,771	7,052	944,493
Specific projects and programs	709,155	796,432	865,624	821,383	810,377	621,297	189,574	181,426	224,223	327,988
Unrestricted	(244,910)	(412,320)	(440,181)	(161,226)	739,878	1,443,522	1,602,255	4,466,573	5,330,726	4,950,165
Subtotal Governmental Activities Net Position	30,752,228	31,939,607	30,231,462	28,202,380	25,673,562	26,072,629	25,134,962	19,777,081	17,795,347	16,533,799
Business-type Activities										
Net investment in capital assets	35,992,575	31,743,483	31,190,564	31,110,236	33,047,246	34,151,296	33,089,016	31,093,383	30,290,308	29,608,026
Restricted for revenue bond retirement	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468	186,490	180,879	179,018
Renewal & extension	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Unrestricted	5,272,375	4,034,144	3,680,457	1,966,060	(232,463)	123,299	372,529	2,174,345	2,539,947	2,692,853
Subtotal Business-type Activities Net Position	42,056,143	36,568,461	35,661,693	34,322,394	33,213,976	34,673,876	33,856,013	33,654,218	33,211,134	32,679,897
Primary Government										
Net investment in capital assets	60,184,167	55,422,435	55,419,713	55,278,434	57,032,563	57,992,617	56,313,526	44,965,694	42,523,654	39,919,179
Restricted										
Capital projects	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623	1,256,771	7,052	944,493
Restricted for revenue bond retirement	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468	186,490	180,879	179,018
Renewal & Extension	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Specific projects and programs	709,155	796,432	865,624	821,383	810,377	621,297	189,574	181,426	224,223	327,988
Unrestricted	5,027,465	3,621,824	3,240,276	1,804,834	507,415	1,566,821	1,974,784	6,640,918	7,870,673	7,643,018
Total Primary Government Net Position	$ 72,808,371	$ 68,508,068	$ 65,893,155	$ 62,524,774	$ 58,887,538	$ 60,746,505	$ 58,990,975	$ 53,431,299	$ 51,006,481	$ 49,213,696

Notes:

[1] Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted, and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.

City of Statesboro, Georgia
General Governmental Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Source	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Taxes	$ 6,213,085	$ 6,411,028	$ 6,622,152	$ 7,097,096	$ 7,596,780	$ 7,900,077	$ 8,024,950	$ 8,166,418	$ 8,529,072	$ 8,472,005
[1] Intergovernmental	5,767,305	2,722,812	3,276,532	5,124,511	4,666,388	2,723,959	6,450,717	5,859,254	5,445,203	5,748,585
Licenses and permits	478,554	536,257	855,224	783,243	772,770	703,815	865,829	926,979	941,669	1,071,307
Fines and forfeitures	1,351,768	1,367,790	1,258,238	1,610,839	1,449,617	1,766,110	1,568,641	1,475,975	1,469,610	1,246,407
Charges for services	523,276	604,108	589,913	629,416	1,009,406	1,055,605	1,088,090	1,108,952	1,089,401	1,172,760
Investment earnings	161,082	145,454	152,404	91,159	29,512	8,496	4,056	14,063	9,327	10,871
Miscellaneous	1,348,680	105,979	84,203	79,184	49,403	38,698	56,671	136,829	39,801	64,479
Total revenues	$ 15,843,750	$ 11,893,428	$ 12,838,666	$ 15,415,448	$ 15,573,876	$ 14,196,760	$ 18,058,954	$ 17,688,470	$ 17,524,083	$ 17,786,414
% change from prior year	9.1%	-24.9%	7.9%	20.1%	1.0%	-8.8%	27.2%	-2.1%	-0.9%	1.5%

Note:

[1] Includes special purpose local option sales tax revenue received from Bulloch County which fluctuated significantly for years prior to fiscal year 2010.

City of Statesboro, Georgia
General Fund Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Vehicles	Franchise	Insurance Premium	Alcoholic Beverage	Other	Total
2004	2,897,418	204,064	1,048,355	974,995	611,823	153,606	5,890,261
2005	2,920,576	199,835	1,094,343	1,056,630	629,362	151,967	6,052,713
2006	2,951,977	193,355	1,221,274	1,136,795	621,962	119,951	6,245,314
2007	3,187,407	212,955	1,310,552	1,189,372	651,652	140,001	6,691,939
2008	3,503,408	212,301	1,432,343	1,240,647	682,476	103,079	7,174,254
2009	3,581,923	191,028	1,587,617	1,270,366	683,371	128,778	7,443,083
2010	3,704,711	181,813	1,688,915	1,258,448	675,794	75,431	7,585,112
2011	3,695,637	186,679	1,815,932	1,221,874	647,353	125,888	7,693,363
2012	3,675,552	201,337	1,974,408	1,333,111	672,491	145,669	8,002,568
2013	3,524,293	281,377	1,897,448	1,415,987	690,423	108,511	7,918,039
Percentage Change In Dollars Over 10 Years	21.6%	37.9%	81.0%	45.2%	12.8%	-29.4%	34.4%

