

# ***CITY OF STATESBORO, GEORGIA***



***Comprehensive Annual Financial Report  
For the Fiscal Year Ending June 30, 2017***



# ***CITY OF STATESBORO, GEORGIA***

***Past***



***Present***



***Future***



***Comprehensive Annual Financial Report  
FY 2017***



**City of Statesboro, Georgia**  
**Comprehensive Annual Financial Report**  
**For The Year Ended June 30, 2017**

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**Past**



**Present**



**Future**



# ***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

December 27, 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, 2017 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, 2017, 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 2017 estimated population of 31,238, which is based upon the July 1, 2017 Statesboro, Georgia Population Data and Demographics. This is less than 1% of the total State of Georgia population. Statesboro ranks high with a 52.3% poverty level while Bulloch County poverty rate is 32.4% and National poverty rate is 14.7%. However, this number is impacted by the

fact that 20,418 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. In January 2017, the University System of Georgia Board of Regents voted to consolidate Armstrong State University and Georgia Southern University. The new, 27,000-student university will be named Georgia Southern University with campuses in Savannah, Statesboro, and Hinesville. The new University will be formed in January 2018 with the expected timeline for the first entering class to be fall 2018.

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 124 courses for undergraduate and graduate degree programs through the doctoral level in its current nine Colleges. The University's 20,418 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 127 programs of study including 26 diploma programs, 82 certificate programs, and 19 Associate degrees in conjunction with Georgia Southern University and East Georgia State College. Ogeechee Technical College graduated over 1,827 students in 2017. 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 10,533 students. A total of 594 seniors graduated from these schools in 2017.

Statesboro is a leader in health care in southeast Georgia with East Georgia Regional Medical Center, a 150-bed hospital, employing approximately 834 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 122 miles of roads of which 121.71 are paved. Natural gas is sold to 3,801 customers while water and sewer service is provided by the City to over 12,781 customers with an average daily water consumption of 3.289 million gallons. Statesboro has 198 miles of sanitary sewer and 244.11 miles of water mains with 1,628 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 2017 Statesboro per capita income was \$25,573 or 59% 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 2017 unemployment rate was 5.7%, above the State of Georgia at 5.0% and the national rate of 4.1%. Approximately 15.7% 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. The 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 66 new building permits in 2016, and 36 in 2017. The cost of housing in Bulloch County is among the lowest in the nation. The average residential sales price is \$126,737. The median value of owner occupied units was \$149,460.

## **MAJOR INITIATIVES**

***For The Year.*** In FY 2017, The Public Works and Engineering Departments expended \$828,130 in SPLOST funds to finance drainage improvements, street repaving, street striping and installation and repairs of sidewalks.

SPLOST dollars totaling \$433,229 were expended to purchase police vehicles, a public safety training center, safety clothing for police and fire department and the relocation of a fire department training tower.

The City's Water and Sewer Department expended \$1,278,407 in SPLOST funds to finance water and sewer extensions to 301/I-16 and meter flex upgrades.

The City's Natural Gas Department expended \$108,481 in SPLOST funds for gas system expansions and FLEX net upgrades.

The City's solid waste collection and disposal department expended \$479,853 in SPLOST funds for a garbage truck and bulldozer replacements.

The City expended \$22,083 in SPLOST funds for the Fab Lab building as part of an Economic Development project.

***For The Future.*** Public Safety has budgeted \$615,300 for police vehicles and conversions, a new fire department engine, personal protection equipment, small tools and equipment.

The Natural Gas Department has budgeted \$1,300,000 for gas system expansion and relocating a natural gas pipeline at Highway 301 North River Crossing.

The Solid Waste Disposal fund has \$115,000 of SPLOST dollars budgeted for equipment replacement.

The engineering department has budgeted \$1,095,000 of SPLOST funds for street resurfacing,



sidewalks and traffic calming measures.

The waste water department has budgeted \$1,465,000 of SPLOST funds for water and sewer upgrades and a sewer main extension.

In FY 2018, 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 \$1,374,600.

## **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 \$37,002,280 in projected expenditures through FY 2023. In FY 2018, the City has budgeted \$9,169,650 in projected expenditures, with \$6,864,444 being funded from the 2013 Special Purpose Local Option Sales Tax. The projects funded from the 2013 SPLOST include \$1,095,000 in street, \$300,000 for fire equipment and training facility, \$312,500 for police vehicles and equipment, and \$1,600,000 for water and sewer projects, \$1,300,000 for natural gas projects, 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

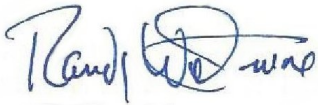
auditor's opinion is included in this report. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, 2017.

***Awards.***

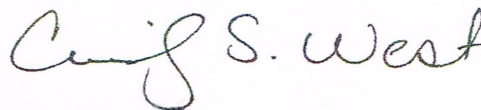
In 2017, the City received the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2016 from the Government Finance Officers Association of the United States and Canada (GFOA). This award is the highest form of recognition in governmental budgeting. It is presented to governments 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 thirteenth consecutive year the City has received this award. The Distinguished Budget award is 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, Deal & Proctor, CPAs.

Respectfully submitted,



Randy Wetmore  
City Manager



Cindy S. West  
Director of Finance



# 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*

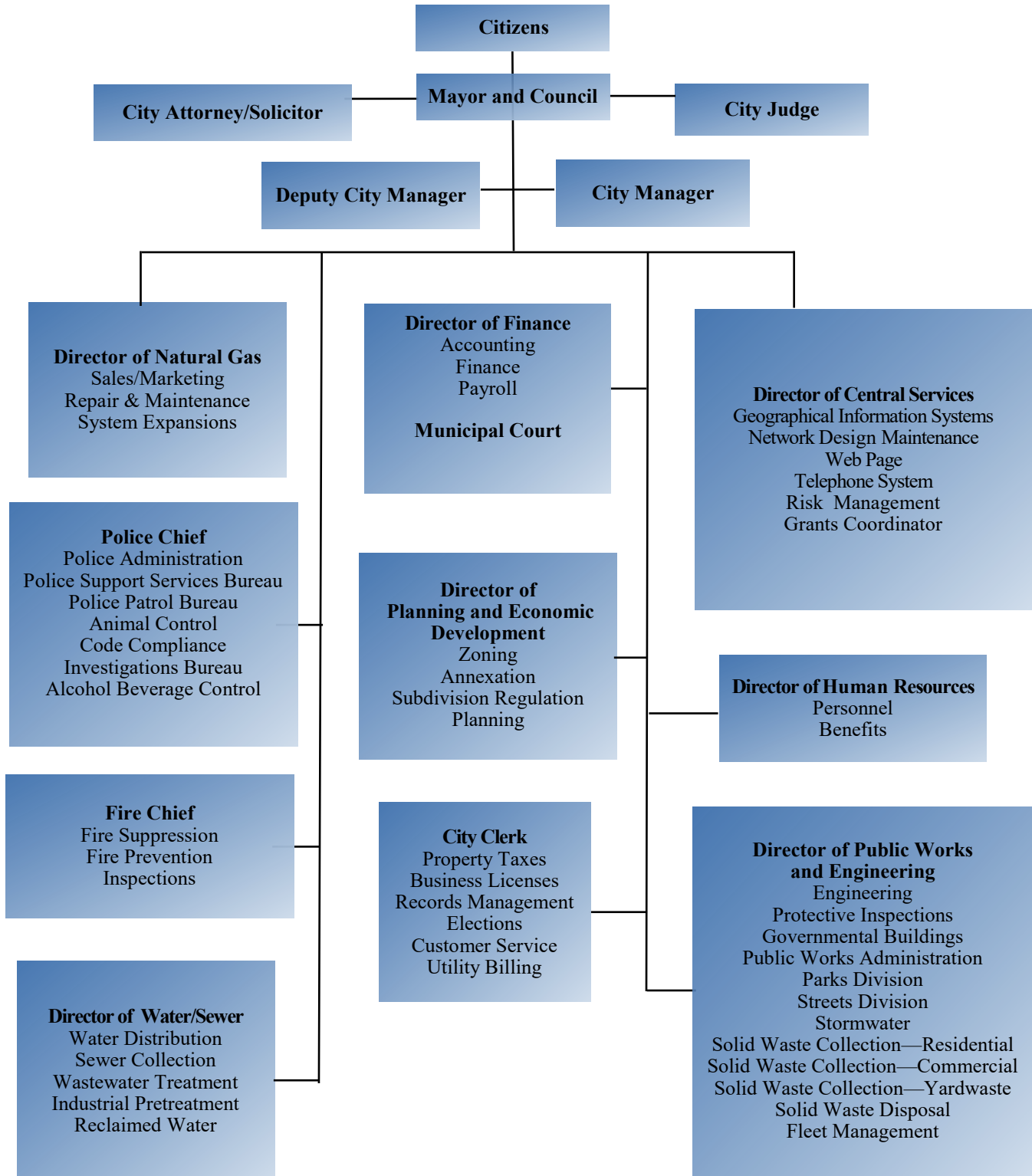
# CITY OF STATESBORO, GEORGIA

## APPOINTED PRINCIPAL OFFICIALS

*As of June 30, 2017*

<u>NAME</u>	<u>POSITION</u>	<u>LENGTH OF TIME WITH CITY</u>
Randy Wetmore	City Manager	9 months
Robert Cheshire	Deputy City Manager	21 years
Cindy West	Finance Director	20 years
Sue Starling	City Clerk	27 years
Cain Smith	Staff Attorney	6 months
Jason Boyles	Public Works and Engineering Director	16 years
Mike Broadhead	Police Chief	2 months
Steve Hotchkiss	Natural Gas Director	26 years
Frank Neal	Director of Planning & Development	1 year
Van Collins	Water/Wastewater Director	37 years
Darren Prather	Central Services Director	8 years
Jeff Grant	Human Resources Director	7 years

# ORGANIZATIONAL CHART FOR THE CITY OF STATESBORO





**Past**



**Present**



**Future**



**Financial**





# LANIER, DEAL & PROCTOR

WILLIAM RUSSELL LANIER, CPA  
RICHARD N. DEAL, CPA, CGMA  
KAY S. PROCTOR, CPA, CFE, CGMA  
WILLIAM BLAKE BLOSER, CPA  
TIFFANY D. JENKINS, CPA, CGMA  
RICHARD N. DEAL II, CPA

CERTIFIED PUBLIC ACCOUNTANTS  
201 SOUTH ZETTEROWER AVENUE  
P.O. BOX 505  
STATESBORO, GEORGIA 30459  
PHONE (912) 489-8756  
FAX (912) 489-1243

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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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, 2017, 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 December 27, 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.

*Janier, Deal + Pactor*

Statesboro, GA

December 27, 2017

**Past**



**Present**



**Future**



# ***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, 2017. 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 \$92,551,423 at 2017 fiscal year-end. That is \$3,074,971 or 3.4%, higher than the total net position of \$89,476,452 at 2016 fiscal year-end. Fiscal year 2016 had seen a \$5,059,309 or 6.0%, increase in total net position.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets, of \$76,250,099 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 2016 was \$76,742,861. That is a decrease of \$492,762 or .6%. There was an increase of \$3,321,767 or 4.5% for fiscal year 2016.
  - (2) Net position of \$6,302,621 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations. That is \$442,442 or 7.6%, more than the fiscal year 2016 amount of \$5,860,179. That was \$115,862 (or 1.9%) less than fiscal year 2015's \$5,976,041.
  - (3) Unrestricted net position of \$9,998,703 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is a \$3,125,291 (or 45.5%) increase over the fiscal year 2016 total of \$6,873,412. That amount was a \$1,853,404 (or 36.9%) increase over fiscal year 2015's figure of \$5,020,008. FY 2015 had seen a \$1,954,143 (or 63.7%) increase over FY 2014's amount. In fiscal year 2017, unrestricted net position for business-type activities increased by \$3,105,149 or 47.9%. The unrestricted net position for the governmental activities in fiscal year 2017 increased by \$20,142 or 5.1%.
- The City's governmental funds reported total ending fund balance of \$9,527,788, compared to \$7,485,810 in fiscal year 2016. This is a \$2,041,978 (or 27.3%) increase. The fiscal year 2016 ending fund balance for governmental funds showed an increase of \$974,338 (or 15%).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,089,876. That compares to \$2,501,862 for fiscal year 2016 and \$1,387,427 for fiscal year 2015.

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 one budget amendment, or revision, 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 56.

### Financial Analysis of the City as a Whole

The City's net position at fiscal year 2017 was \$92,551,423, compared to the fiscal year 2016 figure of \$89,476,452. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current assets	\$ 12,092,599	\$ 10,156,506	\$ 13,558,917	\$ 9,006,026	\$ 25,651,516	\$ 19,162,532
Capital assets	28,736,458	29,874,080	62,787,358	61,730,899	91,523,816	91,604,979
Other Noncurrent assets	351,206	-	3,124,212	4,413,474	3,475,418	4,413,474
<b>Total Assets</b>	<b>41,180,263</b>	<b>40,030,586</b>	<b>79,470,487</b>	<b>75,150,399</b>	<b>120,650,750</b>	<b>115,180,985</b>
<b>Deferred Outflows of Revenues</b>	<b>1,123,308</b>	<b>1,281,612</b>	<b>465,294</b>	<b>526,440</b>	<b>1,588,602</b>	<b>1,808,052</b>
<b>Liabilities:</b>						
Current liabilities	3,132,462	2,900,698	2,563,261	2,344,686	5,695,723	5,245,384
Long-term liabilities	5,379,649	4,045,020	17,894,705	17,502,417	23,274,354	21,547,437
<b>Total Liabilities</b>	<b>8,512,111</b>	<b>6,945,718</b>	<b>20,457,966</b>	<b>19,847,103</b>	<b>28,970,077</b>	<b>26,792,821</b>
<b>Deferred Inflows of Resources</b>	<b>521,424</b>	<b>522,802</b>	<b>196,428</b>	<b>196,962</b>	<b>717,852</b>	<b>719,764</b>
<b>Net Position:</b>						
Net Investment in capital assets	27,344,828	28,381,095	48,905,271	48,361,766	76,250,099	76,742,861
Restricted	5,511,456	5,068,973	791,165	791,206	6,302,621	5,860,179
Unrestricted	413,752	393,610	9,584,951	6,479,802	9,998,703	6,873,412
<b>Total net position</b>	<b>\$ 33,270,036</b>	<b>\$ 33,843,678</b>	<b>\$ 59,281,387</b>	<b>\$ 55,632,774</b>	<b>\$ 92,551,423</b>	<b>\$ 89,476,452</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 2017, the current ratio for governmental activities is 3.9 and 5.3 for business type activities. For fiscal year 2016, the current ratio for governmental activities was 3.5 and for business type activities 3.8. For the City, overall, the current ratio for fiscal year 2017 is 4.5, compared to 3.7 for fiscal year 2016. For fiscal year 2015, the current ratio for governmental activities was 2.9 and for business type activities 2.9.

Net position for fiscal year 2017 decreased by \$573,642 for governmental activities, and increased by \$3,648,613 for business-type activities. Net position for fiscal year 2016 increased by \$1,385,140 for governmental activities and increased by \$3,674,169 for business type activities.

Note that in fiscal year 2017, 82.2%, and in fiscal year 2016, 83.9% of the governmental activities' net position were invested in capital assets. On the business type activities, the City has spent 82.5% of its net position in fiscal year 2017, and 86.9% in fiscal year 2016 on capital assets. This is not unusual, as the business type activities are primarily utilities, which are very capital-intensive operations. Expansion of these systems is necessary for the continued growth of the City and for its financial position, as these utility systems generate considerable revenues for all the City's operations. 82.4% in fiscal year 2017, and 85.8% in fiscal year 2016 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 2017 and 2016:

	Summary of Changes in Net Position				2016			
	2017				2016			
	Governmental Activities	Business Activities	Total	Percentage of Total	Governmental Activities	Business Activities	Total	Percentage of Total
Revenues:								
Program:								
Charges for services	\$ 3,412,058	\$ 23,433,217	\$ 26,845,275	62%	\$ 3,692,701	\$ 21,862,308	\$ 25,555,009	62%
Operating grants	206,242	165,594	371,836	1%	-	-	-	0%
Capital grants and contributions	5,801,489	140,305	5,941,794	14%	5,697,157	155,378	5,852,535	14%
General:								
Taxes	9,884,185	-	9,884,185	23%	9,635,141	-	9,635,141	23%
Other	134,228	83,210	217,438	0%	89,756	114,449	204,205	1%
Total revenues	19,438,202	23,822,326	43,260,528	100%	19,114,755	22,132,135	41,246,890	100%
Program Expenses:								
General government	1,968,975	-	1,968,975	5%	1,707,991	-	1,707,991	5%
Municipal court	508,188	-	508,188	1%	553,858	-	553,858	2%
Public safety	10,718,966	-	10,718,966	28%	10,677,712	-	10,677,712	29%
Public works	3,451,180	-	3,451,180	9%	3,217,005	-	3,217,005	9%
Community development	921,965	-	921,965	2%	799,087	-	799,087	2%
Parks and cemeteries	515,643	-	515,643	1%	462,575	-	462,575	1%
Engineering	282,548	-	282,548	1%	232,815	-	232,815	1%
Planning and zoning	326,708	-	326,708	1%	321,222	-	321,222	1%
Community services	265,623	-	265,623	1%	258,312	-	258,312	1%
Interest	19,806	-	19,806	0%	20,231	-	20,231	0%
Water and sewer	-	8,674,680	8,674,680	23%	-	9,090,966	9,090,966	25%
Reclaimed water system	-	44,256	44,256	0%	-	24,585	24,585	0%
Stormwater	-	610,552	610,552	2%	-	401,735	401,735	1%
Gas	-	3,318,781	3,318,781	9%	-	2,750,175	2,750,175	7%
Solid waste collection	-	2,972,290	2,972,290	8%	-	2,874,268	2,874,268	8%
Solid waste disposal	-	3,565,151	3,565,151	9%	-	2,795,044	2,795,044	8%
Total expenses	18,979,602	19,185,710	38,165,312	100%	18,250,808	17,936,773	36,187,581	100%
Excess (deficiency)	458,600	4,636,616	5,095,216		863,947	4,195,362	5,059,309	
Transfers	343,359	(343,359)	-		521,193	(521,193)	-	
Change in net position	801,959	4,293,257	5,095,216		1,385,140	3,674,169	5,059,308	
Prior period adjustment	(1,375,601)	(644,644)	(2,020,245)		-	-	-	
Beginning net position	33,843,678	55,632,774	89,476,452		32,458,538	51,958,605	84,417,143	
Ending net position	\$ 33,270,036	\$ 59,281,387	\$ 92,551,423		\$ 33,843,678	\$ 55,632,774	\$ 89,476,452	

## 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 \$10,548,248 in local option sales taxes in fiscal year 2017, the City would have had \$5,274,124. 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 2017, sales taxes of \$5,391,024 out of \$19,385,771 in total governmental funds revenues, or 27.8%, were received from the 2013 SPLOST. \$16,916 in 2007 SPLOST funds, and \$3,284,400 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 2016, \$5,185,152 in sales taxes represented 27.2% of the \$19,069,987 in governmental funds revenues.

The City is heavily reliant on taxes to support governmental activities operations. In total, taxes make up 51% of revenues as compared to 50% in fiscal year 2016. Property taxes provided \$4,523,095 or 23.3% of the City's total governmental activities revenue as compared to 23.4% in fiscal year 2016.

Also, note that program revenues covered 49.6% in fiscal year 2017, and 51.4% in fiscal year 2016 of governmental operating expenses. This means that the government's taxpayers and the City's other general revenues funded the remaining 50.4% in fiscal year 2017, and 48.6% in fiscal year 2016 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 56.5% of the City's total governmental activity expenses and 28.1% of the total City expenses in fiscal year 2017. In fiscal year 2016, the figures were 58.5% and 29.5% respectively. In fiscal year 2017, general government totaled 10.4% of the total governmental activity expense, and 5.2% of the total City expenses. In fiscal year 2016, general government totaled 9.4% of the total governmental activity expenses, and 4.7% of the total City expenses. Of the total \$18.98 million of governmental expenses, depreciation is 13.9% of that total. In fiscal year 2016, the numbers were \$18.25 million and 13.7% respectively.

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

	Governmental Activities		Governmental Activities	
	2017	2017	2016	2016
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	\$ 1,968,975	\$ 1,155,651	\$ 1,707,991	\$ 939,116
Municipal Court	508,188	508,188	553,858	553,858
Public Safety	10,718,966	7,412,162	10,677,712	7,436,659
Public Works	3,451,180	(1,249,513)	3,217,005	(1,481,386)
Community Development	921,965	512,316	799,087	476,774
Parks and Cemeteries	515,643	515,643	462,575	462,575
Engineering	282,548	248,776	232,815	137,540
Planning and Zoning	326,708	171,161	321,222	57,271
Community Services	265,623	265,623	258,312	258,312
Interest	19,806	19,806	20,231	20,231
<b>Total</b>	<b>\$ 18,979,602</b>	<b>\$ 9,559,813</b>	<b>\$ 18,250,808</b>	<b>\$ 8,860,950</b>

For fiscal year 2017 and 2016, all functions required a subsidy from general revenues except for public works. In fiscal year 2017 and 2016, \$4,404,924 and \$4,255,518, 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 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.

For fiscal year 2017, operating revenues for utility funds were 7.5% higher than 2016 and operating expenses were 7.7% higher than fiscal year 2016. Within the total business type activities of the City, the activities reported \$5,125,714 in operating income, or an increase of 6.7% compared to fiscal year 2016. After transfers in and out between other funds, these funds reported a gain of \$4,476,210 or an increase of \$584,838, compared to fiscal year 2016. The primary reason for this increase was an increase in operating income for the water and sewer fund.

Each specific fund reported the following operating income or loss:

	2017		2016	
	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>
Water and Sewer Fund	\$ 3,410,204	39.6%	\$ 2,443,457	9.2%
Reclaimed Water/Sewer Fund	\$ 8,777	(68.3)%	\$ 27,667	810.1%
Stormwater	\$ 507,313	(1.6)%	\$ 515,621	100.0%
Gas Fund	\$ 1,383,005	(21.0)%	\$ 1,750,091	4.1%
Solid Waste Collection Fund	\$ 913,452	36.4%	\$ 669,760	5.0%
Solid Waste Disposal Fund	\$ (1,097,037)	(82.4)%	\$ (601,434)	5.9%

The solid waste disposal fund's operating loss increased by 82.4% from fiscal year 2016. The revenues do not cover all expenses, and SPLOST Funds is therefore used to make up the difference.

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

- Since the City does partial indirect cost allocation, the transfers help cover the General Fund's indirect costs that could be charged to the enterprise funds as indirect costs. These costs include the various staff divisions, such as personnel, finance, purchasing, and records, as well as part of the City Manager's time.
- If these enterprise funds were privately owned, the City would be entitled to a franchise fee equal to 5% of the gross revenues, similar to CATV, electricity, or telephone service providers. These transfers offset some of these costs.

- If these enterprise funds were privately owned, the City would be entitled to property taxes on the property in service, net of accumulated depreciation, similar to CATV, electricity, or telephone service providers. These transfers are made in lieu of property taxes.
- If these enterprise funds were privately owned, their approved rate tariffs would include a reasonable return on shareholder equity. Since the City's taxpayers are in fact the investors who started and financed these operations, they are being rewarded with a comparable return on equity in the form of lower property taxes. This return can be made while still maintaining retail rates that are at or below the surrounding market prices offered by private utility companies. For example, the City's natural gas system rates are considerably lower than any investor-owned utility or private gas marketer in our geographic area.
- Hosting a sizable regional university, as well as being the county seat, results in a considerable amount of state and county property not being subject to property taxation. However, services such as police, fire, street repair and cleaning, and traffic signalization must be provided and expanded as needed, and must be funded from general revenues. Transfers from the enterprise funds help offset this burden, while sharing it more equitably among all citizens and institutions.

The solid waste disposal fund recognized a transfer in from the 2013 SPLOST fund of \$1,737,283 in fiscal year 2017, 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 \$9,527,788 in fiscal year 2017, compared to \$7,485,810 in fiscal year 2016, and \$6,511,472 in fiscal year 2015. Of these year-end totals, \$5,469,858 (or 57.4%) in fiscal year 2017 and \$5,022,146 (or 67.1%) in fiscal year 2016 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 2017 of \$2,041,978 or 27.3% compared to an increase in fiscal year 2016 of \$974,338 or 15%. The fiscal year 2017 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 \$1,066,756 in fiscal year 2017. The General Fund's fund balance increased by \$1,122,441 in fiscal year 2016, and increased by \$842,867 in fiscal year 2015.

Total taxes for the general fund were \$8,882,619, or 1.0% higher than in fiscal year 2016. Total property taxes in fiscal year 2017 were \$4,445,317 compared to \$4,439,034 in fiscal year 2016. In fiscal year 2016, total taxes were \$8,792,817, or 3.1% higher than the \$8,529,214 in fiscal year 2015.

The general fund's total expenditures increased by \$129,044 in fiscal year 2017 compared to an increase of \$1,163 in fiscal year 2016.

The General Fund's ending unassigned fund balance of \$4,089,876 represents the equivalent of 27.6% of the \$14,801,829 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 27.6%, above the 25% target set for unassigned fund balance. The governing body has adopted a conservative General Fund budget for fiscal year 2018.

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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 \$629,949 at year-end compared to \$711,307 at the end of fiscal year 2016. This represents a \$81,358 or 11.4% decrease.

The 2013 SPLOST fund's ending restricted fund balance was \$4,248,647 for fiscal year 2017. This is an increase of \$497,310 over fiscal year 2016.

### ***The Proprietary Funds***

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

### **Budgetary Highlights**

***The General Fund*** – Overall, the City recognized revenues equal to 101.2% of budgeted revenues in the final appropriated budget. The total expenditure budget was increased through budget amendments by \$96,790. Overall, the City recognized expenditures equal to \$613,897 less than, or 94.9% of budgeted expenditures in the final appropriated budget. In summary, the budget was underspent by 5.1% while revenue estimates were 1.2% over.

On the revenue side of the budget, automobile taxes came in \$58,100 more than budgeted. Insurance premium taxes came in \$138,061 more than budgeted. Property taxes came in \$33,217 more than budgeted. Licenses and permits came in \$25,555 more than budgeted. Alcohol Beverage taxes came in \$39,276 more than budgeted. Fines and Forfeitures came in \$168,821 less than budgeted. In total, General Fund revenues came in \$133,671 more than the budgeted amount.

