

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

City of Pooler, Georgia
For the Year Ended December 31, 2012

*Prepared by:
Finance Department*



City of Pooler, Georgia
Comprehensive Annual Financial Report
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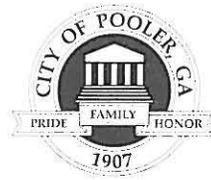
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INTRODUCTORY SECTION





CITY OF POOLER

100 Southwest Highway 80
Pooler, Georgia 31322
(912) 748-7261
Fax: (912) 330-0987
www.pooler-ga.us

Robert H. Byrd, Jr. - City Manager

Steve Scheer - City Attorney

Mayor
Michael F. Lamb
CITY COUNCIL

Bruce Allen
Rebecca C. Benton
Shannon Black
David M. Burke
Mike Royal
Stevie E. Wall

June 7, 2013

Honorable Mayor,
Members of Council, and Citizens
City of Pooler

The City Manager's office is pleased to submit the Comprehensive Annual Financial Report for the City of Pooler for the year ended December 31, 2012. The purpose of this report is to provide the Council, management, staff, the public and other interested parties with detailed information reflecting the City's financial condition. This report also satisfies the state law to publish an annual audit within six months of the close of each fiscal year. Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the City. To meet these responsibilities management has established a comprehensive framework of internal control. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Karp, Ronning & Tindol, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Pooler's financial statements for the year ended December 31, 2012. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Government

The City of Pooler is located in Chatham County, Georgia 10 miles west of the City of Savannah. The City encompasses an area of approximately 31 square miles and has a current population of 20,598.

The City Council appoints a City Manager to manage the City on a daily basis and implement the policies and programs enacted by the Council. The City Council also appoints a City Clerk and a Finance Officer.

The City provides a full range of municipal services, including general government, public safety (police and fire), recreation, street and drainage maintenance, code enforcement, solid waste collection and disposal, and water and sewer utilities.

The criteria used by the City for including activities in preparing its financial statements are set forth in GASB Statement No. 14. Based on these criteria, all municipal services listed above are included in the City's financial statements. In addition, the Pooler Development Authority is considered to be a component unit of the City and is treated as such in the City's financial statements.

The City Council adopts and reports annual budgets for its general and special revenue funds as required by state law. The legal level of control (the level at which expenditures may not exceed appropriations) is at the department level.

Local Economy

Over the past ten years, the City of Pooler has experienced unprecedented growth. In 2000, the US Census Bureau estimated the population of Pooler to be 6,239. As of the current census estimates, the population more than tripled. Several new communities have been developed in Pooler which has also sparked commercial development and employment opportunities. The geographical location of the City combined with quality of life benefits that Pooler has to offer contributed to the growth.

While development was declining since 2008 due to a poor economy, the number of construction permits in 2012 nearly matched what the City of Pooler saw in 2007. The trend in residential permitting now compared to 2007 is more towards multi-family apartments. commercial development. The trend in residential permits is shifting to multi-family units as opposed to single family. The number of commercial permits issued in 2012 was 53% more than 2011. Over the previous ten years, the City issued an average of 500 residential construction permits and 74 commercial construction permits annually. In 2012, 847 residential permits were issued which is an increase of 285% from 2011. The City continues to issue permits to office complexes, fast food establishments, medical and dental clinics, and restaurants.

The City of Pooler has 12 hotels to offer the traveling public on Interstate 95. In 2012, the City had an average annual occupancy of 71 percent. The City received \$615,705 \$562,892 in hotel excise tax in 2012. The revenue from this tax had been decreasing in the previous 6 years, however, it increased 9.4% from 2011 which is a hopeful indicator of the economy improving. The City also saw a 4.45% increase in Local Option Sales Tax collections from 2011. This is another good sign of improving economic conditions since LOST revenue declined nearly 10% between 2007 and 2010. In 2012, the City issued 1,528 business licenses which is a 16% increase from the previous year in which only 1,319 business licenses were issued.

Due to the increase in population over the past few years, the City of Pooler has been attracting several family entertainment-oriented businesses. In 2012, one of the new cinemas in Pooler added on an IMAX theatre. In addition, plans are still underway for a 14-acre water park to be built near the new bowling alley just off of Pooler Parkway near I-95. Future commercial development plans tentatively include a new grocery store, additional restaurants, as well as a nationally recognized drugstore. In addition, the Savannah Economic Development Authority announced plans for a 510,000 square foot outlet mall off of Pooler Parkway with an additional 500,000 square feet of retail space in the outparcels. All of these projects will help to stimulate the economy in Pooler, as well as make the city a more attractive place for families to reside.

In 2009, the State of Georgia decided to sell multiple parcels located at the 1500-acre "Mega Site" along I-16 rather than continue to market to one manufacturing business. The Savannah Economic Development Authority leased a 119-acre parcel on the "Mega Site" to Mitsubishi Power Systems America, Inc. in September of 2009 on which the company has built a manufacturing facility for the production of advanced steam and gas turbines and to service turbines and related components for power generation. Mitsubishi is continuing plans to expand the facility in future phases and currently employs more than 50 people, not including independent contractors. By 2015, the company expects to have nearly 500 positions at the facility. Currently, the major employers for the residents of Pooler continue to be Gulfstream Aerospace and International Paper.

Long-term Financial Planning

Adherence to the City's financial planning, revenue, and expenditure policies has allowed the City to maintain a general fund spendable fund balance of approximately \$11.5 million or 103% of the general fund's current expenditures. Management believes this balance will be vital in the financial planning for the future of the City of Pooler.

Major Initiatives

The City has taken necessary steps to assure quality growth in Pooler. Infrastructure improvements to the water and sewer system have been made to accommodate the influx of new residents. Recently the City of Pooler completed approximately \$3,000,000 worth of improvements to the wastewater treatment plant in

order to be prepared for future expansion. The current treatment capacity of the plant is 2.5 million gallons per day. Within five years the City expects to expand the treatment capacity to 3.34 million gallons per day.

Effluent from the treatment plant is being pumped through re-use lines to the local golf course and the City's newly constructed recreation complex. The first phase of the complex was opened in April of 2009. At build-out, the complex will be one of the largest recreation facilities in this area and will have the potential to host regional tournaments and bring people from surrounding areas to Pooler. The benefit to our local restaurants and hotels makes this prospect very attractive to the City.

As noted in prior years, City Council has adopted zoning ordinances which encourage planned developments for those property owners of large tracts of land. By professionally planning these projects, the owner can maximize the full potential of their land, and the City can accurately prepare for growth. Currently there are six different planned communities within the City's limits. Savannah Quarters to the south includes a golf community, a retirement village, and a master planned commercial/retail development. The Jabot Tract, also on the south end of town, has been master planned for up-scale single-family, multi-family and commercial developments. The Morgan Tract, located on the north side of Pine Barren Road, has primarily light industrial zoning planned due to its close proximity to Pooler Parkway, Interstate I-16 and I-95 and the Central of Georgia railroad. Some multi-family and commercial development is also proposed. And Godley Station, located to the north, includes retail shopping developments and single- and multi-family residential developments. Godley Station at build-out will include approximately 1,500 single-family homes. The 589 acre Morgan Lakes PUD is located on the north side of Jimmy DeLoach Parkway and consists of a mixture of single-family and multi-family town homes. Our newest PUD is the 717.5 acre Wynn-Capallo tract located on the north and south side of Jimmy DeLoach Parkway. This mixed-use development includes commercial/retail and approximately 764 developmental units.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Pooler for its comprehensive annual financial report for the year ended December 31, 2011. This was the eleventh year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must establish an easily readable and efficiently organized comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

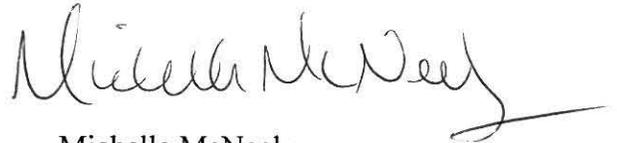
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This report could not have been completed without the assistance of the entire administrative staff in various departments of the City. We would like to especially acknowledge the dedicated services and help of the staff members in the Finance Department. The Finance staff members are key components in the maintenance of the City's accounting systems and records, and their contributions are invaluable.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert H. Byrd, Jr.", with a large, stylized flourish at the end.

Robert H. Byrd, Jr.
City Manager

A handwritten signature in black ink, appearing to read "Michelle McNeely", with a long, sweeping flourish extending to the right.

Michelle McNeely
Finance Officer



City of Pooler, Georgia

List of Principal Officials

December 31, 2012

City Hall
(912) 748-7261
Fax (912) 748-0157

Mayor.....	Michael F. Lamb
City Manager.....	Robert H. Byrd, Jr.
City Clerk.....	Maribeth Lindler
Finance Officer.....	Michelle McNeely
Chief of Police.....	Mark Revenew
Chief of Fire.....	Wade Simmons
Director of Public Works.....	Matt Saxon
Director of Recreation.....	Hugh Elton
Director of Human Resources.....	Lauren Graves
City Attorney.....	Steven E. Scheer

