

*City of Statesboro,*



*Georgia*



*Comprehensive Annual Financial Report  
For the Fiscal Year Ending June 30, 2016*





*City of Statesboro,*

*Georgia*



*Comprehensive Annual Financial Report*  
*FY 2016*





**City of Statesboro, Georgia**  
**Comprehensive Annual Financial Report**  
**For The Year Ended June 30, 2016**

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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  
Sam Lee Jones  
Jeff Yawn  
Travis L. Chance  
John Riggs



Jan J. Moore, Mayor  
Randy Wetmore, City Manager  
Robert Cheshire, Deputy City Manager  
Sue Starling, City Clerk

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

June 2, 2017

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, 2016 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, 2016, 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 2016 estimated population of 30,721, which is based upon the July 1, 2016 Statesboro, Georgia Population Data and Demographics. This is less than 1% of the total State of Georgia population. 52.3% of the Bulloch County population lives below the federal poverty level as compared to 18.4% in the State of Georgia. However, this number is impacted by the fact that



20,673 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 118 undergraduate and graduate degree programs through the doctoral level in its nine Colleges. The University's 20,673 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 125 programs of study including 26 diploma programs, 80 certificate programs, and 19 Associate degrees in conjunction with Georgia Southern University and East Georgia State College. Ogeechee Technical College graduated over 1,000

students in 2016. 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 10,370 students. A total of 636 seniors graduated from these schools in 2016.

Statesboro is a leader in health care in southeast Georgia with East Georgia Regional Medical Center, a 149-bed hospital, employing approximately 700 staff and 95 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. Three television stations in Savannah also cover Statesboro regularly: WTOC (CBS), WJCL (ABC), and WSAV (NBC).

The City has 121.78 miles of roads of which 121.71 are paved. Natural gas is sold to 3,794 customers while water and sewer service is provided by the City to over 15,291 customers with an average daily water consumption of 3.120 million gallons. Statesboro has 196.67 miles of sanitary sewer and 240.39 miles of water mains with 1,605 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, Natural Gas and Stormwater
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 2016 Statesboro per capita income was \$12,667 or 48% 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 July 2016 unemployment rate was 8.7%, above the State of Georgia at 5.2% and the national rate of 4.9%. Approximately 25.9% 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 70 new building permits in 2015, and 66 in 2016. The cost of housing in Bulloch County is among the lowest in the nation. The average residential sales price is \$145,000. The median value of owner occupied units was \$146,500.

## **MAJOR INITIATIVES**

***For The Year.*** In FY 2016, The Public Works and Engineering Departments expended \$1,347,825 in SPLOST funds to finance drainage improvements, street repaving, street striping and installation and repairs of sidewalks.

SPLOST dollars totaling \$828,115 were expended to purchase police vehicles, renovations to Fire Station 1 and other fire equipment.

The City's Water and Sewer Department expended \$1,393,672 in SPLOST funds to finance emergency sewer line repairs, emergency well repairs, and water and sewer extensions.

The City's Natural Gas Department expended \$109,466 in SPLOST funds to upgrade meters to a Flex Net Radio read system.

The City expended \$119,619 in SPLOST funds to install Fiber Optic Cable as part of an Economic Development project.

***For The Future.*** Public Safety has budgeted \$710,061 for police vehicles and conversions, personal protection equipment, small tools and equipment.

The Water and Sewer Department has budgeted \$4,597,000 for water and sewer rehab projects, extension of water and sewer lines to unserved areas, replace ultraviolet Disinfection System, and SCADA Equipment.

The Natural Gas Department has budgeted \$1,924,300 for gas system expansion, relocating a natural gas pipeline at Highway 301 North River Crossing, and to upgrade meters to a Flex Net Radio read system.

The Solid Waste Disposal fund has \$640,000 of SPLOST dollars budgeted for equipment replacement.

In FY 2017, landfill closure/post-closure expenses, equipment and air rights in the Wayne County Landfill will continue to be funded by 2013 SPLOST in the amount of \$1,795,833.

## **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 six 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 six year plan has identified \$40,361,853 in projected expenditures through FY 2022. In FY 2017, the City has budgeted \$10,508,611 in projected expenditures, with \$5,207,611 being funded from the 2013 Special Purpose Local Option Sales Tax. The projects funded from the 2013 SPLOST include \$918,000 in street, \$381,561 for fire equipment and training facility, \$328,050 for police vehicles and equipment, and \$1,600,000 for water and sewer projects, \$1,300,000 for natural gas projects, \$310,000 for solid waste equipment, and \$1,795,833 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, 2016.

***Awards.*** In 2016, 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, 2015. 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 twelfth consecutive year the City has received this award.

For the second time, the City participated in the submission of the Popular Annual Financial Report (PAFR) in addition to the CAFR. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. The award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Report for the fiscal year ended June 30, 2015.

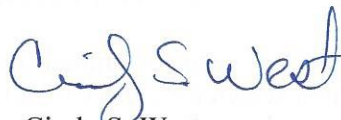
Also in 2016, the City received the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2015 from the Government Finance Officers Association of the United States and Canada (GFOA). This award is the highest form of recognition in governmental budgeting. It is presented to governments 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 twelfth 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, Lanier, Westerfield, Deal & Proctor, CPAs.

Respectfully submitted,



Randy Wetmore  
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, 2015**

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*

**Sam Lee Jones**  
District 2



*In office since January 2016  
Current term expires December 2020*

**Jeff Yawn**  
District 3



*In office since January 2016  
Current term expires December 2020*

**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 2020*

# CITY OF STATESBORO, GEORGIA

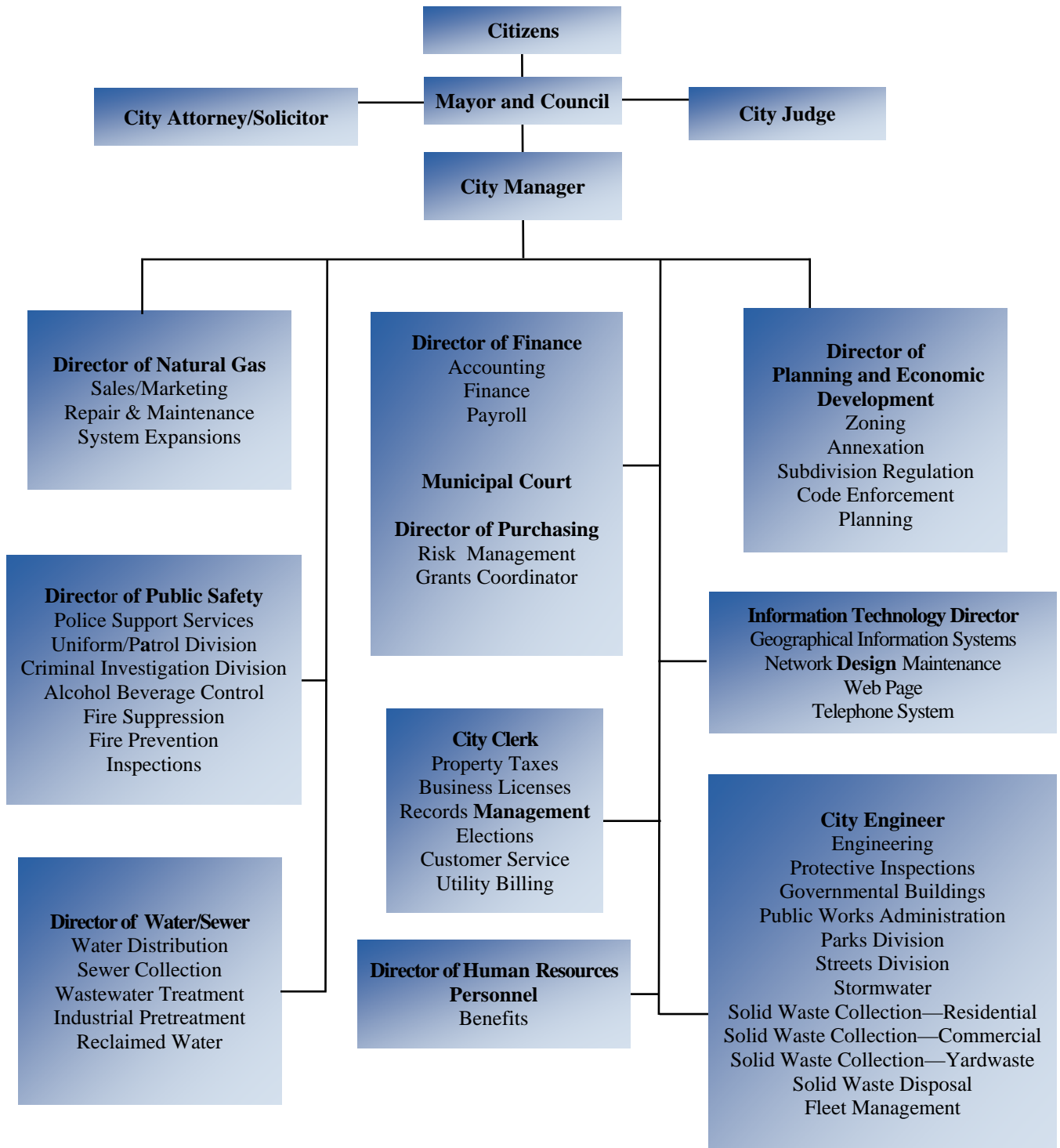
## APPOINTED PRINCIPAL OFFICIALS

*As of June 30, 2016*

<u>NAME</u>	<u>POSITION</u>	<u>LENGTH OF TIME WITH CITY</u>
Robert Cheshire	Deputy City Manager	20 years
Cindy West	Finance Director	19 years
Sue Starling	City Clerk	26 years
Alvin Leaphart	Staff Attorney	4 years
Jason Boyles	Public Works and Engineering Director	15 years
Rob Bryan	Interim Police Chief	18 years
Steve Hotchkiss	Natural Gas Director	25 years
Vacant	Director of Planning & Development	-
Van Collins	Water/Wastewater Director	36 years
Darren Prather	Central Services Director	7 years
Jeff Grant	Human Resources Director	6 years



# ORGANIZATIONAL CHART FOR THE CITY OF STATESBORO





*Financial*





# LANIER, WESTERFIELD, DEAL & PROCTOR

CERTIFIED PUBLIC ACCOUNTANTS  
201 SOUTH ZETTEROWER AVENUE  
P.O. BOX 505  
STATESBORO, GEORGIA 30459  
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RICHARD N. DEAL, CPA, CGMA  
KAY S. PROCTOR, CPA, CFE, CGMA  
WILLIAM BLAKE BLOSER, CPA

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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Statesboro, Georgia, as of June 30, 2016, 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 and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Statesboro, Georgia's basic financial statements. The introductory section, combining and individual 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 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 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 June 15, 2017, 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.

*Lanier, Westerfield, Carl + Trantor*

Statesboro, GA

June 15, 2017





## *Management's Discussion and Analysis*



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## 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, 2016. 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 \$89,476,452 at 2016 fiscal year-end. That is \$5,059,309 or 6.0%, higher than the total net position of \$84,417,143 at 2015 fiscal year-end. Fiscal year 2015 had seen a \$7,471,527 or 9.7% increase in total net position.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets, of \$76,742,861 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 2015 was \$73,421,094. That is an increase of \$3,321,767 or 4.5%. There was an increase of \$6,015,458 or 8.9% for fiscal year 2015.
  - (2) Net position of \$5,860,179 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations. That is \$115,862 or 1.9%, less than the fiscal year 2015 amount of \$5,976,041. That was \$498,574 (or 7.7%) less than fiscal year 2014's \$6,474,615.
  - (3) Unrestricted net position of \$6,873,412 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is a \$1,853,404 (or 36.9%) increase over the fiscal year 2015 total of \$5,020,008. That amount was a \$1,954,143 (or 63.7%) increase over fiscal year 2014's figure of \$3,065,865. FY 2014 had seen a \$1,961,600 (or 39%) decrease over FY 2013's amount. In fiscal year 2016, unrestricted net position for business-type activities increased by \$1,700,799 or 35.6%. The unrestricted net position for the governmental activities in fiscal year 2016 increased by \$152,605 or 63.3%.
- The City's governmental funds reported total ending fund balance of \$7,485,810, compared to \$6,511,472 in fiscal year 2015. This is a \$974,338 (or 15%) increase. The fiscal year 2015 ending fund balance for governmental funds showed an increase of \$27,959 (or .4%).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,501,862. That compares to \$1,387,427 for fiscal year 2015 and \$614,769 for fiscal year 2014.

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

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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 and information on its pension plan. 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 53.

**Financial Analysis of the City as a Whole**

The City's net position at fiscal year 2016 was \$89,476,452, compared to the fiscal year 2015 figure of \$84,417,143. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Assets:</b>						
Current assets	\$ 10,156,506	\$ 10,353,335	\$ 9,006,026	\$ 8,195,778	\$ 19,162,532	\$ 18,549,113
Capital assets	29,874,080	28,969,977	61,730,899	60,220,272	91,604,979	89,190,249
Other Noncurrent assets	-	520,951	4,413,474	4,461,951	4,413,474	4,982,902
<b>Total Assets</b>	<b>40,030,586</b>	<b>39,844,263</b>	<b>75,150,399</b>	<b>72,878,001</b>	<b>115,180,985</b>	<b>112,722,264</b>
<b>Deferred Outflows of Revenues</b>	<b>1,281,612</b>	<b>379,207</b>	<b>526,440</b>	<b>146,625</b>	<b>1,808,052</b>	<b>525,832</b>
<b>Liabilities:</b>						
Current liabilities	2,900,698	3,513,883	2,344,686	2,848,779	5,245,384	6,362,662
Long-term liabilities	4,045,020	3,576,819	17,502,417	17,956,546	21,547,437	21,533,365
<b>Total Liabilities</b>	<b>6,945,718</b>	<b>7,090,702</b>	<b>19,847,103</b>	<b>20,805,325</b>	<b>26,792,821</b>	<b>27,896,027</b>
<b>Deferred Inflows of Resources</b>	<b>522,802</b>	<b>674,230</b>	<b>196,962</b>	<b>260,696</b>	<b>719,764</b>	<b>934,926</b>
<b>Net Position:</b>						
Net Investment in capital assets	28,381,095	27,032,739	48,361,766	46,388,355	76,742,861	73,421,094
Restricted	5,068,973	5,184,794	791,206	791,247	5,860,179	5,976,041
Unrestricted	393,610	241,005	6,479,802	4,779,003	6,873,412	5,020,008
<b>Total net position</b>	<b>\$ 33,843,678</b>	<b>\$ 32,458,538</b>	<b>\$ 55,632,774</b>	<b>\$ 51,958,605</b>	<b>\$ 89,476,452</b>	<b>\$ 84,417,143</b>

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 2016, the current ratio for governmental activities is 3.5 and 3.8 for business type activities. For fiscal year 2015, the current ratio for governmental activities was 2.9 and for business type activities 2.9. For the City, overall, the current ratio for fiscal year 2016 is 3.7, compared to 2.9 for fiscal year 2015. For fiscal year 2014, the current ratio for governmental activities was 4.2 and for business type activities 2.6.

Net position for fiscal year 2016 increased by \$1,385,140 for governmental activities, and increased by \$3,674,169 for business-type activities. Net position for fiscal year 2015 increased by \$1,859,655 for governmental activities and increased by \$5,611,872 for business type activities.



Note that in fiscal year 2016, 83.9%, and in fiscal year 2015, 83.3% of the governmental activities' net position were invested in capital assets. On the business type activities, the City has spent 86.9% of its net position in fiscal year 2016, and 89.3% in fiscal year 2015 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. 85.8% in fiscal year 2016, and 87.0% in fiscal year 2015 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 2016 and 2015:

	Summary of Changes in Net Position				2015			
	2016		2015		2015		2015	
	Governmental Activities	Business Activities	Total	Percentage of Total	Governmental Activities	Business Activities	Total	Percentage of Total
<b>Revenues:</b>								
<b>Program:</b>								
Charges for services	\$ 3,692,701	\$ 21,862,308	\$ 25,555,009	62%	\$ 3,562,310	\$ 21,507,346	\$ 25,069,656	58%
Operating grants	-	-	-	0%	25,181	-	25,181	0%
Capital grants and contributions	5,697,157	155,378	5,852,535	14%	5,967,791	2,696,272	8,664,063	20%
<b>General:</b>								
Taxes	9,635,141	-	9,635,141	23%	9,296,695	-	9,296,695	22%
Other	89,756	114,449	204,205	1%	103,482	60,273	163,755	0%
<b>Total revenues</b>	<b>19,114,755</b>	<b>22,132,135</b>	<b>41,246,890</b>	<b>100%</b>	<b>18,955,459</b>	<b>24,263,891</b>	<b>43,219,350</b>	<b>100%</b>
<b>Program Expenses:</b>								
General government	1,707,991	-	1,707,991	5%	1,590,793	-	1,590,793	5%
Municipal court	553,858	-	553,858	2%	567,015	-	567,015	2%
Public safety	10,677,712	-	10,677,712	29%	10,146,941	-	10,146,941	28%
Public works	3,217,005	-	3,217,005	9%	3,016,792	-	3,016,792	8%
Community development	799,087	-	799,087	2%	727,449	-	727,449	2%
Parks and cemeteries	462,575	-	462,575	1%	443,169	-	443,169	1%
Engineering	232,815	-	232,815	1%	411,919	-	411,919	1%
Planning and zoning	321,222	-	321,222	1%	374,778	-	374,778	1%
Community services	258,312	-	258,312	1%	297,890	-	297,890	1%
Interest	20,231	-	20,231	0%	24,249	-	24,249	0%
Water and sewer	-	9,090,966	9,090,966	25%	-	8,803,477	8,803,477	25%
Reclaimed water system	-	24,585	24,585	0%	-	40,145	40,145	0%
Stormwater	-	401,735	401,735	1%	-	-	-	0%
Gas	-	2,750,175	2,750,175	7%	-	3,551,858	3,551,858	10%
Solid waste collection	-	2,874,268	2,874,268	8%	-	2,793,705	2,793,705	8%
Solid waste disposal	-	2,795,044	2,795,044	8%	-	2,956,029	2,956,029	8%
<b>Total expenses</b>	<b>18,250,808</b>	<b>17,936,773</b>	<b>36,187,581</b>	<b>100%</b>	<b>17,600,995</b>	<b>18,145,214</b>	<b>35,746,209</b>	<b>100%</b>
Excess (deficiency)	863,947	4,195,362	5,059,309		1,354,464	6,118,677	7,473,141	
Transfers	521,193	(521,193)	-		506,355	(506,355)	-	
Change in net position	1,385,140	3,674,169	5,059,308		1,860,819	5,612,322	7,473,141	
Prior period adjustment	-	-	-		(1,164)	(450)	(1,614)	
Beginning net position	32,458,538	51,958,605	84,417,143		30,598,883	46,346,733	76,945,616	
<b>Ending net position</b>	<b>\$ 33,843,678</b>	<b>\$ 55,632,774</b>	<b>\$ 89,476,452</b>		<b>\$ 32,458,538</b>	<b>\$ 51,958,605</b>	<b>\$ 84,417,143</b>	

### 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 \$10,247,730 in local option sales taxes in fiscal year 2016, the City would have had \$5,123,865. 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 2016, sales taxes of \$5,185,152 out of \$19,069,987 in total governmental funds revenues, or 27.2%, were received from the 2013 SPLOST. \$272,654 in 2007 SPLOST funds, and \$2,632,035 in 2013 SPLOST funds was transferred to the business-type funds for capital projects (water and sewer, gas and solid waste collection and disposal systems). Similarly, in fiscal year 2015, \$5,504,731 in sales taxes represented 29% of the \$18,955,459 in governmental funds revenues.

The City is heavily reliant on taxes to support governmental activities operations. In total, taxes make up 50% of revenues as compared to 49% in fiscal year 2015. Property taxes provided \$4,467,095 or 23.4% of the City's total governmental activities revenue as compared to 23.4% in fiscal year 2015.

Also, note that program revenues covered 51.4% in fiscal year 2016, and 54.3% in fiscal year 2015 of governmental operating expenses. This means that the government's taxpayers and the City's other general revenues funded the remaining 48.6% in fiscal year 2016, and 45.7% in fiscal year 2015 of the governmental activities. As this documents, 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 58.5% of the City's total governmental activity expenses and 29.5% of the total City expenses in fiscal year 2016. In fiscal year 2015, the figures were 57.7% and 28.4% respectively. In fiscal year 2016, general government totaled 9.4% of the total governmental activity expense, and 4.7% of the total City expenses. In fiscal year 2015, general government totaled 9.0% of the total governmental activity expenses, and 4.5% of the total City expenses. Of the total \$18.25 million of governmental expenses, depreciation is 13.7% of that total. In fiscal year 2015, the numbers were \$17.6 million and 12.4% 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		2015	
	2016			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	\$ 1,707,991	\$ 939,116	\$ 1,590,793	\$ 870,881
Municipal Court	553,858	553,858	567,015	567,015
Public Safety	10,677,712	7,436,659	10,146,941	6,860,713
Public Works	3,217,005	(1,481,386)	3,016,792	(1,892,663)
Community Development	799,087	476,774	727,449	439,217
Parks and Cemeteries	462,575	462,575	443,169	443,169
Engineering	232,815	137,540	411,919	307,304
Planning and Zoning	321,222	57,271	374,778	127,938
Community Services	258,312	258,312	297,890	297,890
Interest	20,231	20,231	24,249	24,249
<b>Total</b>	<b>\$ 18,250,808</b>	<b>\$ 8,860,950</b>	<b>\$ 17,600,995</b>	<b>\$ 8,045,713</b>

For fiscal year 2016 and 2015, all functions required a subsidy from general revenues except for public works. In fiscal year 2016 and 2015, \$4,255,518 and \$4,446,394, 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 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.

For fiscal year 2015, operating revenues for utility funds were 5.4% higher than 2014 and operating expenses were 6.2% lower than fiscal year 2014. Within the total business type activities of the City, the activities reported \$3,987,893 in operating income, or an increase of 132.3% compared to fiscal year 2014. After transfers in and out between other funds, these funds reported a gain of \$5,529,827 or an increase of \$1,237,047, compared to fiscal year 2014. The primary reason for this increase was a \$499,690 increase in transfers from the 2007 and 2013 SPLOST funds for capital projects.

For fiscal year 2016, operating revenues for utility funds were 1.6% higher than 2015 and operating expenses were 2.7% lower than fiscal year 2015. Within the total business type activities of the City, these activities reported \$4,805,162 in operating income, or an increase of 20.5% compared to fiscal year 2015. After transfers in and out between other funds, these funds reported a gain of \$3,891,372 or a decrease of \$1,638,455, compared to fiscal year 2015. The primary reason for this decrease was a decrease in intergovernmental revenue received.

Each specific fund reported the following operating income or loss:

	2016		2015	
	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>
Water and Sewer Fund	\$ 2,443,457	9.2%	\$ 2,236,668	99.8%
Reclaimed Water/Sewer Fund	\$ 27,667	810.1%	\$ 3,415	141.6%
Stormwater	\$ 515,621	100.0%	\$ -	0.0%
Gas Fund	\$ 1,750,091	4.1%	\$ 1,681,520	20.1%
Solid Waste Collection Fund	\$ 669,760	5.0%	\$ 705,284	(11.1%)
Solid Waste Disposal Fund	\$ (601,434)	5.9%	\$ (638,994)	59.8%

The solid waste disposal fund's operating loss decreased by 5.9% from fiscal year 2015. The revenues do not cover all expenses, and SPLOST Funds is therefore used to make up the difference.

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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 2013 SPLOST fund of \$965,655 in fiscal year 2016, which was used for the purchase of landfill space (air rights) in the Wayne County Solid Waste Landfill, for post-closure costs for our Lakeview Landfill, and equipment for the Transfer Station.

### **Financial Analysis of the City's Funds**

#### ***Governmental Funds***

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$7,485,810 in fiscal year 2016, compared to \$6,511,472 in fiscal year 2015, and \$6,483,513 in fiscal year 2014. Of these year-end totals, \$5,022,146 (or 67.1%) in fiscal year 2016 and \$5,115,811 (or 78.6%) in fiscal year 2015 was restricted for specific purposes and not available for continuing city service requirements.

The total ending fund balances of governmental funds show an increase in fiscal year 2016 of \$974,338 or 15.0% compared to an increase in fiscal year 2015 of \$27,959 or .4%. The fiscal year 2016 increase is primarily the result of less 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 \$1,122,441 in fiscal year 2016. The General Fund's fund balance increased by \$842,867 in fiscal year 2015, and increased by \$252,717 in fiscal year 2014.

Total taxes for the general fund were \$8,792,817, or 3.1% higher than in fiscal year 2015. Total property taxes in fiscal year 2016 were \$4,439,034 compared to \$4,438,796 in fiscal year 2015. In fiscal year 2015, total taxes were \$8,529,214, or 4.7% higher than the \$8,142,460 in fiscal year 2014.

The general fund's total expenditures increased by \$1,163 in fiscal year 2016 compared to an increase of \$43,640 in fiscal year 2015.

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The General Fund's ending unassigned fund balance of \$2,501,862 represents the equivalent of 17.4% of the \$14,354,601 in annual expenditures and transfers out budgeted for the next fiscal year. The City's overall cash flow varies little from month to month. The only real peak is in the December-February timeframe, when property taxes become due, then delinquent. The reason for this is that the utility revenues are consistent on a monthly basis, and other General Fund revenues come in during months when property taxes do not. Given this relatively stable cash flow environment, the City has set a target for unassigned fund balance in the General Fund of 25% of the next fiscal year's budgeted General Fund expenditures and transfers out. This provides more than adequate cash flow to handle these monthly fluctuations, while providing a cushion against any major unexpected events. The unassigned fund balance is at 17.4%, below the 25% target set for unassigned fund balance. The governing body has adopted a conservative General Fund budget for fiscal year 2017, 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 \$711,307 at year-end compared to \$594,713 at the end of fiscal year 2015. This represents a \$116,594 or 19.6% increase.

The 2013 SPLOST fund's ending restricted fund balance was \$3,751,337 for fiscal year 2016. This is an increase of \$1,005,252 over fiscal year 2015.

### ***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 103.2% of budgeted revenues in the final appropriated budget. The total expenditure budget was increased through budget amendments by \$105,349. Overall, the City recognized expenditures equal to \$495,946 less than, or 95.8% of budgeted expenditures in the final appropriated budget. In summary, the budget was underspent by 4.2% while revenue estimates were 3.2% over.

On the revenue side of the budget, automobile taxes came in \$105,588 more than budgeted. Franchise fees came in \$28,393 more than budgeted. Property taxes came in \$39,446 more than budgeted. Licenses and permits came in \$103,155 more than budgeted. Charges for services came in \$15,319 less than budgeted. Fines and Forfeitures came in \$59,095 more than budgeted. In total, General Fund revenues came in \$343,290 more than the budgeted amount.

On the expenditure side, the Governing Body, Financial Administration, Police, Engineering, Parks and Cemeteries, Streets and Public Works and Planning and Zoning costs were considerably below the budgeted amounts. Overall, the General Fund expenditures were \$495,946 less than budgeted.

Fund Balance was budgeted to increase by \$256,118. However, the fund balance increased by \$1,122,441 which was \$866,323 more than budgeted.