On the expenditure side, the Municipal Court, Police, Engineering, Streets and Public Works, and Debt Service costs were considerably below the budgeted amounts. Overall, the General Fund expenditures were \$747,568 less than budgeted.

Fund Balance was budgeted to increase by \$233,094. However, the fund balance increased by \$1,066,756 which was \$833,662 more than budgeted.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

The City's investment in capital assets, net of accumulated depreciation, for governmental (including the fleet management and central service internal service funds) and business-type activities as of June 30, 2016 was \$28,736,458 and \$62,787,358 respectively, for a total of \$91,523,816. That compares to fiscal year 2016 numbers of \$29,874,080 and \$61,730,899 respectively, for a total of \$91,604,979. The fiscal year 2017 totals in this net investment were a 3.8% decrease for governmental and a 1.7% increase for business-type activities. 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	
	2017	2016	2017	2016	2017	2016
Non-depreciable assets:						
Land	\$ 1,643,316	\$ 1,643,316	\$ 574,113	\$ 554,410	\$ 2,217,429	\$ 2,197,726
Construction in progress	194,303	1,136,353	9,136,410	8,745,876	9,330,713	9,882,229
Total non-depreciable	1,837,619	2,779,669	9,710,523	9,300,286	11,548,142	12,079,955
Depreciable assets:						
Buildings	16,989,895	16,989,895	3,326,984	3,160,391	20,316,879	20,150,286
Improvements other than buildings	1,419,359	1,101,334	78,271,877	75,687,109	79,691,236	76,788,443
Machinery, equipment and furniture	13,046,666	12,607,854	16,904,145	15,974,017	29,950,811	28,581,871
Infrastructure	20,156,010	18,929,861	-	-	20,156,010	18,929,861
Total depreciable assets	51,611,930	49,628,944	98,503,006	94,821,517	150,114,936	144,450,461
Less accumulated depreciation	24,713,091	22,534,533	45,426,171	42,390,904	70,139,262	64,925,437
Book value - depreciable assets	26,898,839	27,094,411	53,076,835	52,430,613	79,975,674	79,525,024
Percentage depreciated	48%	45%	46%	45%	47%	45%
Total Capital Assets	\$ 28,736,458	\$ 29,874,080	\$ 62,787,358	\$ 61,730,899	\$ 91,523,816	\$ 91,604,979

At June 30, 2017 and 2016, the depreciable capital assets for governmental activities were 48% and 45% depreciated, respectively.

The major increase in capital assets in fiscal year 2017 was several road and drainage projects and the acquisition of vehicles and equipment for the police and streets department.

In the City's business type activities, 46% of the asset values were depreciated at June 30, 2017 and 45% at June 30, 2016. The major increase in capital assets in fiscal year 2017 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 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 a 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.

In fiscal year 2017, the capital leases increased by \$331,753, the bond debt decreased by \$532,575, and the notes payable decreased by \$211,357. Combined, this represented a decrease in long-term debt of \$412,179.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Capital Leases	\$ 1,391,630	\$ 1,492,985	\$ 433,108	\$ -	\$ 1,824,738	\$ 1,492,985
Revenue bonds (including unamortized premium)	-	-	11,873,058	12,405,633	11,873,058	12,405,633
Notes Payable			2,859,702	3,071,059	2,859,702	3,071,059
Landfill closure and postclosure care	-	-	1,911,000	1,636,057	1,911,000	1,636,057
Other post employment benefits	4,064,915	3,369,899	1,639,162	1,370,715	5,704,077	4,740,614
Compensated absences	562,929	547,610	234,299	247,009	797,228	794,619
Total	<u>\$ 6,019,474</u>	<u>\$ 5,410,494</u>	<u>\$ 18,950,329</u>	<u>\$ 18,730,473</u>	<u>\$ 24,969,803</u>	<u>\$ 24,140,967</u>

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

### Economic Conditions Affecting the City

As of July 2017, the local unemployment rate was 5.8%, which was higher than the state rate of 4.7% and the national rate of 4.3%. 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.

The outlook long-term is very 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.

**Past**



**Present**



**Future**



## ***Basic Financial Statements***





City of Statesboro, Georgia  
Statement of Net Position  
June 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 9,397,578	\$ 10,066,755	\$ 19,464,333	\$ 593,200
Receivables:				
Accounts	456,264	2,737,774	3,194,038	-
Taxes	155,074	-	155,074	-
Hotel/motel taxes	83,588	-	83,588	-
Intergovernmental	986,501	-	986,501	16,769
Notes	219,105	-	219,105	-
Other	139,717	-	139,717	-
Internal balances	359,012	(359,012)	-	-
Inventory	192,216	411,790	604,006	-
Prepaid items	103,544	33,705	137,249	2,159
Restricted assets - Cash and cash equivalents	-	667,905	667,905	-
<b>Total Current Assets</b>	<b>12,092,599</b>	<b>13,558,917</b>	<b>25,651,516</b>	<b>612,128</b>
<b>Noncurrent Assets</b>				
Restricted assets - Cash and cash equivalents	-	3,025,591	3,025,591	-
Net pension asset	351,206	98,621	449,827	-
Capital Assets:				
Nondepreciable capital assets	1,837,619	9,710,523	11,548,142	149,984
Depreciable capital assets, net	26,898,839	53,076,835	79,975,674	11,251
<b>Total Noncurrent Assets</b>	<b>29,087,664</b>	<b>65,911,570</b>	<b>94,999,234</b>	<b>161,235</b>
<b>Total Assets</b>	<b>41,180,263</b>	<b>79,470,487</b>	<b>120,650,750</b>	<b>773,363</b>
<b>Deferred Outflows of Resources</b>				
Resources related to pensions	554,246	245,498	799,744	-
Resources related to other post employment benefits	569,062	219,796	788,858	-
<b>Total Deferred Outflows of Resources</b>	<b>1,123,308</b>	<b>465,294</b>	<b>1,588,602</b>	<b>-</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	541,888	545,795	1,087,683	11,395
Accrued payroll and payroll taxes	305,334	127,052	432,386	3,387
Intergovernmental payable	343	30,188	30,531	-
Accrued interest payable	-	136,698	136,698	-
Claims payable	1,088,226	-	1,088,226	-
Unearned revenue	220,650	-	220,650	-
Other payables	336,196	-	336,196	-
Compensated absences payable	112,586	46,860	159,446	-
Capital leases payable	527,239	86,622	613,861	-
Notes payable	-	220,141	220,141	-
Revenue bonds payable	-	535,000	535,000	-
Customer deposits	-	667,905	667,905	-
Landfill post-closure care costs	-	167,000	167,000	-
<b>Total Current Liabilities</b>	<b>3,132,462</b>	<b>2,563,261</b>	<b>5,695,723</b>	<b>14,782</b>
<b>Long-Term Liabilities:</b>				
Compensated absences payable (net of current portion)	450,343	187,438	637,781	-
Other post employment benefits payable	4,064,915	1,639,162	5,704,077	-
Capital leases payable (net of current portion)	864,391	346,486	1,210,877	-
Revenue bonds payable, net of unamortized premium (net of current portion)	-	11,338,058	11,338,058	-
Notes payable (net of current portion)	-	2,639,561	2,639,561	-
Landfill post-closure care costs (net of current portion)	-	1,744,000	1,744,000	-
<b>Total Long-Term Liabilities</b>	<b>5,379,649</b>	<b>17,894,705</b>	<b>23,274,354</b>	<b>-</b>
<b>Total Liabilities</b>	<b>8,512,111</b>	<b>20,457,966</b>	<b>28,970,077</b>	<b>14,782</b>
<b>Deferred Inflows of Resources</b>				
Resources related to pension	389,566	145,499	535,065	-
Resources related to other post employment benefits	131,858	50,929	182,787	-
<b>Total Deferred Inflows of Resources</b>	<b>521,424</b>	<b>196,428</b>	<b>717,852</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	27,344,828	48,905,271	76,250,099	161,235
Restricted for:				
Capital projects	4,376,070	-	4,376,070	-
Program purposes	1,135,386	-	1,135,386	-
Revenue bond retirement	-	791,165	791,165	-
Unrestricted	413,752	9,584,951	9,998,703	597,346
<b>Total Net Position</b>	<b>\$ 33,270,036</b>	<b>\$ 59,281,387</b>	<b>\$ 92,551,423</b>	<b>\$ 758,581</b>

See accompanying notes to the basic financial statements

City of Statesboro, Georgia  
Statement of Activities  
For the Year Ended June 30, 2017

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	\$ 1,968,975	\$ 813,324	\$ -	\$ -	\$ (1,155,651)	\$ -	\$ (1,155,651)	\$ -
Municipal court	508,188	-	-	-	(508,188)	-	(508,188)	-
Public safety	10,718,967	2,409,325	158,152	739,327	(7,412,163)	-	(7,412,163)	-
Public works	3,451,180	90	10,000	4,690,603	1,249,513	-	1,249,513	-
Community development	921,965	-	38,090	371,559	(512,316)	-	(512,316)	-
Parks and cemeteries	515,643	-	-	-	(515,643)	-	(515,643)	-
Engineering	282,548	33,772	-	-	(248,776)	-	(248,776)	-
Planning and zoning	326,708	155,547	-	-	(171,161)	-	(171,161)	-
Community services	265,623	-	-	-	(265,623)	-	(265,623)	-
Interest	19,806	-	-	-	(19,806)	-	(19,806)	-
<b>Total Governmental Activities</b>	<b>18,979,602</b>	<b>3,412,058</b>	<b>206,242</b>	<b>5,801,489</b>	<b>(9,559,813)</b>	<b>-</b>	<b>(9,559,813)</b>	<b>-</b>
<b>Business-Type Activities:</b>								
Water and sewer	8,674,680	11,291,289	8,003	140,305	-	2,764,917	2,764,917	-
Reclaimed water system	44,256	53,033	-	-	-	8,777	8,777	-
Stormwater	610,552	1,105,033	-	-	-	494,481	494,481	-
Gas	3,318,781	4,674,025	-	-	-	1,355,244	1,355,244	-
Solid waste collection	2,972,290	3,857,359	157,591	-	-	1,042,660	1,042,660	-
Solid waste disposal	3,565,151	2,452,478	-	-	-	(1,112,673)	(1,112,673)	-
<b>Total Business-Type Activities</b>	<b>19,185,710</b>	<b>23,433,217</b>	<b>165,594</b>	<b>140,305</b>	<b>-</b>	<b>4,553,406</b>	<b>4,553,406</b>	<b>-</b>
<b>Total - Primary Government</b>	<b>\$ 38,165,312</b>	<b>\$ 26,845,275</b>	<b>\$ 371,836</b>	<b>\$ 5,941,794</b>	<b>(9,559,813)</b>	<b>4,553,406</b>	<b>(5,006,407)</b>	<b>-</b>
<b>Component Unit</b>								
Downtown Statesboro Development Authority	\$ 194,401	\$ 12,345	\$ 263,831	\$ -	-	-	-	81,775
<b>General Revenues</b>								
Property taxes levied for:								
General purposes					4,523,095	-	4,523,095	-
Hotel/motel taxes					923,788	-	923,788	-
Insurance premium taxes					1,773,061	-	1,773,061	-
Franchise taxes					1,845,269	-	1,845,269	-
Other taxes					818,972	-	818,972	-
Gain (loss) on sale of capital assets					48,572	17,045	65,617	-
Investment earnings					12	289	301	1,844
Miscellaneous					85,644	65,876	151,520	-
<b>Total General Revenues</b>					<b>10,018,413</b>	<b>83,210</b>	<b>10,101,623</b>	<b>1,844</b>
Transfers					343,359	(343,359)	-	-
<b>Total General Revenues and Transfers</b>					<b>10,361,772</b>	<b>(260,149)</b>	<b>10,101,623</b>	<b>1,844</b>
<b>Change in Net Position</b>					<b>801,959</b>	<b>4,293,257</b>	<b>5,095,216</b>	<b>83,619</b>
<b>Net Position Beginning of Year, As Restated</b>					<b>32,468,077</b>	<b>54,988,130</b>	<b>87,456,207</b>	<b>674,962</b>
<b>Net Position End of Year</b>					<b>\$ 33,270,036</b>	<b>\$ 59,281,387</b>	<b>\$ 92,551,423</b>	<b>\$ 758,581</b>

See accompanying notes to the basic financial statements.

**City of Statesboro, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

	<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	\$ 2,301,186	\$ 610,145	\$ 5,032,155	\$ 715,155	\$ 8,658,641
Receivables:					
Accounts	6,450	36,836	-	-	43,286
Taxes	155,074	-	-	-	155,074
Hotel/motel taxes	-	-	-	83,588	83,588
Intergovernmental	46,501	29,618	910,382	-	986,501
Interfund	2,351,634	-	-	13,582	2,365,216
Notes	-	-	-	219,105	219,105
Other	-	-	-	139,717	139,717
Prepaid items	42,374	42,348	-	-	84,722
<b>Total Assets</b>	<b>\$ 4,903,219</b>	<b>\$ 718,947</b>	<b>\$ 5,942,537</b>	<b>\$ 1,171,147</b>	<b>\$ 12,735,850</b>
<b>Liabilities</b>					
Accounts payable	\$ 99,250	\$ 18,707	\$ 252,094	\$ 119,590	\$ 489,641
Intergovernmental payable	343	-	-	-	343
Accrued payroll and payroll taxes	214,509	70,291	-	-	284,800
Interfund payable	-	-	1,441,796	419,351	1,861,147
Unearned revenue	220,650	-	-	-	220,650
Other liabilities	220,932	-	-	115,264	336,196
<b>Total Liabilities</b>	<b>755,684</b>	<b>88,998</b>	<b>1,693,890</b>	<b>654,205</b>	<b>3,192,777</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	15,285	-	-	-	15,285
<b>Fund Balances</b>					
Nonspendable	42,374	42,348	-	-	84,722
Unassigned	4,089,876	-	-	(116,668)	3,973,208
Restricted:					
Special revenue funds	-	587,601	-	506,187	1,093,788
Capital projects funds	-	-	4,248,647	127,423	4,376,070
<b>Total Fund Balances</b>	<b>4,132,250</b>	<b>629,949</b>	<b>4,248,647</b>	<b>516,942</b>	<b>9,527,788</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 4,903,219</b>	<b>\$ 718,947</b>	<b>\$ 5,942,537</b>	<b>\$ 1,171,147</b>	<b>\$ 12,735,850</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, 2017**

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

<b>Total Governmental Fund Balances</b>	\$	9,527,788
Capital assets used in governmental activities (excludes internal service funds) are not financial resources and therefore are not reported in the funds:		
Cost	\$ 51,903,463	
Less accumulated depreciation	<u>(24,302,976)</u>	27,600,487
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		15,285
The net pension asset is not an asset for governmental funds and therefore is not reported in the funds.		
		331,057
Deferred outflows and deferred inflows related to pensions is not reported in the governmental funds:		
Deferred outflows of revenues	\$ 517,830	
Deferred inflows of revenues	<u>(365,848)</u>	151,982
Deferred outflows and deferred inflows related to post employment benefits is not reported in the governmental funds:		
Deferred outflows of revenues	532,358	
Deferred inflows of revenues	<u>(123,353)</u>	409,005
The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet, information technology, 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.		
		895,733
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:		
Interfund receivables	\$ 1,237,086	
Interfund payables	<u>(1,237,086)</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	\$ (1,320,194)	
Other post employment benefits payable	(3,822,498)	
Compensated absences	<u>(518,609)</u>	<u>(5,661,301)</u>
<b>Net Position Of Governmental Activities</b>	<b>\$</b>	<b><u>33,270,036</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, 2017**

	General	Statesboro Fire Service	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 4,445,317	\$ -	\$ -	\$ 73,919	\$ 4,519,236
Insurance premium taxes	1,773,061	-	-	-	1,773,061
Franchise taxes	1,845,269	-	-	-	1,845,269
Other taxes	818,972	-	-	-	818,972
Hotel/motel taxes	-	-	-	923,788	923,788
Intergovernmental	129,789	38,363	5,665,102	34,786	5,868,040
Licenses and permits	865,105	-	-	4,700	869,805
Fines and forfeitures	1,028,329	-	-	101,455	1,129,784
Charges for services	234,423	1,178,046	-	-	1,412,469
Contributions and donations	-	-	-	38,090	38,090
Investment earnings	-	-	550	1,063	1,613
Miscellaneous	79,216	6,428	-	100,000	185,644
<b>Total Revenues</b>	<b>11,219,481</b>	<b>1,222,837</b>	<b>5,665,652</b>	<b>1,277,801</b>	<b>19,385,771</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	1,808,797	-	-	-	1,808,797
Municipal court	478,322	-	-	-	478,322
Public safety	5,918,928	3,401,200	-	256,893	9,577,021
Public works	1,902,763	-	-	164,680	2,067,443
Community development	80,293	-	-	797,458	877,751
Parks and cemeteries	402,194	-	-	-	402,194
Engineering	243,844	-	-	-	243,844
Planning and zoning	300,439	-	-	-	300,439
Community services	167,843	-	-	-	167,843
<b>Capital Outlay</b>	-	-	1,283,442	209,309	1,492,751
<b>Debt Service:</b>					
Principal retirement	110,540	-	300,000	-	410,540
Interest and fiscal charges	19,806	-	-	-	19,806
<b>Total Expenditures</b>	<b>11,433,769</b>	<b>3,401,200</b>	<b>1,583,442</b>	<b>1,428,340</b>	<b>17,846,751</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(214,288)</b>	<b>(2,178,363)</b>	<b>4,082,210</b>	<b>(150,539)</b>	<b>1,539,020</b>
<b>Other Financing Sources (Uses)</b>					
Sale of capital assets	38,655	-	-	9,917	48,572
Transfers in	2,716,389	2,134,000	-	130,000	4,980,389
Transfers out	(1,474,000)	(36,995)	(3,284,900)	(63,105)	(4,859,000)
Issuance of capital lease	-	-	-	332,997	332,997
<b>Total Other Financing Sources (Uses)</b>	<b>1,281,044</b>	<b>2,097,005</b>	<b>(3,284,900)</b>	<b>409,809</b>	<b>502,958</b>
<b>Net Change in Fund Balances</b>	<b>1,066,756</b>	<b>(81,358)</b>	<b>797,310</b>	<b>259,270</b>	<b>2,041,978</b>
<b>Fund Balances Beginning of Year, As Restated</b>	<b>3,065,494</b>	<b>711,307</b>	<b>3,451,337</b>	<b>257,672</b>	<b>7,485,810</b>
<b>Fund Balances End of Year</b>	<b>\$ 4,132,250</b>	<b>\$ 629,949</b>	<b>\$ 4,248,647</b>	<b>\$ 516,942</b>	<b>\$ 9,527,788</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, 2017**

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

**Net Change In Fund Balance - Total Governmental Funds** \$ 2,041,978

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	\$ (2,510,819)	
	Capital outlay	<u>1,385,722</u>	(1,125,097)

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 @ 6/30/17	\$ 15,285	
	Unavailable revenue @ 6/30/16	<u>(11,426)</u>	3,859

Elimination of transfers between governmental funds:

	Transfers in	\$ 1,520,189	
	Transfers out	<u>(1,520,189)</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.

(235,055)

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.

(332,997)

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.

410,540

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

291,092

The change in the other post employment benefits payable and related deferred outflows and deferred inflows is reported on the government-wide statement of activities but not in the governmental funds.

(241,182)

Compensated absences 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 @ 6/30/17	\$ (518,609)	
	Compensated absences liability @ 6/30/16	<u>507,430</u>	<u>(11,179)</u>

**Change In Net Position of Governmental Activities**

**\$ 801,959**

See accompanying notes to the basic financial statements

**City of Statesboro, Georgia**  
**General Fund**  
*Statement of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Year Ended June 30, 2017*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>				
Taxes:				
Property	\$ 3,899,000	\$ 3,899,000	\$ 3,932,217	\$ 33,217
Automobiles	455,000	455,000	513,100	58,100
Franchise	1,895,623	1,895,623	1,845,269	(50,354)
Insurance premium	1,635,000	1,635,000	1,773,061	138,061
Alcoholic beverage	690,000	690,000	729,276	39,276
Other	96,250	96,250	89,696	(6,554)
Licenses and permits	839,550	839,550	865,105	25,555
Intergovernmental	-	93,650	129,789	36,139
Charges for services	229,787	229,787	234,423	4,636
Fines and forfeitures	1,197,150	1,197,150	1,028,329	(168,821)
Miscellaneous	46,800	54,800	79,216	24,416
<b>Total Revenues</b>	<b>10,984,160</b>	<b>11,085,810</b>	<b>11,219,481</b>	<b>133,671</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government				
Governing body	202,887	162,887	140,059	22,828
City manager's office	310,725	322,225	317,274	4,951
City clerk's office	190,663	190,663	177,203	13,460
Elections	500	500	207	293
Financial administration	445,178	450,178	495,854	(45,676)
Legal	125,057	235,357	225,288	10,069
Human resources	219,176	219,176	248,896	(29,720)
Government buildings	190,109	190,109	158,151	31,958
General administration fees	46,340	46,340	45,865	475
Total general government	1,730,635	1,817,435	1,808,797	8,638
Municipal court	580,549	580,549	478,322	102,227

(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, 2017**

(continued)

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
Public safety				
Police	\$ 6,139,068	\$ 6,079,068	\$ 5,871,907	\$ 207,161
Emergency management	5,000	5,000	5,000	-
Animal control	48,000	58,010	42,021	15,989
Total public safety	6,192,068	6,142,078	5,918,928	223,150
Streets/public works	2,034,854	2,039,854	1,902,763	137,091
Parks and cemeteries	425,579	425,579	402,194	23,385
Engineering	313,162	283,162	243,844	39,318
Planning and zoning	244,656	326,656	300,439	26,217
Community services				
Arts Center	130,155	132,945	132,943	2
Other	34,900	34,900	34,900	-
Total community services	165,055	167,845	167,843	2
Community development	84,400	84,590	80,293	4,297
<b>Debt Service:</b>				
Principal retirement	157,500	157,500	110,540	46,960
Interest and fiscal charges	22,418	22,418	19,806	2,612
<b>Total Debt Service</b>	179,918	179,918	130,346	49,572
<b>Total Expenditures</b>	11,950,876	12,047,666	11,433,769	613,897
<b>Deficiency of Revenues Under Expenditures</b>	(966,716)	(961,856)	(214,288)	747,568
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,708,950	2,708,950	2,716,389	7,439
Transfers out	(1,549,000)	(1,549,000)	(1,474,000)	75,000
Sale of capital assets	5,000	35,000	38,655	3,655
<b>Total Other Financing Sources (Uses)</b>	1,164,950	1,194,950	1,281,044	86,094
<b>Net Change in Fund Balances</b>	<u>\$ 198,234</u>	<u>\$ 233,094</u>	1,066,756	<u>\$ 833,662</u>
<b>Fund Balances Beginning of Year, As Restated</b>			<u>3,065,494</u>	
<b>Fund Balances End of Year</b>			<u>\$ 4,132,250</u>	

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, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 38,363	38,363
Charges for services	1,126,800	1,326,800	1,178,046	(148,754)
Miscellaneous	-	-	6,428	6,428
<b>Total Revenues</b>	<u>1,126,800</u>	<u>1,326,800</u>	<u>1,222,837</u>	<u>(103,963)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Public safety - Fire	3,379,546	3,459,546	3,401,200	58,346
<b>Deficiency of Revenues Under Expenditures</b>	<u>(2,252,746)</u>	<u>(2,132,746)</u>	<u>(2,178,363)</u>	<u>(45,617)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,134,000	2,134,000	2,134,000	-
Transfers out	-	(36,995)	(36,995)	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,134,000</u>	<u>2,097,005</u>	<u>2,097,005</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>\$ (118,746)</u>	<u>\$ (35,741)</u>	<u>\$ (81,358)</u>	<u>\$ (45,617)</u>
<b>Fund Balances Beginning of Year</b>			<u>711,307</u>	
<b>Fund Balances End of Year</b>			<u>\$ 629,949</u>	

See accompanying notes to the basic financial statements.