City of Statesboro, Georgia
General Governmental Expenditures by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Current:										
General government	$ 1,603,534	$ 1,686,164	$ 1,789,557	$ 2,008,167	$ 2,140,864	$ 2,461,925	$ 2,202,086	$ 2,396,839	$ 1,762,517	$ 1,838,780
Municipal court	390,604	420,501	412,762	638,695	625,001	684,444	588,804	555,219	541,681	569,468
Public safety	5,426,428	5,983,162	6,356,845	6,783,582	7,751,876	7,973,168	8,441,641	7,961,549	8,135,532	8,192,129
Streets/public works	1,859,572	1,651,440	1,673,729	1,824,491	1,864,703	1,779,706	1,852,879	1,849,010	1,917,899	1,940,179
Parks and cemeteries	421,155	948,682	412,075	406,397	433,076	444,407	430,178	376,518	338,438	377,665
Engineering	522,804	576,857	671,252	640,078	669,869	721,165	797,572	557,869	396,485	403,009
Planning and zoning	117,721	122,457	115,238	210,989	233,314	290,564	319,139	465,345	260,767	314,132
Community services	104,683	123,199	215,159	681,439	198,260	436,326	185,625	171,704	171,883	166,669
Community development	392,554	393,169	413,832	484,187	495,059	539,549	533,993	554,130	622,364	857,758
Total Current	10,839,055	11,905,631	12,060,449	13,678,025	14,412,022	15,331,254	15,351,917	14,888,183	14,147,566	14,659,789
% Change From Prior Year	4.8%	9.8%	1.3%	13.4%	5.4%	6.4%	0.1%	-3.0%	-5.0%	3.6%
Capital Outlay	3,852,211	2,118,841	2,373,967	8,003,416	2,429,833	1,062,731	1,547,723	1,575,578	1,232,555	3,961,860
% Change From Prior Year	2.6%	-45.0%	12.0%	237.1%	-69.6%	-56.3%	45.6%	1.8%	-21.8%	221.4%
Debt Service										
Principal	39,000	41,000	119,184	170,689	254,295	347,306	304,313	331,413	278,869	223,853
Interest	77,040	88,372	66,886	67,886	46,241	30,966	34,202	42,893	27,512	22,064
Total Debt Service	116,040	129,372	186,070	238,575	300,536	378,272	338,515	374,306	306,381	245,917
% Change From Prior Year	-3.2%	11.5%	43.8%	28.2%	26.0%	25.9%	-10.5%	10.6%	-18.1%	-19.7%
Total Expenditures	$ 14,807,306	$ 14,153,844	$ 14,620,486	$ 21,920,016	$ 17,142,391	$ 16,772,257	$ 17,238,155	$ 16,838,067	$ 15,686,502	$ 18,867,566
% Change From Prior Year	4.1%	-4.4%	3.3%	49.9%	-21.8%	-2.2%	2.8%	-2.3%	-6.8%	20.3%
Debt Service as a Percentage of Total Noncapital Expenditures	1.1%	1.1%	1.5%	1.7%	2.0%	2.4%	2.2%	2.5%	2.1%	1.6%

City of Statesboro, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Revenues	$ 15,843,750	$ 11,893,428	$ 12,838,666	$ 15,415,448	$ 15,573,876	$ 14,196,760	$ 18,058,954	$ 17,688,470	$ 17,524,083	$ 17,786,414
Total Expenditures	14,807,306	14,153,844	14,620,486	21,920,016	17,142,391	16,772,257	17,238,155	16,838,067	15,686,502	18,867,566
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,036,444	(2,260,416)	(1,781,820)	(6,504,568)	(1,568,515)	(2,575,497)	820,799	850,403	1,837,581	(1,081,152)
Other Financing Sources (Uses)	37,662	1,521,349	1,910,887	2,414,000	2,551,471	2,290,973	1,404,892	1,479,037	773,443	(800,814)
Net Change in Fund Balances	1,074,106	(739,067)	129,067	(4,090,568)	982,956	(284,524)	2,225,691	2,329,440	2,611,024	(1,881,966)

