City of Statesboro, Georgia



Comprehensive Annual Financial Report

For the Fiscal Year Ending June 30, 2014

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, 2014

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(Unaudited)

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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 *Governmental Auditing Standards*



Introduction

CITY OF STATESBORO

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

Joe R. Brannen, Mayor
Robert Cheshire, Interim City Manager
Sue Starling, City Clerk

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

December 29, 2014

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, 2014 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, 2014, 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 2014 estimated population of 28,844, which is based upon the July 1, 2014 Statesboro, Georgia Population Data and Demographics. This is less than 1% of the total State of Georgia population. 31.3% of the Bulloch County population lives below the federal poverty level as compared to 17.4% in the State of Georgia. However, this number is impacted by the fact that

20,542 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 5 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 121 undergraduate and graduate degree programs through the doctoral level in its nine Colleges. The University's 20,542 students come from 50 U.S. states and 88 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 108 programs of study including 30 diploma programs, 59 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, 1 home school association, and 1 charter school in Bulloch County educating the county's 9,861 students. A total of 534 seniors graduated from these schools in 2014.

Statesboro is a leader in health care in southeast Georgia with East Georgia Regional Medical Center, a 150-bed hospital, employing approximately 675 staff and 89 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. Northland Communications allows the City of Statesboro to access channel 96. The City of Statesboro will continue to grant access to GSU and other educational institutions to promote performing arts and our open government efforts. Three television stations in Savannah also cover Statesboro regularly: WTOC (CBS), WJCL (ABC), and WSAV (NBC).

The City has 121 miles of roads of which 120 are paved. Natural gas is sold to 3,686 customers while water and sewer service is provided by the City to over 13,500 customers with an average daily water consumption of 3.0 million gallons. Statesboro has 192 miles of sanitary sewer and 233 miles of water mains with 1,596 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 2014 Statesboro per capita income was $11,617 or 38% 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 August 2014 unemployment rate was 11%, above the State

of Georgia at 8.1% and the national rate of 6.1%. Approximately 40% 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 155 new building permits in 2013, and 112 in 2014. The cost of housing in Bulloch County is among the lowest in the nation. The average residential sales price is $132,750. The median value of owner occupied units was $124,900.

MAJOR INITIATIVES

For The Year. In FY 2014**,** The Engineering Department expended $745,944 in SPLOST funds to finance drainage improvements, street repaving, street striping and installation and repairs of sidewalks.

SPLOST dollars totaling $1,159,581 were expended to purchase police vehicles, renovations to Fire Station 1 and other fire equipment.

The City's Water and Sewer Department expended $1,615,673 in SPLOST funds to finance emergency sewer line repairs, emergency well repairs, and water and sewer extensions.

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 2015, the Engineering Department has budgeted $1,615,000 for street striping, sidewalk repairs, drainage improvements, storm water projects, street repaving, intersection improvements and traffic signal improvements.

Public Safety has budgeted $615,207 for police vehicles and conversions, personal protection equipment, small tools and equipment, and software for a new records management system.

The Water and Sewer Department has budgeted $3,030,000 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 Natural Gas Department has budgeted $1,160,000 for gas system expansion and relocating a natural gas pipeline at Highway 301 North River Crossing.

The Solid Waste Disposal fund has $318,000 of SPLOST dollars budgeted for equipment replacement.

In FY 2015, 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 $1,981,243.

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 $47,789,231 in projected expenditures through FY 2020. In FY 2015, the City has budgeted $15,299,154 in projected expenditures, with $2,087,234 being funded from the 2007 Special Purpose Local Option Sales Tax and $8,426,920 being funded from the 2013 Special Purpose Local Option Sales Tax. The projects funded from the 2007 and 2013 SPLOST include $2,370,000 in street and drainage projects, $597,061 for fire equipment and station renovations, $1,125,207 for police vehicles, equipment and software, $3,430,000 for water and sewer projects, $1,160,000 for natural gas projects, $298,000 for solid waste equipment, and $1,981,243 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, 2014.

Awards. In 2014, 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, 2013. 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 tenth consecutive year the City has received this award.

Also in 2014, the City received the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2013 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 tenth 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,

Robert Cheshire
Interim 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, 2013

Executive Director/CEO

CITY OF STATESBORO, GEORGIA
MAYOR AND COUNCIL

Jan J. Moore
Mayor



In office since January 2014
Current term expires December 2017

Phil Boyum
District 1



In office since 2013
Current term expires December 2017

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 2017

Travis L. Chance
District 5

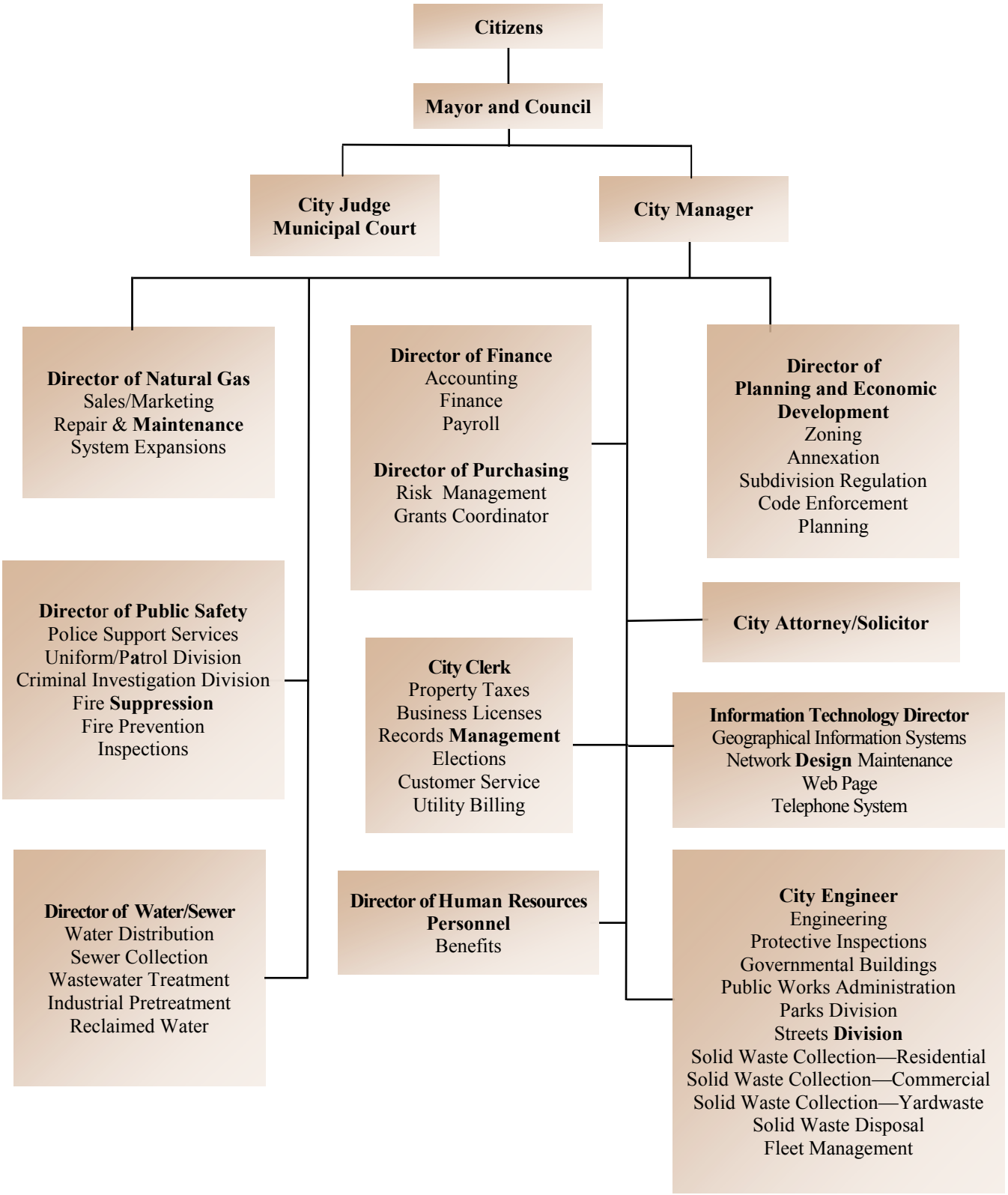


In office since January 2008
Current term expires December 2015

CITY OF STATESBORO, GEORGIA
APPOINTED PRINCIPAL OFFICIALS
As of June 30, 2014

NAME	POSITION	LENGTH OF TIME WITH CITY
Frank Parker	City Manager	4 years
Cindy West	Finance Director	17 years
Sue Starling	City Clerk	24 years
Alvin Leaphart	Staff Attorney	30 months
Robert Cheshire	City Engineer/Public Works Director	18 years
Wendell Turner	Public Safety Director	21 years
Steve Hotchkiss	Natural Gas Director	23 years
Mandi Cody	Director of Planning & Development	5 years
Wayne Johnson	Water/Wastewater Director	32 years
Bryant Tatum	Information Technology Director	6 years
Jeff Grant	Human Resources Director	4 years

ORGANIZATIONAL CHART FOR THE CITY OF STATESBORO





Financial

THIGPEN, LANIER, WESTERFIELD & DEAL

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MEMBERS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
GEORGIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

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, 2014, 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, 2014, 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 29, 2014, 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, Westerfield & Deal

Statesboro, GA
December 29, 2014



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, 2014. 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 $76,945,616 at 2014 fiscal year-end. That is $4,137,245 or 5.7%, higher than the total net position of $72,808,371 at 2013 fiscal year-end. Fiscal year 2013 had seen a $4,300,303 or 6.3%, increase in total net position.

- Total net position is comprised of the following:

  (1) Capital assets, net of related debt, of $67,405,136 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 2013 was $60,184,167. That is an increase of $7,220,969 or 12%. There was an increase of $4,761,732 or 8.6% for fiscal year 2013.

  (2) Net position of $6,474,615 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations. That is $1,122,124 or 14.8%, less than the fiscal year 2013 amount of $7,596,739. That was $1,867,070 (or 19.7%) less than fiscal year 2012's $9,463,809. The decrease in restricted net position is a result of the $2,125,553 decrease in 2007 SPLOST funds that were spent primarily on construction projects for roads and water and sewer in fiscal year 2014.

  (3) Unrestricted net position of $3,065,865 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is a $1,961,600 (or 39%) decrease over the fiscal year 2013 total of $5,027,465. That amount was a $1,405,641 (or 38.8%) increase over fiscal year 2012's figure of $3,621,824. FY 2012 had seen a $381,548 (or 11.8%) increase over FY 2011's amount. In fiscal year 2014, unrestricted net position for business-type activities decreased by $1,877,917 or 35.6%. The unrestricted net position for the governmental activities in fiscal year 2014 decreased by $83,683 or 34.2%.

- The City's governmental funds reported total ending fund balance of $6,483,513, compared to $7,353,015 in fiscal year 2013. This is a $869,502 (or 11.8%) decrease. The primary reason is a decrease in fund balance in the 2007 SPLOST fund. The fiscal year 2013 ending fund balance for governmental funds showed a decrease of $1,881,966 (or 20.4%).

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $614,769. That compares to $313,505 for fiscal year 2013 and $290,475 for fiscal year 2012.

  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 net 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 2014 was $76,945,616, compared to the fiscal year 2013 figure of $72,808,371. 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	
	2014	2013	2014	2013	2014	2013	2014	2013
Assets:								
Current assets	$ 8,712,057	$ 9,908,039	$ 6,868,249	$ 7,624,173	$ 15,580,306	$ 17,532,212	15%	18%
Capital assets	27,385,359	26,751,158	56,081,488	50,491,494	83,466,847	77,242,652	80%	77%
Other Noncurrent assets	-	-	4,722,522	5,058,558	4,722,522	5,058,558	5%	5%
Total Assets	36,097,416	36,659,197	67,672,259	63,174,225	103,769,675	99,833,422	100%	100%
Liabilities:								
Current liabilities	2,051,581	2,362,041	2,656,239	2,435,311	4,707,820	4,797,352	18%	18%
Long-term liabilities	3,446,952	3,544,928	18,669,287	18,682,771	22,116,239	$ 22,227,699	82%	82%
Total Liabilities	5,498,533	5,906,969	21,325,526	21,118,082	26,824,059	27,025,051	100%	100%
Net Position:								
Net Investment in capital assets	25,244,149	24,191,592	42,160,987	35,992,575	67,405,136	60,184,167	88%	83%
Restricted	5,683,327	6,805,546	791,288	791,193	6,474,615	7,596,739	8%	10%
Unrestricted	(328,593)	(244,910)	3,394,458	5,272,375	3,065,865	5,027,465	4%	7%
Total net position	$ 30,598,883	$ 30,752,228	$ 46,346,733	$ 42,056,143	$ 76,945,616	$ 72,808,371	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 2014, the current ratio for governmental activities is 4.2 and 2.6 for business type activities. For fiscal year 2013, the current ratio for governmental activities was 4.2 and for business type activities 3.1. For the City, overall, the current ratio for fiscal year 2014 is 3.3, compared to 3.7 for fiscal year 2013. For fiscal year 2012, the current ratio for governmental activities was 5.6 and for business type activities 2.7.

Net position for fiscal year 2014 decreased by $153,345 for governmental activities, and increased by $4,290,590 for business-type activities. Net position for fiscal year 2013 decreased by $1,187,379 for governmental activities and increased by $5,487,682 for business type activities.

Note that in fiscal year 2014, 82.5%, and in fiscal year 2013, 78.7% of the governmental activities' net position were invested in capital assets. On the business type activities, the City has spent 91% of its net position in fiscal year 2014, and 85.6% in fiscal year 2013 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. 87.6% in fiscal year 2014, and 82.7% in fiscal year 2013 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 2014 and 2013:

Summary of Changes in Net Position

	2014				2013			
	Governmental Activities	**Business Activities**	**Total**	**Percentage of Total**	**Governmental Activities**	**Business Activities**	**Total**	**Percentage of Total**
Revenues:								
Program:								
Charges for services	$ 3,551,658	$ 20,383,519	$ 23,935,177	58%	$ 3,490,474	$ 20,080,002	$ 23,570,476	61%
Operating grants	50,339	-	50,339	0%	127,208	-	127,208	0%
Capital grants and contributions	4,569,169	3,656,562	8,225,731	20%	5,659,290	720,091	6,379,381	16%
General:								
Taxes	8,842,161	-	8,842,161	21%	8,482,517	-	8,482,517	22%
Other	(22,549)	269,588	247,039	1%	65,902	264,161	330,063	1%
Total revenues	16,990,778	24,309,669	41,300,447	100%	17,825,391	21,064,254	38,889,645	100%
Program Expenses:								
General government	2,095,218	-	2,095,218	6%	1,961,130	-	1,961,130	6%
Municipal court	565,829	-	565,829	2%	567,964	-	567,964	2%
Public safety	9,607,582	-	9,607,582	26%	9,098,016	-	9,098,016	26%
Public works	3,047,404	-	3,047,404	8%	2,732,868	-	2,732,868	8%
Community development	941,487	-	941,487	2%	864,315	-	864,315	3%
Parks and cemetries	459,438	-	459,438	1%	442,998	-	442,998	1%
Engineering	316,680	-	316,680	1%	439,610	-	439,610	1%
Planning and zoning	380,512	-	380,512	1%	308,038	-	308,038	1%
Community services	281,110	-	281,110	1%	264,449	-	264,449	1%
Interest	51,909	-	51,909	0%	22,064	-	22,064	0%
Water and sewer	-	8,795,084	8,795,084	24%	-	8,695,892	8,695,892	25%
Reclaimed water system	-	23,748	23,748	0%	-	23,376	23,376	0%
Gas	-	4,273,768	4,273,768	11%	-	3,718,441	3,718,441	11%
Solid waste collection	-	2,612,595	2,612,595	7%	-	2,339,949	2,339,949	7%
Solid waste disposal	-	3,710,838	3,710,838	10%	-	2,931,680	2,931,680	8%
Total expenses	17,747,169	19,416,033	37,163,202	100%	16,701,452	17,709,338	34,410,790	100%
Excess (deficiency)	(756,391)	4,893,636	4,137,245		1,123,939	3,354,916	4,478,855	
Transfers	603,046	(603,046)	-		(2,311,318)	2,311,318	-	
Change in net position	(153,345)	4,290,590	4,137,245		(1,187,379)	5,666,234	4,478,855	
Beginning net position	30,752,228	42,056,143	72,808,371		31,939,607	36,389,909	68,329,516	
Ending net position	$ 30,598,883	$ 46,346,733	$ 76,945,616		$ 30,752,228	$ 42,056,143	$ 72,808,371	

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 $9,955,071in local option sales taxes in fiscal year 2014, the City would have had $4,977,535 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 2014, sales taxes of $4,247,118 out of $17,080,784 in total governmental funds revenues, or 24.9%, were received from the 2007 and 2013 SPLOST. $2,697,265 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 2013, $5,201,773 in sales taxes represented 29.2% of the $17,786,414 in governmental funds revenues.

The City is heavily reliant on taxes to support governmental activities operations. In total, taxes make up 52.0% of revenues as compared to 47.6% in fiscal year 2013. Property taxes provided $4,130,721 or 24.3% of the City's total governmental activities revenue as compared to 21.4% in fiscal year 2013.

Also, note that program revenues covered 46% in fiscal year 2014, and 55.5% in fiscal year 2013 of governmental operating expenses. This means that the government's taxpayers and the City's other general revenues funded the remaining 54% in fiscal year 2014, and 44.5% in fiscal year 2013 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 54.1% of the City's total governmental activity expenses and 25.9% of the total City expenses in fiscal year 2014. In fiscal year 2013, the figures were 54.5% and 26.4% respectively. In fiscal year 2014, general government totaled 11.8% of the total governmental activity expense, and 5.6% of the total City expenses. In fiscal year 2013, general government totaled 11.7% of the total governmental activity expenses, and 5.7% of the total City expenses. Of the total $17.7 million of governmental expenses, depreciation is 12.3% of that total. In fiscal year 2013, the numbers were $16.7 million and 12.7% 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			
	2014		2013	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	$ 2,095,218	$ 1,328,608	$ 1,961,130	$ 1,282,221
Municipal Court	565,829	565,829	567,964	567,964
Public Safety	9,607,582	6,344,827	9,098,016	5,562,589
Public Works	3,047,404	(813,191)	2,732,868	(1,747,283)
Community Development	941,487	847,229	864,315	864,315
Parks and Cemeteries	459,438	459,438	442,998	442,998
Engineering	316,680	274,059	439,610	(42,875)
Planning and Zoning	380,512	236,185	308,038	308,038
Community Services	281,110	281,110	264,449	164,449
Interest	51,909	51,909	22,064	22,064
Total	$ 17,747,169	$ 9,576,003	$ 16,701,452	$ 7,424,480

For fiscal year 2014 and 2013, all functions required a subsidy from general revenues except for public works and engineering. In fiscal year 2014 and 2013, $3,581,680 and 4,170,522, 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 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 than fiscal year 2012. Within the total business type activities of the City, these 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.