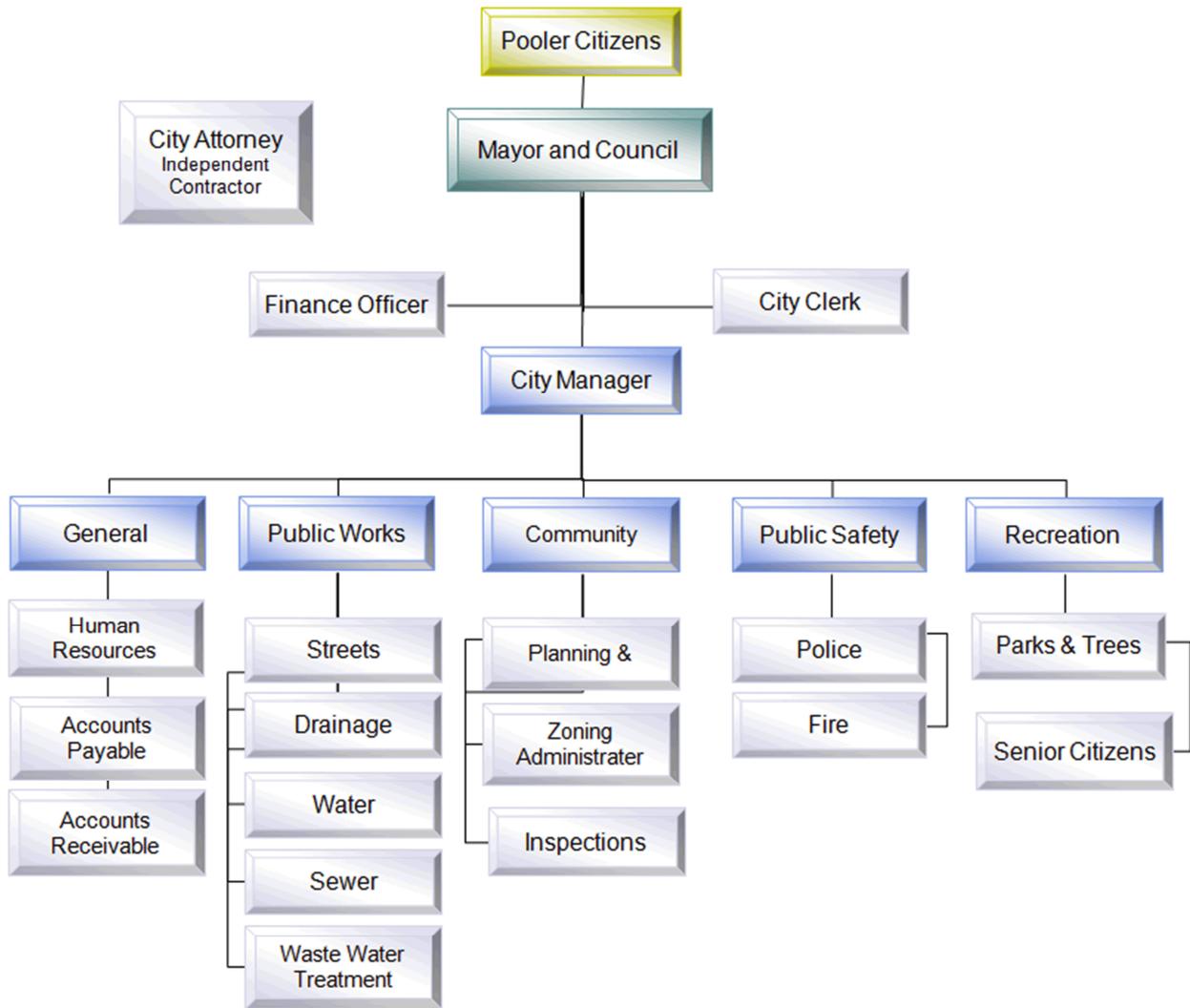
City Council Members

Rebecca Benton, Mayor Pro-Tem.....	Chair - Streets and Drainage
Bruce Allen.....	Chair - Building and Zoning
Mike Royal.....	Chair - Public Safety
Shannon Black.....	Chair - Recreation
David Burke.....	Chair - Finance
Stevie E. Wall.....	Chair - Water and Sewer

City of Pooler, Georgia

Organizational Chart

December 31, 2012



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pooler
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morrell

President

Jeffrey R. Emer

Executive Director



FINANCIAL SECTION



Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Pooler, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pooler, Georgia, as of and for the year ended December 31, 2012, 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, each major fund, and the aggregate remaining fund information of the City of Pooler, Georgia, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information other than Management's Discussion and Analysis beginning on page C-1 and E-1 respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pooler, Georgia's basic financial statements. The supplementary data, combining fund financial statements and schedules, listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary data, combining fund financial statements and schedules, listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data, combining fund financial statements and schedules, listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2013 on our consideration of the City of Pooler, 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 Pooler, Georgia's internal control over financial reporting and compliance.

Karp, Ronning & Tindol, P.C.

Karp, Ronning & Tindol, P.C.
Savannah, Georgia
June 7, 2013



MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

Our discussion and analysis of the financial performance of the City of Pooler provides an overview of the City's financial activities for the calendar year ended December 31, 2012. The intent of the management discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter, financial statements and notes to the financial statements to enhance their understanding of the City's financial performance.

The reporting model used by the City of Pooler is a combination of both government-wide financial statements and fund financial statements. The basic financial statements contain three components:

- 1) Government-wide financial statements including the Statement of Net Assets and the Statement of Activities which provide a broad, long-term overview of the City's finances.
- 2) Fund financial statements, including the balance sheets, that provide a greater level of detail of revenues and expenditures and focus on how well the City has performed in the short term in the most significant funds, and
- 3) Notes to the financial statements.

This report presents the financial highlights for 2012 and contains other supplementary information.

FINANCIAL HIGHLIGHTS

- The City's assets exceeded its liabilities at December 31, 2012 by \$66,566,346 (net assets). Of this amount, \$24,916,832 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased \$6,627,621 from the previous year. The majority of the increase is from Business-Type Activities in the amount of \$3,553,927. Governmental Activities net assets increased \$3,073,694 from the previous year.
- Key factors resulting in the increase of net assets include:
 - Capital contributions in Business-Type Activities charged during the permitting stage of two new apartment complexes in Pooler totaled \$1.9 million dollars. \$951,288 of that total is restricted for debt service on a GEFA loan included in the City's long-term obligations. The City collected an additional \$1.8 million in capital contributions from other new developments including a 170,268 square foot cold storage warehouse. \$481,748 of this amount is also restricted for debt service. These fees are one-time sources of revenue, however, commercial growth in Pooler is expected to increase in future years which will generate additional capital contribution revenue.
 - The City of Pooler also accepted capital contributions from developers in the form of water and sewer infrastructure in 2012 totaling \$342,735 which was recorded in Business-Type Activities.
 - In Governmental Activities, \$1.1 million dollars in capital assets was recorded as construction in progress for projects that are expected to be completed in 2013. These projects include sidewalks along Pooler Parkway, a new pedestrian park, 2 new fire stations, and a new traffic signal at Pine Barren Road and Highway 80.

- Revenue from building permits and zoning fees increased in 2012 over 200% due to increased residential and commercial development in Pooler. The City plans to hire another building inspector early in 2013 to assist the Building and Zoning department with the increase in activity. This trend is expected to continue as Pooler continues to receive requests for site plan reviews.
- The City purchased land and an office building located at 306 S. Chestnut Street. The location of this property made it an ideal site to expand the police department as their need for additional space has been an ongoing issue.
- At December 31, 2012 the City's governmental funds balance sheet reported a combined ending fund balance of \$13,358,544 which is an increase of \$1,936,377 from the previous calendar year. The increase in the combined fund balance is due to activities in the General Fund including a 2.32% overall increase in tax revenue as well as the 200% increase in building permits and zoning fees revenue mentioned previously. Additionally, the city entered into new lease-purchase agreements with the Georgia Municipal Association for 5 new police cruisers, replacement vehicles for the fire chief and the city manager, and 4 new sets of jaws of life for the fire department. Debt service payments on these items will be budgeted in future years.
- The General Fund reported spendable fund balance of \$11,555,510, an increase from 2011 of \$1,974,705, which is due to the increase in revenues described previously as well as a concerted effort to keep spending levels relatively the same as the previous year. In 2011, City Council voted to commit \$2,500,000 of the fund balance for the purpose of constructing a new Municipal Complex. This committed was still intact at the end of 2012. Additional fund balance will be committed in the future as the project moves forward.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets (government and business-type activities) totaled \$66.5 million at December 31, 2012.

The following table presents a summary of the City's net assets at December 31, 2012:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current assets.....	\$ 15,643,892	\$ 13,561,175	14,704,639	\$ 12,092,966	\$ 30,348,531	\$ 25,654,141
Capital assets, net.....	27,140,719	26,017,742	33,160,673	33,031,715	60,301,392	59,049,457
Total assets.....	42,784,611	39,578,917	47,865,312	45,124,681	90,649,923	84,703,598
Current liabilities.....	697,238	339,946	704,797	1,151,905	1,402,035	1,491,851
Noncurrent liabilities.....	5,190,092	5,415,384	17,491,450	17,857,638	22,681,542	23,273,022
Total liabilities.....	5,887,330	5,755,330	18,196,247	19,009,543	24,083,577	24,764,873
Net assets:						
Invested in capital assets, net of related debt.....	22,995,624	21,645,967	15,715,267	15,221,175	38,710,891	36,867,142
Restricted.....	1,431,855	1,779,908	1,506,768	717,391	2,938,623	2,497,299
Unrestricted.....	12,469,802	10,397,712	12,447,030	10,176,572	24,916,832	20,574,284
Total net assets.....	\$ 36,897,281	\$ 33,823,587	\$ 29,669,065	\$ 26,115,138	\$ 66,566,346	\$ 59,938,725

The largest portion of the City's net assets (58%) represents its investment in capital assets such as land, buildings, and equipment, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The second largest portion of the City's total net assets (37%) reflects unrestricted net assets that may be used to meet the City's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net assets. The remaining balance of total net assets contains resources that are subject to external restrictions on how they may be used, such as SPLOST revenue and contributions from private developers restricted for debt service on GEFA loans.

At the end of the current calendar year, the City is able to report positive balances in all three categories of net assets for the government as a whole. Positive balances are reported for the City's separate governmental and business-type activities.

In the City's business-type activities, net assets invested in capital assets increased approximately \$494,000 mostly due to capital contributions from developers related to water and sewer infrastructure. In 2012, the City of Pooler accepted infrastructure constructed by developers at Distribution Drive and SH Morgan Parkway as well as Serengeti Boulevard. The City also completed construction of the Maple Street Pump Station and installed 2,800 linear feet of sewer pipe lining in downtown Pooler.

The City's total net assets increased over \$6.6 million from 2011 to 2012. Governmental Activities net assets increased \$3,073,694 as a result of increased tax revenue and building and zoning permit revenue, as mentioned previously. In addition, the City recorded capital assets in 2012 totaling nearly \$2.3 million including the purchase of a new building for expansion of the police department and construction in progress for several capital fund projects mentioned in the financial highlights section. Business-Type Activities net assets increased \$3,553,927 mostly due to one-time capital contribution revenue associated with commercial growth in Pooler.