The fiscal year 2017 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, 2016 was \$29,874,080 and \$61,730,899 respectively, for a total of \$91,604,979. That compares to fiscal year 2015 numbers of \$28,969,977 and \$60,220,272 respectively, for a total of \$89,190,249. The fiscal year 2016 totals in this net investment were a 3.1% increase for governmental and a 2.5% increase for business-type activities. The overall increase was 2.7% 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	
	2016	2015	2016	2015	2016	2015
Non-depreciable assets:						
Land	\$ 1,643,316	\$ 1,643,316	\$ 554,410	\$ 554,410	\$ 2,197,726	\$ 2,197,726
Construction in progress	1,136,353	1,954,527	8,745,876	11,906,632	9,882,229	13,861,159
Total non-depreciable	2,779,669	3,597,843	9,300,286	12,461,042	12,079,955	16,058,885
Depreciable assets:						
Buildings	16,989,895	15,323,557	3,160,391	2,905,109	20,150,286	18,228,666
Improvements other than buildings	1,101,334	808,548	75,687,109	70,342,653	76,788,443	71,151,201
Machinery, equipment and furniture	12,607,854	12,581,840	15,974,017	14,528,185	28,581,871	27,110,025
Infrastructure	18,929,861	17,568,395	-	-	18,929,861	17,568,395
Total depreciable assets	49,628,944	46,282,340	94,821,517	87,775,947	144,450,461	134,058,287
Less accumulated depreciation	22,534,533	20,910,206	42,390,904	40,016,717	64,925,437	60,926,923
Book value - depreciable assets	27,094,411	25,372,134	52,430,613	47,759,230	79,525,024	73,131,364
Percentage depreciated	45%	45%	45%	46%	45%	45%
Total Capital Assets	\$ 29,874,080	\$ 28,969,977	\$ 61,730,899	\$ 60,220,272	\$ 91,604,979	\$ 89,190,249

At June 30, 2016 and 2015, the depreciable capital assets for governmental activities were 45% depreciated.

The major increase in capital assets in fiscal year 2016 was several road and drainage projects, the acquisition of vehicles and equipment for the police and streets department, and the fire station construction project using SPLOST proceeds.

In the City's business type activities, 45% of the asset values were depreciated at June 30, 2016 and 46% at June 30, 2015. The major increase in capital assets in fiscal year 2016 was the construction of several water and sewer and gas fund projects and the purchase of solid waste collection equipment.

#### **Long-term Debt**

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.

In fiscal year 2015, the capital leases decreased by \$203,972, the bonded debt decreased by \$492,575 and the notes payable decreased by \$194,817. Combined, this represented an decrease in long-term debt of \$891,364.

In fiscal year 2016, the capital leases decreased by \$444,253, the bonded debt decreased by \$512,576, and the notes payable decreased by \$202,977. Combined, this represented a decrease in long-term debt of \$1,159,806.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Capital Leases	\$ 1,492,985	\$ 1,937,238	\$ -	\$ -	\$ 1,492,985	\$ 1,937,238
Revenue bonds (including unamortized premium)	-	-	12,405,633	12,918,209	12,405,633	12,918,209
Notes Payable	-	-	3,071,059	3,274,036	3,071,059	3,274,036
Landfill closure and postclosure care	-	-	1,636,057	1,745,872	1,636,057	1,745,872
Other post employment benefits	1,994,299	1,675,146	839,397	696,772	2,833,696	2,371,918
Compensated absences	547,610	547,996	247,009	239,432	794,619	787,428
Total	<u>\$ 4,034,894</u>	<u>\$ 4,160,380</u>	<u>\$ 18,199,155</u>	<u>\$ 18,874,321</u>	<u>\$ 22,234,049</u>	<u>\$ 23,034,701</u>

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

### Economic Conditions Affecting the City

As of July 2016, the local unemployment rate was 8.7%, which was higher than the state rate of 5.2% and the national rate of 4.7%. Our local economy is experiencing an increase in new construction and stabilizing financial markets. With the incentives for earmarked projects within the downtown area, business has increased for our community partners.

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, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 8,351,052	\$ 5,206,130	\$ 13,557,182	\$ 516,808
Receivables:				
Accounts	173,760	1,890,424	2,064,184	-
Taxes	152,224	-	152,224	-
Hotel/motel taxes	78,320	-	78,320	-
Intergovernmental	1,060,397	-	1,060,397	15,721
Notes	235,755	-	235,755	42,503
Other	148,547	-	148,547	7,000
Internal balances	(558,826)	558,826	-	-
Inventory	184,170	416,610	600,780	-
Prepaid items	331,107	200,449	531,556	2,481
Restricted assets - Cash and cash equivalents	-	733,587	733,587	-
<b>Total Current Assets</b>	<b>10,156,506</b>	<b>9,006,026</b>	<b>19,162,532</b>	<b>584,513</b>
<b>Noncurrent Assets</b>				
Restricted assets - Cash and cash equivalents	-	4,413,474	4,413,474	-
Capital Assets:				
Nondepreciable capital assets	2,779,669	9,300,286	12,898,129	81,956
Depreciable capital assets, net	27,094,411	52,430,613	78,706,850	13,437
<b>Total Noncurrent Assets</b>	<b>29,874,080</b>	<b>66,144,373</b>	<b>96,018,453</b>	<b>95,393</b>
<b>Total Assets</b>	<b>40,030,586</b>	<b>75,150,399</b>	<b>115,180,985</b>	<b>679,906</b>
<b>Deferred Outflows of Resources</b>				
Resources related to pensions	1,281,612	526,440	1,808,052	-
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	1,079,225	411,492	1,490,717	1,691
Accrued payroll and payroll taxes	208,686	88,941	297,627	3,253
Intergovernmental payable	343	21,127	21,470	-
Accrued interest payable	-	141,759	141,759	-
Claims payable	672,000	-	672,000	-
Unearned revenue	189,450	-	189,450	-
Other payables	207,036	-	207,036	-
Compensated absences payable	109,522	49,402	158,924	-
Capital leases payable	434,436	-	434,436	-
Notes payable	-	211,378	211,378	-
Revenue bonds payable	-	520,000	520,000	-
Customer deposits	-	733,587	733,587	-
Landfill post-closure care costs	-	167,000	167,000	-
<b>Total Current Liabilities</b>	<b>2,900,698</b>	<b>2,344,686</b>	<b>5,245,384</b>	<b>4,944</b>
<b>Long-Term Liabilities:</b>				
Compensated absences payable (net of current portion)	438,088	197,607	635,695	-
Net pension obligation	554,084	251,042	805,126	-
Other post employment benefits payable	1,994,299	839,397	2,833,696	-
Capital leases payable (net of current portion)	1,058,549	-	1,058,549	-
Revenue bonds payable, net of unamortized premium (net of current portion)	-	11,885,633	11,885,633	-
Notes payable (net of current portion)	-	2,859,681	2,859,681	-
Landfill post-closure care costs (net of current portion)	-	1,469,057	1,469,057	-
<b>Total Long-Term Liabilities</b>	<b>4,045,020</b>	<b>17,502,417</b>	<b>21,547,437</b>	<b>-</b>
<b>Total Liabilities</b>	<b>6,945,718</b>	<b>19,847,103</b>	<b>26,792,821</b>	<b>4,944</b>
<b>Deferred Inflows of Resources</b>				
Resources related to pension	522,802	196,962	719,764	-
<b>Net Position</b>				
Net investment in capital assets	28,381,095	48,361,766	76,742,861	95,393
Restricted for:				
Capital projects	3,779,785	-	3,779,785	-
Program purposes	1,289,188	-	1,289,188	-
Revenue bond retirement	-	791,206	791,206	-
Unrestricted	393,610	6,479,802	6,873,412	579,569
<b>Total Net Position</b>	<b>\$ 33,843,678</b>	<b>\$ 55,632,774</b>	<b>\$ 89,476,452</b>	<b>\$ 674,962</b>

See accompanying notes to the basic financial statements

City of Statesboro, Georgia  
Statement of Activities  
For the Year Ended June 30, 2016

Program/Function	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Primary Government		Total	Component Unit
					Governmental Activities	Business-Type Activities		
<b>Primary Government</b>								
General government	\$ 1,707,991	\$ 768,875	\$ -	\$ -	\$ (939,116)	\$ -	\$ (939,116)	\$ -
Municipal court	553,858	-	-	-	(553,858)	-	(553,858)	-
Public safety	10,677,711	2,564,600	-	676,453	(7,436,658)	-	(7,436,658)	-
Public works	3,217,005	-	-	4,698,391	1,481,386	-	1,481,386	-
Community development	799,087	-	-	322,313	(476,774)	-	(476,774)	-
Parks and cemeteries	462,575	-	-	-	(462,575)	-	(462,575)	-
Engineering	232,815	95,275	-	-	(137,540)	-	(137,540)	-
Planning and zoning	321,222	263,951	-	-	(57,271)	-	(57,271)	-
Community services	258,312	-	-	-	(258,312)	-	(258,312)	-
Interest	20,231	-	-	-	(20,231)	-	(20,231)	-
<b>Total Governmental Activities</b>	<b>18,250,808</b>	<b>3,692,701</b>	<b>-</b>	<b>5,697,157</b>	<b>(8,860,950)</b>	<b>-</b>	<b>(8,860,950)</b>	<b>-</b>
<b>Business-Type Activities:</b>								
Water and sewer	9,090,967	10,747,337	-	155,378	-	1,811,748	1,811,748	-
Reclaimed water system	24,585	52,252	-	-	-	27,667	27,667	-
Stormwater	401,735	905,185	-	-	-	503,450	503,450	-
Gas	2,750,175	4,473,004	-	-	-	1,722,829	1,722,829	-
Solid waste collection	2,874,268	3,508,278	-	-	-	634,010	634,010	-
Solid waste disposal	2,795,044	2,176,252	-	-	-	(618,792)	(618,792)	-
<b>Total Business-Type Activities</b>	<b>17,936,773</b>	<b>21,862,308</b>	<b>-</b>	<b>155,378</b>	<b>-</b>	<b>4,080,913</b>	<b>4,080,913</b>	<b>-</b>
<b>Total - Primary Government</b>	<b>\$ 36,187,581</b>	<b>\$ 25,555,009</b>	<b>\$ -</b>	<b>\$ 5,852,535</b>	<b>(8,860,950)</b>	<b>4,080,913</b>	<b>(4,780,037)</b>	<b>-</b>
<b>Component Unit</b>								
Downtown Statesboro Development Authority	\$ 170,220	\$ 18,006	\$ 240,038	\$ -	-	-	-	87,824
<b>General Revenues</b>								
Property taxes levied for:								
General purposes					4,467,095	-	4,467,095	-
Hotel/motel taxes					814,263	-	814,263	-
Insurance premium taxes					1,636,651	-	1,636,651	-
Franchise taxes					1,898,393	-	1,898,393	-
Other taxes					818,739	-	818,739	-
Gain (loss) on sale of capital assets					37,789	106,888	144,677	-
Investment earnings					-	315	315	2,503
Miscellaneous					51,967	7,246	59,213	-
<b>Total General Revenues</b>					<b>9,724,897</b>	<b>114,449</b>	<b>9,839,346</b>	<b>2,503</b>
Transfers					521,193	(521,193)	-	-
<b>Total General Revenues and Transfers</b>					<b>10,246,090</b>	<b>(406,744)</b>	<b>9,839,346</b>	<b>2,503</b>
<b>Change in Net Position</b>					<b>1,385,140</b>	<b>3,674,169</b>	<b>5,059,309</b>	<b>90,327</b>
<b>Net Position Beginning of Year</b>					<b>32,458,538</b>	<b>51,958,605</b>	<b>84,417,143</b>	<b>584,635</b>
<b>Net Position End of Year</b>					<b>\$ 33,843,678</b>	<b>\$ 55,632,774</b>	<b>\$ 89,476,452</b>	<b>\$ 674,962</b>

See accompanying notes to the basic financial statements.



**City of Statesboro, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

	<b>General</b>	<b>Statesboro Fire Service</b>	<b>2013 SPLOST</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 571,649	\$ 456,940	\$ 5,668,259	\$ 539,627	\$ 7,236,475
Receivables:					
Accounts	48,777	41,027	-	-	89,804
Taxes	152,224	-	-	-	152,224
Hotel/motel taxes	-	-	-	78,320	78,320
Intergovernmental	45,877	220,245	794,275	-	1,060,397
Interfund	3,192,916	-	72,802	81,767	3,347,485
Notes	-	-	-	235,755	235,755
Other	-	-	-	148,547	148,547
Prepaid items	263,632	46,827	-	-	310,459
<b>Total Assets</b>	<b>\$ 4,275,075</b>	<b>\$ 765,039</b>	<b>\$ 6,535,336</b>	<b>\$ 1,084,016</b>	<b>\$ 12,659,466</b>
<b>Liabilities</b>					
Accounts payable	\$ 66,905	\$ 10,260	\$ 896,922	\$ 45,154	\$ 1,019,241
Intergovernmental payable	343	-	-	-	343
Accrued payroll and payroll taxes	148,771	43,472	-	-	192,243
Interfund payable	960,804	-	1,887,077	706,036	3,553,917
Unearned revenue	189,450	-	-	-	189,450
Other liabilities	131,882	-	-	75,154	207,036
<b>Total Liabilities</b>	<b>1,498,155</b>	<b>53,732</b>	<b>2,783,999</b>	<b>826,344</b>	<b>5,162,230</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	11,426	-	-	-	11,426
<b>Fund Balances</b>					
Nonspendable	263,632	46,827	-	-	310,459
Unassigned	2,501,862	-	-	(348,657)	2,153,205
Restricted:					
Special revenue funds	-	664,480	-	577,881	1,242,361
Capital projects funds	-	-	3,751,337	28,448	3,779,785
<b>Total Fund Balances</b>	<b>2,765,494</b>	<b>711,307</b>	<b>3,751,337</b>	<b>257,672</b>	<b>7,485,810</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 4,275,075</b>	<b>\$ 765,039</b>	<b>\$ 6,535,336</b>	<b>\$ 1,084,016</b>	<b>\$ 12,659,466</b>

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, 2016**

**Amounts Reported for Governmental Activities in the  
Statement of Net Position Are Different Because:**

<b>Total Governmental Fund Balances</b>	\$	7,485,810
Capital assets used in governmental activities (excludes internal service funds) are not financial resources and therefore are not reported in the funds:		
Cost	\$ 50,969,799	
Less accumulated depreciation	<u>(22,244,215)</u>	28,725,584
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		11,426
The net pension obligation is not a liability for governmental funds and therefore is not reported in the funds.		(515,844)
Deferred outflows and deferred inflows related to pensions is not reported in the governmental funds:		
Deferred outflows of revenues	\$ 1,198,282	
Deferred inflows of revenues	<u>(490,491)</u>	707,791
The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet, information technology, 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.		1,219,513
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	\$ 2,554,811	
Interfund payables	<u>(2,554,811)</u>	-
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	\$ (1,397,737)	
Other post employment benefits payable	(1,885,435)	
Compensated absences	<u>(507,430)</u>	<u>(3,790,602)</u>
<b>Net Position Of Governmental Activities</b>	<b>\$</b>	<b><u>33,843,678</u></b>

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, 2016**

	General	Statesboro Fire Service	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 4,439,034	\$ -	\$ -	\$ 21,082	\$ 4,460,116
Insurance premium taxes	1,636,651	-	-	-	1,636,651
Franchise taxes	1,898,393	-	-	-	1,898,393
Other taxes	818,739	-	-	-	818,739
Hotel/motel taxes	-	-	-	814,263	814,263
Intergovernmental	-	-	5,185,152	452,161	5,637,313
Licenses and permits	1,013,905	-	-	-	1,013,905
Fines and forfeitures	1,153,245	-	-	132,116	1,285,361
Charges for services	212,102	1,181,333	-	-	1,393,435
Contributions and donations	-	-	-	57,132	57,132
Investment earnings	-	-	512	2,200	2,712
Miscellaneous	45,042	6,925	-	-	51,967
<b>Total Revenues</b>	<b>11,217,111</b>	<b>1,188,258</b>	<b>5,185,664</b>	<b>1,478,954</b>	<b>19,069,987</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	1,515,172	-	-	-	1,515,172
Municipal court	523,033	-	-	3,893	526,926
Public safety	5,809,294	3,239,486	-	191,279	9,240,059
Public works	1,935,157	-	-	30,550	1,965,707
Community development	78,207	-	-	698,749	776,956
Parks and cemeteries	346,163	-	-	-	346,163
Engineering	202,100	-	-	-	202,100
Planning and zoning	294,395	-	-	-	294,395
Community services	160,532	-	-	-	160,532
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>1,474,883</b>	<b>1,628,512</b>	<b>3,103,395</b>
<b>Debt Service:</b>					
Principal retirement	420,441	-	-	-	420,441
Interest and fiscal charges	20,231	-	-	-	20,231
<b>Total Expenditures</b>	<b>11,304,725</b>	<b>3,239,486</b>	<b>1,474,883</b>	<b>2,552,983</b>	<b>18,572,077</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(87,614)</b>	<b>(2,051,228)</b>	<b>3,710,781</b>	<b>(1,074,029)</b>	<b>497,910</b>
<b>Other Financing Sources (Uses)</b>					
Sale of capital assets	26,589	2,140	-	-	28,729
Transfers in	2,644,466	2,165,682	40,000	117,000	4,967,148
Transfers out	(1,461,000)	-	(2,745,529)	(312,920)	(4,519,449)
<b>Total Other Financing Sources (Uses)</b>	<b>1,210,055</b>	<b>2,167,822</b>	<b>(2,705,529)</b>	<b>(195,920)</b>	<b>476,428</b>
<b>Net Change in Fund Balances</b>	<b>1,122,441</b>	<b>116,594</b>	<b>1,005,252</b>	<b>(1,269,949)</b>	<b>974,338</b>
<b>Fund Balances Beginning of Year</b>	<b>1,643,053</b>	<b>594,713</b>	<b>2,746,085</b>	<b>1,527,621</b>	<b>6,511,472</b>
<b>Fund Balances End of Year</b>	<b>\$ 2,765,494</b>	<b>\$ 711,307</b>	<b>\$ 3,751,337</b>	<b>\$ 257,672</b>	<b>\$ 7,485,810</b>

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, 2016**

**Amounts Reported for Governmental Activities in the  
Statement of Activities are Different Because:**

**Net Change In Fund Balance - Total Governmental Funds** \$ 974,338

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	\$ (2,437,119)	
	Capital outlay	<u>3,055,064</u>	617,945

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 @ 6/30/16	\$ 11,426	
	Unavailable revenue @ 6/30/15	<u>(4,447)</u>	6,979

Elimination of transfers between governmental funds:

	Transfers in	\$ 1,501,266	
	Transfers out	<u>(1,501,266)</u>	-

Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.

-

The internal service funds used by management to charge the costs of self-insurance, fleet management and information technology to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.

(323,577)

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.

-

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.

420,441

The change in the net pension obligation and pension related deferred outflows and deferred inflows is reported on the government-wide statement of activities but not in the governmental funds.

(19,804)

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 @ 6/30/16	\$ (507,430)	
	Compensated absences liability @ 6/30/15	<u>515,985</u>	8,555
	OPEB liability @ 6/30/16	\$ (1,885,435)	
	OPEB liability @ 6/30/15	<u>1,585,698</u>	<u>(299,737)</u>

**Change In Net Position of Governmental Activities** \$ 1,385,140

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, 2016*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>				
Taxes:				
Property	\$ 3,774,000	\$ 3,874,000	\$ 3,913,446	\$ 39,446
Automobiles	420,000	420,000	525,588	105,588
Franchise	1,870,000	1,870,000	1,898,393	28,393
Insurance premium	1,532,000	1,636,600	1,636,651	51
Alcoholic beverage	690,000	690,000	728,929	38,929
Other	93,000	93,000	89,810	(3,190)
Licenses and permits	769,750	910,750	1,013,905	103,155
Charges for services	227,421	227,421	212,102	(15,319)
Fines and forfeitures	1,094,150	1,094,150	1,153,245	59,095
Miscellaneous	57,900	57,900	45,042	(12,858)
<b>Total Revenues</b>	<u>10,528,221</u>	<u>10,873,821</u>	<u>11,217,111</u>	<u>343,290</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government				
Governing body	231,223	220,353	163,835	56,518
City manager's office	167,740	167,740	144,272	23,468
City clerk's office	181,847	181,847	144,935	36,912
Elections	17,700	7,700	831	6,869
Financial administration	450,341	505,961	457,394	48,567
Legal	133,382	133,290	121,514	11,776
Human resources	230,201	272,201	271,439	762
Government buildings	186,283	186,283	165,167	21,116
General administration fees	45,669	45,669	45,785	(116)
Total general government	<u>1,644,386</u>	<u>1,721,044</u>	<u>1,515,172</u>	<u>205,872</u>
Municipal court	<u>567,301</u>	<u>567,301</u>	<u>523,033</u>	<u>44,268</u>

(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, 2016**

(continued)

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
Public safety				
Police	\$ 5,800,260	\$ 5,964,449	\$ 5,755,055	\$ 209,394
Emergency management	5,000	5,000	5,000	-
Animal control	42,000	42,000	49,239	(7,239)
<b>Total public safety</b>	<b>5,847,260</b>	<b>6,011,449</b>	<b>5,809,294</b>	<b>202,155</b>
Streets/public works	2,034,008	2,062,008	1,935,157	126,851
Parks and cemeteries	411,262	411,262	346,163	65,099
Engineering	345,197	292,168	202,100	90,068
Planning and zoning	453,410	337,971	294,395	43,576
Community services				
Arts Center	126,000	128,160	127,632	528
Other	35,900	35,900	32,900	3,000
<b>Total community services</b>	<b>161,900</b>	<b>164,060</b>	<b>160,532</b>	<b>3,528</b>
Community development	84,250	84,460	78,207	6,253
<b>Debt Service:</b>				
Principal retirement	127,500	123,085	420,441	(297,356)
Interest and fiscal charges	18,848	25,863	20,231	5,632
<b>Total Debt Service</b>	<b>146,348</b>	<b>148,948</b>	<b>440,672</b>	<b>(291,724)</b>
<b>Total Expenditures</b>	<b>11,695,322</b>	<b>11,800,671</b>	<b>11,304,725</b>	<b>495,946</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(1,167,101)</b>	<b>(926,850)</b>	<b>(87,614)</b>	<b>839,236</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,642,950	2,642,950	2,644,466	1,516
Transfers out	(1,461,000)	(1,482,082)	(1,461,000)	21,082
Sale of capital assets	4,500	22,100	26,589	4,489
<b>Total Other Financing Sources (Uses)</b>	<b>1,186,450</b>	<b>1,182,968</b>	<b>1,210,055</b>	<b>27,087</b>
<b>Net Change in Fund Balances</b>	<b>\$ 19,349</b>	<b>\$ 256,118</b>	<b>1,122,441</b>	<b>\$ 866,323</b>
<b>Fund Balances Beginning of Year</b>			<b>1,643,053</b>	
<b>Fund Balances End of Year</b>			<b>\$ 2,765,494</b>	

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, 2016**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>				
Charges for services	\$ 1,100,000	\$ 1,100,000	\$ 1,181,333	\$ 81,333
Miscellaneous	-	-	6,925	6,925
<b>Total Revenues</b>	1,100,000	1,100,000	1,188,258	88,258
<b>Expenditures</b>				
<b>Current:</b>				
Public safety - Fire	3,452,155	3,456,033	3,239,486	216,547
<b>Deficiency of Revenues Under Expenditures</b>	(2,352,155)	(2,356,033)	(2,051,228)	304,805
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,104,000	2,104,000	2,165,682	61,682
Sale of capital assets	-	-	2,140	2,140
<b>Total Other Financing Sources (Uses)</b>	2,104,000	2,104,000	2,167,822	63,822
<b>Net Change in Fund Balances</b>	<u>\$ (248,155)</u>	<u>\$ (252,033)</u>	\$ 116,594	<u>\$ 368,627</u>
<b>Fund Balances Beginning of Year</b>			<u>594,713</u>	
<b>Fund Balances End of Year</b>			<u>\$ 711,307</u>	

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia  
Statement of Net Position  
Proprietary Funds  
June 30, 2016

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water and Sewer	Gas	Solid Waste Collection	Solid Waste Disposal	Other Enterprise Funds		
<b>Assets</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$ 2,435,700	\$ 1,888,372	\$ 598,224	\$ 103,048	\$ 180,786	\$ 5,206,130	\$ 1,114,577
Receivables:							
Accounts	407,645	150,423	159,832	40,894	36,317	795,111	83,956
Unbilled accounts	572,985	159,186	177,061	186,081	-	1,095,313	-
Interfund	939,722	-	-	-	-	939,722	-
Inventory	247,246	169,364	-	-	-	416,610	184,170
Prepaid items	104,737	34,263	33,269	25,896	2,284	200,449	20,648
Restricted assets - Cash and cash equivalents	480,383	101,405	151,799	-	-	733,587	-
<b>Total Current Assets</b>	<b>5,188,418</b>	<b>2,503,013</b>	<b>1,120,185</b>	<b>355,919</b>	<b>219,387</b>	<b>9,386,922</b>	<b>1,403,351</b>
<b>Noncurrent Assets:</b>							
Restricted assets - Cash and cash equivalents	4,413,474	-	-	-	-	4,413,474	-
Capital Assets:							
Land	352,981	78,004	-	123,425	-	554,410	-
Construction in progress	8,212,689	460,960	-	-	72,227	8,745,876	229,063
Depreciable capital assets, net	43,149,146	3,979,224	1,913,262	2,005,356	1,383,625	52,430,613	919,433
<b>Total Noncurrent Assets</b>	<b>56,128,290</b>	<b>4,518,188</b>	<b>1,913,262</b>	<b>2,128,781</b>	<b>1,455,852</b>	<b>66,144,373</b>	<b>1,148,496</b>
<b>Total Assets</b>	<b>61,316,708</b>	<b>7,021,201</b>	<b>3,033,447</b>	<b>2,484,700</b>	<b>1,675,239</b>	<b>75,531,295</b>	<b>2,551,847</b>
<b>Deferred Outflows of Resources</b>							
Resources related to pensions	325,819	52,420	88,183	39,759	20,259	526,440	83,330
<b>Liabilities</b>							
<b>Current Liabilities:</b>							
Accounts payable	283,245	97,899	11,809	16,402	2,137	411,492	59,984
Accrued payroll	52,004	9,325	14,585	7,185	5,842	88,941	16,443
Intergovernmental payable	-	21,127	-	-	-	21,127	-
Compensated absences payable	28,234	7,205	8,181	4,095	1,687	49,402	8,036
Notes payable	183,199	28,179	-	-	-	211,378	-
Capital leases payable	-	-	-	-	-	-	23,812
Revenue bonds payable	520,000	-	-	-	-	520,000	-
Customer deposits	480,383	101,405	151,799	-	-	733,587	-
Landfill post-closure care costs	-	-	-	167,000	-	167,000	-
Accrued interest payable	140,406	1,353	-	-	-	141,759	-
Claims payable	-	-	-	-	-	-	672,000
Interfund payable	34,103	-	-	178,880	1,354	214,337	518,953
<b>Total Current Liabilities</b>	<b>1,721,574</b>	<b>266,493</b>	<b>186,374</b>	<b>373,562</b>	<b>11,020</b>	<b>2,559,023</b>	<b>1,299,228</b>
<b>Long-Term Liabilities:</b>							
Net pension obligation	154,673	19,628	38,297	17,778	20,666	251,042	38,240
Compensated absences payable (net of current portion)	112,934	28,822	32,722	16,381	6,748	197,607	32,144
Other post employment benefits payable	539,193	89,603	135,092	67,197	8,312	839,397	108,864
Landfill post-closure care costs (net of current portion)	-	-	-	1,469,057	-	1,469,057	-
Capital leases payable (net of current portion)	-	-	-	-	-	-	71,436
Notes payable (net of current portion)	2,705,434	154,247	-	-	-	2,859,681	-
Revenue bonds payable, net of unamortized premium (net of current portion)	11,885,633	-	-	-	-	11,885,633	-
<b>Total Long-Term Liabilities</b>	<b>15,397,867</b>	<b>292,300</b>	<b>206,111</b>	<b>1,570,413</b>	<b>35,726</b>	<b>17,502,417</b>	<b>250,684</b>
<b>Total Liabilities</b>	<b>17,119,441</b>	<b>558,793</b>	<b>392,485</b>	<b>1,943,975</b>	<b>46,746</b>	<b>20,061,440</b>	<b>1,549,912</b>
<b>Deferred Inflows of Resources</b>							
Resources related to pension	121,664	23,685	35,842	15,771	-	196,962	32,311
<b>Net Position</b>							
Net investment in capital assets	38,528,109	4,335,762	1,913,262	2,128,781	1,455,852	48,361,766	1,053,248
Restricted for revenue bond retirement	791,206	-	-	-	-	791,206	-
Unrestricted	5,082,107	2,155,381	780,041	(1,564,068)	192,900	6,646,361	(294)
<b>Total Net Position</b>	<b>\$ 44,401,422</b>	<b>\$ 6,491,143</b>	<b>\$ 2,693,303</b>	<b>\$ 564,713</b>	<b>\$ 1,648,752</b>	<b>55,799,333</b>	<b>\$ 1,052,954</b>

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.