For fiscal year 2014, operating revenues for utility funds were 1.6% higher than 2013 and operating expenses were 8.6% higher than fiscal year 2013. Within the total business type activities of the City, the activities reported $1,716,733 in operating income, or a decrease of 40.3% compared to fiscal year 2013. After transfers in and out between other funds, these funds reported a gain of $4,292,780 or a decrease of $1,126,744, compared to fiscal year 2013. The primary reason for this decrease was a $2,454,271 decrease in transfers from the 2007 and 2013 SPLOST funds for capital projects.

Each specific fund reported the following operating income or loss:

	2014		2013	
	Amount	Percent Change	Amount	Percent Change
Water and Sewer Fund	$ 1,119,568	(20.3)%	$ 1,405,036	14.6%
Reclaimed Water/Sewer Fund	$ (8,205)	(354.0)%	$ 3,230	(32.6) %
Gas Fund	$ 1,400,536	(0.7)%	$ 1,409,992	30.2%
Solid Waste Collection Fund	$ 793,039	(6.5)%	$ 848,166	19.2%
Solid Waste Disposal Fund	$ (1,588,205)	(100.4)%	$ (792,552)	13.9%

The operating income for the water and sewer fund decreased by 20.3% in fiscal year 2014. This is primarily due to a decrease in tap fees for both water and sewer. The City had three new apartment complexes built during the previous fiscal year.

The gas fund's operating income for fiscal year 2014 was comparable to the prior year as operating income only decreased by .7% from fiscal year 2013.

The solid waste collection fund's operating income decreased 6.5% due primarily to an increase in repairs and maintenance costs and tippage fees.

Finally, the solid waste disposal fund's operating loss increased by 100.4% from fiscal year 2013. Additional postclosure costs is the primary reason for the decrease. 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 $430,631 and $601,076 from the 2013 SPLOST fund in fiscal year 2014, 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 $6,483,513 in fiscal year 2014, compared to $7,353,015 in fiscal year 2013, and $9,234,981 in fiscal year 2012. Of these year-end totals, $6,029,373 (or 93.0%) in fiscal year 2014 and $7,030,808 (or 95.6%) in fiscal year 2013 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 2014 of $869,502 or 11.8% compared to a decrease in fiscal year 2013 of $1,881,966 or 20.4%. The fiscal year 2014 and 2013 decrease is primarily the result of 2007 SPLOST Funds being spent on road projects, water and sewer projects, and other various capital projects.

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 $252,717 in fiscal year 2014. The General Fund's fund balance increased by $45,065 in fiscal year 2013, and increased by $320,941 in fiscal year 2012 and increased by $82,354 in fiscal year 2011.

Total taxes for the general fund were $8,142,460, or 2.8% higher than in fiscal year 2013. Total property taxes in fiscal year 2014 were $4,159,037 compared to $3,805,670 in fiscal year 2013. In fiscal year 2013, total taxes were $7,918,039, or 1.1% lower than the $8,002,568 in fiscal year 2012.

The general fund's total expenditures increased by $6,592 in fiscal year 2014 compared to an increase of $173,802 or 1.6%, in fiscal year 2013.

The General Fund's ending unassigned fund balance $614,769 represents the equivalent of 4.5% of the $13,702,947 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 17% 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 4.5%, below the 17% target set for unassigned fund balance. The governing body has adopted a conservative General Fund budget for fiscal year 2015, 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 $774,496 at year-end compared to $546,744 at the end of fiscal year 2013. This represents a $227,752 or 41.7% increase.

The 2007 SPLOST fund's ending restricted fund balance was $3,970,838 for fiscal year 2014. This is a decrease of $2,125,553 over fiscal year 2013. The reason is the City began spending some of the accumulated SPLOST funds on construction projects for roads and water and sewer.

The 2013 SPLOST fund's ending restricted fund balance was $728,173 for fiscal year 2014 as the City began receiving 2013 SPLOST funds in fiscal year 2014.

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 101.4% of budgeted revenues in the final appropriated budget. The total expenditure budget was increased through budget amendments by $62,555. Overall, the City recognized expenditures equal to $107,855 less than, or 99.1% of budgeted expenditures in the final appropriated budget. In summary, the budget was underspent by .9% while revenue estimates were 1.4% over.

On the revenue side of the budget, automobile taxes came in $321,443 more than budgeted. Franchise fees came in $159,274 less than budgeted. Licenses and permits came in $120,617 more than budgeted. Fines and Forfeitures came in $103,202 less than budgeted. In total, General Fund revenues came in $142,238 more than the budgeted amount.

On the expenditure side, the City Clerk, Government Buildings, Police, and Planning and Zoning costs were considerably below the budgeted amounts. Information Technology and Animal Control exceeded the budget due to some end of year adjustments. Overall, the General Fund expenditures were $107,855 less than budgeted.

Fund Balance was budgeted to decrease by $258. However, fund balance increased by $252,717 which was $252,975 more than budgeted.

The fiscal year 2015 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, 2014 was $27,385,359 and $56,081,488 respectively, for a total of $83,466,847. That compares to fiscal year 2013 numbers of $26,751,158 and $50,491,494 respectively, for a total of $77,242,652.

The fiscal year 2014 totals in this net investment were a 2.4% increase for governmental and a 11.1% increase for business-type activities. The overall increase was 8.1% 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	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**
Non-depreciable assets:						
Land	$ 1,636,113	$ 1,636,113	$ 554,410	$ 554,410	$ 2,190,523	$ 2,190,523
Construction in progress	750,054	-	9,399,991	5,342,428	10,150,045	5,342,428
Total non-depreciable	2,386,167	1,636,113	9,954,401	5,896,838	12,340,568	7,532,951
Depreciable assets:						
Buildings	14,929,430	14,132,274	2,896,959	2,572,869	17,826,389	16,705,143
Improvements other than buildings	769,284	641,741	67,690,875	67,064,031	68,460,159	67,705,772
Machinery, equipment and furniture	11,618,280	11,614,949	13,371,828	10,951,982	24,990,108	22,566,931
Infrastructure	16,559,084	15,901,754	-	-	16,559,084	15,901,754
Total depreciable assets	43,876,078	42,290,718	83,959,662	80,588,882	127,835,740	122,879,600
Less accumulated depreciation	18,876,886	17,175,673	37,832,575	35,994,226	56,709,461	53,169,899
Book value - depreciable assets	24,999,192	25,115,045	46,127,087	44,594,656	71,126,279	69,709,701
Percentage depreciated	43%	41%	45%	45%	44%	43%
Total Capital Assets	$ 27,385,359	$ 26,751,158	$ 56,081,488	$ 50,491,494	$ 83,466,847	$ 77,242,652

At June 30, 2014, the depreciable capital assets for governmental activities were 43% depreciated. This percentage is higher than the fiscal year 2013 amount of 41%.

The major increase in capital assets in fiscal year 2014 was several road projects, the acquisition of vehicles and equipment for the police and fire department, and the purchase of two buildings using SPLOST proceeds.

In the City's business type activities, 45% of the asset values were depreciated at June 30, 2014 and 2013. The major increase in capital assets in fiscal year 2014 was the construction of several water and sewer projects and the purchase of solid waste collection equipment.

Long-term Debt

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.

In fiscal year 2014, the capital leases decreased by $470,529, the bonded debt decreased by $487,575 and the notes payable decreased by $187,035. Combined, this represented a decrease in long-term debt of $1,145,139.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Capital Leases	$ 2,141,210	$ 2,559,566	$ -	$ 52,173	$ 2,141,210	$ 2,611,739
Revenue bonds (including unamortized premium)	-	-	13,410,784	13,898,359	13,410,784	13,898,359
Notes Payable	-	-	3,468,853	3,655,888	3,468,853	3,655,888
Landfill closure and postclosure care	-	-	1,867,000	1,318,652	1,867,000	1,318,652
Other post employment benefits	1,357,521	1,043,839	576,214	440,049	1,933,735	1,483,888
Compensated absences	539,250	545,879	235,325	206,537	774,575	752,416
Total	$ 4,037,981	$ 4,149,284	$ 19,558,176	$ 19,571,658	$ 23,596,157	$ 23,720,942

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

Economic Conditions Affecting the City

As of August 2014, the local unemployment rate was 11%, which was higher than the state rate of 8.1% and the national rate of 6.1%. 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, 2014

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Current Assets				
Cash and cash equivalents	$ 7,279,645	$ 811,898	$ 8,091,543	$ 395,778
Receivables:				
Accounts	96,610	2,260,797	2,357,407	-
Taxes	284,015	-	284,015	-
Hotel/motel taxes	72,208	-	72,208	-
Intergovernmental	1,814,922	973,623	2,788,545	17,794
Notes	254,193	-	254,193	-
Other	68,403	-	68,403	-
Internal balances	(1,704,529)	1,704,529	-	-
Inventory	145,907	345,805	491,712	-
Prepaid items	400,683	103,574	504,257	1,677
Restricted assets - Cash and cash equivalents	-	668,023	668,023	-
Total Current Assets	8,712,057	6,868,249	15,580,306	415,249
Noncurrent Assets				
Restricted assets - Cash and cash equivalents	-	4,722,522	4,722,522	-
Capital Assets:				
Nondepreciable capital assets	2,386,167	9,954,401	12,340,568	77,122
Depreciable capital assets, net	24,999,192	46,127,087	71,126,279	120,361
Total Noncurrent Assets	27,385,359	60,804,010	88,189,369	197,483
Total Assets	36,097,416	67,672,259	103,769,675	612,732
Liabilities				
Current Liabilities				
Accounts payable	506,263	864,485	1,370,748	647
Accrued payroll and payroll taxes	118,555	52,747	171,302	2,437
Intergovernmental payable	-	28,851	28,851	-
Accrued interest payable	-	153,244	153,244	-
Claims payable	493,504	-	493,504	-
Unearned revenue	170,499	-	170,499	-
Other payables	171,731	-	171,731	-
Compensated absences payable	107,850	47,065	154,915	-
Capital leases payable	483,179	-	483,179	-
Notes payable	-	194,824	194,824	13,375
Revenue bonds payable	-	480,000	480,000	-
Customer deposits	-	668,023	668,023	-
Landfill post-closure care costs	-	167,000	167,000	-
Total Current Liabilities	2,051,581	2,656,239	4,707,820	16,459
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	431,400	188,260	619,660	-
Other post employment benefits payable	1,357,521	576,214	1,933,735	-
Capital leases payable (net of current portion)	1,658,031	-	1,658,031	-
Revenue bonds payable, net of unamortized premium (net of current portion)	-	12,930,784	12,930,784	-
Notes payable (net of current portion)	-	3,274,029	3,274,029	68,952
Landfill post-closure care costs (net of current portion)	-	1,700,000	1,700,000	-
Total Long-Term Liabilities	3,446,952	18,669,287	22,116,239	68,952
Total Liabilities	5,498,533	21,325,526	26,824,059	85,411
Net Position				
Net investment in capital assets	25,244,149	42,160,987	67,405,136	115,156
Restricted for:				
Capital projects	4,715,524	-	4,715,524	-
Program purposes	967,803	-	967,803	-
Revenue bond retirement	-	791,288	791,288	-
Unrestricted	(328,593)	3,394,458	3,065,865	412,165
Total Net Position	$ 30,598,883	$ 46,346,733	$ 76,945,616	$ 527,321

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Activities
For the Year Ended June 30, 2014

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	$ 2,095,218	$ 766,610	$ -	$ -	$ (1,328,608)	$ -	$ (1,328,608)	$ -
Municipal court	565,829	-	-	-	(565,829)	-	(565,829)	-
Public safety	9,607,582	2,598,100	50,339	614,316	(6,344,827)	-	(6,344,827)	-
Public works	3,047,404	-	-	3,860,595	813,191	-	813,191	-
Community development	941,487	-	-	94,258	(847,229)	-	(847,229)	-
Parks and cemeteries	459,438	-	-	-	(459,438)	-	(459,438)	-
Engineering	316,680	42,621	-	-	(274,059)	-	(274,059)	-
Planning and zoning	380,512	144,327	-	-	(236,185)	-	(236,185)	-
Community services	281,110	-	-	-	(281,110)	-	(281,110)	-
Interest	51,909	-	-	-	(51,909)	-	(51,909)	-
Total Governmental Activities	17,747,169	3,551,658	50,339	4,569,169	(9,576,003)	-	(9,576,003)	-
Business-Type Activities:								
Water and sewer	8,795,084	9,177,683	-	3,656,562	-	4,039,161	4,039,161	-
Reclaimed water system	23,748	15,543	-	-	-	(8,205)	(8,205)	-
Gas	4,273,768	5,662,963	-	-	-	1,389,195	1,389,195	-
Solid waste collection	2,612,595	3,403,698	-	-	-	791,103	791,103	-
Solid waste disposal	3,710,838	2,123,632	-	-	-	(1,587,206)	(1,587,206)	-
Total Business-Type Activities	19,416,033	20,383,519	-	3,656,562	-	4,624,048	4,624,048	-
Total - Primary Government	$ 37,163,202	$ 23,935,177	$ 50,339	$ 8,225,731	(9,576,003)	4,624,048	(4,951,955)	-
Component Unit								
Downtown Statesboro Development Authority	$ 409,650	$ 48,636	$ 225,473	$ -	-	-	-	(135,541)
		General Revenues						
		Property taxes levied for:						
		General purposes			4,130,721	-	4,130,721	-
		Hotel/motel taxes			728,017	-	728,017	-
		Insurance premium taxes			1,466,120	-	1,466,120	-
		Franchise taxes			1,740,726	-	1,740,726	-
		Other taxes			776,577	-	776,577	-
		Gain (loss) on sale of capital assets			(61,690)	224,935	163,245	-
		Investment earnings			-	1,045	1,045	178
		Miscellaneous			39,141	43,608	82,749	-
		Total General Revenues			8,819,612	269,588	9,089,200	178
		Transfers			603,046	(603,046)	-	-
		Total General Revenues and Transfers			9,422,658	(333,458)	9,089,200	178
		Change in Net Position			(153,345)	4,290,590	4,137,245	(135,363)
		Net Position Beginning of Year			30,752,228	42,056,143	72,808,371	662,684
		Net Position End of Year			$ 30,598,883	$ 46,346,733	$ 76,945,616	$ 527,321

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia
Balance Sheet
Governmental Funds
June 30, 2014

	General	Statesboro Fire Service	2007 SPLOST	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 103	$ 654,641	$ 4,447,111	$ 612,222	$ 380,657	$ 6,094,734
Receivables:						
Accounts	64,869	31,116	-	-	-	95,985
Taxes	284,015	-	-	-	-	284,015
Hotel/motel taxes	-	-	-	-	72,208	72,208
Intergovernmental	72,032	118,728	-	1,624,162	-	1,814,922
Interfund	2,510,934	-	-	-	-	2,510,934
Notes	-	-	-	-	254,193	254,193
Other	-	-	-	-	68,403	68,403
Prepaid items	185,417	37,708	-	-	5,000	228,125
Total Assets	$ 3,117,370	$ 842,193	$ 4,447,111	$ 2,236,384	$ 780,461	$ 11,423,519
Liabilities						
Accounts payable	$ 234,859	$ 24,340	$ 47,677	$ 117,767	$ 5,367	$ 430,010
Accrued payroll and payroll taxes	85,679	29,108	-	-	-	114,787
Interfund payable	1,736,380	-	428,596	1,390,444	486,529	4,041,949
Unearned revenue	156,250	14,249	-	-	-	170,499
Other liabilities	92,986	-	-	-	78,745	171,731
Total Liabilities	2,306,154	67,697	476,273	1,508,211	570,641	4,928,976
Deferred Inflows of Resources						
Unavailable revenue - property taxes	11,030	-	-	-	-	11,030
Fund Balances						
Nonspendable	185,417	37,708	-	-	5,000	228,125
Assigned	-	-	-	-	16,513	16,513
Unassigned	614,769	-	-	-	(405,267)	209,502
Restricted:						
Special revenue funds	-	736,788	-	-	593,574	1,330,362
Capital projects funds	-	-	3,970,838	728,173	-	4,699,011
Total Fund Balances	800,186	774,496	3,970,838	728,173	209,820	6,483,513
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,117,370	$ 842,193	$ 4,447,111	$ 2,236,384	$ 780,461	$ 11,423,519

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, 2014

Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:				
Total Governmental Fund Balances			$	6,483,513
Capital assets used in governmental activities (excludes internal service funds) are not financial resources and therefore are not reported in the funds:				
Cost	$	45,818,710		
Less accumulated depreciation		(18,637,934)		27,180,776
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				11,030
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.				894,118
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	$	2,305,569		
Interfund payables		(2,305,569)		-
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	$	(2,141,210)		
Other post employment benefits payable		(1,312,233)		
Compensated absences		(517,111)		(3,970,554)
Net Position Of Governmental Activities			$	30,598,883