Changes in Net Assets

The following table presents a summary of the changes in net assets for the year ended December 31, 2012:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for services.....	\$ 3,137,359	\$ 2,693,857	\$ 5,453,942	\$ 5,219,905	\$ 8,591,301	\$ 7,913,762
Operating grants/contributions..	272,515	308,606	-	-	272,515	308,606
Capital grants/contributions.....	1,131,865	14,194,386	3,715,051	854,238	4,846,916	15,048,624
General Revenues:						
Property and sales taxes.....	6,150,224	6,007,113	-	-	6,150,224	6,007,113
Sales and use taxes.....	3,194,963	3,004,242	-	-	3,194,963	3,004,242
Business taxes.....	1,185,327	1,131,469	-	-	1,185,327	1,131,469
Other taxes.....	14,687	18,598	-	-	14,687	18,598
Other.....	104,437	82,088	12,087	25,586	116,524	107,674
Total revenues.....	<u>15,191,377</u>	<u>27,440,359</u>	<u>9,181,080</u>	<u>6,099,729</u>	<u>24,372,457</u>	<u>33,540,088</u>
Expenses:						
General government.....	566,316	540,463	-	-	566,316	540,463
Public safety.....	5,457,742	5,097,220	-	-	5,457,742	5,097,220
Public works.....	3,771,731	3,865,511	-	-	3,771,731	3,865,511
Health and welfare.....	130,926	189,121	-	-	130,926	189,121
Culture and recreation.....	1,327,503	1,292,268	-	-	1,327,503	1,292,268
Housing and development.....	685,368	642,942	-	-	685,368	642,942
Interest on long-term debt.....	178,097	194,278	-	-	178,097	194,278
Water and sewer.....	-	-	5,627,153	5,682,784	5,627,153	5,682,784
Total expenses.....	<u>12,117,683</u>	<u>11,821,803</u>	<u>5,627,153</u>	<u>5,682,784</u>	<u>17,744,836</u>	<u>17,504,587</u>
Change in net assets.....	3,073,694	15,618,556	3,553,927	416,945	6,627,621	16,035,501
Net assets - beginning.....	33,823,587	18,205,031	26,115,138	25,698,193	59,938,725	43,903,224
Net assets - ending.....	<u>\$ 36,897,281</u>	<u>\$ 33,823,587</u>	<u>\$ 29,669,065</u>	<u>\$ 26,115,138</u>	<u>\$ 66,566,346</u>	<u>\$ 59,938,725</u>

For purposes of calculating government-wide net assets, approximately 35% of the City's total revenue in 2012 came from charges for services including water and sewer fees, solid waste collection fees, and police fine revenue. The second largest source of revenue was property and sales tax which represented 25% of total revenue. Excluding capital grants and contributions, City revenues increased approximately 6% from 2011.

The City's expenses cover a range of services. The largest expenses were for water and sewer, public safety, public works, and culture and recreation. Overall, the City of Pooler's expenses reported a modest increase of \$240,249 (1.4%) compared to 2011. Public safety expenses increased \$360,522 (7.1%) over the prior year. The exponential growth in the City of Pooler has created a need to enhance public safety services for our residents and our business owners.

The total excess of revenues over expenses in 2012 totaled \$6,627,621. It is important to keep in mind that over \$4 million of the increase resulted from capital contributions which are either invested in infrastructure, and therefore non-spendable, or are non-reoccurring revenue sources. The key factors for the increase in total net assets were discussed earlier in the financial highlights section.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds provide information on near-term inflows, outflows, and balances of available resources. The governmental fund types utilized by the City of Pooler include the general fund, two capital projects funds, and two special revenue funds. The General Fund and the two capital projects funds are reported as the City's major funds. The Hotel/Motel Tax Fund and Confiscated Assets Fund are presented together as Other Governmental Funds. As of December 31, 2012, the City governmental funds reported a combined fund balance of \$13,358,544, an increase of \$1,936,377 from the prior year's combined balance. In accordance with GASB Statement No. 54, the fund balance of governmental fund types is now reported in a manner to indicate the extent of the constraints on government resources. Unassigned Fund Balance in the General Fund reports available resources for spending that are not subject to constraints. The resources of Special Revenue funds, by their nature, are subject to constraints as to how they may be spent, therefore, these funds will never report a positive unassigned fund balance. For conversational purposes, spendable fund balance represents the total of Committed, Assigned, and Unassigned Fund Balances.

Governmental funds are reported on pages D-4 through D-7.

General Fund

The general fund is the chief operating fund of the City. At December 31, 2012 the total fund balance in the general fund was \$11,615,839. The total amount of spendable fund balance in the general fund was \$11,555,510, the unassigned portion was \$8,555,806.

One measure of the general fund's liquidity is to compare its spendable fund balance to total fund expenditures. Committed, assigned, and unassigned fund balances collectively represent 103% of total general fund expenditures. The committed portion of spendable fund balance (22%) represents Council's intention to set money aside for the development of a new municipal complex. Council may want to consider committing additional spendable fund balance for this project. The unassigned portion of fund balance represents 76% of total general fund expenditures. The City of Pooler's Fund Balance Policy requires a minimum spendable fund balance of 4-6 months of operating expenditures, or 33-50%. The requirements of this policy have been satisfied and no corrective action is necessary.

The fund balance of the General Fund increased \$1,973,580 during the 2012 fiscal year with expenditures remaining consistent from the previous year. Revenue collections increased significantly this year due to items mention previously in the financial highlights such as increased tax revenue and building and zoning permits; both indicators of a recovering economy.

Special Purpose Local Option Sales Tax Fund

The SPLOST Capital Projects Fund had a total fund balance of \$1,417,223 at the end of 2012 which must be used for special purpose local option sales tax projects. All of the SPLOST revenue received in 2012 plus some additional fund balance was used for debt service on the recreation facility on Pooler Parkway. The remaining fund balance and additional revenue received in 2013 will be used for final payoff of the recreations bonds, improvements to the new Pooler Pedestrian Park located on Highway 80 at Pooler Parkway, sidewalks along Pooler Parkway, and a traffic signal and road realignment at Highway 80 and Pine Barren Road.

Capital Projects Fund

In 2012, the City of Pooler began accounting for non-SPLOST construction projects in a Capital Projects Fund separate from the General Fund in an effort to isolate maintenance and operation expenditures for reporting purposes. The Capital Projects Fund received a transfer from the General Fund in the amount of \$1,015,000 plus an additional \$880,000 in construction lease proceeds. The City expended \$1,585,197 for the purposes of constructing 2 new fire stations and purchasing property for expansion of the police department.

Proprietary Funds

Proprietary fund statements provide the same information as in the business activities column of the government-wide statements, only in greater detail. The City currently utilizes only one enterprise fund at this time in the proprietary fund financial statements, the Water and Sewer enterprise fund. An enterprise fund is required to be used to account for the operations for which a fee is charged to external users for goods or services.

At December 31, 2012, total net assets amounted to \$29,669,065 for the enterprise fund compared to \$26,115,138 at December 31, 2011. The increase in net assets of \$3,553,927 is mostly attributable to capital contributions resulting from residential and commercial growth in 2012.

The enterprise fund is reported on pages D-8 through D-10.

Fiduciary Funds

The City of Pooler operates only one fiduciary fund which represents the Municipal Court function. This fund does not report a fund balance since all of the reportable assets are monies owed to other entities. In the Municipal Court fund, liabilities at year end totaled \$236,244 which represents monies owed to the General Fund for uncollected fine revenue, monies owed to other governmental agencies, and monies owed to others, such as bond refunds.

The fiduciary fund is reported on page D-11.

CAPITAL ASSETS

The Statement of Net Assets presents capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities and those assets not subject to depreciation such as land and construction-in-progress. At December 31, 2012, the City's net capital assets for both governmental activities and business-type activities totaled \$60,301,392. Capital assets include assets donated and purchased, land, buildings, system improvements and machinery and equipment. Capital Assets increased \$1,221,935 from what was reported at the end of 2011.

Major capital asset events during the year included the following:

- Near-completion of a new fire station on Quacco Road near I-16 and another fire station located at the Mega-Site at the intersection of I-95 and I-16. Total construction in progress recorded at the end of 2012 for these projects was \$1,241,898.
- The City of Pooler constructed a well in the amount of \$290,935 on Quacco Road to determine if drawing water from the Lower Floridan was possible. Water testing indicated that this was possible, and the City has requested a withdrawal permit from the Georgia Environmental Protection Division.

- A 16" water line was installed along Pooler Parkway and Memorial Boulevard to improve water pressure in the area and to ensure availability of water to local residents in the event that repairs to the system are required. Total project costs amounted to \$642,583.

Additional information on the City's capital assets can be found in Note 2E on page D-20 to D-21.

DEBT ADMINISTRATION

The long-term liabilities at December 31, 2012 totaled \$21,918,468. Of this amount, \$4,427,018 represents the governmental activities and \$17,491,450 represents the business-type activities.

Overall, long-term liabilities decreased from 2011 by \$613,256. The first of three additions to long-term liabilities in 2012 (other than compensated absences) was an Installment Sales Agreement with the Georgia Municipal Association in the amount of \$880,000 to finance the construction of 2 new fire stations. Lease-purchase agreements in governmental activities totaling \$290,188 were also added to purchase new vehicles and equipment. Business-Type activities added a liability of \$627,675 for a GEFA loan for water improvements in the I-16/Pooler Parkway area. This project was completed in 2012 and payments will begin in 2013. Reductions in long-term liabilities in governmental activities came from principal payments on the recreation revenue bond, as well as payments made on previous lease purchases for capital. In business-type activities, reductions in long-term liabilities resulted from payments on previous GEFA loans using revenue received through the collection of Capital Cost Recovery fees from residential and commercial development in addition to capital lease payments.

Additional information on the City's debt can be found in Note 2G on pages D-22 through D-24.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary comparison schedule of the General Fund is provided as required supplementary information other than MD&A and can be found on pages E-1 and E-2. Additional budgetary comparison schedules of the special revenue fund can be found within other supplementary information beginning on page F-1. Budget columns are provided for both the original budget adopted for calendar year 2012 as well as the final budget. A column for actual resources (revenues), appropriations (expenditures), and a column for any variance between final budget and actual are also provided. Resources and appropriations are discussed net of transfer in or out.

The overall operations of the City are similar to directing a large multi-million dollar business. Budget amendments are approved throughout the year to more accurately reflect the ongoing changes and to abide by state laws. The original budget was adopted on December 19, 2011.