City of Statesboro, Georgia  
Statement of Net Position  
Proprietary Funds  
June 30, 2017

	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	\$ 5,696,038	\$ 2,400,921	\$ 978,538	\$ 456,016	\$ 535,242	\$ 10,066,755	\$ 738,937
Receivables:							
Accounts	586,368	219,678	205,800	73,533	131,869	1,217,248	412,978
Unbilled accounts	717,651	284,555	308,351	209,969	-	1,520,526	-
Interfund	-	-	-	-	-	-	-
Inventory	245,894	145,556	-	-	20,340	411,790	192,216
Prepaid items	12,760	7,899	7,958	4,017	1,071	33,705	18,822
Restricted assets - Cash and cash equivalents	429,805	82,585	155,515	-	-	667,905	-
<b>Total Current Assets</b>	<b>7,688,516</b>	<b>3,141,194</b>	<b>1,656,162</b>	<b>743,535</b>	<b>688,522</b>	<b>13,917,929</b>	<b>1,362,953</b>
<b>Noncurrent Assets:</b>							
Restricted assets - Cash and cash equivalents	3,025,591	-	-	-	-	3,025,591	-
Net pension asset	41,411	18,161	24,163	8,320	6,566	98,621	20,149
Capital Assets:							
Land	352,981	78,004	-	123,425	19,703	574,113	-
Construction in progress	8,933,680	93,988	-	-	108,742	9,136,410	-
Depreciable capital assets, net	43,042,972	4,340,727	1,876,780	2,035,923	1,780,433	53,076,835	1,135,971
<b>Total Noncurrent Assets</b>	<b>55,396,635</b>	<b>4,530,880</b>	<b>1,900,943</b>	<b>2,167,668</b>	<b>1,915,444</b>	<b>65,911,570</b>	<b>1,156,120</b>
<b>Total Assets</b>	<b>63,085,151</b>	<b>7,672,074</b>	<b>3,557,105</b>	<b>2,911,203</b>	<b>2,603,966</b>	<b>79,829,499</b>	<b>2,519,073</b>
<b>Deferred Outflows of Resources</b>							
Resources related to pensions	166,652	22,058	37,998	18,790	-	245,498	36,416
Resources related to other post employment benefits	122,490	23,754	39,262	16,405	17,885	219,796	36,704
<b>Total Deferred Outflows of Resources</b>	<b>289,142</b>	<b>45,812</b>	<b>77,260</b>	<b>35,195</b>	<b>17,885</b>	<b>465,294</b>	<b>73,120</b>
<b>Liabilities</b>							
<b>Current Liabilities:</b>							
Accounts payable	222,407	165,885	10,049	141,138	6,316	545,795	52,247
Accrued payroll	71,891	15,853	21,490	8,756	9,062	127,052	20,534
Intergovernmental payable	-	30,188	-	-	-	30,188	-
Compensated absences payable	24,616	9,291	6,866	3,580	2,506	46,860	8,864
Notes payable	191,107	29,034	-	-	-	220,141	-
Capital leases payable	-	-	-	-	86,622	86,622	23,812
Revenue bonds payable	535,000	-	-	-	-	535,000	-
Customer deposits	429,805	82,585	155,515	-	-	667,905	-
Landfill post-closure care costs	-	-	-	167,000	-	167,000	-
Accrued interest payable	135,607	1,091	-	-	-	136,698	-
Claims payable	-	-	-	-	-	-	1,088,226
Interfund payable	8,146	-	-	-	1,354	9,500	494,569
<b>Total Current Liabilities</b>	<b>1,618,579</b>	<b>333,927</b>	<b>193,920</b>	<b>320,474</b>	<b>105,860</b>	<b>2,572,761</b>	<b>1,688,252</b>
<b>Long-Term Liabilities:</b>							
Compensated absences payable (net of current portion)	98,464	37,166	27,465	14,322	10,022	187,438	35,456
Other post employment benefits payable	984,893	176,036	277,954	126,889	73,390	1,639,162	242,417
Landfill post-closure care costs (net of current portion)	-	-	-	1,744,000	-	1,744,000	-
Capital leases payable (net of current portion)	-	-	-	-	346,486	346,486	47,624
Notes payable (net of current portion)	2,514,348	125,213	-	-	-	2,639,561	-
Revenue bonds payable, net of unamortized premium (net of current portion)	11,338,058	-	-	-	-	11,338,058	-
<b>Total Long-Term Liabilities</b>	<b>14,935,763</b>	<b>338,415</b>	<b>305,419</b>	<b>1,885,211</b>	<b>429,898</b>	<b>17,894,705</b>	<b>325,497</b>
<b>Total Liabilities</b>	<b>16,554,342</b>	<b>672,342</b>	<b>499,339</b>	<b>2,205,685</b>	<b>535,758</b>	<b>20,467,466</b>	<b>2,013,749</b>
<b>Deferred Inflows of Resources</b>							
Resources related to pension	88,797	18,123	26,649	11,930	-	145,499	23,718
Resources related to other post employment benefits	28,383	5,504	9,097	3,801	4,144	50,929	8,505
<b>Total Deferred Inflows of Resources</b>	<b>117,180</b>	<b>23,627</b>	<b>35,746</b>	<b>15,731</b>	<b>4,144</b>	<b>196,428</b>	<b>32,223</b>
<b>Net Position</b>							
Net investment in capital assets	38,601,793	4,358,472	1,876,780	2,159,348	1,908,878	48,905,271	1,064,535
Restricted for revenue bond retirement	791,165	-	-	-	-	791,165	-
Unrestricted	7,309,813	2,663,445	1,222,500	(1,434,366)	173,071	9,934,463	(518,314)
<b>Total Net Position</b>	<b>\$ 46,702,771</b>	<b>\$ 7,021,917</b>	<b>\$ 3,099,280</b>	<b>\$ 724,982</b>	<b>\$ 2,081,949</b>	<b>59,630,899</b>	<b>\$ 546,221</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.

(349,512)

Net position of business-type activities

\$ 59,281,387

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, 2017

	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	\$ 11,291,289	\$ 4,674,025	\$ 3,857,359	\$ 2,452,478	\$ 1,158,066	\$ 23,433,217	\$ 5,447,565
Miscellaneous	54,998	5,071	5,807	-	-	65,876	-
<b>Total Operating Revenues</b>	<u>11,346,287</u>	<u>4,679,096</u>	<u>3,863,166</u>	<u>2,452,478</u>	<u>1,158,066</u>	<u>23,499,093</u>	<u>5,447,565</u>
<b>Operating Expenses</b>							
Salaries	1,999,827	362,252	598,750	250,176	272,746	3,483,751	559,736
Employee benefits	720,340	135,556	279,597	143,483	126,213	1,405,189	154,159
Purchased services	1,761,795	171,775	1,342,811	2,391,776	89,207	5,757,364	511,935
Materials and supplies	487,094	97,577	116,373	39,243	40,640	780,927	86,454
Cost of sales	-	2,165,884	-	-	-	2,165,884	478,037
Indirect cost allocation	904,011	137,810	162,559	-	-	1,204,380	-
Depreciation	1,960,562	202,258	441,600	295,392	95,018	2,994,830	130,399
Claims and administrative fees	-	-	-	-	-	-	4,164,867
Postclosure care costs	-	-	-	384,025	-	384,025	-
Other	102,454	22,979	8,024	45,420	18,152	197,029	1,956
<b>Total Operating Expenses</b>	<u>7,936,083</u>	<u>3,296,091</u>	<u>2,949,714</u>	<u>3,549,515</u>	<u>641,976</u>	<u>18,373,379</u>	<u>6,087,543</u>
<b>Operating Income (Loss)</b>	<u>3,410,204</u>	<u>1,383,005</u>	<u>913,452</u>	<u>(1,097,037)</u>	<u>516,090</u>	<u>5,125,714</u>	<u>(639,978)</u>
<b>Non-Operating Revenues (Expenses)</b>							
Intergovernmental	8,003	-	157,591	-	-	165,594	-
Investment earnings	289	-	-	-	-	289	-
Interest expense	(624,482)	(4,896)	-	-	-	(629,378)	-
Gain on sale of capital assets	-	8,600	2,944	-	5,501	17,045	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(616,190)</u>	<u>3,704</u>	<u>160,535</u>	<u>-</u>	<u>5,501</u>	<u>(446,450)</u>	<u>-</u>
<b>Income (Loss) before Capital Contributions and Transfers</b>	<u>2,794,014</u>	<u>1,386,709</u>	<u>1,073,987</u>	<u>(1,097,037)</u>	<u>521,591</u>	<u>4,679,264</u>	<u>(639,978)</u>
Capital contributions	140,305	-	-	-	-	140,305	-
Transfers in	1,295,323	108,481	153,894	1,737,283	6,835	3,301,816	347,329
Transfers out	(1,632,195)	(906,995)	(726,995)	(326,995)	(51,995)	(3,645,175)	(125,359)
<b>Change in Net Position</b>	<u>2,597,447</u>	<u>588,195</u>	<u>500,886</u>	<u>313,251</u>	<u>476,431</u>	<u>4,476,210</u>	<u>(418,008)</u>
<b>Net Position Beginning of Year, As Restated</b>	<u>44,105,324</u>	<u>6,433,722</u>	<u>2,598,394</u>	<u>411,731</u>	<u>1,605,518</u>	<u>-</u>	<u>964,229</u>
<b>Net Position End of Year</b>	<u>\$ 46,702,771</u>	<u>\$ 7,021,917</u>	<u>\$ 3,099,280</u>	<u>\$ 724,982</u>	<u>\$ 2,081,949</u>	<u>\$ -</u>	<u>\$ 546,221</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.

(182,953)

\$ 4,293,257

See accompanying notes to the basic financial statements

City of Statesboro, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2017

	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	\$ 10,972,320	\$ 4,465,652	\$ 3,689,624	\$ 2,395,951	\$ 1,062,514	\$ 22,586,061	\$ 5,531,521
Cash payments to employees for services	(2,732,657)	(483,077)	(881,694)	(396,200)	(390,516)	(4,884,144)	(709,103)
Cash payments for goods and services	(3,222,863)	(2,468,806)	(1,606,216)	(2,552,232)	(162,947)	(10,013,064)	(1,092,339)
Cash payments for claims and administrative fees	-	-	-	-	-	-	(4,161,619)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>5,016,800</u>	<u>1,513,769</u>	<u>1,201,714</u>	<u>(552,481)</u>	<u>509,051</u>	<u>7,688,853</u>	<u>(431,540)</u>
<b>Cash Flows from Noncapital Financing Activities</b>							
Advances from (to) other funds	913,765	-	-	(178,880)	-	734,885	(24,384)
Operating grants received	8,003	-	157,591	-	-	165,594	-
Transfers in (out)	(1,632,195)	(906,995)	(726,995)	(326,995)	(51,995)	(3,645,175)	221,970
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>(710,427)</u>	<u>(906,995)</u>	<u>(569,404)</u>	<u>(505,875)</u>	<u>(51,995)</u>	<u>(2,744,696)</u>	<u>197,586</u>
<b>Cash Flows from Capital and Related Financing Activities</b>							
Proceeds from sale of capital assets	-	8,600	2,944	-	5,501	17,045	-
Capital contributions and grants	140,305	-	-	-	-	140,305	-
Proceeds from capital lease	-	-	-	-	433,108	433,108	-
Payments on capital lease	-	-	-	-	-	-	(23,812)
Transfers in from capital projects funds	1,295,323	108,481	153,894	1,737,283	6,835	3,301,816	-
Principal paid on revenue bonds	(520,000)	-	-	-	-	(520,000)	-
Principal paid on notes payable	(183,178)	(28,179)	-	-	-	(211,357)	-
Interest paid on debt	(641,856)	(5,158)	-	-	-	(647,014)	-
Payments for capital acquisitions	(2,575,379)	(196,789)	(405,118)	(325,959)	(548,044)	(4,051,289)	(117,874)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(2,484,785)</u>	<u>(113,045)</u>	<u>(248,280)</u>	<u>1,411,324</u>	<u>(102,600)</u>	<u>(1,537,386)</u>	<u>(141,686)</u>
<b>Cash Flows from Investing Activities</b>							
Investment earnings	289	-	-	-	-	289	-
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>1,821,877</u>	<u>493,729</u>	<u>384,030</u>	<u>352,968</u>	<u>354,456</u>	<u>3,407,060</u>	<u>(375,640)</u>
<b>Cash and Cash Equivalents Beginning 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>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 9,151,434</u>	<u>\$ 2,483,506</u>	<u>\$ 1,134,053</u>	<u>\$ 456,016</u>	<u>\$ 535,242</u>	<u>\$ 13,760,251</u>	<u>\$ 738,937</u>

(continued)

City of Statesboro, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2017

	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>	\$ 3,410,204	\$ 1,383,005	\$ 913,452	\$ (1,097,037)	\$516,090	\$ 5,125,714	\$ (639,978)
<b>Adjustments:</b>							
Depreciation	1,960,562	202,258	441,600	295,392	95,018	2,994,830	130,399
<b>(Increase) Decrease in Assets and Deferred Outflows of Resources:</b>							
Accounts receivable	(323,389)	(194,624)	(177,258)	(56,527)	(95,552)	(847,350)	(329,022)
Materials and supplies inventory	1,352	23,808	-	-	(20,340)	4,820	(8,046)
Prepaid items	91,977	26,364	25,311	21,879	1,213	166,744	1,826
Deferred outflows related to pensions	159,167	30,362	50,185	20,969	20,259	280,942	46,914
Deferred outflows related to other post employment benefits	(122,490)	(23,754)	(39,262)	(16,405)	(17,885)	(219,796)	(36,704)
<b>Increase (Decrease) in Liabilities and Deferred Inflows of Resources:</b>							
Accounts payable	(60,838)	67,986	(1,760)	11,410	4,179	20,977	(7,737)
Accrued payroll	19,887	6,528	6,905	1,571	3,220	38,111	4,091
Compensated absences payable	(18,088)	10,430	(6,572)	(2,574)	4,093	(12,711)	4,140
Other post employment benefits payable	149,602	29,012	47,953	20,036	21,844	268,447	44,828
Deferred inflows related to pensions	(32,867)	(5,562)	(9,193)	(3,841)	-	(51,463)	(8,593)
Deferred inflows related to other post employment benefits	28,383	5,504	9,097	3,801	4,144	50,929	8,505
Sales taxes payable	-	9,061	-	-	-	9,061	-
Customer deposits	(50,578)	(18,820)	3,716	-	-	(65,682)	-
Accrued landfill postclosure costs	-	-	-	274,943	-	274,943	-
Net pension asset/obligation	(196,084)	(37,789)	(62,460)	(26,098)	(27,232)	(349,663)	(58,389)
Claims payable	-	-	-	-	-	-	416,226
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 5,016,800</u>	<u>\$ 1,513,769</u>	<u>\$ 1,201,714</u>	<u>\$ (552,481)</u>	<u>\$ 509,051</u>	<u>\$ 7,688,853</u>	<u>\$ (431,540)</u>

See accompanying notes to the basic financial statements



**Past**



**Present**



**Future**



# ***Notes to the Basic Financial Statements***





*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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 four public utilities (water and sewer system, gas system and storm water 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.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

**Government-wide Financial Statements** - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the component unit are presented separately within these financial statements with the focus on the primary government.

Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and City's general revenues, from business-type activities, generally financed in whole or in part with service charges to external customers.

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

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

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

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

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

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

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

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

**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, 2017*

**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, 2017*

***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, 2017.

***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, 2017*

**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, 2017, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

**1-E-6 Restricted Assets**

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

**1-E-7 Capital Assets**

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, water and sewer lines and gas lines. The City has capitalized all general infrastructure assets (roads and bridges) acquired after June 30, 1980. Water and sewer lines and gas lines are classified as "improvements other than buildings". Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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

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

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

**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 has deferred outflows of resources related to pensions and other post employment benefits 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 and other post employment benefits 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.

**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".

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

**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.

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.



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

***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.

***1-F. Restatements***

Effective for the year ended June 30, 2017, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75. Implementation of this new accounting standard required a restatement of beginning net position to increase the amounts recorded for other post employment benefits payable.

The City restated beginning net position for the Solid Waste Disposal Enterprise Fund for the understatement of accounts payable at June 30, 2016 by \$113,326.

The City also restated beginning fund balances for the General Fund and the 2013 SPLOST Capital Projects Fund for \$300,000 in capital lease debt service payments for the year ended June 30, 2016 that should have been paid by the 2013 SPLOST Fund instead of the General Fund.

The above restatements had the following impact on previously reported balances.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

Statement of Activities	Governmental Activities	Business-type Activities	Total
Net Position, July 1, 2016, as previously reported	\$ 33,843,678	55,632,774	\$89,476,452
Increase in other post employment benefits payable at July 1, 2016, as restated by actuary	(1,375,601)	(531,318)	(1,906,919)
To properly state accounts payable for Solid Waste Disposal Fund at July 1, 2016	-	(113,326)	(113,326)
Net Position, July 1, 2016, as restated	<u>\$ 32,468,077</u>	<u>54,988,130</u>	<u>\$87,456,207</u>

Statement of Revenues, Expenses, and Changes in Fund Net Position - Enterprise Funds	Water and Sewer	Gas	Solid Waste Collection	Solid Waste Disposal	Other Enterprise Funds	Total
Net Position, July 1, 2016, as previously reported	\$ 44,401,422	\$ 6,491,143	\$ 2,693,303	\$ 564,713	\$ 1,648,752	\$ 55,799,333
Increase in other post employment benefits payable at July 1, 2016	(296,098)	(57,421)	(94,909)	(39,656)	(43,234)	(531,318)
To properly state accounts payable for Solid Waste Disposal Fund at July 1, 2016	-	-	-	(113,326)	-	(113,326)
Net Position, July 1, 2016, as restated	<u>\$ 44,105,324</u>	<u>\$ 6,433,722</u>	<u>\$ 2,598,394</u>	<u>\$ 411,731</u>	<u>\$ 1,605,518</u>	<u>\$ 55,154,689</u>

Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	Internal Service Funds
Net Position, July 1, 2016, as previously reported	\$ 1,052,954
Increase in other post employment benefits payable at July 1, 2016	(88,725)
Net Position, July 1, 2016, as restated	<u>\$ 964,229</u>

Statement of Revenues, Expenses, and Changes in Fund Balances - Governmental Funds	General	2013 SPLOST	Total
Fund Balances, July 1, 2016	\$ 2,765,494	\$ 3,751,337	\$ 6,516,831
To properly reflect capital lease debt service payments	300,000	(300,000)	-
Fund Balances, July 1, 2016	<u>\$ 3,065,494</u>	<u>\$ 3,451,337</u>	<u>\$ 6,516,831</u>

**Note 2 – Stewardship, Compliance and Accountability**

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

All budgets are adopted on a basis consistent with GAAP.

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

*City of Statesboro, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2017*

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

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, 2017, expenditures exceeded appropriations for the following departments within the general fund:

Financial Administration	\$45,676
Human Resources	29,720

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.

Overexpenditures

Hotel Motel Tax Fund	\$10,120
America’s Best Communities Fund	67,880

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

The Hotel/Motel tax special revenue fund had a deficit fund balance of \$116,668 at June 30, 2017, which will be reduced by future Hotel/Motel tax revenue.

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

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

At June 30, 2017, the carrying amount of the City’s deposits (i.e., checking and certificates of deposits) was \$23,157,829 and the bank balance was \$22,007,923. Of the bank balance, \$250,000 was covered by federal depository insurance and \$21,757,923 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	\$ 8,658,641
Enterprise Fund Statement of Net Position	10,066,755
Enterprise Fund Statement of Net Position - Restricted	3,693,496
Internal Service Fund Statement of Net Position	738,937
Total	\$ 23,157,829

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

**3-B. Receivables**

Receivables at June 30, 2017, 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, 2017 follow:

Fund	Allowance For Uncollectibles
General	\$ 9,500
Water and Sewer	356,000
Storm Water	17,000
Gas	148,000
Solid Waste Collection	124,000
Solid Waste Disposal	45,000

**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, 2017, property taxes were levied on October 2, 2016 and were due December 20, 2016.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

**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, 2017, was as follows:

	Balance 7/1/2016	Additions	Deductions	Balance 6/30/2017
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,643,316	\$ -	\$ -	\$ 1,643,316
Construction in progress	1,136,353	194,303	1,136,353	194,303
Total capital assets not being depreciated:	<u>2,779,669</u>	<u>194,303</u>	<u>1,136,353</u>	<u>1,837,619</u>
Capital assets being depreciated				
Buildings	16,989,895	-	-	16,989,895
Improvements other than buildings	1,101,334	318,025	-	1,419,359
Machinery and equipment	12,607,854	901,472	462,660	13,046,666
Infrastructure	18,929,861	1,226,149	-	20,156,010
Total capital assets being depreciated	<u>49,628,944</u>	<u>2,445,646</u>	<u>462,660</u>	<u>51,611,930</u>
Total capital assets	<u>52,408,613</u>	<u>2,639,949</u>	<u>1,599,013</u>	<u>53,449,549</u>
Accumulated depreciation:				
Buildings	4,771,776	408,152	-	5,179,928
Improvements other than buildings	303,427	52,562	-	355,989
Machinery and equipment	8,630,897	1,071,769	462,660	9,240,006
Infrastructure	8,828,433	1,108,735	-	9,937,168
Total accumulated depreciation	<u>22,534,533</u>	<u>2,641,218</u>	<u>462,660</u>	<u>24,713,091</u>
Governmental activities capital assets, net	<u>\$ 29,874,080</u>	<u>\$ (1,269)</u>	<u>\$ 1,136,353</u>	<u>\$ 28,736,458</u>
Governmental activities depreciation expense:				
General government	\$	93,205		
Municipal court		19,638		
Public safety		934,507		
Public works		1,221,655		
Parks and cemeteries		82,993		
Engineering		25,376		
Planning and zoning		13,534		
Community development		22,131		
Community services		97,780		
Central services internal service fund		83,364		
Fleet management internal service fund		47,035		
Total depreciation expense		<u>\$ 2,641,218</u>		

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

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

	Balance 7/1/2016	Additions	Deductions	Balance 6/30/2017
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 554,410	\$ 19,703	\$ -	\$ 574,113
Construction in progress	8,745,876	2,071,933	1,681,399	9,136,410
Total capital assets not being depreciated	<u>9,300,286</u>	<u>2,091,636</u>	<u>1,681,399</u>	<u>9,710,523</u>
Capital assets being depreciated				
Buildings	3,160,391	166,593	-	3,326,984
Improvements other than buildings	75,687,109	2,584,768	-	78,271,877
Machinery and equipment	15,974,017	930,128	-	16,904,145
Total capital assets being depreciated	<u>94,821,517</u>	<u>3,681,489</u>	<u>-</u>	<u>98,503,006</u>
Total capital assets	<u>104,121,803</u>	<u>5,773,125</u>	<u>1,681,399</u>	<u>108,213,529</u>
Accumulated depreciation:				
Buildings	1,351,596	122,684	-	1,474,280
Improvements other than buildings	32,116,627	473,382	-	32,590,009
Machinery and equipment	8,922,681	2,439,201	-	11,361,882
Total accumulated depreciation	<u>42,390,904</u>	<u>3,035,267</u>	<u>-</u>	<u>45,426,171</u>
Business-type activities capital assets, net	<u>\$ 61,730,899</u>	<u>\$ 2,737,858</u>	<u>\$ 1,681,399</u>	<u>\$ 62,787,358</u>

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

	Balance 7/1/2016	Additions	Deductions	Balance 6/30/2017
Component Unit - Downtown Statesboro				
Development Authority:				
Capital assets not being depreciated:				
Construction in progress	\$ 81,956	\$ 68,028	\$ -	\$ 149,984
Capital assets being depreciated:				
Machinery and equipment	15,613	-	-	15,613
Total Capital Assets	97,569	68,028	-	165,597
Accumulated depreciation:				
Machinery and equipment	2,176	2,186	-	4,362
Component unit capital assets, net	<u>\$ 95,393</u>	<u>\$ 65,842</u>	<u>\$ -</u>	<u>\$ 161,235</u>

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

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

Interfund balances at June 30, 2017, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

Receivable Fund	Payable Fund	Amount
General Fund	Hotel/Motel Tax Fund	\$ 128,370
	2007 SPLOST Fund	253,337
	2013 SPLOST Fund	1,441,796
	Capital Improvements Program Fund	24,062
	Central Services Fund	260,061
	Water and Sewer Operating Fund	8,146
	Storm Water Fund	1,354
	Fleet Management Fund	234,508
America's Best Communities Grant Fund	Multiple Grant Fund	13,582
		<u>\$ 2,365,216</u>

Interfund transfers for the year ended June 30, 2017, consisted of the following:

Transfer to:	Transfers From:						
	General Fund	Fire Fund	Hotel/ Motel Tax Fund	2007 SPLOST Fund	2013 SPLOST Fund	Water and Sewer Operating Fund	Storm Water Fund
General Fund	\$ -	\$ -	\$ 46,189	\$ -	\$ -	\$ 805,200	\$ 15,000
Statesboro Fire Service Fund	1,344,000	-	-	-	-	790,000	-
Capital Improvements Fund	130,000	-	-	-	-	-	-
Water and Sewer Operating Fund	-	-	-	16,916	1,278,407	-	-
Stormwater Operating Fund	-	-	-	-	6,835	-	-
Natural Gas Fund	-	-	-	-	108,481	-	-
Solid Waste Collection Fund	-	-	-	-	153,894	-	-
Solid Waste Disposal Fund	-	-	-	-	1,737,283	-	-
Health Insurance Fund	-	-	-	-	-	-	-
Central Services Fund	-	36,995	-	-	-	36,995	36,995
	<u>\$ 1,474,000</u>	<u>\$ 36,995</u>	<u>\$ 46,189</u>	<u>\$ 16,916</u>	<u>\$ 3,284,900</u>	<u>\$ 1,632,195</u>	<u>\$ 51,995</u>

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

Transfer to:	Transfers From:					Total
	Gas Operating Fund	Solid Waste Collection Fund	Solid Waste Disposal Fund	Fleet Fund	Workers Compensation Fund	
General Fund	\$ 870,000	\$ 690,000	\$ 290,000	\$ -	\$ -	\$ 2,716,389
Statesboro Fire Service Fund	-	-	-	-	-	2,134,000
Capital Improvements Fund	-	-	-	-	-	130,000
Water and Sewer Operating Fund	-	-	-	-	-	1,295,323
Stormwater Operating Fund	-	-	-	-	-	6,835
Natural Gas Fund	-	-	-	-	-	108,481
Solid Waste Collection Fund	-	-	-	-	-	153,894
Solid Waste Disposal Fund	-	-	-	-	-	1,737,283
Health Insurance Fund	-	-	-	-	88,364	88,364
Central Services Fund	36,995	36,995	36,995	36,995	-	258,965
	<u>\$ 906,995</u>	<u>\$ 726,995</u>	<u>\$ 326,995</u>	<u>\$ 36,995</u>	<u>\$ 88,364</u>	<u>\$ 8,629,534</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, 2017, was \$1,911,000. This amount is based on what it would cost to perform all postclosure care in 2017. 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, 2017 was \$11,675,000.

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, 2017*

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

Annual debt service requirements to amortize all obligations outstanding, as of June 30, 2017 follow:

Year	Principal	Interest	Total
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	630,000	410,821	1,040,821
2023-2027	3,635,000	1,570,005	5,205,005
2028-2032	3,490,000	666,209	4,156,209
2033-2035	1,650,000	101,915	1,751,915
Total	<u>\$ 11,675,000</u>	<u>\$ 4,645,384</u>	<u>\$ 16,320,384</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, 2017, as follows:

One Georgia Authority, payable in quarterly installments of \$8,334 including interest at 3% through April 1, 2022	\$ 154,247
GEFA (2006-L25WJA), payable in monthly installments of \$10,381 including interest at 4.28% through April 1, 2028	1,078,341
GEFA (2006-L25WJB), payable in monthly installments of \$4,857 including interest at 4.28% through April 1, 2028	504,525
GEFA (2007-L31WJ), payable in monthly installments of \$3,247 including interest at 4.10% through March 1, 2029	356,944
GEFA (2008-L05WJ), payable in monthly installments of \$6,705 including interest at 4.10% through July 1, 2029	<u>765,645</u>
	<u>\$ 2,859,702</u>

Annual debt service requirements to amortize all notes payable outstanding as of June 30, 2017 follow:

Year	Principal	Interest	Total
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	259,151	78,021	337,172
2023-2027	1,288,084	223,213	1,511,297
2028-2030	375,390	12,856	388,246
Total	<u>\$ 2,859,702</u>	<u>\$ 719,320</u>	<u>\$ 3,579,022</u>

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

**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 \$1,061,903 at June 30, 2017.

The lease requires annual payments as follows:

Year	Governmental Activities		Total
	Principal	Interest	
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	<u>110,000</u>	<u>2,310</u>	<u>112,310</u>
Total	<u>\$ 492,500</u>	<u>\$ 54,065</u>	<u>\$ 546,565</u>

**Capital Lease – Georgia Municipal Association (GMA)** –The City has entered into lease agreements with GMA to purchase various equipment costing \$2,679,474. Depreciation expense on the equipment for the year was \$279,561 and accumulated depreciation was \$725,841 at June 30, 2017.