(166,559)

Net position of business-type activities

\$ 55,632,774

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, 2016

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water and Sewer	Gas	Solid Waste Collection	Solid Waste Disposal	Other Enterprise Funds		
<b>Operating Revenues</b>							
Charges for services	\$ 10,747,337	\$ 4,473,004	\$ 3,508,278	\$ 2,176,252	\$ 957,437	\$ 21,862,308	\$ 5,522,707
Miscellaneous	288	2,402	4,268	-	288	7,246	-
<b>Total Operating Revenues</b>	<u>10,747,625</u>	<u>4,475,406</u>	<u>3,512,546</u>	<u>2,176,252</u>	<u>957,725</u>	<u>21,869,554</u>	<u>5,522,707</u>
<b>Operating Expenses</b>							
Salaries	2,338,220	330,484	574,984	261,079	163,622	3,668,389	550,738
Employee benefits	803,750	139,694	297,941	135,463	93,469	1,470,317	154,749
Purchased services	1,876,729	219,013	1,220,354	2,058,564	52,606	5,427,266	562,006
Materials and supplies	562,369	113,619	114,541	41,072	34,339	865,940	130,613
Cost of sales	-	1,610,413	-	-	-	1,610,413	462,259
Indirect cost allocation	923,027	131,119	157,855	-	-	1,212,001	-
Depreciation	1,786,495	173,674	466,763	257,504	70,366	2,754,802	54,881
Claims and administrative fees	-	-	-	-	-	-	4,229,778
Other	13,578	7,299	10,348	24,004	35	55,264	1,017
<b>Total Operating Expenses</b>	<u>8,304,168</u>	<u>2,725,315</u>	<u>2,842,786</u>	<u>2,777,686</u>	<u>414,437</u>	<u>17,064,392</u>	<u>6,146,041</u>
<b>Operating Income (Loss)</b>	<u>2,443,457</u>	<u>1,750,091</u>	<u>669,760</u>	<u>(601,434)</u>	<u>543,288</u>	<u>4,805,162</u>	<u>(623,334)</u>
<b>Non-Operating Revenues (Expenses)</b>							
Investment earnings	315	-	-	-	-	315	-
Interest expense	(649,437)	(5,741)	-	-	-	(655,178)	-
Gain on sale of capital assets	5,321	30	-	66,937	34,600	106,888	9,060
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(643,801)</u>	<u>(5,711)</u>	<u>-</u>	<u>66,937</u>	<u>34,600</u>	<u>(547,975)</u>	<u>9,060</u>
<b>Income (Loss) before Capital Contributions and Transfers</b>	<u>1,799,656</u>	<u>1,744,380</u>	<u>669,760</u>	<u>(534,497)</u>	<u>577,888</u>	<u>4,257,187</u>	<u>(614,274)</u>
Capital contributions	155,378	-	-	-	-	155,378	-
Transfers in	1,359,568	83,035	295,000	965,655	201,431	2,904,689	113,494
Transfers out	(1,626,882)	(875,000)	(660,000)	(264,000)	-	(3,425,882)	(40,000)
<b>Change in Net Position</b>	<u>1,687,720</u>	<u>952,415</u>	<u>304,760</u>	<u>167,158</u>	<u>779,319</u>	<u>3,891,372</u>	<u>(540,780)</u>
<b>Net Position Beginning of Year</b>	<u>42,713,702</u>	<u>5,538,728</u>	<u>2,388,543</u>	<u>397,555</u>	<u>869,433</u>	<u>49,307,961</u>	<u>1,593,734</u>
<b>Net Position End of Year</b>	<u>\$ 44,401,422</u>	<u>\$ 6,491,143</u>	<u>\$ 2,693,303</u>	<u>\$ 564,713</u>	<u>\$ 1,648,752</u>	<u>\$ 54,356,713</u>	<u>\$ 1,052,954</u>

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.

(217,203)

\$ 3,674,169

See accompanying notes to the basic financial statements

City of Statesboro, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water and Sewer	Gas	Solid Waste Collection	Solid Waste Disposal	Other Enterprise Funds		
<b>Cash Flows from Operating Activities</b>							
Cash received from customers	\$ 10,972,817	\$ 4,634,044	\$ 3,614,376	\$ 2,205,658	\$ 929,239	\$ 22,356,134	\$ 5,522,707
Cash payments to employees for services	(3,045,024)	(451,212)	(838,157)	(383,729)	(234,095)	(4,952,217)	(669,077)
Cash payments for goods and services	(3,706,363)	(2,271,355)	(1,631,975)	(2,264,746)	(87,611)	(9,962,050)	(1,093,018)
Cash payments for claims and administrative fees	-	-	-	-	-	-	(4,013,766)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>4,221,430</u>	<u>1,911,477</u>	<u>1,144,244</u>	<u>(442,817)</u>	<u>607,533</u>	<u>7,441,867</u>	<u>(253,154)</u>
<b>Cash Flows from Noncapital Financing Activities</b>							
Advances from (to) other funds	535,157	-	-	178,880	(4,069)	709,968	64,467
Transfers in (out)	(1,626,882)	(875,000)	(660,000)	(264,000)	-	(3,425,882)	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>(1,091,725)</u>	<u>(875,000)</u>	<u>(660,000)</u>	<u>(85,120)</u>	<u>(4,069)</u>	<u>(2,715,914)</u>	<u>64,467</u>
<b>Cash Flows from Capital and Related Financing Activities</b>							
Proceeds from sale of capital assets	5,321	30	-	66,937	34,600	106,888	9,060
Capital contributions and grants	863,973	-	-	-	-	863,973	-
Proceeds from capital lease	-	-	-	-	-	-	119,060
Payments on capital lease	-	-	-	-	-	-	(23,812)
Transfers in from capital projects funds	1,359,568	83,035	295,000	965,655	201,431	2,904,689	113,494
Principal paid on revenue bonds	(500,000)	-	-	-	-	(500,000)	-
Principal paid on notes payable	(175,583)	(27,394)	-	-	-	(202,977)	-
Interest paid on debt	(667,701)	(5,944)	-	-	-	(673,645)	-
Payments for capital acquisitions	(2,563,857)	(46,925)	(527,468)	(468,471)	(658,709)	(4,265,430)	(341,039)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(1,678,279)</u>	<u>2,802</u>	<u>(232,468)</u>	<u>564,121</u>	<u>(422,678)</u>	<u>(1,766,502)</u>	<u>(123,237)</u>
<b>Cash Flows from Investing Activities</b>							
Investment earnings	315	-	-	-	-	315	-
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>1,451,741</u>	<u>1,039,279</u>	<u>251,776</u>	<u>36,184</u>	<u>180,786</u>	<u>2,959,766</u>	<u>(311,924)</u>
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>5,877,816</u>	<u>950,498</u>	<u>498,247</u>	<u>66,864</u>	<u>-</u>	<u>7,393,425</u>	<u>1,426,501</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 7,329,557</u>	<u>\$ 1,989,777</u>	<u>\$ 750,023</u>	<u>\$ 103,048</u>	<u>\$ 180,786</u>	<u>\$ 10,353,191</u>	<u>\$ 1,114,577</u>

(continued)

City of Statesboro, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water and Sewer	Gas	Solid Waste Collection	Solid Waste Disposal	Other Enterprise Funds		
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>							
<b>Operating Income (Loss)</b>	\$ 2,443,457	\$ 1,750,091	\$ 669,760	\$ (601,434)	\$543,288	\$ 4,805,162	\$ (623,334)
<b>Adjustments:</b>							
Depreciation	1,786,495	173,674	466,763	257,504	70,366	2,754,802	54,881
<b>(Increase) Decrease in Assets and Deferred Outflows of Resources:</b>							
Accounts receivable	208,424	159,763	85,137	29,406	(28,486)	454,244	(83,956)
Materials and supplies inventory	17,682	(73,916)	-	-	-	(56,234)	(26,231)
Prepaid items	(17,531)	(3,068)	(8,959)	(5,485)	(2,168)	(37,211)	199,958
Deferred outflows related to pensions	(233,447)	(35,727)	(62,158)	(28,224)	(20,259)	(379,815)	(59,537)
<b>Increase (Decrease) in Liabilities and Deferred Inflows of Resources:</b>							
Accounts payable	(330,811)	(107,598)	(119,918)	(25,806)	1,537	(582,596)	(45,149)
Accrued payroll	10,940	4,019	4,148	2,415	5,842	27,364	7,427
Compensated absences payable	(4,799)	57	4,161	(277)	8,435	7,577	8,169
Other post employment benefits payable	85,252	14,051	24,998	10,012	8,312	142,625	19,416
Deferred inflows related to pensions	(42,573)	(5,995)	(10,430)	(4,736)	-	(63,734)	(9,991)
Sales taxes payable	-	(5,310)	-	-	-	(5,310)	-
Customer deposits	16,768	(1,125)	16,693	-	-	32,336	-
Accrued landfill postclosure costs	-	-	-	(109,815)	-	(109,815)	-
Net pension asset/obligation	281,573	42,561	74,049	33,623	20,666	452,472	70,926
Claims payable	-	-	-	-	-	-	234,267
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 4,221,430</u>	<u>\$ 1,911,477</u>	<u>\$ 1,144,244</u>	<u>\$ (442,817)</u>	<u>\$ 607,533</u>	<u>\$ 7,441,867</u>	<u>\$ (253,154)</u>

See accompanying notes to the basic financial statements







## *Notes to the Basic Financial Statements*



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

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*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

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.

***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

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (continued)**

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:

**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.



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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.

**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 program, fleet management, and central services 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 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.

**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.

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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

**1-E-2 Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectable, where applicable. Unbilled water, sewer, stormwater, gas, and solid waste charges are accrued as receivables and revenue at June 30, 2016.

**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.

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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, 2016, 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	---

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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 only has one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

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 an 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. The City also has deferred inflows of resources related to its pension plan reported at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

**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.

**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.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

**Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through 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 nor 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

**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.

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

***Note 1 - Summary of Significant Accounting Policies (Continued)***

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, stormwater, and the insurance benefits, information technology, 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



*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 2 – Stewardship, Compliance and Accountability (Continued)**

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, 2016, expenditures exceeded appropriations for the following departments within the general fund:

Animal Control	\$7,239
General Administration Fees	116
Debt Service - Principal Retirement	297,356

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

Expenditures exceeded appropriations in the following special revenue funds and these over expenditures were funded by additional revenues over amounts budgeted or available fund balance.

	<u>Overexpenditures</u>
Confiscated assets fund	\$3,694
Hotel/motel tax fund	16,245

**2-C. Deficit Fund Balances/Net Position**

The Hotel/Motel tax special revenue fund had a deficit fund balance of \$199,809 at June 30, 2016, which will be reduced by future Hotel/Motel tax revenue. The Capital Improvements Program capital projects fund had a deficit fund balance of \$148,848 which will be reduced by future capital lease proceeds.

**Note 3 - Detailed Notes on All Funds**

**3-A. Cash and Cash Equivalents**

At June 30, 2016, the carrying amount of the City’s deposits (i.e., checking and certificates of deposits) was \$18,704,243 and the bank balance was \$19,005,412. Of the bank balance, \$250,000 was covered by federal depository insurance and \$18,755,412 was collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

**Cash & Cash Equivalent Reconciliation:**

	Cash and Cash Equivalents
Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 7,236,475
Enterprise Fund Statement of Net Position	5,206,130
Enterprise Fund Statement of Net Position - Restricted	5,147,061
Internal Service Fund Statement of Net Position	<u>1,114,577</u>
Total	<u>\$ 18,704,243</u>

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-B. Receivables**

Receivables at June 30, 2016, 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, 2016 follow:

Fund	Allowance For Uncollectibles
General	\$ 27,445
Water and Sewer	278,509
Gas	125,974
Solid Waste Collection	136,665
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, 2016, property taxes were levied on October 1, 2015 and were due December 20, 2015.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-D. Capital Assets**

Capital asset activity (including the fleet management and central services internal service funds) for the year ended June 30, 2016, was as follows:

	<u>Balance</u> 7/1/2015	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 6/30/2016
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,643,316	\$ -	\$ -	\$ 1,643,316
Construction in progress	<u>1,954,527</u>	<u>1,097,295</u>	<u>1,915,469</u>	<u>1,136,353</u>
Total capital assets not being depreciated:	<u>3,597,843</u>	<u>1,097,295</u>	<u>1,915,469</u>	<u>2,779,669</u>
Capital assets being depreciated				
Buildings	15,323,557	1,666,338	-	16,989,895
Improvements other than buildings	808,548	292,786	-	1,101,334
Machinery and equipment	12,581,840	893,687	867,673	12,607,854
Infrastructure	<u>17,568,395</u>	<u>1,361,466</u>	<u>-</u>	<u>18,929,861</u>
Total capital assets being depreciated	<u>46,282,340</u>	<u>4,214,277</u>	<u>867,673</u>	<u>49,628,944</u>
Total capital assets	<u>49,880,183</u>	<u>5,311,572</u>	<u>2,783,142</u>	<u>52,408,613</u>
Accumulated depreciation:				
Buildings	4,368,595	403,181	-	4,771,776
Improvements other than buildings	262,401	41,026	-	303,427
Machinery and equipment	8,463,201	1,035,369	867,673	8,630,897
Infrastructure	<u>7,816,009</u>	<u>1,012,424</u>	<u>-</u>	<u>8,828,433</u>
Total accumulated depreciation	<u>20,910,206</u>	<u>2,492,000</u>	<u>867,673</u>	<u>22,534,533</u>
Governmental activities capital assets, net	<u>\$ 28,969,977</u>	<u>\$ 2,819,572</u>	<u>\$ 1,915,469</u>	<u>\$ 29,874,080</u>
Governmental activities depreciation expense:				
General government	\$ 105,214			
Municipal court	12,995			
Public safety	974,256			
Public works	1,113,025			
Parks and cemeteries	78,350			
Engineering	18,475			
Planning and zoning	14,893			
Community development	22,131			
Community services	97,780			
Central services internal service fund	7,528			
Fleet management internal service fund	<u>47,353</u>			
Total depreciation expense	<u>\$ 2,492,000</u>			

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

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

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 554,410	\$ -	\$ -	\$ 554,410
Construction in progress	11,906,632	1,821,350	4,982,106	8,745,876
Total capital assets not being depreciated	<u>12,461,042</u>	<u>1,821,350</u>	<u>4,982,106</u>	<u>9,300,286</u>
Capital assets being depreciated				
Buildings	2,905,109	255,282	-	3,160,391
Improvements other than buildings	70,342,653	5,344,456	-	75,687,109
Machinery and equipment	14,528,185	1,826,447	380,615	15,974,017
Total capital assets being depreciated	<u>87,775,947</u>	<u>7,426,185</u>	<u>380,615</u>	<u>94,821,517</u>
Total capital assets	<u>100,236,989</u>	<u>9,247,535</u>	<u>5,362,721</u>	<u>104,121,803</u>
Accumulated depreciation:				
Buildings	1,241,217	110,379	-	1,351,596
Improvements other than buildings	30,536,438	1,580,189	-	32,116,627
Machinery and equipment	8,239,062	1,064,234	380,615	8,922,681
Total accumulated depreciation	<u>40,016,717</u>	<u>2,754,802</u>	<u>380,615</u>	<u>42,390,904</u>
Business-type activities capital assets, net	<u>\$ 60,220,272</u>	<u>\$ 6,492,733</u>	<u>\$ 4,982,106</u>	<u>\$ 61,730,899</u>

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

	Balance	Additions	Deductions	Balance 6/30/2016
Component Unit - Downtown Statesboro Development Authority:				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 81,956	\$ -	\$ 81,956
Capital assets being depreciated:				
Improvements other than buildings	12,552	-	12,552	-
Machinery and equipment	5,676	12,714	2,777	15,613
Total capital assets being depreciated	<u>18,228</u>	<u>12,714</u>	<u>15,329</u>	<u>15,613</u>
Total Capital Assets	<u>18,228</u>	<u>94,670</u>	<u>15,329</u>	<u>97,569</u>
Accumulated depreciation:				
Improvements other than buildings	5,021	836	5,857	-
Machinery and equipment	4,352	602	2,778	2,176
Total accumulated depreciation	<u>9,373</u>	<u>1,438</u>	<u>8,635</u>	<u>2,176</u>
Component unit capital assets, net	<u>\$ 8,855</u>	<u>\$ 93,232</u>	<u>\$ 6,694</u>	<u>\$ 95,393</u>

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-E. - Interfund Balances and Transfers**

Interfund balances at June 30, 2016, 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.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Community Development Block Grant Fund	\$ 10,309
	Hotel/Motel Tax Fund	212,074
	Capital Improvements Program Fund	293,815
	Solid Waste Disposal Fund	178,880
	Fleet Management Fund	219,437
	2007 SPLOST Fund	130,454
	2013 SPLOST Fund	1,887,077
	Central Services Fund	259,516
	Stormwater Operating Fund	1,354
Water and Sewer Operating Fund	General Fund	939,722
Tax Allocation District Fund	General Fund	21,082
2007 SPLOST Fund	Water and Sewer Operating Fund	34,103
2013 SPLOST Fund	Wellness Program Fund	40,000
	2007 SPLOST Fund	32,802
America's Best Communities Grant Fund	Multiple Grant Fund	26,582
		<u>\$ 4,287,207</u>

Interfund transfers for the year ended June 30, 2016, consisted of the following:

<u>Transfer to:</u>	<u>Transfers From:</u>				
	<u>General Fund</u>	<u>2007 SPLOST Fund</u>	<u>2013 SPLOST Fund</u>	<u>Water and Sewer Operating Fund</u>	<u>Gas Operating Fund</u>
General Fund	\$ -	\$ -	\$ -	\$ 805,200	\$ 875,000
Statesboro Fire Service Fund	1,344,000	-	-	821,682	-
Capital Improvements Fund	117,000	-	-	-	-
Water and Sewer Operating Fund	-	219,642	1,139,926	-	-
Natural Gas Fund	-	-	83,035	-	-
Solid Waste Collection Fund	-	-	295,000	-	-
Solid Waste Disposal Fund	-	-	965,655	-	-
Stormwater Operating Fund	-	53,012	148,419	-	-
Central Services Fund	-	-	113,494	-	-
2013 SPLOST Fund	-	-	-	-	-
	<u>\$ 1,461,000</u>	<u>\$ 272,654</u>	<u>\$ 2,745,529</u>	<u>\$ 1,626,882</u>	<u>\$ 875,000</u>

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

Transfer to:	Transfers From:				Total
	Solid Waste Collection Fund	Solid Waste Disposal Fund	Hotel/ Motel Tax Fund	Wellness Program Fund	
General Fund	\$ 660,000	\$ 264,000	\$ 40,266	\$ -	\$2,644,466
Statesboro Fire Service Fund	-	-	-	-	2,165,682
Capital Improvements Fund	-	-	-	-	117,000
Water and Sewer Operating Fund	-	-	-	-	1,359,568
Natural Gas Fund	-	-	-	-	83,035
Solid Waste Collection Fund	-	-	-	-	295,000
Solid Waste Disposal Fund	-	-	-	-	965,655
Stormwater Operating Fund	-	-	-	-	201,431
Central Services Fund	-	-	-	-	113,494
2013 SPLOST Fund	-	-	-	40,000	40,000
	<u>\$ 660,000</u>	<u>\$ 264,000</u>	<u>\$ 40,266</u>	<u>\$ 40,000</u>	<u>\$7,985,331</u>

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, 2016, was \$1,636,057. This amount is based on what it would cost to perform all postclosure care in 2016. 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, 2016 was \$12,195,000.

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.



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to amortize all obligations outstanding, as of June 30, 2016 follow:

Year	Primary Government		Total
	Principal	Interest	
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	575,000	465,846	1,040,846
2021	600,000	439,721	1,039,721
2022-2026	3,480,000	1,729,155	5,209,155
2027-2031	4,275,000	917,880	5,192,880
2032-2035	1,650,000	101,915	1,751,915
Total	<u>\$ 12,195,000</u>	<u>\$ 5,166,405</u>	<u>\$ 17,361,405</u>

**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, 2016, as follows:

One Georgia Authority, payable in quarterly installments of \$8,334 including interest at 3% through April 1, 2022	\$ 182,426
GEFA (2006-L25WJA), payable in monthly installments of \$10,381 including interest at 4.28% through April 1, 2028	1,154,967
GEFA (2006-L25WJB), payable in monthly installments of \$4,857 including interest at 4.28% through April 1, 2028	540,376
GEFA (2007-L31WJ), payable in monthly installments of \$3,247 including interest at 4.10% through March 1, 2029	379,653
GEFA (2008-L05WJ), payable in monthly installments of \$6,705 including interest at 4.10% through July 1, 2029	813,637
	<u>\$ 3,071,059</u>

Annual debt service requirements to amortize all notes payable outstanding, as of June 30, 2016 follow:

Year	Primary Government		Total
	Principal	Interest	
2017	\$ 211,378	\$ 124,222	\$ 335,600
2018	220,141	115,459	335,600
2019	229,301	106,299	335,600
2020	238,827	96,773	335,600
2021	248,808	86,699	335,507
2022-2026	1,267,317	278,893	1,546,210
2027-2030	655,287	35,197	690,484
Total	<u>\$ 3,071,059</u>	<u>\$ 843,542</u>	<u>\$ 3,914,601</u>

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

**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.

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 \$1,018,560 at June 30, 2016.

The lease requires annual payments as follows:

Year	Principal	Interest	Total
2017	\$ 82,500	\$ 22,417	\$ 104,917
2018	87,500	18,848	106,348
2019	93,000	15,057	108,057
2020	98,000	11,046	109,046
2021	104,000	6,804	110,804
2022	110,000	2,310	112,310
Total	<u>\$ 575,000</u>	<u>\$ 76,482</u>	<u>\$ 651,482</u>

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

	Cost
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
2015 Dodge Ram 5500	119,060
2015 F350 Truck	31,257
2015 Freightliner Truck	115,209
	<u>\$ 1,890,968</u>

Depreciation expense on the above equipment for the year was \$194,538 and accumulated depreciation was \$576,453 at June 30, 2016.

*City of Statesboro, Georgia*  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2016**

**Note 3 – Detailed Notes on All Funds (Continued)**

The leases require annual payments without interest as follows:

Year	Principal
2017	\$ 351,936
2018	491,896
2019	37,076
2020	37,076
Total	<u>\$ 917,984</u>

**Changes in Long-term Debt** - Changes in the City’s long-term obligations consisted of the following for the year ended June 30, 2016:

<u>Primary Government</u>	<u>Outstanding</u>			<u>Outstanding</u>	<u>Amounts Due</u>
Governmental Activities	7/1/2015	Additions	Reductions	6/30/2016	in One Year
Capital lease - City Hall	\$ 653,000	\$ -	\$ 78,000	\$ 575,000	\$ 82,500
Capital lease - GMA	1,284,236	-	366,251	917,985	351,936
Other post employment benefits	1,675,146	319,153	-	1,994,299	-
Compensated absences	547,996	8,169	8,555	547,610	109,522
<b>Total Governmental Activities</b>	<u>\$ 4,160,378</u>	<u>\$ 327,322</u>	<u>\$ 452,806</u>	<u>\$ 4,034,894</u>	<u>\$ 543,958</u>
<b>Business-Type Activities</b>					
Water and sewer revenue bonds	\$ 12,695,000	\$ -	\$ 500,000	\$ 12,195,000	\$ 520,000
Unamortized bond premium	223,209	-	12,576	210,633	-
	12,918,209	-	512,576	12,405,633	520,000
Notes payable - water fund	3,064,216	-	175,583	2,888,633	183,199
Notes payable - gas fund	209,820	-	27,394	182,426	28,179
Landfill closure and post-closure care	1,745,872	-	109,815	1,636,057	167,000
Other post employment benefits	696,772	142,625	-	839,397	-
Compensated absences	239,432	7,577	-	247,009	49,402
<b>Total Business-Type Activities</b>	<u>\$ 18,874,321</u>	<u>\$ 150,202</u>	<u>\$ 825,368</u>	<u>\$ 18,199,155</u>	<u>\$ 947,780</u>

The capital lease obligations for governmental funds will be paid from the General Fund and SPLOST Funds and for proprietary funds 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.

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2016*

**Note 3 – Detailed Notes on All Funds (Continued)**

**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 GMEBS), 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 GMEBS 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.

**Benefits provided** - The classes of eligible employees for retirement benefits are regular employees with the exception of part-time firefighters employed or reemployed on or after June 20, 2012, elected or appointed members of the governing authority, and the City Attorney employed on December 13, 2011 meeting the eligibility requirements of the Plan that are applicable to eligible regular employees. Normal retirement qualifications for regular employees are attainment of age 65 and the completion of 5 years of total credited service. Normal retirement qualifications for Public Safety employees only are attainment of age 55 and completion of 25 years of total credited service. The regular employee calculation for the Split Final Average Formula is 1.25% of Final Average Earnings up to the amount of covered compensation plus 2% of Final Average Earnings in excess of said covered compensation, multiplied by years of Total Credited Service as an eligible regular employee. The Alternative Split Final Average Earnings Formula is 1% of Final Average Earnings up to the amount of covered compensation plus 1.75% of Final Average Earnings in excess of said covered compensation, multiplied by years of Total Credited Service as an eligible regular employee. Unless otherwise specified in an addendum to the adoption agreement, Final Average Earnings is defined as the monthly average of Earnings paid to a participant by the City for the 60 consecutive months of Credited Service preceding the participant’s most recent termination in which the participant’s earnings were the highest, multiplied by 12. The formula for elected or appointed members of the governing authority is \$35 per month for each year of total credited service as an elected or appointed member of the governing authority or municipal legal officer or major fraction thereof (6 months and 1 day). The City elects to provide for a variable annual cost-of-living adjustment not to exceed 5%. Disability retirement benefits shall be computed in the same manner as the Normal Retirement benefit, based upon the participant’s accrued benefit as of his disability retirement date. In-service death benefits are payable to the participant’s pre-retirement beneficiary, actuarially equivalent to the reserve required for the participant’s anticipated normal retirement benefit, provided the participant meets eligibility conditions. Terminated vested death benefits are payable to the participant’s pre-retirement beneficiary, equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant had he elected a 100% joint and survivor benefit, under the plan.

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

Pension Benefits

Inactive employees or beneficiaries currently receiving benefits	83
Inactive employees entitled to but not yet receiving benefits	111
Active employees	288
	482
	482

**Contributions** - The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The estimated minimum annual contribution under these standards is \$146,272. This minimum contribution has been determined as the sum of 1) the normal cost (including administrative expenses), 2) the 30-year level percentage of payroll amortization of the unfunded actuarial accrued liability or the 10-year level percentage of payroll amortization of the surplus, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 – Detailed Notes on All Funds (Continued)**

**Net Pension Liability**

The City’s net pension liability (asset) was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2016.

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

Inflation	3.25	percent
Salary increases	5.15	percent, average, including inflation
Investment rate of return	7.75	percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of a actuarial experience study for the period January 1, 2010 to June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	50%	5.95%
International equity	15%	6.45%
Fixed income	25%	1.55%
Real estate	10%	3.75%
Cash	-	-
Total	<u>100%</u>	

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

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 – Detailed Notes on All Funds (Continued)**

**Changes in the Net Pension Liability (Asset)**

	Increases (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at September 30, 2014	\$ 20,473,750	\$21,196,131	\$ (722,381)
Changes for the year:			
Service cost	442,204	-	442,204
Interest	1,558,936	-	1,558,936
Differences between expected and actual experience	275,342	-	275,342
Contributions - employer	-	548,293	(548,293)
Contributions - employee	-	-	-
Net investment income	-	245,378	(245,378)
Benefit payments	(716,890)	(716,890)	-
Administrative expense	-	(44,696)	44,696
Other changes	-	-	-
Net changes	<u>1,559,592</u>	<u>32,085</u>	<u>1,527,507</u>
Balances at September 30, 2015	<u>\$ 22,033,342</u>	<u>\$21,228,216</u>	<u>\$ 805,126</u>

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

	1% Decrease	Current Discount Rate (7.75%)	1% Increase
City's net pension liability (asset)	<u>6.75%</u> \$ 4,228,859	<u>Rate (7.75%)</u> \$ 805,126	<u>8.75%</u> \$ (1,982,516)

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

For the year ended June 30, 2016, the City recognized pension expense of \$535,630. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 292,194	\$ -
Changes of assumptions	-	(297,112)
Net difference between projected and actual earnings on pension plan investments	1,111,244	(422,652)
Employer contributions after measurement date	404,614	-
Total	<u>\$ 1,808,052</u>	<u>\$ (719,764)</u>



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 – Detailed Notes on All Funds (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 528,839
2018	124,225
2019	124,225
2020	265,109
2021	45,890
	<u>\$ 1,088,288</u>

**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 \$6,313 in contributions to the plan during the year ended June 30, 2016.