City of Statesboro, Georgia
Governmental Fund - Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable	$ 209,413	$ 244,757	$ 199,020	$ 169,631	$ 170,717	$ 174,009	$ 197,547	$ 214,608	$ 211,929	$ 233,964
Unassigned	4,589,068	4,732,116	3,823,745	2,595,299	1,478,379	947,789	(98,438)	(33,145)	290,475	313,505
Subtotal General Fund	4,798,481	4,976,873	4,022,765	2,764,930	1,649,096	1,121,798	99,109	181,463	502,404	547,469
General Fund Percentage Change	22.5%	3.7%	-19.2%	-31.3%	-40.4%	-32.0%	-91.2%	83.1%	176.9%	9.0%
All Other Governmental Funds										
Nonspendable	-	-	-	-	12,522	11,045	17,613	17,370	23,792	31,726
Assigned	-	-	-	-	-	-	-	-	59,602	-
Unassigned	-	-	-	(1,702,733)	-	-	-	(64,478)	-	(256,988)
Restricted										
Special Revenue Funds	327,988	224,223	181,426	189,574	608,775	799,332	803,770	848,254	772,640	934,417
Capital Projects Fund	944,493	130,799	1,256,771	118,623	82,957	136,651	3,374,025	5,641,348	7,876,543	6,096,391
Subtotal All Other Governmental Funds	1,272,481	355,022	1,438,197	(1,394,536)	704,254	947,028	4,195,408	6,442,494	8,732,577	6,805,546
Total Governmental Funds										
Nonspendable	209,413	244,757	199,020	169,631	183,239	185,054	215,160	231,978	235,721	265,690
Assigned	-	-	-	-	-	-	-	-	59,602	-
Restricted	1,272,481	355,022	1,438,197	308,197	691,732	935,983	4,177,795	6,489,602	8,649,183	7,030,808
Unassigned	4,589,068	4,732,116	3,823,745	892,566	1,478,379	947,789	(98,438)	(97,623)	290,475	56,517
Total Governmental Funds	$ 6,070,962	$ 5,331,895	$ 5,460,962	$ 1,370,394	$ 2,353,350	$ 2,068,826	$ 4,294,517	$ 6,623,957	$ 9,234,981	$ 7,353,015
All Governmental Funds Percentage Change	21.5%	-12.2%	2.4%	-74.9%	71.7%	-12.1%	107.6%	54.2%	39.4%	-20.4%

City of Statesboro, Georgia
Taxable Assessed Value and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property	Less: Tax Exempt Property	Total Taxable Assessed Value[1]	Total Direct Tax Rate[2]	Estimated Actual Value	Annual Percentage Change
Amounts													
2004	133,647,220	234,104,327	6,920,280	1,531,200	1,372,640	14,680,200	28,402,633	213,320	5,096,105	415,775,715	7.741	1,052,179,550	5.3%
2005	150,273,037	272,246,100	6,758,133	1,169,760	1,510,880	18,524,000	27,819,183	151,488	5,205,094	473,247,487	6.921	1,196,131,453	13.7%
2006	152,086,310	274,694,201	5,908,250	1,142,680	1,424,200	18,524,040	28,606,845	139,084	8,985,597	473,540,013	6.921	1,206,314,025	0.9%
2007	157,668,335	291,603,982	5,795,995	1,302,000	1,346,440	16,218,390	27,556,331	266,774	3,931,944	497,826,303	6.921	1,254,395,618	4.0%
2008	192,623,437	349,207,061	5,998,633	879,840	1,688,920	15,879,960	29,724,461	120,480	8,794,116	587,328,676	6.358	1,490,306,980	18.8%
2009	198,301,459	364,606,300	9,438,297	788,800	527,600	15,171,200	32,148,066	139,999	7,730,648	613,391,073	6.358	1,552,804,303	4.2%
2010	200,928,770	371,633,720	11,259,654	746,640	527,600	15,104,470	32,646,286	64,840	4,214,899	628,697,081	6.358	1,582,279,950	1.9%
2011	189,022,386	372,885,823	10,948,474	808,861	1,017,661	14,299,932	28,656,965	210,954	8,662,633	609,188,423	6.358	1,544,627,640	-2.4%
2012	187,609,087	371,446,074	10,948,474	808,861	1,017,661	14,301,419	28,656,965	145,669	8,662,633	606,271,577	6.358	1,537,335,525	-0.5%
2013	170,805,157	394,890,632	11,862,370	722,925	998,417	15,091,201	32,017,910	108,511	7,952,346	618,810,316	6.358	1,566,906,655	1.9%
Percentages													
2004	31.8%	55.6%	1.6%	0.4%	0.3%	3.5%	6.7%	0.1%	1.2%	98.8%			
2005	31.4%	56.9%	1.4%	0.2%	0.3%	3.9%	5.8%	0.0%	1.1%	98.9%			
2006	31.5%	56.9%	1.2%	0.2%	0.3%	3.8%	5.9%	0.0%	1.9%	98.1%			
2007	31.4%	58.1%	1.2%	0.3%	0.3%	3.2%	5.5%	0.1%	0.8%	99.2%			
2008	32.3%	58.6%	1.0%	0.1%	0.3%	2.7%	5.0%	0.0%	1.5%	98.5%			
2009	31.9%	58.7%	1.5%	0.1%	0.1%	2.4%	5.2%	0.0%	1.3%	98.7%			
2010	31.7%	58.7%	1.8%	0.1%	0.1%	2.4%	5.2%	0.0%	0.7%	99.3%			
2011	30.6%	60.4%	1.8%	0.1%	0.2%	2.3%	4.6%	0.0%	1.4%	98.6%			
2012	30.5%	60.4%	1.8%	0.1%	0.2%	2.3%	4.7%	0.0%	1.4%	98.6%			
2013	27.3%	63.0%	1.9%	0.1%	0.2%	2.4%	5.1%	0.0%	1.3%	98.7%			

Source:

Georgia Department of Revenue, Tax Digest Consolidation Summary
City of Statesboro Tax Office

Notes:

[1] All property is assessed at 40% of fair market value.