The leases require annual payments without interest as follows:

Year	Governmental	Business Type	Total
	Activities	Activities	
	Principal	Principal	
2018	\$ 439,739	\$ 86,622	\$ 526,361
2019	133,384	86,622	220,006
2020	133,384	86,622	220,006
2021	96,309	86,621	182,930
2022	<u>96,312</u>	<u>86,621</u>	<u>182,933</u>
Total	<u>\$ 899,128</u>	<u>\$ 433,108</u>	<u>\$ 1,332,236</u>

**City of Statesboro, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2017**

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

**Changes in Long-term Debt** - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2017:

<u>Primary Government</u>	Outstanding			Outstanding	Amounts Due
Governmental Activities	7/1/2016	Additions	Reductions	6/30/2017	in One Year
Capital lease - City Hall	\$ 575,000	\$ -	\$ 82,500	\$ 492,500	\$ 87,500
Capital lease - GMA	917,985	332,997	351,852	899,130	439,739
Other post employment benefits, as restated	3,369,899	695,016	-	4,064,915	-
Compensated absences	547,610	21,667	6,348	562,929	112,586
<b>Total Governmental Activities</b>	<b>\$ 5,410,494</b>	<b>\$ 1,049,680</b>	<b>\$ 440,700</b>	<b>\$ 6,019,474</b>	<b>\$ 639,825</b>
<b>Business-Type Activities</b>					
Water and sewer revenue bonds	\$ 12,195,000	\$ -	\$ 520,000	\$ 11,675,000	\$ 535,000
Unamortized bond premium	210,633	-	12,575	198,058	-
	12,405,633	-	532,575	11,873,058	535,000
Notes payable - water fund	2,888,633	-	183,178	2,705,455	191,107
Notes payable - gas fund	182,426	-	28,179	154,247	29,034
Capital lease - GMA	-	433,108	-	433,108	86,622
Landfill closure and post-closure care	1,636,057	274,943	-	1,911,000	167,000
Other post employment benefits, as restated	1,370,715	268,447	-	1,639,162	-
Compensated absences	247,009	-	12,710	234,299	46,860
<b>Total Business-Type Activities</b>	<b>\$ 18,730,473</b>	<b>\$ 976,498</b>	<b>\$ 756,642</b>	<b>\$ 18,950,329</b>	<b>\$ 1,055,623</b>

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.

**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, 2001 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

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

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, 2017, the following employees were covered by the benefit terms:

Pension Benefits

Inactive employees or beneficiaries currently receiving benefits	91
Inactive employees entitled to but not yet receiving benefits	122
Active employees	284
	497
	497

**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 \$77,091. 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.

**Net Pension Liability**

The City's net pension liability (asset) was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2017.

**Actuarial assumptions** - The total pension liability (asset) in the January 1, 2017 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, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

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	45%	6.75%
International equity	20%	7.45%
Domestic Fixed income	20%	1.75%
Global Fixed Income	5%	3.30%
Real estate	10%	4.55%
Cash	-	0.00%
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.

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

	<u>Increases (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a) - (b)</u>
Balances at September 30, 2015	\$ 22,033,342	\$ 21,228,216	\$ 805,126
Changes for the year:			
Service cost	406,149	-	406,149
Interest	1,677,669	-	1,677,669
Differences between expected and actual experience	(355,323)	-	(355,323)
Contributions - employer	-	659,671	(659,671)
Contributions - employee	-	-	-
Net investment income	-	2,363,828	(2,363,828)
Benefit payments	(771,999)	(771,999)	-
Administrative expense	-	(40,051)	40,051
Other changes	-	-	-
Net changes	<u>956,496</u>	<u># 2,211,449</u>	<u>(1,254,953)</u>
Balances at September 30, 2016	<u>\$ 22,989,838</u>	<u>\$ 23,439,665</u>	<u>\$ (449,827)</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:

**City of Statesboro, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2017**

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

	1% Decrease	Current Discount Rate (7.75%)	1% Increase
City's net pension liability (asset)	6.75%	Rate (7.75%)	8.75%
	\$ 3,050,143	\$ (449,827)	\$ (3,307,363)

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

For the year ended June 30, 2017, the City recognized pension expense of \$392,839. At June 30, 2017, 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	\$ 230,618	\$ (284,260)
Changes of assumptions	-	(222,834)
Net difference between projected and actual earnings on pension plan investments	-	(27,971)
Employer contributions after measurement date	569,126	-
Total	\$ 799,744	\$ (535,065)

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:	
2018	\$ 477,377
2019	(91,749)
2020	49,135
2021	(170,084)
	\$ 264,679

**3-I. Other Post-Employment Benefits (OPEB)**

**Plan Description.** The City's defined benefit OPEB plan, the City of Statesboro Postretirement Health Plan provides OPEB for all permanent full-time general and public safety employees of the City. The plan is a single-employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Eligibility and benefits provided.** Any employee who retires before age 65, but not sooner than age 55 for a sworn Police Officer or Firefighter and age 62 for all other employees, may remain on the City's medical insurance plan until reaching Medicare Eligibility. Employees must have 10 or more years of service. Spouse coverage is also provided.

If an employee retires with at least 10 years and less than 25 years of creditable service with the City as defined by the Georgia Municipal Employees Benefit System ("GMEBS") Plan, then the City pays 50% of a single or family coverage premium until the employee reaches Medicare eligibility.

If an employee retires with 25 or more years of creditable service with the City as defined by the GMEBS Plan, then the City pays 100% of a single or family coverage premium until the employee reaches Medicare eligibility.

Any retired employee whose spouse is younger than the employee may continue to cover the spouse on the City's medical insurance plan at the single coverage premium until the spouse qualifies for Medicare coverage, provided that: a) The

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

employee had a minimum of 10 years of creditable service at retirement, and b) The employee had paid for dependent coverage for at least the last 5 years of their employment and had it in force at the time of their retirement.

1. If the employee had at least 10 years and less than 25 years of creditable service with the City as defined by the GMEBS Plan, then the City pays 50% of a single coverage premium until the spouse reaches Medicare eligibility.
2. If the employee had 25 or more years of creditable service with the City as defined by the GMEBS Plan, then the City pays 100% of a single coverage premium until the spouse reaches Medicare eligibility.

Participants are required to enroll in the Medicare program upon reaching Medicare eligibility. Upon the death of the retiree, surviving spouses may elect COBRA coverage continuation.

**Employees covered by benefit terms.** At June 30, 2017, the following employees were covered by the benefit terms:

Interactive employees or beneficiaries currently receiving benefit payments	5
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>254</u>
	<u>259</u>

**Total OPEB Liability.** The City’s total OPEB liability of \$5,704,077 was measured as of June 30, 2017, and was determined by an actuarial valuation as of that date.

**Actuarial assumptions and other inputs.** The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.5 percent, average, including inflation
Discount rate	3.05 percent
Healthcare cost trend rates	4.75 percent
Retiree's share of benefit-related costs	50 percent of projected health insurance premiums for retirees with 10 to 25 years of creditable service and 100% for retirees with 25 or more years of creditable

The discount rate was based on the S & P Municipal Bond 20-Year High-Grade Rate Index.

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 June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2016 –June 30, 2017.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at 6/30/16</b>	\$ 4,740,614
<b>Changes for the year:</b>	
Service cost	238,840
Interest	143,094
Changes of benefit terms	-
Differences between expected and actual experience	(19,053)
Changes in assumptions or other inputs	392,802
Other changes	305,798
Benefit payments	(98,018)
<b>Net changes</b>	<b>963,463</b>
<b>Balance at 6/30/17</b>	<b>\$ 5,704,077</b>

Changes of assumptions and other inputs reflect a change in the discount rate to comply with GASB 75, changes in the health care trend rates, and a change to the Entry Age Normal actuarial cost method.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.05 percent) or 1-percentage-point higher (4.05 percent) than the current discount rate:

	<b>1% Decrease (2.05%)</b>	<b>Discount Rate (3.05%)</b>	<b>1% Increase (4.05%)</b>
<b>Total OPEB Liability</b>	\$ 5,096,958	\$ 5,704,077	\$ 6,399,331

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.75 percent) or 1-percentage-point higher (5.75 percent) than the current healthcare cost trend rates:

	<b>1% Decrease (3.75%)</b>	<b>Healthcare Cost Trend Rates (4.75%)</b>	<b>1% Increase (5.75%)</b>
<b>Total OPEB Liability</b>	\$ 6,543,134	\$ 5,704,077	\$ 4,994,988

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

For the year ended June 30, 2017, the City recognized OPEB expense of \$455,410. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	-	\$ 16,993
Changes of assumptions or other inputs	\$ 788,858	165,795
<b>Total</b>	<b>\$ 788,858</b>	<b>\$ 182,787</b>



*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

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

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

Year ended June 30:	
2018	\$ 73,476
2019	73,476
2020	73,476
2021	73,476
2022	73,476
Thereafter	<u>238,691</u>
	<u>\$ 606,071</u>

**3-J. 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 \$3,862 in contributions to the plan during the year ended June 30, 2017.

**3-K. Fund Equity**

As of June 30, 2017, governmental fund balances are composed of the following:

	General Fund	Statesboro Fire Service	2013 SPLOST	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	\$ 42,374	\$ 42,348	\$ -	\$ -	\$ 84,722
Restricted:					
Capital projects	-	-	4,248,647	127,423	4,376,070
Fire protection	-	587,601	-	-	587,601
Police	-	-	-	184,398	184,398
Community development	-	-	-	321,789	321,789
Unassigned	4,089,876	-	-	(116,668)	3,973,208
Total fund balances	\$ 4,132,250	\$ 629,949	\$ 4,248,647	\$ 516,942	\$ 9,527,788

Net investment in capital assets on the government-wide statement of net position as of June 30, 2017 is as follows:

	Governmental Activities	Business Type Activities	Component Unit
Cost of capital assets	\$ 53,449,549	\$ 108,213,529	\$ 165,597
Less accumulated depreciation	24,713,091	45,426,171	4,362
Book value	28,736,458	62,787,358	161,235
Less capital related debt	1,391,630	14,732,760	-
Plus unspent bond proceeds	-	850,673	-
Net investment in capital assets	\$ 27,344,828	\$ 48,905,271	\$ 161,235

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

**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 \$1,088,226 reported at June 30, 2017 for the Internal Service Funds represents known claims incurred on or prior to June 30, 2017 and an estimate for claims that have been incurred but not reported. Changes in the funds' claims liability for the year ended June 30, 2017 were as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2015	\$ 493,504	\$ 3,782,049	\$3,837,820	\$ 437,733
2016	437,733	4,229,778	3,995,511	672,000
2017	672,000	4,164,867	3,748,641	1,088,226

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, 2017. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

**4-C. Joint Ventures**

Under Georgia law, the City, in conjunction with other cities and counties in the ten county coastal Georgia area, is a member of the Coastal Regional Commission of Georgia(RC) and is required to pay annual dues thereto. During the year ended June 30, 2017, 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.

*City of Statesboro, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2017*

**Note 4 – Other Notes (Continued)**

**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, 2017 follows:

		<u>Percentage of tax receipts</u>
Lodging tax receipts	\$ 923,788	
Disbursements to the:		
Statesboro Convention and Visitors Bureau for promotion of tourism	(354,180)	38.34%
Statesboro Arts Council for performing arts center	(256,444)	27.76%
Downtown Statesboro Development Authority for promotion of tourism	(183,834)	19.90%
City of Statesboro for administrative costs	(46,189)	5.00%
Georgia Southern University for Shooting Complex	<u>(83,141)</u>	9.00%
Total	<u>\$ -</u>	100%

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

**4-E. Subsequent Events**

Management has evaluated subsequent events through December 27, 2017, the date that the financial statements were available for issue. No subsequent events were noted.



**Past**



**Present**



**Future**



***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, 2017**

	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>
<b>Total pension liability</b>			
Service cost	\$ 406,149	\$ 442,204	\$ 435,063
Interest	1,677,669	1,558,936	1,490,160
Changes of benefit items	-	-	-
Differences between expected and actual experience	(355,323)	275,342	94,118
Changes of assumptions	-	-	(445,667)
Benefit payments, including refunds of employee contributions	(771,999)	(716,890)	(655,592)
<b>Net change in total pension liability</b>	<u>956,496</u>	<u>1,559,592</u>	<u>918,082</u>
<b>Total pension liability-beginning</b>	<u>22,033,342</u>	<u>20,473,750</u>	<u>19,555,668</u>
<b>Total pension liability-ending (a)</b>	<u>\$ 22,989,838</u>	<u>\$ 22,033,342</u>	<u>\$ 20,473,750</u>
<b>Plan fiduciary net position</b>			
Contributions-employer	\$ 659,671	\$ 548,293	\$ 556,107
Contributions-employee	-	-	-
Net investment income	2,363,828	245,378	2,183,124
Benefit payments, including refunds of employee contributions	(771,999)	(716,890)	(655,592)
Administrative expense	(40,051)	(44,696)	(34,589)
Other	-	-	-
<b>Net change in plan fiduciary net position</b>	<u>2,211,449</u>	<u>32,085</u>	<u>2,049,050</u>
<b>Plan fiduciary net position-beginning</b>	<u>21,228,216</u>	<u>21,196,131</u>	<u>19,147,081</u>
<b>Plan fiduciary net position-ending (b)</b>	<u>\$ 23,439,665</u>	<u>\$ 21,228,216</u>	<u>\$ 21,196,131</u>
<b>Net pension liability (asset)-ending (a)-(b)</b>	<u>\$ (449,827)</u>	<u>\$ 805,126</u>	<u>\$ (722,381)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	101.96%	96.35%	103.53%
<b>Covered-employee payroll</b>	\$ 11,032,951	\$ 10,987,945	\$ 10,848,107
<b>Net pension liability as a percentage of covered-employee payroll</b>	-4.08%	7.33%	-6.66%

(1) Only fiscal year 2017, 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.





**City of Statesboro**  
**Required Supplemental Information**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2017**

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	<b>2017 (1)</b>
<b>Total OPEB liability</b>	
Service cost	\$ 238,840
Interest	143,097
Changes of benefit terms	-
Differences between expected and actual experience	(19,053)
Changes in assumptions or other inputs	392,842
Other changes	305,798
Benefit payments	(98,018)
<b>Net change in total OPEB liability</b>	963,506
<b>Total OPEB liability-beginning</b>	4,740,614
<b>Total OPEB liability-ending</b>	\$ 5,704,077
<b>Covered-employee payroll</b>	\$ 9,814,896
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	58.12%

(1) Only fiscal year 2017 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*

Changes of assumptions and other inputs reflect the effects of changes in the discount rate, changes in the health care trend rates, and a change in the actuarial cost method.



**Past**



**Present**



**Future**



## ***Nonmajor Governmental Funds***



**City of Statesboro, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - By Fund Type**  
**June 30, 2017**

	<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	\$ 450,050	\$ 265,105	\$ 715,155
Receivables:			
Hotel/motel taxes	83,588	-	83,588
Notes	219,105	-	219,105
Lease	-	139,717	139,717
Interfund	13,582	-	13,582
<b>Total Assets</b>	<b>\$ 766,325</b>	<b>\$ 404,822</b>	<b>\$ 1,171,147</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 119,590	\$ -	\$ 119,590
Interfund payable	141,952	277,399	419,351
Other	115,264	-	115,264
<b>Total Liabilities</b>	<b>376,806</b>	<b>277,399</b>	<b>654,205</b>
<b>Fund Balances</b>			
Restricted	506,187	127,423	633,610
Unassigned	(116,668)	-	(116,668)
<b>Total Fund Balances</b>	<b>389,519</b>	<b>127,423</b>	<b>516,942</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 766,325</b>	<b>\$ 404,822</b>	<b>\$ 1,171,147</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, 2017**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Property taxes	\$ 73,919	\$ -	\$ 73,919
Hotel/motel taxes	923,788	-	923,788
Intergovernmental	24,786	10,000	34,786
Licenses and permits	4,700	-	4,700
Fines and forfeitures	101,455	-	101,455
Contributions and donations	38,090	-	38,090
Investment earnings	12	1,051	1,063
Other	100,000	-	100,000
<b>Total Revenues</b>	<b>1,266,750</b>	<b>11,051</b>	<b>1,277,801</b>
<b>Expenditures</b>			
<b>Current:</b>			
Public works	164,680	-	164,680
Public safety	256,893	-	256,893
Community development	797,458	-	797,458
<b>Capital Outlay:</b>			
General government	-	16,527	16,527
Public works	-	115,791	115,791
Parks and cemeteries	-	42,981	42,981
Engineering	-	34,010	34,010
<b>Total Expenditures</b>	<b>1,219,031</b>	<b>209,309</b>	<b>1,428,340</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>47,719</b>	<b>(198,258)</b>	<b>(150,539)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	130,000	130,000
Transfers out	(46,189)	(16,916)	(63,105)
Issuance of capital lease	-	332,997	332,997
Sale of capital assets	9,917	-	9,917
<b>Total Other Financing Sources (Uses)</b>	<b>(36,272)</b>	<b>446,081</b>	<b>409,809</b>
<b>Net Change in Fund Balances</b>	<b>11,447</b>	<b>247,823</b>	<b>259,270</b>
<b>Fund Balances Beginning of Year</b>	<b>378,072</b>	<b>(120,400)</b>	<b>257,672</b>
<b>Fund Balances End of Year</b>	<b>\$ 389,519</b>	<b>\$ 127,423</b>	<b>\$ 516,942</b>

**Past**



**Present**



**Future**



**General Fund**





**City of Statesboro, Georgia**  
**General Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 2,301,186	\$ 571,649
Receivables:		
Taxes	155,074	152,224
Accounts	6,450	48,777
Intergovernmental	46,501	45,877
Interfund	2,351,634	3,492,916
Prepaid items	42,374	263,632
<b>Total Assets</b>	<b>\$ 4,903,219</b>	<b>\$ 4,575,075</b>
<b>Liabilities</b>		
Accounts payable	\$ 99,250	\$ 66,905
Intergovernmental payable	343	343
Accrued payroll and payroll taxes	214,509	148,771
Other liabilities	220,932	131,882
Interfund payable	-	960,804
Unearned revenue	220,650	189,450
<b>Total Liabilities</b>	<b>755,684</b>	<b>1,498,155</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	15,285	11,426
<b>Fund Balances</b>		
Nonspendable	42,374	263,632
Unassigned	4,089,876	2,801,862
<b>Total Fund Balances</b>	<b>4,132,250</b>	<b>3,065,494</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 4,903,219</b>	<b>\$ 4,575,075</b>

**City of Statesboro, Georgia**  
**General Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Taxes:		
Property	\$ 3,932,217	\$ 3,913,446
Automobiles	513,100	525,588
Franchise	1,845,269	1,898,393
Insurance premium	1,773,061	1,636,651
Alcoholic beverage	729,276	728,929
Other	89,696	89,810
Licenses and permits	865,105	1,013,905
Intergovernmental	129,789	-
Charges for services	234,423	212,102
Fines and forfeitures	1,028,329	1,153,245
Miscellaneous	79,216	45,042
<b>Total Revenues</b>	<b>11,219,481</b>	<b>11,217,111</b>
<b>Expenditures</b>		
<b>Current:</b>		
General government		
Governing body	140,059	163,835
City manager's office	317,274	144,272
City clerk's office	177,203	144,935
Elections	207	831
Financial administration	495,854	457,394
Legal	225,288	121,514
Human resources	248,896	271,439
Government buildings	158,151	165,167
General administration fees	45,865	45,785
Total general government	1,808,797	1,515,172
Municipal court	478,322	523,033
Public safety:		
Police	5,871,907	5,755,055
Emergency management	5,000	5,000
Animal control	42,021	49,239
Total public safety	5,918,928	5,809,294

(continued)

**General Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2017 and 2016**

(continued)

	<b>2017</b>	<b>2016</b>
Streets/public works	\$ 1,902,763	\$ 1,935,157
Parks and cemeteries	402,194	346,163
Engineering	243,844	202,100
Planning and zoning	300,439	294,395
Community services:		
Arts Center	132,943	127,632
Other	34,900	32,900
Total community services	167,843	160,532
Community development	80,293	78,207
<b>Debt Service:</b>		
Principal retirement	110,540	120,441
Interest and fiscal charges	19,806	20,231
<b>Total Debt Service</b>	130,346	140,672
<b>Total Expenditures</b>	11,433,769	11,004,725
<b>Deficiency of Revenues Under Expenditures</b>	(214,288)	212,386
<b>Other Financing Sources (Uses)</b>		
Transfers in	2,716,389	2,644,466
Transfers out	(1,474,000)	(1,461,000)
Sale of capital assets	38,655	26,589
<b>Total Other Financing Sources (Uses)</b>	1,281,044	1,210,055
<b>Net Change in Fund Balances</b>	1,066,756	1,422,441
<b>Fund Balances Beginning of Year</b>	3,065,494	1,643,053
<b>Fund Balances End of Year</b>	\$ 4,132,250	\$ 3,065,494



**Past**



**Present**



**Future**



## ***Major Capital Projects Funds***



**City of Statesboro, Georgia**  
**2013 SPLOST Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 5,032,155	\$ 5,668,259
Intergovernmental receivable	910,382	794,275
Interfund receivable	-	72,802
<b>Total Assets</b>	<u>\$ 5,942,537</u>	<u>\$ 6,535,336</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 252,094	\$ 896,922
Interfund payable	1,441,796	2,187,077
<b>Total Liabilities</b>	1,693,890	3,083,999
<b>Fund Balances</b>		
Restricted	4,248,647	3,451,337
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,942,537</u>	<u>\$ 6,535,336</u>

**City of Statesboro, Georgia**  
**2013 SPLOST Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Intergovernmental	\$ 5,665,102	\$ 5,185,152
Investment earnings	550	512
<b>Total Revenues</b>	<u>5,665,652</u>	<u>5,185,664</u>
<b>Expenditures</b>		
Capital outlay:		
Municipal court	-	482,110
Community development	22,083	-
Public safety	433,229	414,347
Public works	828,130	578,426
Debt service - principal	300,000	300,000
<b>Total Expenditures</b>	<u>1,583,442</u>	<u>1,774,883</u>
<b>Excess of Revenues Over Expenditures</b>	<u>4,082,210</u>	<u>3,410,781</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	-	40,000
Transfers out	(3,284,900)	(2,745,529)
<b>Total Other Financing Sources (Uses)</b>	<u>(3,284,900)</u>	<u>(2,705,529)</u>
<b>Net Change in Fund Balances</b>	797,310	705,252
<b>Fund Balances Beginning of Year</b>	<u>3,451,337</u>	<u>2,746,085</u>
<b>Fund Balances End of Year</b>	<u>\$ 4,248,647</u>	<u>\$ 3,451,337</u>



**Past**



**Present**



**Future**



## ***Nonmajor Capital Projects Funds***



**City of Statesboro, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2017**

	<b>Capital Improvements Program Fund</b>	<b>2016 CDBG Fund</b>	<b>2007 SPLOST Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 265,105	\$ 265,105
Lease receivable	139,717	-	-	139,717
<b>Total Assets</b>	<b>\$ 139,717</b>	<b>\$ -</b>	<b>\$ 265,105</b>	<b>\$ 404,822</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Interfund payable	\$ 24,062	\$ -	\$ 253,337	\$ 277,399
<b>Fund Balances</b>				
Restricted	115,655	-	11,768	127,423
<b>Total Liabilities and Fund Balances</b>	<b>\$ 139,717</b>	<b>\$ -</b>	<b>\$ 265,105</b>	<b>\$ 404,822</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, 2017**

	<b>Capital Improvements Program Fund</b>	<b>2016 CDBG Fund</b>	<b>2007 SPLOST Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 10,000	\$ -	\$ 10,000
Investment earnings	-	-	1,051	1,051
<b>Total Revenues</b>	<b>-</b>	<b>10,000</b>	<b>1,051</b>	<b>11,051</b>
<b>Expenditures</b>				
<b>Capital Outlay:</b>				
General government	16,527	-	-	16,527
Engineering	34,010	-	-	34,010
Parks and cemeteries	42,981	-	-	42,981
Public works	104,976	10,000	815	115,791
<b>Total Expenditures</b>	<b>198,494</b>	<b>10,000</b>	<b>815</b>	<b>209,309</b>
<b>Excerss (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(198,494)</b>	<b>-</b>	<b>236</b>	<b>(198,258)</b>
<b>Other Financing Sources</b>				
Transfers in	130,000	-	-	130,000
Transfers out	-	-	(16,916)	(16,916)
Issuance of capital lease	332,997	-	-	332,997
<b>Total Other Financing Sources (Uses)</b>	<b>462,997</b>	<b>-</b>	<b>(16,916)</b>	<b>446,081</b>
<b>Net Change in Fund Balances</b>	<b>264,503</b>	<b>-</b>	<b>(16,680)</b>	<b>247,823</b>
<b>Fund Balances Beginning of Year</b>	<b>(148,848)</b>	<b>-</b>	<b>28,448</b>	<b>(120,400)</b>
<b>Fund Balances End of Year</b>	<b>\$ 115,655</b>	<b>\$ -</b>	<b>\$ 11,768</b>	<b>\$ 127,423</b>