During the year there was a \$434,200 net decrease in appropriations between the original and final amended budget. Early in 2012, the City decided to create a Capital Projects Fund for non-SPLOST capital improvements. \$1,600,000 in expenditures for the construction of 2 new fire stations was re-appropriated from the General Fund to the Capital Projects Fund. Additional appropriations were included in the General Fund throughout the year to account for prior year purchase orders that were not completed until 2012 and for additional engineering and professional service expenses related to the City's plans to construct a Municipal Complex within the next five years.

Total revenue and other financing sources actually recorded for this calendar year were \$14,212,595 which is \$1,282,427 more than the final budget amount.

Explanations for individual major category variances in resources are as follows:

- Due to the poor economy over the past four years, the City has budgeted conservatively when estimating tax revenue. However, during 2012 the City saw an increase of 2.32% in tax revenue which resulted in a 9.73% increase of tax revenue over what was budgeted.
- Additional revenue was received in the Charges for Services category over what was budgeted due to increased sanitation fees collected from new residents. Tree reimbursement fees were also more than what was estimated because of a new development in the industrial section of town which resulted in the clearing of hundreds of trees.

The total appropriations (expenditures) actually recorded for the calendar year were \$11,224,015. The variance in budget to actual is approximately 6% less than the final budgeted amount and is spread out among departments, but mostly concentrated in public safety. Due to the high need for expansion of the police and fire departments as our population grows, it can be difficult to predict how much these departments will be able to achieve during the year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City adopted a general fund budget of \$13,732,481 for the calendar year 2013. This budget includes an approximate increase in public safety expenditures of 40% in order to expand both the police and fire departments. Both departments will have increased operating costs due to additional building space, personnel, and equipment. Also, debt service for the financing of the 2 fire stations that open early in 2013 is included in the fire department's budget. Expenditure levels within all other departments remain relatively steady from 2012 to 2013. The City will continually look for new ways in the future to reduce the reliance on one-time revenue sources.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview for the governmental operations of the City of Pooler. It is designed for anyone with an interest in our government's finances and management. Questions concerning any of the information provided in this report or requests for additional information may be addressed to the City of Pooler, Finance Officer, 100 Highway 80 SW, Pooler, Georgia 31322.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Pooler, Georgia
Statement of Net Assets
December 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Pooler Development Authority
ASSETS				
Cash and cash equivalents.....	\$ 12,198,574	\$ 7,267,628	\$ 19,466,202	\$ 111,589
Receivables.....	2,179,222	1,183,062	3,362,284	-
Internal balances.....	752,173	(752,173)	-	-
Inventories.....	-	5,500	5,500	-
Prepaid items.....	60,329	27,669	87,998	-
Restricted assets				
Cash and cash equivalents.....	439,309	6,972,953	7,412,262	-
Bond issuance costs, net of accumulated amortization.....	14,285	-	14,285	-
Capital assets:				
Land, improvements, and construction in progress.....	4,242,990	596,576	4,839,566	-
Other capital assets, net of depreciation.....	22,897,729	32,564,097	55,461,826	-
Total assets.....	<u>42,784,611</u>	<u>47,865,312</u>	<u>90,649,923</u>	<u>111,589</u>
LIABILITIES				
Accounts payable and other current liabilities.....	660,608	310,771	971,379	-
Contracts and retainage payable.....	-	124,068	124,068	-
Accrued interest.....	34,807	97,360	132,167	-
Other liabilities.....	1,823	172,598	174,421	-
Long-term liabilities:				
Due within one year.....	1,733,572	1,087,663	2,821,235	-
Due in more than one year.....	2,693,446	16,403,787	19,097,233	-
Net OPEB obligation.....	763,074	-	763,074	-
Total liabilities.....	<u>5,887,330</u>	<u>18,196,247</u>	<u>24,083,577</u>	<u>-</u>
NET ASSETS				
Invested in capital assets, net of related debt.....	22,995,624	15,715,267	38,710,891	-
Restricted for:				
Capital projects.....	1,417,223	-	1,417,223	-
Public safety.....	14,632	-	14,632	-
Debt service.....	-	1,506,768	1,506,768	-
Unrestricted.....	12,469,802	12,447,030	24,916,832	111,589
Total net assets.....	<u>\$ 36,897,281</u>	<u>\$ 29,669,065</u>	<u>\$ 66,566,346</u>	<u>\$ 111,589</u>

City of Pooler, Georgia
Statement of Activities
For the Year Ended December 31, 2012

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government.....	\$ 566,316	\$ 705,618	\$ 50,000	\$ -
Public safety.....	5,457,742	961,374	216,215	-
Public works.....	3,771,731	1,292,842	-	147,947
Health and welfare.....	130,926	8,288	-	-
Culture and recreation.....	1,327,503	169,237	6,300	983,918
Housing and development.....	685,368	-	-	-
Interest on long-term debt.....	178,097	-	-	-
Total governmental activities.....	<u>12,117,683</u>	<u>3,137,359</u>	<u>272,515</u>	<u>1,131,865</u>
Business-type activities:				
Water and Sewer.....	<u>5,627,153</u>	<u>5,453,942</u>	<u>-</u>	<u>3,715,051</u>
Total business-type activities.....	<u>5,627,153</u>	<u>5,453,942</u>	<u>-</u>	<u>3,715,051</u>
Total primary government.....	<u>\$ 17,744,836</u>	<u>\$ 8,591,301</u>	<u>\$ 272,515</u>	<u>\$ 4,846,916</u>
Component Unit				
Pooler Development Authority.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Taxes:	
Property taxes, levied for general purposes.....	
Sales taxes for general purposes.....	
Selective sales and use taxes.....	
Business taxes.....	
Other taxes.....	
Unrestricted investment earnings.....	
Gain (loss) on disposition of capital assets.....	
Miscellaneous.....	
Total general revenues and transfers.....	
Change in net assets.....	
Net assets - beginning.....	
Net assets - ending.....	

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Primary Government		Total	
Governmental Activities	Business- Type Activities		
\$ 189,302		\$ 189,302	
(4,280,153)		(4,280,153)	
(2,330,942)		(2,330,942)	
(122,638)		(122,638)	
(168,048)		(168,048)	
(685,368)		(685,368)	
(178,097)		(178,097)	
<u>(7,575,944)</u>		<u>(7,575,944)</u>	
-	\$ 3,541,840	3,541,840	
-	3,541,840	3,541,840	
<u>(7,575,944)</u>	<u>3,541,840</u>	<u>(4,034,104)</u>	
			\$ -
6,150,224	-	6,150,224	-
2,023,034	-	2,023,034	-
1,171,929	-	1,171,929	-
1,185,327	-	1,185,327	-
14,687	-	14,687	-
9,262	18,778	28,040	279
31,610	(6,691)	24,919	-
63,565	-	63,565	-
<u>10,649,638</u>	<u>12,087</u>	<u>10,661,725</u>	<u>279</u>
3,073,694	3,553,927	6,627,621	279
33,823,587	26,115,138	59,938,725	111,310
<u>\$ 36,897,281</u>	<u>\$ 29,669,065</u>	<u>\$ 66,566,346</u>	<u>\$ 111,589</u>



FUND FINANCIAL STATEMENTS



City of Pooler, Georgia

Balance Sheet

Governmental Funds

December 31, 2012

	General	Special Purpose Local Option Sales Tax Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents.....	\$ 10,918,146	\$ 1,236,461	\$ 29,335	\$ 14,632	\$ 12,198,574
Receivables.....	1,956,454	182,955	-	39,813	2,179,222
Due from other funds.....	769,268	-	-	-	769,268
Prepaid items.....	60,329	-	-	-	60,329
Restricted cash and cash equivalents.....	-	-	439,309	-	439,309
Total assets.....	<u>\$ 13,704,197</u>	<u>\$ 1,419,416</u>	<u>\$ 468,644</u>	<u>\$ 54,445</u>	<u>\$ 15,646,702</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable.....	\$ 381,094	\$ -	\$ 38,791	\$ 24,911	\$ 444,796
Retainage payable.....	-	-	119,003	-	119,003
Salaries and wages payable.....	96,809	-	-	-	96,809
Due to other funds.....	-	2,193	-	14,902	17,095
Other liabilities.....	1,823	-	-	-	1,823
Deferred revenue.....	1,608,632	-	-	-	1,608,632
Total liabilities.....	<u>2,088,358</u>	<u>2,193</u>	<u>157,794</u>	<u>39,813</u>	<u>2,288,158</u>
Fund balances:					
Nonspendable.....	60,329	-	-	-	60,329
Restricted.....	-	1,417,223	310,850	14,632	1,742,705
Committed.....	2,500,000	-	-	-	2,500,000
Assigned.....	499,704	-	-	-	499,704
Unassigned.....	8,555,806	-	-	-	8,555,806
Total fund balances.....	<u>11,615,839</u>	<u>1,417,223</u>	<u>310,850</u>	<u>14,632</u>	<u>13,358,544</u>
Total liabilities and fund balances.....	<u>\$ 13,704,197</u>	<u>\$ 1,419,416</u>	<u>\$ 468,644</u>	<u>\$ 54,445</u>	<u>\$ 15,646,702</u>

City of Pooler, Georgia
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 December 31, 2012

Amounts reported for governmental activities in the statement of net assets are different because:

Total Governmental Fund Balances.....		\$ 13,358,544
Some receivables are not available to pay for current period expenditures therefore related revenues are deferred in the governmental fund financial statements.....		1,608,632
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds (net of accumulated depreciation of \$7,098,596).....		27,140,719
Long-term and related liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet:		
Contractual obligations.....	\$ (2,550,000)	
Unamortized bond issuance costs.....	14,285	
Notes payable.....	(867,729)	
Capital lease obligations.....	(727,366)	
Compensated absences.....	(281,923)	
Accrued interest payable.....	(34,807)	(4,447,540)
Net OPEB liability not reported in the fund statements.....		(763,074)
Net Assets of Governmental Activities.....		\$ 36,897,281