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, 2014

	General	Statesboro Fire Service	2007 SPLOST	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 4,159,037	$ -	$ -	$ -	$ -	$ 4,159,037
Insurance premium taxes	1,466,120	-	-	-	-	1,466,120
Franchise taxes	1,740,726	-	-	-	-	1,740,726
Other taxes	776,577	-	-	-	-	776,577
Hotel/motel taxes	-	-	-	-	728,017	728,017
Intergovernmental	16,206	23,773	1,899,507	2,608,710	63,496	4,611,692
Licenses and permits	861,217	-	-	-	-	861,217
Fines and forfeitures	1,076,898	-	-	-	305,522	1,382,420
Charges for services	231,591	1,076,430	-	-	-	1,308,021
Investment earnings	-	-	7,791	25	-	7,816
Miscellaneous	38,985	156	-	-	-	39,141
Total Revenues	10,367,357	1,100,359	1,907,298	2,608,735	1,097,035	17,080,784
Expenditures						
Current:						
General government	1,839,076	-	-	-	-	1,839,076
Municipal court	555,185	-	-	-	-	555,185
Public safety	5,304,299	2,971,918	-	-	179,843	8,456,060
Public works	1,987,420	-	-	-	-	1,987,420
Community development	86,208	-	-	-	841,150	927,358
Parks and cemeteries	369,113	-	-	-	-	369,113
Engineering	410,968	-	-	-	-	410,968
Planning and zoning	366,749	-	-	-	-	366,749
Community services	169,058	-	-	-	-	169,058
Capital Outlay	-	-	1,905,525	943,801	161,890	3,011,216
Debt Service:				-		
Principal retirement	119,937	-	66,822	300,000	-	486,759
Interest and fiscal charges	51,909	-	-	-	-	51,909
Total Expenditures	11,259,922	2,971,918	1,972,347	1,243,801	1,182,883	18,630,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	(892,565)	(1,871,559)	(65,049)	1,364,934	(85,848)	(1,550,087)
Other Financing Sources (Uses)						
Sale of capital assets	9,136	-	-	-	-	9,136
Proceeds from capital leases	-	-	-	-	68,403	68,403
Transfers in	2,580,146	2,105,786	-	-	100,000	4,785,932
Transfers out	(1,444,000)	(6,475)	(2,060,504)	(636,761)	(35,146)	(4,182,886)
Total Other Financing Sources (Uses)	1,145,282	2,099,311	(2,060,504)	(636,761)	133,257	680,585
Net Change in Fund Balances	252,717	227,752	(2,125,553)	728,173	47,409	(869,502)
Fund Balances Beginning of Year	547,469	546,744	6,096,391	-	162,411	7,353,015
Fund Balances End of Year	$ 800,186	$ 774,496	$ 3,970,838	$ 728,173	$ 209,820	$ 6,483,513

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, 2014

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:			
Net Change In Fund Balance - Total Governmental Funds			$ (869,502)
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	$ (2,155,390)	
	Capital outlay	2,855,080	699,690
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 @ 6/30/14	$ 11,030	
	Unavailable revenue @ 6/30/13	(39,346)	(28,316)
Elimination of transfers between governmental funds:			
	Transfers in	$ 1,479,146	
	Transfers out	(1,479,146)	-
Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.			(73,490)
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.			(4,598)
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.			(68,403)
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.			486,759
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 @ 6/30/14	$ (517,111)	
	Compensated absences liability @ 6/30/13	525,407	8,296
	OPEB liability @ 6/30/14	$ (1,312,233)	
	OPEB liability @ 6/30/13	1,008,452	(303,781)
Change In Net Position of Governmental Activities			$ (153,345)

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, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes:				
Property	$ 3,621,000	$ 3,621,000	$ 3,647,594	$ 26,594
Automobiles	190,000	190,000	511,443	321,443
Franchise	1,900,000	1,900,000	1,740,726	(159,274)
Insurance premium	1,420,000	1,466,119	1,466,120	1
Alcoholic beverage	698,000	698,000	693,278	(4,722)
Other	120,000	120,000	83,299	(36,701)
Licenses and permits	740,600	740,600	861,217	120,617
Intergovernmental	-	-	16,206	16,206
Charges for services	245,500	245,500	231,591	(13,909)
Fines and forfeitures	1,177,100	1,180,100	1,076,898	(103,202)
Miscellaneous	63,800	63,800	38,985	(24,815)
Total Revenues	10,176,000	10,225,119	10,367,357	142,238
Expenditures				
Current:				
General government				
Governing body	226,594	192,784	178,039	14,745
City manager's office	116,209	135,709	139,113	(3,404)
City clerk's office	193,914	212,414	180,712	31,702
Elections	11,000	26,185	26,185	-
Financial administration	379,863	397,223	397,723	(500)
Legal	82,629	86,579	88,335	(1,756)
Information technology	396,386	409,386	477,665	(68,279)
Human resources	190,917	165,917	157,761	8,156
Government buildings	192,613	187,613	156,417	31,196
General administration fees	37,004	37,404	37,126	278
Total general government	1,827,129	1,851,214	1,839,076	12,138
Municipal court	519,167	547,167	555,185	(8,018)

(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, 2014

(continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public safety				
Police	$ 5,346,708	$ 5,301,650	$ 5,241,916	$ 59,734
Emergency management	5,000	5,000	5,000	-
Animal control	46,716	46,716	57,383	(10,667)
Total public safety	5,398,424	5,353,366	5,304,299	49,067
Streets/public works	1,972,296	1,982,796	1,987,420	(4,624)
Parks and cemeteries	388,706	384,206	369,113	15,093
Engineering	417,838	422,208	410,968	11,240
Planning and zoning	350,739	393,739	366,749	26,990
Community services				
Arts Center	132,000	133,958	133,858	100
Other	36,200	36,200	35,200	1,000
Total community services	168,200	170,158	169,058	1,100
Community development	86,250	86,450	86,208	242
Debt Service:				
Principal retirement	144,500	144,500	119,937	24,563
Interest and fiscal charges	31,973	31,973	51,909	(19,936)
Total Debt Service	176,473	176,473	171,846	4,627
Total Expenditures	11,305,222	11,367,777	11,259,922	107,855
Deficiency of Revenues Under Expenditures	(1,129,222)	(1,142,658)	(892,565)	250,093
Other Financing Sources (Uses)				
Transfers in	2,567,400	2,580,400	2,580,146	(254)
Transfers out	(1,444,000)	(1,444,000)	(1,444,000)	-
Sale of capital assets	6,000	6,000	9,136	3,136
Total Other Financing Sources (Uses)	1,129,400	1,142,400	1,145,282	2,882
Net Change in Fund Balances	$ 178	$ (258)	252,717	$ 252,975
Fund Balances Beginning of Year			547,469	
Fund Balances End of Year			$ 800,186	

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, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 23,780	$ 23,773	$ (7)
Charges for services	1,085,000	1,085,000	1,076,430	(8,570)
Miscellaneous	-	76	156	80
Total Revenues	1,085,000	1,108,856	1,100,359	(8,497)
Expenditures				
Current:				
Public safety - Fire	3,379,089	3,379,089	2,971,918	407,171
Deficiency of Revenues Under Expenditures	(2,294,089)	(2,270,233)	(1,871,559)	398,674
Other Financing Sources (Uses)				
Transfers in	2,194,000	2,170,144	2,105,786	(64,358)
Transfers out	-	(6,475)	(6,475)	-
Total Other Financing Sources (Uses)	2,194,000	2,163,669	2,099,311	(64,358)
Net Change in Fund Balances	$ (100,089)	$ (106,564)	227,752	$ 334,316
Fund Balances Beginning of Year			546,744	
Fund Balances End of Year			$ 774,496	

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2014

	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	$ (20,807)	$ -	$ 472,937	$ 348,632	$ 11,136	$ 811,898	$ 1,184,911
Receivables:							
Accounts	493,041	3,871	277,561	153,343	51,036	978,852	625
Unbilled accounts	572,779	-	253,718	282,113	173,335	1,281,945	-
Intergovernmental	973,623	-	-	-	-	973,623	-
Interfund	1,329,732	-	709,609	61,903	38,268	2,139,512	-
Inventory	253,920	-	91,885	-	-	345,805	145,907
Prepaid items	54,429	-	22,911	9,374	16,860	103,574	172,558
Restricted assets - Cash and cash equivalents	460,522	-	94,100	113,401	-	668,023	-
Total Current Assets	4,117,239	3,871	1,922,721	968,766	290,635	7,303,232	1,504,001
Noncurrent Assets:							
Restricted Assets:							
Cash and cash equivalents	4,722,522	-	-	-	-	4,722,522	-
Capital Assets:							
Land	352,981	-	78,004	-	123,425	554,410	-
Construction in progress	9,399,754	-	237	-	-	9,399,991	18,350
Depreciable capital assets, net	38,695,057	886,201	2,988,923	1,682,992	1,873,914	46,127,087	186,233
Total Noncurrent Assets	53,170,314	886,201	3,067,164	1,682,992	1,997,339	60,804,010	204,583
Total Assets	57,287,553	890,072	4,989,885	2,651,758	2,287,974	68,107,242	1,708,584
Liabilities							
Current Liabilities:							
Accounts payable	524,090	767	210,726	89,769	39,133	864,485	76,253
Accrued payroll	34,231	-	5,745	8,822	3,949	52,747	3,768
Intergovernmental payable	-	-	28,851	-	-	28,851	-
Compensated absences payable	29,261	-	7,531	6,183	4,090	47,065	4,428
Notes payable	168,280	-	26,544	-	-	194,824	-
Capital leases payable	-	-	-	-	-	-	
Revenue bonds payable	480,000	-	-	-	-	480,000	-
Customer deposits	460,522	-	94,100	113,401	-	668,023	-
Landfill post-closure care costs	-	-	-	-	167,000	167,000	-
Accrued interest payable	151,491	-	1,753	-	-	153,244	-
Claims payable	-	-	-	-	-	-	493,504
Interfund payable	-	23,287	-	-	379,845	403,132	205,365
Total Current Liabilities	1,847,875	24,054	375,250	218,175	594,017	3,059,371	783,318
Long-Term Liabilities:							
Compensated absences payable (net of current portion)	117,045	-	30,123	24,730	16,362	188,260	17,711
Other post employment benefits payable	377,831	-	63,018	87,148	48,217	576,214	45,288
Landfill post-closure care costs (net of current portion)	-	-	-	-	1,700,000	1,700,000	-
Notes payable (net of current portion)	3,064,210	-	209,819	-	-	3,274,029	-
Revenue bonds payable, net of unamortized premium (net of current portion)	12,930,784	-	-	-	-	12,930,784	-
Total Long-Term Liabilities	16,489,870	-	302,960	111,878	1,764,579	18,669,287	62,999
Total Liabilities	18,337,745	24,054	678,210	330,053	2,358,596	21,728,658	846,317
Net Position							
Net investment in capital assets	34,763,654	886,201	2,830,801	1,682,992	1,997,339	42,160,987	204,583
Restricted for revenue bond retirement	791,288	-	-	-	-	791,288	-
Unrestricted	3,394,866	(20,183)	1,480,874	638,713	(2,067,961)	3,426,309	657,684
Total Net Position	$ 38,949,808	$ 866,018	$ 4,311,675	$ 2,321,705	$ (70,622)	46,378,584	$ 862,267
	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.					(31,851)	
	Net position of business-type activities					$ 46,346,733	

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, 2014

	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	$ 9,177,683	$ 15,543	$ 5,662,963	$ 3,403,698	$ 2,123,632	$ 20,383,519	$ 5,237,389
Miscellaneous	37,068	-	3,797	2,743	-	43,608	5,141
Total Operating Revenues	9,214,751	15,543	5,666,760	3,406,441	2,123,632	20,427,127	5,242,530
Operating Expenses							
Salaries	2,183,415	-	352,690	567,876	250,048	3,354,029	235,043
Employee benefits	1,026,777	-	137,363	329,607	147,399	1,641,146	110,822
Purchased services	1,678,224	5,057	272,643	1,113,182	2,329,388	5,398,494	365,774
Materials and supplies	548,297	-	108,847	177,030	65,665	899,839	32,737
Cost of sales	-	-	3,234,407	-	-	3,234,407	432,209
Indirect cost allocation	909,574	-	-	-	-	909,574	-
Depreciation	1,715,049	18,691	132,865	367,733	231,444	2,465,782	19,566
Postclosure care costs	-	-	-	-	686,214	686,214	-
Claims and administrative fees	-	-	-	-	-	-	4,053,459
Other	33,847	-	27,409	57,974	1,679	120,909	2,372
Total Operating Expenses	8,095,183	23,748	4,266,224	2,613,402	3,711,837	18,710,394	5,251,982
Operating Income (Loss)	1,119,568	(8,205)	1,400,536	793,039	(1,588,205)	1,716,733	(9,452)
Non-Operating Revenues (Expenses)							
Intergovernmental	3,507,130	-	-	-	-	3,507,130	-
Investment earnings	1,045	-	-	-	-	1,045	-
Interest expense	(696,065)	-	(7,384)	-	-	(703,449)	-
Gain on sale of capital assets	-	-	5,000	-	219,935	224,935	2,664
Total Non-Operating Revenues (Expenses)	2,812,110	-	(2,384)	-	219,935	3,029,661	2,664
Income (Loss) before Capital Contributions and Transfers	3,931,678	(8,205)	1,398,152	793,039	(1,368,270)	4,746,394	(6,788)
Capital contributions	149,432	-	-	-	-	149,432	-
Transfers in	1,651,358	-	-	20,675	1,031,707	2,703,740	-
Transfers out	(1,553,786)	-	(900,000)	(613,000)	(240,000)	(3,306,786)	-
Change in Net Position	4,178,682	(8,205)	498,152	200,714	(576,563)	4,292,780	(6,788)
Net Position Beginning of Year	34,771,126	874,223	3,813,523	2,120,991	505,941		869,055
Net Position End of Year	$ 38,949,808	$ 866,018	$ 4,311,675	$ 2,321,705	$ (70,622)		$ 862,267
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.						(2,190)	
						$ 4,290,590	

See accompanying notes to the basic financial statements

City of Statesboro, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	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	$ 9,256,164	$ 15,446	$ 5,671,029	$ 3,447,584	$ 2,159,733	$ 20,549,956	$ 5,259,002
Cash payments to employees for services	(3,102,793)	407	(467,704)	(860,583)	(384,181)	(4,814,854)	(333,231)
Cash payments for goods and services	(2,904,169)	(5,057)	(3,642,633)	(1,322,925)	(2,555,098)	(10,429,882)	(872,377)
Cash payments for claims and administrative fees	-	-	-	-	-	-	(4,009,703)
Net Cash Provided by (Used in) Operating Activities	3,249,202	10,796	1,560,692	1,264,076	(779,546)	5,305,220	43,691
Cash Flows from Noncapital Financing Activities							
Advances from (to) other funds	211,688	(10,796)	(709,609)	(61,903)	(126,905)	(697,525)	(9,170)
Transfers in (out)	(1,553,786)	-	(900,000)	(613,000)	(240,000)	(3,306,786)	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,342,098)	(10,796)	(1,609,609)	(674,903)	(366,905)	(4,004,311)	(9,170)
Cash Flows from Capital and Related Financing Activities							
Proceeds from sale of capital assets	-	-	5,000	-	310,110	315,110	2,664
Capital contributions and grants	2,805,590	-	-	-	-	2,805,590	-
Payments on capital lease	-	-	(6,689)	(19,566)	(25,918)	(52,173)	-
Transfers in from capital projects funds	1,651,358	-	-	20,675	1,031,707	2,703,740	-
Principal paid on revenue bonds	(475,000)	-	-	-	-	(475,000)	-
Principal paid on notes payable	(161,273)	-	(25,762)	-	-	(187,035)	-
Interest paid on debt	(711,586)	-	(7,575)	-	-	(719,161)	-
Payments for capital acquisitions	(6,830,457)	-	(541,966)	(614,966)	(158,562)	(8,145,951)	(27,567)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(3,721,368)	-	(576,992)	(613,857)	1,157,337	(3,754,880)	(24,903)
Cash Flows from Investing Activities							
Investment earnings	1,045	-	-	-	-	1,045	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,813,219)	-	(625,909)	(24,684)	10,886	(2,452,926)	9,618
Cash and Cash Equivalents Beginning of Year	6,975,456	-	1,192,946	486,717	250	8,655,369	1,175,293
Cash and Cash Equivalents End of Year	$ 5,162,237	$ -	$ 567,037	$ 462,033	$ 11,136	$ 6,202,443	$ 1,184,911

(continued)

City of Statesboro, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	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)	$ 1,119,568	$ (8,205)	$ 1,400,536	$ 793,039	$ (1,588,205)	$ 1,716,733	$ (9,452)
Adjustments:							
Depreciation	1,715,049	18,691	132,865	367,733	231,444	2,465,782	19,566
(Increase) Decrease in Assets:							
Accounts receivable	36,853	(209)	4,264	8,551	36,101	85,560	16,472
Materials and supplies inventory	84,373	-	3,750	-	-	88,123	(4,623)
Prepaid items	8,183	112	(2,036)	7,299	(1,900)	11,658	(53,620)
Increase (Decrease) in Liabilities:							
Accounts payable	173,217	407	(12,959)	17,962	(18,600)	160,027	7,402
Accrued payroll	9,180	-	1,726	2,757	1,298	14,961	1,066
Compensated absences payable	11,141	-	6,730	8,898	2,019	28,788	1,667
Other post employment benefits payable	87,078	-	13,893	25,245	9,949	136,165	9,901
Sales taxes payable	-	-	11,918	-	-	11,918	-
Customer deposits	4,560	-	5	32,592	-	37,157	-
Accrued landfill postclosure costs	-	-	-	-	548,348	548,348	-
Claims payable	-	-	-	-	-	-	55,312
Net Cash Provided by (Used in) Operating Activities	$ 3,249,202	$ 10,796	$ 1,560,692	$ 1,264,076	$ (779,546)	$ 5,305,220	$ 43,691

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.

2013 SPLOST Fund – This fund accounts for the special purpose local option sales tax collected pursuant to a 2013 referendum for various capital improvements within the City.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, 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, gas, and solid waste charges are accrued as receivables and revenue at June 30, 2014
.

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, 2014, 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. The City has capitalized all general infrastructure assets (roads and bridges) acquired after June 30, 1980. 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 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, 2014.

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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2014, expenditures exceeded appropriations for the following departments within the general fund:

City Manager's Office	$ 3,404
Financial Administration	500
Legal	1,756
Information Technology	68,279
Municipal Court	8.018
Animal Control	10,667
Streets/Public Works	4,624
Interest and Fiscal Charges	19,936

These over expenditures were funded primarily by under expenditures in other departments.

2-C. Deficit Fund Balances/Net Position

The Hotel/Motel tax special revenue fund had a deficit fund balance of $400,231 at June 30, 2014, 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, 2014. The Solid Waste Disposal Fund had a deficit net position of $70,622 at June 30, 2014 which will be reduced by future charges for services.