**City of Statesboro, Georgia**  
**Capital Improvements Program Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Lease receivable	\$ 139,717	\$ 148,547
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 3,580
Interfund payable	24,062	293,815
<b>Total Liabilities</b>	<u>24,062</u>	<u>297,395</u>
<b>Fund Balances</b>		
Unassigned	-	(148,848)
Restricted	115,655	-
<b>Total Fund Balances</b>	<u>115,655</u>	<u>(148,848)</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 139,717</u>	<u>\$ 148,547</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Revenues</b>	\$ -	\$ -
<b>Expenditures</b>		
<b>Capital Outlay</b>		
General government	16,527	-
Public works	104,976	215,694
Parks and cemeteries	42,981	59,372
Engineering	34,010	20,375
<b>Total Expenditures</b>	<u>198,494</u>	<u>295,441</u>
<b>Deficiency of Revenues Under Expenditures</b>	<u>(198,494)</u>	<u>(295,441)</u>
<b>Other Financing Sources</b>		
Transfers in	130,000	117,000
Issuance of capital lease	332,997	-
<b>Total Other Financing Sources</b>	<u>462,997</u>	<u>117,000</u>
<b>Net Change in Fund Balances</b>	264,503	(178,441)
<b>Fund Balances Beginning of Year</b>	<u>(148,848)</u>	<u>29,593</u>
<b>Fund Balances End of Year</b>	<u>\$ 115,655</u>	<u>\$ (148,848)</u>

**City of Statesboro, Georgia**  
**2016 CDBG Fund**  
**Balance Sheet**  
**June 30, 2017**

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	<u>2017</u>
<b>Assets</b>	
Cash	<u>\$ -</u>
<b>Fund Balances</b>	
Restricted	<u>\$ -</u>

**City of Statesboro, Georgia**  
**2016 CDBG Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**For the Year Ended June 30, 2017**

	<b>2017</b>
<b>Revenues</b>	
Intergovernmental	\$ 10,000
<b>Expenditures</b>	
Capital outlay:	
Public works	10,000
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-
<b>Fund Balance Beginning of Year</b>	-
<b>Fund Balance End of Year</b>	\$ -



**City of Statesboro, Georgia**  
**2007 SPLOST Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 265,105	\$ 199,175
Interfund receivable	<u>-</u>	<u>34,103</u>
<b>Total Assets</b>	<u>265,105</u>	<u>233,278</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 41,574
Interfund payable	<u>253,337</u>	<u>163,256</u>
<b>Total Liabilities</b>	253,337	204,830
<b>Fund Balances</b>		
Restricted	<u>11,768</u>	<u>28,448</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 265,105</u>	<u>\$ 233,278</u>

**City of Statesboro, Georgia**  
**2007 SPLOST Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Revenues</b>		
Intergovernmental	\$ -	\$ 209,952
Investment earnings	1,051	2,200
<b>Total Revenues</b>	<b>1,051</b>	<b>212,152</b>
<b>Expenditures</b>		
Capital outlay:		
Public safety	-	414,086
Public works	815	714,056
Planning and zoning	-	4,038
<b>Total Expenditures</b>	<b>815</b>	<b>1,132,180</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>236</b>	<b>(920,028)</b>
<b>Other Financing Sources (Uses)</b>		
Transfers out	(16,916)	(272,654)
<b>Net Change in Fund Balances</b>	<b>(16,680)</b>	<b>(1,192,682)</b>
<b>Fund Balances Beginning of Year</b>	<b>28,448</b>	<b>1,221,130</b>
<b>Fund Balances End of Year</b>	<b>\$ 11,768</b>	<b>\$ 28,448</b>

**Past**



**Present**



**Future**



## ***Major Special Revenue Funds***



**City of Statesboro, Georgia**  
**Statesboro Fire Service Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 610,145	\$ 456,940
Receivables:		
Accounts	36,836	41,027
Intergovernmental	29,618	220,245
Prepaid items	42,348	46,827
<b>Total Assets</b>	<u>\$ 718,947</u>	<u>\$ 765,039</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 18,707	\$ 7,948
Accrued payroll	70,291	43,472
<b>Total Liabilities</b>	<u>88,998</u>	<u>51,420</u>
<b>Fund Balances</b>		
Nonspendable	42,348	46,827
Restricted	587,601	666,792
<b>Total Fund Balances</b>	<u>629,949</u>	<u>713,619</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 718,947</u>	<u>\$ 765,039</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Intergovernmental	\$ 38,363	\$ -
Charges for services	1,178,046	1,181,333
Miscellaneous	6,428	6,925
<b>Total Revenues</b>	<u>1,222,837</u>	<u>1,188,258</u>
<b>Expenditures</b>		
<b>Current:</b>		
Public safety - Fire	3,401,200	3,239,486
<b>Deficiency of Revenues Under Expenditures</b>	<u>(2,178,363)</u>	<u>(2,051,228)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	2,134,000	2,165,682
Transfers out	(36,995)	-
Sale of capital assets	-	2,140
<b>Total Other Financing Sources (Uses)</b>	<u>2,097,005</u>	<u>2,167,822</u>
<b>Net Change in Fund Balances</b>	(81,358)	116,594
<b>Fund Balances Beginning of Year</b>	<u>711,307</u>	<u>594,713</u>
<b>Fund Balances End of Year</b>	<u>\$ 629,949</u>	<u>\$ 711,307</u>

**Past**



**Present**



**Future**



## ***Nonmajor Special Revenue Funds***





City of Statesboro, Georgia  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2017

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	America's Best Communities Grant	Tax Allocation District	Alcohol Beverage Control	Total Nonmajor Special Revenue Funds
<b>Assets</b>										
Cash and cash equivalents	\$ 74,232	\$ 7,679	\$ 122,101	\$ -	\$ 13,582	\$ 30,693	\$ 106,008	\$ 95,005	750	\$ 450,050
Receivables:										
Hotel/motel taxes	-	-	-	83,588	-	-	-	-	-	83,588
Interfund	-	-	-	-	-	-	13,582	-	-	13,582
Notes	-	219,105	-	-	-	-	-	-	-	219,105
<b>Total Assets</b>	<u>\$ 74,232</u>	<u>\$ 226,784</u>	<u>\$ 122,101</u>	<u>\$ 83,588</u>	<u>\$ 13,582</u>	<u>\$ 30,693</u>	<u>\$ 119,590</u>	<u>\$ 95,005</u>	<u>\$ 750</u>	<u>\$ 766,325</u>
<b>Liabilities and Fund Balances</b>										
<b>Liabilities</b>										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,590	\$ -	\$ -	\$ 119,590
Interfund payable	-	-	-	128,370	13,582	-	-	-	-	141,952
Other	43,378	-	-	71,886	-	-	-	-	-	115,264
<b>Total Liabilities</b>	<u>43,378</u>	<u>-</u>	<u>-</u>	<u>200,256</u>	<u>13,582</u>	<u>-</u>	<u>119,590</u>	<u>-</u>	<u>-</u>	<u>376,806</u>
<b>Fund Balances</b>										
Restricted	30,854	226,784	122,101	-	-	30,693	-	95,005	750	506,187
Unassigned	-	-	-	(116,668)	-	-	-	-	-	(116,668)
<b>Total Fund Balances</b>	<u>30,854</u>	<u>226,784</u>	<u>122,101</u>	<u>(116,668)</u>	<u>-</u>	<u>30,693</u>	<u>-</u>	<u>95,005</u>	<u>750</u>	<u>389,519</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 74,232</u>	<u>\$ 226,784</u>	<u>\$ 122,101</u>	<u>\$ 83,588</u>	<u>\$ 13,582</u>	<u>\$ 30,693</u>	<u>\$ 119,590</u>	<u>\$ 95,005</u>	<u>\$ 750</u>	<u>\$ 766,325</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, 2017

	Confiscated Assets	CDBG	Department of Justice Grant	Hotel/Motel Tax	Multiple Grant	Technology Fee Fund	America's Best Communities Grant Fund	Tax Allocation District	Alcohol Beverage Control	Total Nonmajor Special Revenue Funds
<b>Revenues</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,919	\$ -	\$ 73,919
Hotel/motel taxes	-	-	-	923,788	-	-	-	-	-	923,788
Intergovernmental	-	-	-	-	24,786	-	-	-	-	24,786
Licenses and permits	-	-	-	-	-	-	-	-	4,700	4,700
Fines and forfeitures	1,455	-	22,382	-	-	77,618	-	-	-	101,455
Contributions and donations	-	-	-	-	-	-	38,090	-	-	38,090
Investment earnings	-	-	-	-	-	-	8	4	-	12
Miscellaneous	-	-	-	-	-	-	100,000	-	-	100,000
<b>Total Revenues</b>	<u>1,455</u>	<u>-</u>	<u>22,382</u>	<u>923,788</u>	<u>24,786</u>	<u>77,618</u>	<u>138,098</u>	<u>73,923</u>	<u>4,700</u>	<u>1,266,750</u>
<b>Expenditures</b>										
<b>Current:</b>										
Public safety	109,162	-	10,567	-	21,786	111,428	-	-	3,950	256,893
Public works	-	-	-	-	-	-	164,680	-	-	164,680
Community development	-	-	-	794,458	3,000	-	-	-	-	797,458
<b>Total Expenditures</b>	<u>109,162</u>	<u>-</u>	<u>10,567</u>	<u>794,458</u>	<u>24,786</u>	<u>111,428</u>	<u>164,680</u>	<u>-</u>	<u>3,950</u>	<u>1,219,031</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(107,707)</u>	<u>-</u>	<u>11,815</u>	<u>129,330</u>	<u>-</u>	<u>(33,810)</u>	<u>(26,582)</u>	<u>73,923</u>	<u>750</u>	<u>47,719</u>
<b>Other Financing Sources (Uses)</b>										
Sale of capital assets	-	-	9,917	-	-	-	-	-	-	9,917
Transfers out	-	-	-	(46,189)	-	-	-	-	-	(46,189)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>9,917</u>	<u>(46,189)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,272)</u>
<b>Net Change in Fund Balances</b>	<u>(107,707)</u>	<u>-</u>	<u>21,732</u>	<u>83,141</u>	<u>-</u>	<u>(33,810)</u>	<u>(26,582)</u>	<u>73,923</u>	<u>750</u>	<u>11,447</u>
<b>Fund Balances Beginning 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>-</u>	<u>378,072</u>
<b>Fund Balances End of Year</b>	<u>30,854</u>	<u>226,784</u>	<u>122,101</u>	<u>(116,668)</u>	<u>-</u>	<u>30,693</u>	<u>-</u>	<u>95,005</u>	<u>750</u>	<u>389,519</u>

**City of Statesboro, Georgia**  
**Confiscated Assets Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 74,232	\$ 147,660
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Other liabilities	\$ 43,378	\$ 9,099
<b>Fund Balances</b>		
Restricted	30,854	138,561
<b>Total Liabilities and Fund Balances</b>	<u>\$ 74,232</u>	<u>\$ 147,660</u>

**City of Statesboro, Georgia**  
**Confiscated Assets Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>					
Fines and forfeitures	\$ 7,500	\$ 12,400	\$ 1,455	\$ (10,945)	\$ 4,444
<b>Expenditures</b>					
<b>Current:</b>					
Municipal court	-	-	-	-	3,893
Public safety	16,500	109,165	109,162	3	118,026
<b>Total Expenditures</b>	<u>16,500</u>	<u>109,165</u>	<u>109,162</u>	<u>3</u>	<u>121,919</u>
<b>Net Change in Fund Balances</b>	<u>\$ (9,000)</u>	<u>\$ (96,765)</u>	(107,707)	<u>\$ (10,942)</u>	\$ (117,475)
<b>Fund Balances Beginning of Year</b>			<u>138,561</u>		<u>256,036</u>
<b>Fund Balances End of Year</b>			<u>\$ 30,854</u>		<u>\$ 138,561</u>

**City of Statesboro, Georgia**  
**Community Development Block Grant Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 7,679	\$ 1,338
Notes receivable	219,105	235,755
<b>Total Assets</b>	<b>\$ 226,784</b>	<b>\$ 237,093</b>
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund payable	\$ -	\$ 10,309
<b>Fund Balances</b>		
Restricted	226,784	226,784
<b>Total Liabilities and Fund Balances</b>	<b>\$ 226,784</b>	<b>\$ 237,093</b>

**City of Statesboro, Georgia**  
**Community Development Block Grant Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2016)*

	2017		2016	
	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, 2017 and 2016**

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	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 122,101</u>	<u>\$ 100,369</u>
<b>Fund Balances</b>		
Restricted	<u>\$ 122,101</u>	<u>\$ 100,369</u>

**City of Statesboro, Georgia**  
**Department of Justice Grant Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**

	2017			2016
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Fines and forfeitures	\$ 30,000	\$ 22,382	\$ (7,618)	\$ 31,059
<b>Expenditures</b>				
<b>Current:</b>				
Public safety	75,000	10,567	64,433	11,511
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(45,000)	11,815	56,815	19,548
<b>Other Financing Sources</b>				
Sale of capital assets	-	9,917	9,917	-
<b>Net Change in Fund Balances</b>	<u>\$ (45,000)</u>	<u>21,732</u>	<u>\$ 66,732</u>	<u>\$ 19,548</u>
<b>Fund Balances Beginning of Year</b>		<u>100,369</u>		<u>80,821</u>
<b>Fund Balances End of Year</b>		<u>\$ 122,101</u>		<u>\$ 100,369</u>



**City of Statesboro, Georgia**  
**Hotel/Motel Tax Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Taxes receivable	\$ 83,588	\$ 78,320
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Other liabilities	\$ 71,886	\$ 66,055
Interfund payable	128,370	212,074
<b>Total Liabilities</b>	200,256	278,129
<b>Fund Balances</b>		
Unassigned	(116,668)	(199,809)
<b>Total Liabilities and Fund Balances</b>	\$ 83,588	\$ 78,320

**City of Statesboro, Georgia**  
**Hotel/Motel Tax Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>					
Hotel/motel taxes	\$ 800,000	\$ 920,000	\$ 923,788	\$ 3,788	\$ 814,263
<b>Expenditures</b>					
<b>Current:</b>					
Community development	681,138	784,338	794,458	\$ (10,120)	686,749
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	118,862	135,662	129,330	(6,332)	127,514
<b>Other Financing Sources (Uses)</b>					
Transfers out	(40,000)	(40,000)	(46,189)	(6,189)	(40,266)
<b>Net Change in Fund Balances</b>	<u>\$ 78,862</u>	<u>\$ 95,662</u>	83,141	<u>\$ (12,521)</u>	87,248
<b>Fund Balances Beginning of Year</b>			<u>(199,809)</u>		<u>(287,057)</u>
<b>Fund Balances End of Year</b>			<u>\$ (116,668)</u>		<u>\$ (199,809)</u>

**City of Statesboro, Georgia**  
**Multiple Grant Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

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	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash	<u>\$ 13,582</u>	<u>\$ 26,582</u>
<b>Liabilities</b>		
Interfund payable	<u>\$ 13,582</u>	<u>\$ 26,582</u>

**City of Statesboro, Georgia**  
**Multiple Grant Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Intergovernmental	\$ 25,540	\$ 24,786	\$ (754)	\$ 12,000
<b>Expenditures</b>				
<b>Current:</b>				
Community development	3,000	3,000	-	12,000
Public safety	22,540	21,786	754	-
<b>Total Expenditures</b>	25,540	24,786	754	12,000
<b>Net Change in Fund Balances</b>	<u>\$ -</u>	-	<u>\$ -</u>	-
<b>Fund Balances Beginning of Year</b>		-		-
<b>Fund Balances End of Year</b>		<u>\$ -</u>		<u>\$ -</u>

**City of Statesboro, Georgia**  
**Technology Fee Fund**  
**Comparative Balance Sheet**  
**June 30, 2017 and 2016**

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	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 30,693	\$ 64,503
<b>Fund Balances</b>		
Restricted	\$ 30,693	\$ 64,503

**City of Statesboro, Georgia**  
**Technology Fee Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>					
Fines and forfeitures	\$ 93,000	\$ 93,000	\$ 77,618	\$ (15,382)	\$ 96,613
<b>Expenditures</b>					
Public safety	92,850	111,430	111,428	2	61,742
<b>Net Change in Fund Balances</b>	<u>\$ 150</u>	<u>\$ (18,430)</u>	(33,810)	<u>\$ (15,380)</u>	34,871
<b>Fund Balances Beginning of Year</b>			<u>64,503</u>		<u>29,632</u>
<b>Fund Balances End of Year</b>			<u>\$ 30,693</u>		<u>\$ 64,503</u>

**City of Statesboro, Georgia**  
*America's Best Communities Fund*  
**Comparative Balance Sheet**  
*June 30, 2017 and 2016*

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 106,008	\$ -
Interfund receivable	13,582	26,582
<b>Total Assets</b>	<u>\$ 119,590</u>	<u>\$ 26,582</u>
<b>Liabilities and Fund Balances</b>		
Accounts payable	\$ 119,590	\$ -
<b>Fund Balances</b>		
Restricted	-	26,582
<b>Total Liabilities and Fund Balances</b>	<u>\$ 119,590</u>	<u>\$ 26,582</u>

**City of Statesboro, Georgia**  
**America's Best Communities Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
 (With Comparative Actual Amounts for the Year Ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues</b>					
Interest	\$ -	\$ -	\$ 8	\$ 8	\$ -
Donations and contributions	50,000	50,000	38,090	(11,910)	57,132
Miscellaneous	-	100,000	100,000	-	-
<b>Total Revenues</b>	<u>50,000</u>	<u>150,000</u>	<u>138,098</u>	<u>(11,902)</u>	<u>57,132</u>
<b>Expenditures</b>					
<b>Current:</b>					
Public works	96,800	96,800	164,680	(67,880)	30,550
<b>Net Change in Fund Balances</b>	<u>\$ (46,800)</u>	<u>\$ 53,200</u>	<u>(26,582)</u>	<u>\$ (79,782)</u>	<u>26,582</u>
<b>Fund Balances Beginning of Year</b>			<u>26,582</u>		<u>-</u>
<b>Fund Balances End of Year</b>			<u>\$ -</u>		<u>\$ 26,582</u>



**City of Statesboro, Georgia**  
***Tax Allocation District Fund***  
***Comparative Balance Sheet***  
***June 30, 2017 and 2016***

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	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 95,005</u>	<u>\$ 21,082</u>
<b>Fund Balances</b>		
Restricted	<u>\$ 95,005</u>	<u>\$ 21,082</u>

**City of Statesboro, Georgia**  
**Tax Allocation District Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2016)*

	2017		2016	
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Property taxes	\$ 75,000	\$ 73,919	\$ (1,081)	\$ 21,082
Investment earnings	-	4	4	-
<b>Total Revenues</b>	75,000	73,923	(1,077)	21,082
<b>Net Change in Fund Balances</b>	\$ 75,000	73,923	\$ (1,077)	21,082
<b>Fund Balances Beginning of Year</b>		21,082		-
<b>Fund Balances End of Year</b>		\$ 95,005		\$ 21,082

**City of Statesboro, Georgia**  
**Alcohol Beverage Control Fund**  
**Balance Sheet**  
**June 30, 2017**

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	<u>2017</u>
<b>Assets</b>	
Cash	\$ 750
	<u>750</u>
<b>Fund Balances</b>	
Restricted	\$ 750
	<u>750</u>

**City of Statesboro, Georgia**  
**Alcohol Beverage Control Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2017**

	<b>2017</b>		
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>			
License and permits	\$ 40,000	\$ 4,700	\$ (35,300)
Fines and forfeitures	2,500	-	(2,500)
<b>Total Revenues</b>	<u>42,500</u>	<u>4,700</u>	<u>(37,800)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public safety	53,301	3,950	49,351
<b>Net Change in Fund Balances</b>	<u>\$ (10,801)</u>	750	<u>\$ 11,551</u>
<b>Fund Balances Beginning of Year</b>		<u>-</u>	
<b>Fund Balances End of Year</b>		<u>\$ 750</u>	

**Past**



**Present**



**Future**



## ***Major Enterprise Funds***



**City of Statesboro, Georgia**  
**Water and Sewer Operating Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 5,696,038	\$ 2,435,700
Receivables:		
Accounts	586,368	407,645
Unbilled accounts	717,651	572,985
Interfund	-	939,722
Materials and supplies inventory	245,894	247,246
Prepaid items	12,760	104,737
Restricted assets - Cash and cash equivalents	429,805	480,383
<b>Total Current Assets</b>	<b>7,688,516</b>	<b>5,188,418</b>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	41,411	-
<b>Restricted Assets:</b>		
Cash and cash equivalents	3,025,591	4,413,474
<b>Capital Assets:</b>		
Land	352,981	352,981
Buildings	1,182,881	1,182,881
Improvements other than buildings	70,032,069	68,227,476
Machinery and equipment	7,905,310	7,836,187
Less accumulated depreciation	(36,077,288)	(34,097,398)
Construction in progress	8,933,680	8,212,689
<b>Total Capital Assets</b>	<b>52,329,633</b>	<b>51,714,816</b>
<b>Total Noncurrent Assets</b>	<b>55,396,635</b>	<b>56,128,290</b>
<b>Total Assets</b>	<b>63,085,151</b>	<b>61,316,708</b>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	166,652	325,819
Resources related to other post employment benefits	122,490	-
<b>Total Deferred Outflows of Resources</b>	<b>289,142</b>	<b>325,819</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	222,407	283,245
Accrued payroll	71,891	52,004
Accrued interest payable	135,607	140,406
Current portion of notes payable	191,107	183,199
Current portion of revenue bonds payable	535,000	520,000
Customer deposits	429,805	480,383
Compensated absences payable	24,616	28,234
Interfund payable	8,146	34,103
<b>Total Current Liabilities</b>	<b>1,618,579</b>	<b>1,721,574</b>
<b>Long-Term Liabilities:</b>		
Net pension obligation	-	154,673
Compensated absences payable (net of current portion)	98,464	112,934
Other post employment benefits payable	984,893	835,291
Notes payable (net of current portion)	2,514,348	2,705,434
Revenue bonds payable, net of unamortized premium (net of current portion)	11,338,058	11,885,633
<b>Total Long-Term Liabilities</b>	<b>14,935,763</b>	<b>15,693,965</b>
<b>Total Liabilities</b>	<b>16,554,342</b>	<b>17,415,539</b>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	88,797	121,664
Resources related to other post employment benefits	28,383	-
<b>Total Deferred Inflows of Resources</b>	<b>117,180</b>	<b>121,664</b>
<b>Net Position</b>		
Net investment in capital assets	38,601,793	38,528,109
Restricted for revenue bond retirement	791,165	791,206
Unrestricted	7,309,813	4,786,009
<b>Total Net Position</b>	<b>\$ 46,702,771</b>	<b>\$ 44,105,324</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, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Operating Revenues</b>		
Water sales	\$ 5,009,419	\$ 4,349,954
Sewer charges	5,268,425	4,811,979
Penalties	102,217	129,402
Reconnecting charges	256,500	282,342
Service fees	313,359	306,209
Tap fees	175,565	702,935
Rental income	165,804	164,516
Miscellaneous	54,998	288
<b>Total Operating Revenues</b>	<b>11,346,287</b>	<b>10,747,625</b>
<b>Operating Expenses</b>		
Salaries	1,999,827	2,338,220
Employee benefits	720,340	1,099,848
Purchased services:		
Training	15,746	12,765
Dues and certification	8,723	4,959
Repairs and maintenance	313,286	420,358
Inspections	67,279	63,953
Contracted services	69,509	65,402
Laboratory services	23,098	20,936
Electricity	830,727	824,275
Telephone	55,302	59,101
Insurance	91,002	106,845
Equipment rental	7,087	8,217
Engineering fees	39,962	44,692
Tippage fees	157,100	155,087
Travel	13,815	24,082
Advertising	3,336	153
Postage	65,823	65,904
Materials and supplies:		
Uniforms	19,932	19,994
Materials and supplies	268,934	379,674
Chemicals	116,870	88,620
Gasoline, oil, etc.	58,810	55,935
Small equipment	22,548	18,146
Indirect cost allocation	904,011	923,027
Depreciation	1,960,562	1,786,495
Bad debts	100,911	6,877
Other	1,543	6,701
<b>Total Operating Expenses</b>	<b>7,936,083</b>	<b>8,600,266</b>
<b>Operating Income</b>	<b>3,410,204</b>	<b>2,147,359</b>
<b>Non-Operating Revenues (Expenses)</b>		
Intergovernmental	8,003	-
Investment earnings	289	315
Gain on sale of capital assets	-	5,321
Interest expense	(624,482)	(649,437)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(616,190)</b>	<b>(643,801)</b>
<b>Income Before Capital Contributions and Transfers</b>	<b>2,794,014</b>	<b>1,503,558</b>
Capital contributions	140,305	155,378
Transfers in	1,295,323	1,359,568
Transfers out	(1,632,195)	(1,626,882)
<b>Change in Net Position</b>	<b>2,597,447</b>	<b>1,391,622</b>
<b>Net Position Beginning of Year</b>	<b>44,105,324</b>	<b>42,713,702</b>
<b>Net Position End of Year</b>	<b>\$ 46,702,771</b>	<b>\$ 44,105,324</b>



City of Statesboro, Georgia  
Gas Operating Fund  
Comparative Statement of Net Position  
June 30, 2017 and 2016