[2] Tax rates expressed in rate per $1,000

City of Statesboro, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $1,000 of assessed taxable value)

		Overlapping Rates [1]				
Fiscal Year	**City Direct Rate**	**Bulloch County**	**Bulloch County Schools**	**State of Georgia[2]**	**Total Overlapping**	**Total Overlapping and Direct**
2004	7.741	9.350	8.560	0.250	18.160	25.901
2005	6.921	8.630	9.450	0.250	18.330	25.251
2006	6.921	8.630	9.450	0.250	18.330	25.251
2007	6.358	10.440	9.450	0.250	20.140	26.498
2008	6.358	10.440	9.450	0.250	20.140	26.498
2009	6.358	10.440	9.450	0.250	20.140	26.498
2010	6.358	10.440	9.450	0.250	20.140	26.498
2011	6.358	10.440	9.450	0.250	20.140	26.498
2012	6.358	10.440	9.450	0.250	20.140	26.498
2013	6.358	10.440	9.950	0.200	20.590	26.948

Source:

Georgia Department of Revenue, Property Tax Division

Notes:

[1] Overlapping rates are those of Bulloch County governments and the State of Georgia that apply to property owners within the City of Statesboro.

[2] The State of Georgia levies one fifth of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digests.

City of Statesboro, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2004	2,850,782	2,839,309	99.60%	11,473	2,850,782	100.00%	-	0.00%
2005	2,902,999	2,894,631	99.71%	8,368	2,902,999	100.00%	-	0.00%
2006	2,955,195	2,893,494	97.91%	61,701	2,955,195	100.00%	-	0.00%
2007	3,117,016	3,105,291	99.62%	11,725	3,117,016	100.00%	-	0.00%
2008	3,367,186	3,334,179	99.02%	33,007	3,367,186	100.00%	-	0.00%
2009	3,578,352	3,549,025	99.18%	28,022	3,577,047	99.96%	1,305	0.04%
2010	3,710,229	3,605,588	97.18%	102,519	3,708,107	99.94%	2,122	0.06%
2011	3,672,791	3,622,799	98.64%	49,992	3,672,791	100.00%	-	0.00%
2012	3,646,967	3,587,428	98.37%	14,751	3,602,179	98.77%	44,788	1.23%
2013	3,286,389	3,222,784	98.06%	-	3,222,784	98.06%	63,605	1.94%

Source:

City of Statesboro Tax Office

City of Statesboro, Georgia
Principal Property Taxpayers
For the Fiscal Year Ended June 30, 2013 and Nine Years Ago

	2013			2004	
Principal Taxpayer	**Taxable Assessed Value**	**Percentage of Total City Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Percentage of Total City Taxable Assessed Value**
Statesboro HMA Inc.	$ 16,468,393	2.66%	Statesboro HMA Inc.	$ 14,928,600	3.59%
Diamond URS Statesboro LLC	11,974,282	1.94%	Frontier Comm of GA Inc.	12,659,145	3.04%
Executive Assistant of Finance	10,764,102	1.74%	States Property Company, LLC	10,472,222	2.52%
Frontier Comm of GA, Inc.	7,264,469	1.17%	East Georgia Regional Medical	5,620,624	1.35%
Claude Howard Lumber Co Inc.	7,163,747	1.16%	SUH Georgia Southern, LLC	4,609,062	1.11%
Georgia Power Co.	7,141,346	1.15%	Wal-Mart Real Estate	4,236,880	1.02%
Layton Land LLC & Bonnie Screw	6,253,633	1.01%	Georgia Power Co.	4,216,769	1.01%
Campus Crest at Statesboro	6,251,982	1.01%	The Garden District	4,021,680	0.97%
Layton Land LLC	5,753,418	0.93%	Southern Place LLC	3,958,640	0.95%
Statesboro Crossing LLC	5,753,376	0.93%	JBPC South Inc	3,796,878	0.91%
Total Principal Taxpayers	84,788,748	13.70%	Total Principal Taxpayers	68,520,500	16.48%
All Other Taxpayers	534,021,568	86.30%	All Other Taxpayers	347,255,215	83.52%
Total	$ 618,810,316	100.00%	Total	$ 415,775,715	100.00%

Source:

City of Statesboro Tax Office

City of Statesboro, Georgia
Overlapping Sales Tax Rates [1]
Last Ten Fiscal Years

Fiscal Year	State of Georgia	Bulloch County			Total Overlapping Rate
		LOST	SPLOST[2]	E-SPLOST[3]	
2004	4.00%	1.00%	1.00%	1.00%	7.00%
2005	4.00%	1.00%	1.00%	1.00%	7.00%
2006	4.00%	1.00%	1.00%	1.00%	7.00%
2007	4.00%	1.00%	1.00%	1.00%	7.00%
2008	4.00%	1.00%	1.00%	1.00%	7.00%
2009	4.00%	1.00%	1.00%	1.00%	7.00%
2010	4.00%	1.00%	1.00%	1.00%	7.00%
2011	4.00%	1.00%	1.00%	1.00%	7.00%
2012	4.00%	1.00%	1.00%	1.00%	7.00%
2013	4.00%	1.00%	1.00%	1.00%	7.00%

Source:

Georgia Department of Revenue, Sales and Use Tax Division

Notes:

[1]State law does not authorize the City to directly levy a sales tax, however, the City has an agreement with Bulloch County that they will receive amounts from the 2013 special purpose local option sales taxes.