Note 3 - Detailed Notes on All Funds

3-A. Cash and Cash Equivalents

At June 30, 2014, the carrying amount of the City's deposits (i.e., checking and certificates of deposits) was $13,482,088 and the bank balance was $13,833,325. Of the bank balance, $250,000 was covered by federal depository insurance and $13,583,325 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 Equivalents
Fund Reporting Level:	
Governmental Funds - Balance Sheet	$ 6,094,734
Enterprise Fund Statement of Net Position	811,898
Enterprise Fund Statement of Net Position - Restricted	5,390,545
Internal Service Fund Statement of Net Position	1,184,911
Total	$ 13,482,088

3-B. Receivables

Receivables at June 30, 2014, 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, 2014 follow:

Fund	Allowance For Uncollectibles
General	$ 24,585
Water and Sewer	234,722
Gas	113,067
Solid Waste Collection	117,648
Solid Waste Disposal	552

3-C. Property Taxes

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied on or about September 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, 2014, property taxes were levied on September 20, 2013 and were due December 20, 2013.

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, 2014, was as follows:

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 1,636,113	$ -	$ -	$ 1,636,113
Construction in progress	-	750,054	-	750,054
Total capital assets not being depreciated:	1,636,113	750,054	-	2,386,167
Capital assets being depreciated				
Buildings	14,132,274	797,156	-	14,929,430
Improvements other than buildings	641,741	127,543	-	769,284
Machinery and equipment	11,614,949	550,564	547,233	11,618,280
Infrastructure	15,901,754	657,330	-	16,559,084
Total capital assets being depreciated	42,290,718	2,132,593	547,233	43,876,078
Total capital assets	43,926,831	2,882,647	547,233	46,262,245
Accumulated depreciation:				
Buildings	3,642,692	358,318	-	4,001,010
Improvements other than buildings	207,876	23,445	-	231,321
Machinery and equipment	7,340,178	882,156	473,743	7,748,591
Infrastructure	5,984,927	911,037	-	6,895,964
Total accumulated depreciation	17,175,673	2,174,956	473,743	18,876,886
Governmental activities capital assets, net	26,751,158	707,691	73,490	27,385,359

Governmental activities depreciation expense:	
General government	$ 105,998
Municipal court	4,035
Public safety	930,496
Public works	918,479
Parks and cemeteries	75,992
Engineering	7,471
Planning and zoning	1,312
Community development	13,827
Community services	97,780
Fleet management internal service fund	19,566
Total depreciation expense	$ 2,174,956

Note 3 - Detailed Notes on All Funds (Continued)

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

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 554,410	$ -	$ -	$ 554,410
Construction in progress	5,342,428	6,346,670	2,289,107	9,399,991
Total capital assets not being depreciated	5,896,838	6,346,670	2,289,107	9,954,401
Capital assets being depreciated				
Buildings	2,572,869	324,090	-	2,896,959
Improvements other than buildings	67,064,031	630,544	3,700	67,690,875
Machinery and equipment	10,951,982	3,158,082	738,236	13,371,828
Total capital assets being depreciated	80,588,882	4,112,716	741,936	83,959,662
Total capital assets	86,485,720	10,459,386	3,031,043	93,914,063
Accumulated depreciation:				
Buildings	1,054,062	88,570	-	1,142,632
Improvements other than buildings	27,220,610	1,662,886	3,700	28,879,796
Machinery and equipment	7,719,554	714,326	623,733	7,810,147
Total accumulated depreciation	35,994,226	2,465,782	627,433	37,832,575
Business-type activities capital assets, net	$ 50,491,494	$ 7,993,604	$ 2,403,610	$ 56,081,488

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

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Component Unit - Downtown Statesboro Development Authority:				
Capital assets not being depreciated:				
Land	$ -	$ 77,122	$ -	77,122
Capital assets being depreciated:				
Buildings	902,162	-	774,003	128,159
Machinery and equipment	9,700	1,058	5,082	5,676
Total capital assets being depreciated	911,862	1,058	779,085	133,835
Total Capital Assets	911,862	78,180	779,085	210,957
Accumulated depreciation:				
Buildings	58,787	26,676	75,884	9,579
Machinery and equipment	8,093	733	4,931	3,895
Total accumulated depreciation	66,880	27,409	80,815	13,474
Component unit capital assets, net	$ 844,982	$ 50,771	$698,270	$ 197,483

Note 3 - Detailed Notes on All Funds (Continued)

3-E. - Interfund Balances and Transfers

Interfund balances at June 30, 2014, 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	$ 27,409
	Multiple Grant Fund	36
	Hotel/Motel Tax Fund	407,943
	Capital Improvements Program Fund	51,141
	Fleet Management Fund	205,365
	2007 SPLOST Fund	428,596
	2013 SPLOST Fund	1,390,444
Water and Sewer Operations Fund	General Fund	926,600
	Solid Waste Disposal Fund	379,845
	Reclaimed Water Fund	23,287
Natural Gas Fund	General Fund	709,609
Solid Waste Collection Fund	General Fund	61,903
Solid Waste Disposal Fund	General Fund	38,268
		$ 4,650,446

Interfund transfers for the year ended June 30, 2014, consisted of the following:

	Transfers From:				
Transfer to:	General Fund	Statesboro Fire Service Fund	2007 SPLOST Fund	2013 SPLOST Fund	Water and Sewer Operating Fund
General Fund	$ -	$ -	$ -	$ -	$ 792,000
Statesboro Fire Service Fund	1,344,000	-	-	-	761,786
Capital Improvements Fund	100,000	-	-	-	-
Water and Sewer Operating Fund	-	-	1,615,673	35,685	-
Solid Waste Collection Fund	-	6,475	14,200	-	-
Solid Waste Disposal Fund	-	-	430,631	601,076	-
	$ 1,444,000	$ 6,475	$ 2,060,504	$ 636,761	$1,553,786

	Transfers From:				
Transfer to:	Gas Operating Fund	Solid Waste Collection Fund	Solid Waste Disposal Fund	Hotel/ Motel Tax Fund	Total
General Fund	$ 900,000	$ 613,000	$ 240,000	$ 35,146	$2,580,146
Statesboro Fire Service Fund	-	-	-	-	2,105,786
Capital Improvements Fund	-	-	-	-	100,000
Water and Sewer Operating Fund	-	-	-	-	1,651,358
Solid Waste Collection Fund	-	-	-	-	20,675
Solid Waste Disposal Fund	-	-	-	-	1,031,707
	$ 900,000	$ 613,000	$ 240,000	$ 35,146	$7,489,672

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.

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, 2014, was $1,867,000. This amount is based on what it would cost to perform all postclosure care in 2014. 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, 2014 was $13,175,000.

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, 2014 follow:

	Primary Government		
Year	Principal	Interest	Total
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	560,000	485,446	1,045,446
2020-2024	3,170,000	2,041,780	5,211,780
2025-2029	3,945,000	1,249,555	5,194,555
2030-2034	3,465,000	363,182	3,828,182
Total	$ 13,175,000	$ 6,267,647	$ 19,442,647

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, 2014, 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	$ 236,363
GEFA (2006-L25WJA), payable in monthly installments of $10,381 including interest at 4.28% through April 1, 2028	1,298,741
GEFA (2006-L25WJB), payable in monthly installments of $4,857 including interest at 4.28% through April 1, 2028	607,640
GEFA (2007-L31WJ), payable in monthly installments of $3,247 including interest at 4.10% through March 1, 2029	422,185
GEFA (2008-L05WJ), payable in monthly installments of $6,705 including interest at 4.10% through July 1, 2029	903,924
	$ 3,468,853
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.	$ 82,327

Annual debt service requirements to amortize all notes payable outstanding, as of June 30, 2014 follow:

	Primary Government			Component Unit		
Year	Principal	Interest	Total	Principal	Interest	Total
2015	$ 194,824	$ 140,776	$ 335,600	$ 13,375	$ 1,761	$ 15,136
2016	202,889	132,711	335,600	68,952	1,331	70,283
2017	211,378	124,222	335,600	-	-	-
2018	220,141	115,459	335,600	-	-	-
2019	229,300	106,299	335,599			
2020-2024	1,229,532	383,309	1,612,841	-	-	-
2025-2029	1,174,108	114,234	1,288,342	-	-	-
2030-2034	6,681	22	6,703	-	-	-
Total	$ 3,468,853	$ 1,117,032	$ 4,585,885	$ 82,327	$ 3,092	$ 85,419

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. Depreciation expense on the building for the year was $43,343 and accumulated depreciation was $931,874 at June 30, 2014.

The lease requires annual payments as follows:

Year	Principal	Interest	Total
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	93,000	15,057	108,057
2020-2022	312,000	20,160	332,160
Total	$ 726,500	$ 131,240	$ 857,740

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

	Cost
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
Hot Patch Trailers	43,406
Motorola APX Radios	24,997
	$ 2,031,553

Depreciation expense on the above equipment for the year was $181,043 and accumulated depreciation was $375,305 at June 30, 2014.

Note 3 – Detailed Notes on All Funds (Continued)

The leases require annual payments without interest as follows:

Year	Principal
2015	409,679
2016	342,857
2017	328,458
2018	320,035
2019	13,681
Total	$ 1,414,710

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2014:

Primary Government Governmental Activities	Outstanding 7/1/2013	Additions	Reductions	Outstanding 6/30/2014	Amounts Due in One Year
Capital lease - City Hall	$ 796,000	$ -	$ 69,500	$ 726,500	$ 73,500
Capital lease - GMA	1,763,566	68,403	417,259	1,414,710	409,679
Other post employment benefits	1,043,839	313,682	-	1,357,521	-
Compensated absences	545,879	25,104	31,733	539,250	107,850
Total Governmental Activities	$ 4,149,284	$ 407,189	$ 518,492	$ 4,037,981	$ 591,029
Business-Type Activities					
Water and sewer revenue bonds	$ 13,650,000	$ -	$ 475,000	$ 13,175,000	$ 480,000
Unamortized bond premium	248,359	-	12,575	235,784	-
	13,898,359	-	487,575	13,410,784	480,000
Notes payable - water fund	3,393,763	-	161,273	3,232,490	168,280
Notes payable - gas fund	262,125	-	25,762	236,363	26,544
Capital lease - GMA	52,173	-	52,173	-	-
Landfill closure and post-closure care	1,318,652	686,214	137,866	1,867,000	167,000
Other post employment benefits	440,049	136,165	-	576,214	-
Compensated absences	206,537	28,788	-	235,325	47,065
Total Business-Type Activities	$ 19,571,658	$ 851,167	$ 864,649	$ 19,558,176	$ 888,889
Component Unit					
Downtown Statesboro Development Authority					
Notes payable	$ 504,700	$ -	$ 422,373	$ 82,327	$ 13,375

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 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.

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 2014, the City's annual pension cost of $596,536 for the plan was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2014, 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. The equivalent single amortization period remaining at June 30, 2014 was twenty years.

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
1/1/2012	$ 17,536,111	$ 15,532,914	112.90%	($2,003,197)	$ 9,058,361	-22.10%
1/1/2013	18,777,346	16,364,026	114.70%	($2,413,320)	9,174,764	-26.30%
1/1/2014	20,128,542	17,308,794	116.30%	($2,819,748)	9,852,523	-28.62%

Schedule of Employer Contributions

Year Ended June 30	Annual Pension Cost	Percentage Contributed
2012	$ 730,791	100%
2013	542,630	100%
2014	596,536	100%

Note 3 - Detailed Notes on All Funds (Continued)

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 $6,417 in contributions to the plan during the year ended June 30, 2014.

3-J. Fund Equity

As of June 30, 2014, governmental fund balances are composed of the following:

	General Fund	Statesboro Fire Service	2007 SPLOST	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid items	$ 185,417	$ 37,708	$ -	$ -	$ 5,000	$ 228,125
Restricted:						
Capital projects	-	-	3,970,838	728,173	-	4,699,011
Fire protection	-	736,788	-	-	-	736,788
Police	-	-	-	-	366,790	366,790
Community development	-	-	-	-	226,784	226,784
Assigned						
Capital projects	-	-	-	-	16,513	16,513
Unassigned	614,769	-	-	-	(405,267)	209,502
Total fund balances	$ 800,186	$ 774,496	$ 3,970,838	$ 728,173	$ 209,820	$ 6,483,513

Net investment in capital assets on the government-wide statement of net position as of June 30, 2014 is as follows:

	Governmental Activities	Business Type Activities	Component Unit
Cost of capital assets	$ 46,262,245	$ 93,914,063	$ 210,957
Less accumulated depreciation	18,876,886	37,832,575	13,474
Book value	27,385,359	56,081,488	197,483
Less capital related debt	2,141,210	16,879,637	82,327
Plus upspent bond proceeds	-	2,959,136	-
Net investment in capital assets	$ 25,244,149	$ 42,160,987	$ 115,156

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.

Note 4 – Other Notes (Continued)

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 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 $493,504 reported at June 30, 2014 for the Internal Service Funds represents known claims incurred on or prior to June 30, 2014 and an estimate for claims that have been incurred but not reported. Changes in the funds' claims liability for the year ended June 30, 2014 were as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2012	$ 425,728	$ 3,969,918	$ 3,696,296	$ 699,350
2013	699,350	3,223,870	3,485,028	438,192
2014	438,192	4,053,459	4,021,333	470,318

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, 2014. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

Note 4 – Other Notes (Continued)

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 30, 2014, the City paid $28,422 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 6% lodging tax. A summary of the transactions for the year ended June 30, 2014 follows:

		Percentage of tax receipts
Lodging tax receipts	$ 728,017	
Disbursements to the:		
Statesboro Convention and Visitors Bureau for promotion of tourism	(242,430)	33%
Statesboro Arts Council for performing arts center	(203,845)	28%
Downtown Statesboro Development Authority for promotion of tourism	(144,876)	20%
City of Statesboro for administrative costs	(35,146)	5%
Georgia Southern University for Shooting Complex	(101,720)	14%
Total	$ -	100%

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, 2014, 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 the City pays 100% of coverage if the employee has 25 or more years of service.

Note 4 – Other Notes (Continued)

For the year ended June 30, 2014, the City made no contributions and instead elected to continue funding on a *pay-as-you-go* basis, which amounted to $110,901 for 2014. 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.

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	(110,903)
Increase in Net Obligation	449,847
Net OPEB Obligation (BOY)	1,483,888
Net OPEB Obligation (EOY)	$ 1,933,735

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012-2014 is as follows:

Fiscal Year Ended	Annual OPEB Cost	OPEB Cost Contributed	Net OPEB Obligation
6/30/2012	$ 554,940	19%	$ 1,045,387
6/30/2013	560,750	22%	1,483,888
6/30/2014	560,750	20%	1,933,735

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

Note 4 – Other Notes (Continued)

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 29, 2014, the date that the financial statements were available for issue. No subsequent events were noted.

4-G Related Party Transactions

During the year ended June 30, 2014, the City purchased a building from the Downtown Statesboro Development Authority for $375,000. The Authority recognized a loss on the sale of $211,752.

During the year ended June 30, 2014, the City provided funding of $80,000 to the Authority in addition to the $144,876 in hotel/motel tax collected and remitted by the City.



Nonmajor Governmental Funds By Fund Type

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 380,657	$ -	$ 380,657
Receivables:			
Hotel/motel taxes	72,208	-	72,208
Notes	254,193	-	254,193
Lease	-	68,403	68,403
Prepaid items	5,000	-	5,000
Total Assets	$ 712,058	$ 68,403	$ 780,461
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 4,618	$ 749	$ 5,367
Interfund payable	435,388	51,141	486,529
Other	78,745	-	78,745
Total Liabilities	518,751	51,890	570,641
Fund Balances			
Nonspendable	5,000	-	5,000
Restricted	593,574	-	593,574
Assigned	-	16,513	16,513
Unassigned	(405,267)	-	(405,267)
Total Fund Balances	193,307	16,513	209,820
Total Liabilities and Fund Balances	$ 712,058	$ 68,403	$ 780,461

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, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Hotel/motel taxes	$ 728,017	$ -	$ 728,017
Intergovernmental	53,496	10,000	63,496
Fines and forfeitures	305,522	-	305,522
Total Revenues	1,087,035	10,000	1,097,035
Expenditures			
Current:			
Public safety	179,843	-	179,843
Community development	841,150	-	841,150
Capital Outlay:			
General government	-	26,312	26,312
Public works	-	101,835	101,835
Parks and cemeteries	-	10,670	10,670
Community services	-	14,272	14,272
Engineering	-	8,801	8,801
Total Expenditures	1,020,993	161,890	1,182,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,042	(151,890)	(85,848)
Other Financing Sources (Uses)			
Transfers in	-	100,000	100,000
Transfers out	(35,146)	-	(35,146)
Proceeds from capital lease	-	68,403	68,403
Total Other Financing Sources (Uses)	(35,146)	168,403	133,257
Net Change in Fund Balances	30,896	16,513	47,409
Fund Balances Beginning of Year	162,411	-	162,411
Fund Balances End of Year	$ 193,307	$ 16,513	$ 209,820



General Fund

City of Statesboro, Georgia
General Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 103	$ 62,746
Receivables:		
Taxes	284,015	325,282
Accounts	64,869	66,602
Intergovernmental	72,032	61,918
Interfund	2,510,934	1,238,329
Prepaid items	185,417	233,964
Total Assets	$ 3,117,370	$ 1,988,841
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 234,859	$ 265,734
Accrued payroll and payroll taxes	85,679	64,093
Other liabilities	92,986	110,447
Interfund payable	1,736,380	787,377
Unearned revenue	156,250	174,375
Total Liabilities	2,306,154	1,402,026
Deferred Inflows of Resources		
Unavailable revenue - property taxes	11,030	39,346
Fund Balances		
Nonspendable	185,417	233,964
Unassigned	614,769	313,505
Total Fund Balances	800,186	547,469
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,117,370	$ 1,988,841

City of Statesboro, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Taxes:		
Property	$ 3,647,594	$ 3,524,293
Automobiles	511,443	281,377
Franchise	1,740,726	1,897,448
Insurance premium	1,466,120	1,415,987
Alcoholic beverage	693,278	690,423
Other	83,299	108,511
Licenses and permits	861,217	1,071,307
Intergovernmental	16,206	-
Charges for services	231,591	251,885
Fines and forfeitures	1,076,898	1,092,820
Miscellaneous	38,985	37,056
Total Revenues	10,367,357	10,371,107
Expenditures		
Current:		
General government		
Governing body	178,039	200,594
City manager's office	139,113	123,060
City clerk's office	180,712	179,944
Elections	26,185	2,532
Financial administration	397,723	357,035
Legal	88,335	71,611
Information technology	477,665	426,626
Human resources	157,761	176,752
Government buildings	156,417	263,622
General administration fees		37,004
Total general government	1,839,076	1,838,780
Municipal court	555,185	569,468
Public safety:		
Police	5,241,916	5,335,842
Emergency management	5,000	5,000
Animal control	57,383	42,000
Total public safety	5,304,299	5,382,842