**3-J. Fund Equity**

As of June 30, 2016, governmental fund balances are composed of the following:

	General Fund	Statesboro Fire Service	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	\$ 263,632	\$ 46,827	\$ -	\$ -	\$ 310,459
Restricted:					
Capital projects	-	-	3,751,337	-	3,751,337
Fire protection	-	664,480	-	-	664,480
Police	-	-	-	303,433	303,433
Community development	-	-	-	274,448	274,448
Assigned					
Capital projects	-	-	-	28,448	28,448
Unassigned	2,501,862	-	-	(348,657)	2,153,205
Total fund balances	<u>\$ 2,765,494</u>	<u>\$ 711,307</u>	<u>\$ 3,751,337</u>	<u>\$ 257,672</u>	<u>\$ 7,485,810</u>

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 3 - Detailed Notes on All Funds (Continued)**

Net investment in capital assets on the government-wide statement of net position as of June 30, 2016 is as follows:

	Governmental Activities	Business Type Activities	Component Unit
Cost of capital assets	\$ 52,408,613	\$ 104,121,803	\$ 97,569
Less accumulated depreciation	22,534,533	42,390,904	2,176
Book value	29,874,080	61,730,899	95,393
Less capital related debt	1,492,985	15,476,692	-
Plus unspent bond proceeds	-	2,107,559	-
Net investment in capital assets	<u>\$ 28,381,095</u>	<u>\$ 48,361,766</u>	<u>\$ 95,393</u>

**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; worker’s compensation claims; and natural disasters for which the city carries commercial insurance.

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 \$672,000 reported at June 30, 2016 for the Internal Service Funds represents known claims incurred on or prior to June 30, 2016 and an estimate for claims that have been incurred but not reported. Changes in the funds' claims liability for the year ended June 30, 2016 were as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2014	\$ 438,192	\$ 4,053,459	\$ 3,898,147	\$ 493,504
2015	493,504	3,782,049	3,837,820	437,733
2016	437,733	4,229,778	3,995,511	672,000

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, 2016. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**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, 2016, the City paid \$36,949 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, 2016 follows:

		<u>Percentage of tax receipts</u>
Lodging tax receipts	\$ 814,263	
Disbursements to the:		
Statesboro Convention and Visitors Bureau for promotion of tourism	(298,590)	36.67%
Statesboro Arts Council for performing arts center	(226,121)	27.77%
Downtown Statesboro Development Authority for promotion of tourism	(162,038)	19.90%
City of Statesboro for administrative costs	(40,713)	5%
Georgia Southern University for Shooting Complex	<u>(86,801)</u>	10.66%
Total	<u>\$ -</u>	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, 2016, five 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.

For the year ended June 30, 2016, the City made no contributions and instead elected to continue funding on a *pay-as-you-go* basis, which amounted to \$63,384 for 2016. 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

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2016*

**Note 4 – Other Notes (Continued)**

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	\$ 555,340
Interest on Net OPEB Obligation	77,349
Adjustment to Annual Required Contribution	<u>(107,527)</u>
Annual OPEB Cost (Expense)	525,162
Contributions Made	<u>(63,384)</u>
Increase in Net Obligation	461,778
Net OPEB Obligation (BOY)	<u>2,371,918</u>
Net OPEB Obligation (EOY)	<u><u>\$ 2,833,696</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014-2016 is as follows:

Fiscal Year Ended	OPEB Cost		
	Annual OPEB Cost	OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 560,750	20%	\$ 1,933,735
6/30/2015	525,162	17%	2,371,918
6/30/2016	525,162	12%	2,833,696

**Funded Status and Funding Progress.** As of July 1, 2014, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$4,220,218 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability (UAAL) of \$4,220,218. The covered payroll (annual payroll of active employees covered by the plan) was \$11,459,420 and the ratio of the UAAL to the covered payroll was 36.8%.

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, 2014 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% initially, reduced by decrements to an ultimate rate of 5% after ten years. The actuarial value of assets was determined using a standard balanced portfolio expectation for retirement plan asset returns. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at July 1, 2014 was 30 years.

**4-F. Subsequent Events**

Management has evaluated subsequent events through June 15, 2017, the date that the financial statements were available for issue. No subsequent events were noted.





*Supplementary Information*





**City of Statesboro, Georgia**  
**Required Supplementary Information**  
**Schedule of Changes in the Net Position Liability (Asset) and Related Ratios**  
**For the Year Ended June 30, 2016**

	<b>2016 (1)</b>	<b>2015 (1)</b>
<b>Total pension liability</b>		
Service cost	\$ 442,204	\$ 435,063
Interest	1,558,936	1,490,160
Changes of benefit items	-	-
Differences between expected and actual experience	275,342	94,118
Changes of assumptions	-	(445,667)
Benefit payments, including refunds of employee contributions	(716,890)	(655,592)
<b>Net change in total pension liability</b>	<b>1,559,592</b>	<b>918,082</b>
<b>Total pension liability-beginning</b>	<b>20,473,750</b>	<b>19,555,668</b>
<b>Total pension liability-ending (a)</b>	<b>\$ 22,033,342</b>	<b>\$ 20,473,750</b>
 <b>Plan fiduciary net position</b>		
Contributions-employer	\$ 548,293	\$ 556,107
Contributions-employee	-	-
Net investment income	245,378	2,183,124
Benefit payments, including refunds of employee contributions	(716,890)	(655,592)
Administrative expense	(44,696)	(34,589)
Other	-	-
<b>Net change in plan fiduciary net position</b>	<b>32,085</b>	<b>2,049,050</b>
 <b>Plan fiduciary net position-beginning</b>	<b>21,196,131</b>	<b>19,147,081</b>
<b>Plan fiduciary net position-ending (b)</b>	<b>\$ 21,228,216</b>	<b>\$ 21,196,131</b>
 <b>Net pension liability (asset)-ending (a)-(b)</b>	<b>\$ 805,126</b>	<b>\$ (722,381)</b>
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>96.35%</b>	<b>103.53%</b>
 <b>Covered-employee payroll</b>	<b>\$ 10,987,945</b>	<b>\$ 10,848,107</b>
 <b>Net pension liability as a percentage of covered-employee payroll</b>	<b>7.33%</b>	<b>-6.66%</b>

(1) Only fiscal year 2016 and 2015 was available. The City will continue to present information for years available until a full 10-year trend is compiled.

**Notes to Schedule:**

*Changes of assumptions*

Amounts reported for the Fiscal Year ending in 2015 and later reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014:

- The mortality table for disabled participants was changed to remove the two-year set-forward for males and the one-year set-forward for females.
- The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on or after age 55. The select period rates were further constrained to not be less than the ultimate rates.
- The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70.
- The inflation and cost-of-living adjustment assumptions were decreased from 3.50% to 3.25%.
- The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates. Under the prior assumption, the salary increases ranged from 4.00% to 11.00% and included inflation assumption of 3.50%. Under the new assumption, the salary increases range from 3.75% to 8.00% and include an inflation assumption of 3.25%.

*Benefit changes*

Effective November 6, 2013, the Plan was amended to allow the City Attorney to participate and to grant prior service credit to the City Manager.





## *Nonmajor Governmental Funds*



**City of Statesboro, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - By Fund Type**  
**June 30, 2016**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 340,452	\$ 199,175	\$ 539,627
Receivables:			
Hotel/motel taxes	78,320	-	78,320
Notes	235,755	-	235,755
Lease	-	148,547	148,547
Interfund	47,664	34,103	81,767
<b>Total Assets</b>	<b>\$ 702,191</b>	<b>\$ 381,825</b>	<b>\$ 1,084,016</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 45,154	\$ 45,154
Interfund payable	248,965	457,071	706,036
Other	75,154	-	75,154
<b>Total Liabilities</b>	<b>324,119</b>	<b>502,225</b>	<b>826,344</b>
<b>Fund Balances</b>			
Restricted	577,881	28,448	606,329
Unassigned	(199,809)	(148,848)	(348,657)
<b>Total Fund Balances</b>	<b>378,072</b>	<b>(120,400)</b>	<b>257,672</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 702,191</b>	<b>\$ 381,825</b>	<b>\$ 1,084,016</b>

**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, 2016**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Property taxes	\$ 21,082	\$ -	\$ 21,082
Hotel/motel taxes	814,263	-	814,263
Intergovernmental	12,000	440,161	452,161
Fines and forfeitures	132,116	-	132,116
Contributions and donations	57,132	-	57,132
Investment earnings	-	2,200	2,200
<b>Total Revenues</b>	<b>1,036,593</b>	<b>442,361</b>	<b>1,478,954</b>
<b>Expenditures</b>			
<b>Current:</b>			
Municipal court	3,893	-	3,893
Public works	30,550	-	30,550
Public safety	191,279	-	191,279
Community development	698,749	-	698,749
<b>Capital Outlay:</b>			
General government	-	4,038	4,038
Public safety	-	414,086	414,086
Public works	-	1,130,641	1,130,641
Parks and cemeteries	-	59,372	59,372
Engineering	-	20,375	20,375
<b>Total Expenditures</b>	<b>924,471</b>	<b>1,628,512</b>	<b>2,552,983</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>112,122</b>	<b>(1,186,151)</b>	<b>(1,074,029)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	117,000	117,000
Transfers out	(40,266)	(272,654)	(312,920)
<b>Total Other Financing Sources (Uses)</b>	<b>(40,266)</b>	<b>(155,654)</b>	<b>(195,920)</b>
<b>Net Change in Fund Balances</b>	<b>71,856</b>	<b>(1,341,805)</b>	<b>(1,269,949)</b>
<b>Fund Balances Beginning of Year</b>	<b>306,216</b>	<b>1,221,405</b>	<b>1,527,621</b>
<b>Fund Balances End of Year</b>	<b>\$ 378,072</b>	<b>\$ (120,400)</b>	<b>\$ 257,672</b>





*General Fund*





**City of Statesboro, Georgia**  
**General Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 571,649	\$ 353,305
Receivables:		
Taxes	152,224	186,969
Accounts	48,777	46,468
Intergovernmental	45,877	52,460
Interfund	3,192,916	2,848,959
Prepaid items	<u>263,632</u>	<u>255,626</u>
<b>Total Assets</b>	<u>\$ 4,275,075</u>	<u>\$ 3,743,787</u>
<b>Liabilities</b>		
Accounts payable	\$ 66,905	\$ 168,393
Intergovernmental payable	343	110,618
Accrued payroll and payroll taxes	148,771	94,756
Other liabilities	131,882	123,417
Interfund payable	960,804	1,435,353
Unearned revenue	<u>189,450</u>	<u>163,750</u>
<b>Total Liabilities</b>	<u>1,498,155</u>	<u>2,096,287</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	<u>11,426</u>	<u>4,447</u>
<b>Fund Balances</b>		
Nonspendable	263,632	255,626
Unassigned	<u>2,501,862</u>	<u>1,387,427</u>
<b>Total Fund Balances</b>	<u>2,765,494</u>	<u>1,643,053</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 4,275,075</u>	<u>\$ 3,743,787</u>

**City of Statesboro, Georgia**  
**General Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Taxes:		
Property	\$ 3,913,446	\$ 3,923,619
Automobiles	525,588	515,177
Franchise	1,898,393	1,765,369
Insurance premium	1,636,651	1,531,963
Alcoholic beverage	728,929	698,554
Other	89,810	94,532
Licenses and permits	1,013,905	982,677
Charges for services	212,102	186,625
Fines and forfeitures	1,153,245	1,147,171
Miscellaneous	45,042	64,929
<b>Total Revenues</b>	<u>11,217,111</u>	<u>10,910,616</u>
<b>Expenditures</b>		
<b>Current:</b>		
General government		
Governing body	163,835	238,924
City manager's office	144,272	64,255
City clerk's office	144,935	171,586
Elections	831	15,189
Financial administration	457,394	475,083
Legal	121,514	157,722
Human resources	271,439	187,827
Government buildings	165,167	164,638
General administration fees	45,785	39,294
Total general government	<u>1,515,172</u>	<u>1,514,518</u>
Municipal court	<u>523,033</u>	<u>576,371</u>
Public safety:		
Police	5,755,055	5,638,930
Emergency management	5,000	5,000
Animal control	49,239	51,086
Total public safety	<u>5,809,294</u>	<u>5,695,016</u>

(continued)

**General Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

(continued)

	<u>2016</u>	<u>2015</u>
Streets/public works	\$ 1,935,157	\$ 2,030,080
Parks and cemeteries	346,163	367,113
Engineering	202,100	366,351
Planning and zoning	294,395	367,044
Community services:		
Arts Center	127,632	148,210
Other	32,900	33,800
Total community services	160,532	182,010
Community development	78,207	78,134
<b>Debt Service:</b>		
Principal retirement	420,441	102,676
Interest and fiscal charges	20,231	24,249
<b>Total Debt Service</b>	440,672	126,925
<b>Total Expenditures</b>	11,304,725	11,303,562
<b>Deficiency of Revenues Under Expenditures</b>	(87,614)	(392,946)
<b>Other Financing Sources (Uses)</b>		
Transfers in	2,644,466	2,643,302
Transfers out	(1,461,000)	(1,439,499)
Sale of capital assets	26,589	32,010
<b>Total Other Financing Sources (Uses)</b>	1,210,055	1,235,813
<b>Net Change in Fund Balances</b>	1,122,441	842,867
<b>Fund Balances Beginning of Year</b>	1,643,053	800,186
<b>Fund Balances End of Year</b>	<u>\$ 2,765,494</u>	<u>\$ 1,643,053</u>





*Major Capital Projects Funds*



**City of Statesboro, Georgia**  
**2013 SPLOST Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 5,668,259	\$ 3,581,747
Intergovernmental receivable	794,275	1,769,643
Interfund receivable	72,802	-
<b>Total Assets</b>	<u>\$ 6,535,336</u>	<u>\$ 5,351,390</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 896,922	\$ 800,322
Interfund payable	1,887,077	1,804,983
<b>Total Liabilities</b>	2,783,999	2,605,305
<b>Fund Balances</b>		
Restricted	3,751,337	2,746,085
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,535,336</u>	<u>\$ 5,351,390</u>



**City of Statesboro, Georgia**  
**2013 SPLOST Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Intergovernmental - sales taxes	\$ 5,185,152	\$ 5,504,731
Investment earnings	512	352
<b>Total Revenues</b>	<u>5,185,664</u>	<u>5,505,083</u>
<b>Expenditures</b>		
Capital outlay:		
Municipal court	482,110	18,100
Community development	-	1,596
Public safety	414,347	603,784
Public works	578,426	422,547
Debt Service-Principal	-	300,000
<b>Total Expenditures</b>	<u>1,474,883</u>	<u>1,346,027</u>
<b>Excess of Revenues Over Expenditures</b>	<u>3,710,781</u>	<u>4,159,056</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	40,000	-
Transfers out	<u>(2,745,529)</u>	<u>(2,141,144)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(2,705,529)</u>	<u>(2,141,144)</u>
<b>Net Change in Fund Balances</b>	1,005,252	2,017,912
<b>Fund Balances Beginning of Year</b>	<u>2,746,085</u>	<u>728,173</u>
<b>Fund Balances End of Year</b>	<u>\$ 3,751,337</u>	<u>\$ 2,746,085</u>



*Nonmajor Capital Projects Funds*



**City of Statesboro, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2016**

	<b>Capital Improvements Program Fund</b>	<b>2013 CDBG Fund</b>	<b>2007 SPLOST Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 199,175	\$ 199,175
Lease receivable	148,547	-	-	148,547
Interfund receivable	-	-	34,103	34,103
<b>Total Assets</b>	<b>\$ 148,547</b>	<b>\$ -</b>	<b>\$ 233,278</b>	<b>\$ 381,825</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,580	\$ -	\$ 41,574	\$ 45,154
Interfund payable	293,815	-	163,256	457,071
<b>Total Liabilities</b>	<b>297,395</b>	<b>-</b>	<b>204,830</b>	<b>502,225</b>
<b>Fund Balances</b>				
Unassigned	(148,848)	-	-	(148,848)
Restricted	-	-	28,448	28,448
<b>Total Fund Balance</b>	<b>(148,848)</b>	<b>-</b>	<b>28,448</b>	<b>(120,400)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 148,547</b>	<b>\$ -</b>	<b>\$ 233,278</b>	<b>\$ 381,825</b>

**City of Statesboro, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2016**

	<b>Capital Improvements Program Fund</b>	<b>2013 CDBG Fund</b>	<b>2007 SPLOST Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 230,209	\$ 209,952	\$ 440,161
Investment earnings	-	-	2,200	2,200
<b>Total Revenues</b>	<b>-</b>	<b>230,209</b>	<b>212,152</b>	<b>442,361</b>
<b>Expenditures</b>				
<b>Capital Outlay:</b>				
Engineering	20,375	-	-	20,375
Parks and cemeteries	59,372	-	-	59,372
Planning and zoning	-	-	4,038	4,038
Public safety	-	-	414,086	414,086
Public works	215,694	200,891	714,056	1,130,641
<b>Total Expenditures</b>	<b>295,441</b>	<b>200,891</b>	<b>1,132,180</b>	<b>1,628,512</b>
<b>Excerss (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(295,441)</b>	<b>29,318</b>	<b>(920,028)</b>	<b>(1,186,151)</b>
<b>Other Financing Sources</b>				
Transfers in	117,000	-	-	117,000
Transfers out	-	-	(272,654)	(272,654)
<b>Total Other Financing Sources (Uses)</b>	<b>117,000</b>	<b>-</b>	<b>(272,654)</b>	<b>(155,654)</b>
<b>Net Change in Fund Balances</b>	<b>(178,441)</b>	<b>29,318</b>	<b>(1,192,682)</b>	<b>(1,341,805)</b>
<b>Fund Balances Beginning of Year</b>	<b>29,593</b>	<b>(29,318)</b>	<b>1,221,130</b>	<b>1,221,405</b>
<b>Fund Balances End of Year</b>	<b>\$ (148,848)</b>	<b>\$ -</b>	<b>\$ 28,448</b>	<b>\$ (120,400)</b>

**City of Statesboro, Georgia**  
**Capital Improvements Program Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Lease receivable	\$ 148,547	\$ 214,869
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 3,580	\$ 135,751
Interfund payable	293,815	49,525
<b>Total Liabilities</b>	<u>297,395</u>	<u>185,276</u>
<b>Fund Balances</b>		
Assigned	-	29,593
Unassigned	(148,848)	-
<b>Total Fund Balances</b>	<u>(148,848)</u>	<u>29,593</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 148,547</u>	<u>\$ 214,869</u>

**City of Statesboro, Georgia**  
**Capital Improvements Program Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>	\$ -	\$ -
<b>Expenditures</b>		
<b>Capital Outlay</b>		
Public works	215,694	155,368
Parks and cemeteries	59,372	18,925
Engineering	20,375	54,592
<b>Total Expenditures</b>	<u>295,441</u>	<u>228,885</u>
<b>Deficiency of Revenues Under Expenditures</b>	<u>(295,441)</u>	<u>(228,885)</u>
<b>Other Financing Sources</b>		
Transfers in	117,000	95,499
Issuance of capital lease	-	146,466
<b>Total Other Financing Sources</b>	<u>117,000</u>	<u>241,965</u>
<b>Net Change in Fund Balances</b>	(178,441)	13,080
<b>Fund Balances Beginning of Year</b>	<u>29,593</u>	<u>16,513</u>
<b>Fund Balances End of Year</b>	<u>\$ (148,848)</u>	<u>\$ 29,593</u>

**City of Statesboro, Georgia**  
**2013 CDBG Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Intergovernmental receivable	\$ -	\$ 182,203
<b>Liabilities</b>		
Accounts payable	-	209,650
Interfund payable	-	1,871
<b>Total Liabilities</b>	\$ -	\$ 211,521
<b>Fund Balances</b>		
Unassigned	-	(29,318)
<b>Total Liabilities and Fund Balances</b>	\$ -	\$ 182,203



**City of Statesboro, Georgia**  
**2013 CDBG Fund**  
*Comparative Statement of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Intergovernmental	\$ 230,209	\$ 250,578
<b>Expenditures</b>		
Capital outlay:		
Public works	<u>200,891</u>	<u>279,896</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	29,318	(29,318)
<b>Fund Balances Beginning of Year</b>	<u>(29,318)</u>	<u>-</u>
<b>Fund Balances End of Year</b>	<u>\$ -</u>	<u>\$ (29,318)</u>

**City of Statesboro, Georgia**  
**2007 SPLOST Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 199,175	\$ 1,911,667
Interfund receivable	34,103	-
<b>Total Assets</b>	<u>233,278</u>	<u>1,911,667</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 41,574	\$ 365,016
Interfund payable	163,256	325,521
<b>Total Liabilities</b>	204,830	690,537
<b>Fund Balances</b>		
Restricted	28,448	1,221,130
<b>Total Liabilities and Fund Balances</b>	<u>\$ 233,278</u>	<u>\$ 1,911,667</u>

**City of Statesboro, Georgia**  
**2007 SPLOST Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Revenues</b>		
Intergovernmental	\$ 209,952	\$ 208,230
Investment earnings	2,200	3,901
<b>Total Revenues</b>	<b>212,152</b>	<b>212,131</b>
<b>Expenditures</b>		
Capital outlay:		
Public safety	414,086	512,658
Public works	714,056	1,145,381
Planning and zoning	4,038	23,660
Debt Service-Principal	-	66,822
<b>Total Expenditures</b>	<b>1,132,180</b>	<b>1,748,521</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(920,028)</b>	<b>(1,536,390)</b>
<b>Other Financing Sources (Uses)</b>		
Transfers out	(272,654)	(1,213,318)
<b>Net Change in Fund Balances</b>	<b>(1,192,682)</b>	<b>(2,749,708)</b>
<b>Fund Balances Beginning of Year</b>	<b>1,221,130</b>	<b>3,970,838</b>
<b>Fund Balances End of Year</b>	<b>\$ 28,448</b>	<b>\$ 1,221,130</b>



*Major Special Revenue Funds*



**City of Statesboro, Georgia**  
**Statesboro Fire Service Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 456,940	\$ 584,552
Receivables:		
Accounts	41,027	35,585
Intergovernmental	220,245	12,433
Prepaid items	<u>46,827</u>	<u>39,390</u>
<b>Total Assets</b>	<u>\$ 765,039</u>	<u>\$ 671,960</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 10,260	\$ 40,720
Accrued payroll	<u>43,472</u>	<u>36,527</u>
<b>Total Liabilities</b>	<u>53,732</u>	<u>77,247</u>
<b>Fund Balances</b>		
Nonspendable	46,827	39,390
Restricted	<u>664,480</u>	<u>555,323</u>
<b>Total Fund Balances</b>	<u>711,307</u>	<u>594,713</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 765,039</u>	<u>\$ 671,960</u>

**City of Statesboro, Georgia**  
**Statesboro Fire Service Fund**  
**Comparative Statement of Revenues,**  
**Expenditures and Changes in Fund Balances**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Charges for services	\$ 1,181,333	\$ 1,074,504
Miscellaneous	6,925	19,198
<b>Total Revenues</b>	<u>1,188,258</u>	<u>1,093,702</u>
<b>Expenditures</b>		
<b>Current:</b>		
Public safety - Fire	3,239,486	3,367,795
<b>Deficiency of Revenues Under Expenditures</b>	<u>(2,051,228)</u>	<u>(2,274,093)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	2,165,682	2,094,310
Sale of capital assets	2,140	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,167,822</u>	<u>2,094,310</u>
<b>Net Change in Fund Balances</b>	116,594	(179,783)
<b>Fund Balances Beginning of Year</b>	<u>594,713</u>	<u>774,496</u>
<b>Fund Balances End of Year</b>	<u>\$ 711,307</u>	<u>\$ 594,713</u>





*Nonmajor Special Revenue Funds*





City of Statesboro, Georgia  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2016

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	America's Best Communities Grant	Tax Allocation District	Total Nonmajor Special Revenue Funds
<b>Assets</b>									
Cash and cash equivalents	\$ 147,660	\$ 1,338	\$ 100,369	\$ -	\$ 26,582	\$ 64,503	\$ -	\$ -	\$ 340,452
Receivables:									
Hotel/motel taxes	-	-	-	78,320	-	-	-	-	78,320
Interfund	-	-	-	-	-	-	26,582	21,082	47,664
Notes	-	235,755	-	-	-	-	-	-	235,755
<b>Total Assets</b>	<u>\$ 147,660</u>	<u>\$ 237,093</u>	<u>\$ 100,369</u>	<u>\$ 78,320</u>	<u>\$ 26,582</u>	<u>\$ 64,503</u>	<u>\$ 26,582</u>	<u>\$ 21,082</u>	<u>\$ 702,191</u>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Interfund payable	\$ -	\$ 10,309	\$ -	\$ 212,074	\$ 26,582	\$ -	\$ -	\$ -	\$ 248,965
Other	9,099	-	-	66,055	-	-	-	-	75,154
<b>Total Liabilities</b>	<u>9,099</u>	<u>10,309</u>	<u>-</u>	<u>278,129</u>	<u>26,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>324,119</u>
<b>Fund Balances</b>									
Restricted	138,561	226,784	100,369	-	-	64,503	26,582	21,082	577,881
Unassigned	-	-	-	(199,809)	-	-	-	-	(199,809)
<b>Total Fund Balances</b>	<u>138,561</u>	<u>226,784</u>	<u>100,369</u>	<u>(199,809)</u>	<u>-</u>	<u>64,503</u>	<u>26,582</u>	<u>21,082</u>	<u>378,072</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 147,660</u>	<u>\$ 237,093</u>	<u>\$ 100,369</u>	<u>\$ 78,320</u>	<u>\$ 26,582</u>	<u>\$ 64,503</u>	<u>\$ 26,582</u>	<u>\$ 21,082</u>	<u>\$ 702,191</u>

City of Statesboro, Georgia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	America's Best Communities Grant Fund	Tax Allocation District	Total Nonmajor Special Revenue Funds
<b>Revenues</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,082	\$ 21,082
Hotel/motel taxes	-	-	-	814,263	-	-	-	-	814,263
Intergovernmental	-	-	-	-	12,000	-	-	-	12,000
Fines and forfeitures	4,444	-	31,059	-	-	96,613	-	-	132,116
Contributions and donations	-	-	-	-	-	-	57,132	-	57,132
<b>Total Revenues</b>	<u>4,444</u>	<u>-</u>	<u>31,059</u>	<u>814,263</u>	<u>12,000</u>	<u>96,613</u>	<u>57,132</u>	<u>21,082</u>	<u>1,036,593</u>
<b>Expenditures</b>									
<b>Current:</b>									
Municipal court	3,893	-	-	-	-	-	-	-	3,893
Public safety	118,026	-	11,511	-	-	61,742	-	-	191,279
Public works	-	-	-	-	-	-	30,550	-	30,550
Community development	-	-	-	686,749	12,000	-	-	-	698,749
<b>Total Expenditures</b>	<u>121,919</u>	<u>-</u>	<u>11,511</u>	<u>686,749</u>	<u>12,000</u>	<u>61,742</u>	<u>30,550</u>	<u>-</u>	<u>924,471</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(117,475)</u>	<u>-</u>	<u>19,548</u>	<u>127,514</u>	<u>-</u>	<u>34,871</u>	<u>26,582</u>	<u>21,082</u>	<u>112,122</u>
<b>Other Financing Uses</b>									
Transfers out	-	-	-	(40,266)	-	-	-	-	(40,266)
<b>Net Change in Fund Balances</b>	<u>(117,475)</u>	<u>-</u>	<u>19,548</u>	<u>87,248</u>	<u>-</u>	<u>34,871</u>	<u>26,582</u>	<u>21,082</u>	<u>71,856</u>
<b>Fund Balances Beginning of Year</b>	<u>256,036</u>	<u>226,784</u>	<u>80,821</u>	<u>(287,057)</u>	<u>-</u>	<u>29,632</u>	<u>-</u>	<u>-</u>	<u>306,216</u>
<b>Fund Balances End of Year</b>	<u>\$ 138,561</u>	<u>\$ 226,784</u>	<u>\$ 100,369</u>	<u>\$ (199,809)</u>	<u>\$ -</u>	<u>\$ 64,503</u>	<u>\$ 26,582</u>	<u>\$ 21,082</u>	<u>\$ 378,072</u>