[2] The current special purpose local option sales tax was approved effective October 1, 2013 and expires September 30, 2019.

[3]Effective January 1, 2004 the Bulloch County Board of Education began levying a 1% special purpose local option sales tax.

City of Statesboro, Georgia
Water and Sewer Rates
Fiscal Years 2004 - 2013

If a Customer Has Both Water and Sewer Services, the Rates Are:

	Water				
Fiscal Year	**Inside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-19,000 Gallons**	**20,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	4.50	1.90	2.00	2.00	2.10
2005	4.50	1.90	2.00	2.00	2.10
2006	4.50	1.90	2.00	2.00	2.10
2007	4.50	1.90	2.00	2.00	2.10
2008	4.60	1.94	2.04	2.04	2.14
2009	4.60	1.94	2.04	2.04	2.14
2010	6.00	2.15	2.25	2.50	3.00
2011	6.50	2.25	2.35	2.60	3.15
2012	6.50	2.25	2.35	2.60	3.15
2013	6.50	2.25	2.35	2.60	3.15

Fiscal Year	**Outside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-19,000 Gallons**	**20,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	9.00	3.80	4.00	4.00	4.20
2005	9.00	3.80	4.00	4.00	4.20
2006	9.00	3.80	4.00	4.00	4.20
2007	9.00	3.80	4.00	4.00	4.20
2008	9.20	3.88	4.08	4.08	4.28
2009	9.20	3.88	4.08	4.08	4.28
2010	12.00	4.30	4.50	5.00	6.00
2011	13.00	4.50	4.70	5.20	6.30
2012	13.00	4.50	4.70	5.20	6.30
2013	13.00	4.50	4.70	5.20	6.30

	Sewer			
Fiscal Year	**Inside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	4.50	2.30	2.40	2.50
2005	4.50	2.30	2.40	2.50
2006	4.50	2.30	2.40	2.50
2007	4.50	2.30	2.40	2.50
2008	4.60	2.35	2.45	2.55
2009	4.60	2.35	2.45	2.55
2010	6.00	2.60	2.70	2.80
2011	6.50	2.70	2.80	2.90
2012	6.50	2.70	2.80	2.90
2013	6.50	2.70	2.80	2.90

Fiscal Year	**Outside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	9.00	4.60	4.80	5.00
2005	9.00	4.60	4.80	5.00
2006	9.00	4.60	4.80	5.00
2007	9.00	4.60	4.80	5.00
2008	9.20	4.70	4.90	5.10
2009	9.20	4.70	4.90	5.10
2010	12.00	5.20	5.40	5.60
2011	13.00	5.40	5.60	6.30
2012	13.00	5.40	5.60	5.80
2013	13.00	5.40	5.60	5.80

Note:

Rates are based on 5/8" meter, which is the standard household meter size.

(continued)

City of Statesboro, Georgia
Water and Sewer Rates
Fiscal Years 2004 - 2013

(continued)

If a Customer Has Water Service Only, The Rates Are:

	Water				
Fiscal Year	**Inside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 20,000-49,000 and up**	**Rate per 50,000 Gallons and up**
2004	9.00	1.90	2.00	2.00	2.10
2005	9.00	1.90	2.00	2.00	2.10
2006	9.00	1.90	2.00	2.00	2.10
2007	9.00	1.90	2.00	2.00	2.10
2008	9.20	1.94	2.04	2.04	2.14
2009	9.20	1.94	2.04	2.04	2.14
2010	12.00	2.15	2.25	2.50	3.00
2011	13.00	2.25	2.35	2.60	3.15
2012	13.00	2.25	2.35	2.60	3.15
2013	13.00	2.25	2.35	2.60	3.15

Fiscal Year	**Outside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 20,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	18.00	5.80	4.00	4.00	4.20
2005	18.00	5.80	4.00	4.00	4.20
2006	18.00	5.80	4.00	4.00	4.20
2007	18.00	5.80	4.00	4.00	4.20
2008	18.40	3.88	4.08	4.08	4.28
2009	18.40	3.88	4.08	4.08	4.28
2010	24.00	4.30	4.50	5.00	6.00
2011	26.00	4.50	4.70	5.20	6.30
2012	26.00	4.50	4.70	5.20	6.30
2013	26.00	4.50	4.70	5.20	6.30

If a Customer Has Sewer Service Only, The Rates Are:

	Sewer			
Fiscal Year	**Inside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	9.00	2.30	2.40	2.50
2005	9.00	2.30	2.40	2.50
2006	9.00	2.30	2.40	2.50
2007	9.00	2.30	2.40	2.50
2008	9.20	2.35	2.45	2.55
2009	9.20	2.35	2.45	2.55
2010	12.00	2.60	2.70	2.80
2011	13.00	2.70	2.80	2.90
2012	13.00	2.70	2.80	2.90
2013	13.00	2.70	2.80	2.90

Fiscal Year	**Outside Base Rate**	**Rate per 0-9000 Gallons**	**Rate per 10,000-49,000 Gallons**	**Rate per 50,000 Gallons and up**
2004	18.00	4.60	4.80	5.00
2005	18.00	4.60	4.80	5.00
2006	18.00	4.60	4.80	5.00
2007	18.00	4.60	4.80	5.00
2008	18.40	4.70	4.90	5.10
2009	18.40	4.70	4.90	5.10
2010	24.00	5.20	5.40	5.60
2011	26.00	5.40	5.60	5.80
2012	26.00	5.40	5.60	5.80
2013	26.00	5.40	5.60	5.80

Note:

Rates are based on 5/8" meter, which is the standard household meter size.

City of Statesboro, Georgia
Water Sold by Type of Customer
Last Ten Fiscal Years
(in millions of gallons)

Type of Customer	Fiscal Year 2004		Fiscal Year 2005		Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008	
	Gallons	%	Gallons	%	Gallons	%	Gallons	%	Gallons	%
Residential	550	59%	550.1	58%	572.9	57%	614.3	59%	544.9	57%
Industrial	75.5	8%	69.9	7%	79.0	8%	74.9	7%	104.8	11%
Commercial	283.5	30%	302.7	32%	313.3	31%	314.2	30%	259.9	27%
Government	29.9	3%	25.4	3%	33.2	3%	37.3	4%	48.8	5%
Total	938.9	100%	948.1	100%	998.4	100%	1,040.7	100%	958.4	100%

Type of Customer	Fiscal Year 2009		Fiscal Year 2010		Fiscal Year 2011		Fiscal Year 2012		Fiscal Year 2013	
	Gallons	%	Gallons	%	Gallons	%	Gallons	%	Gallons	%
Residential	616.8	56%	574.5	56%	590.6	55%	527.3	47%	565.8	51%
Industrial	75.0	7%	75.5	7%	77.7	7%	159.7	14%	55.9	5%
Commercial	339.0	31%	248.6	24%	270.3	25%	255.5	23%	258.8	23%
Government	69.3	6%	118.5	12%	126.6	12%	178.5	16%	239.7	21%
Total	1,100.1	100%	1,017.1	100%	1,065.2	100%	1,121.0	100%	1,120.2	100%

City of Statesboro, Georgia
Ratios of Total Debt Outstanding by Type
Last Ten Fiscal Years

Fiscal Year	Governmental-Activities Capital Leases	Business-type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
		Water Bonds	Gas Notes	Water Notes	Capital Leases	Total			
2004	1,327,743	2,710,000	885,669	8,768,347	-	12,364,016	13,691,759	2.7%	556
2005	1,424,929	2,160,000	796,956	8,347,022	-	11,303,978	12,728,907	2.3%	491
2006	1,305,245	1,585,000	707,049	7,923,878	-	10,215,927	11,521,172	2.4%	434
2007	1,281,569	985,000	610,544	8,117,958	-	9,713,502	10,995,071	2.5%	424
2008	2,038,765	740,000	501,922	8,717,620	-	9,959,542	11,998,307	2.8%	451
2009	1,734,864	485,000	394,398	9,801,212	365,872	11,046,482	12,781,346	3.9%	508
2010	1,764,662	15,040,000	334,949	3,414,117	285,697	19,074,763	20,839,425	6.0%	775
2011	1,433,249	14,565,000	311,396	3,619,516	205,522	18,701,434	20,134,683	5.6%	706
2012	1,226,380	14,115,000	287,128	3,548,390	125,347	18,075,865	19,302,245	4.2%	663
2013	2,559,566	13,650,000	262,125	3,393,763	52,173	17,358,061	19,917,627	3.4%	656

Notes:

Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

City of Statesboro, Georgia
Legal Debt Margin
Last Ten Fiscal Years
(Amounts presented in $1,000)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed Value	$ 415,776	$ 473,248	$ 473,540	$ 497,826	$ 587,329	$ 613,391	$ 628,697	$ 609,188	$ 606,126	$ 618,810
Legal Debt Margin										
Debt limit (10% of assessed value)	$ 41,578	$ 47,325	$ 47,354	$ 49,783	$ 58,733	$ 61,339	$ 62,870	$ 60,919	$ 60,613	$ 61,881
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 41,578	$ 47,325	$ 47,354	$ 49,783	$ 58,733	$ 61,339	$ 62,870	$ 60,919	$ 60,613	$ 61,881
As a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note:

Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed valuation of taxable property within the City.