(continued)

General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

(continued)

	2014	2013
Streets/public works	$ 1,987,420	$ 1,940,179
Parks and cemeteries	369,113	377,665
Engineering	410,968	403,009
Planning and zoning	366,749	314,132
Community services:		
Arts Center	133,858	136,740
Other	35,200	29,929
Total community services	169,058	166,669
Community development	86,208	81,491
Debt Service:		
Principal retirement	119,937	157,031
Interest and fiscal charges	51,909	22,064
Total Debt Service	171,846	179,095
Total Expenditures	11,259,922	11,253,330
Deficiency of Revenues Under Expenditures	(892,565)	(882,223)
Other Financing Sources (Uses)		
Transfers in	2,580,146	2,505,846
Transfers out	(1,444,000)	(1,607,023)
Sale of capital assets	9,136	28,465
Total Other Financing Sources (Uses)	1,145,282	927,288
Net Change in Fund Balances	252,717	45,065
Fund Balances Beginning of Year	547,469	502,404
Fund Balances End of Year	$ 800,186	$ 547,469



Major Capital Projects Funds

City of Statesboro, Georgia
2007 SPLOST Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 4,447,111	$ 6,607,333
Intergovernmental receivable	-	824,829
Total Assets	$ 4,447,111	$ 7,432,162
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 47,677	$ 459,820
Interfund payable	428,596	875,951
Total Liabilities	476,273	1,335,771
Fund Balances		
Restricted	3,970,838	6,096,391
Total Liabilities and Fund Balances	$ 4,447,111	$ 7,432,162

City of Statesboro, Georgia
2007 SPLOST Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental - Sales taxes	$ 1,638,408	$ 5,201,773
Intergovernmental	261,099	271,716
Investment earnings	7,791	10,871
Miscellaneous	-	27,042
Total Revenues	1,907,298	5,511,402
Expenditures		
Capital outlay:		
Public safety	1,139,908	606,650
Public works	745,944	1,466,546
Planning and zoning	19,673	-
Debt Service-Principal	66,822	66,822
Total Expenditures	1,972,347	2,140,018
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,049)	3,371,384
Other Financing Sources (Uses)		
Transfers out	(2,060,504)	(5,151,536)
Net Change in Fund Balances	(2,125,553)	(1,780,152)
Fund Balances Beginning of Year	6,096,391	7,876,543
Fund Balances End of Year	$ 3,970,838	$ 6,096,391

City of Statesboro, Georgia
2013 SPLOST Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 612,222	$ -
Intergovernmental receivable	1,624,162	-
Total Assets	$ 2,236,384	$ -
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 117,767	$ -
Interfund payable	1,390,444	-
Total Liabilities	1,508,211	-
Fund Balances		
Restricted	728,173	-
Total Liabilities and Fund Balances	$ 2,236,384	$ -

City of Statesboro, Georgia
2013 SPLOST Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental - sales taxes	$ 2,608,710	$ -
Investment earnings	25	
Total Revenues	2,608,735	-
Expenditures		
Capital outlay:		
General government	127,543	-
Community development	797,458	-
Public safety	18,800	1,500,000
Debt Service-Principal	300,000	-
Total Expenditures	1,243,801	1,500,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,364,934	(1,500,000)
Other Financing Sources (Uses)		
Transfers out	(636,761)	-
Proceeds from capital lease	-	1,500,000
Total Other Financing Sources (Uses)	(636,761)	1,500,000
Net Change in Fund Balances	728,173	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ 728,173	$ -



Nonmajor Capital Projects Funds

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2014

	Capital Improvements Program Fund	2013 CDBG Fund	Total Nonmajor Capital Projects Funds
Assets			
Receivables:			
Lease receivable	$ 68,403	$ -	$ 68,403
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 749	$ -	$ 749
Interfund payable	51,141	-	51,141
Total Liabilities	51,890	-	51,890
Fund Balances			
Assigned	16,513	-	16,513
Total Liabilities and Fund Balances	$ 68,403	$ -	$ 68,403

City of Statesboro, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2014

	Capital Improvements Program Fund	2013 CDBG Fund	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	$ -	$ 10,000	$ 10,000
Expenditures			
Capital Outlay:			
General government	26,312	-	26,312
Engineering	8,801	-	8,801
Parks and cemeteries	10,670	-	10,670
Public works	91,835	10,000	101,835
Community services	14,272	-	14,272
Total Expenditures	151,890	10,000	161,890
Excess (Deficiency) of Revenues Over (Under) Expenditures	(151,890)	-	(151,890)
Other Financing Sources (Uses)			
Transfers in	100,000	-	100,000
Proceeds from capital lease	68,403	-	68,403
Total Other Financing Sources (Uses)	168,403	-	168,403
Net Change in Fund Balances	16,513	-	16,513
Fund Balances Beginning of Year	-	-	-
Fund Balances End of Year	$ 16,513	$ -	$ 16,513

City of Statesboro, Georgia
Capital Improvements Program Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Intergovernmental receivable	$ -	$ 100,000
Interfund receivable	-	425
Lease receivable	68,403	25,264
Total Assets	$ 68,403	$ 125,689
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 749	$ 32,645
Interfund payable	51,141	93,044
Total Liabilities	51,890	125,689
Assigned	16,513	-
Total Liabilities and Fund Balances	$ 68,403	$ 125,689

City of Statesboro, Georgia
Capital Improvements Program Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental	$ -	$ 100,000
Expenditures		
Capital Outlay		
General government	26,312	41,519
Public works	91,835	133,125
Community services	14,272	135,289
Parks and cemeteries	10,670	52,545
Engineering	8,801	26,186
Total Expenditures		388,664
Deficiency of Revenues Under Expenditures	(151,890)	(288,664)
Other Financing Sources		
Transfers in	100,000	172,023
Proceeds from capital lease	68,403	57,039
Total Other Financing Sources	168,403	229,062
Net Change in Fund Balances	16,513	(59,602)
Fund Balances Beginning of Year	-	59,602
Fund Balances End of Year	$ 16,513	$ -

City of Statesboro, Georgia
2013 CDBG Fund
Balance Sheet
June 30, 2014

	2014
Assets	
Cash and cash equivalents	$ -
Liabilities and Fund Balances	
Liabilities	
Accounts payable	$ -
Fund Balances	
Restricted	-
Total Liabilities and Fund Balances	$ -

City of Statesboro, Georgia
2013 CDBG Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2014

	2014
Revenues	
Intergovernmental	$ 10,000
Expenditures	
Capital outlay:	
Public works	10,000
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

June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 654,641	$ 512,403
Receivables:		
Accounts	31,116	27,653
Intergovernmental	118,728	31,175
Prepaid items	37,708	26,726
Total Assets	$ 842,193	$ 597,957
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 24,340	$ 18,655
Unearned revenue	14,249	13,390
Accrued payroll	29,108	19,168
Total Liabilities	67,697	51,213
Fund Balances		
Nonspendable	37,708	26,726
Restricted	736,788	520,018
Total Fund Balances	774,496	546,744
Total Liabilities and Fund Balances	$ 842,193	$ 597,957

City of Statesboro, Georgia
Statesboro Fire Service Fund
Comparative Statement of Revenues,
Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Charges for services	$ 1,076,430	$ 920,875
Intergovernmental	23,773	17,162
Miscellaneous	156	12
Total Revenues	1,100,359	938,049
Expenditures		
Current:		
Public safety - Fire	2,971,918	2,493,926
Deficiency of Revenues Under Expenditures	(1,871,559)	(1,555,877)
Other Financing Sources (Uses)		
Transfers in	2,105,786	1,724,023
Transfers out	(6,475)	-
Total Other Financing Sources (Uses)	2,099,311	1,724,023
Net Change in Fund Balances	227,752	168,146
Fund Balances Beginning of Year	546,744	378,598
Fund Balances End of Year	$ 774,496	$ 546,744



Nonmajor Special Revenue Funds

City of Statesboro, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	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	$ 254,076	$ -	$ 92,706	$ -	$ -	$ 33,875	$ 380,657
Receivables:							
Hotel/motel taxes	-	-	-	72,208	-	-	72,208
Notes	-	254,193	-	-	-	-	254,193
Prepaid items	-	-	-	5,000	-	-	5,000
Total Assets	$ 254,076	$ 254,193	$ 92,706	$ 77,208	$ -	$ 33,875	$ 712,058
Liabilities and Fund Balances							
Liabilities							
Accounts payable	$ -	$ -	$ 212	$ -	$ -	$ 4,406	$ 4,618
Interfund payable	-	27,409	-	407,943	36	-	435,388
Other	9,249	-	-	69,496	-	-	78,745
Total Liabilities	9,249	27,409	212	477,439	36	4,406	518,751
Fund Balances							
Nonspendable	-	-	-	5,000	-	-	5,000
Restricted	244,827	226,784	92,494	-	-	29,469	593,574
Unassigned	-	-	-	(405,231)	(36)	-	(405,267)
Total Fund Balances	244,827	226,784	92,494	(400,231)	(36)	29,469	193,307
Total Liabilities and Fund Balances	$ 254,076	$ 254,193	$ 92,706	$ 77,208	$ -	$ 33,875	$ 712,058

City of Statesboro, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	Total Nonmajor Special Revenue Funds
Revenues							
Hotel/motel taxes	$ -	$ -	$ -	$ 728,017	$ -	$ -	$ 728,017
Intergovernmental	-	-	-	-	53,496	-	53,496
Fines and forfeitures	188,829	-	34,588	-	-	82,105	305,522
Total Revenues	188,829	-	34,588	728,017	53,496	82,105	1,087,035
Expenditures							
Current:							
Public safety	9,714	-	43,512	-	53,496	73,121	179,843
Community development	-	-	-	841,150	-	-	841,150
Total Expenditures	9,714	-	43,512	841,150	53,496	73,121	1,020,993
Excess (Deficiency) of Revenues Over (Under) Expenditures	179,115	-	(8,924)	(113,133)	-	8,984	66,042
Other Financing Uses							
Transfers out	-	-	-	(35,146)	-	-	(35,146)
Net Change in Fund Balances	179,115	-	(8,924)	(148,279)	-	8,984	30,896
Fund Balances Beginning of Year	65,712	226,784	101,418	(251,952)	(36)	20,485	162,411
Fund Balances End of Year	$ 244,827	$ 226,784	$ 92,494	$ (400,231)	$ (36)	$ 29,469	$ 193,307

City of Statesboro, Georgia
Confiscated Assets Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 254,076	$ 92,421
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 9,249	$ 26,709
Fund Balances		
Restricted	244,827	65,712
Total Liabilities and Fund Balances	$ 254,076	$ 92,421

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	$ 29,684	$ 194,684	$ 188,829	$ (5,855)	$ 15,865
Miscellaneous	-	-	-	-	369
Total Revenues	29,684	194,684	188,829	(5,855)	16,234
Expenditures					
Current:					
Public safety	22,000	22,000	9,714	12,286	21,201
Net Change in Fund Balances	$ 7,684	$ 172,684	179,115	$ 6,431	(4,967)
Fund Balances Beginning of Year			65,712		70,679
Fund Balances End of Year			$ 244,827		$ 65,712

City of Statesboro, Georgia
Community Development Block Grant Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Notes receivable	$ 254,193	$ 257,120
Intergovernmental receivable	-	5,000
Total Assets	$ 254,193	$ 262,120
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 27,409	$ 35,336
Fund Balances		
Restricted	226,784	226,784
Total Liabilities and Fund Balances	$ 254,193	$ 262,120

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014			2013
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Sale of lots	$ -	$ -	$ -	$ -
Expenditures				
Current:				
Community development	-	-	-	-
Net Change in Fund Balances	$ -	-	$ -	-
Fund Balances Beginning of Year		226,784		226,784
Fund Balances End of Year		$ 226,784		$ 226,784

City of Statesboro, Georgia
Department of Justice Grant Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 92,706	$ 101,552
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 212	$ 134
Fund Balances		
Restricted	92,494	101,418
Total Liabilities and Fund Balances	$ 92,706	$ 101,552

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	75,000	75,000	34,588	(40,412)	50,738
Total Revenues	75,000	75,000	34,588	(40,412)	50,738
Expenditures					
Current:					
Public safety	75,000	75,000	43,512	31,488	55,020
Net Change in Fund Balances	$ -	$ -	(8,924)	$ (8,924)	(4,282)
Fund Balances Beginning of Year			101,418		105,700
Fund Balances End of Year			$ 92,494		$ 101,418

City of Statesboro, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Taxes receivable	$ 72,208	$ 48,368
Prepaid items	5,000	5,000
Total Assets	$ 77,208	$ 53,368
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 69,496	$ 57,624
Interfund payable	407,943	247,696
Total Liabilities	477,439	305,320
Fund Balances		
Nonspendable	5,000	5,000
Unassigned	(405,231)	(256,952)
Total Fund Balances	(400,231)	(251,952)
Total Liabilities and Fund Balances	$ 77,208	$ 53,368

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Hotel/motel taxes	$ 708,000	$ 708,000	$ 728,017	$ 20,017	$ 553,966
Expenditures					
Current:					
Community development	812,600	812,600	841,150	(28,550)	776,267
Excess (Deficiency) of Revenues Over (Under) Expenditures	(104,600)	(104,600)	(113,133)	(8,533)	(222,301)
Other Financing Sources (Uses)					
Transfers out	(35,400)	(35,400)	(35,146)	254	(29,651)
Net Change in Fund Balances	$ (140,000)	$ (140,000)	$ (148,279)	$ (8,279)	$ (251,952)
Fund Balances Beginning of Year			(251,952)		-
Fund Balances End of Year			$ (400,231)		$ (251,952)

City of Statesboro, Georgia
Multiple Grant Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Intergovernmental receivable	$ -	$ 39,096
Liabilities and Fund Balances		
Liabilities		
Accounts payable	-	$ 444
Interfund payable	$ 36	38,688
Total Liablities	36	39,132
Fund Balances		
Unassigned	(36)	(36)
Total Liabilities and Fund Balances	$ -	$ 39,096

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Intergovernmental	$ 17,414	$ 55,570	$ 53,496	$ (2,074)	$ 157,934
Expenditures					
Current:					
Public safety	17,414	55,570	53,496	2,074	157,970
Net Change in Fund Balances	$ -	$ -	$ -	$ -	$ (36)
Fund Balances Beginning of Year			(36)		-
Fund Balances End of Year			$ (36)		$ (36)

City of Statesboro, Georgia
Technology Fee Fund
Comparative Balance Sheet
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 33,875	$ 10,169
Interfund receivable	-	15,018
Total Assets	$ 33,875	$ 25,187
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 4,406	$ 4,702
Fund Balances		
Restricted	29,469	20,485
Total Liabilities and Fund Balances	$ 33,875	$ 25,187

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, 2014
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Fines and forfeitures	$ 84,000	$ 84,000	$ 82,105	$ (1,895)	$ 86,984
Expenditures					
Public safety	82,440	82,440	73,121	9,319	81,170
Net Change in Fund Balances	$ 1,560	$ 1,560	8,984	$ 7,424	5,814
Fund Balances Beginning of Year			20,485		14,671
Fund Balances End of Year			$ 29,469		$ 20,485



Major Enterprise Funds

City of Statesboro, Georgia
Water and Sewer Operating Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ (20,807)	$ 1,460,936
Receivables:		
Accounts	493,041	557,086
Unbilled accounts	572,779	545,587
Intergovernmental	973,623	122,651
Interfund	1,329,732	1,541,420
Materials and supplies inventory	253,920	338,293
Prepaid items	54,429	62,612
Restricted assets - Cash and cash equivalents	460,522	455,962
Total Current Assets	4,117,239	5,084,547
Noncurrent Assets:		
Restricted Assets:		
Cash and cash equivalents	4,722,522	5,058,558
Capital Assets:		
Land	352,981	352,981
Buildings	1,155,731	1,029,380
Improvements other than buildings	61,478,380	61,312,673
Machinery and equipment	6,735,977	4,456,902
Less accumulated depreciation	(30,675,031)	(28,992,954)
Construction in progress	9,399,754	5,173,402
Total Capital Assets	48,447,792	43,332,384
Total Noncurrent Assets	53,170,314	48,390,942
Total Assets	57,287,553	53,475,489
Liabilities		
Current Liabilities:		
Accounts payable	524,090	350,873
Accrued payroll	34,231	25,051
Accrued interest payable	151,491	154,437
Current portion of notes payable	168,280	161,294
Current portion of revenue bonds payable	480,000	475,000
Customer deposits	460,522	455,962
Compensated absences payable	29,261	27,033
Total Current Liabilities	1,847,875	1,649,650
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	117,045	108,132
Other post employment benefits payable	377,831	290,753
Notes payable (net of current portion)	3,064,210	3,232,469
Revenue bonds payable, net of unamortized premium (net of current portion)	12,930,784	13,423,359
Total Long-Term Liabilites	16,489,870	17,054,713
Total Liabilities	18,337,745	18,704,363
Net Position		
Net investment in capital assets	34,763,654	29,147,763
Restricted for revenue bond retirement	791,288	791,193
Unrestricted	3,394,866	4,832,170
Total Net Position	$ 38,949,808	$ 34,771,126

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, 2014 and 2013

	2014	2013
Operating Revenues		
Water sales	$ 4,095,675	$ 3,930,498
Sewer charges	4,282,512	3,863,870
Penalties	133,922	118,594
Reconnecting charges	113,221	138,717
Service fees	157,227	159,989
Tap fees	232,545	1,171,752
Rental income	162,581	159,110
Miscellaneous	37,068	17,604
Total Operating Revenues	9,214,751	9,560,134
Operating Expenses		
Salaries	2,183,415	2,124,118
Employee benefits	1,026,777	1,134,914
Purchased services:		
Training	10,573	10,395
Dues and certification	5,320	8,528
Repairs and maintenance	311,872	300,450
Inspections	49,954	48,996
Contracted services	76,851	75,964
Laboratory services	34,863	19,425
Electricity	803,331	740,191
Telephone	30,542	26,423
Insurance	73,498	66,643
Equipment rental	7,556	7,249
Engineering fees	22,174	51,368
Tippage fees	154,579	141,321
Travel	27,849	26,629
Advertising	3,001	1,601
Postage	66,261	65,268
Materials and supplies:		
Uniforms	17,229	19,391
Materials and supplies	300,893	459,401
Chemicals	84,358	88,407
Gasoline, oil, etc.	97,182	93,786
Small equipment	48,635	66,362
Indirect cost allocation	909,574	880,573
Depreciation	1,715,049	1,663,259
Bad debts	26,638	31,012
Other	7,209	3,424
Total Operating Expenses	8,095,183	8,155,098
Operating Income	1,119,568	1,405,036
Non-Operating Revenues (Expenses)		
Intergovernmental	3,507,130	122,651
Investment earnings	1,045	4,411
Gain on sale of assets	-	9,630
Interest expense	(696,065)	(712,666)
Total Non-Operating Revenues (Expenses)	2,812,110	(575,974)
Income Before Capital Contributions and Transfers	3,931,678	829,062
Capital contributions	149,432	597,440
Transfers in	1,651,358	3,495,805
Transfers out	(1,553,786)	(1,151,217)
Change in Net Position	4,178,682	3,771,090
Net Position Beginning of Year	34,771,126	31,000,036
Net Position End of Year	$ 38,949,808	$ 34,771,126