**City of Statesboro, Georgia**  
**Confiscated Assets Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 147,660	\$ 267,470
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 2,444
Other liabilities	9,099	8,990
<b>Total Liabilities</b>	9,099	11,434
<b>Fund Balances</b>		
Restricted	138,561	256,036
<b>Total Liabilities and Fund Balances</b>	\$ 147,660	\$ 267,470

**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, 2016**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>					
Fines and forfeitures	\$ 7,500	\$ 7,500	\$ 4,444	\$ (3,056)	\$ 71,585
<b>Expenditures</b>					
<b>Current:</b>					
Municipal court	-	3,893	3,893	-	-
Public safety	16,500	114,332	118,026	(3,694)	60,376
<b>Total Expenditures</b>	<u>16,500</u>	<u>118,225</u>	<u>121,919</u>	<u>(3,694)</u>	<u>60,376</u>
<b>Net Change in Fund Balances</b>	<u>\$ (9,000)</u>	<u>\$ (110,725)</u>	<u>\$ (117,475)</u>	<u>(6,750)</u>	<u>\$ 11,209</u>
<b>Fund Balances Beginning of Year</b>			<u>256,036</u>		<u>244,827</u>
<b>Fund Balances End of Year</b>			<u>\$ 138,561</u>		<u>\$ 256,036</u>

**City of Statesboro, Georgia**  
**Community Development Block Grant Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,338	\$ -
Notes receivable	235,755	236,805
<b>Total Assets</b>	<b>\$ 237,093</b>	<b>\$ 236,805</b>
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund payable	\$ 10,309	\$ 10,021
<b>Fund Balances</b>		
Restricted	226,784	226,784
<b>Total Liabilities and Fund Balances</b>	<b>\$ 237,093</b>	<b>\$ 236,805</b>

**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, 2016**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2015)*

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Sale of lots	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
<b>Current:</b>				
Community development	-	-	-	-
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
<b>Fund Balances Beginning of Year</b>		<u>226,784</u>		<u>226,784</u>
<b>Fund Balances End of Year</b>		<u>\$ 226,784</u>		<u>\$ 226,784</u>



**City of Statesboro, Georgia**  
*Department of Justice Grant Fund*  
*Comparative Balance Sheet*  
*June 30, 2016 and 2015*

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	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 100,369</u>	<u>\$ 80,821</u>
<b>Fund Balances</b>		
Restricted	<u>\$ 100,369</u>	<u>\$ 80,821</u>

**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, 2016**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2015)

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Fines and forfeitures	\$ 45,000	\$ 31,059	\$ (13,941)	\$ 24,998
<b>Expenditures</b>				
<b>Current:</b>				
Public safety	75,000	11,511	63,489	36,671
<b>Net Change in Fund Balances</b>	<u>\$ (30,000)</u>	19,548	<u>\$ 49,548</u>	\$ (11,673)
<b>Fund Balances Beginning of Year</b>		<u>80,821</u>		<u>92,494</u>
<b>Fund Balances End of Year</b>		<u>\$ 100,369</u>		<u>\$ 80,821</u>

**City of Statesboro, Georgia**  
**Hotel/Motel Tax Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Taxes receivable	\$ 78,320	\$ 69,369
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Other liabilities	\$ 66,055	\$ 113,874
Interfund payable	212,074	242,552
<b>Total Liabilities</b>	278,129	356,426
<b>Fund Balances</b>		
Unassigned	(199,809)	(287,057)
<b>Total Liabilities and Fund Balances</b>	<u>\$ 78,320</u>	<u>\$ 69,369</u>

**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, 2016**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<b>2016</b>			<b>2015</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Actual</b>
<b>Revenues</b>					
Hotel/motel taxes	\$ 775,000	\$ 795,000	\$ 814,263	\$ 19,263	\$ 774,064
<b>Expenditures</b>					
<b>Current:</b>					
Community development	653,636	670,504	686,749	\$ (16,245)	625,588
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	121,364	124,496	127,514	3,018	148,476
<b>Other Financing Sources (Uses)</b>					
Transfers out	(38,750)	(39,750)	(40,266)	(516)	(35,302)
<b>Net Change in Fund Balances</b>	<u>\$ 82,614</u>	<u>\$ 84,746</u>	87,248	<u>\$ 2,502</u>	113,174
<b>Fund Balances Beginning of Year</b>			<u>(287,057)</u>		<u>(400,231)</u>
<b>Fund Balances End of Year</b>			<u>\$ (199,809)</u>		<u>\$ (287,057)</u>

**City of Statesboro, Georgia**  
**Multiple Grant Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

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	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Claim on cash	<u>\$ 26,582</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund payable	<u>\$ 26,582</u>	<u>\$ -</u>

**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, 2016**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<b>2016</b>			<b>2015</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Actual</b>
<b>Revenues</b>					
Intergovernmental	\$ 10,000	\$ 22,000	\$ 12,000	\$ (10,000)	\$ 25,181
<b>Expenditures</b>					
<b>Current:</b>					
Community services	-	12,000	12,000	-	-
Public safety	10,000	10,000	-	10,000	25,145
<b>Total Expenditures</b>	<u>10,000</u>	<u>22,000</u>	<u>12,000</u>	<u>10,000</u>	<u>25,145</u>
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	36
<b>Fund Balances Beginning of Year</b>			-		(36)
<b>Fund Balances End of Year</b>			<u>\$ -</u>		<u>\$ -</u>

**City of Statesboro, Georgia**  
**Technology Fee Fund**  
**Comparative Balance Sheet**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 64,503	\$ 33,844
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 4,212
<b>Fund Balances</b>		
Restricted	64,503	29,632
<b>Total Liabilities and Fund Balances</b>	<u>\$ 64,503</u>	<u>\$ 33,844</u>

**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, 2016**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2015)*

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Fines and forfeitures	\$ 90,000	\$ 96,613	\$ 6,613	\$ 74,750
<b>Expenditures</b>				
Public safety	84,703	61,742	22,961	74,587
<b>Net Change in Fund Balances</b>	<u>\$ 5,297</u>	34,871	<u>\$ 29,574</u>	163
<b>Fund Balances Beginning of Year</b>		<u>29,632</u>		<u>29,469</u>
<b>Fund Balances End of Year</b>		<u>\$ 64,503</u>		<u>\$ 29,632</u>



**City of Statesboro, Georgia**  
*America's Best Communities Fund*  
**Balance Sheet**  
*June 30, 2016*

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	<u>2016</u>
<b>Assets</b>	
Interfund receivable	\$ 26,582
	<u>26,582</u>
 <b>Fund Balances</b>	
Restricted	\$ 26,582
	<u>26,582</u>

**City of Statesboro, Georgia**  
*America's Best Communities Fund*  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>				
Donations and contributions	\$ -	\$ 157,932	\$ 57,132	\$ (100,800)
<b>Expenditures</b>				
<b>Current:</b>				
Public works	-	59,832	30,550	29,282
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>\$ 98,100</u>	26,582	<u>\$ (71,518)</u>
<b>Fund Balances Beginning of Year</b>			-	
<b>Fund Balances End of Year</b>			<u>\$ 26,582</u>	

**City of Statesboro, Georgia**  
***Tax Allocation District Fund***  
***Balance Sheet***  
***June 30, 2016***

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	<u>2016</u>
<b>Assets</b>	
Interfund receivable	\$ 21,082
	<u>21,082</u>
<b>Fund Balances</b>	
Restricted	\$ 21,082
	<u>21,082</u>

**City of Statesboro, Georgia**  
**Tax Allocation District Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2016**

	<b>2016</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>				
Property taxes	\$ -	\$ 21,082	\$ 21,082	\$ -
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	<u>\$ 21,082</u>	21,082	<u>\$ -</u>
<b>Fund Balances Beginning of Year</b>			<u>-</u>	
<b>Fund Balances End of Year</b>			<u>\$ 21,082</u>	



## *Major Enterprise Funds*



City of Statesboro, Georgia  
Water and Sewer Operating Fund  
Comparative Statement of Net Position  
June 30, 2016 and 2015

	2016	2015
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 2,435,700	\$ 1,153,680
Receivables:		
Accounts	407,645	497,087
Unbilled accounts	572,985	691,967
Intergovernmental	-	708,595
Interfund	939,722	1,440,776
Materials and supplies inventory	247,246	264,928
Prepaid items	104,737	87,206
Restricted assets - Cash and cash equivalents	480,383	463,615
<b>Total Current Assets</b>	<b>5,188,418</b>	<b>5,307,854</b>
<b>Noncurrent Assets:</b>		
Net pension asset	-	126,900
<b>Restricted Assets:</b>		
Cash and cash equivalents	4,413,474	4,260,521
<b>Capital Assets:</b>		
Land	352,981	352,981
Buildings	1,182,881	1,163,881
Improvements other than buildings	68,227,476	64,092,473
Machinery and equipment	7,836,187	7,402,509
Less accumulated depreciation	(34,097,398)	(32,362,477)
Construction in progress	8,212,689	10,288,088
<b>Total Capital Assets</b>	<b>51,714,816</b>	<b>50,937,455</b>
<b>Total Noncurrent Assets</b>	<b>56,128,290</b>	<b>55,324,876</b>
<b>Total Assets</b>	<b>61,316,708</b>	<b>60,632,730</b>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	325,819	92,372
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	283,245	614,056
Accrued payroll	52,004	41,064
Accrued interest payable	140,406	146,095
Current portion of notes payable	183,199	175,540
Current portion of revenue bonds payable	520,000	500,000
Customer deposits	480,383	463,615
Compensated absences payable	28,234	29,193
Interfund payable	34,103	-
<b>Total Current Liabilities</b>	<b>1,721,574</b>	<b>1,969,563</b>
<b>Long-Term Liabilities:</b>		
Net pension obligation	154,673	-
Compensated absences payable (net of current portion)	112,934	116,774
Other post employment benefits payable	539,193	453,941
Notes payable (net of current portion)	2,705,434	2,888,676
Revenue bonds payable, net of unamortized premium (net of current portion)	11,885,633	12,418,209
<b>Total Long-Term Liabilities</b>	<b>15,397,867</b>	<b>15,877,600</b>
<b>Total Liabilities</b>	<b>17,119,441</b>	<b>17,847,163</b>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	121,664	164,237
<b>Net Position</b>		
Net investment in capital assets	38,528,109	37,315,358
Restricted for revenue bond retirement	791,206	791,247
Unrestricted	5,082,107	4,607,097
<b>Total Net Position</b>	<b>\$ 44,401,422</b>	<b>\$ 42,713,702</b>

City of Statesboro, Georgia  
*Water and Sewer Operating Fund*  
*Comparative Statement of Revenues,*  
*Expenses and Changes in Fund Net Position*  
*For The Years Ended June 30, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Water sales	\$ 4,349,954	\$ 4,282,985
Sewer charges	4,811,979	4,608,335
Penalties	129,402	132,265
Reconnecting charges	282,342	144,222
Service fees	306,209	325,973
Tap fees	702,935	731,575
Rental income	164,516	178,337
Miscellaneous	288	11,778
<b>Total Operating Revenues</b>	<u>10,747,625</u>	<u>10,415,470</u>
<b>Operating Expenses</b>		
Salaries	2,338,220	2,200,751
Employee benefits	803,750	920,982
Purchased services:		
Training	12,765	9,498
Dues and certification	4,959	12,212
Repairs and maintenance	420,358	406,592
Inspections	63,953	58,483
Contracted services	65,402	25,518
Laboratory services	20,936	24,330
Electricity	824,275	826,707
Telephone	59,101	55,302
Insurance	106,845	76,207
Equipment rental	8,217	5,095
Engineering fees	44,692	10,510
Tippage fees	155,087	169,209
Travel	24,082	26,362
Advertising	153	1,056
Postage	65,904	65,196
Materials and supplies:		
Uniforms	19,994	22,453
Materials and supplies	379,674	337,036
Chemicals	88,620	79,796
Gasoline, oil, etc.	55,935	67,014
Small equipment	18,146	33,538
Indirect cost allocation	923,027	942,586
Depreciation	1,786,495	1,775,375
Bad debts	6,877	20,262
Other	6,701	6,732
<b>Total Operating Expenses</b>	<u>8,304,168</u>	<u>8,178,802</u>
<b>Operating Income</b>	<u>2,443,457</u>	<u>2,236,668</u>
<b>Non-Operating Revenues (Expenses)</b>		
Intergovernmental	-	2,396,924
Investment earnings	315	344
Gain on sale of capital assets	5,321	-
Interest expense	(649,437)	(677,115)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(643,801)</u>	<u>1,720,153</u>
<b>Income Before Capital Contributions and Transfers</b>	1,799,656	3,956,821
Capital contributions	155,378	223,107
Transfers in	1,359,568	1,151,560
Transfers out	(1,626,882)	(1,567,310)
<b>Change in Net Position</b>	1,687,720	3,764,178
<b>Net Position Beginning of Year</b>	<u>42,713,702</u>	<u>38,949,524</u>
<b>Net Position End of Year</b>	<u>\$ 44,401,422</u>	<u>\$ 42,713,702</u>



City of Statesboro, Georgia  
Gas Operating Fund  
Comparative Statement of Net Position  
June 30, 2016 and 2015

	2016	2015
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 1,888,372	\$ 847,968
Receivables:		
Accounts	150,423	209,863
Unbilled accounts	159,186	259,509
Inventory	169,364	95,448
Prepaid items	34,263	31,195
Restricted assets - Cash and cash equivalents	101,405	102,530
<b>Total Current Assets</b>	<b>2,503,013</b>	<b>1,546,513</b>
<b>Noncurrent Assets:</b>		
Net pension asset	-	22,933
<b>Capital Assets:</b>		
Land	78,004	78,004
Buildings	317,389	317,389
Improvements other than buildings	6,199,528	4,995,019
Machinery and equipment	673,082	673,082
Less accumulated depreciation	(3,210,775)	(3,037,101)
Construction in progress	460,960	1,618,544
<b>Total Capital Assets</b>	<b>4,518,188</b>	<b>4,644,937</b>
<b>Total Noncurrent Assets</b>	<b>4,518,188</b>	<b>4,667,870</b>
<b>Total Assets</b>	<b>7,021,201</b>	<b>6,214,383</b>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	52,420	16,693
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	97,899	205,497
Accrued payroll	9,325	5,306
Accrued interest payable	1,353	1,556
Compensated absences payable	7,205	7,194
Sales tax payable	21,127	26,437
Customer deposits	101,405	102,530
Notes payable	28,179	27,349
<b>Total Current Liabilities</b>	<b>266,493</b>	<b>375,869</b>
<b>Long-Term Liabilities:</b>		
Net pension obligation	19,628	-
Compensated absences payable (net of current portion)	28,822	28,776
Other post employment benefits payable	89,603	75,552
Notes payable (net of current portion)	154,247	182,471
<b>Total Long-Term Liabilities</b>	<b>292,300</b>	<b>286,799</b>
<b>Total Liabilities</b>	<b>558,793</b>	<b>662,668</b>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	23,685	29,680
<b>Net Position</b>		
Net investment in capital assets	4,335,762	4,435,117
Unrestricted	2,155,381	1,103,611
<b>Total Net Position</b>	<b>\$ 6,491,143</b>	<b>\$ 5,538,728</b>

**City of Statesboro, Georgia**  
**Gas Operating Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Operating Revenues</b>		
Charges for services	\$ 4,383,486	\$ 5,112,192
Penalties	39,386	69,224
Reconnecting charges	6,079	4,085
Tap fees	12,809	4,816
Transport fees	26,364	29,877
Service fees	4,880	6,450
Miscellaneous	2,402	5,093
<b>Total Operating Revenues</b>	<b>4,475,406</b>	<b>5,231,737</b>
<b>Operating Expenses</b>		
Salaries	330,484	367,212
Employee benefits	139,694	120,169
Purchased Services:		
Training	-	150
Dues and certification	3,111	2,160
Repairs and maintenance	102,208	96,394
Contracted services	14,174	2,777
Electricity	14,890	11,813
Telephone	7,210	10,615
Insurance	29,662	21,904
Equipment rental	3,200	2,939
Engineering fees	3,500	7,654
Water heater program	20,485	13,859
Travel	9,576	9,490
Advertising	3,863	4,771
Postage	140	77
Franchise fee	6,994	8,303
Materials and supplies:		
Uniforms	4,097	4,543
Materials and supplies	84,183	68,684
Chemicals	716	-
Gasoline, oil, etc.	15,704	20,880
Small equipment	8,919	7,944
Cost of sales	1,610,413	2,431,287
Indirect cost allocation	131,119	166,023
Depreciation	173,674	160,660
Bad debts	5,849	7,848
Other	1,450	2,061
<b>Total Operating Expenses</b>	<b>2,725,315</b>	<b>3,550,217</b>
<b>Operating Income</b>	<b>1,750,091</b>	<b>1,681,520</b>
<b>Non-Operating Revenues (Expenses)</b>		
Gain on sale of assets	30	-
Interest expense	(5,741)	(6,596)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(5,711)</b>	<b>(6,596)</b>
<b>Income Before Transfers</b>	<b>1,744,380</b>	<b>1,674,924</b>
Transfers in	83,035	427,180
Transfers out	(875,000)	(875,000)
<b>Change in Net Position</b>	<b>952,415</b>	<b>1,227,104</b>
<b>Net Position Beginning of Year</b>	<b>5,538,728</b>	<b>4,311,624</b>
<b>Net Position End of Year</b>	<b>\$ 6,491,143</b>	<b>\$ 5,538,728</b>

**City of Statesboro, Georgia**  
**Solid Waste Collection Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 598,224	\$ 363,141
Receivables:		
Accounts	159,832	139,908
Unbilled accounts	177,061	282,122
Prepaid items	33,269	24,310
Restricted assets - Cash and cash equivalents	151,799	135,106
<b>Total Current Assets</b>	<u>1,120,185</u>	<u>944,587</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>-</u>	<u>35,752</u>
<b>Capital Assets:</b>		
Buildings	237,820	74,602
Machinery and equipment	4,719,682	4,560,769
Less accumulated depreciation	<u>(3,044,240)</u>	<u>(2,782,814)</u>
<b>Total Capital Assets</b>	<u>1,913,262</u>	<u>1,852,557</u>
<b>Total Noncurrent Assets</b>	<u>1,913,262</u>	<u>1,888,309</u>
<b>Total Assets</b>	<u>3,033,447</u>	<u>2,832,896</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	<u>88,183</u>	<u>26,025</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	11,809	131,727
Accrued payroll	14,585	10,437
Compensated absences payable	8,181	7,348
Customer deposits	151,799	135,106
<b>Total Current Liabilities</b>	<u>186,374</u>	<u>284,618</u>
<b>Long-Term Liabilities:</b>		
Net pension obligation	38,297	-
Compensated absences payable (net of current portion)	32,722	29,394
Other post employment benefits payable	<u>135,092</u>	<u>110,094</u>
<b>Total Long-Term Liabilities</b>	<u>206,111</u>	<u>139,488</u>
<b>Total Liabilities</b>	<u>392,485</u>	<u>424,106</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	<u>35,842</u>	<u>46,272</u>
<b>Net Position</b>		
Net investment in capital assets	1,913,262	1,852,557
Unrestricted	<u>780,041</u>	<u>535,986</u>
<b>Total Net Position</b>	<u>\$ 2,693,303</u>	<u>\$ 2,388,543</u>

**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, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Operating Revenues</b>		
Sanitation charges	\$ 3,463,218	\$ 3,461,124
Penalties	45,060	48,661
Miscellaneous	4,268	6,660
<b>Total Operating Revenues</b>	<b>3,512,546</b>	<b>3,516,445</b>
<b>Operating Expenses</b>		
Salaries	574,984	572,484
Employee benefits	297,941	301,643
Purchases services:		
Training	2,608	1,804
Dues and certification	589	545
Repairs and maintenance	351,543	291,069
Contracted services	2,107	-
Electricity	3,020	5,975
Telephone	11,125	12,610
Insurance	31,314	21,636
Tippage fees	812,205	840,300
Travel	3,419	475
Advertising	2,424	1,668
Materials and supplies:		
Uniforms	8,840	6,813
Materials and supplies	4,192	3,828
Gasoline, oil, etc.	98,175	119,478
Chemicals	3,334	2,360
Indirect cost allocation	157,855	158,020
Depreciation	466,763	446,291
Bad debts	4,759	20,419
Other	5,589	3,743
<b>Total Operating Expenses</b>	<b>2,842,786</b>	<b>2,811,161</b>
<b>Operating Income</b>	<b>669,760</b>	<b>705,284</b>
<b>Non-Operating Revenues (Expenses)</b>		
Intergovernmental	-	76,241
Gain on sale of capital assets	-	7,919
<b>Income Before Transfers</b>	<b>669,760</b>	<b>789,444</b>
Transfers in	295,000	282,474
Transfers out	(660,000)	(1,005,000)
<b>Change in Net Position</b>	<b>304,760</b>	<b>66,918</b>
<b>Net Position Beginning of Year</b>	<b>2,388,543</b>	<b>2,321,625</b>
<b>Net Position End of Year</b>	<b>\$ 2,693,303</b>	<b>\$ 2,388,543</b>

**City of Statesboro, Georgia**  
**Solid Waste Disposal Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 103,048	\$ 66,864
Receivables:		
Accounts	40,894	60,824
Unbilled accounts	186,081	195,557
Prepaid items	25,896	20,411
<b>Total Current Assets</b>	<u>355,919</u>	<u>343,656</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>-</u>	<u>15,845</u>
<b>Capital Assets:</b>		
Land	123,425	123,425
Buildings	1,422,415	1,349,350
Improvements other than buildings	269,757	264,814
Infrastructure	225,697	225,697
Machinery and equipment	1,988,539	1,721,781
Less accumulated depreciation	<u>(1,901,052)</u>	<u>(1,767,253)</u>
<b>Total Capital Assets</b>	<u>2,128,781</u>	<u>1,917,814</u>
<b>Total Noncurrent Assets</b>	<u>2,128,781</u>	<u>1,933,659</u>
<b>Total Assets</b>	<u>2,484,700</u>	<u>2,277,315</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	<u>39,759</u>	<u>11,535</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	16,402	42,208
Accrued payroll	7,185	4,770
Compensated absences payable	4,095	4,151
Interfund payable	178,880	-
Landfill postclosure care costs	<u>167,000</u>	<u>167,000</u>
<b>Total Current Liabilities</b>	<u>373,562</u>	<u>218,129</u>
<b>Long-Term Liabilities:</b>		
Net pension obligation	17,778	-
Compensated absences payable	16,381	16,602
Other post employment benefits payable	67,197	57,185
Landfill postclosure care costs (net of current portion)	<u>1,469,057</u>	<u>1,578,872</u>
<b>Total Long-Term Liabilities</b>	<u>1,570,413</u>	<u>1,652,659</u>
<b>Total Liabilities</b>	<u>1,943,975</u>	<u>1,870,788</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	<u>15,771</u>	<u>20,507</u>
<b>Net Position</b>		
Net investment in capital assets	2,128,781	1,917,814
Unrestricted	<u>(1,564,068)</u>	<u>(1,520,259)</u>
<b>Total Net Position</b>	<u>\$ 564,713</u>	<u>\$ 397,555</u>

**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, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Tippage fees	\$ 2,156,940	\$ 2,296,446
Penalties	19,312	27,219
Miscellaneous	-	461
<b>Total Operating Revenues</b>	<u>2,176,252</u>	<u>2,324,126</u>
<b>Operating Expenses</b>		
Salaries	261,079	253,718
Employee benefits	135,463	133,734
Purchased services:		
Training	920	1,880
Dues and certification	841	750
Repairs and maintenance	86,008	84,600
Contracted services	6,132	11,782
Electricity	7,748	9,794
Telephone	4,206	9,128
Insurance	25,184	26,754
Equipment rental	963	249
Transportation and disposal	635,004	711,872
Air rights	1,152,127	1,318,128
Advertising	120	299
Waste reduction	16,660	25,328
Enforcement and monitoring	122,000	113,333
Travel	651	1,146
Materials and supplies:		
Uniforms	3,886	4,411
Materials and supplies	12,413	8,911
Gasoline, oil, etc.	24,114	32,670
Chemicals	659	488
Depreciation	257,504	214,698
Bad debts	22,935	-
Miscellaneous	1,069	(553)
<b>Total Operating Expenses</b>	<u>2,777,686</u>	<u>2,963,120</u>
<b>Operating (Loss)</b>	<u>(601,434)</u>	<u>(638,994)</u>
<b>Non-Operating Revenues</b>		
Gain on sale of capital assets	66,937	27,465
<b>Total Non-Operating Revenues</b>	<u>66,937</u>	<u>27,465</u>
<b>Loss before Transfers</b>	(534,497)	(611,529)
Transfers in	965,655	1,335,741
Transfers out	(264,000)	(256,000)
<b>Change in Net Position</b>	167,158	468,212
<b>Net Position Beginning of Year</b>	<u>397,555</u>	<u>(70,657)</u>
<b>Net Position End of Year</b>	<u>\$ 564,713</u>	<u>\$ 397,555</u>



*Nonmajor Enterprise Funds*





**City of Statesboro, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2016**

	<b>Reclaimed Water System</b>	<b>Stormwater</b>	<b>Total</b>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 45,160	\$ 135,626	\$ 180,786
Accounts receivable	3,454	32,863	36,317
Prepaid items	90	2,194	2,284
<b>Total Current Assets</b>	<b>48,704</b>	<b>170,683</b>	<b>219,387</b>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Construction in progress	-	72,227	72,227
Depreciable capital assets, net	848,818	534,807	1,383,625
<b>Total Noncurrent Assets</b>	<b>848,818</b>	<b>607,034</b>	<b>1,455,852</b>
<b>Total Assets</b>	<b>897,522</b>	<b>777,717</b>	<b>1,675,239</b>
<b>Deferred Outflows of Resources</b>			
Resources related to pensions	-	20,259	20,259
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	422	1,715	2,137
Accrued payroll	-	5,842	5,842
Compensated absences payable	-	1,687	1,687
Interfund payable	-	1,354	1,354
<b>Total Current Liabilities</b>	<b>422</b>	<b>10,598</b>	<b>11,020</b>
<b>Long-Term Liabilities:</b>			
Net pension obligation	-	20,666	20,666
Compensated absences payable (net of current portion)	-	6,748	6,748
Other post employment benefits payable	-	8,312	8,312
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>35,726</b>	<b>35,726</b>
<b>Total Liabilities</b>	<b>422</b>	<b>46,324</b>	<b>46,746</b>
<b>Net Position</b>			
Net investment in capital assets	848,818	607,034	1,455,852
Unrestricted	48,282	144,618	192,900
<b>Total Net Position</b>	<b>\$ 897,100</b>	<b>\$ 751,652</b>	<b>\$ 1,648,752</b>