City of Pooler, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Special Purpose Local Option Sales Tax Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes.....	\$ 10,093,697	\$ -	\$ -	\$ 615,706	\$ 10,709,403
Licenses and permits.....	705,618	-	-	-	705,618
Intergovernmental.....	230,902	1,130,859	-	-	1,361,761
Charges for services.....	1,564,953	-	-	-	1,564,953
Fines and forfeitures.....	859,723	-	-	7,065	866,788
Investment.....	8,186	1,006	1,047	29	10,268
Miscellaneous.....	119,865	-	-	-	119,865
Total revenues.....	13,582,944	1,131,865	1,047	622,800	15,338,656
EXPENDITURES					
Current:					
General government.....	571,536	-	-	-	571,536
Public safety.....	5,390,482	-	-	22,200	5,412,682
Public works.....	3,422,650	-	-	-	3,422,650
Health and welfare.....	130,695	-	-	-	130,695
Culture and recreation.....	1,046,184	-	-	-	1,046,184
Housing and development.....	376,431	-	-	307,853	684,284
Capital Outlay.....	-	147,947	1,585,197	-	1,733,144
Debt Service:					
Principal.....	226,455	1,200,000	-	-	1,426,455
Interest and other charges.....	59,582	116,865	-	-	176,447
Total expenditures.....	11,224,015	1,464,812	1,585,197	330,053	14,604,077
Excess (deficiency) of revenues over (under) expenditures.....	2,358,929	(332,947)	(1,584,150)	292,747	734,579
OTHER FINANCING SOURCES (USES)					
Transfers in.....	307,853	-	1,015,000	-	1,322,853
Transfers out.....	(1,015,000)	-	-	(307,853)	(1,322,853)
Sale of capital assets.....	31,610	-	-	-	31,610
Capital leases.....	290,188	-	880,000	-	1,170,188
Total other financing sources (uses).....	(385,349)	-	1,895,000	(307,853)	1,201,798
Net Changes in fund balances.....	1,973,580	(332,947)	310,850	(15,106)	1,936,377
Fund balances at beginning of year.....	9,642,259	1,750,170	-	29,738	11,422,167
Fund balances at end of year.....	\$ 11,615,839	\$ 1,417,223	\$ 310,850	\$ 14,632	\$ 13,358,544

The notes to the basic financial statements are an integral part of this statement.

City of Pooler, Georgia
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2012

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds..... \$ 1,936,377

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 capital outlays exceeded depreciation in the current period:

Capital outlays.....	\$ 2,295,213	
Depreciation expense.....	<u>(1,127,846)</u>	1,167,367

The net effect of various miscellaneous transactions involving capital assets (i.e., transfers, dispositions and donations) is to increase (decrease) net assets..... (74,390)

Change in accrual of interest payable on revenue bonds and capital leases..... 12,222

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental activities. This amount is the net effect of these differences in treatment of long-term debt and related items.

Debt issued or incurred:		
Construction loan financing.....	\$ (880,000)	
Capital lease financing.....	(290,188)	
Principal repayments:		
Bond.....	1,200,000	
Construction loan.....	12,270	
Capital lease.....	214,598	
Amortization of bond issuance costs.....	<u>(14,285)</u>	242,395

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds..... (178,889)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences..... (9,612)

The current year's increase in the net OPEB liability creates a balance sheet item while increasing net expenses of the functions on the government wide statements..... (21,776)

Change in Net Assets of Governmental Activities.....		<u>\$ 3,073,694</u>
------------------------------------------------------	--	---------------------

City of Pooler, Georgia
Statement of Net Assets
Water and Sewer Enterprise Fund
December 31, 2012

ASSETS	
Current assets:	
Cash and cash equivalents.....	\$ 7,267,628
Restricted cash and cash equivalents:	
Customer deposits.....	142,132
Note and loan accounts.....	394,236
Accounts receivable - net.....	1,183,062
Inventory.....	5,500
Prepaid items.....	27,669
	<u>9,020,227</u>
Noncurrent assets	
Restricted cash and cash equivalents:	
Note and loan accounts.....	1,112,532
Water and sewer system expansion accounts.....	5,324,053
Capital assets:	
Land, improvements, and construction in progress.....	596,576
Other capital assets, net of depreciation.....	32,564,097
	<u>39,597,258</u>
Total noncurrent assets.....	<u>48,617,485</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities.....	318,894
Contracts and retainage payable.....	124,068
Due to other funds.....	752,173
Accrued interest.....	97,360
Due to developers.....	22,343
Compensated absences.....	39,137
Notes and loans payable.....	641,596
Capital leases payable.....	12,694
Payable from restricted assets:	
Customer deposits payable.....	142,132
Notes and loans payable.....	394,236
	<u>2,544,633</u>
Total current liabilities.....	<u>2,544,633</u>
Noncurrent liabilities:	
Notes and loans payable.....	16,393,634
Capital lease payable.....	3,246
Compensated absences.....	6,907
	<u>16,403,787</u>
Total noncurrent liabilities.....	<u>18,948,420</u>
NET ASSETS	
Invested in capital assets, net of related debt.....	15,715,267
Restricted for debt service.....	1,506,768
Unrestricted.....	12,447,030
	<u>29,669,065</u>
Total net assets.....	<u>\$ 29,669,065</u>

City of Pooler, Georgia
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Water and Sewer Enterprise Fund
For the Year Ended December 31, 2012

OPERATING REVENUES	
Water fees.....	\$ 2,521,392
Sewer fees.....	2,932,550
Total operating revenues.....	5,453,942
OPERATING EXPENSES	
<u>Water</u>	
Personnel services and employee benefits.....	520,164
Purchased and contracted services.....	190,684
Supplies.....	1,196,682
Depreciation.....	261,820
Total operating expenses - Water.....	2,169,350
<u>Sewer</u>	
Personnel services and employee benefits.....	336,010
Purchased and contracted services.....	175,208
Supplies.....	288,027
Depreciation.....	479,429
Total operating expenses - Sewer.....	1,278,674
<u>Wastewater Treatment Plant</u>	
Personnel services and employee benefits.....	369,204
Purchased and contracted services.....	326,414
Supplies.....	342,468
Depreciation.....	520,437
Total operating expenses - Wastewater Treatment Plant.....	1,558,523
Total operating expenses.....	5,006,547
Operating income (loss).....	447,395
NONOPERATING REVENUES (EXPENSES)	
Interest income.....	18,778
Interest expense.....	(620,606)
Loss on disposal of assets.....	(6,691)
Total nonoperating revenues (expenses).....	(608,519)
Income (loss) before capital contributions.....	(161,124)
Capital contributions:	
Tap fees.....	756,532
Capital cost recovery charges.....	2,958,519
Total capital contributions.....	3,715,051
Change in net assets.....	3,553,927
Net assets, beginning of year (restated).....	26,115,138
Net assets, end of year.....	\$ 29,669,065

City of Pooler, Georgia
Statement of Cash Flows
Water and Sewer Enterprise Fund
For The Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers.....	\$ 5,207,008
Cash payments to suppliers for goods and services.....	(2,017,679)
Cash payments to employees for services.....	(1,226,432)
	<u>1,962,897</u>
Net cash provided (used) by operating activities.....	<u>1,962,897</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Debt issued.....	627,675
Principal payments on debt.....	(992,809)
Interest payments on debt.....	(626,231)
Tap fees.....	773,405
Capital cost recovery proceeds.....	2,615,783
Acquisitions and construction of capital assets.....	(1,564,601)
	<u>833,222</u>
Net cash (used) by capital and related financing activities.....	<u>833,222</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned on cash and investments.....	18,778
	<u>18,778</u>
Net cash provided (used) by investing activities.....	<u>18,778</u>
Net increase (decrease) in cash and cash equivalents.....	2,814,897
Cash and cash equivalents, beginning of year.....	11,425,684
	<u>11,425,684</u>
Cash and cash equivalents, end of year.....	<u>\$ 14,240,581</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss).....	\$ 447,395
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation.....	1,261,686
Change in assets and liabilities:	
Decrease (increase) in accounts receivables.....	(256,209)
(Decrease) Increase in prepaid expenses.....	(7,617)
(Decrease) Increase in accounts payable and accrued liabilities.....	41,317
(Decrease) Increase in interfund payables.....	467,050
(Decrease) increase in customer deposits.....	9,275
	<u>1,515,502</u>
Total adjustments.....	<u>1,515,502</u>
Net cash provided (used) by operating activities.....	<u>\$ 1,962,897</u>

City of Pooler, Georgia
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
December 31, 2012

	Municipal Court Fund
ASSETS	
Cash and cash equivalents.....	\$ 59,044
Fines receivable.....	177,200
Total assets.....	\$ 236,244
LIABILITIES	
Due to others.....	236,244
Total liabilities.....	\$ 236,244

NOTES TO THE FINANCIAL STATEMENTS



City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies

The financial statements of the City of Pooler, Georgia (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government: City of Pooler

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units of which the City appointed a voting majority of the units' board; the City is either able to impose its will on the unit or a financial benefit or burden relationship exists.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The City's only discretely presented component unit is described below.

Pooler Development Authority (PDA) – The PDA was created on November 24, 2003 for the public purpose of economic development within the city limits of Pooler, Georgia. The PDA was established pursuant to the Development Authorities Law of the State of Georgia (O.C.G.A. 36-62 et seq.) and operates as a separate public body corporate and politic. The PDA's board consists of seven members appointed by the governing body of the City of Pooler, Georgia. Pooler City Council is able to impose its will on the Authority, and the Authority provides services and benefits which are not limited to the City of Pooler.

The PDA does not issue a separate stand-alone financial report.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

Membership in Regional Commission

Under Georgia law, the City is a member of the Coastal Regional Commission and is required to pay annual dues thereto. During its year ended December 31, 2012, the City paid \$19,140 in such dues. Membership in an CRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CRC in Georgia. The CRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an CRC. Management believes that the CRC is currently accumulating sufficient financial resources to meet its financial obligations. Separate financial statements may be obtained from:

Coastal Regional Commission
P.O. Box 1917
Brunswick, Georgia 31521

B. Government-wide and Fund Financial Statements

Financial information of the City is presented as follows:

Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.

Basic Financial Statements: Government-wide financial statements consist of a statement of net assets and a statement of activities.

These statements report all of the non-fiduciary activities of the primary government and its component units. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business-type activities are normally supported by fees and charges from services and are usually intended by management to be financially self-sustaining. The fiduciary fund of the primary government is not included in the government-wide financial statements; however separate financial statements are presented.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Revenues that are not classified as program revenues, including all taxes and other items, are presented as general revenues.

Fund financial statements consist of a series of statements focusing on information about the City's major governmental and proprietary funds. Separate financial statements are presented for the governmental and proprietary funds.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty days after year-end. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as, expenditures related to compensated absences and claims and judgments, are reported only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt are reported as other financing sources.