City of Statesboro, Georgia
Reclaimed Water System Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Accounts receivable	$ 3,871	$ 3,662
Prepaid insurance	-	112
Total Current Assets	3,871	3,774
Noncurrent Assets		
Capital Assets:		
Improvements other than buildings	934,580	855,701
Less accumulated depreciation	(48,379)	(29,688)
Construction in progress	-	78,879
Total Capital Assets	886,201	904,892
Total Assets	890,072	908,666
Liabilities		
Current Liabilities:		
Accounts payable	767	360
Interfund payable	23,287	34,083
Total Current Liabilities	24,054	34,443
Net Position		
Net investment in capital assets	886,201	904,892
Unrestricted	(20,183)	(30,669)
Total Net Position	$ 866,018	$ 874,223

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, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services	$ 15,543	$ 26,606
Operating Expenses		
Purchased services:		
Insurance	112	717
Electricity	4,945	5,333
Materials and supplies:		
Chemicals	-	212
Depreciation	18,691	17,114
Total Operating Expenses	23,748	23,376
Operating Income	(8,205)	3,230
Transfers in	-	78,879
Change in Net Position	(8,205)	82,109
Net Position Beginning of Year	874,223	792,114
Net Position End of Year	$ 866,018	$ 874,223

City of Statesboro, Georgia
Gas Operating Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 472,937	$ 1,098,851
Receivables:		
Accounts	277,561	308,546
Unbilled accounts	253,718	226,997
Interfund	709,609	-
Inventory	91,885	95,635
Prepaid items	22,911	20,875
Restricted assets - Cash and cash equivalents	94,100	94,095
Total Current Assets	1,922,721	1,844,999
Capital Assets:		
Land	78,004	78,004
Buildings	317,389	191,038
Improvements other than buildings	4,995,019	4,622,898
Machinery and equipment	572,649	573,953
Less accumulated depreciation	(2,896,134)	(2,826,589)
Construction in progress	237	18,759
Total Capital Assets	3,067,164	2,658,063
Total Assets	4,989,885	4,503,062
Liabilities		
Current Liabilities:		
Accounts payable	210,726	223,685
Accrued payroll	5,745	4,019
Accrued interest payable	1,753	1,944
Compensated absences payable	7,531	6,185
Sales tax payable	28,851	16,933
Customer deposits	94,100	94,095
Notes payable	26,544	25,762
Capital lease payable	-	6,689
Total Current Liabilities	375,250	379,312
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	30,123	24,739
Other post employment benefits payable	63,018	49,125
Notes payable (net of current portion)	209,819	236,363
Total Long-Term Liabilities	302,960	310,227
Total Liabilities	678,210	689,539
Net Position		
Net investment in capital assets	2,830,801	2,389,249
Unrestricted	1,480,874	1,424,274
Total Net Position	$ 4,311,675	$ 3,813,523

City of Statesboro, Georgia
Gas Operating Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services	$ 5,567,740	$ 5,041,781
Penalties	58,386	53,052
Reconnecting charges	1,975	4,600
Tap fees	400	1,650
Transport fees	30,102	26,776
Service fees	4,360	3,275
Miscellaneous	3,797	9,311
Total Operating Revenues	5,666,760	5,140,445
Operating Expenses		
Salaries	352,690	350,316
Employee benefits	137,363	141,391
Purchased Services:		
Training	-	822
Dues and certification	2,204	2,111
Repairs and maintenance	96,957	47,969
Contracted services	88,179	90,401
Electricity	13,186	11,523
Telephone	6,428	7,406
Insurance	18,482	16,901
Equipment rental	3,618	3,900
Engineering fees	4,322	4,445
Water heater program	19,785	27,789
Travel	8,822	9,435
Advertising	1,155	332
Postage	211	75
Franchise fee	9,294	9,139
Materials and supplies:		
Uniforms	4,537	4,645
Materials and supplies	64,093	61,980
Chemicals	10,103	56
Gasoline, oil, etc.	23,335	26,373
Small equipment	6,779	7,001
Cost of sales	3,234,407	2,750,415
Depreciation	132,865	129,367
Bad debts	10,440	8,580
Other	16,969	18,081
Total Operating Expenses	4,266,224	3,730,453
Operating Income	1,400,536	1,409,992
Non-Operating Revenues (Expenses)		
Gain on sale of assets	5,000	2,000
Interest expense	(7,384)	(8,147)
Total Non-Operating Revenues (Expenses)	(2,384)	(6,147)
Income Before Transfers	1,398,152	1,403,845
Transfers out	(900,000)	(900,000)
Change in Net Position	498,152	503,845
Net Position Beginning of Year	3,813,523	3,309,678
Net Position End of Year	$ 4,311,675	$ 3,813,523

City of Statesboro, Georgia
Solid Waste Collection Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 348,632	$ 405,908
Receivables:		
Accounts	153,343	174,843
Unbilled accounts	282,113	269,164
Interfund	61,903	-
Prepaid items	9,374	16,673
Restricted assets - Cash and cash equivalents	113,401	80,809
Total Current Assets	968,766	947,397
Noncurrent Assets:		
Capital Assets:		
Buildings	74,602	74,602
Machinery and equipment	4,194,444	3,579,478
Less accumulated depreciation	(2,586,054)	(2,218,321)
Total Capital Assets	1,682,992	1,435,759
Total Assets	2,651,758	2,383,156
Liabilities		
Current Liabilities		
Accounts payable	89,769	71,807
Accrued payroll	8,822	6,065
Compensated absences payable	6,183	4,403
Capital lease payable	-	19,566
Customer deposits	113,401	80,809
Total Current Liabilities	218,175	182,650
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	24,730	17,612
Other post employment benefits payable	87,148	61,903
Total Long-Term Liabilities	111,878	79,515
Total Liabilities	330,053	262,165
Net Position		
Net investment in capital assets	1,682,992	1,416,193
Unrestricted	638,713	704,798
Total Net Position	$ 2,321,705	$ 2,120,991

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, 2014 and 2013

	2014	2013
Operating Revenues		
Sanitation charges	$ 3,351,840	$ 3,179,848
Penalties	51,858	43,136
Miscellaneous	2,743	-
Total Operating Revenues	3,406,441	3,222,984
Operating Expenses		
Salaries	567,876	553,106
Employee benefits	329,607	313,197
Purchases services:		
Training	995	2,191
Dues and certification	390	428
Repairs and maintenance	301,223	242,574
Contracted services	-	5,000
Electricity	3,062	-
Telephone	6,345	6,068
Insurance	18,548	21,038
Tippage fees	779,958	711,475
Travel	1,744	1,805
Advertising	917	577
Materials and supplies:		
Uniforms	9,267	6,847
Materials and supplies	7,870	5,052
Gasoline, oil, etc.	157,150	155,049
Chemicals	2,743	2,456
Depreciation	367,733	323,675
Bad debts	51,758	22,670
Other	6,216	1,610
Total Operating Expenses	2,613,402	2,374,818
Operating Income	793,039	848,166
Non-Operating Revenues (Expenses)		
Gain on sale of capital assets	-	10,100
Income Before Transfers	793,039	858,266
Transfers in	20,675	-
Transfers out	(613,000)	(575,001)
Change in Net Position	200,714	283,265
Net Position Beginning of Year	2,120,991	1,837,726
Net Position End of Year	$ 2,321,705	$ 2,120,991

City of Statesboro, Georgia
Solid Waste Disposal Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 11,136	$ 250
Receivables:		
Accounts	51,036	88,717
Unbilled accounts	173,335	171,755
Interfund	38,268	291,666
Prepaid items	16,860	14,960
Total Current Assets	290,635	567,348
Noncurrent Assets:		
Capital Assets:		
Land	123,425	123,425
Buildings	1,349,350	1,277,962
Improvements other than buildings	227,129	202,801
Infrastructure	225,697	225,697
Machinery and equipment	1,698,714	2,185,797
Less accumulated depreciation	(1,626,976)	(1,926,674)
Construction in progress	-	71,388
Total Capital Assets	1,997,339	2,160,396
Total Assets	2,287,974	2,727,744
Liabilities		
Current Liabilities:		
Accounts payable	39,133	57,733
Accrued payroll	3,949	2,651
Compensated absences payable	4,090	3,687
Capital lease payable	-	25,918
Interfund payable	379,845	760,148
Landfill postclosure care costs	167,000	133,351
Total Current Liabilities	594,017	983,488
Long-Term Liabilities:		
Compensated absences payable	16,362	14,746
Other post employment benefits payable	48,217	38,268
Landfill postclosure care costs (net of current portion)	1,700,000	1,185,301
Total Long-Term Liabilities	1,764,579	1,238,315
Total Liabilities	2,358,596	2,221,803
Net Position		
Net investment in capital assets	1,997,339	2,134,478
Unrestricted	(2,067,961)	(1,628,537)
Total Net Position	$ (70,622)	$ 505,941

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, 2014 and 2013

	2014	2013
Operating Revenues		
Tippage fees	$ 2,088,922	$ 2,135,206
Penalties	34,710	21,542
Miscellaneous	-	2,190
Total Operating Revenues	2,123,632	2,158,938
Operating Expenses		
Salaries	250,048	242,196
Employee benefits	147,399	156,769
Purchased services:		
Training	668	225
Dues and certification	1,020	709
Repairs and maintenance	176,876	132,131
Contracted services	3,664	7,598
Electricity	9,918	6,513
Telephone	3,742	3,561
Insurance	18,690	16,610
Equipment rental	469	606
Transportation and disposal	720,140	709,204
Air rights	1,184,410	1,161,971
Advertising	330	1,231
Special projects/programs	48,000	48,000
Waste reduction	39,062	45,269
Enforcement and monitoring	122,000	122,000
Travel	399	588
Materials and supplies:		
Uniforms	3,778	1,543
Materials and supplies	17,538	11,508
Gasoline, oil, etc.	43,926	51,288
Chemicals	423	160
Depreciation	231,444	230,380
Postclosure care costs	686,214	-
Miscellaneous	1,679	1,430
Total Operating Expenses	3,711,837	2,951,490
Operating (Loss)	(1,588,205)	(792,552)
Non-Operating Revenues		
Insurance proceeds	-	40,358
Gain on sale of capital assets	219,935	168,557
Total Non-Operating Revenues	219,935	208,915
Loss before Transfers	(1,368,270)	(583,637)
Transfers in	1,031,707	1,576,852
Transfers out	(240,000)	(214,000)
Change in Net Postion	(576,563)	779,215
Net Position Beginning of Year	505,941	(273,274)
Net Position End of Year	$ (70,622)	$ 505,941



Internal Service Funds

City of Statesboro, Georgia
Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Assets					
Current Assets:					
Cash and cash equivalents	$ 1,130,843	$ 10,526	$ 2,461	$ 41,081	$ 1,184,911
Accounts receivable	625	-	-	-	625
Inventory	-	145,907	-	-	145,907
Prepaid items	37,682	2,536	132,340	-	172,558
Total Current Assets	1,169,150	158,969	134,801	41,081	1,504,001
Noncurrent Assets:					
Capital Assets:					
Construction in progress	-	18,350	-	-	18,350
Depreciable capital assets, net	-	186,233	-	-	186,233
Total Capital Assets	-	204,583	-	-	204,583
Total Assets	1,169,150	363,552	134,801	41,081	1,708,584
Liabilities					
Current Liabilities:					
Accounts payable	18,362	57,891	-	-	76,253
Accrued payroll	-	3,768	-	-	3,768
Claims payable	451,956	-	41,548	-	493,504
Compensated absences payable	-	4,428	-	-	4,428
Interfund payable	-	205,365	-	-	205,365
Total Current Liabilities	470,318	271,452	41,548	-	783,318
Long-Term Liabilities					
Compensated absences payable (net of current portion)	-	17,711	-	-	17,711
Other post employment benefits payable	-	45,288	-	-	45,288
Total Long-Term Liabilities	-	62,999	-	-	62,999
Total Liabilites	470,318	334,451	41,548	-	846,317
Net Position					
Net investment in capital assets	-	204,583	-	-	204,583
Unrestricted	698,832	(175,482)	93,253	41,081	657,684
Total Net Position	$ 698,832	$ 29,101	$ 93,253	$ 41,081	$ 862,267

City of Statesboro, Georgia
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Operating Revenues					
Charges for services	$ 3,808,028	$ 955,872	$ 451,187	$ 22,302	$ 5,237,389
Miscellaneous	-	5,141	-	-	5,141
Total Operating Revenues	3,808,028	961,013	451,187	22,302	5,242,530
Operating Expenses					
Salaries	-	235,043	-	-	235,043
Employee benefits	-	110,822	-	-	110,822
Purchased services	-	118,324	247,160	290	365,774
Materials and supplies	-	32,737	-	-	32,737
Cost of sales	-	432,209	-	-	432,209
Depreciation	-	19,566	-	-	19,566
Claims and administrative fees	3,840,976	-	212,483	-	4,053,459
Miscellaneous	-	1,382	-	990	2,372
Total Operating Expenses	3,840,976	950,083	459,643	1,280	5,251,982
Operating Income (Loss)	(32,948)	10,930	(8,456)	21,022	(9,452)
Non-Operating Revenue					
Gain on sale of capital assets	-	2,664	-	-	2,664
Change in Net Position	(32,948)	13,594	(8,456)	21,022	(6,788)
Net Position Beginning of Year	731,780	15,507	101,709	20,059	869,055
Net Position End of Year	$ 698,832	$ 29,101	$ 93,253	$ 41,081	$ 862,267

City of Statesboro, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2014

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Total
Cash Flows from Operating Activities					
Cash received from customers	$ 3,824,500	$ 961,013	$ 451,187	$ 22,302	$ 5,259,002
Cash payments to employees for services	-	(333,231)	-	-	(333,231)
Cash payments for goods and services	(37,682)	(586,255)	(247,160)	(1,280)	(872,377)
Cash payments for claims	(3,810,807)	-	(198,896)	-	(4,009,703)
Net Cash Provided by (Used in) Operating Activities	(23,989)	41,527	5,131	21,022	43,691
Cash Flows from Noncapital Financing Activities					
Advances from (to) other funds	(402)	(6,098)	(2,670)	-	(9,170)
Transfers in (out)	-	-	-	-	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(402)	(6,098)	(2,670)	-	(9,170)
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of capital assets	-	2,664	-	-	2,664
Purchases of capital assets	-	(27,567)	-	-	(27,567)
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	(24,903)	-	-	(24,903)
Net Increase (Decrease) in Cash and Cash Equivalents	(24,391)	10,526	2,461	21,022	9,618
Cash and Cash Equivalents Beginning of Year	1,155,234	-	-	20,059	1,175,293
Cash and Cash Equivalents End of Year	$ 1,130,843	$ 10,526	$ 2,461	$ 41,081	$ 1,184,911

City of Statesboro, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2014

	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)	$ (32,948)	$ 10,930	$ (8,456)	$ 21,022	$ (9,452)
Adjustments:					
Depreciation	-	19,566	-	-	19,566
(Increase) Decrease in Assets:					
Accounts receivable	16,472	-	-	-	16,472
Materials and supplies inventory	-	(4,623)	-	-	(4,623)
Prepaid items	(37,682)	1,583	(17,521)	-	(53,620)
Increase (Decrease) in Liabilities:					
Accounts payable	5,965	1,437	-	-	7,402
Accrued payroll	-	1,066	-	-	1,066
Claims payable	24,204	-	31,108	-	55,312
Compensated absences payable	-	1,667	-	-	1,667
Other post employment benefits payable	-	9,901	-	-	9,901
Net Cash Provided by (Used in) Operating Activities	$ (23,989)	$ 41,527	$ 5,131	$ 21,022	$ 43,691

City of Statesboro, Georgia
Health Insurance Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,130,843	$ 1,155,234
Accounts receivable	625	17,097
Prepaid miscellaneous	37,682	-
Total Current Assets	1,169,150	1,172,331
Liabilities		
Current Liabilities:		
Claims payable	451,956	427,752
Accounts payable	18,362	12,397
Interfund payable	-	402
Total Current Liabilities	470,318	440,551
Net Position		
Unrestricted	$ 698,832	$ 731,780

City of Statesboro, Georgia
Health Insurance Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Premiums - City and employees	$ 3,808,028	$ 3,766,593
Operating Expenses		
Claims and administrative fees	3,840,976	3,068,574
Change in Net Position	(32,948)	698,019
Net Position Beginning of Year	731,780	33,761
Net Position End of Year	$ 698,832	$ 731,780

City of Statesboro, Georgia
Fleet Management Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 10,526	$ -
Inventory	145,907	141,284
Prepaid items	2,536	4,119
Total Current Assets	158,969	145,403
Noncurrent Assets:		
Capital Assets:		
Buildings	135,458	135,458
Equipment	359,902	343,830
Less accumulated depreciation	(309,127)	(282,706)
Construction in progress	18,350	-
Total Capital Assets	204,583	196,582
Total Assets	363,552	341,985
Liabilities		
Current Liabilities:		
Accounts payable	57,891	56,454
Accrued payroll	3,768	2,702
Compensated absences payable	4,428	4,094
Interfund payable	205,365	211,463
Total Current Liabilities	271,452	274,713
Long-Term Liabilities		
Compensated absences payable (net of current portion)	17,711	16,378
Other post employment benefits payable	45,288	35,387
Total Long-Term Liabilities	62,999	51,765
Total Liabilites	334,451	326,478
Net Position		
Net investment in capital assets	204,583	196,582
Unrestricted	(175,482)	(181,075)
Total Net Position	$ 29,101	$ 15,507