**City of Statesboro, Georgia**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2016**

	<b>Reclaimed Water System</b>	<b>Stormwater</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for services	\$ 52,252	\$ 905,185	\$ 957,437
Miscellaneous	-	288	288
<b>Total Operating Revenues</b>	<b>52,252</b>	<b>905,473</b>	<b>957,725</b>
<b>Operating Expenses</b>			
Salaries	-	163,622	163,622
Employee benefits	-	93,469	93,469
Purchased services	4,264	48,342	52,606
Materials and supplies	1,630	32,709	34,339
Depreciation	18,691	51,675	70,366
Other	-	35	35
<b>Total Operating Expenses</b>	<b>24,585</b>	<b>389,852</b>	<b>414,437</b>
<b>Operating Income</b>	<b>27,667</b>	<b>515,621</b>	<b>543,288</b>
<b>Non-Operating Revenues (Expenses)</b>			
Gain on sale of capital assets	-	34,600	34,600
<b>Total Non-Operating Revenues (Expenses)</b>	<b>-</b>	<b>34,600</b>	<b>34,600</b>
<b>Income before Transfers</b>	<b>27,667</b>	<b>550,221</b>	<b>577,888</b>
Transfers in	-	201,431	201,431
<b>Change in Net Position</b>	<b>27,667</b>	<b>751,652</b>	<b>779,319</b>
<b>Net Position Beginning of Year</b>	<b>869,433</b>	<b>-</b>	<b>869,433</b>
<b>Net Position End of Year</b>	<b>\$ 897,100</b>	<b>\$ 751,652</b>	<b>\$ 1,648,752</b>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2016**

	<b>Reclaimed Water System</b>	<b>Stormwater</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Cash received from customers	\$ 56,629	\$ 872,610	\$ 929,239
Cash payments to employees for services	-	(234,095)	(234,095)
Cash payments for goods and services	(6,046)	(81,565)	(87,611)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>50,583</u>	<u>556,950</u>	<u>607,533</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Advances from (to) other funds	(5,423)	1,354	(4,069)
Transfers in (out)	-	-	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>(5,423)</u>	<u>1,354</u>	<u>(4,069)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Proceeds from sale of capital assets	-	34,600	34,600
Transfers in from capital projects funds	-	201,431	201,431
Payments for capital acquisitions	-	(658,709)	(658,709)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>-</u>	<u>(422,678)</u>	<u>(422,678)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	45,160	135,626	180,786
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 45,160</u>	<u>\$ 135,626</u>	<u>\$ 180,786</u>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2016**

	<u>Reclaimed Water System</u>	<u>Stormwater</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>			
<b>Operating Income (Loss)</b>	\$ 27,667	\$ 515,621	\$ 543,288
<b>Adjustments:</b>			
Depreciation	18,691	51,675	70,366
<b>(Increase) Decrease in Assets and Deferred</b>			
<b>Outflows of Resources:</b>			
Accounts receivable	4,377	(32,863)	(28,486)
Prepaid items	26	(2,194)	(2,168)
Deferred outflows related to pensions	-	(20,259)	(20,259)
<b>Increase (Decrease) in Liabilities and Deferred</b>			
<b>Inflows of Resources:</b>			
Accounts payable	(178)	1,715	1,537
Accrued payroll	-	5,842	5,842
Compensated absences payable	-	8,435	8,435
Other post employment benefits payable	-	8,312	8,312
Net pension obligation	-	20,666	20,666
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 50,583</u>	<u>\$ 556,950</u>	<u>\$ 607,533</u>

**City of Statesboro, Georgia**  
**Reclaimed Water System Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 45,160	\$ -
Accounts receivable	3,454	7,831
Prepaid insurance	90	116
<b>Total Current Assets</b>	<u>48,704</u>	<u>7,947</u>
<b>Capital Assets:</b>		
Improvements other than buildings	934,580	934,580
Less accumulated depreciation	(85,762)	(67,071)
<b>Total Capital Assets</b>	<u>848,818</u>	<u>867,509</u>
<b>Total Assets</b>	<u>897,522</u>	<u>875,456</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	422	600
Interfund payable	-	5,423
<b>Total Current Liabilities</b>	<u>422</u>	<u>6,023</u>
<b>Net Position</b>		
Net investment in capital assets	848,818	867,509
Unrestricted	48,282	1,924
<b>Total Net Position</b>	<u>\$ 897,100</u>	<u>\$ 869,433</u>

**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, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Charges for services	\$ 52,252	\$ 43,560
<b>Operating Expenses</b>		
Purchased services:		
Insurance	134	23
Electricity	3,590	18,897
Engineering	428	-
Advertising	112	-
Materials and supplies:		
Parts and materials	-	128
Chemicals	1,630	2,405
Depreciation	18,691	18,692
<b>Total Operating Expenses</b>	<u>24,585</u>	<u>40,145</u>
<b>Change in Net Position</b>	27,667	3,415
<b>Net Position Beginning of Year</b>	<u>869,433</u>	<u>866,018</u>
<b>Net Position End of Year</b>	<u>\$ 897,100</u>	<u>\$ 869,433</u>

**City of Statesboro, Georgia**  
**Stormwater Operating Fund**  
**Statement of Net Position**  
**June 30, 2016**

	<b>2016</b>
<b>Assets</b>	
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 135,626
Accounts receivable	32,863
Prepaid items	2,194
<b>Total Current Assets</b>	<b>170,683</b>
 <b>Capital Assets:</b>	
Machinery and equipment	1,121,911
Less accumulated depreciation	(587,104)
Construction in progress	72,227
<b>Total Capital Assets</b>	<b>607,034</b>
 <b>Total Assets</b>	<b>777,717</b>
 <b>Deferred Outflows of Resources</b>	
Resources related to pensions	20,259
 <b>Liabilities</b>	
<b>Current Liabilities:</b>	
Accounts payable	1,715
Accrued payroll	5,842
Compensated absences payable	1,687
Interfund payable	1,354
<b>Total Current Liabilities</b>	<b>10,598</b>
 <b>Long-Term Liabilities:</b>	
Net pension obligation	20,666
Compensated absences payable (net of current portion)	6,748
Other post employment benefits payable	8,312
<b>Total Long-Term Liabilities</b>	<b>35,726</b>
 <b>Total Liabilities</b>	<b>46,324</b>
 <b>Net Position</b>	
Net investment in capital assets	607,034
Unrestricted	144,618
<b>Total Net Position</b>	<b>\$ 751,652</b>

**City of Statesboro, Georgia**  
**Stormwater Operating Fund**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Year Ended June 30, 2016**

	<b>2016</b>
<b>Operating Revenues</b>	
Charges for services	\$ 892,852
Penalties	12,029
Service fees	304
Miscellaneous	288
<b>Total Operating Revenues</b>	<b>905,473</b>
<b>Operating Expenses</b>	
Salaries	163,622
Employee benefits	93,469
Purchased Services:	
Training	549
Dues and certification	232
Repairs and maintenance	37,975
Contracted services	2,824
Telephone	1,543
Insurance	252
Tippage fees	3,224
Travel	238
Advertising	1,505
Materials and supplies:	
Uniforms	678
Materials and supplies	20,107
Gasoline, oil, etc.	4,277
Small equipment	7,647
Depreciation	51,675
Other	35
<b>Total Operating Expenses</b>	<b>389,852</b>
<b>Operating Income</b>	<b>515,621</b>
<b>Non-Operating Revenues</b>	
Gain on sale of capital assets	34,600
<b>Income Before Transfers</b>	<b>550,221</b>
Transfers in	201,431
<b>Change in Net Position</b>	<b>751,652</b>
<b>Net Position Beginning of Year</b>	<b>-</b>
<b>Net Position End of Year</b>	<b>\$ 751,652</b>





*Internal Service Funds*



City of Statesboro, Georgia  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2016

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Central Services	Total
<b>Assets</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ 963,917	\$ 18,776	\$ 62,032	\$ 63,852	\$ 6,000	\$ 1,114,577
Accounts receivable	-	-	83,956	-	-	83,956
Inventory	-	184,170	-	-	-	184,170
Prepaid items	-	7,662	-	-	12,986	20,648
<b>Total Current Assets</b>	<b>963,917</b>	<b>210,608</b>	<b>145,988</b>	<b>63,852</b>	<b>18,986</b>	<b>1,403,351</b>
<b>Noncurrent Assets:</b>						
<b>Capital Assets:</b>						
Construction in progress	-	-	-	-	229,063	229,063
Depreciable capital assets, net	-	655,960	-	-	263,473	919,433
<b>Total Capital Assets</b>	<b>-</b>	<b>655,960</b>	<b>-</b>	<b>-</b>	<b>492,536</b>	<b>1,148,496</b>
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>655,960</b>	<b>-</b>	<b>-</b>	<b>492,536</b>	<b>1,148,496</b>
<b>Total Assets</b>	<b>963,917</b>	<b>866,568</b>	<b>145,988</b>	<b>63,852</b>	<b>511,522</b>	<b>2,551,847</b>
<b>Deferred Outflows of Resources</b>						
Resources related to pensions	-	42,031	-	-	41,299	83,330
<b>Liabilities</b>						
<b>Current Liabilities:</b>						
Accounts payable	-	53,678	-	100	6,206	59,984
Accrued payroll	-	7,730	-	-	8,713	16,443
Claims payable	622,000	-	50,000	-	-	672,000
Compensated absences payable	-	4,930	-	-	3,106	8,036
Capital lease payable	-	23,812	-	-	-	23,812
Interfund payable	-	219,437	-	40,000	259,516	518,953
<b>Total Current Liabilities</b>	<b>622,000</b>	<b>309,587</b>	<b>50,000</b>	<b>40,100</b>	<b>277,541</b>	<b>1,299,228</b>
<b>Long-Term Liabilities</b>						
Capital lease payable (net of current portion)	-	71,436	-	-	-	71,436
Compensated absences payable (net of current portion)	-	19,720	-	-	12,424	32,144
Other post employment benefits payable	-	64,730	-	-	44,134	108,864
Net pension obligation	-	21,115	-	-	17,125	38,240
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>177,001</b>	<b>-</b>	<b>-</b>	<b>73,683</b>	<b>250,684</b>
<b>Total Liabilities</b>	<b>622,000</b>	<b>486,588</b>	<b>50,000</b>	<b>40,100</b>	<b>351,224</b>	<b>1,549,912</b>
<b>Deferred Inflows of Resources</b>						
Resources related to pensions	-	14,912	-	-	17,399	32,311
<b>Net Position</b>						
Net investment in capital assets	-	560,712	-	-	492,536	1,053,248
Unrestricted	341,917	(153,613)	95,988	23,752	(308,338)	(294)
<b>Total Net Position</b>	<b>\$ 341,917</b>	<b>\$ 407,099</b>	<b>\$ 95,988</b>	<b>\$ 23,752</b>	<b>\$ 184,198</b>	<b>\$ 1,052,954</b>

City of Statesboro, Georgia  
Combining Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Internal Service Funds  
For the Year Ended June 30, 2016

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Central Services	Total
<b>Operating Revenues</b>						
Charges for services	\$ 3,545,246	\$ 1,131,762	\$ 144,620	\$ 17,959	\$ 683,120	\$ 5,522,707
<b>Total Operating Revenues</b>	<u>3,545,246</u>	<u>1,131,762</u>	<u>144,620</u>	<u>17,959</u>	<u>683,120</u>	<u>5,522,707</u>
<b>Operating Expenses</b>						
Salaries	-	284,374	-	-	266,364	550,738
Employee benefits	-	88,379	-	-	66,370	154,749
Purchased services	-	180,814	89,866	7,930	283,396	562,006
Materials and supplies	-	33,789	-	4,077	92,747	130,613
Cost of sales	-	462,259	-	-	-	462,259
Depreciation	-	47,353	-	-	7,528	54,881
Claims and administrative fees	4,121,016	-	108,762	-	-	4,229,778
Miscellaneous	-	767	-	76	174	1,017
<b>Total Operating Expenses</b>	<u>4,121,016</u>	<u>1,097,735</u>	<u>198,628</u>	<u>12,083</u>	<u>716,579</u>	<u>6,146,041</u>
<b>Operating Income (Loss)</b>	(575,770)	34,027	(54,008)	5,876	(33,459)	(623,334)
<b>Non-Operating Revenue</b>						
Gain on sale of capital assets	-	9,060	-	-	-	9,060
<b>Income (Loss) before Transfers</b>	(575,770)	43,087	(54,008)	5,876	(33,459)	(614,274)
Transfers in	-	-	-	-	113,494	113,494
Transfers out	-	-	-	(40,000)	-	(40,000)
<b>Change in Net Position</b>	(575,770)	43,087	(54,008)	(34,124)	80,035	(540,780)
<b>Net Position Beginning of Year</b>	<u>917,687</u>	<u>364,012</u>	<u>149,996</u>	<u>57,876</u>	<u>104,163</u>	<u>1,593,734</u>
<b>Net Position End of Year</b>	<u>\$ 341,917</u>	<u>\$ 407,099</u>	<u>\$ 95,988</u>	<u>\$ 23,752</u>	<u>\$ 184,198</u>	<u>\$ 1,052,954</u>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2016**

	<b>Health Insurance</b>	<b>Fleet Management</b>	<b>Workers Compensation</b>	<b>Wellness Program</b>	<b>Central Services</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>						
Cash received from customers	\$ 3,545,246	\$ 1,131,762	\$ 144,620	\$ 17,959	\$ 683,120	\$ 5,522,707
Cash payments to employees for services	-	(357,656)	-	-	(311,421)	(669,077)
Cash payments for goods and services	-	(717,910)	-	(11,983)	(363,125)	(1,093,018)
Cash payments for claims and administrative fees	(3,931,178)	-	(82,588)	-	-	(4,013,766)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(385,932)</b>	<b>56,196</b>	<b>62,032</b>	<b>5,976</b>	<b>8,574</b>	<b>(253,154)</b>
<b>Cash Flows from Noncapital Financing Activities</b>						
Advances from (to) other funds	-	(139,504)	-	-	203,971	64,467
Transfers in (out)	-	-	-	-	-	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>-</b>	<b>(139,504)</b>	<b>-</b>	<b>-</b>	<b>203,971</b>	<b>64,467</b>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Proceeds from sale of capital assets	-	9,060	-	-	-	9,060
Proceeds from capital lease	-	119,060	-	-	-	119,060
Payments on capital lease	-	(23,812)	-	-	-	(23,812)
Transfers in from capital projects funds	-	-	-	-	113,494	113,494
Purchases of capital assets	-	(17,250)	-	-	(323,789)	(341,039)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>-</b>	<b>87,058</b>	<b>-</b>	<b>-</b>	<b>(210,295)</b>	<b>(123,237)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(385,932)</b>	<b>3,750</b>	<b>62,032</b>	<b>5,976</b>	<b>2,250</b>	<b>(311,924)</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>1,349,849</b>	<b>15,026</b>	<b>-</b>	<b>57,876</b>	<b>3,750</b>	<b>1,426,501</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 963,917</b>	<b>\$ 18,776</b>	<b>\$ 62,032</b>	<b>\$ 63,852</b>	<b>\$ 6,000</b>	<b>\$ 1,114,577</b>

City of Statesboro, Georgia  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2016

	<u>Health Insurance</u>	<u>Fleet Management</u>	<u>Workers Compensation</u>	<u>Wellness Program</u>	<u>Central Services</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>						
<b>Operating Income (Loss)</b>	\$ (575,770)	\$ 34,027	\$ (54,008)	\$ 5,876	\$ (33,459)	\$ (623,334)
<b>Adjustments:</b>						
Depreciation	-	47,353	-	-	7,528	54,881
<b>(Increase) Decrease in Assets and Deferred Outflows of Resources:</b>						
Accounts receivable	-	-	(83,956)	-	-	(83,956)
Materials and supplies inventory	-	(26,231)	-	-	-	(26,231)
Prepaid items	-	(2,982)	173,822	-	29,118	199,958
Deferred outflows related to pensions	-	(30,742)	-	-	(28,795)	(59,537)
<b>Increase (Decrease) in Liabilities and Deferred Inflows of Resources:</b>						
Accounts payable	(18,255)	(11,068)	-	100	(15,926)	(45,149)
Accrued payroll	-	3,379	-	-	4,048	7,427
Claims payable	208,093	-	26,174	-	-	234,267
Compensated absences payable	-	816	-	-	7,353	8,169
Other post employment benefits payable	-	10,180	-	-	9,236	19,416
Net pension asset/obligation	-	36,623	-	-	34,303	70,926
Deferred inflows related to pensions	-	(5,159)	-	-	(4,832)	(9,991)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ (385,932)</u>	<u>\$ 56,196</u>	<u>\$ 62,032</u>	<u>\$ 5,976</u>	<u>\$ 8,574</u>	<u>\$ (253,154)</u>

**City of Statesboro, Georgia**  
**Health Insurance Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 963,917	\$ 1,349,849
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Claims payable	622,000	413,907
Accounts payable	-	18,255
<b>Total Current Liabilities</b>	<u>622,000</u>	<u>432,162</u>
<b>Net Position</b>		
Unrestricted	<u>\$ 341,917</u>	<u>\$ 917,687</u>

**City of Statesboro, Georgia**  
**Health Insurance Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Premiums - City and employees	\$ 3,545,246	\$ 3,811,108
<b>Operating Expenses</b>		
Claims and administrative fees	4,121,016	3,592,253
<b>Change in Net Position</b>	(575,770)	218,855
<b>Net Position Beginning of Year</b>	917,687	698,832
<b>Net Position End of Year</b>	<u>\$ 341,917</u>	<u>\$ 917,687</u>



**City of Statesboro, Georgia**  
**Fleet Management Fund**  
**Comparative Statement of Net Position**  
**June 30, 2015 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 18,776	\$ 15,026
Lease receivable	-	119,060
Inventory	184,170	157,939
Prepaid items	7,662	4,680
<b>Total Current Assets</b>	<b>210,608</b>	<b>296,705</b>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	-	15,508
<b>Capital Assets:</b>		
Buildings	540,085	529,585
Equipment	468,838	464,488
Less accumulated depreciation	(352,963)	(308,010)
<b>Total Capital Assets</b>	<b>655,960</b>	<b>686,063</b>
<b>Total Noncurrent Assets</b>	<b>655,960</b>	<b>701,571</b>
<b>Total Assets</b>	<b>866,568</b>	<b>998,276</b>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	42,031	11,289
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	53,678	64,746
Accrued payroll	7,730	4,351
Compensated absences payable	4,930	4,767
Capital lease payable	23,812	23,812
Interfund payable	219,437	358,941
<b>Total Current Liabilities</b>	<b>309,587</b>	<b>456,617</b>
<b>Long-Term Liabilities</b>		
Net pension obligation	21,115	-
Capital leases payable (net of current portion)	71,436	95,248
Compensated absences payable (net of current portion)	19,720	19,067
Other post employment benefits payable	64,730	54,550
<b>Total Long-Term Liabilities</b>	<b>177,001</b>	<b>168,865</b>
<b>Total Liabilities</b>	<b>486,588</b>	<b>625,482</b>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	14,912	20,071
<b>Net Position</b>		
Net investment in capital assets	560,712	567,003
Unrestricted	(153,613)	(202,991)
<b>Total Net Position</b>	<b>\$ 407,099</b>	<b>\$ 364,012</b>

**City of Statesboro, Georgia**  
**Fleet Management Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Parts sales and labor charges	\$ 1,131,762	\$ 937,584
Miscellaneous	-	1,901
<b>Total Operating Revenues</b>	<u>1,131,762</u>	<u>939,485</u>
<b>Operating Expenses</b>		
Salaries	284,374	248,328
Employee benefits	88,379	105,865
Purchased services:		
Training	7,990	7,110
Dues and certification	155	293
Repairs and maintenance	20,853	27,728
Contracted services	119,729	71,447
Electricity	15,618	18,127
Telephone	2,677	2,587
Advertising	693	1,801
Insurance	6,062	3,612
Equipment rental	741	1,111
Travel	6,296	6,322
Materials and supplies:		
Uniforms	2,771	2,463
Materials and supplies	24,633	19,341
Gasoline, oil, etc.	6,385	6,813
Cost of sales	462,259	400,216
Depreciation	47,353	23,883
Miscellaneous	767	4,544
<b>Total Operating Expenses</b>	<u>1,097,735</u>	<u>951,591</u>
<b>Operating Income (Loss)</b>	34,027	(12,106)
<b>Non-Operating Revenues</b>		
Gain on sale of capital assets	9,060	2,052
<b>Income (Loss) before Transfers</b>	43,087	(10,054)
Transfers in	-	345,000
<b>Change in Net Position</b>	43,087	334,946
<b>Net Position Beginning of Year</b>	<u>364,012</u>	<u>29,066</u>
<b>Net Position End of Year</b>	<u>\$ 407,099</u>	<u>\$ 364,012</u>

**City of Statesboro, Georgia**  
**Workers Compensation Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 62,032	\$ -
Accounts receivable	83,956	-
Prepaid insurance	-	173,822
	<u>145,988</u>	<u>173,822</u>
<b>Total Current Assets</b>	<u>145,988</u>	<u>173,822</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Claims payable	<u>50,000</u>	<u>23,826</u>
<b>Net Position</b>		
Unrestricted	<u>\$ 95,988</u>	<u>\$ 149,996</u>

**City of Statesboro, Georgia**  
**Workers Compensation Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Premiums	\$ 144,620	\$ 552,702
<b>Operating Expenses</b>		
Premiums	89,866	306,163
Claims	108,762	189,796
<b>Total Operating Expenses</b>	<u>198,628</u>	<u>495,959</u>
<b>Change in Net Position</b>	(54,008)	56,743
<b>Net Position Beginning of Year</b>	<u>149,996</u>	<u>93,253</u>
<b>Net Position End of Year</b>	<u>\$ 95,988</u>	<u>\$ 149,996</u>

**City of Statesboro, Georgia**  
**Wellness Program Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	<u>\$ 63,852</u>	<u>\$ 57,876</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	100	-
Interfund payable	<u>40,000</u>	<u>-</u>
<b>Total Current Liabilities</b>	<u>40,100</u>	<u>-</u>
<b>Net Position</b>		
Unrestricted	<u>\$ 23,752</u>	<u>\$ 57,876</u>

**City of Statesboro, Georgia**  
**Wellness Program Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Year Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Wellness dues	\$ 17,959	\$ 17,760
<b>Operating Expenses</b>		
Dues and certifications	7,830	-
Repairs and maintenance	100	965
Small equipment	4,077	-
Miscellaneous	76	-
<b>Total Operating Expenses</b>	<u>12,083</u>	<u>965</u>
<b>Income before Transfers</b>	5,876	16,795
Transfers out	<u>(40,000)</u>	<u>-</u>
<b>Change in Net Position</b>	(34,124)	16,795
<b>Net Position Beginning of Year</b>	<u>57,876</u>	<u>41,081</u>
<b>Net Position End of Year</b>	<u><u>\$ 23,752</u></u>	<u><u>\$ 57,876</u></u>

**City of Statesboro, Georgia**  
**Central Services Fund**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 6,000	\$ 3,750
Prepaid items	12,986	42,104
<b>Total Current Assets</b>	<u>18,986</u>	<u>45,854</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>-</u>	<u>17,178</u>
<b>Capital Assets:</b>		
Improvements other than buildings	271,001	-
Less accumulated depreciation	(7,528)	-
Construction in progress	229,063	176,275
<b>Total Capital Assets</b>	<u>492,536</u>	<u>176,275</u>
<b>Total Noncurrent Assets</b>	<u>492,536</u>	<u>193,453</u>
<b>Total Assets</b>	<u>511,522</u>	<u>239,307</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	41,299	12,504
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	6,206	22,132
Accrued payroll	8,713	4,665
Compensated absences payable	3,106	1,635
Interfund payable	259,516	55,545
<b>Total Current Liabilities</b>	<u>277,541</u>	<u>83,977</u>
<b>Long-Term Liabilities</b>		
Net pension obligation	17,125	-
Compensated absences payable (net of current portion)	12,424	6,542
Other post employment benefits payable	44,134	34,898
<b>Total Long-Term Liabilities</b>	<u>73,683</u>	<u>41,440</u>
<b>Total Liabilities</b>	<u>351,224</u>	<u>125,417</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	17,399	22,231
<b>Net Position</b>		
Net investment in capital assets	492,536	176,275
Unrestricted	(308,338)	(72,112)
<b>Total Net Position</b>	<u>\$ 184,198</u>	<u>\$ 104,163</u>

**City of Statesboro, Georgia**  
**Central Services Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Indirect costs for GIS	\$ 125,000	\$ 165,000
Device/User Charges	558,120	521,040
<b>Total Operating Revenues</b>	<u>683,120</u>	<u>686,040</u>
<b>Operating Expenses</b>		
Salaries	266,364	275,067
Employee benefits	66,370	103,878
Purchased services:		
Training	7,264	6,561
Travel	1,904	2,068
Dues and certification	587	3,090
Repairs and maintenance	2,470	2,773
Contracted services	220,798	213,458
Electricity	1,376	-
Telephone	41,275	47,634
Advertising	1,041	308
Insurance	6,681	5,517
Materials and supplies:		
Materials and supplies	91,313	77,519
Gasoline, oil, etc.	293	725
Small equipment	1,141	690
Depreciation	7,528	-
Other	174	96
<b>Total Operating Expenses</b>	<u>716,579</u>	<u>739,384</u>
<b>Operating Income (Loss)</b>	(33,459)	(53,344)
Transfers in	113,494	157,507
<b>Change in Net Position</b>	80,035	104,163
<b>Net Position Beginning of Year</b>	<u>104,163</u>	<u>-</u>
<b>Net Position End of Year</b>	<u>\$ 184,198</u>	<u>\$ 104,163</u>





*Downtown Statesboro Development  
Authority*



**City of Statesboro, Georgia**  
**Downtown Statesboro Development Authority**  
**Comparative Statement of Net Position**  
**June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 516,808	\$ 505,712
Intergovernmental receivable	15,721	28,043
Note receivable	42,503	44,662
Other receivable	7,000	-
Prepaid items	2,481	3,039
<b>Total Current Assets</b>	<u>584,513</u>	<u>581,456</u>
<b>Noncurrent Assets:</b>		
<b>Capital Assets:</b>		
Improvements other than buildings	-	12,552
Equipment	15,613	5,676
Less accumulated depreciation	(2,176)	(9,373)
Construction in progress	81,956	-
<b>Total Capital Assets</b>	<u>95,393</u>	<u>8,855</u>
<b>Total Assets</b>	<u>679,906</u>	<u>590,311</u>
<b>Liabilities</b>		
Accrued payroll and payroll taxes	3,253	2,509
Accounts payable	1,691	3,167
<b>Total Liabilities</b>	<u>4,944</u>	<u>5,676</u>
<b>Net Position</b>		
Net investment in capital assets	95,393	8,855
Unrestricted	579,569	575,780
<b>Total Net Position</b>	<u>\$ 674,962</u>	<u>\$ 584,635</u>

**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, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Intergovernmental:		
City of Statesboro	\$ 78,000	\$ 78,000
City of Statesboro - Hotel/ Motel tax	162,038	153,315
Other	-	600
Rental income	-	3,000
Miscellaneous	18,006	13,695
<b>Total Operating Revenues</b>	<u>258,044</u>	<u>248,610</u>
<b>Operating Expenses</b>		
Salaries	79,325	80,478
Employee benefits	8,350	5,659
Purchased services:		
Training	239	3,258
Dues and subscriptions	3,144	2,367
Repairs and maintenance	2,807	2,958
Contracted services	16,920	21,860
Bank charges	98	80
Electricity	1,854	2,091
Telephone	3,544	3,588
Advertising	7,927	11,100
Postage	40	49
Printing	1,384	776
Insurance	4,662	6,327
Annual meeting	1,916	2,601
Travel	1,615	2,475
Facade grants	2,605	18,564
Special events	17,432	15,276
Materials and supplies	1,364	1,643
Depreciation	1,438	2,835
Miscellaneous	6,861	7,775
<b>Total Operating Expenses</b>	<u>163,525</u>	<u>191,760</u>
<b>Operating Income</b>	<u>94,519</u>	<u>56,850</u>
<b>Non-Operating Revenues (Expenses)</b>		
Investment earnings	2,503	1,659
Gain (loss) on sale of capital assets	(6,695)	(423)
Interest expense	-	(772)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(4,192)</u>	<u>464</u>
<b>Change in Net Position</b>	90,327	57,314
<b>Net Position Beginning of Year</b>	<u>584,635</u>	<u>527,321</u>
<b>Net Position End of Year</b>	<u>\$ 674,962</u>	<u>\$ 584,635</u>