Property taxes, sanitation fees, sales tax, grants from other governments, and interest on investments are susceptible to accrual. Revenues from fines, forfeits and penalties, and franchise fees become measurable and available when cash is received by the City and are recognized as revenue at that time.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

The *Special Purpose Local Option Sales Tax Fund* is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes only one Capital Project Fund and it is used to account for the acquisition of capital assets with the 1% sales tax proceeds.

The *Capital Projects Fund* is used to account for the acquisition or construction of major capital facilities financed with non-SPLOST resources.

The City reports the following major enterprise fund:

The *Water and Sewer Fund* accounts for water and sewer services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

Additionally, the City reports the following fund types:

Special Revenue Fund – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Agency Fund – used to account for, on a temporary basis, fines collected by the municipal court that ultimately are transferred to the general fund.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule are charges for sales and purchases of goods and services between various functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Revenues not classified as program revenues are presented as general revenues.

Proprietary funds distinguish operating revenues and expense from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Fund are charges to customers for services provided. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities and Net Assets or Equity

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of or obligations guaranteed by the U.S. Government and agencies or corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Investments are reported at fair value.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

Receivables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual. Accounts receivable comprise the majority of proprietary fund receivables. Trade receivables are shown net of an allowance for uncollectibles.

Property taxes are levied as of January 1 on property values assessed on the same date. A millage rate of 4.635 mills was adopted on July 16, 2012. Tax bills were rendered on September 15, 2012 and are considered past due 60 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

Inventories and Prepaid Items

All inventories (when significant) are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash and cash equivalents and investments set aside for repayment of deposits to utility customers, and for future expansion of the water and sewer system.

Capital Assets

General Capital Assets are capital assets, which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net assets and in the respective fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are reported at their fair market value as of the date received. The City maintains a capitalization threshold of five thousand dollars (\$5,000). Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. General infrastructure assets acquired prior to January 1, 2003 are not reported in the basic financial statements.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building and improvements.....	20 - 50 years	20 - 50 years
Machinery and equipment.....	5 - 20 years	5 - 20 years
Vehicles.....	3 - 8 years	3 - 8 years
Public domain infrastructure.....	50 years	

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off. The entire accrued balance is payable at the time of employment termination unless the employee is discharged for cause. All paid time off (when material) is accrued when incurred in the government - wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

Long-term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Equity Classifications

Equity is classified as net assets and displayed in three components in the government-wide financial statements.

Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net assets consists of all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance reflects constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the city council – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the city council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance reflects the amounts constrained by the city’s “intent” to be used for specific purposes, but are neither restricted or committed. The city council and city manager have the authority to assign amount to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 1 – Summary of Significant Accounting Policies – *continued*

Unassigned fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the city’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

New Capital Projects Fund

The capital projects fund was established to account for the acquisition or construction of major capital facilities financed with non-SPLOST resources.

Note 2 – Detailed Notes on Funds and Activities

A. Cash and Investments

Deposits

At year-end the carrying amount of the City's deposits was \$26,937,508 and the bank balance was \$27,116,587. As of December 31, 2012 the entire bank balance was insured and collateralized with securities held by the government or its agent in the entity’s name.

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to the City. The Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110% of the public funds being secured after the deduction of the amount of depository insurance. The City has no custodial credit risk policy that would require additional collateral requirements.

Reconciliation of financial statements to notes:

Statement of Net Assets	
Cash and cash equivalents.....	\$ 19,466,202
Restricted cash and cash equivalents.....	7,412,262
	<hr/>
	26,878,464
Fiduciary Funds	
Cash and cash equivalents.....	59,044
	<hr/>
Total cash and cash equivalents.....	<u><u>\$ 26,937,508</u></u>

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 2 – Detailed Notes on Funds and Activities - continued

B. Accounts Receivable

Receivables as of year-end for the government’s individual major funds and non-major funds in the aggregate including the applicable allowance for uncollectible accounts are as follows:

Receivable	General	SPLOST	Water and Sewer	Nonmajor Governmental	Total
Taxes.....	\$ 1,767,072	\$ -	\$ -	\$ 39,813	\$ 1,806,885
Accounts.....	446	-	1,270,158	-	1,270,604
Intergovernmental.....	200,765	182,955	-	-	383,720
Gross receivables	1,968,283	182,955	1,270,158	39,813	3,461,209
Less: Allowance for uncollectibles.....	(11,829)	-	(87,096)	-	(98,925)
Net receivables.....	\$ 1,956,454	\$ 182,955	\$ 1,183,062	\$ 39,813	\$ 3,362,284

C. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At December 31, 2012 the various components of deferred revenue reported in the general fund were as follows:

General Fund:	
Property taxes.....	\$ 482,897
Franchise taxes.....	1,125,735
Total deferred revenue.....	\$ 1,608,632

D. Interfund Receivables, Payables and Transfers

Interfund receivable and payable balances at December 31, 2012 are as follows:

Receivable Fund	Payable Fund	Amount
General	Water and Sewer	\$ 752,173
General	SPLOST Fund	2,193
General	Nonmajor governmental	14,902
Total interfund receivables and payables.....		\$ 769,268

These balances represent loans between the borrower fund and the lender fund. These balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Interfund receivables and payables are reported in the fund financial statements; however, they are eliminated in the government-wide financial statements if the interfund loan is between governmental funds.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 2 – Detailed Notes on Funds and Activities - continued

A summary of interfund transfers by fund type is as follows:

Transfer In	Transfer Out	Purpose	Amount
General Fund	Nonmajor governmental funds	Distribution of tax revenue	\$ 307,853
Construction in Progress	General Fund	Fund construction projects	1,015,000
			<u>\$ 1,322,853</u>

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group.

E. Capital Assets

Changes in governmental activities capital asset for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
<i>Non-Depreciable Assets:</i>					
Land.....	\$ 2,514,120	\$ 155,000	\$ -	\$ 15,000	\$ 2,684,120
Construction in progress.....	260,241	1,378,299	64,670	(15,000)	1,558,870
Total non-depreciable capital assets.....	<u>2,774,361</u>	<u>1,533,299</u>	<u>64,670</u>	<u>-</u>	<u>4,242,990</u>
<i>Depreciable Assets:</i>					
Buildings and improvements.....	8,023,125	312,951	-	-	8,336,076
Machinery, equipment and vehicles.....	7,662,017	377,353	329,076	-	7,710,294
Infrastructure.....	13,878,345	71,610	-	-	13,949,955
Total depreciable capital assets.....	<u>29,563,487</u>	<u>761,914</u>	<u>329,076</u>	<u>-</u>	<u>29,996,325</u>
<i>Accumulated Depreciation</i>					
Buildings and improvements.....	(1,642,640)	(219,209)	-	-	(1,861,849)
Machinery, equipment and vehicles.....	(4,295,323)	(628,683)	(319,356)	-	(4,604,650)
Infrastructure.....	(352,143)	(279,954)	-	-	(632,097)
Total accumulated depreciation.....	<u>(6,290,106)</u>	<u>(1,127,846)</u>	<u>(319,356)</u>	<u>-</u>	<u>(7,098,596)</u>
Total Governmental Activities.....	<u>\$ 26,047,742</u>	<u>\$ 1,167,367</u>	<u>\$ 74,390</u>	<u>\$ -</u>	<u>27,140,719</u>
Less related long-term debt outstanding.....					(4,145,095)
Investment in capital assets, net of related debt.....					<u>\$ 22,995,624</u>

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 2 – Detailed Notes on Funds and Activities – continued

Depreciation expense was charged to governmental activities as follows:

General government.....	36,878
Public safety.....	339,542
Public works.....	359,973
Culture and recreation.....	391,453
Total depreciation expense.....	<u>\$ 1,127,846</u>

Changes in business-type activities capital asset for the year ended December 31, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Net Transfers</u>	<u>Ending Balance</u>
Business-type Activities:					
<i>Non-Depreciable Assets:</i>					
Land.....	\$ 172,139	\$ -	\$ -	\$ -	\$ 172,139
Construction in progress.....	663,759	980,608	-	(1,219,930)	424,437
Total non-depreciable capital assets.....	<u>835,898</u>	<u>980,608</u>	<u>-</u>	<u>(1,219,930)</u>	<u>596,576</u>
<i>Depreciable Assets:</i>					
Buildings and improvements.....	42,897,842	398,613	-	1,219,930	44,516,385
Machinery, equipment and vehicles.....	1,182,689	19,960	53,586	-	1,149,063
Total depreciable capital assets.....	<u>44,080,531</u>	<u>418,573</u>	<u>53,586</u>	<u>1,219,930</u>	<u>45,665,448</u>
<i>Accumulated Depreciation</i>					
Buildings and improvements.....	(10,978,862)	(1,207,735)	-	-	(12,186,597)
Machinery, equipment and vehicles.....	(905,852)	(53,951)	(45,049)	-	(914,754)
Total accumulated depreciation.....	<u>(11,884,714)</u>	<u>(1,261,686)</u>	<u>(45,049)</u>	<u>-</u>	<u>(13,101,351)</u>
Total Business-type Activities.....	<u>\$ 33,031,715</u>	<u>\$ 137,495</u>	<u>\$ 8,537</u>	<u>\$ -</u>	<u>33,160,673</u>
Less related long-term debt outstanding.....					<u>(17,445,406)</u>
Investment in capital assets, net of related debt.....					<u>\$ 15,715,267</u>

F. Capital Leases

The City has entered into lease agreements as lessee for financing of equipment and vehicles used in governmental and business-type activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The assets acquired through capital lease are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Machinery and Equipment.....	\$ 606,147	\$ 60,000
Less: Accumulated depreciation.....	(235,823)	(24,000)
Total.....	<u>\$ 370,324</u>	<u>\$ 36,000</u>

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 2 – Detailed Notes on Funds and Activities – *continued*

The following is a schedule of the future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at December 31, 2012:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2013	\$ 224,025	\$ 13,101
2014	371,041	3,275
2015	91,758	-
2016	54,803	-
2017	54,803	-
Total minimum lease payments.....	<u>796,430</u>	<u>16,376</u>
Less: amount representing interest.....	<u>(69,065)</u>	<u>(436)</u>
Present value of minimum lease payments...	<u><u>\$ 727,365</u></u>	<u><u>\$ 15,940</u></u>

G. Long -term Debt

Chatham County Recreation Authority Revenue Bonds (City of Pooler Project), Series 2007

In May 2007, The Chatham County Recreation Authority authorized the issuance, delivery and sale of \$4,500,000 Chatham County Recreation Authority Revenue Bonds (City of Pooler Project), Series 2007. The bonds bear an interest rate of 3.71% with final maturity on April 1, 2014. The bond proceeds were used to finance the construction of the Pooler Recreational Park.