	2017	2016
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 2,400,921	\$ 1,888,372
Receivables:		
Accounts	219,678	150,423
Unbilled accounts	284,555	159,186
Inventory	145,556	169,364
Prepaid items	7,899	34,263
Restricted assets - Cash and cash equivalents	82,585	101,405
<b>Total Current Assets</b>	<b>3,141,194</b>	<b>2,503,013</b>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	18,161	-
<b>Capital Assets:</b>		
Land	78,004	78,004
Buildings	317,389	317,389
Improvements other than buildings	6,746,753	6,199,528
Machinery and equipment	689,618	673,082
Less accumulated depreciation	(3,413,033)	(3,210,775)
Construction in progress	93,988	460,960
<b>Total Capital Assets</b>	<b>4,512,719</b>	<b>4,518,188</b>
<b>Total Noncurrent Assets</b>	<b>4,530,880</b>	<b>4,518,188</b>
<b>Total Assets</b>	<b>7,672,074</b>	<b>7,021,201</b>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	22,058	52,420
Resources related to other post employment benefits	23,754	-
<b>Total Deferred Outflows of Resources</b>	<b>45,812</b>	<b>52,420</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	165,885	97,899
Accrued payroll	15,853	9,325
Accrued interest payable	1,091	1,353
Compensated absences payable	9,291	7,205
Sales tax payable	30,188	21,127
Customer deposits	82,585	101,405
Notes payable	29,034	28,179
<b>Total Current Liabilities</b>	<b>333,927</b>	<b>266,493</b>
<b>Long-Term Liabilities:</b>		
Net pension obligation	-	19,628
Compensated absences payable (net of current portion)	37,166	28,822
Other post employment benefits payable	176,036	147,024
Notes payable (net of current portion)	125,213	154,247
<b>Total Long-Term Liabilities</b>	<b>338,415</b>	<b>349,721</b>
<b>Total Liabilities</b>	<b>672,342</b>	<b>616,214</b>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	18,123	23,685
Resources related to other post employment benefits	5,504	-
<b>Total Deferred Inflows of Resources</b>	<b>23,627</b>	<b>23,685</b>
<b>Net Position</b>		
Net investment in capital assets	4,358,472	4,335,762
Unrestricted	2,663,445	2,097,960
<b>Total Net Position</b>	<b>\$ 7,021,917</b>	<b>\$ 6,433,722</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, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Operating Revenues</b>		
Charges for services	\$ 4,580,894	\$ 4,383,486
Penalties	46,515	39,386
Reconnecting charges	450	6,079
Tap fees	12,807	12,809
Transport fees	30,479	26,364
Service fees	2,880	4,880
Miscellaneous	5,071	2,402
<b>Total Operating Revenues</b>	<b>4,679,096</b>	<b>4,475,406</b>
<b>Operating Expenses</b>		
Salaries	362,252	330,484
Employee benefits	135,556	197,115
Purchased Services:		
Training	2,262	-
Dues and certification	5,485	3,111
Repairs and maintenance	45,002	102,208
Contracted services	20,352	14,174
Electricity	18,197	14,890
Telephone	10,321	7,210
Insurance	25,456	29,662
Equipment rental	2,781	3,200
Engineering fees	4,200	3,500
Water heater program	21,297	20,485
Travel	9,003	9,576
Advertising	2,592	3,863
Postage	281	140
Franchise fee	4,546	6,994
Materials and supplies:		
Uniforms	2,487	4,097
Materials and supplies	75,267	84,183
Chemicals	117	716
Gasoline, oil, etc.	17,651	15,704
Small equipment	2,055	8,919
Cost of sales	2,165,884	1,610,413
Indirect cost allocation	137,810	131,119
Depreciation	202,258	173,674
Bad debts	22,026	5,849
Other	953	1,450
<b>Total Operating Expenses</b>	<b>3,296,091</b>	<b>2,782,736</b>
<b>Operating Income</b>	<b>1,383,005</b>	<b>1,692,670</b>
<b>Non-Operating Revenues (Expenses)</b>		
Gain on sale of capital assets	8,600	30
Interest expense	(4,896)	(5,741)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>3,704</b>	<b>(5,711)</b>
<b>Income Before Transfers</b>	<b>1,386,709</b>	<b>1,686,959</b>
Transfers in	108,481	83,035
Transfers out	(906,995)	(875,000)
<b>Change in Net Position</b>	<b>588,195</b>	<b>894,994</b>
<b>Net Position Beginning of Year</b>	<b>6,433,722</b>	<b>5,538,728</b>
<b>Net Position End of Year</b>	<b>\$ 7,021,917</b>	<b>\$ 6,433,722</b>

**City of Statesboro, Georgia**  
**Solid Waste Collection Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 978,538	\$ 598,224
Receivables:		
Accounts	205,800	159,832
Unbilled accounts	308,351	177,061
Prepaid items	7,958	33,269
Restricted assets - Cash and cash equivalents	155,515	151,799
<b>Total Current Assets</b>	<u>1,656,162</u>	<u>1,120,185</u>
<b>Noncurrent Assets:</b>		
Net pension asset	24,163	-
<b>Capital Assets:</b>		
Buildings	256,122	237,820
Machinery and equipment	4,963,668	4,719,682
Less accumulated depreciation	(3,343,010)	(3,044,240)
<b>Total Capital Assets</b>	<u>1,876,780</u>	<u>1,913,262</u>
<b>Total Noncurrent Assets</b>	<u>1,900,943</u>	<u>1,913,262</u>
<b>Total Assets</b>	<u>3,557,105</u>	<u>3,033,447</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	37,998	88,183
Resources related to other post employment benefits	39,262	-
<b>Total Deferred Outflows of Resources</b>	<u>77,260</u>	<u>88,183</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	10,049	11,809
Accrued payroll	21,490	14,585
Compensated absences payable	6,866	8,181
Customer deposits	155,515	151,799
<b>Total Current Liabilities</b>	<u>193,920</u>	<u>186,374</u>
<b>Long-Term Liabilities:</b>		
Net pension obligation	-	38,297
Compensated absences payable (net of current portion)	27,465	32,722
Other post employment benefits payable	277,954	230,001
<b>Total Long-Term Liabilities</b>	<u>305,419</u>	<u>301,020</u>
<b>Total Liabilities</b>	<u>499,339</u>	<u>487,394</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	26,649	35,842
Resources related to other post employment benefits	9,097	-
<b>Total Deferred Inflows of Resources</b>	<u>35,746</u>	<u>35,842</u>
<b>Net Position</b>		
Net investment in capital assets	1,876,780	1,913,262
Unrestricted	1,222,500	685,132
<b>Total Net Position</b>	<u>\$ 3,099,280</u>	<u>\$ 2,598,394</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Sanitation charges	\$ 3,805,027	\$ 3,463,218
Penalties	52,332	45,060
Miscellaneous	5,807	4,268
<b>Total Operating Revenues</b>	<u>3,863,166</u>	<u>3,512,546</u>
<b>Operating Expenses</b>		
Salaries	598,750	574,984
Employee benefits	279,597	392,850
Purchases services:		
Training	1,481	2,608
Dues and certification	2,254	589
Repairs and maintenance	325,661	351,543
Contracted services	3,014	2,107
Electricity	4,303	3,020
Telephone	12,964	11,125
Insurance	25,682	31,314
Tippage fees	963,021	812,205
Travel	1,446	3,419
Advertising	2,985	2,424
Materials and supplies:		
Uniforms	8,024	8,840
Materials and supplies	6,318	4,192
Gasoline, oil, etc.	98,792	98,175
Chemicals	3,239	3,334
Indirect cost allocation	162,559	157,855
Depreciation	441,600	466,763
Bad debts	5,000	4,759
Other	3,024	5,589
<b>Total Operating Expenses</b>	<u>2,949,714</u>	<u>2,937,695</u>
<b>Operating Income</b>	913,452	574,851
<b>Non-Operating Revenues (Expenses)</b>		
Intergovernmental	157,591	-
Gain on sale of capital assets	2,944	-
<b>Income Before Transfers</b>	1,073,987	574,851
Transfers in	153,894	295,000
Transfers out	<u>(726,995)</u>	<u>(660,000)</u>
<b>Change in Net Position</b>	500,886	209,851
<b>Net Position Beginning of Year</b>	<u>2,598,394</u>	<u>2,388,543</u>
<b>Net Position End of Year</b>	<u>\$ 3,099,280</u>	<u>\$ 2,598,394</u>

**City of Statesboro, Georgia**  
**Solid Waste Disposal Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 456,016	\$ 103,048
Receivables:		
Accounts	73,533	40,894
Unbilled accounts	209,969	186,081
Prepaid items	4,017	25,896
<b>Total Current Assets</b>	<u>743,535</u>	<u>355,919</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>8,320</u>	<u>-</u>
<b>Capital Assets:</b>		
Land	123,425	123,425
Buildings	1,422,415	1,422,415
Improvements other than buildings	269,757	269,757
Infrastructure	225,697	225,697
Machinery and equipment	2,314,498	1,988,539
Less accumulated depreciation	<u>(2,196,444)</u>	<u>(1,901,052)</u>
<b>Total Capital Assets</b>	<u>2,159,348</u>	<u>2,128,781</u>
<b>Total Noncurrent Assets</b>	<u>2,167,668</u>	<u>2,128,781</u>
<b>Total Assets</b>	<u>2,911,203</u>	<u>2,484,700</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	18,790	39,759
Resources related to other post employment benefits	<u>16,405</u>	<u>-</u>
<b>Total Deferred Outflows of Resources</b>	<u>35,195</u>	<u>39,759</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	141,138	129,728
Accrued payroll	8,756	7,185
Compensated absences payable	3,580	4,095
Interfund payable	-	178,880
Landfill postclosure care costs	<u>167,000</u>	<u>167,000</u>
<b>Total Current Liabilities</b>	<u>320,474</u>	<u>486,888</u>
<b>Long-Term Liabilities:</b>		
Net pension obligation	-	17,778
Compensated absences payable	14,322	16,381
Other post employment benefits payable	126,889	106,853
Landfill postclosure care costs (net of current portion)	<u>1,744,000</u>	<u>1,469,057</u>
<b>Total Long-Term Liabilities</b>	<u>1,885,211</u>	<u>1,610,069</u>
<b>Total Liabilities</b>	<u>2,205,685</u>	<u>2,096,957</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	11,930	15,771
Resources related to other post employment benefits	<u>3,801</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>	<u>15,731</u>	<u>15,771</u>
<b>Net Position</b>		
Net investment in capital assets	2,159,348	2,128,781
Unrestricted	<u>(1,434,366)</u>	<u>(1,717,050)</u>
<b>Total Net Position</b>	<u>\$ 724,982</u>	<u>\$ 411,731</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, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Operating Revenues</b>		
Tippage fees	\$ 2,440,160	\$ 2,156,940
Penalties	12,318	19,312
<b>Total Operating Revenues</b>	<b>2,452,478</b>	<b>2,176,252</b>
<b>Operating Expenses</b>		
Salaries	250,176	261,079
Employee benefits	143,483	175,119
Purchased services:		
Training	723	920
Dues and certification	796	841
Repairs and maintenance	52,164	86,008
Contracted services	9,712	6,132
Electricity	6,222	7,748
Telephone	5,640	4,206
Insurance	22,311	25,184
Equipment rental	96	963
Transportation and disposal	709,015	635,004
Air rights	1,422,363	1,265,453
Advertising	619	120
Waste reduction	39,589	16,660
Enforcement and monitoring	122,000	122,000
Travel	526	651
Materials and supplies:		
Uniforms	2,541	3,886
Materials and supplies	13,308	12,413
Gasoline, oil, etc.	22,818	24,114
Chemicals	576	659
Depreciation	295,392	257,504
Bad debts	44,448	22,935
Postclosure care costs	384,025	-
Miscellaneous	972	1,069
<b>Total Operating Expenses</b>	<b>3,549,515</b>	<b>2,930,668</b>
<b>Operating (Loss)</b>	<b>(1,097,037)</b>	<b>(754,416)</b>
<b>Non-Operating Revenues</b>		
Gain on sale of capital assets	-	66,937
<b>Total Non-Operating Revenues</b>	<b>-</b>	<b>66,937</b>
<b>Loss before Transfers</b>	<b>(1,097,037)</b>	<b>(687,479)</b>
Transfers in	1,737,283	965,655
Transfers out	(326,995)	(264,000)
<b>Change in Net Postion</b>	<b>313,251</b>	<b>14,176</b>
<b>Net Position Beginning of Year</b>	<b>411,731</b>	<b>397,555</b>
<b>Net Position End of Year</b>	<b>\$ 724,982</b>	<b>\$ 411,731</b>

**Past**



**Present**



**Future**



## ***Nonmajor Enterprise Funds***





**City of Statesboro, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2017**

	<b>Reclaimed Water System</b>	<b>Stormwater</b>	<b>Total</b>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 71,883	\$ 463,359	\$ 535,242
Accounts receivable	4,216	127,653	131,869
Inventory	-	20,340	20,340
Prepaid items	-	1,071	1,071
<b>Total Current Assets</b>	<b>76,099</b>	<b>612,423</b>	<b>688,522</b>
<b>Noncurrent Assets:</b>			
<b>Net pension asset</b>	-	6,566	6,566
<b>Capital Assets:</b>			
Land	-	19,703	19,703
Construction in progress	-	108,742	108,742
Depreciable capital assets, net	830,126	950,307	1,780,433
<b>Total Noncurrent Assets</b>	<b>830,126</b>	<b>1,085,318</b>	<b>1,915,444</b>
<b>Total Assets</b>	<b>906,225</b>	<b>1,697,741</b>	<b>2,603,966</b>
<b>Deferred Outflows of Resources</b>			
Resources related to other post employment benefits	767	17,118	17,885
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	-	6,316	6,316
Accrued payroll	-	9,062	9,062
Compensated absences payable	-	2,506	2,506
Capital lease payable	-	86,622	86,622
Interfund payable	-	1,354	1,354
<b>Total Current Liabilities</b>	<b>-</b>	<b>105,860</b>	<b>105,860</b>
<b>Long-Term Liabilities:</b>			
Compensated absences payable (net of current portion)	-	10,022	10,022
Capital lease payable (net of current portion)	-	346,486	346,486
Other post employment benefits payable	2,792	70,598	73,390
<b>Total Long-Term Liabilities</b>	<b>2,792</b>	<b>427,106</b>	<b>429,898</b>
<b>Total Liabilities</b>	<b>2,792</b>	<b>532,966</b>	<b>535,758</b>
<b>Deferred Inflows of Resources</b>			
Resources related to other post employment benefits	178	3,966	4,144
<b>Net Position</b>			
Net investment in capital assets	830,126	1,078,752	1,908,878
Unrestricted	73,896	99,175	173,071
<b>Total Net Position</b>	<b>\$ 904,022</b>	<b>\$ 1,177,927</b>	<b>\$ 2,081,949</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, 2017**

	<u>Reclaimed Water System</u>	<u>Stormwater</u>	<u>Total</u>
<b>Operating Revenues</b>			
Charges for services	\$ 53,033	\$ 1,105,033	\$ 1,158,066
<b>Operating Expenses</b>			
Salaries	11,700	261,046	272,746
Employee benefits	348	125,865	126,213
Purchased services	5,597	83,610	89,207
Materials and supplies	7,919	32,721	40,640
Depreciation	18,692	76,326	95,018
Bad debt	-	17,000	17,000
Other	-	1,152	1,152
<b>Total Operating Expenses</b>	<u>44,256</u>	<u>597,720</u>	<u>641,976</u>
<b>Operating Income</b>	8,777	507,313	516,090
<b>Non-Operating Revenues (Expenses)</b>			
Gain on sale of capital assets	-	5,501	5,501
<b>Income before Transfers</b>	8,777	512,814	521,591
Transfers in	-	6,835	6,835
Transfers out	-	(51,995)	(51,995)
<b>Change in Net Position</b>	8,777	467,654	476,431
<b>Net Position Beginning of Year</b>	<u>895,245</u>	<u>710,273</u>	<u>1,605,518</u>
<b>Net Position End of Year</b>	<u>\$ 904,022</u>	<u>\$ 1,177,927</u>	<u>\$ 2,081,949</u>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2017**

	<b>Reclaimed Water System</b>	<b>Stormwater</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Cash received from customers	\$ 52,271	\$ 1,010,243	\$ 1,062,514
Cash payments to employees for services	(11,700)	(378,816)	(390,516)
Cash payments for goods and services	(13,848)	(149,099)	(162,947)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>26,723</u>	<u>482,328</u>	<u>509,051</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Advances from (to) other funds	-	-	-
Transfers in (out)	-	(51,995)	(51,995)
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>-</u>	<u>(51,995)</u>	<u>(51,995)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Proceeds from sale of capital assets	-	5,501	5,501
Proceeds from of capital lease	-	433,108	433,108
Transfers in from capital projects funds	-	6,835	6,835
Payments for capital acquisitions	-	(548,044)	(548,044)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>-</u>	<u>(102,600)</u>	<u>(102,600)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	26,723	327,733	354,456
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>45,160</u>		<u>45,160</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 71,883</u>	<u>\$ 327,733</u>	<u>\$ 399,616</u>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2017**

	<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>	\$ 8,777	\$ 507,313	\$ 516,090
<b>Adjustments:</b>			
Depreciation	18,692	76,326	95,018
<b>(Increase) Decrease in Assets and Deferred Outflows of Resources:</b>			
Accounts receivable	(762)	(94,790)	(95,552)
Materials and supplies inventory	-	(20,340)	(20,340)
Prepaid items	90	1,123	1,213
Deferred outflows related to pensions	-	20,259	20,259
Deferred outflows related to other post employment benefits	(767)	(17,118)	(17,885)
<b>Increase (Decrease) in Liabilities and Deferred Inflows of Resources:</b>			
Accounts payable	(422)	4,601	4,179
Accrued payroll	-	3,220	3,220
Compensated absences payable	-	4,093	4,093
Other post employment benefits payable	937	20,907	21,844
Deferred inflows related to other post employment benefits	178	3,966	4,144
Net pension asset/obligation	-	(27,232)	(27,232)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 26,723</u>	<u>\$ 482,328</u>	<u>\$ 509,051</u>

**City of Statesboro, Georgia**  
**Reclaimed Water System Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 71,883	\$ 45,160
Accounts receivable	4,216	3,454
Prepaid insurance	-	90
<b>Total Current Assets</b>	<u>76,099</u>	<u>48,704</u>
<b>Capital Assets:</b>		
Improvements other than buildings	934,580	934,580
Less accumulated depreciation	(104,454)	(85,762)
<b>Total Capital Assets</b>	<u>830,126</u>	<u>848,818</u>
<b>Total Assets</b>	<u>906,225</u>	<u>897,522</u>
<b>Deferred Outflows of Resources</b>		
Resources related to other post employment benefits	<u>767</u>	<u>-</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	-	422
<b>Long-Term Liabilities:</b>		
Other post employment benefits payable	<u>2,792</u>	<u>1,855</u>
<b>Total Liabilities</b>	<u>2,792</u>	<u>2,277</u>
<b>Deferred Inflows of Resources</b>		
Resources related to other post employment benefits	<u>178</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	830,126	848,818
Unrestricted	<u>73,896</u>	<u>46,427</u>
<b>Total Net Position</b>	<u>\$ 904,022</u>	<u>\$ 895,245</u>

**City of Statesboro, Georgia**  
**Reclaimed Water System Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Charges for services	\$ 53,033	\$ 52,252
<b>Operating Expenses</b>		
Salaries	11,700	-
Employee benefits	348	1,855
Purchased services:		
Insurance	83	134
Electricity	5,164	3,590
Engineering	350	428
Advertising	-	112
Materials and supplies:		
Parts and materials	2,958	-
Gasoline, oil, etc.	2,300	-
Chemicals	2,661	1,630
Depreciation	18,692	18,691
<b>Total Operating Expenses</b>	<u>44,256</u>	<u>26,440</u>
<b>Change in Net Position</b>	8,777	25,812
<b>Net Position Beginning of Year</b>	<u>895,245</u>	<u>869,433</u>
<b>Net Position End of Year</b>	<u>\$ 904,022</u>	<u>\$ 895,245</u>

**City of Statesboro, Georgia**  
**Stormwater Operating Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 463,359	\$ 135,626
Receivables		
Accounts	44,847	32,863
Unbilled accounts	82,806	-
Inventory	20,340	-
Prepaid items	1,071	2,194
<b>Total Current Assets</b>	<u>612,423</u>	<u>170,683</u>
<b>Noncurrent Assets:</b>		
Net pension asset	6,566	-
<b>Capital Assets:</b>		
Land	19,703	-
Buildings	148,291	-
Improvements other than buildings	232,950	-
Machinery and equipment	1,253,605	1,121,911
Less accumulated depreciation	(684,539)	(587,104)
Construction in progress	108,742	72,227
<b>Total Capital Assets</b>	<u>1,078,752</u>	<u>607,034</u>
<b>Total Noncurrent Assets</b>	<u>1,085,318</u>	<u>607,034</u>
<b>Total Assets</b>	<u>1,697,741</u>	<u>777,717</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	-	20,259
Resources related to other post employment benefits	17,118	-
<b>Total Deferred Outflows of Resources</b>	<u>17,118</u>	<u>20,259</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	6,316	1,715
Accrued payroll	9,062	5,842
Compensated absences payable	2,506	1,687
Capital leases payable	86,622	-
Interfund payable	1,354	1,354
<b>Total Current Liabilities</b>	<u>105,860</u>	<u>10,598</u>
<b>Long-Term Liabilities:</b>		
Net pension obligation	-	20,666
Compensated absences payable (net of current portion)	10,022	6,748
Capital leases payable (net of current portion)	346,486	-
Other post employment benefits payable	70,598	49,691
<b>Total Long-Term Liabilities</b>	<u>427,106</u>	<u>77,105</u>
<b>Total Liabilities</b>	<u>532,966</u>	<u>87,703</u>
<b>Deferred Inflows of Resources</b>		
Resources related to other post employment benefits	3,966	-
<b>Net Position</b>		
Net investment in capital assets	1,078,752	607,034
Unrestricted	99,175	103,239
<b>Total Net Position</b>	<u>\$ 1,177,927</u>	<u>\$ 710,273</u>

**City of Statesboro, Georgia**  
**Stormwater Operating Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Charges for services	\$ 1,094,748	\$ 892,852
Penalties	10,285	12,029
Service fees	-	304
Miscellaneous	-	288
<b>Total Operating Revenues</b>	<u>1,105,033</u>	<u>905,473</u>
<b>Operating Expenses</b>		
Salaries	261,046	163,622
Employee benefits	125,865	134,848
Purchased Services:		
Training	1,480	549
Dues and certification	2,492	232
Repairs and maintenance	56,492	37,975
Contracted services	1,691	2,824
Telephone	6,394	1,543
Insurance	2,492	252
Tippage fees	11,905	3,224
Travel	148	238
Advertising	516	1,505
Materials and supplies:		
Uniforms	2,719	678
Materials and supplies	9,526	20,107
Gasoline, oil, etc.	15,731	4,277
Small equipment	4,745	7,647
Depreciation	76,326	51,675
Bad debt	17,000	-
Other	1,152	35
<b>Total Operating Expenses</b>	<u>597,720</u>	<u>431,231</u>
<b>Operating Income</b>	507,313	474,242
<b>Non-Operating Revenues</b>		
Gain on sale of capital assets	5,501	34,600
<b>Income Before Transfers</b>	512,814	508,842
Transfers in	6,835	201,431
Transfers out	(51,995)	-
<b>Change in Net Position</b>	467,654	710,273
<b>Net Position Beginning of Year</b>	<u>710,273</u>	<u>-</u>
<b>Net Position End of Year</b>	<u>\$ 1,177,927</u>	<u>\$ 710,273</u>



**Past**



**Present**



**Future**



## ***Internal Service Funds***



City of Statesboro, Georgia  
Combining Statement of Net Position  
Internal Service Funds  
For the Year Ended June 30, 2017

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Central Services	Total
<b>Assets</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ 675,248	\$ 18,364	\$ -	\$ 37,075	\$ 8,250	\$ 738,937
Accounts receivable	412,978	-	-	-	-	412,978
Inventory	-	192,216	-	-	-	192,216
Prepaid items	-	1,169	-	-	17,653	18,822
<b>Total Current Assets</b>	<b>1,088,226</b>	<b>211,749</b>	<b>-</b>	<b>37,075</b>	<b>25,903</b>	<b>1,362,953</b>
<b>Noncurrent Assets:</b>						
<b>Net pension asset</b>	<b>-</b>	<b>8,471</b>	<b>-</b>	<b>-</b>	<b>11,678</b>	<b>20,149</b>
<b>Capital Assets:</b>						
Construction in progress	-	-	-	-	-	-
Depreciable capital assets, net	-	608,925	-	-	527,046	1,135,971
<b>Total Capital Assets</b>	<b>-</b>	<b>608,925</b>	<b>-</b>	<b>-</b>	<b>527,046</b>	<b>1,135,971</b>
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>617,396</b>	<b>-</b>	<b>-</b>	<b>538,724</b>	<b>1,156,120</b>
<b>Total Assets</b>	<b>1,088,226</b>	<b>829,145</b>	<b>-</b>	<b>37,075</b>	<b>564,627</b>	<b>2,519,073</b>
<b>Deferred Outflows of Resources</b>						
Resources related to pensions	-	18,260	-	-	18,156	36,416
Resources related to other post employment benefits	-	18,598	-	-	18,106	36,704
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>36,858</b>	<b>-</b>	<b>-</b>	<b>36,262</b>	<b>73,120</b>
<b>Liabilities</b>						
<b>Current Liabilities:</b>						
Accounts payable	-	45,413	-	-	6,834	52,247
Accrued payroll	-	10,830	-	-	9,704	20,534
Claims payable	1,088,226	-	-	-	-	1,088,226
Compensated absences payable	-	4,824	-	-	4,040	8,864
Capital lease payable	-	23,812	-	-	-	23,812
Interfund payable	-	234,508	-	-	260,061	494,569
<b>Total Current Liabilities</b>	<b>1,088,226</b>	<b>319,387</b>	<b>-</b>	<b>-</b>	<b>280,639</b>	<b>1,688,252</b>
<b>Long-Term Liabilities</b>						
Capital lease payable (net of current portion)	-	47,624	-	-	-	47,624
Compensated absences payable (net of current portion)	-	19,295	-	-	16,161	35,456
Other post employment benefits payable	-	132,401	-	-	110,016	242,417
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>199,320</b>	<b>-</b>	<b>-</b>	<b>126,177</b>	<b>325,497</b>
<b>Total Liabilities</b>	<b>1,088,226</b>	<b>518,707</b>	<b>-</b>	<b>-</b>	<b>406,816</b>	<b>2,013,749</b>
<b>Deferred Inflows of Resources</b>						
Resources related to pensions	-	10,558	-	-	13,160	23,718
Resources related to other post employment benefits	-	4,310	-	-	4,195	8,505
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>14,868</b>	<b>-</b>	<b>-</b>	<b>17,355</b>	<b>32,223</b>
<b>Net Position</b>						
Net investment in capital assets	-	537,489	-	-	527,046	1,064,535
Unrestricted	-	(205,061)	-	37,075	(350,328)	(518,314)
<b>Total Net Position</b>	<b>\$ -</b>	<b>\$ 332,428</b>	<b>\$ -</b>	<b>\$ 37,075</b>	<b>\$ 176,718</b>	<b>\$ 546,221</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, 2017