City of Statesboro, Georgia
Direct and Overlapping Debt
June 30, 2013

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
Debt Repaid With Property Taxes			
Bulloch County Board of Education[1]	$ 11,000,000	100.0%	$ 11,000,000
City Direct Debt			2,559,566
Total Direct and Overlapping Debt			$ 13,559,566

Source:

[1] Bulloch County Board of Education

Notes:

[2] Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

[3] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

City of Statesboro, Georgia
Pledged Revenue Bond Coverage
Last Ten Fiscal Years

	Water and Sewer Revenue Bonds						
Fiscal Year	Operating Revenue	Less: Operating Expenses[1]	Net Available Revenue	Debt Service			Times Coverage[2]
				Principal	Interest	Total	
2004	5,889,145	3,173,812	2,715,333	530,000	155,648	685,648	3.96
2005	6,208,677	3,398,860	2,809,817	550,000	125,563	675,563	4.16
2006	6,976,498	3,714,257	3,262,241	575,000	99,669	674,669	4.84
2007	6,782,632	4,047,644	2,734,988	600,000	71,910	671,910	4.07
2008	7,369,203	4,281,629	3,087,574	245,000	47,022	292,022	10.57
2009	6,911,791	4,323,869	2,587,922	255,000	31,512	286,512	9.03
2010	8,242,802	4,620,860	3,621,942	270,000	25,085	295,085	12.27
2011	9,152,401	5,259,636	3,892,765	475,000	558,425	1,033,425	3.77
2012	8,648,835	5,785,579	2,863,256	450,000	733,400	1,183,400	2.42
2013	9,560,134	6,491,839	3,068,295	465,000	712,666	1,177,666	2.61

Notes:

[1] Operating expenses do not include depreciation or interest.

[2] The net revenues of the system must equal at least 1.20 times the highest annual debt service on bonds outstanding.

City of Statesboro, Georgia
Principal Employers
For the Fiscal Year Ended June 30, 2013 and Nine Years Ago

	2013			2004	
Employer	**Number of Employees**	**Percentage of Total City Employment**	**Employer**	**Number of Employees**	**Percentage of Total City Employment**
Georgia Southern University	3,260	29.54%	Georgia Southern University	1,825	24.58%
Bulloch County Board of Education	1,408	12.76%	Bulloch County Board of Education	1,350	18.18%
East Georgia Regional Medical Center	716	6.49%	East Georgia Regional Medical Center	750	10.10%
Wal-Mart Supercenter	486	4.40%	Wal-Mart Supercenter	550	7.41%
Bulloch County Board of Commissioners	375	3.40%	Bulloch County Board of Commissioners	348	4.69%
City of Statesboro	272	2.46%	City of Statesboro	245	3.30%
Lowe's Home Center	128	1.16%	The Sack Company	200	2.69%
Belk	102	0.92%	Lowe's Home Center	150	2.02%
The Olive Garden	85	0.77%	Robbins Packinghouse Company	150	2.02%
Braswells	82	0.74%	Statesboro Herald	103	1.39%
Total Principal Employers	6,914	62.65%	**Total Principal Employers**	5,671	76.39%
Other Employers	4,122	37.35%	Other Employers	1,753	23.61%
Total All Employers	11,036	100.00%	**Total All Employers**	7,424	100.00%

Source:
All Employers H/R Departartment
Department of Labor -Statesboro
Bulloch County Board of Education
Bulloch County Board of Commissioners
East Georgia Medical Center Human Resource Department
Wal-Mart Super Center People Department

City of Statesboro, Georgia
Demographic and Economic Statistics
Last Ten Years

Year	Estimated Population	Personal Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2004	24,604	501,946,204	20,401	26	9,707	2.9%
2005	25,915	561,785,370	21,678	26	9,826	4.5%
2006	26,534	486,102,880	18,320	26	9,044	3.5%
2007	25,953	444,055,830	17,110	26	8,480	4.2%
2008	26,624	425,478,144	15,981	27	9,380	6.7%
2009	25,165	327,572,805	13,017	22	9,476	9.1%
2010	26,874	349,818,858	13,017	22	9,530	10.4%
2011	28,522	359,947,640	12,620	22	9,367	12.7%
2012	29,104	457,049,216	15,704	29	9,890	10.2%
2013	30,382	577,744,112	19,016	22	9,858	14.3%

Sources:
Suburbanstats.org/statesboro/ga
Zoomprospector.com/communitydetail.
Georgia Department of Education
Department of Labor

City of Statesboro, Georgia
City Employees by Function/Program
Last Ten Fiscal Years