Pursuant to the bond issue, the City entered into an intergovernmental contract with the Chatham County Recreation Authority whereby the City has the unconditional obligation to provide sufficient funds for debt service payments and related paying agent or bond register fees. The City is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract.

Annual debt service requirements to maturity for the contractual obligation are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,250,000	\$ 71,418	\$ 1,321,418
2014	1,300,000	24,115	1,324,115
Totals.....	<u><u>\$ 2,550,000</u></u>	<u><u>\$ 95,533</u></u>	<u><u>\$ 2,645,533</u></u>

Installment Sale Agreement

In February 2012, the City entered into an installment sale agreement with the Georgia Municipal Association, Inc. providing \$880,000 to finance the construction of two new fire stations. The agreement carries an interest rate of 3.26% and has a term of fifteen years with final maturity on December 8, 2026.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 2 – Detailed Notes on Funds and Activities – *continued*

Annual debt service requirements to maturity for the contractual obligation are as follows:

Year Ending December 31,	Principal	Interest	Total
2013	\$ 49,766	\$ 27,686	\$ 77,452
2014	51,408	26,044	77,452
2015	53,104	24,348	77,452
2016	54,857	22,595	77,452
2017	56,667	20,785	77,452
2018 - 2022	312,652	74,608	387,260
2023 - 2026	289,276	20,452	309,728
Totals.....	<u>\$ 867,730</u>	<u>\$ 216,518</u>	<u>\$ 1,084,248</u>

Georgia Environmental Facilities Authority (GEFA) Loans

The City has entered into loan agreements with GEFA, a state agency. The GEFA makes low interest long-term loans to fund improvements to publicly owned water and sewer systems. The loan proceeds have been used to finance water and sewer projects to provide water and sewer access to areas of commercial and residential development throughout the City.

The City has entered into water and sewer agreements with land owners (developers) to assist in the repayment of the GEFA loans. Pursuant to the water and sewer agreements, the land owners are required to contemporaneously provide, with the execution of the agreement, an irrevocable letter of credit or financial obligation bond (financial guarantee) in the amount of the land owners shared cost of the project. In addition, the agreement authorizes the City to collect a GEFA Loan Cost Recovery Fee from customers connecting to the water and sewer system. The cost recovery fee revenue is restricted to the repayment of the related GEFA loans and reduces the land owners financial guarantee to the project.

The City has the following GEFA loans outstanding at year end:

Contract Number	Original Amount	Interest Rate	Balance 12/31/2012
98-L66WJ	\$ 2,497,297	4.67%	\$ 1,631,163
02-L33WQ	672,289	4.36%	492,556
CW02-007	12,593,549	3.00%	9,749,256
03-L42WJ	3,103,709	4.16%	2,570,476
05-L23WJ	2,406,407	4.14%	2,084,780
11-L11WJ	901,235	3.44%	901,235
Total GEFA loans payable at December 31, 2012.....			<u>17,429,466</u>

City of Pooler, Georgia
Notes to the Basic Financial Statements
December 31, 2012

Note 2 – Detailed Notes on Funds and Activities – continued

Annual debt service requirements to maturity for the GEFA Loans are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,035,832	\$ 596,274	\$ 1,632,106
2014	1,077,436	561,086	1,638,522
2015	1,116,718	521,804	1,638,522
2016	1,157,405	481,117	1,638,522
2017	1,199,849	438,673	1,638,522
2018 - 2022	6,116,637	1,528,288	7,644,925
2023 - 2027	5,481,374	493,656	5,975,030
2028 - 2029	244,515	5,211	249,726
Totals.....	<u>\$ 17,429,766</u>	<u>\$ 4,626,109</u>	<u>\$ 22,055,875</u>

Changes in Long-Term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Contractual obligations.....	\$ 3,750,000	\$ -	\$ 1,200,000	\$ 2,550,000	\$ 1,250,000
Notes payable.....	-	880,000	12,270	867,730	49,765
Capital lease obligations.....	651,775	290,188	214,598	727,365	194,170
Long-term debt.....	4,401,775	1,170,188	1,426,868	4,145,095	1,493,935
Compensated absences.....	272,311	72,379	62,767	281,923	239,637
Total Governmental Activities.....	<u>\$ 4,674,086</u>	<u>\$ 1,242,567</u>	<u>\$ 1,489,635</u>	<u>\$ 4,427,018</u>	<u>\$ 1,733,572</u>
Business-Type Activities:					
GEFA loans.....	\$ 17,759,412	\$ 627,675	\$ 957,621	\$ 17,429,466	\$ 1,035,832
Capital lease obligations.....	51,128	-	35,188	15,940	12,694
Long-term debt.....	17,810,540	627,675	992,809	17,445,406	1,048,526
Compensated absences.....	47,098	11,559	12,613	46,044	39,137
Total Business-Type Activities.....	<u>\$ 17,857,638</u>	<u>\$ 639,234</u>	<u>\$ 1,005,422</u>	<u>\$ 17,491,450</u>	<u>\$ 1,087,663</u>

For the governmental activities, long-term liabilities are generally liquidated by the general fund. For business-type activities, long-term liabilities are liquidated by the water and sewer enterprise fund.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

H. Fund Balance Classifications

Amounts for specific purposes by fund and fund classifications for the year ended December 31, 2012, are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable		
General fund.....	Prepaid items.....	\$ 60,329
Restricted		
Special Purpose Sales Tax fund....	Capital projects.....	1,417,223
Capital Projects fund.....	Fire department construction.....	310,850
Confiscated Asset fund.....	Public safety.....	14,632
Committed		
General fund.....	Construction of new city hall.....	2,500,000
Assigned		
General fund.....	Appropriation of fund balance.....	498,685
General fund.....	Senior citizen programs.....	1,019
Unassigned		
General fund.....		8,555,806
Total fund balance.....		<u>\$ 13,358,544</u>

Note 3 – Other Information

A. Employee Pension Plans

Plan Description

The City of Pooler Pension Plan (the Plan) is a defined benefit pension plan covering all employees with 6 months services, officials are not covered. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), a statewide, agent multiple-employer type plan administered by the Georgia Municipal Association. The Georgia Municipal Association handles all administrative and investment functions relative to the Plan. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

The Plan provides retirement, disability, and death benefits to plan members as well as an annual cost of living adjustment. Benefits are fully vested after 5 years of service. Participants become eligible to retire earlier of 62 with 5 years of service and 55 with 30 years of service. These benefit provisions and all other requirements are established and amended by local ordinance.

As of July 1, 2012, the plan membership included the following categories of participants:

Retired participants and beneficiaries.....	19
Terminated vested participants.....	20
Active participants.....	128
Total participants.....	<u>167</u>

City of Pooler, Georgia
Notes to the Basic Financial Statements
December 31, 2012

Note 3 – Other Information – *continued*

Funding Policy

The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The City's policy is to contribute the actuarially determined amount as recommended by GMEBS. The required contribution rate of active plan members is 2%. For 2012, the actuarially determined rate was 15.10% of covered payroll. The City's contributions to the Plan for the years ended December 31, 2012, 2011, and 2010 were \$798,110, \$775,581, and 744,755 respectively and were equal to the required contributions for each year.

Trend Information

Trend information, which gives an indication of the progress made in accumulating sufficient assets to pay benefits when due, is presented below.

<u>Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2010	\$ 744,755	100.0 %	\$ -
12/31/2011	775,581	100.0	-
12/31/2012	798,110	100.0	-

Actuarial Methods and Assumptions

Valuation Date	7/1/2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Method	Remaining amortization period varies for the bases, with a net effective amortization period of 15 years.
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 50% of the market value for 2009, 44% of market value for 2010, 38% of market value for 2011, 32% of market value for 2012, 26% of market value for 2013, and 20% of market value for 2014 and later years.

Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.50% pluse age and service based merit increases
Social Security Wage Base Increase	3.50%
Inflation	3.50%
Cost of Living Adjustments	2.00%

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 3 – Other Information – *continued*

Fund Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the actuarial value of assets was \$8.1 million; the actuarial accrued liability for benefits was \$11.5 million; the unfunded actuarial liability was \$3.4 million; the plan was 70.44% funded; the covered payroll (annual payroll of active employees covered by the plan) was \$4.9 million; and the ratio of the UAAL to the covered payroll was 68.81%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

B. Other Postemployment Benefits

Plan Description

The City of Pooler Other Postemployment Benefit Plan (Plan) provides PPO and HMO medical and prescription drug benefit plans to all eligible retirees. The City’s regular health care benefit provider, Georgia Municipal Association, underwrites the retiree’s policy and administers the Plan. The Plan was adopted and established by action of the City Council. The Plan does not issue a separate or stand-alone report. The Plan is reported with the City’s governmental activities in the accompanying financial statements.

The City pays 80% of the premiums of health care coverage for employees who retire with 25 years of full-time service and who agree to pay the remaining 20% of the premium. The City pays 70% of these premiums for employees who retire with 20-24 years of full-time service and who agree to pay the remaining 30% of the premium. The City pays 50% of these premiums for employees who retire with 15-19 years of full-time service and who agree to pay the remaining 50% of the premium.

Funding Policy

The City has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment; in other words, the plan may be financed on a pay-as-you-go basis. Administrative costs of the plan are paid for by the City’s general fund. Plan participants are not required to contribute to the plan. For the year ended December 31, 2012, the City did not make any contributions to advance-fund the plan.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three years are as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2010	\$ 394,989	\$ 27,973	7.1%	\$ 741,211
12/31/2011	251,145	251,058	100.0%	741,298
12/31/2012	251,145	229,376	91.3%	763,074

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 3 – Other Information – *continued*

Funding Progress

For the year ended December 31, 2012, the City estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of July 1, 2011. Such a valuation computes an annual required contribution (ARC) that represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed twenty-five years. The current combined ARC is 5.12% of annual covered payroll.