	Health Insurance	Fleet Management	Workers Compensation	Wellness Program	Central Services	Total
<b>Operating Revenues</b>						
Charges for services	\$ 3,726,962	\$ 1,079,837	\$ -	\$ 18,481	\$ 622,285	\$ 5,447,565
<b>Total Operating Revenues</b>	<u>3,726,962</u>	<u>1,079,837</u>	<u>-</u>	<u>18,481</u>	<u>622,285</u>	<u>5,447,565</u>
<b>Operating Expenses</b>						
Salaries	-	283,617	-	-	276,119	559,736
Employee benefits	-	93,929	-	-	60,230	154,159
Purchased services	-	137,525	-	774	373,636	511,935
Materials and supplies	-	30,457	-	4,384	51,613	86,454
Cost of sales	-	478,037	-	-	-	478,037
Depreciation	-	47,035	-	-	83,364	130,399
Claims and administrative fees	4,157,243	-	7,624	-	-	4,164,867
Miscellaneous	-	1,956	-	-	-	1,956
<b>Total Operating Expenses</b>	<u>4,157,243</u>	<u>1,072,556</u>	<u>7,624</u>	<u>5,158</u>	<u>844,962</u>	<u>6,087,543</u>
<b>Income (Loss) before Transfers</b>	(430,281)	7,281	(7,624)	13,323	(222,677)	(639,978)
Transfers in	88,364	-	-	-	258,965	347,329
Transfers out	-	(36,995)	(88,364)	-	-	(125,359)
<b>Change in Net Position</b>	(341,917)	(29,714)	(95,988)	13,323	36,288	(418,008)
<b>Net Position Beginning of Year</b>	341,917	362,142	95,988	23,752	140,430	964,229
<b>Net Position End of Year</b>	<u>\$ -</u>	<u>\$ 332,428</u>	<u>\$ -</u>	<u>\$ 37,075</u>	<u>\$ 176,718</u>	<u>\$ 546,221</u>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2017**

	<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	\$ 3,726,962	\$ 1,079,837	\$ 83,956	\$ 18,481	\$ 622,285	\$ 5,531,521
Cash payments to employees for services	-	(376,720)	-	-	(332,383)	(709,103)
Cash payments for goods and services	-	(657,793)	-	(5,258)	(429,288)	(1,092,339)
Cash payments for claims and administrative fees	(4,103,995)	-	(57,624)	-	-	(4,161,619)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(377,033)</b>	<b>45,324</b>	<b>26,332</b>	<b>13,223</b>	<b>(139,386)</b>	<b>(431,540)</b>
<b>Cash Flows from Noncapital Financing Activities</b>						
Advances from (to) other funds	-	15,071	-	(40,000)	545	(24,384)
Transfers in (out)	88,364	(36,995)	(88,364)	-	258,965	221,970
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>88,364</b>	<b>(21,924)</b>	<b>(88,364)</b>	<b>(40,000)</b>	<b>259,510</b>	<b>197,586</b>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Payments on capital lease	-	(23,812)	-	-	-	(23,812)
Purchases of capital assets	-	-	-	-	(117,874)	(117,874)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>-</b>	<b>(23,812)</b>	<b>-</b>	<b>-</b>	<b>(117,874)</b>	<b>(141,686)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(288,669)</b>	<b>(412)</b>	<b>(62,032)</b>	<b>(26,777)</b>	<b>2,250</b>	<b>(375,640)</b>
<b>Cash and Cash Equivalents Beginning 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>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 675,248</b>	<b>\$ 18,364</b>	<b>\$ -</b>	<b>\$ 37,075</b>	<b>\$ 8,250</b>	<b>\$ 738,937</b>

**City of Statesboro, Georgia**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2017**

	<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>	\$ (430,281)	\$ 7,281	\$ (7,624)	\$ 13,323	\$ (222,677)	\$ (639,978)
<b>Adjustments:</b>						
Depreciation	-	47,035	-	-	83,364	130,399
<b>(Increase) Decrease in Assets and Deferred Outflows of Resources:</b>						
Accounts receivable	(412,978)	-	83,956	-	-	(329,022)
Materials and supplies inventory	-	(8,046)	-	-	-	(8,046)
Prepaid items	-	6,493	-	-	(4,667)	1,826
Deferred outflows related to pensions	-	23,771	-	-	23,143	46,914
Deferred outflows related to other post employment benefits	-	(18,598)	-	-	(18,106)	(36,704)
<b>Increase (Decrease) in Liabilities and Deferred Inflows of Resources:</b>						
Accounts payable	-	(8,265)	-	(100)	628	(7,737)
Accrued payroll	-	3,100	-	-	991	4,091
Claims payable	466,226	-	(50,000)	-	-	416,226
Compensated absences payable	-	(531)	-	-	4,671	4,140
Other post employment benefits payable	-	22,714	-	-	22,114	44,828
Net pension asset/obligation	-	(29,586)	-	-	(28,803)	(58,389)
Deferred inflows related to other post employment benefits	-	4,310	-	-	4,195	8,505
Deferred inflows related to pensions	-	(4,354)	-	-	(4,239)	(8,593)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ (377,033)</u>	<u>\$ 45,324</u>	<u>\$ 26,332</u>	<u>\$ 13,223</u>	<u>\$ (139,386)</u>	<u>\$ (431,540)</u>

**City of Statesboro, Georgia**  
**Health Insurance Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 675,248	\$ 963,917
Accounts receivable	412,978	-
<b>Total Current Assets</b>	<u>1,088,226</u>	<u>963,917</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Claims payable	<u>1,088,226</u>	<u>622,000</u>
<b>Net Position</b>		
Unrestricted	<u>\$ -</u>	<u>\$ 341,917</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Premiums - City and employees	\$ 3,726,962	\$ 3,545,246
<b>Operating Expenses</b>		
Claims and administrative fees	4,157,243	4,121,016
<b>Loss before Transfers</b>	(430,281)	(575,770)
Transfers in	88,364	-
<b>Change in Net Position</b>	(341,917)	(575,770)
<b>Net Position Beginning of Year</b>	341,917	917,687
<b>Net Position End of Year</b>	\$ -	\$ 341,917



**City of Statesboro, Georgia**  
**Fleet Management Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 18,364	\$ 18,776
Inventory	192,216	184,170
Prepaid items	1,169	7,662
<b>Total Current Assets</b>	<u>211,749</u>	<u>210,608</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>8,471</u>	<u>-</u>
<b>Capital Assets:</b>		
Buildings	540,085	540,085
Equipment	458,236	468,838
Less accumulated depreciation	<u>(389,396)</u>	<u>(352,963)</u>
<b>Total Capital Assets</b>	<u>608,925</u>	<u>655,960</u>
<b>Total Noncurrent Assets</b>	<u>617,396</u>	<u>655,960</u>
<b>Total Assets</b>	<u>829,145</u>	<u>866,568</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	18,260	42,031
Resources related to other post employment benefits	<u>18,598</u>	<u>-</u>
<b>Total Deferred Outflows of Resources</b>	<u>36,858</u>	<u>42,031</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	45,413	53,678
Accrued payroll	10,830	7,730
Compensated absences payable	4,824	4,930
Capital lease payable	23,812	23,812
Interfund payable	<u>234,508</u>	<u>219,437</u>
<b>Total Current Liabilities</b>	<u>319,387</u>	<u>309,587</u>
<b>Long-Term Liabilities</b>		
Net pension obligation	-	21,115
Capital leases payable (net of current portion)	47,624	71,436
Compensated absences payable (net of current portion)	19,295	19,720
Other post employment benefits payable	<u>132,401</u>	<u>109,687</u>
<b>Total Long-Term Liabilities</b>	<u>199,320</u>	<u>221,958</u>
<b>Total Liabilities</b>	<u>518,707</u>	<u>531,545</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	10,558	14,912
Resources related to other post employment benefits	<u>4,310</u>	<u>-</u>
<b>Total Deferred Inflows of Resources</b>	<u>14,868</u>	<u>14,912</u>
<b>Net Position</b>		
Net investment in capital assets	537,489	560,712
Unrestricted	<u>(205,061)</u>	<u>(198,570)</u>
<b>Total Net Position</b>	<u>\$ 332,428</u>	<u>\$ 362,142</u>

**City of Statesboro, Georgia**  
**Fleet Management Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Parts sales and labor charges	\$ 1,079,719	\$ 1,131,762
Miscellaneous	118	-
<b>Total Operating Revenues</b>	<u>1,079,837</u>	<u>1,131,762</u>
<b>Operating Expenses</b>		
Salaries	283,617	284,374
Employee benefits	93,929	133,336
Purchased services:		
Training	3,577	7,990
Dues and certification	160	155
Repairs and maintenance	28,819	20,853
Contracted services	76,298	119,729
Electricity	16,253	15,618
Telephone	1,994	2,677
Advertising	-	693
Insurance	6,357	6,062
Equipment rental	222	741
Travel	3,845	6,296
Materials and supplies:		
Uniforms	2,684	2,771
Materials and supplies	21,160	24,633
Gasoline, oil, etc.	6,613	6,385
Cost of sales	478,037	462,259
Depreciation	47,035	47,353
Miscellaneous	1,956	767
<b>Total Operating Expenses</b>	<u>1,072,556</u>	<u>1,142,692</u>
<b>Operating Income (Loss)</b>	7,281	(10,930)
<b>Non-Operating Revenues</b>		
Gain on sale of capital assets	-	9,060
<b>Income (Loss) before Transfers</b>	7,281	(1,870)
Transfers out	(36,995)	-
<b>Change in Net Position</b>	(29,714)	(1,870)
<b>Net Position Beginning of Year</b>	<u>362,142</u>	<u>364,012</u>
<b>Net Position End of Year</b>	<u>\$ 332,428</u>	<u>\$ 362,142</u>

**City of Statesboro, Georgia**  
**Workers Compensation Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ -	\$ 62,032
Accounts receivable	-	83,956
	<u>-</u>	<u>145,988</u>
<b>Total Current Assets</b>	<u>-</u>	<u>145,988</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Claims payable	-	50,000
	<u>-</u>	<u>50,000</u>
<b>Net Position</b>		
Unrestricted	<u>\$ -</u>	<u>\$ 95,988</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Premiums	\$ -	\$ 144,620
<b>Operating Expenses</b>		
Premiums	-	89,866
Claims	<u>7,624</u>	<u>108,762</u>
<b>Total Operating Expenses</b>	<u>7,624</u>	<u>198,628</u>
<b>Loss before Transfers</b>	(7,624)	(54,008)
Transfers out	<u>(88,364)</u>	<u>-</u>
<b>Change in Net Position</b>	(95,988)	-
<b>Net Position Beginning of Year</b>	<u>95,988</u>	<u>149,996</u>
<b>Net Position End of Year</b>	<u>\$ -</u>	<u>\$ 95,988</u>

**City of Statesboro, Georgia**  
**Wellness Program Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 37,075	\$ 63,852
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	-	100
Interfund payable	-	40,000
<b>Total Current Liabilities</b>	-	40,100
<b>Net Position</b>		
Unrestricted	\$ 37,075	\$ 23,752

**City of Statesboro, Georgia**  
**Wellness Program Fund**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Wellness dues	\$ 18,481	\$ 17,959
<b>Operating Expenses</b>		
Dues and certifications	-	7,830
Repairs and maintenance	774	100
Small equipment	4,384	4,077
Miscellaneous	-	76
<b>Total Operating Expenses</b>	<u>5,158</u>	<u>12,083</u>
<b>Income before Transfers</b>	13,323	5,876
Transfers out	-	(40,000)
<b>Change in Net Position</b>	13,323	(34,124)
<b>Net Position Beginning of Year</b>	<u>23,752</u>	<u>57,876</u>
<b>Net Position End of Year</b>	<u>\$ 37,075</u>	<u>\$ 23,752</u>

**City of Statesboro, Georgia**  
**Central Services Fund**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 8,250	\$ 6,000
Prepaid items	17,653	12,986
<b>Total Current Assets</b>	<u>25,903</u>	<u>18,986</u>
<b>Noncurrent Assets:</b>		
<b>Net pension asset</b>	<u>11,678</u>	<u>-</u>
<b>Capital Assets:</b>		
Improvements other than buildings	271,001	271,001
Machinery and equipment	346,937	-
Less accumulated depreciation	(90,892)	(7,528)
Construction in progress	-	229,063
<b>Total Capital Assets</b>	<u>527,046</u>	<u>492,536</u>
<b>Total Noncurrent Assets</b>	<u>538,724</u>	<u>492,536</u>
<b>Total Assets</b>	<u>564,627</u>	<u>511,522</u>
<b>Deferred Outflows of Resources</b>		
Resources related to pensions	18,156	41,299
Resources related to other post employment benefits	18,106	-
<b>Total Deferred Outflows of Resources</b>	<u>36,262</u>	<u>41,299</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	6,834	6,206
Accrued payroll	9,704	8,713
Compensated absences payable	4,040	3,106
Interfund payable	260,061	259,516
<b>Total Current Liabilities</b>	<u>280,639</u>	<u>277,541</u>
<b>Long-Term Liabilities</b>		
Net pension obligation	-	17,125
Compensated absences payable (net of current portion)	16,161	12,424
Other post employment benefits payable	110,016	87,902
<b>Total Long-Term Liabilities</b>	<u>126,177</u>	<u>117,451</u>
<b>Total Liabilities</b>	<u>406,816</u>	<u>394,992</u>
<b>Deferred Inflows of Resources</b>		
Resources related to pensions	13,160	17,399
Resources related to other post employment benefits	4,195	-
<b>Total Deferred Inflows of Resources</b>	<u>17,355</u>	<u>17,399</u>
<b>Net Position</b>		
Net investment in capital assets	527,046	492,536
Unrestricted	(350,328)	(352,106)
<b>Total Net Position</b>	<u>\$ 176,718</u>	<u>\$ 140,430</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Indirect costs for GIS	\$ 125,000	\$ 125,000
Device/User Charges	497,285	558,120
<b>Total Operating Revenues</b>	<u>622,285</u>	<u>683,120</u>
<b>Operating Expenses</b>		
Salaries	276,119	266,364
Employee benefits	60,230	110,138
Purchased services:		
Training	12,210	7,264
Travel	1,847	1,904
Dues and certification	-	587
Repairs and maintenance	5,663	2,470
Contracted services	288,846	220,798
Electricity	7,928	1,376
Telephone	46,241	41,275
Advertising	2	1,041
Insurance	10,899	6,681
Materials and supplies:		
Materials and supplies	50,352	91,313
Gasoline, oil, etc.	297	293
Small equipment	964	1,141
Depreciation	83,364	7,528
Other	-	174
<b>Total Operating Expenses</b>	<u>844,962</u>	<u>760,347</u>
<b>Operating Income (Loss)</b>	(222,677)	(77,227)
Transfers in	258,965	113,494
<b>Change in Net Position</b>	36,288	36,267
<b>Net Position Beginning of Year</b>	<u>140,430</u>	<u>104,163</u>
<b>Net Position End of Year</b>	<u>\$ 176,718</u>	<u>\$ 140,430</u>



**Past**



**Present**



**Future**



***Downtown Statesboro Development Authority***



**City of Statesboro, Georgia**  
**Downtown Statesboro Development Authority**  
**Comparative Statement of Net Position**  
**June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 593,200	\$ 516,808
Intergovernmental receivable	16,769	15,721
Note receivable	-	42,503
Other receivable	-	7,000
Prepaid items	2,159	2,481
<b>Total Current Assets</b>	<u>612,128</u>	<u>584,513</u>
<b>Noncurrent Assets:</b>		
<b>Capital Assets:</b>		
Equipment	15,613	15,613
Less accumulated depreciation	(4,362)	(2,176)
Construction in progress	149,984	81,956
<b>Total Capital Assets</b>	<u>161,235</u>	<u>95,393</u>
<b>Total Assets</b>	<u>773,363</u>	<u>679,906</u>
<b>Liabilities</b>		
Accrued payroll and payroll taxes	3,387	3,253
Accounts payable	11,395	1,691
<b>Total Liabilities</b>	<u>14,782</u>	<u>4,944</u>
<b>Net Position</b>		
Net investment in capital assets	161,235	95,393
Unrestricted	597,346	579,569
<b>Total Net Position</b>	<u>\$ 758,581</u>	<u>\$ 674,962</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, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Operating Revenues</b>		
Intergovernmental:		
City of Statesboro	\$ 79,997	\$ 78,000
City of Statesboro - Hotel/ Motel tax	183,834	162,038
Miscellaneous	12,345	18,006
<b>Total Operating Revenues</b>	<u>276,176</u>	<u>258,044</u>
<b>Operating Expenses</b>		
Salaries	83,118	79,325
Employee benefits	9,231	8,350
Purchased services:		
Training	12,360	239
Dues and subscriptions	3,517	3,144
Repairs and maintenance	914	2,807
Contracted services	16,128	16,920
Bank charges	-	98
Electricity	2,210	1,854
Telephone	2,940	3,544
Advertising	13,098	7,927
Postage	192	40
Printing	1,433	1,384
Insurance	6,946	4,662
Annual meeting	2,134	1,916
Travel	1,238	1,615
Facade grants	8,082	2,605
Special events	19,813	17,432
Materials and supplies	1,970	1,364
Depreciation	2,186	1,438
Miscellaneous	6,891	6,861
<b>Total Operating Expenses</b>	<u>194,401</u>	<u>163,525</u>
<b>Operating Income</b>	<u>81,775</u>	<u>94,519</u>
<b>Non-Operating Revenues (Expenses)</b>		
Investment earnings	1,844	2,503
Gain (loss) on sale of capital assets	-	(6,695)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>1,844</u>	<u>(4,192)</u>
<b>Change in Net Position</b>	83,619	90,327
<b>Net Position Beginning of Year</b>	<u>674,962</u>	<u>584,635</u>
<b>Net Position End of Year</b>	<u>\$ 758,581</u>	<u>\$ 674,962</u>

**City of Statesboro, Georgia**  
**Downtown Statesboro Development Authority**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2017**

<b>Cash Flows from Operating Activities</b>	
Cash received from City of Statesboro	\$ 282,128
Cash payments to employees for services	(92,215)
Cash payments for goods and services	<u>(89,840)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>100,073</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for capital acquisitions	<u>(68,028)</u>
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(68,028)</u>
<b>Cash Flows from Investing Activities</b>	
Investment earnings	1,844
Payments received on note receivable	<u>42,503</u>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>44,347</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	76,392
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>516,808</u>
<b>Cash and Cash Equivalents End of Year</b>	<u><u>\$ 593,200</u></u>

**City of Statesboro, Georgia**  
***Downtown Statesboro Development Authority***  
***Statement of Cash Flows***  
***For the Year Ended June 30, 2017***

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

<b>Operating Income</b>	\$	81,775
<b>Adjustments:</b>		
Depreciation		2,186
<b>(Increase) Decrease in Assets:</b>		
Intergovernmental receivable		(1,048)
Other receivable		7,000
Prepaid items		322
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable		9,704
Accrued payroll and payroll taxes		134
		<hr/>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$</b>	<b>100,073</b>
		<hr/> <hr/>

**City of Statesboro, Georgia**  
**Schedule of SPLOST Expenditures**  
*From Inception and for the Fiscal Year Ended June 30, 2017*

<b>2007 SPLOST</b>						
	<b>Original Estimated Costs</b>	<b>Current Estimated Costs</b>	<b>Expenditures</b>			<b>Estimated Percentage of Completion</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	6,943,741	6,926,825	16,916	6,943,741	100%
Street and Drainage Projects	5,307,500	4,018,153	4,017,338	815	4,018,153	100%
Public Safety Facilities and Equipment	4,200,000	4,345,301	4,345,301	-	4,345,301	100%
Solid Waste Handling Equipment	1,400,000	997,867	997,867	-	997,867	100%
	<u>\$ 28,667,500</u>	<u>\$ 24,552,517</u>	<u>\$ 24,522,614</u>	<u>\$ 17,731</u>	<u>\$ 24,540,345</u>	<u>100%</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	\$ 815
Transfer to other funds	16,916
Total current year expenditures per above	<u>\$ 17,731</u>

**City of Statesboro, Georgia**  
**Schedule of SPLOST Expenditures**  
*From Inception and for the Fiscal Year Ended June 30, 2017*

<b>2013 SPLOST</b>						
	<b>Original Estimated Costs</b>	<b>Current Estimated Costs</b>	<b>Expenditures</b>			<b>Estimated Percentage of Completion</b>
			<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>	
Roads / Streets	\$7,370,012	\$7,370,012	\$ 1,149,392	\$ 560,887	\$ 1,710,279	23%
Public Safety Facilities and Equipment	5,771,142	5,771,142	2,397,141 *	733,229	3,130,370	54%
Facility Improvements	587,190	587,190	127,543	-	127,543	22%
Water / Sewer Projects	9,000,000	9,000,000	1,404,322	1,278,407	2,682,729	30%
Natural Gas Projects	2,677,500	2,677,500	510,215	108,481	618,696	23%
Solid Waste Handling Equipment	1,350,000	1,350,000	295,000	153,894	448,894	33%
Economic Development	2,160,000	2,160,000	1,070,055	22,083	1,092,138	51%
Joint City/County Solid Waste Disposal	<u>10,775,000</u>	<u>10,775,000</u>	<u>2,894,477</u>	<u>1,737,283</u>	<u>4,631,760</u>	<u>43%</u>
	<u>\$39,690,844</u>	<u>\$39,690,844</u>	<u>\$9,848,145</u>	<u>\$4,594,264</u>	<u>\$ 14,442,409</u>	<u>36%</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	\$ 1,583,442
Transfer to other funds	3,284,900
Less intergovernmental revenue from other sources	(274,078)
Total current year expenditures per above	<u>\$ 4,594,264</u>

\*Prior year amount restated for prior period adjustment



**Past**



**Present**



**Future**



***Statistical Section***



# City of Statesboro, Georgia

## *Statistical Section*

### *(Unaudited)*

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

<b>Contents</b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>S-1</b>
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	
<b>Revenue Capacity</b>	<b>S-10</b>
These tables contain information that may assist the reader in assessing the City's two most significant local revenue sources, the property and sales taxes.	
<b>Debt Capacity</b>	<b>S-18</b>
These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Economic &amp; Demographic Information</b>	<b>S-22</b>
This table offers economic and demographic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.	
<b>Operating Information</b>	<b>S-24</b>
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.	

#### **Source:**

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



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

	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014	Fiscal Year 2013
<b>Governmental Activities</b>					
Charges for Services:					
General Government	\$ 813,324	\$ 768,875	\$ 719,912	\$ 766,610	\$ 678,909
Public Safety	2,409,325	2,564,600	2,490,943	2,598,100	2,329,080
Public Works	90	-	-	-	-
Engineering	33,772	95,275	104,615	42,621	482,485
Planning and Zoning	155,547	263,951	246,840	144,327	-
Operating Grants and Contributions	206,242	-	25,181	50,339	127,208
Capital Grants and Contributions	5,801,489	5,697,157	5,967,791	4,569,169	5,659,290
<b>Subtotal Governmental Activities Program Revenues</b>	<b>9,419,789</b>	<b>9,389,858</b>	<b>9,555,282</b>	<b>8,171,166</b>	<b>9,276,972</b>
<b>Business-type Activities</b>					
Charges for Services:					
Water and Sewer	11,291,289	10,747,337	10,403,692	9,177,683	9,542,530
Reclaimed Water System	53,033	52,252	43,560	15,543	26,606
Stormwater	1,105,033	905,185	-	-	-
Gas	4,674,025	4,473,004	5,226,644	5,662,963	5,131,134
Solid Waste Collection	3,857,359	3,508,278	3,509,785	3,403,698	3,222,984
Solid Waste Disposal	2,452,478	2,176,252	2,323,665	2,123,632	2,156,748
Operating Grants and Contributions	165,594	-	-	-	-
Capital Grants and Contributions	140,305	155,378	2,696,272	3,656,562	720,091
<b>Subtotal Business-type Activities Program Revenues</b>	<b>23,739,116</b>	<b>22,017,686</b>	<b>24,203,618</b>	<b>24,040,081</b>	<b>20,800,093</b>
<b>Primary Government</b>					
Charges for Services	\$ 26,845,275	\$ 25,555,009	25,069,656	23,935,177	23,570,476
Operating Grants and Contributions	371,836	-	25,181	50,339	127,208
Capital Grants and Contributions	5,941,794	5,852,535	8,664,063	8,225,731	6,379,381
<b>Total Primary Government Program Revenues</b>	<b>\$ 33,158,905</b>	<b>\$ 31,407,544</b>	<b>\$ 33,758,900</b>	<b>\$ 32,211,247</b>	<b>\$ 30,077,065</b>
<b>Governmental Activities</b>					
Charges for Services:					
General Government	\$ 656,558	\$ 658,209	\$ 661,459	\$ 672,700	\$ 689,222
Public Safety	2,468,175	2,501,127	2,576,214	2,752,193	2,388,834
Public Works	-	-	-	-	-
Engineering	375,947	352,570	284,887	100,637	153,737
Operating Grants and Contributions	196,009	186,407	134,935	162,191	359,659
Capital Grants and Contributions	5,258,521	5,672,847	6,315,782	2,561,768	4,306,729
<b>Subtotal Governmental Activities Program Revenues</b>	<b>8,955,210</b>	<b>9,371,160</b>	<b>9,973,277</b>	<b>6,249,489</b>	<b>7,898,181</b>
<b>Business-type Activities</b>					
Charges for Services:					
Water and Sewer	8,561,971	9,011,417	8,045,383	6,792,832	7,267,501
Reclaimed Water	26,149	1,944	-	-	-
Gas	4,597,727	5,204,257	5,276,270	6,008,260	6,179,396
Solid Waste Collection	2,900,086	2,701,765	2,605,201	2,538,590	2,471,249
Solid Waste Disposal	1,959,947	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	209,551	554,394	704,703	138,792	631,417
<b>Subtotal Business-type Activities Program Revenues</b>	<b>18,255,431</b>	<b>19,256,619</b>	<b>18,619,839</b>	<b>17,599,945</b>	<b>18,885,541</b>
<b>Primary Government</b>					
Charges for Services	21,546,560	22,214,131	21,419,140	20,938,485	21,440,331
Operating Grants and Contributions	196,009	186,407	153,491	210,389	405,245
Capital Grants and Contributions	5,468,072	6,227,241	7,020,485	2,700,560	4,938,146
<b>Total Primary Government Program Revenues</b>	<b>\$ 27,210,641</b>	<b>\$ 28,627,779</b>	<b>\$ 28,593,116</b>	<b>\$ 23,849,434</b>	<b>\$ 26,783,722</b>

Notes:

<sup>1</sup> Program revenues are related to specific activities of the City. Their sources are 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)*