**City of Statesboro, Georgia**  
**Downtown Statesboro Development Authority**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2016**

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<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 263,366
Cash payments to employees for services	(86,931)
Cash payments for goods and services	<u>(75,330)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>101,105</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for capital acquisitions	<u>(94,671)</u>
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(94,671)</u>
<b>Cash Flows from Investing Activities</b>	
Investment earnings	2,503
Payments received on note receivable	<u>2,159</u>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>4,662</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	11,096
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>505,712</u>
<b>Cash and Cash Equivalents End of Year</b>	<u><u>\$ 516,808</u></u>

**City of Statesboro, Georgia**  
**Downtown Statesboro Development Authority**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2016**

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**Reconciliation of Operating Income to Net Cash  
Provided by (Used in) Operating Activities**

<b>Operating Income</b>	\$	94,519
<b>Adjustments:</b>		
Depreciation		1,438
<b>(Increase) Decrease in Assets:</b>		
Intergovernmental receivable		12,322
Other receivable		(7,000)
Prepaid items		558
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable		(1,476)
Accrued payroll and payroll taxes		744
		<hr/>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$</b>	<b>101,105</b>
		<hr/> <hr/>

**City of Statesboro, Georgia**  
**Schedule of SPLOST Expenditures**  
*From Inception and for the Fiscal Year Ended June 30, 2016*

	<b>2007 SPLOST</b>					<b>Estimated Percentage of Completion</b>
	<b>Original Estimated Costs</b>	<b>Current Estimated Costs</b>	<b>Expenditures</b>			
			<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>	
Joint City/County Solid Waste Disposal	\$ 7,000,000	\$ 7,347,455	\$ 7,347,455	\$ -	\$ 7,347,455	100%
Cemetery Expansion	900,000	900,000	887,828	-	887,828	99%
Waste and Sewer Projects	9,860,000	7,277,388	6,707,183	219,642	6,926,825	95%
Street and Drainage Projects	5,307,500	4,686,236	3,460,222	557,116	4,017,338	86%
Public Safety Facilities and Equipment	4,200,000	4,345,301	3,927,177	418,124	4,345,301	100%
Solid Waste Handling Equipment	1,400,000	1,130,928	997,867	-	997,867	88%
	<u>\$ 28,667,500</u>	<u>\$ 25,687,308</u>	<u>\$ 23,327,732</u>	<u>\$ 1,194,882</u>	<u>\$ 24,522,614</u>	<u>95%</u>

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	\$ 1,132,180
Transfer to other funds	272,654
Less Intergovernmental revenue from other sources	(209,952)
Total current year expenditures per above	<u>\$ 1,194,882</u>

**City of Statesboro, Georgia**  
**Schedule of SPLOST Expenditures**  
*From Inception and for the Fiscal Year Ended June 30, 2016*

	<b>2013 SPLOST</b>					<b>Estimated Percentage of Completion</b>
	<b>Original Estimated Costs</b>	<b>Current Estimated Costs</b>	<b>Expenditures</b>			
			<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>	
Roads / Streets	\$7,370,012	\$7,370,012	\$ 422,547	\$ 726,845	\$ 1,149,392	16%
Public Safety Facilities and Equipment	5,771,142	5,771,142	1,240,684	856,457	2,097,141	36%
Facility Improvements	587,190	587,190	127,543	-	127,543	22%
Water / Sewer Projects	9,000,000	9,000,000	264,396	1,139,926	1,404,322	16%
Natural Gas Projects	2,677,500	2,677,500	427,180	83,035	510,215	19%
Solid Waste Handling Equipment	1,350,000	1,350,000	-	295,000	295,000	22%
Economic Development	2,160,000	2,160,000	956,561	113,494	1,070,055	50%
Joint City/County Solid Waste Disposal	<u>10,775,000</u>	<u>10,775,000</u>	<u>1,928,822</u>	<u>965,655</u>	<u>2,894,477</u>	<u>27%</u>
	<u><u>\$39,690,844</u></u>	<u><u>\$39,690,844</u></u>	<u><u>\$5,367,733</u></u>	<u><u>\$4,180,412</u></u>	<u><u>\$ 9,548,145</u></u>	<u><u>24%</u></u>

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	\$ 1,474,883
Transfer to other funds	2,745,529
Less transfer from other funds	(40,000)
Total current year expenditures per above	<u><u>\$ 4,180,412</u></u>





*Statistical Section*



**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 2016			Fiscal Year 2015			Fiscal Year 2014			Fiscal Year 2013			Fiscal Year 2012		
	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>
<b>Governmental Activities</b>															
General government	\$ 1,707,991	\$ 768,875	\$ (939,116)	\$ 1,590,793	\$ 719,912	\$ (870,881)	\$ 2,095,218	\$ 766,610	\$ (1,328,608)	\$ 1,961,130	\$ 678,909	\$ (1,282,221)	\$ 1,934,249	\$ 656,558	\$ (1,277,691)
Municipal court	553,858	-	(553,858)	567,015	-	(567,015)	565,829	-	(565,829)	567,964	-	(567,964)	556,554	-	(556,554)
Public safety	10,677,711	3,241,053	(7,436,658)	10,146,941	3,286,228	(6,860,713)	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)
Public works	3,217,005	4,698,391	1,481,386	3,016,792	4,909,455	1,892,663	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
Community development	799,087	322,313	(476,774)	727,449	288,232	(439,217)	941,487	94,258	(847,229)	864,315	-	(864,315)	622,364	12,859	(609,505)
Parks and cemeteries	462,575	-	(462,575)	443,169	-	(443,169)	459,438	-	(459,438)	442,998	-	(442,998)	427,882	-	(427,882)
Engineering	232,815	95,275	(137,540)	411,919	104,615	(307,304)	316,680	42,621	(274,059)	439,610	482,485	437,128	375,947	-	(61,181)
Planning and zoning	321,222	263,951	(57,271)	374,778	246,840	(127,938)	380,512	144,327	(236,185)	308,038	-	(308,038)	273,996	-	(273,996)
Community services	258,312	-	(258,312)	297,890	-	(297,890)	281,110	-	(281,110)	264,449	100,000	(164,449)	269,663	-	(269,663)
Interest on long-term debt	20,231	-	(20,231)	24,249	-	(24,249)	51,909	-	(51,909)	22,064	-	(22,064)	27,512	-	(27,512)
<b>Subtotal Governmental Activities</b>	<b>18,250,807</b>	<b>9,389,858</b>	<b>(8,860,950)</b>	<b>17,600,995</b>	<b>9,555,282</b>	<b>(8,045,713)</b>	<b>17,747,169</b>	<b>8,171,166</b>	<b>(9,576,003)</b>	<b>16,701,452</b>	<b>9,276,972</b>	<b>(7,424,480)</b>	<b>16,477,030</b>	<b>8,955,210</b>	<b>(7,521,820)</b>
<b>Business-type Activities</b>															
Water and sewer	9,090,967	10,902,715	1,811,748	8,803,476	13,023,723	4,220,247	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
Reclaimed Water	24,585	52,252	27,667	40,145	43,560	3,415	23,748	15,543	(8,205)	23,376	26,606	3,230	21,359	26,149	4,790
Stormwater	401,735	905,185	503,450	-	-	-	-	-	-	-	-	-	-	-	-
Gas	2,750,175	4,473,004	1,722,829	3,551,858	5,226,644	1,674,786	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
Solid waste collection	2,874,268	3,508,278	634,010	2,793,705	3,586,026	792,321	2,612,595	3,403,698	791,103	2,339,949	3,222,984	883,035	2,183,140	2,900,086	716,946
Solid waste disposal	2,795,044	2,176,252	(618,792)	2,956,029	2,323,665	(632,364)	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)
<b>Subtotal Business-type Activities</b>	<b>17,936,774</b>	<b>22,017,686</b>	<b>4,080,912</b>	<b>18,145,213</b>	<b>24,203,618</b>	<b>6,058,405</b>	<b>19,416,033</b>	<b>24,040,081</b>	<b>4,624,048</b>	<b>17,709,338</b>	<b>20,800,093</b>	<b>3,090,755</b>	<b>16,795,661</b>	<b>18,255,431</b>	<b>1,459,770</b>
<b>Total Primary Government</b>	<b>\$ 36,187,581</b>	<b>\$ 31,407,544</b>	<b>\$ (4,780,038)</b>	<b>\$ 35,746,208</b>	<b>\$ 33,758,900</b>	<b>\$ (1,987,308)</b>	<b>\$ 37,163,202</b>	<b>\$ 32,211,247</b>	<b>\$ (4,951,955)</b>	<b>\$ 34,410,790</b>	<b>\$ 30,077,065</b>	<b>\$ (4,333,725)</b>	<b>\$ 33,272,691</b>	<b>\$ 27,210,641</b>	<b>\$ (6,062,050)</b>

Function/Program	Fiscal Year 2011			Fiscal Year 2010			Fiscal Year 2009			Fiscal Year 2008			Fiscal Year 2007		
	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>	Program Expenses	Net (Expense)/Revenues	Revenue <sup>1</sup>
<b>Governmental Activities</b>															
General government	\$ 2,368,425	\$ 927,986	\$ (1,440,439)	\$ 2,364,710	\$ 661,459	\$ (1,703,251)	\$ 2,683,348	\$ 765,661	\$ (1,917,687)	\$ 2,266,551	\$ 782,058	\$ (1,484,493)	\$ 2,110,223	\$ 620,563	\$ (1,489,660)
Municipal court	622,589	-	(622,589)	603,544	-	(603,544)	697,203	-	(697,203)	635,975	-	(635,975)	639,563	-	(639,563)
Public safety	8,806,859	3,718,363	(5,088,496)	8,935,759	4,084,378	(4,851,381)	8,465,499	3,255,928	(5,209,571)	7,978,175	3,843,208	(4,134,967)	7,154,050	3,081,888	(4,072,162)
Public works	2,634,834	4,372,241	1,737,407	2,530,638	4,942,553	2,411,915	2,452,550	2,121,763	(330,787)	2,531,841	2,424,054	(107,787)	2,272,342	4,094,204	1,821,862
Community development	553,860	-	(553,860)	534,041	-	(534,041)	539,771	-	(539,771)	495,059	-	(495,059)	484,187	-	(484,187)
Parks and cemeteries	458,607	-	(458,607)	514,166	-	(514,166)	533,706	-	(533,706)	528,039	-	(528,039)	478,762	-	(478,762)
Engineering	597,136	352,570	(244,566)	850,662	284,887	(565,775)	760,687	100,637	(660,050)	701,021	153,737	(547,284)	701,041	332,604	(368,437)
Planning and zoning	477,485	-	(477,485)	326,066	-	(326,066)	285,709	-	(285,709)	241,067	-	(241,067)	210,291	-	(210,291)
Community services	519,484	-	(519,484)	284,557	-	(284,557)	535,258	5,500	(529,758)	349,975	6,250	(343,725)	807,676	18,750	(788,926)
Interest on long-term debt	42,893	-	(42,893)	34,202	-	(34,202)	30,966	-	(30,966)	46,241	-	(46,241)	67,886	-	(67,886)
<b>Subtotal Governmental Activities</b>	<b>17,082,172</b>	<b>9,371,160</b>	<b>(7,711,012)</b>	<b>16,978,345</b>	<b>9,973,277</b>	<b>(7,005,068)</b>	<b>16,984,697</b>	<b>6,249,489</b>	<b>(10,735,208)</b>	<b>15,773,944</b>	<b>7,898,181</b>	<b>(7,875,763)</b>	<b>14,926,021</b>	<b>8,148,009</b>	<b>(6,778,012)</b>
<b>Business-type Activities</b>															
Water and sewer	7,668,906	9,565,811	1,896,905	6,906,526	8,750,086	1,843,560	6,557,573	6,931,624	374,051	6,394,274	7,898,918	1,504,644	5,990,457	8,317,809	2,327,352
Reclaimed Water	927	1,944	1,017	-	-	-	-	-	-	-	-	-	-	-	-
Gas	4,169,752	5,204,257	1,034,505	4,293,665	5,294,826	1,001,161	5,040,258	6,053,741	1,013,483	5,299,783	6,224,982	925,199	5,833,902	6,277,707	443,805
Solid waste collection	2,005,386	2,701,765	696,379	2,094,925	2,605,201	510,276	2,026,631	2,538,594	511,959	1,968,174	2,471,249	503,075	1,891,911	2,359,448	467,457
Solid waste disposal	2,828,187	1,782,842	(1,045,345)	3,103,903	1,969,726	(1,134,177)	3,284,953	2,075,990	(1,208,963)	3,614,938	2,290,392	(1,324,546)	3,455,805	2,360,360	(1,095,445)
<b>Subtotal Business-type Activities</b>	<b>16,673,158</b>	<b>19,256,619</b>	<b>2,583,461</b>	<b>16,399,019</b>	<b>18,619,839</b>	<b>2,220,820</b>	<b>16,909,415</b>	<b>17,599,945</b>	<b>690,530</b>	<b>17,277,169</b>	<b>18,885,541</b>	<b>1,608,372</b>	<b>17,172,155</b>	<b>19,315,324</b>	<b>2,143,169</b>
<b>Total Primary Government</b>	<b>\$ 33,755,330</b>	<b>\$ 28,627,779</b>	<b>\$ (5,127,550)</b>	<b>\$ 33,377,364</b>	<b>\$ 28,593,116</b>	<b>\$ (4,784,248)</b>	<b>\$ 33,894,112</b>	<b>\$ 23,849,434</b>	<b>\$ (10,044,677)</b>	<b>\$ 33,051,113</b>	<b>\$ 26,783,722</b>	<b>\$ (6,267,391)</b>	<b>\$ 32,098,176</b>	<b>\$ 27,463,333</b>	<b>\$ (4,634,843)</b>

**Notes:**

<sup>1</sup> 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<sup>1</sup> by Category**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2012</u>
<b>Governmental Activities</b>					
Charges for Services:					
General Government	\$ 768,875	\$ 719,912	\$ 766,610	\$ 678,909	\$ 656,558
Public Safety	2,564,600	2,490,943	2,598,100	2,329,080	2,468,175
Engineering	95,275	104,615	42,621	482,485	375,947
Planning and Zoning	263,951	246,840	144,327	-	-
Operating Grants and Contributions	-	25,181	50,339	127,208	196,009
Capital Grants and Contributions	5,697,157	5,967,791	4,569,169	5,659,290	5,258,521
<b>Subtotal Governmental Activities Program Revenues</b>	<u>9,389,858</u>	<u>9,555,282</u>	<u>8,171,166</u>	<u>9,276,972</u>	<u>8,955,210</u>
<b>Business-type Activities</b>					
Charges for Services:					
Water and Sewer	10,747,337	10,403,692	9,177,683	9,542,530	8,561,971
Reclaimed Water System	52,252	43,560	15,543	26,606	26,149
Stormwater	905,185	-	-	-	-
Gas	4,473,004	5,226,644	5,662,963	5,131,134	4,597,727
Solid Waste Collection	3,508,278	3,509,785	3,403,698	3,222,984	2,900,086
Solid Waste Disposal	2,176,252	2,323,665	2,123,632	2,156,748	1,959,947
Operating Grants and Contributions	-	-	-	-	-
Capital Grants and Contributions	155,378	2,696,272	3,656,562	720,091	209,551
<b>Subtotal Business-type Activities Program Revenues</b>	<u>22,017,686</u>	<u>24,203,618</u>	<u>24,040,081</u>	<u>20,800,093</u>	<u>18,255,431</u>
<b>Primary Government</b>					
Charges for Services	\$ 25,555,009	25,069,656	23,935,177	23,570,476	21,546,560
Operating Grants and Contributions	-	25,181	50,339	127,208	196,009
Capital Grants and Contributions	5,852,535	8,664,063	8,225,731	6,379,381	5,468,072
<b>Total Primary Government Program Revenues</b>	<u>\$ 31,407,544</u>	<u>\$ 33,758,900</u>	<u>\$ 32,211,247</u>	<u>\$ 30,077,065</u>	<u>\$ 27,210,641</u>
<b>Governmental Activities</b>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008</u>
Charges for Services:					
General Government	\$ 658,209	\$ 658,209	\$ 661,459	\$ 672,700	\$ 689,222
Public Safety	2,501,127	2,501,127	2,576,214	2,752,193	2,388,834
Engineering	352,570	352,570	284,887	100,637	153,737
Operating Grants and Contributions	186,407	186,407	134,935	162,191	359,659
Capital Grants and Contributions	5,672,847	5,672,847	6,315,782	2,561,768	4,306,729
<b>Subtotal Governmental Activities Program Revenues</b>	<u>9,371,160</u>	<u>9,371,160</u>	<u>9,973,277</u>	<u>6,249,489</u>	<u>7,898,181</u>
<b>Business-type Activities</b>					
Charges for Services:					
Water and Sewer	9,011,417	9,011,417	8,045,383	6,792,832	7,267,501
Reclaimed Water	1,944	1,944	-	-	-
Gas	5,204,257	5,204,257	5,276,270	6,008,260	6,179,396
Solid Waste Collection	2,701,765	2,701,765	2,605,201	2,538,590	2,471,249
Solid Waste Disposal	1,782,842	1,782,842	1,969,726	2,073,273	2,290,392
Operating Grants and Contributions	-	-	18,556	48,198	45,586
Capital Grants and Contributions	554,394	554,394	704,703	138,792	631,417
<b>Subtotal Business-type Activities Program Revenues</b>	<u>19,256,619</u>	<u>19,256,619</u>	<u>18,619,839</u>	<u>17,599,945</u>	<u>18,885,541</u>
<b>Primary Government</b>					
Charges for Services	22,214,131	22,214,131	21,419,140	20,938,485	21,440,331
Operating Grants and Contributions	186,407	186,407	153,491	210,389	405,245
Capital Grants and Contributions	6,227,241	6,227,241	7,020,485	2,700,560	4,938,146
<b>Total Primary Government Program Revenues</b>	<u>\$ 28,627,779</u>	<u>\$ 28,627,779</u>	<u>\$ 28,593,116</u>	<u>\$ 23,849,434</u>	<u>\$ 26,783,722</u>

**Notes:**

<sup>1</sup> 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)*

	<b>Fiscal Year 2016</b>	<b>Fiscal Year 2015</b>	<b>Fiscal Year 2014</b>	<b>Fiscal Year 2013</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2011</b>	<b>Fiscal Year 2010</b>	<b>Fiscal Year 2009</b>	<b>Fiscal Year 2008</b>	<b>Fiscal Year 2007</b>
<b>Net (Expense), Total Primary Government (see page S-1)</b>										
Governmental activities	\$ (8,860,950)	\$ (8,045,713)	\$ (9,576,003)	\$ (7,424,480)	\$ (7,521,820)	\$ (7,711,012)	\$ (7,005,068)	\$ (10,735,209)	\$ (7,875,763)	\$ (6,778,012)
Business activities	4,080,913	6,058,405	4,624,048	3,090,755	1,459,770	2,583,461	2,220,820	690,530	1,608,372	2,143,169
<b>Total Primary Government</b>	<b>(4,780,037)</b>	<b>(1,987,308)</b>	<b>(4,951,955)</b>	<b>(4,333,725)</b>	<b>(6,062,050)</b>	<b>(5,127,551)</b>	<b>(4,784,248)</b>	<b>(10,044,678)</b>	<b>(6,267,391)</b>	<b>(4,634,842)</b>
<b>General revenues and other changes in net position</b>										
<b>Governmental Activities:</b>										
Taxes										
Property taxes levied for general purposes	4,467,095	4,432,213	4,130,721	3,816,182	3,845,135	3,833,544	3,960,151	3,785,398	3,720,220	3,360,813
Hotel/motel taxes	814,263	774,064	728,017	553,966	526,504	473,055	439,838	456,994	422,526	405,157
Insurance premium taxes	1,636,651	1,531,963	1,466,120	1,415,987	1,333,111	1,221,874	1,258,448	1,270,366	1,240,647	1,189,372
Franchise taxes	1,898,393	1,765,369	1,740,726	1,897,448	1,974,408	1,815,932	1,688,915	1,587,617	1,432,343	1,310,552
Other taxes	818,739	793,086	776,577	798,934	818,160	773,241	751,225	812,149	785,555	791,653
Gain (loss) on sale of capital assets	37,789	19,355	(61,690)	28,465	16,597	377	4,641	(17,225)	(18,855)	16,310
Investment earnings	-	-	-	-	-	14,063	4,473	12,624	69,887	148,643
Miscellaneous	51,967	84,127	39,141	37,437	39,801	136,829	56,671	38,698	49,403	79,184
Transfers from (to) business-type activities	521,193	506,355	603,046	(2,311,318)	676,249	1,471,179	1,369,524	2,389,521	1,111,704	2,250,677
<b>Subtotal Governmental Activities</b>	<b>10,246,090</b>	<b>9,906,532</b>	<b>9,422,658</b>	<b>6,237,101</b>	<b>9,229,965</b>	<b>9,740,094</b>	<b>9,533,886</b>	<b>10,336,142</b>	<b>8,813,430</b>	<b>9,552,361</b>
<b>Business-type Activities:</b>										
Gain (loss) on the sale of capital assets	106,888	35,384	224,935	190,287	16,839	36,125	4,708	66,753	74,269	16,118
Investment earnings	315	344	1,045	4,411	11,822	4,414	4,153	9,316	58,365	143,201
Miscellaneous	7,246	24,545	43,608	69,463	94,586	186,479	248,261	163,021	188,561	149,983
Transfers from (to) governmental activities	(521,193)	(506,355)	(603,046)	2,311,318	(676,249)	(1,471,179)	(1,369,524)	(2,389,521)	(1,111,704)	(2,250,677)
<b>Subtotal Business-type Activities</b>	<b>(406,744)</b>	<b>(446,082)</b>	<b>(333,458)</b>	<b>2,575,479</b>	<b>(553,002)</b>	<b>(1,244,161)</b>	<b>(1,112,402)</b>	<b>(2,150,431)</b>	<b>(790,509)</b>	<b>(1,941,375)</b>
<b>Change in Net Position</b>										
Governmental activities	1,385,140	1,860,819	(153,345)	(1,187,379)	1,708,145	2,029,082	2,528,818	(399,067)	937,667	2,774,349
Business-type activities	3,674,169	5,612,322	4,290,590	5,666,234	906,768	1,339,299	1,108,418	(1,459,900)	817,863	201,795
<b>Total Primary Government</b>	<b>\$ 5,059,309</b>	<b>\$ 7,473,141</b>	<b>\$ 4,137,245</b>	<b>\$ 4,478,855</b>	<b>\$ 2,614,913</b>	<b>\$ 3,368,381</b>	<b>\$ 3,637,236</b>	<b>\$ (1,858,967)</b>	<b>\$ 1,755,530</b>	<b>\$ 2,976,144</b>

**City of Statesboro, Georgia**  
**Government-wide Net Position by Category<sup>1</sup>**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>June 30, 2007</u>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 28,381,095	\$ 27,032,739	\$ 25,244,149	\$ 24,191,592	\$ 23,678,952	\$ 24,229,149	\$ 24,168,198	\$ 23,985,317	\$ 23,841,321	\$ 23,224,510
Restricted for:										
Capital projects	3,779,785	3,996,808	4,715,524	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623
Specific projects and programs	1,289,188	1,187,986	967,803	709,155	796,432	865,624	821,383	810,377	621,297	189,574
Unrestricted	393,610	241,005	(328,593)	(244,910)	(412,320)	(440,181)	(161,226)	739,878	1,443,522	1,602,255
<b>Subtotal Governmental Activities Net Position</b>	<u>33,843,678</u>	<u>32,458,538</u>	<u>30,598,883</u>	<u>30,752,228</u>	<u>31,939,607</u>	<u>30,231,462</u>	<u>28,202,380</u>	<u>25,673,562</u>	<u>26,072,629</u>	<u>25,134,962</u>
<b>Business-type Activities</b>										
Net investment in capital assets	48,361,766	46,388,355	42,160,987	35,992,575	31,743,483	31,190,564	31,110,236	33,047,246	34,151,296	33,089,016
Restricted for revenue bond retirement	791,206	791,247	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468
Renewal & extension	-	-	-	-	-	-	200,000	200,000	200,000	200,000
Unrestricted	6,479,802	4,779,003	3,394,458	5,272,375	4,034,144	3,680,457	1,966,060	(232,463)	123,299	372,529
<b>Subtotal Business-type Activities Net Position</b>	<u>55,632,774</u>	<u>51,958,605</u>	<u>46,346,733</u>	<u>42,056,143</u>	<u>36,568,461</u>	<u>35,661,693</u>	<u>34,322,394</u>	<u>33,213,976</u>	<u>34,673,876</u>	<u>33,856,013</u>
<b>Primary Government</b>										
Net investment in capital assets	76,742,861	73,421,094	67,405,136	60,184,167	55,422,435	55,419,713	55,278,434	57,032,563	57,992,617	56,313,526
Restricted										
Capital projects	3,779,785	3,996,808	4,715,524	6,096,391	7,876,543	5,576,870	3,374,025	137,990	166,489	118,623
Restricted for revenue bond retirement	791,206	791,247	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281	194,468
Renewal & Extension	-	-	-	-	-	-	200,000	200,000	200,000	200,000
Specific projects and programs	1,289,188	1,187,986	967,803	709,155	796,432	865,624	821,383	810,377	621,297	189,574
Unrestricted	6,873,412	5,020,008	3,065,865	5,027,465	3,621,824	3,240,276	1,804,834	507,415	1,566,821	1,974,784
<b>Total Primary Government Net Position</b>	<u>\$ 89,476,452</u>	<u>\$ 84,417,143</u>	<u>\$ 76,945,616</u>	<u>\$ 72,808,371</u>	<u>\$ 68,508,068</u>	<u>\$ 65,893,155</u>	<u>\$ 62,524,774</u>	<u>\$ 58,887,538</u>	<u>\$ 60,746,505</u>	<u>\$ 58,990,975</u>

**Notes:**<sup>1</sup> 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)*

<b>Source</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Taxes	\$ 7,097,096	\$ 7,596,780	\$ 7,900,077	\$ 8,024,950	\$ 8,166,418	\$ 8,529,072	\$ 8,472,005	\$ 8,870,477	\$ 9,303,278	\$ 9,628,162
<sup>1</sup> Intergovernmental	5,124,511	4,666,388	2,723,959	6,450,717	5,859,254	5,445,203	5,748,585	4,611,692	5,988,720	5,637,313
Licenses and permits	783,243	772,770	703,815	865,829	926,979	941,669	1,071,307	861,217	982,677	1,013,905
Fines and forfeitures	1,610,839	1,449,617	1,766,110	1,568,641	1,475,975	1,469,610	1,246,407	1,382,420	1,318,504	1,285,361
Charges for services	629,416	1,009,406	1,055,605	1,088,090	1,108,952	1,089,401	1,172,760	1,308,021	1,261,129	1,393,435
Investment earnings	91,159	29,512	8,496	4,056	14,063	9,327	10,871	7,816	4,253	2,712
Miscellaneous	79,184	49,403	38,698	56,671	136,829	39,801	64,479	39,141	84,127	109,099
<b>Total revenues</b>	<b>\$ 15,415,448</b>	<b>\$ 15,573,876</b>	<b>\$ 14,196,760</b>	<b>\$ 18,058,954</b>	<b>\$ 17,688,470</b>	<b>\$ 17,524,083</b>	<b>\$ 17,786,414</b>	<b>\$ 17,080,784</b>	<b>\$ 18,942,688</b>	<b>\$ 19,069,987</b>
% change from prior year	20.1%	1.0%	-8.8%	27.2%	-2.1%	-0.9%	1.5%	-4.0%	10.9%	0.7%

**Note:**

<sup>1</sup> 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)*

<b>Fiscal Year</b>	<b>Property</b>	<b>Vehicles</b>	<b>Franchise</b>	<b>Insurance Premium</b>	<b>Alcoholic Beverage</b>	<b>Other</b>	<b>Total</b>
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
2015	3,923,619	515,177	1,765,369	1,531,963	698,554	94,532	8,529,214
2016	3,913,446	525,588	1,898,393	1,636,651	728,929	89,810	8,792,817
Percentage Change In Dollars Over 10 Years	23%	147%	45%	38%	12%	-36%	31%