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City Manager's Office	2	2	2	4	4	3	3	2	2	2
City Clerk's Office	8	8	9	9	9	10	10	3	3	3
Finance	7	7	6	6	6	6	6	7	6	6
Legal Division	0	0	0	0	0	0	0	1	1	1
Information Technology	0	0	0	0	0	2	3	4	4	4
Human Resources	2	2	2	2	2	2	2	1	2	2
Municipal Court	3	3	2	3	3	3	2	3	3	3
Engineering	4	4	4	5	5	6	7	6	5	5
Protective Inspections	4	4	4	2	2	4	4	2	2	2
Governmental Buildings	0	0	0	0	0	3	2	1	0	0
Customer Service Division	0	0	0	0	0	0	0	4	5	5
Police	70	70	75	75	76	77	76	75.5	75.5	74.5
Animal Control	1	1	1	1	0	0	2	0	0	0
Fire Department	32	32	33	33	33	33	33	32.5	32.5	37.5
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	24	24	23	22	23	22	22	21	21	21
Parks	8	8	9	9	9	9	9	8	7	7
Planning/Community Development	2	2	2	3	3	3	3	4	3	4
Community Development - Code Comp	0	0	0	0	0	0	0	2	2	2
Water and Sewer	20	20	18	18	19	23	23.5	23.5	23.5	24.5
Wastewater Treatment Plant	27	27	27	27	27	27	27	27	27	28
Natural Gas	9	9	9	9	9	9	8.5	8.5	8.5	8.5
Solid Waste Collection	19	19	16	16	16	16	16	15	15	16
Solid Waste Disposal	8	8	8	8	8	8	8	8	8	8
Fleet Management	8	8	6	6	6	6	6	6	6	6
Total	260	260	258	260	262	274	275	267	264	272

Source:

City of Statesboro's Finance department

City of Statesboro, Georgia
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	40	42	43	43	49	49	43	47	50	47
Fire stations	2	2	2	2	2	2	2	2	2	2
Refuse collection										
Collection trucks	5	4	7	7	7	7	9	9	9	11
Streets and highways										
Streets (miles)	105	105	117	117	119	119	119	119	120	121
Traffic signals	11	11	11	12	13	15	15	15	15	16
Parks and recreation										
Acreage	52	52	52	55	83	83	83	83	83	83
Water										
Water mains (miles)	161	194	198	207	212	216	219.5	219.5	221.5	227.1
Fire hydrants	1,106	1,175	1,244	1,313	1,382	1,451	1,451	1,487	1,503	1,533
Storage capacity (thousands of gallons)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,900
Wastewater										
Sanitary sewers (miles)	141	168	171	174	177	181	184	184	187	187.8
Treatment capacity (thousands of gallons)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Storm sewers (miles)	4	4	5	5	5	5	5	5	5	5

Source:

Various City Departments

City of Statesboro, Georgia
Operating Statistics by Function/Program
Last Ten Fiscal Years

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Physical arrests	2,100	1,740	1,863	1,794	1,736	2,185	2,105	2,587	2,350	2,184
Traffic violations	8,138	7,691	7,781	10,823	10,032	9,442	10,299	10,460	10,921	8,937
Fire										
Emergency responses	894	855	930	927	743	1,106	637	876	722	826
Fires extinguished	138	214	124	226	157	200	257	259	224	201
Inspections	254	151	639	1,353	1,289	1,973	1,343	1,046	1,139	2,096
Refuse collection										
Refuse collected (tons per month)	1,716.7	1,770.4	1,771.9	1,821.8	1,981.0	1,426.0	1,496.0	1,342.4	1,482.0	1,358.9
Streets and highways										
Resurfacing (miles)	3.35	12.50	0	7.5	1.43	2.75	0.603	1.609	1.895	4.1
Water										
New connections	90	156	275	562	187	188	367	77	497	935
Water mains breaks	28	27	13	18	8	7	19	23	26	26
Average daily consumption (thousands of gallons)	2,978	2,887	3,091	3,190	3,239	3,130	2,787	2,738	3,367	3,124
Peak daily consumption (thousands of gallons)	4,989	4,989	4,306	4,220	4,630	5,179	4,422	4,964	4,703	4,898
Wastewater										
Average daily sewage treatment (thousands of gallons)	3,718	3,814	3,721	3,615	3,444	3,106	4,000	3,270	3,280	3,595

Sources:

Various City departments

THIGPEN, LANIER, WESTERFIELD & DEAL

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

To the City Council
City of Statesboro, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Statesboro, Georgia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Statesboro's basic financial statements and have issued our report thereon dated December 20, 2013.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that

might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control over financial reporting, described below as 2013-1 that we consider to be a significant deficiency.

2013-1 Inventory costing

During our testing of unit costs for various items in inventory for the water and sewer enterprise fund, we noted several discrepancies in the unit cost used for reporting inventory at June 30, 2013. The unit price used to cost the year-end inventory should be the latest cost paid for those items held in the year-end inventory.

City response: We concur with this finding, and we will implement procedures to make sure the water and sewer department understands to use the latest cost for purchases of items held in inventory to properly record inventory costs in the City's year-end financial statements.

Compliance and Other Matters

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

City of Statesboro's Response to Findings

The City of Statesboro, Georgia's response to the findings identified in our audit is described above. City of Statesboro's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Thigpen, Lanier, Waterfield & Deal
Statesboro, Georgia
December 20, 2013



50 East Main Street

Statesboro, Georgia 30458

www.statesboroga.gov