	<u>Fiscal Year 2017</u>	<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>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008</u>
<b>Net (Expense), Total Primary Government (see page S-1)</b>										
Governmental activities	\$ (9,559,813)	\$ (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)
Business activities	4,553,406	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
<b>Total Primary Government</b>	<b>(5,006,407)</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>General revenues and other changes in net position</b>										
<b>Governmental Activities:</b>										
Taxes										
Property taxes levied for general purposes	4,523,095	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
Hotel/motel taxes	923,788	814,263	774,064	728,017	553,966	526,504	473,055	439,838	456,994	422,526
Insurance premium taxes	1,773,061	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
Franchise taxes	1,845,269	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
Other taxes	818,972	818,739	793,086	776,577	798,934	818,160	773,241	751,225	812,149	785,555
Gain (loss) on sale of capital assets	48,572	37,789	19,355	(61,690)	28,465	16,597	377	4,641	(17,225)	(18,855)
Investment earnings	12	-	-	-	-	-	14,063	4,473	12,624	69,887
Miscellaneous	85,644	51,967	84,127	39,141	37,437	39,801	136,829	56,671	38,698	49,403
Transfers from (to) business-type activities	343,359	521,193	506,355	603,046	(2,311,318)	676,249	1,471,179	1,369,524	2,389,521	1,111,704
<b>Subtotal Governmental Activities</b>	<b>10,361,772</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>Business-type Activities:</b>										
Gain (loss) on the sale of capital assets	17,045	106,888	35,384	224,935	190,287	16,839	36,125	4,708	66,753	74,269
Investment earnings	289	315	344	1,045	4,411	11,822	4,414	4,153	9,316	58,365
Miscellaneous	65,876	7,246	24,545	43,608	69,463	94,586	186,479	248,261	163,021	188,561
Transfers from (to) governmental activities	(343,359)	(521,193)	(506,355)	(603,046)	2,311,318	(676,249)	(1,471,179)	(1,369,524)	(2,389,521)	(1,111,704)
<b>Subtotal Business-type Activities</b>	<b>(260,149)</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>Change in Net Position</b>										
Governmental activities	801,959	1,385,140	1,860,819	(153,345)	(1,187,379)	1,708,145	2,029,082	2,528,818	(399,067)	937,667
Business-type activities	4,293,257	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
<b>Total Primary Government</b>	<b>\$ 5,095,216</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>

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

	<u>June 30, 2017</u>	<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>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 27,344,828	\$ 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
Restricted for:										
Capital projects	4,376,070	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
Specific projects and programs	1,135,386	1,289,188	1,187,986	967,803	709,155	796,432	865,624	821,383	810,377	621,297
Unrestricted	413,752	393,610	241,005	(328,593)	(244,910)	(412,320)	(440,181)	(161,226)	739,878	1,443,522
<b>Subtotal Governmental Activities Net Position</b>	<u>33,270,036</u>	<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>
<b>Business-type Activities</b>										
Net investment in capital assets	48,905,271	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
Restricted for revenue bond retirement	791,165	791,206	791,247	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281
Renewal & extension	-	-	-	-	-	-	-	200,000	200,000	200,000
Unrestricted	9,584,951	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
<b>Subtotal Business-type Activities Net Position</b>	<u>59,281,387</u>	<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>
<b>Primary Government</b>										
Net investment in capital assets	76,250,099	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
Restricted										
Capital projects	4,376,070	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
Restricted for revenue bond retirement	791,165	791,206	791,247	791,288	791,193	790,834	790,672	1,046,098	199,193	199,281
Renewal & Extension	-	-	-	-	-	-	-	200,000	200,000	200,000
Specific projects and programs	1,135,386	1,289,188	1,187,986	967,803	709,155	796,432	865,624	821,383	810,377	621,297
Unrestricted	9,998,703	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
<b>Total Primary Government Net Position</b>	<u>\$ 92,551,423</u>	<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>

**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>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>2017</b>
Taxes	\$ 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	\$ 9,880,326
<sup>1</sup> Intergovernmental	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	5,868,040
Licenses and permits	772,770	703,815	865,829	926,979	941,669	1,071,307	861,217	982,677	1,013,905	869,805
Fines and forfeitures	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	1,129,784
Charges for services	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	1,412,469
Investment earnings	29,512	8,496	4,056	14,063	9,327	10,871	7,816	4,253	2,712	1,613
Miscellaneous	49,403	38,698	56,671	136,829	39,801	64,479	39,141	84,127	109,099	223,734
<b>Total revenues</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>	<b>\$ 19,385,771</b>
% change from prior year	1.0%	-8.8%	27.2%	-2.1%	-0.9%	1.5%	-4.0%	10.9%	0.7%	1.7%

**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>
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
2017	3,932,217	513,100	1,845,269	1,773,061	729,276	89,696	8,882,619
Percentage Change In Dollars Over 10 Years	12%	142%	29%	43%	7%	-13%	24%

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

<b>Function</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>2017</b>
<b>Current:</b>										
General government	\$ 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	\$ 1,808,797
Municipal court	625,001	684,444	588,804	555,219	541,681	569,468	555,185	576,371	526,926	478,322
Public safety	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	9,577,021
Streets/public works	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	2,067,443
Parks and cemeteries	433,076	444,407	430,178	376,518	338,438	377,665	369,113	367,113	346,163	402,194
Engineering	669,869	721,165	797,572	557,869	396,485	403,009	410,968	366,351	202,100	243,844
Planning and zoning	233,314	290,564	319,139	465,345	260,767	314,132	366,749	367,044	294,395	300,439
Community services	198,260	436,326	185,625	171,704	171,883	166,669	169,058	182,010	160,532	167,843
Community development	495,059	539,549	533,993	554,130	622,364	857,758	927,358	703,722	776,956	877,751
<b>Total Current</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>15,923,654</b>
<b>% Change From Prior Year</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>6.0%</b>
<b>Capital Outlay</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>1,492,751</b>
<b>% Change From Prior Year</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>-51.9%</b>
<b>Debt Service</b>										
Principal	254,295	347,306	304,313	331,413	278,869	223,853	486,759	469,498	420,441	410,540
Interest	46,241	30,966	34,202	42,893	27,512	22,064	51,909	24,249	20,231	19,806
<b>Total Debt Service</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>430,346</b>
<b>% Change From Prior Year</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>-2.3%</b>
<b>Total Expenditures</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>\$ 17,846,751</b>
<b>% Change From Prior Year</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>-3.9%</b>
<b>Debt Service as a Percentage of Total Noncapital Expenditures</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>	<b>2.6%</b>

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

	<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>	<u>2017</u>
<b>Total Revenues</b>	\$ 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	\$ 19,385,771
<b>Total Expenditures</b>	<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>	<u>17,846,751</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,568,515)	(2,575,497)	820,799	850,403	1,837,581	(1,081,152)	(1,550,087)	(154,365)	497,910	1,539,020
<b>Other Financing Sources (Uses)</b>	<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>	<u>502,958</u>
<b>Net Change in Fund Balances</b>	<u><u>982,956</u></u>	<u><u>(284,524)</u></u>	<u><u>2,225,691</u></u>	<u><u>2,329,440</u></u>	<u><u>2,611,024</u></u>	<u><u>(1,881,966)</u></u>	<u><u>(869,502)</u></u>	<u><u>27,959</u></u>	<u><u>974,338</u></u>	<u><u>2,041,978</u></u>

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

	<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>2017</b>
<b>General Fund</b>										
Nonspendable	\$ 170,717	\$ 174,009	\$ 197,547	\$ 214,608	\$ 211,929	\$ 233,964	\$ 185,417	\$ 255,626	\$ 263,632	\$ 42,374
Unassigned	1,478,379	947,789	(98,438)	(33,145)	290,475	313,505	614,769	1,387,427	2,801,862	4,089,876
<b>Subtotal General Fund</b>	<b>1,649,096</b>	<b>1,121,798</b>	<b>99,109</b>	<b>181,463</b>	<b>502,404</b>	<b>547,469</b>	<b>800,186</b>	<b>1,643,053</b>	<b>3,065,494</b>	<b>4,132,250</b>
<b>General Fund Percentage Change</b>	<b>-40.4%</b>	<b>-32.0%</b>	<b>-91.2%</b>	<b>83.1%</b>	<b>176.9%</b>	<b>9.0%</b>	<b>46.2%</b>	<b>105.3%</b>	<b>86.6%</b>	<b>34.8%</b>
<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	42,348
Assigned	-	-	-	-	59,602	-	16,513	29,593	-	-
Unassigned	-	-	-	(64,478)	-	(256,988)	(405,267)	(316,375)	(348,657)	(116,668)
Restricted										
Special Revenue Funds	608,775	799,332	803,770	848,254	772,640	934,417	1,330,362	1,148,596	1,242,361	1,093,788
Capital Projects Fund	82,957	136,651	3,374,025	5,641,348	7,876,543	6,096,391	4,699,011	3,967,215	3,479,785	4,376,070
<b>Subtotal All Other Governmental Funds</b>	<b>704,254</b>	<b>947,028</b>	<b>4,195,408</b>	<b>6,442,494</b>	<b>8,732,577</b>	<b>6,805,546</b>	<b>5,683,327</b>	<b>4,868,419</b>	<b>4,420,316</b>	<b>5,395,538</b>
<b>Total Governmental Funds</b>										
Nonspendable	183,239	185,054	215,160	231,978	235,721	265,690	228,125	295,016	310,459	84,722
Assigned	-	-	-	-	59,602	-	16,513	29,593	-	-
Restricted	691,732	935,983	4,177,795	6,489,602	8,649,183	7,030,808	6,029,373	5,115,811	4,722,146	5,469,858
Unassigned	1,478,379	947,789	(98,438)	(97,623)	290,475	56,517	209,502	1,071,052	2,453,205	3,973,208
<b>Total Governmental Funds</b>	<b>\$ 2,353,350</b>	<b>\$ 2,068,826</b>	<b>\$ 4,294,517</b>	<b>\$ 6,623,957</b>	<b>\$ 9,234,981</b>	<b>\$ 7,353,015</b>	<b>\$ 6,483,513</b>	<b>\$ 6,511,472</b>	<b>\$ 7,485,810</b>	<b>\$ 9,527,788</b>
<b>All Governmental Funds Percentage Change</b>	<b>71.7%</b>	<b>-12.1%</b>	<b>107.6%</b>	<b>54.2%</b>	<b>39.4%</b>	<b>-20.4%</b>	<b>-11.8%</b>	<b>0.4%</b>	<b>15.0%</b>	<b>27.3%</b>

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

Amounts													
<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Agricultural Property</b>	<b>Conservation Use Property</b>	<b>Utility Property</b>	<b>Motor Vehicles and Mobile Homes</b>	<b>Other Property</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value<sup>1</sup></b>	<b>Total Direct Tax Rate<sup>2</sup></b>	<b>Estimated Actual Value</b>	<b>Annual Percentage Change</b>
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	120,480	7,730,648	613,371,554	6.358	1,552,755,505	4.2%
2010	200,928,770	371,633,720	11,259,654	746,640	527,600	15,104,470	32,646,286	64,840	8,572,899	624,339,081	6.358	1,582,279,950	1.9%
2011	196,866,411	364,696,848	10,189,050	736,640	690,800	15,060,270	28,774,464	64,840	8,019,526	609,059,797	6.358	1,542,698,308	-2.5%
2012	187,609,087	371,446,074	10,948,474	808,861	1,017,661	14,301,419	28,656,965	-	8,662,633	606,125,908	6.358	1,536,971,353	-0.4%
2013	173,205,402	366,085,868	12,311,779	712,904	1,017,608	14,727,479	30,116,302	-	9,396,663	588,780,679	6.358	1,495,443,355	-2.7%
2014	170,620,330	376,645,879	11,862,370	722,925	998,417	15,091,201	32,391,960	-	8,865,865	599,467,217	6.358	1,520,832,705	1.7%
2015	171,698,992	426,599,183	13,124,317	839,776	919,170	14,825,297	27,318,326	7,300	8,950,361	646,382,000	6.358	1,638,330,903	7.7%
2016	180,065,696	464,110,200	13,706,737	820,403	1,292,307	14,650,801	19,474,631	-	10,466,933	683,653,842	6.358	1,622,943,789	-0.9%
2017	179,502,378	436,409,738	16,756,554	807,030	919,170	14,782,713	14,397,997	11,031	10,385,454	653,201,157	6.358	1,658,966,528	2.2%
Percentages													
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%	1.4%	98.6%			
2011	31.9%	59.1%	1.7%	0.1%	0.1%	2.4%	4.7%	0.0%	1.3%	98.7%			
2012	30.5%	60.4%	1.8%	0.1%	0.2%	2.3%	4.7%	0.0%	1.4%	98.6%			
2013	29.0%	61.2%	2.1%	0.1%	0.2%	2.5%	5.0%	0.0%	1.6%	98.4%			
2014	28.0%	61.9%	1.9%	0.1%	0.2%	2.5%	5.3%	0.0%	1.5%	98.5%			
2015	26.2%	65.1%	2.0%	0.1%	0.1%	2.3%	4.2%	0.0%	1.4%	98.6%			
2016	25.9%	66.9%	2.0%	0.1%	0.2%	2.1%	2.8%	0.0%	1.5%	98.5%			
2017	27.1%	65.8%	2.5%	0.1%	0.1%	2.2%	2.2%	0.0%	1.6%	98.4%			

**Source:**

Georgia Department of Revenue, Tax Digest Consolidation Summary  
 Bulloch County Consolidation & Evaluation of Digest submitted to City 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>		
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
2017	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>
2008	3,545,248	3,503,408	98.82%	41,704	3,545,112	100.00%	136	0.00%
2009	3,726,612	3,581,923	96.12%	144,553	3,726,476	100.00%	136	0.00%
2010	3,761,983	3,704,711	98.48%	57,011	3,761,722	99.99%	261	0.01%
2011	3,689,454	3,622,799	98.19%	66,431	3,689,230	99.99%	224	0.01%
2012	3,691,019	3,675,552	99.58%	15,032	3,690,584	99.99%	435	0.01%
2013	3,559,927	3,524,293	99.00%	34,788	3,559,081	99.98%	846	0.02%
2014	3,722,640	3,647,594	97.98%	74,516	3,722,110	99.99%	530	0.01%
2015	3,935,960	3,923,619	99.69%	11,062	3,934,681	99.97%	1,279	0.03%
2016	3,971,469	3,913,446	98.54%	30,727	3,944,173	99.31%	27,296	0.69%
2017	4,061,440	4,006,140	99.11%	-	4,006,140	98.64%	55,300	1.36%

Source:

City of Statesboro Tax Office

**City of Statesboro, Georgia**  
**Principal Property Taxpayers**  
*For the Fiscal Year Ended June 30, 2017 and Nine Years Ago*

<b>Principal Taxpayer</b>	<b>2017</b>		<b>Principal Taxpayer</b>	<b>2008</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.	\$ 17,188,160	2.93%
Statesboro HMA Inc.	16,468,393	2.52%	Campus Club Associates, LLC	11,321,680	1.93%
The Hamptons Statesboro LLC	12,392,556	1.90%	Frontier Communications of Georgia, Inc.	8,995,643	1.53%
Monarch 301 LLC	11,098,512	1.70%	Fairfield Statesboro Exchange	7,694,560	1.31%
Layton Land LLC & Bonnie Screws	10,488,061	1.61%	Inman Lanier	6,741,920	1.15%
Claude Howard Lumber Co Inc.	9,645,237	1.48%	Copper Beech Townhome	6,283,120	1.07%
Diamond URS Statesboro LLC	9,295,823	1.42%	Health Management Associates	5,844,945	1.00%
Copper Beech Townhome	9,217,776	1.41%	Lanier Drive Associates LLC	5,648,884	0.96%
Forum Statesboro LTD	8,725,426	1.34%	Georgia Power	5,471,476	0.93%
Georgia Power Co.	<u>8,119,383</u>	<u>1.24%</u>	The Garden District	<u>5,366,880</u>	<u>0.91%</u>
Total Principal Taxpayers	112,495,387	17.22%	Total Principal Taxpayers	80,557,268	13.72%
All Other Taxpayers	<u>540,705,770</u>	<u>82.78%</u>	All Other Taxpayers	<u>506,771,408</u>	<u>86.28%</u>
Total	<u>\$ 653,201,157</u>	<u>100.00%</u>	Total	<u>\$ 587,328,676</u>	<u>100.00%</u>

**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>	
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%
2017	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 2008 - 2017

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
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
2017	7.50	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
2016	13.00	4.50	4.70	5.20	6.30
2017	15.00	4.50	4.70	5.20	6.30

Fiscal Year	Inside			
	Base Rate	Rate per 0-9000 Gallons	Rate per 10,000-49,000 Gallons	Rate per 50,000 Gallons and up
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
2017	7.50	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
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
2017	15.00	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 2008 - 2017

(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
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
2017	15.00	2.25	2.35	2.00	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
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
2017	30.00	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
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
2017	15.00	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
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
2017	30.00	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 2008</b>		<b>Fiscal Year 2009</b>		<b>Fiscal Year 2010</b>		<b>Fiscal Year 2011</b>		<b>Fiscal Year 2012</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	544.9	57%	616.8	56%	574.5	52%	590.6	55%	527.3	47%
Industrial	104.8	11%	75.0	7%	75.5	7%	77.7	7%	159.7	14%
Commercial	259.9	27%	339.0	31%	248.6	23%	270.3	25%	255.5	23%
Government	48.8	5%	69.3	6%	118.5	11%	126.6	12%	178.5	16%
<b>Total</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>1,121.0</b>	<b>100%</b>

<b>Type of Customer</b>	<b>Fiscal Year 2013</b>		<b>Fiscal Year 2014</b>		<b>Fiscal Year 2015</b>		<b>Fiscal Year 2016</b>		<b>Fiscal Year 2017</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	565.8	51%	557.7	51%	554.9	50%	582.9	52%	596.0	52.3%
Industrial	55.9	5%	65.0	6%	81.0	7%	75.0	7%	85.2	7.5%
Commercial	258.8	23%	241.5	22%	239.8	21%	231.4	21%	247.8	21.7%
Government	239.7	21%	233.1	21%	240.6	22%	221.0	20%	211.2	18.5%
<b>Total</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>	<b>1,140.2</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				
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
2017	1,391,630	11,675,000	154,247	2,705,455	433,108	14,967,810	16,359,440	3.7%	630

**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>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>	<u>2017</u>
<b>Assessed Value</b>	<u>\$ 587,329</u>	<u>\$ 613,372</u>	<u>\$ 624,339</u>	<u>\$ 609,060</u>	<u>\$ 606,126</u>	<u>\$ 588,781</u>	<u>\$ 599,467</u>	<u>\$ 646,382</u>	<u>\$ 683,654</u>	<u>\$ 653,201</u>
<b>Legal Debt Margin</b>										
Debt limit (10% of assessed value)	<u>\$ 58,733</u>	<u>\$ 61,337</u>	<u>\$ 62,434</u>	<u>\$ 60,906</u>	<u>\$ 60,613</u>	<u>\$ 58,878</u>	<u>\$ 59,947</u>	<u>\$ 64,638</u>	<u>\$ 68,365</u>	<u>\$ 65,320</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>\$ 58,733</u>	<u>\$ 61,337</u>	<u>\$ 62,434</u>	<u>\$ 60,906</u>	<u>\$ 60,613</u>	<u>\$ 58,878</u>	<u>\$ 59,947</u>	<u>\$ 64,638</u>	<u>\$ 68,365</u>	<u>\$ 65,320</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, 2017**

<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>	\$ 19,275,000	100.0%	\$ 19,275,000
<b>City Direct Debt</b>			<u>1,391,630</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 20,666,630</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>	
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
2017	11,346,287	5,975,521	5,370,766	520,000	521,021	1,041,021	5.16

**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, 2017 and Nine Years Ago*

<u>Employer</u>	2017		<u>Employer</u>	2008	
	<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	2,800	19.88%	Georgia Southern University	1,758	12.51%
Bulloch County Board of Education	1,520	10.79%	Bulloch County Board of Education	1,500	10.68%
East Georgia Regional Medical Center	834	5.92%	East Georgia Regional Medical Center	752	5.35%
Wal-Mart Supercenter	522	3.71%	Wal-Mart Supercenter	600	4.27%
Bulloch County Board of Commissioners	376	2.67%	The Sack Company	390	2.78%
City of Statesboro	311	2.21%	Bulloch County Board of Commissioners	339	2.41%
Lowe's Home Center	180	1.28%	City of Statesboro	279	1.99%
The Olive Garden	108	0.77%	Lowe's Home Center	140	1.00%
Belk	92	0.63%	Statesboro Herald	130	0.93%
Braswells	89	0.65%	Robbins Packinghouse Company	110	0.78%
<b>Total Principal Employers</b>	6,832	48.50%	<b>Total Principal Employers</b>	5,998	42.69%
Other Employers	7,256	51.50%	Other Employers	8,053	57.31%
<b>Total All Employers 14088</b>	<u>14,088</u>	<u>100.00%</u>	<b>Total All Employers</b>	<u>14,051</u>	<u>100.00%</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>
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%
2017	31,238	798,849,374	25,573	23	10,533	6.5%

**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>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>2017</b>
City Manager's Office	4	3	3	2	2	2	2	2	2	3
City Clerk's Office	9	10	10	3	3	3	3	3	3	3
Finance	6	6	6	6	6	6	6	7	7	6
Legal Division	0	0	0	1	1	1	1	1	1	1
Human Resources	2	2	2	1	2	2	2	2	3	3
Governmental Buildings	0	3	2	1	0	0	1	1	1	1
Engineering	5	6	7	6	5	5	5	5	3.5	3.5
Customer Service Division	0	0	0	4	5	6	6	6	6	6
Municipal Court	3	3	2	3	3	3	3	3	3	3
Police	76	77	76	75.5	74.5	75.5	78.5	83.5	87	86
Animal Control	0	0	2	0	0	0	0	0	0	0
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	23	22	22	21	21	21	22	22	22	22
Parks	9	9	9	8	7	7	7	7	7	7
Protective Inspections	2	4	4	2	2	2	2	2	2	2
Planning and Development	3	3	3	4	4	4	4	4	5	5
Code Compliance	0	0	0	2	2	2	2	2	2	2
Fire Department	33	33	33	32.5	37.5	43.5	47.5	50.5	50	50
Alcohol Beverage Control Fund	0	0	0	0	0	0	0	0	1	1
Water and Sewer	19	23	23.5	23.5	23.5	24.5	24.5	23.5	23.5	23.5
Wastewater Treatment Plant	27	27	27	27	27	28	28	28	28	27
Storm Water Utility Fund	0	0	0	0	0	0	0	0	6.5	7.5
Natural Gas	9	9	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Solid Waste Collection	16	16	16	15	16	18	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	2	3	4	4	4	5	7	6	6
<b>Total</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>312</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>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>	<b><u>2017</u></b>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	49	49	43	47	50	47	53	54	62	62
Fire stations	2	2	2	2	2	2	2	2	2	2
Refuse collection										
Collection trucks	7	7	9	9	9	11	14	14	16	18
Streets and highways										
Streets (miles)	119	119	119	119	120	121	121	121	122	122
Traffic signals	13	15	15	15	15	16	16	16	16	16
Parks and recreation										
Acreage	83	83	83	83	83	83	83	83	83	83
Water										
Water mains (miles)	212	216	219.5	219.5	221.5	227.1	233.02	237	240.39	244.11
Fire hydrants	138	207	1,487	1,487	1,503	1,533	1,596	1,596	1,605	1,628
Storage capacity (thousands of gallons)	1,400	1,400	1,400	1,400	1,400	1,900	1,900	2,900	2,900	2,900
Wastewater										
Sanitary sewers (miles)	177	181	184	184	187	187.8	191.9	194	196.67	198.4
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>Function/program</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>2017</b>
Police										
Physical arrests	1,736	2,185	2,105	2,587	2,350	2,184	2,386	2,300	2,396	2,063
Traffic violations	10,032	9,442	10,299	10,460	10,921	8,937	7,729	7,771	7,920	10,116
Fire										
Emergency responses	743	1,106	637	876	722	826	889	906	1,054	1,156
Fires extinguished	157	200	257	259	224	201	168	181	135	173
Inspections	1,289	1,973	1,343	1,046	1,139	2,096	1,692	1,904	2,293	1,709
Refuse collection										
Refuse collected (tons per month)	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	2,242.9
Streets and highways										
Resurfacing (miles)	1.43	2.75	0.603	1.609	1.895	4.1	3.5	3.9	2.5	3.2
Water										
New connections	187	188	367	77	497	935	298	369	333	60
Water mains breaks	8	7	19	23	26	26	18	22	15	18
Average daily consumption (thousands of gallons)	3,239	3,130	2,787	2,738	3,367	3,124	3,000	3,076	3,112	3,289
Peak daily consumption (thousands of gallons)	4,630	5,179	4,422	4,964	4,703	4,898	4,790	4,306	4,568	4,585
Wastewater										
Average daily sewage treatment (thousands of gallons)	3,444	3,106	4,000	3,270	3,280	3,595	4,780	4,960	4,611	4,893

**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, 2017, and the related notes to the financial statements, which collectively comprise the City of Statesboro's basic financial statements and have issued our report thereon dated December 27, 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 was for the limited purpose described in the preceding paragraph 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. We did identify certain deficiencies in internal control, described below as 2017-1 and 2017-2, that we consider to be material weaknesses.

**2017-1 Customer Accounts Receivable and Customer Deposits**

At June 30, 2017, the detail for customer accounts receivable and customer deposits for utility billing did not agree to the related general ledger account balances. The accounts receivable detail and customer deposits detail should be reconciled to the general ledger on a monthly basis.

City Response: We agree that the customer accounts receivable detail and customer deposits detail should be reconciled to the general ledger each month. The utility billing department will be responsible for performing this task each month.

**2017-2 Accounting for SPLOST Proceeds Used for Proprietary Funds**

We noted that capital expenditures paid by the SPLOST capital project funds for proprietary funds are not being properly recorded within the proprietary funds. SPLOST expenditures for proprietary funds should be recorded as transfers out in the SPLOST fund and as transfers in within the proprietary funds.

City Response: We concur with this finding and we will implement procedures to start recording SPLOST expenditures for proprietary funds within the proprietary funds as the transactions are being recorded within the SPLOST capital projects fund.

**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.

*Janice, Deal + Proctor*

Statesboro, Georgia

December 27, 2017





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