City of Statesboro, Georgia
Fleet Management Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Parts sales and labor charges	$ 955,872	$ 907,001
Miscellaneous	5,141	5,120
Total Operating Revenues	961,013	912,121
Operating Expenses		
Salaries	235,043	229,781
Employee benefits	110,822	118,899
Purchased services:		
Training	3,639	3,170
Dues and certification	146	142
Repairs and maintenance	10,857	16,285
Contracted services	73,909	128,514
Electricity	15,433	14,683
Telephone	1,148	1,364
Advertising	857	-
Insurance	4,626	3,563
Equipment rental	972	490
Travel	6,737	3,150
Materials and supplies:		
Uniforms	2,340	3,240
Materials and supplies	22,897	28,387
Gasoline, oil, etc.	7,500	5,092
Cost of sales	432,209	404,176
Depreciation	19,566	11,432
Miscellaneous	1,382	1,191
Total Operating Expenses	950,083	973,559
Operating Income (Loss)	10,930	(61,438)
Non-Operating Revenues		
Gain on sale of capital assets	2,664	-
Income (Loss) before Transfers	13,594	(61,438)
Transfers in	-	75,000
Change in Net Position	13,594	13,562
Net Position Beginning of Year	15,507	1,945
Net Position End of Year	$ 29,101	$ 15,507

City of Statesboro, Georgia
Workers Compensation Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 2,461	$ -
Prepaid insurance	132,340	114,819
Total Current Assets	134,801	114,819
Liabilities		
Current Liabilities:		
Claims payable	41,548	10,440
Interfund payable	-	2,670
Total Current Liabilities	41,548	13,110
Net Position		
Unrestricted	$ 93,253	$ 101,709

City of Statesboro, Georgia
Workers Compensation Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Premiums	$ 451,187	$ 438,200
Operating Expenses		
Premiums	247,160	216,306
Claims	212,483	155,296
Total Operating Expenses	459,643	371,602
Change in Net Position	(8,456)	66,598
Net Position Beginning of Year	101,709	35,111
Net Position End of Year	$ 93,253	$ 101,709

City of Statesboro, Georgia
Wellness Program Fund
Comparative Statement of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 41,081	$ 20,059
Net Position		
Unrestricted	$ 41,081	$ 20,059

City of Statesboro, Georgia
Wellness Program Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Wellness dues	$ 22,302	$ 22,012
Operating Expenses		
Repairs and maintenance	290	753
Small tools and equipment	-	1,200
Miscellaneous expense	990	-
Total Operating Expenses	1,280	1,953
Change in Net Position	21,022	20,059
Net Position Beginning of Year	20,059	-
Net Position End of Year	$ 41,081	$ 20,059



Downtown Statesboro Development Authority

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Comparative Statement of Net Position
June 30, 2014 and 2013

	2013	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 395,778	$ 308,227
Intergovernmental receivable	17,794	14,541
Prepaid items	1,677	1,014
Total Current Assets	415,249	323,782
Noncurrent Assets:		
Capital Assets:		
Buildings	128,159	902,162
Equipment	5,676	9,700
Less accumulated depreciation	(13,474)	(66,880)
Construction in progress	77,122	-
Total Capital Assets	197,483	844,982
Total Assets	612,732	1,168,764
Liabilities		
Current Liabilities:		
Accrued payroll and payroll taxes	2,437	1,380
Accounts payable	647	-
Notes payable	13,375	29,195
Total Current Liabilities	16,459	30,575
Long-Term Liabilities		
Notes payable (net of current portion)	68,952	475,505
Total Liabilites	85,411	506,080
Net Position		
Net investment in capital assets	115,156	340,282
Unrestricted	412,165	322,402
Total Net Position	$ 527,321	$ 662,684

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, 2014 and 2013

	2014	2013
Operating Revenues		
Intergovernmental:		
City of Statesboro	$ 80,000	$ 81,186
City of Statesboro - Hotel/ Motel tax	145,473	131,567
Other	-	8,588
Licenses	-	9,875
Rental income	22,373	39,600
Miscellaneous	26,263	12,781
Total Operating Revenues	274,109	283,597
Operating Expenses		
Salaries	71,635	70,120
Employee benefits	5,845	5,722
Purchased services:		
Training	2,836	788
Dues and subscriptions	2,380	2,503
Repairs and maintenance	2,207	4,808
Contracted services	3,550	1,060
Bank charges	128	1,252
Electricity	2,921	141
Telephone	4,845	4,444
Advertising	7,468	6,922
Postage	50	161
Printing	609	972
Insurance	3,635	4,227
Annual meeting	952	2,254
Travel	1,516	2,139
Farmers market	-	8,256
Facade grants	5,297	2,121
Fountain grant	5,000	-
Special events	9,086	8,910
Materials and supplies	995	1,439
Depreciation	27,409	22,372
Miscellaneous	4,429	4,053
Total Operating Expenses	162,793	154,664
Operating Income	111,316	128,933
Non-Operating Revenues (Expenses)		
Investment earnings	178	219
Gain (loss) on sale of capital assets	(238,270)	21,825
Interest expense	(8,587)	(20,185)
Total Non-Operating Revenues (Expenses)	(246,679)	1,859
Income before Capital Contributions	(135,363)	130,792
Capital contributions	-	56,171
Change in Net Position	(135,363)	186,963
Net Position Beginning of Year	662,684	475,721
Net Position End of Year	$ 527,321	$ 662,684

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Statement of Cash Flows
For the Year Ended June 30, 2014

Cash Flows from Operating Activities		
Cash received from customers	$	270,856
Cash payments to employees for services		(76,423)
Cash payments for goods and services		(57,920)
Net Cash Provided by (Used in) Operating Activities		136,513
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets		(78,180)
Proceeds from sale of capital assets		460,000
Interest paid on notes payable		(8,587)
Principal paid on notes payable		(422,373)
Net Cash Provided by (Used in) Capital and Related Financing Activities		(49,140)
Cash Flows from Investing Activities		
Investment earnings		178
Net Increase (Decrease) in Cash and Cash Equivalents		87,551
Cash and Cash Equivalents Beginning of Year		308,227
Cash and Cash Equivalents End of Year	$	395,778

City of Statesboro, Georgia
Downtown Statesboro Development Authority
Statement of Cash Flows
For the Year Ended June 30, 2014

Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	111,316
Adjustments:		
Depreciation		27,409
(Increase) Decrease in Assets:		
Intergovernmental receivable		(3,253)
Prepaid items		(663)
Increase (Decrease) in Liabilities:		
Accounts payable		647
Accrued payroll and payroll taxes		1,057
Net Cash Provided by (Used in) Operating Activities	$	136,513

City of Statesboro, Georgia
Schedule of SPLOST Expenditures
From Inception and for the Fiscal Year Ended June 30, 2014

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	$ 7,347,455	$ 6,916,824	$ 430,631	$ 7,347,455	100%
Cemetery Expansion	900,000	900,000	887,828	-	887,828	99%
Waste and Sewer Projects	9,860,000	9,860,000	4,168,662	1,615,673	5,784,335	59%
Street and Drainage Projects	5,307,500	5,307,500	2,038,226	484,845	2,523,071	48%
Public Safety Facilities and Equipment	4,200,000	4,200,000	2,097,634	1,226,403	3,324,037	79%
Solid Waste Handling Equipment	1,400,000	1,400,000	693,197	14,200	707,397	51%
	$ 28,667,500	$ 29,014,955	$ 16,802,371	$ 3,771,752	$ 20,574,123	71%

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	$ 1,972,347
Transfer to other funds	2,060,504
Less Intergovernmental revenue from other sources	(261,099)
Total current year expenditures per above	$ 3,771,752

City of Statesboro, Georgia
Schedule of SPLOST Expenditures
From Inception and for the Fiscal Year Ended June 30, 2014

2013 SPLOST

	Original Estimated Costs	Current Estimated Costs	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Roads / Streets	$7,370,012	$7,370,012	$ -	$ -	$ -	0%
Public Safety Facilities and Equipment	5,771,142	5,771,142	-	318,800	318,800	6%
Facility Improvements	587,190	587,190	-	127,543	127,543	22%
Water / Sewer Projects	9,000,000	9,000,000	-	35,684	35,684	0%
Natural Gas Projects	2,677,500	2,677,500	-	-	-	0%
Solid Waste Handling Equipment	1,350,000	1,350,000	-	-	-	0%
Economic Development	2,160,000	2,160,000	-	797,458	797,458	37%
Joint City/County Solid Waste Disposal	10,775,000	10,775,000	-	601,077	601,077	6%
	$39,690,844	$39,690,844	$ -	$1,880,562	$1,880,562	5%

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

Total 2013 SPLOST fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	$ 1,243,801
Transfer to other funds	636,761
Total current year expenditures per above	$ 1,880,562



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 2014			Fiscal Year 2013			Fiscal Year 2012			Fiscal Year 2011			Fiscal Year 2010		
	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	$ 2,095,218	$ 766,610	$ (1,328,608)	$ 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)
Municipal court	565,829	-	(565,829)	567,964	-	(567,964)	556,554	-	(556,554)	622,589	-	(622,589)	603,544	-	(603,544)
Public safety	9,607,582	3,262,755	(6,344,827)	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)
Public works	3,047,404	3,860,595	813,191	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
Community development	941,487	94,258	(847,229)	864,315	-	(864,315)	622,364	12,859	(609,505)	553,860	-	(553,860)	534,041	-	(534,041)
Parks and cemeteries	459,438	-	(459,438)	442,998	-	(442,998)	427,882	-	(427,882)	458,607	-	(458,607)	514,166	-	(514,166)
Engineering	316,680	42,621	(274,059)	439,610	482,485	42,875	437,128	375,947	(61,181)	597,136	352,570	(244,566)	850,662	284,887	(565,775)
Planning and zoning	380,512	144,327	(236,185)	308,038	-	(308,038)	273,996	-	(273,996)	477,485	-	(477,485)	326,066	-	(326,066)
Community services	281,110	-	(281,110)	264,449	100,000	(164,449)	269,663	-	(269,663)	519,484	-	(519,484)	284,557	-	(284,557)
Interest on long-term debt	51,909	-	(51,909)	22,064	-	(22,064)	27,512	-	(27,512)	42,893	-	(42,893)	34,202	-	(34,202)
Subtotal Governmental Activities	17,747,169	8,171,166	(9,576,003)	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)
Business-type Activities															
Water and sewer	8,795,084	12,834,245	4,039,161	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
Reclaimed Water	23,748	15,543	(8,205)	23,376	26,606	3,230	21,359	26,149	4,790	927	1,944	1,017	-	-	-
Gas	4,273,768	5,662,963	1,389,195	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
Solid waste collection	2,612,595	3,403,698	791,103	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
Solid waste disposal	3,710,838	2,123,632	(1,587,206)	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)
Subtotal Business-type Activities	19,416,033	24,040,081	4,624,048	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
Total Primary Government	$ 37,163,202	$ 32,211,247	$ (4,951,955)	$ 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)

Function/Program	Fiscal Year 2009			Fiscal Year 2008			Fiscal Year 2007			Fiscal Year 2006			Fiscal Year 2005		
	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	$ 2,683,348	$ 765,661	$ (1,917,687)	$ 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)
Municipal court	697,203	-	(697,203)	635,975	-	(635,975)	639,563	-	(639,563)	415,176	-	(415,176)	424,274	-	(424,274)
Public safety	8,465,499	3,255,928	(5,209,571)	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)
Public works	2,452,550	2,121,763	(330,787)	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)
Community development	539,771	-	(539,771)	495,059	4,500	(490,559)	484,187	-	(484,187)	413,832	-	(413,832)	393,169	8,992	(384,177)
Parks and cemeteries	533,706	-	(533,706)	528,039	684,374	156,335	478,762	-	(478,762)	352,504	17,744	(334,760)	393,658	298,000	(95,658)
Engineering	760,687	100,637	(660,050)	701,021	153,737	(547,284)	701,041	332,604	(368,437)	728,455	445,368	(283,087)	611,241	124,870	(486,371)
Planning and zoning	285,709	-	(285,709)	241,067	-	(241,067)	210,291	-	(210,291)	117,322	-	(117,322)	119,935	-	(119,935)
Community services	535,258	5,500	(529,758)	349,975	6,250	(343,725)	807,676	18,750	(788,926)	314,091	-	(314,091)	197,110	-	(197,110)
Interest on long-term debt	30,966	-	(30,966)	46,241	-	(46,241)	67,886	-	(67,886)	66,886	-	(66,886)	-	-	-
Subtotal Governmental Activities	16,984,697	6,249,489	(10,735,208)	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)
Business-type Activities															
Water and sewer	6,557,573	6,931,624	374,051	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
Reclaimed Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	5,040,258	6,053,741	1,013,483	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
Solid waste collection	2,026,631	2,538,590	511,959	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
Solid waste disposal	3,284,953	2,075,990	(1,208,963)	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)
Subtotal Business-type Activities	16,909,415	17,599,945	690,530	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
Total Primary Government	$ 33,894,112	$ 23,849,434	$ (10,044,678)	$ 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)

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 2014	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
Governmental Activities					
Charges for Services:					
General Government	$ 766,610	$ 678,909	$ 656,558	$ 658,209	$ 661,459
Public Safety	2,598,100	2,329,080	2,468,175	2,501,127	2,576,214
Engineering	42,621	482,485	375,947	352,570	284,887
Planning and Zoning	144,327	-	-	-	-
Operating Grants and Contributions	50,339	127,208	196,009	186,407	134,935
Capital Grants and Contributions	4,569,169	5,659,290	5,258,521	5,672,847	6,315,782
Subtotal Governmental Activities Program Revenues	8,171,166	9,276,972	8,955,210	9,371,160	9,973,277
Business-type Activities					
Charges for Services:					
Water and Sewer	9,177,683	9,542,530	8,561,971	9,011,417	8,045,383
Reclaimed Water System	15,543	26,606	26,149	1,944	-
Gas	5,662,963	5,131,134	4,597,727	5,204,257	5,276,270
Solid Waste Collection	3,403,698	3,222,984	2,900,086	2,701,765	2,605,201
Solid Waste Disposal	2,123,632	2,156,748	1,959,947	1,782,842	1,969,726
Operating Grants and Contributions	-	-	-	-	18,556
Capital Grants and Contributions	3,656,562	720,091	209,551	554,394	704,703
Subtotal Business-type Activities Program Revenues	24,040,081	20,800,093	18,255,431	19,256,619	18,619,839
Primary Government					
Charges for Services	23,935,177	23,570,476	21,546,560	22,214,131	21,419,140
Operating Grants and Contributions	50,339	127,208	196,009	186,407	153,491
Capital Grants and Contributions	8,225,731	6,379,381	5,468,072	6,227,241	7,020,485
Total Primary Government Program Revenues	$ 32,211,247	$ 30,077,065	$ 27,210,641	$ 28,627,779	$ 28,593,116

Governmental Activities	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Charges for Services:					
General Government	$ 672,700	$ 689,222	$ 518,673	$ 468,630	$ 471,472
Public Safety	2,752,193	2,388,834	2,172,221	1,789,377	1,911,813
Engineering	100,637	153,737	332,604	445,368	124,870
Operating Grants and Contributions	162,191	359,659	156,840	103,784	116,945
Capital Grants and Contributions	2,561,768	4,306,729	4,967,671	3,172,748	2,605,867
Subtotal Governmental Activities Program Revenues	6,249,489	7,898,181	8,148,009	5,979,907	5,230,967
Business-type Activities					
Charges for Services:					
Water and Sewer	6,792,832	7,267,501	6,696,230	6,912,432	6,135,710
Reclaimed Water	-	-	-	-	-
Gas	6,008,260	6,179,396	6,232,576	7,496,631	6,247,110
Solid Waste Collection	2,538,590	2,471,249	2,359,448	2,236,029	2,218,105
Solid Waste Disposal	2,073,273	2,290,392	2,333,218	2,109,065	1,986,143
Operating Grants and Contributions	48,198	45,586	72,373	46,790	49,312
Capital Grants and Contributions	138,792	631,417	1,621,579	651,162	385,933
Subtotal Business-type Activities Program Revenues	17,599,945	18,885,541	19,315,424	19,452,109	17,022,313
Primary Government					
Charges for Services	20,938,485	21,440,331	20,644,970	21,457,532	19,095,223
Operating Grants and Contributions	210,389	405,245	229,213	150,574	166,257
Capital Grants and Contributions	2,700,560	4,938,146	6,589,250	3,823,910	2,991,800
Total Primary Government Program Revenues	$ 23,849,434	$ 26,783,722	$ 27,463,433	$ 25,432,016	$ 22,253,280

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 Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year 2014	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
Net (Expense), Total Primary Government (see page S-1)										
Governmental activities	$ (9,576,003)	$ (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)
Business activities	4,624,048	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
Total Primary Government	(4,951,955)	(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)
General revenues and other changes in net position										
Governmental Activities:										
Taxes										
Property taxes levied for general purposes	4,130,721	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
Hotel/motel taxes	728,017	553,966	526,504	473,055	439,838	456,994	422,526	405,157	376,838	358,315
Insurance premium taxes	1,466,120	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
Franchise taxes	1,740,726	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
Other taxes	776,577	798,934	818,160	773,241	751,225	812,149	785,555	791,653	741,913	781,329
Gain (loss) on sale of capital assets	(61,690)	28,465	16,597	377	4,641	(17,225)	(18,855)	16,310	28,230	24,677
Investment earnings	-	-	-	14,063	4,473	12,624	69,887	148,643	192,461	166,013
Miscellaneous	39,141	37,437	39,801	136,829	56,671	38,698	49,403	79,184	84,203	106,974
Transfers from (to) business-type activities	603,046	(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
Subtotal Governmental Activities	9,422,658	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
Business-type Activities:										
Gain (loss) on the sale of capital assets	224,935	190,287	16,839	36,125	4,708	66,753	74,269	16,118	58,641	(32,458)
Investment earnings	1,045	4,411	11,822	4,414	4,153	9,316	58,365	143,201	147,984	88,723
Miscellaneous	43,608	69,463	94,586	186,479	248,261	163,021	188,561	149,983	109,252	151,972
Transfers from (to) governmental activities	(603,046)	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)
Subtotal Business-type Activities	(333,458)	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)
Change in Net Position										
Governmental activities	(153,345)	(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
Business-type activities	4,290,590	5,666,234	906,768	1,339,299	1,108,418	(1,459,900)	817,863	201,795	443,084	531,237
Total Primary Government	$ 4,137,245	$ 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