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

<b>Function</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Current:</b>										
General government	\$ 2,008,167	\$ 2,140,864	\$ 2,461,925	\$ 2,202,086	\$ 2,396,839	\$ 1,762,517	\$ 1,838,780	\$ 1,839,076	\$ 1,514,518	\$ 1,515,172
Municipal court	638,695	625,001	684,444	588,804	555,219	541,681	569,468	555,185	576,371	526,926
Public safety	6,783,582	7,751,876	7,973,168	8,441,641	7,961,549	8,135,532	8,192,129	8,456,060	9,259,590	9,240,059
Streets/public works	1,824,491	1,864,703	1,779,706	1,852,879	1,849,010	1,917,899	1,940,179	1,987,420	2,030,080	1,965,707
Parks and cemeteries	406,397	433,076	444,407	430,178	376,518	338,438	377,665	369,113	367,113	346,163
Engineering	640,078	669,869	721,165	797,572	557,869	396,485	403,009	410,968	366,351	202,100
Planning and zoning	210,989	233,314	290,564	319,139	465,345	260,767	314,132	366,749	367,044	294,395
Community services	681,439	198,260	436,326	185,625	171,704	171,883	166,669	169,058	182,010	160,532
Community development	484,187	495,059	539,549	533,993	554,130	622,364	857,758	927,358	703,722	776,956
<b>Total Current</b>	<b>13,678,025</b>	<b>14,412,022</b>	<b>15,331,254</b>	<b>15,351,917</b>	<b>14,888,183</b>	<b>14,147,566</b>	<b>14,659,789</b>	<b>15,080,987</b>	<b>15,366,799</b>	<b>15,028,010</b>
<b>% Change From Prior Year</b>	<b>13.4%</b>	<b>5.4%</b>	<b>6.4%</b>	<b>0.1%</b>	<b>-3.0%</b>	<b>-5.0%</b>	<b>3.6%</b>	<b>2.9%</b>	<b>1.9%</b>	<b>-2.2%</b>
<b>Capital Outlay</b>	<b>8,003,416</b>	<b>2,429,833</b>	<b>1,062,731</b>	<b>1,547,723</b>	<b>1,575,578</b>	<b>1,232,555</b>	<b>3,961,860</b>	<b>3,011,216</b>	<b>3,236,507</b>	<b>3,103,395</b>
<b>% Change From Prior Year</b>	<b>237.1%</b>	<b>-69.6%</b>	<b>-56.3%</b>	<b>45.6%</b>	<b>1.8%</b>	<b>-21.8%</b>	<b>221.4%</b>	<b>-24.0%</b>	<b>7.5%</b>	<b>-4.1%</b>
<b>Debt Service</b>										
Principal	170,689	254,295	347,306	304,313	331,413	278,869	223,853	486,759	469,498	420,441
Interest	67,886	46,241	30,966	34,202	42,893	27,512	22,064	51,909	24,249	20,231
<b>Total Debt Service</b>	<b>238,575</b>	<b>300,536</b>	<b>378,272</b>	<b>338,515</b>	<b>374,306</b>	<b>306,381</b>	<b>245,917</b>	<b>538,668</b>	<b>493,747</b>	<b>440,672</b>
<b>% Change From Prior Year</b>	<b>28.2%</b>	<b>26.0%</b>	<b>25.9%</b>	<b>-10.5%</b>	<b>10.6%</b>	<b>-18.1%</b>	<b>-19.7%</b>	<b>119.0%</b>	<b>-8.3%</b>	<b>-10.7%</b>
<b>Total Expenditures</b>	<b>\$ 21,920,016</b>	<b>\$ 17,142,391</b>	<b>\$ 16,772,257</b>	<b>\$ 17,238,155</b>	<b>\$ 16,838,067</b>	<b>\$ 15,686,502</b>	<b>\$ 18,867,566</b>	<b>\$ 18,630,871</b>	<b>\$ 19,097,053</b>	<b>\$ 18,572,077</b>
<b>% Change From Prior Year</b>	<b>49.9%</b>	<b>-21.8%</b>	<b>-2.2%</b>	<b>2.8%</b>	<b>-2.3%</b>	<b>-6.8%</b>	<b>20.3%</b>	<b>-1.3%</b>	<b>2.5%</b>	<b>-2.7%</b>
<b>Debt Service as a Percentage of Total Noncapital Expenditures</b>	<b>1.7%</b>	<b>2.0%</b>	<b>2.4%</b>	<b>2.2%</b>	<b>2.5%</b>	<b>2.1%</b>	<b>1.6%</b>	<b>3.4%</b>	<b>3.1%</b>	<b>2.8%</b>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Total Revenues</b>	\$ 15,415,448	\$ 15,573,876	\$ 14,196,760	\$ 18,058,954	\$ 17,688,470	\$ 17,524,083	\$ 17,786,414	\$ 17,080,784	\$ 18,942,688	\$ 19,069,987
<b>Total Expenditures</b>	<u>21,920,016</u>	<u>17,142,391</u>	<u>16,772,257</u>	<u>17,238,155</u>	<u>16,838,067</u>	<u>15,686,502</u>	<u>18,867,566</u>	<u>18,630,871</u>	<u>19,097,053</u>	<u>18,572,077</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(6,504,568)	(1,568,515)	(2,575,497)	820,799	850,403	1,837,581	(1,081,152)	(1,550,087)	(154,365)	497,910
<b>Other Financing Sources (Uses)</b>	<u>2,414,000</u>	<u>2,551,471</u>	<u>2,290,973</u>	<u>1,404,892</u>	<u>1,479,037</u>	<u>773,443</u>	<u>(800,814)</u>	<u>680,585</u>	<u>182,324</u>	<u>476,428</u>
<b>Net Change in Fund Balances</b>	<u>(4,090,568)</u>	<u>982,956</u>	<u>(284,524)</u>	<u>2,225,691</u>	<u>2,329,440</u>	<u>2,611,024</u>	<u>(1,881,966)</u>	<u>(869,502)</u>	<u>27,959</u>	<u>974,338</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Fund</b>										
Nonspendable	\$ 169,631	\$ 170,717	\$ 174,009	\$ 197,547	\$ 214,608	\$ 211,929	\$ 233,964	\$ 185,417	\$ 255,626	\$ 263,632
Unassigned	2,595,299	1,478,379	947,789	(98,438)	(33,145)	290,475	313,505	614,769	1,387,427	2,501,862
<b>Subtotal General Fund</b>	<u>2,764,930</u>	<u>1,649,096</u>	<u>1,121,798</u>	<u>99,109</u>	<u>181,463</u>	<u>502,404</u>	<u>547,469</u>	<u>800,186</u>	<u>1,643,053</u>	<u>2,765,494</u>
<b>General Fund Percentage Change</b>	<u>-31.3%</u>	<u>-40.4%</u>	<u>-32.0%</u>	<u>-91.2%</u>	<u>83.1%</u>	<u>176.9%</u>	<u>9.0%</u>	<u>46.2%</u>	<u>105.3%</u>	<u>68.3%</u>
<b>All Other Governmental Funds</b>										
Nonspendable	-	12,522	11,045	17,613	17,370	23,792	31,726	42,708	39,390	46,827
Assigned	-	-	-	-	-	59,602	-	16,513	29,593	-
Unassigned	(1,702,733)	-	-	-	(64,478)	-	(256,988)	(405,267)	(316,375)	(348,657)
Restricted										
Special Revenue Funds	189,574	608,775	799,332	803,770	848,254	772,640	934,417	1,330,362	1,148,596	1,242,361
Capital Projects Fund	118,623	82,957	136,651	3,374,025	5,641,348	7,876,543	6,096,391	4,699,011	3,967,215	3,779,785
<b>Subtotal All Other Governmental Funds</b>	<u>(1,394,536)</u>	<u>704,254</u>	<u>947,028</u>	<u>4,195,408</u>	<u>6,442,494</u>	<u>8,732,577</u>	<u>6,805,546</u>	<u>5,683,327</u>	<u>4,868,419</u>	<u>4,720,316</u>
<b>Total Governmental Funds</b>										
Nonspendable	169,631	183,239	185,054	215,160	231,978	235,721	265,690	228,125	295,016	310,459
Assigned	-	-	-	-	-	59,602	-	16,513	29,593	-
Restricted	308,197	691,732	935,983	4,177,795	6,489,602	8,649,183	7,030,808	6,029,373	5,115,811	5,022,146
Unassigned	892,566	1,478,379	947,789	(98,438)	(97,623)	290,475	56,517	209,502	1,071,052	2,153,205
<b>Total Governmental Funds</b>	<u>\$ 1,370,394</u>	<u>\$ 2,353,350</u>	<u>\$ 2,068,826</u>	<u>\$ 4,294,517</u>	<u>\$ 6,623,957</u>	<u>\$ 9,234,981</u>	<u>\$ 7,353,015</u>	<u>\$ 6,483,513</u>	<u>\$ 6,511,472</u>	<u>\$ 7,485,810</u>
<b>All Governmental Funds Percentage Change</b>	<u>-74.9%</u>	<u>71.7%</u>	<u>-12.1%</u>	<u>107.6%</u>	<u>54.2%</u>	<u>39.4%</u>	<u>-20.4%</u>	<u>-11.8%</u>	<u>0.4%</u>	<u>15.0%</u>

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

Fiscal Year	Amounts										Total Direct Tax Rate <sup>2</sup>	Estimated Actual Value	Annual Percentage Change
	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 <sup>1</sup>			
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	6.358	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	618,544,777	6.358	1,566,242,808	1.9%
2014	171,698,992	426,599,183	13,124,317	839,776	919,170	14,825,297	32,391,960	7,300	8,950,361	651,455,634	6.358	1,651,014,988	5.4%
2015	167,743,631	396,436,485	13,706,737	786,715	546,033	14,650,801	27,318,326	7,300	10,029,025	611,167,003	6.358	1,552,990,070	-5.9%
2016	179,502,378	436,409,733	16,756,554	807,030	918,170	14,782,713	14,397,997	11,031	9,757,617	653,828,994	6.358	1,622,943,789	4.5%

**Percentages**

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	26.0%	64.6%	2.0%	0.1%	0.1%	2.2%	4.9%	0.0%	1.4%	98.6%
2015	27.0%	63.8%	2.2%	0.1%	0.1%	2.4%	4.4%	0.0%	1.6%	98.4%
2016	27.1%	65.8%	2.5%	0.1%	0.1%	2.2%	2.2%	0.0%	1.5%	98.5%

**Source:**

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

**Notes:**

<sup>1</sup> All property is assessed at 40% of fair market value.

<sup>2</sup> 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)*

<b>Fiscal Year</b>	<b>City Direct Rate</b>	<b>Overlapping Rates <sup>1</sup></b>			<b>Total Overlapping</b>	<b>Total Overlapping and Direct</b>
		<b>Bulloch County</b>	<b>Bulloch County Schools</b>	<b>State of Georgia<sup>2</sup></b>		
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
2015	6.358	10.440	9.950	0.200	20.590	26.948
2016	6.358	10.440	9.950	0.200	20.590	26.948

**Source:**

Georgia Department of Revenue, Property Tax Division

**Notes:**

<sup>1</sup> Overlapping rates are those of Bulloch County governments and the State of Georgia that apply to property owners within the City of Statesboro.

<sup>2</sup> 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**

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected Within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>		<b>Total Uncollected Taxes</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>	<b>Amount</b>	<b>Percentage of Levy</b>
2007	3,117,016	3,105,291	99.62%	11,664	3,116,955	100.00%	61	0.00%
2008	3,367,186	3,334,179	99.02%	32,871	3,367,050	100.00%	136	0.00%
2009	3,578,352	3,549,025	99.18%	29,191	3,578,216	100.00%	136	0.00%
2010	3,710,229	3,605,588	97.18%	104,641	3,710,229	100.00%	-	0.00%
2011	3,672,791	3,622,799	98.64%	49,768	3,672,567	99.99%	224	0.01%
2012	3,646,967	3,587,428	98.37%	59,539	3,646,967	100.00%	-	0.00%
2013	3,506,320	3,479,916	99.25%	25,438	3,505,354	99.97%	966	0.03%
2014	3,592,347	3,531,126	98.30%	60,642	3,591,768	99.98%	579	0.02%
2015	3,712,063	3,636,117	97.95%	74,739	3,710,856	99.97%	1,207	0.03%
2016	3,978,753	3,943,814	99.12%	-	3,943,814	99.12%	34,939	0.88%

Source:

City of Statesboro Tax Office

**City of Statesboro, Georgia**  
**Principal Property Taxpayers**  
*For the Fiscal Year Ended June 30, 2016 and Nine Years Ago*

<b>Principal Taxpayer</b>	<b>2016</b>		<b>Principal Taxpayer</b>	<b>2007</b>	
	<b>Taxable Assessed Value</b>	<b>Percentage of Total City Taxable Assessed Value</b>		<b>Taxable Assessed Value</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Breckenridge Group Statesboro	\$ 17,044,220	2.61%	Statesboro HMA Inc.	\$ 16,891,040	3.4%
Statesboro HMA Inc.	16,468,393	2.52%	Campus Club Associates, LLC	10,901,120	2.2%
The Hamptons Statesboro LLC	12,392,556	1.90%	Frontier Communications of Georgia, Inc.	9,838,304	2.0%
Monarch 301 LLC	11,098,512	1.70%	Lanier Drive Associates, LLC	5,472,734	1.10%
Layton Land LLC & Bonnie Screws	10,488,061	1.60%	Health Management Associates	5,314,182	1.07%
Claude Howard Lumber Co Inc.	9,645,237	1.48%	The Garden District	5,064,400	1.02%
Diamond URS Statesboro LLC	9,295,823	1.42%	Georgia Power Co.	5,411,116	1.09%
Copper Beech Townhome	9,217,776	1.41%	JBPC South Inc	4,675,532	0.94%
Forum Statesboro LTD	8,725,426	1.33%	The Woodlands at Statesboro	4,380,640	0.88%
Georgia Power Co	8,119,383	1.24%	Wal-Mart Real Estate	4,263,960	0.86%
<b>Total Principal Taxpayers</b>	<b>112,495,387</b>	<b>17.21%</b>	<b>Total Principal Taxpayers</b>	<b>72,213,028</b>	<b>14.51%</b>
<b>All Other Taxpayers</b>	<b>541,333,607</b>	<b>82.79%</b>	<b>All Other Taxpayers</b>	<b>425,613,275</b>	<b>85.49%</b>
<b>Total</b>	<b>\$ 653,828,994</b>	<b>100.00%</b>	<b>Total</b>	<b>\$ 497,826,303</b>	<b>100.00%</b>

**Source:**

City of Statesboro Tax Office

**City of Statesboro, Georgia**  
**Overlapping Sales Tax Rates <sup>1</sup>**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>State of Georgia</b>	<b>Bulloch County</b>			<b>Total Overlapping Rate</b>
		<b>LOST</b>	<b>SPLOST<sup>2</sup></b>	<b>E-SPLOST<sup>3</sup></b>	
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%
2015	4.00%	1.00%	1.00%	1.00%	7.00%
2016	4.00%	1.00%	1.00%	1.00%	7.00%

**Source:**

Georgia Department of Revenue, Sales and Use Tax Division

**Notes:**

<sup>1</sup>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.

<sup>2</sup>The current special purpose local option sales tax was approved effective October 1, 2013 and expires September 30, 2019.

<sup>3</sup>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 2007 - 2016

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

Fiscal Year	Water				
	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
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
2015	6.50	2.25	2.35	2.60	3.15
2016	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
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
2015	13.00	4.50	4.70	5.20	6.30
2015	13.00	4.50	4.70	5.20	6.30
2016	13.00	4.50	4.70	5.20	6.30

Fiscal Year	Sewer			
	Inside Base Rate	Rate per 0-9000 Gallons	Rate per 10,000-49,000 Gallons	Rate per 50,000 Gallons and up
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
2015	6.50	2.70	2.80	2.90
2016	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
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
2015	13.00	5.40	5.60	5.80
2016	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 2007 - 2016

(continued)

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

Water					
Fiscal Year	Inside Base Rate	Rate per 0-9000 Gallons	Rate per	Rate per	Rate per
			10,000-49,000 Gallons	20,000-49,000 and up	50,000 Gallons and up
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
2015	13.00	2.25	2.35	2.60	3.15
2016	13.00	2.25	2.35	2.60	3.15

Fiscal Year	Outside Base Rate	Rate per 0-9000 Gallons	Rate per	Rate per	Rate per
			10,000-49,000 Gallons	20,000-49,000 Gallons	50,000 Gallons and up
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
2015	26.00	4.50	4.70	5.20	6.30
2016	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	Rate per
			10,000-49,000 Gallons	50,000 Gallons and up
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
2015	13.00	2.70	2.80	2.90
2016	13.00	2.70	2.80	2.90

Fiscal Year	Outside Base Rate	Rate per 0-9000 Gallons	Rate per	Rate per
			10,000-49,000 Gallons	50,000 Gallons and up
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
2015	26.00	5.40	5.60	5.80
2016	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)*

<b>Type of Customer</b>	<b>Fiscal Year 2007</b>		<b>Fiscal Year 2008</b>		<b>Fiscal Year 2009</b>		<b>Fiscal Year 2010</b>		<b>Fiscal Year 2011</b>	
	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>
Residential	614.3	59%	544.9	57%	616.8	56%	574.5	52%	590.6	55%
Industrial	74.9	7%	104.8	11%	75.0	7%	75.5	7%	77.7	7%
Commercial	314.2	30%	259.9	27%	339.0	31%	248.6	23%	270.3	25%
Government	37.3	4%	48.8	5%	69.3	6%	118.5	11%	126.6	12%
<b>Total</b>	<b>1,040.7</b>	<b>100%</b>	<b>958.4</b>	<b>100%</b>	<b>1,100.1</b>	<b>100%</b>	<b>1,100.1</b>	<b>100%</b>	<b>1,065.2</b>	<b>100%</b>

<b>Type of Customer</b>	<b>Fiscal Year 2012</b>		<b>Fiscal Year 2013</b>		<b>Fiscal Year 2014</b>		<b>Fiscal Year 2015</b>		<b>Fiscal Year 2016</b>	
	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>	<b>Gallons</b>	<b>%</b>
Residential	527.3	47%	565.8	51%	557.7	51%	554.9	50%	582.9	52%
Industrial	159.7	14%	55.9	5%	65.0	6%	81.0	7%	75.0	7%
Commercial	255.5	23%	258.8	23%	241.5	22%	239.8	21%	231.4	21%
Government	178.5	16%	239.7	21%	233.1	21%	240.6	22%	221.0	20%
<b>Total</b>	<b>1,121.0</b>	<b>100%</b>	<b>1,120.2</b>	<b>100%</b>	<b>1,097.3</b>	<b>100%</b>	<b>1,116.3</b>	<b>100%</b>	<b>1,110.3</b>	<b>100%</b>

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

Fiscal Year	Governmental-Activities	Business-type Activities				Total	Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	Water Bonds	Gas Notes	Water Notes	Capital Leases				
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	-	16,644,293	18,785,503	3.4%	651
2015	1,937,238	12,695,000	209,820	3,064,216	-	15,969,036	17,906,274	2.8%	590
2016	1,492,985	12,195,000	182,426	2,888,633	-	15,266,059	16,759,044	2.4%	546

**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)*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Assessed Value</b>	<u>\$ 497,826</u>	<u>\$ 587,329</u>	<u>\$ 613,391</u>	<u>\$ 628,697</u>	<u>\$ 609,188</u>	<u>\$ 606,126</u>	<u>\$ 618,810</u>	<u>\$ 651,456</u>	<u>\$ 611,167</u>	<u>\$ 653,829</u>
<b>Legal Debt Margin</b>										
Debt limit (10% of assessed value)	<u>\$ 49,783</u>	<u>\$ 58,733</u>	<u>\$ 61,339</u>	<u>\$ 62,870</u>	<u>\$ 60,919</u>	<u>\$ 60,613</u>	<u>\$ 61,881</u>	<u>\$ 65,146</u>	<u>\$ 61,117</u>	<u>\$ 65,383</u>
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 49,783</u>	<u>\$ 58,733</u>	<u>\$ 61,339</u>	<u>\$ 62,870</u>	<u>\$ 60,919</u>	<u>\$ 60,613</u>	<u>\$ 61,881</u>	<u>\$ 65,146</u>	<u>\$ 61,117</u>	<u>\$ 65,383</u>
As a percentage of debt limit	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**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, 2016**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Primary Government</u>
<b>Debt Repaid With Property Taxes</b>			
Bulloch County Board of Education <sup>1</sup>	\$ 30,645,000	100.0%	\$ 30,645,000
<b>City Direct Debt</b>			<u>1,492,985</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 32,137,985</u></u>

**Source:**

<sup>1</sup> Bulloch County Board of Education

**Notes:**

<sup>2</sup> Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

<sup>3</sup> 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**

<b>Fiscal Year</b>	<b>Operating Revenue</b>	<b>Less: Operating Expenses<sup>1</sup></b>	<b>Net Available Revenue</b>	<b>Debt Service</b>			<b>Times Coverage<sup>2</sup></b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
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
2015	10,415,470	6,403,427	4,012,043	500,000	560,222	1,060,222	3.78
2016	10,747,625	6,517,673	4,229,952	520,000	541,022	1,061,022	3.99

**Notes:**

<sup>1</sup> Operating expenses do not include depreciation or interest.

<sup>2</sup> 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, 2016 and Nine Years Ago*

<u>Employer</u>	<b>2016</b>		<u>Employer</u>	<b>2007</b>	
	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>		<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
Georgia Southern University	2,798	21.42%	Georgia Southern University	1,836	24.19%
Bulloch County Board of Education	1,506	11.53%	Bulloch County Board of Education	1,372	18.08%
East Georgia Regional Medical Center	795	6.08%	East Georgia Regional Medical Center	750	9.88%
Bulloch County Board of Commissioners	378	2.89%	Wal-Mart Supercenter	636	8.38%
Wal-Mart Supercenter	335	2.56%	The Sack Company	348	4.58%
City of Statesboro	311	2.38%	Bulloch County Board of Commissioners	260	3.43%
Lowe's Home Center	184	1.41%	City of Statesboro	200	2.64%
Belk	104	0.69%	Lowe's Home Center	165	2.17%
Braswells	90	0.80%	Statesboro Herald	150	1.98%
The Olive Garden	<u>75</u>	<u>0.57%</u>	Robbins Packinghouse Company	<u>120</u>	<u>1.58%</u>
<b>Total Principal Employers</b>	6,576	50.33%	<b>Total Principal Employers</b>	5,837	76.90%
Other Employers	<u>6,489</u>	<u>49.67%</u>	Other Employers	<u>1,753</u>	<u>23.10%</u>
<b>Total All Employers</b>	<u><u>13,065</u></u>	<u><u>100.00%</u></u>	<b>Total All Employers</b>	<u><u>7,590</u></u>	<u><u>100.00%</u></u>

**Source:**

All Employers H/R Department  
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**

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<u>Year</u>	<u>Estimated Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
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%
2015	30,367	635,854,613	20,939	23	10,342	8.9%
2016	30,721	699,302,123	22,763	23	10,185	8.9%

**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**

<b>Function/program</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
City Manager's Office	4	4	3	3	2	2	2	2	2	2
City Clerk's Office	9	9	10	10	3	3	3	3	3	3
Finance	6	6	6	6	6	6	6	6	7	7
Legal Division	0	0	0	0	1	1	1	1	1	1
Human Resources	2	2	2	2	1	2	2	2	2	3
Governmental Buildings	0	0	3	2	1	0	0	1	1	1
Engineering	5	5	6	7	6	5	5	5	5	3.5
Customer Service Division	0	0	0	0	4	5	6	6	6	6
Municipal Court	3	3	3	2	3	3	3	3	3	3
Police	75	76	77	76	75.5	74.5	75.5	78.5	83.5	85.5
Animal Control	1	0	0	2	0	0	0	0	0	0
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	22	23	22	22	21	21	21	22	22	22
Parks	9	9	9	9	8	7	7	7	7	7
Protective Inspections	2	2	4	4	2	2	2	2	2	2
Planning and Development	3	3	3	3	4	4	4	4	4	5
Code Compliance	0	0	0	0	2	2	2	2	2	2
Fire Department	33	33	33	33	32.5	37.5	43.5	47.5	50.5	50.5
Alcohol Beverage Control Fund	0	0	0	0	0	0	0	0	0	1
Water and Sewer	18	19	23	23.5	23.5	23.5	24.5	24.5	23.5	23.5
Wastewater Treatment Plant	27	27	27	27	27	27	28	28	28	28
Storm Water Utility Fund	0	0	0	0	0	0	0	0	0	6.5
Natural Gas	9	9	9	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Solid Waste Collection	16	16	16	16	15	16	18	18	18	18
Solid Waste Disposal	8	8	8	8	8	8	8	8	8	8
Fleet Management	6	6	6	6	6	6	6	6	6	6
Information Technology	0	0	2	3	4	4	4	5	7	6
<b>Total</b>	<b>260</b>	<b>262</b>	<b>274</b>	<b>275</b>	<b>266</b>	<b>270</b>	<b>282</b>	<b>292</b>	<b>302</b>	<b>311</b>

**Source:**

City of Statesboro's Finance department

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

<b><u>Function/program</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	43	49	49	43	47	50	47	53	54	62
Fire stations	2	2	2	2	2	2	2	2	2	2
Refuse collection										
Collection trucks	7	7	7	9	9	9	11	14	14	16
Streets and highways										
Streets (miles)	117	119	119	119	119	120	121	121	121	122
Traffic signals	12	13	15	15	15	15	16	16	16	16
Parks and recreation										
Acreage	55	83	83	83	83	83	83	83	83	83
Water										
Water mains (miles)	207	212	216	219.5	219.5	221.5	227.1	233.02	237	240.39
Fire hydrants	69	138	207	1,487	1,487	1,503	1,533	1,596	1,596	1,605
Storage capacity (thousands of gallons)	1,400	1,400	1,400	1,400	1,400	1,400	1,900	1,900	2,900	2,900
Wastewater										
Sanitary sewers (miles)	174	177	181	184	184	187	187.8	191.9	194	196.67
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)	5	5	5	5	5	5	5	5	5	5

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

<b><u>Function/program</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>
Police										
Physical arrests	1,794	1,736	2,185	2,105	2,587	2,350	2,184	2,386	2,300	2,396
Traffic violations	10,823	10,032	9,442	10,299	10,460	10,921	8,937	7,729	7,771	7,920
Fire										
Emergency responses	927	743	1,106	637	876	722	826	889	906	1,054
Fires extinguished	226	157	200	257	259	224	201	168	181	135
Inspections	1,353	1,289	1,973	1,343	1,046	1,139	2,096	1,692	1,904	2,293
Refuse collection										
Refuse collected (tons per month)	1,821.8	1,981.0	1,426.0	1,496.0	1,342.4	1,482.0	1,358.9	1,417.5	2,123.8	2,124.7
Streets and highways										
Resurfacing (miles)	7.5	1.43	2.75	0.603	1.609	1.895	4.1	3.5	3.90	2.50
Water										
New connections	562	187	188	367	77	497	935	298	369	333
Water mains breaks	18	8	7	19	23	26	26	18	22	15
Average daily consumption (thousands of gallons)	3,190	3,239	3,130	2,787	2,738	3,367	3,124	3,000	3,076	3,112
Peak daily consumption (thousands of gallons)	4,220	4,630	5,179	4,422	4,964	4,703	4,898	4,790	4,306	4,568
Wastewater										
Average daily sewage treatment (thousands of gallons)	3,615	3,444	3,106	4,000	3,270	3,280	3,595	4,780	4,960	4,611

**Sources:**

Various City departments

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

To the City Council  
City of Statesboro, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Statesboro, Georgia, as of and for the year ended June 30, 2016, 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 June 15, 2017.

### **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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify the deficiency in internal control described below as 2016-1 that we consider to be a significant deficiency.

### **2016-1 Capital lease proceeds not drawn down timely**

The City had \$774,935 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.

*Lanier, Westerfield, O'Neil + Proctor*

Statesboro, Georgia  
June 15, 2017







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