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

	June 30, 2014	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
Governmental Activities										
Net investment in capital assets	$ 25,244,149	$ 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
Restricted for:										
Capital projects	4,715,524	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623	1,256,771	7,052
Specific projects and programs	967,803	709,155	796,432	865,624	821,383	810,377	621,297	189,574	181,426	224,223
Unrestricted	(328,593)	(244,910)	(412,320)	(440,181)	(161,226)	739,878	1,443,522	1,602,255	4,466,573	5,330,726
Subtotal Governmental Activities Net Position	30,598,883	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
Business-type Activities										
Net investment in capital assets	42,160,987	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
Restricted for revenue bond retirement	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468	186,490	180,879
Renewal & extension	-	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000
Unrestricted	3,394,458	5,272,375	4,034,144	3,680,457	1,966,060	(232,463)	123,299	372,529	2,174,345	2,539,947
Subtotal Business-type Activities Net Position	46,346,733	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
Primary Government										
Net investment in capital assets	67,405,136	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
Restricted										
Capital projects	4,715,524	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623	1,256,771	7,052
Restricted for revenue bond retirement	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468	186,490	180,879
Renewal & Extension	-	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000
Specific projects and programs	967,803	709,155	796,432	865,624	821,383	810,377	621,297	189,574	181,426	224,223
Unrestricted	3,065,865	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
Total Primary Government Net Position	$ 76,945,616	$ 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

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes	$ 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	$ 8,870,477
[1] Intergovernmental	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	4,611,692
Licenses and permits	536,257	855,224	783,243	772,770	703,815	865,829	926,979	941,669	1,071,307	861,217
Fines and forfeitures	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	1,382,420
Charges for services	604,108	589,913	629,416	1,009,406	1,055,605	1,088,090	1,108,952	1,089,401	1,172,760	1,308,021
Investment earnings	145,454	152,404	91,159	29,512	8,496	4,056	14,063	9,327	10,871	7,816
Miscellaneous	105,979	84,203	79,184	49,403	38,698	56,671	136,829	39,801	64,479	39,141
Total revenues	$ 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	$ 17,080,784
% change from prior year	-24.9%	7.9%	20.1%	1.0%	-8.8%	27.2%	-2.1%	-0.9%	1.5%	-4.0%

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
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
2014	3,647,594	511,443	1,740,726	1,466,120	693,278	83,299	8,142,460
Percentage Change In Dollars Over 10 Years	24.9%	155.9%	59.1%	38.8%	10.2%	-45.2%	34.5%

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

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Current:										
General government	$ 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	$ 1,839,076
Municipal court	420,501	412,762	638,695	625,001	684,444	588,804	555,219	541,681	569,468	555,185
Public safety	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	8,456,060
Streets/public works	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	1,987,420
Parks and cemeteries	948,682	412,075	406,397	433,076	444,407	430,178	376,518	338,438	377,665	369,113
Engineering	576,857	671,252	640,078	669,869	721,165	797,572	557,869	396,485	403,009	410,968
Planning and zoning	122,457	115,238	210,989	233,314	290,564	319,139	465,345	260,767	314,132	366,749
Community services	123,199	215,159	681,439	198,260	436,326	185,625	171,704	171,883	166,669	169,058
Community development	393,169	413,832	484,187	495,059	539,549	533,993	554,130	622,364	857,758	927,358
Total Current	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	15,080,987
% Change From Prior Year	9.8%	1.3%	13.4%	5.4%	6.4%	0.1%	-3.0%	-5.0%	3.6%	2.9%
Capital Outlay	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	3,011,216
% Change From Prior Year	-45.0%	12.0%	237.1%	-69.6%	-56.3%	45.6%	1.8%	-21.8%	221.4%	-24.0%
Debt Service										
Principal	41,000	119,184	170,689	254,295	347,306	304,313	331,413	278,869	223,853	486,759
Interest	88,372	66,886	67,886	46,241	30,966	34,202	42,893	27,512	22,064	51,909
Total Debt Service	129,372	186,070	238,575	300,536	378,272	338,515	374,306	306,381	245,917	538,668
% Change From Prior Year	11.5%	43.8%	28.2%	26.0%	25.9%	-10.5%	10.6%	-18.1%	-19.7%	119.0%
Total Expenditures	$ 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	$ 18,630,871
% Change From Prior Year	-4.4%	3.3%	49.9%	-21.8%	-2.2%	2.8%	-2.3%	-6.8%	20.3%	-1.3%
Debt Service as a Percentage of Total Noncapital Expenditures	1.1%	1.5%	1.7%	2.0%	2.4%	2.2%	2.5%	2.1%	1.6%	3.4%

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Revenues	$ 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	$ 17,080,784
Total Expenditures	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	18,630,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	(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)	(1,550,087)
Other Financing Sources (Uses)	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)	680,585
Net Change in Fund Balances	(739,067)	129,067	(4,090,568)	982,956	(284,524)	2,225,691	2,329,440	2,611,024	(1,881,966)	(869,502)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable	$ 244,757	$ 199,020	$ 169,631	$ 170,717	$ 174,009	$ 197,547	$ 214,608	$ 211,929	$ 233,964	$ 185,417
Unassigned	4,732,116	3,823,745	2,595,299	1,478,379	947,789	(98,438)	(33,145)	290,475	313,505	614,769
Subtotal General Fund	4,976,873	4,022,765	2,764,930	1,649,096	1,121,798	99,109	181,463	502,404	547,469	800,186
General Fund Percentage Change	3.7%	-19.2%	-31.3%	-40.4%	-32.0%	-91.2%	83.1%	176.9%	9.0%	46.2%
All Other Governmental Funds										
Nonspendable	-	-	-	12,522	11,045	17,613	17,370	23,792	31,726	42,708
Assigned	-	-	-	-	-	-	-	59,602	-	16,513
Unassigned	-	-	(1,702,733)	-	-	-	(64,478)	-	(256,988)	(405,267)
Restricted										
Special Revenue Funds	224,223	181,426	189,574	608,775	799,332	803,770	848,254	772,640	934,417	1,330,362
Capital Projects Fund	130,799	1,256,771	118,623	82,957	136,651	3,374,025	5,641,348	7,876,543	6,096,391	4,699,011
Subtotal All Other Governmental Funds	355,022	1,438,197	(1,394,536)	704,254	947,028	4,195,408	6,442,494	8,732,577	6,805,546	5,683,327
Total Governmental Funds										
Nonspendable	244,757	199,020	169,631	183,239	185,054	215,160	231,978	235,721	265,690	228,125
Assigned	-	-	-	-	-	-	-	59,602	-	16,513
Restricted	355,022	1,438,197	308,197	691,732	935,983	4,177,795	6,489,602	8,649,183	7,030,808	6,029,373
Unassigned	4,732,116	3,823,745	892,566	1,478,379	947,789	(98,438)	(97,623)	290,475	56,517	209,502
Total Governmental Funds	$ 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	$ 6,483,513
All Governmental Funds Percentage Change	-12.2%	2.4%	-74.9%	71.7%	-12.1%	107.6%	54.2%	39.4%	-20.4%	-11.8%

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													
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%
2014	171,698,992	426,599,183	13,124,317	839,776	919,170	14,825,297	27,318,326	7,300	8,950,361	619,056,374	6.358	1,570,016,838	0.2%
Percentages													
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%			
2014	27.3%	67.9%	2.1%	0.1%	0.1%	2.4%	4.4%	0.0%	1.4%	98.6%			

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
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
2014	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
2005	2,902,999	2,894,631	99.71%	8,348	2,902,979	100.00%	20	0.00%
2006	2,955,195	2,893,494	97.91%	61,640	2,955,134	100.00%	61	0.00%
2007	3,117,016	3,105,291	99.62%	11,575	3,116,866	100.00%	150	0.00%
2008	3,367,186	3,334,179	99.02%	32,857	3,367,036	100.00%	150	0.00%
2009	3,578,352	3,549,025	99.18%	28,271	3,577,296	99.97%	1,056	0.03%
2010	3,710,229	3,605,588	97.18%	102,517	3,708,105	99.94%	2,124	0.06%
2011	3,672,791	3,622,799	98.64%	48,249	3,671,048	99.95%	1,743	0.05%
2012	3,646,967	3,587,428	98.37%	55,630	3,643,058	99.89%	3,909	0.11%
2013	3,506,320	3,479,916	99.25%	11,732	3,491,648	99.58%	14,672	0.42%
2014	3,592,347	3,531,126	98.30%	-	3,531,126	98.30%	61,221	1.70%

Source:

City of Statesboro Tax Office

City of Statesboro, Georgia
Principal Property Taxpayers
For the Fiscal Year Ended June 30, 2014 and Nine Years Ago

	2014			2005	
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.	$ 16,767,440	3.58%
Breckenridge Group Statesboro	15,300,517	2.47%	Frontier Comm of GA Inc.	13,427,250	2.86%
Copper Beech Townhome	13,637,055	2.20%	States Property Company, LLC	11,079,489	2.36%
Forum Statesboro LTD	13,247,447	2.14%	East Georgia Regional Medical	5,263,420	1.12%
Diamond URS Statesboro LLC	10,114,407	1.63%	SUH Georgia Southern, LLC	4,858,277	1.04%
GSU Development LLC	8,948,669	1.45%	Wal-Mart Real Estate	4,674,943	1.00%
Monarch 301 LLC	7,982,288	1.29%	Georgia Power Co.	4,472,280	0.95%
Layton Land LLC & Bonnie Screw	6,756,967	1.09%	The Garden District	4,304,740	0.92%
Layton Land LLC	6,615,390	1.07%	Southern Place LLC	4,263,960	0.91%
Claude Howard Lumber Co Inc.	6,486,190	1.05%	JBPC South Inc	4,250,920	0.91%
Total Principal Taxpayers	105,557,323	17.05%	Total Principal Taxpayers	73,362,719	15.65%
All Other Taxpayers	513,499,051	82.95%	All Other Taxpayers	395,335,281	84.35%
Total	$ 619,056,374	100.00%	Total	$ 468,698,000	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]	
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%
2014	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 2005 - 2014

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**
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
2014	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**
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
2014	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**
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
2014	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**
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
2014	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 2005 - 2014

(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**
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
2014	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**
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
2014	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**
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
2014	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**
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
2014	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)

	Fiscal Year 2005		Fiscal Year 2006		Fiscal Year 2007		Fiscal Year 2008		Fiscal Year 2009	
Type of Customer	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**
Residential	550.1	58%	572.9	57%	614.3	59%	544.9	57%	616.8	56%
Industrial	69.9	7%	79.0	8%	74.9	7%	104.8	11%	75.0	7%
Commercial	302.7	32%	313.3	31%	314.2	30%	259.9	27%	339.0	31%
Government	25.4	3%	33.2	3%	37.3	4%	48.8	5%	69.3	6%
Total	948.1	100%	998.4	100%	1,040.7	100%	958.4	100%	1,100.1	100%

	Fiscal Year 2010		Fiscal Year 2011		Fiscal Year 2012		Fiscal Year 2013		Fiscal Year 2014	
Type of Customer	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**	**Gallons**	**%**
Residential	574.5	56%	590.6	55%	527.3	47%	565.8	51%	557.7	51%
Industrial	75.5	7%	77.7	7%	159.7	14%	55.9	5%	65.0	6%
Commercial	248.6	24%	270.3	25%	255.5	23%	258.8	23%	241.5	22%
Government	118.5	12%	126.6	12%	178.5	16%	239.7	21%	233.1	21%
Total	1,017.1	100%	1,065.2	100%	1,121.0	100%	1,120.2	100%	1,097.3	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			
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
2014	2,141,210	13,175,440	236,363	3,232,490	-	16,643,853	18,785,063	3.4%	651

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)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value	$ 473,248	$ 473,540	$ 497,826	$ 587,329	$ 613,391	$ 628,697	$ 609,188	$ 606,126	$ 618,810	$ 619,056
Legal Debt Margin										
Debt limit (10% of assessed value)	$ 47,325	$ 47,354	$ 49,783	$ 58,733	$ 61,339	$ 62,870	$ 60,919	$ 60,613	$ 61,881	$ 61,906
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 47,325	$ 47,354	$ 49,783	$ 58,733	$ 61,339	$ 62,870	$ 60,919	$ 60,613	$ 61,881	$ 61,906
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, 2014

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			2,141,210
Total Direct and Overlapping Debt			$ 13,141,210

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						
				Debt Service			
Fiscal Year	Operating Revenue	Less: Operating Expenses[1]	Net Available Revenue	Principal	Interest	Total	Times Coverage[2]
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
2014	9,214,751	6,380,134	2,834,617	475,000	696,065	1,171,065	2.42

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, 2014 and Nine Years Ago

	2014			2005	
Employer	**Number of Employees**	**Percentage of Total City Employment**	**Employer**	**Number of Employees**	**Percentage of Total City Employment**
Georgia Southern University	2,482	21.47%	Georgia Southern University	1,825	24.44%
Bulloch County Board of Education	1,400	12.11%	Bulloch County Board of Education	1,350	18.08%
East Georgia Regional Medical Center	675	5.84%	East Georgia Regional Medical Center	750	10.04%
Wal-Mart Supercenter	476	4.12%	Wal-Mart Supercenter	550	7.36%
Bulloch County Board of Commissioners	375	3.24%	Bulloch County Board of Commissioners	348	4.66%
City of Statesboro	290	2.51%	City of Statesboro	260	3.48%
Lowe's Home Center	143	1.24%	The Sack Company	200	2.68%
The Olive Garden	105	0.91%	Lowe's Home Center	150	2.01%
Braswells	100	0.86%	Robbins Packinghouse Company	150	2.01%
Belk	92	0.80%	Statesboro Herald	132	1.77%
Total Principal Employers	6,138	53.09%	**Total Principal Employers**	5,715	76.53%
Other Employers	5,424	46.91%	Other Employers	1,753	23.47%
Total All Employers	11,562	100.00%	**Total All Employers**	7,468	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
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%
2014	28,844	548,728,256	19,024	22	9,861	12.0%

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Manager's Office	2	2	4	4	3	3	2	2	2	2
City Clerk's Office	8	9	9	9	10	10	3	3	3	3
Finance	7	6	6	6	6	6	6	6	6	6
Legal Division	0	0	0	0	0	0	1	1	1	1
Information Technology	0	0	0	0	2	3	4	4	4	4
Human Resources	2	2	2	2	2	2	1	2	2	2
Municipal Court	3	2	3	3	3	2	3	3	3	3
Engineering	4	4	5	5	6	7	6	5	5	5
Protective Inspections	4	4	2	2	4	4	2	2	2	2
Governmental Buildings	0	0	0	0	3	2	1	0	0	0
Customer Service Division	0	0	0	0	0	0	4	5	6	6
Police	70	75	75	76	77	76	75.5	74.5	75.5	78.5
Animal Control	1	1	1	0	0	2	0	0	0	0
Fire Department	32	33	33	33	33	33	32.5	37.5	43.5	47.5
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	24	23	22	23	22	22	21	21	21	22
Parks	8	9	9	9	9	9	8	7	7	7
Planning/Community Development	2	2	3	3	3	3	4	4	4	4
Community Development - Code Comp	0	0	0	0	0	0	2	2	2	2
Water and Sewer	20	18	18	19	23	23.5	23.5	23.5	24.5	24.5
Wastewater Treatment Plant	27	27	27	27	27	27	27	27	28	28
Natural Gas	9	9	9	9	9	8.5	8.5	8.5	8.5	8.5
Solid Waste Collection	19	16	16	16	16	16	15	16	18	18
Solid Waste Disposal	8	8	8	8	8	8	8	8	8	8
Fleet Management	8	6	6	6	6	6	6	6	6	6
Total	260	258	260	262	274	275	266	270	282	290

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	42	43	43	49	49	43	47	50	47	53
Fire stations	2	2	2	2	2	2	2	2	2	2
Refuse collection										
Collection trucks	4	7	7	7	7	9	9	9	11	14
Streets and highways										
Streets (miles)	105	117	117	119	119	119	119	120	121	121
Traffic signals	11	11	12	13	15	15	15	15	16	16
Parks and recreation										
Acreage	52	52	55	83	83	83	83	83	83	83
Water										
Water mains (miles)	194	198	207	212	216	219.5	219.5	221.5	227.1	233.02
Fire hydrants	1,175	1,244	1,313	1,382	1,451	1,487	1,487	1,503	1,533	1,596
Storage capacity (thousands of gallons)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,900	1,900
Wastewater										
Sanitary sewers (miles)	168	171	174	177	181	184	184	187	187.8	191.9
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	5	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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Physical arrests	1,740	1,863	1,794	1,736	2,185	2,105	2,587	2,350	2,184	2,076
Traffic violations	7,691	7,781	10,823	10,032	9,442	10,299	10,460	10,921	8,937	8,400
Fire										
Emergency responses	855	930	927	743	1,106	637	876	722	826	889
Fires extinguished	214	124	226	157	200	257	259	224	201	168
Inspections	151	639	1,353	1,289	1,973	1,343	1,046	1,139	2,096	1,692
Refuse collection										
Refuse collected (tons per month)	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	1,417.5
Streets and highways										
Resurfacing (miles)	12.50	0	7.5	1.43	2.75	0.603	1.609	1.895	4.1	3.5
Water										
New connections	156	275	562	187	188	367	77	497	935	298
Water mains breaks	27	13	18	8	7	19	23	26	26	18
Average daily consumption (thousands of gallons)	2,887	3,091	3,190	3,239	3,130	2,787	2,738	3,367	3,124	3,000
Peak daily consumption (thousands of gallons)	4,989	4,306	4,220	4,630	5,179	4,422	4,964	4,703	4,898	4,790
Wastewater										
Average daily sewage treatment (thousands of gallons)	3,814	3,721	3,615	3,444	3,106	4,000	3,270	3,280	3,595	4,780

Sources:

Various City departments

THIGPEN, LANIER, WESTERFIELD & DEAL

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GEORGIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

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, 2014, 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 29, 2014.

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 2014-1 that we consider to be a significant deficiency.

2014-1 Capital lease proceeds not drawn down timely

The City had $68,403 in capital lease proceeds that were not drawn down timely under a master lease agreement with the Georgia Municipal Association. Capital lease proceeds should be drawn down in a timely manner to maximize cash flow efficiency.

City response: We concur with this finding, and we will implement procedures to make sure capital lease proceeds are drawn down in a timely manner.

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 Georgia'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 29, 2014



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