For the year ended December 31, 2012, the components of the City’s annual OPEB (other postemployment benefit) cost for the year, the amount actually contributed to the plan (including pay-as-you-go amounts), and changes in the City’s net OPEB obligation to the plan are as follows:

Annual required contribution.....	\$ 261,353
Interest on net OPEB obligation.....	57,451
Adjustment to annual required contribution.....	<u>(67,652)</u>
Annual OPEB cost (expense).....	251,152
Contributions made.....	<u>229,376</u>
Increase in net OPEB obligation.....	21,776
Net OPEB obligation, beginning of year.....	741,298
Net OPEB obligation, end of year.....	<u><u>\$ 763,074</u></u>

Funded Status

As of July 1, 2011, the most recent actuarial valuation date, the actuarial value of assets was \$60,676; the actuarial accrued liability for the benefits was \$1.7 million; the unfunded actuarial liability was \$1.6 million; the plan was 3.6% funded; the covered payroll (annual payroll of active employees covered by the plan) was \$5.1 million; and the ratio of the UAAL to the covered payroll was 32.1%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 3 – Other Information – *continued*

Actuarial Methods and Assumptions

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

Actuarial valuation date.....	7/1/2011
Actuarial cost method.....	Projected Unit Credit
Amortization method.....	Level dollar closed 25 years
Remaining amortization period.....	23 years as of December 31, 2011
Asset valuation method.....	Market Value
<hr/>	
Actuarial assumptions:	
Investment rate of return	7.75%
Salary growth.....	3.50%
Medical cost trend rate	8.50% graded to 5.00% in 7 years
Inflation.....	0.00%
<hr/>	
Plan membership:	
Current retirees, beneficiaries, and dependents.....	8
Current active participants.....	139
	<hr/>
Total membership.....	147
	<hr/> <hr/>

C. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers compensation for which the City carries the following insurance coverages. There were no significant reductions of insurance coverage compared to the prior year. Settled claims have not exceeded coverage in any of the past three fiscal years.

Risk Pools

The City joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the City in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary. The City has not compiled a record of the claims paid up to the applicable deductible for the prior year or the current fiscal year.

The City is unaware of any claims which the City is liable (up to the applicable deductible) which were outstanding and unpaid at December 31, 2012.

No provisions have been made in the financial statements for the year ended December 31, 2012 for any estimate of potential unpaid claims.

City of Pooler, Georgia

Notes to the Basic Financial Statements

December 31, 2012

Note 3 – Other Information – *continued*

The City has elected to be a member of the Georgia Municipal Association Workers’ Compensation Self-Insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the City has no legal obligation to pay its own workers’ compensation claims. The City is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the City’s annual contribution, the City has effectively transferred the risk and responsibility for payment of its workers’ compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

Self Insurance

The City pays unemployment claims to the state department of labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued.

D. Commitments and Contingencies

The City receives a number of grants that are subject to program compliance audits by the grantors. Noncompliance with the terms and provisions of these grant agreements could result in contingent liabilities to the grantor agencies.

The City had the following commitments with respect to unfinished capital projects at December 31, 2012:

<u>Capital Projects</u>	<u>Total Contract</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Pooler Fire Station #3.....	\$ 810,928	\$ 516,691	\$ 294,237
Pooler Fire Station #4.....	629,710	554,334	75,376
	<u>\$ 1,440,638</u>	<u>\$ 1,071,025</u>	<u>\$ 369,613</u>

Various other claims are pending against the City. The City attorney estimates the potential effects of these claims net of insurance coverage would not be material to in relation to the overall financial statements.

E. Other Agencies

The Volunteer Fire Department maintains a cash account independently from the City’s General Fund records. Since this account is not controlled by the City, these transactions are not included in the City’s basic financial statements. The City provides some funding directly and indirectly to this agency.



**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION & ANALYSIS**



City of Pooler, Georgia
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes.....	\$ 8,908,860	\$ 9,198,960	\$ 10,093,697	\$ 894,737
Licenses and permits.....	344,500	652,900	705,618	52,718
Intergovernmental.....	231,448	241,448	230,902	(10,546)
Charges for services.....	1,334,600	1,380,150	1,564,953	184,803
Fines and forfeitures.....	800,360	800,360	859,723	59,363
Investment income.....	5,000	5,000	8,186	3,186
Miscellaneous.....	113,000	104,750	119,865	15,115
Total revenues.....	<u>11,737,768</u>	<u>12,383,568</u>	<u>13,582,944</u>	<u>1,199,376</u>
EXPENDITURES				
Current:				
General government:				
General administration.....	567,623	636,073	571,536	64,537
Public safety:				
Police department.....	3,220,584	3,245,984	3,032,419	213,565
Fire department.....	4,166,607	2,544,457	2,358,063	186,394
Public works:				
Public works administration.....	237,413	244,513	231,513	13,000
Street department.....	1,275,540	1,270,790	1,230,319	40,471
Drainage department.....	420,747	455,747	418,671	37,076
Solid waste and recycling.....	1,072,500	1,072,500	1,060,035	12,465
Maintenance and shop.....	531,508	514,108	482,112	31,996
Health and welfare:				
Senior Citizens Center.....	144,366	155,366	130,695	24,671
Culture and recreation:				
Recreation.....	1,042,461	1,079,261	1,046,184	33,077
Housing and development:				
Inspections.....	375,178	385,928	376,431	9,497
Debt service:				
Principal.....	235,427	236,876	226,455	10,421
Interest and other charges.....	74,414	73,565	59,582	13,983
Total expenditures.....	<u>13,364,368</u>	<u>11,915,168</u>	<u>11,224,015</u>	<u>691,153</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>(1,626,600)</u>	<u>468,400</u>	<u>2,358,929</u>	<u>1,890,529</u>
OTHER FINANCING SOURCES (USES)				
Transfers in.....	285,000	285,000	307,853	22,853
Transfer out.....	-	(1,015,000)	(1,015,000)	-
Sale of capital assets.....	-	-	31,610	31,610
Capital lease proceeds.....	1,141,600	261,600	290,188	28,588
Total other financing sources (uses).....	<u>1,426,600</u>	<u>(468,400)</u>	<u>(385,349)</u>	<u>83,051</u>
Net change in fund balance.....	(200,000)	-	1,973,580	1,973,580
Fund balance, beginning.....	9,642,259	9,642,259	9,642,259	-
Fund balance, ending.....	<u>\$ 9,442,259</u>	<u>\$ 9,642,259</u>	<u>\$ 11,615,839</u>	<u>\$ 1,973,580</u>

City of Pooler, Georgia

Notes to Required Supplementary Information

December 31, 2012

Note 1 – Budgetary Information

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue fund. The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the department level.

Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. For the year ended December 31, 2012, the following supplemental appropriation was approved:

<u>Fund Type</u>	<u>Original Appropriation</u>	<u>Supplemental Appropriation</u>	<u>Supplemental Decreases</u>	<u>Final Appropriation</u>
General Fund	\$ 13,364,368	\$ 1,210,949	\$ 1,645,149	\$ 12,930,168
Special Revenue Funds -				
Confiscated Assets Fund	-	22,200	-	22,200
Hotel / Motel Tax Fund	570,000	45,000	-	615,000

City of Pooler, Georgia
Schedule of Funding Progress – Pension Plan
December 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability [AAL] (b)	Unfunded AAL [UAAL] (Funding Excess) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL (Funding Excess) as a Percentage of Covered Payroll [(b) - (a) / (c)]
7/1/2010	\$ 6,264,747	\$ 9,776,174	\$ 3,511,427	64.08	\$ 5,157,943	68.08 %
7/1/2011	7,162,288	10,719,620	3,557,332	66.81	5,194,708	68.48
7/1/2012	8,074,951	11,463,194	3,388,243	70.44	4,923,956	68.81

City of Pooler, Georgia

Schedule of Funding Progress – Other Post-employment Benefits Plan

December 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a) / (c)]
1/1/2009	\$ -	\$ 2,798,200	\$ 2,798,200	0.00 %	\$ 4,095,577	68.32 %
7/1/2011	60,676	1,700,304	1,639,628	3.57	5,106,119	32.11

SUPPLEMENTARY DATA
COMBINING FUND FINANCIAL STATEMENTS, SCHEDULES AND
STATE MANDATED PROGRAM INFORMATION



Nonmajor Governmental Funds

Special Revenue Funds

The special revenue funds are used to account for proceeds of specific revenues that are legally restricted to expenditure for particular purposes.

Confiscated Assets Fund – this fund is used to account for the receipt and disbursement of condemned monies awarded to the City by court order that are restricted to certain public safety expenditures.

Hotel / Motel Tax Fund – this fund is used to account for the City’s lodging tax revenue that is restricted to the promotion of tourism.



City of Pooler, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Confiscated Asset Fund	Hotel / Motel Tax Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents.....	\$ 14,632	\$ -	\$ 14,632
Receivables.....	-	39,813	39,813
Total assets.....	<u>\$ 14,632</u>	<u>\$ 39,813</u>	<u>\$ 54,445</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable.....	\$ -	\$ 24,911	\$ 24,911
Due to other funds.....	-	14,902	14,902
Total liabilities.....	<u>-</u>	<u>39,813</u>	<u>39,813</u>
Fund balances:			
Restricted.....	14,632	-	14,632
Total fund balances.....	<u>14,632</u>	<u>-</u>	<u>14,632</u>
Total liabilities and fund balances.....	<u>\$ 14,632</u>	<u>\$ 39,813</u>	<u>\$ 54,445</u>

City of Pooler, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Confiscated Asset Fund	Hotel / Motel Tax Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes.....	\$ -	\$ 615,706	\$ 615,706
Fines and forfeitures.....	7,065	-	7,065
Investment.....	29	-	29
Total revenues.....	<u>7,094</u>	<u>615,706</u>	<u>622,800</u>
EXPENDITURES			
Current:			
Public safety.....	22,200	-	22,200
Housing and development.....	-	307,853	307,853
Total expenditures.....	<u>22,200</u>	<u>307,853</u>	<u>330,053</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>(15,106)</u>	<u>307,853</u>	<u>292,747</u>
OTHER FINANCING SOURCES (USES)			
Transfers out.....	-	(307,853)	(307,853)
Total other financing sources (uses).....	<u>-</u>	<u>(307,853)</u>	<u>(307,853)</u>
Net Changes in fund balances.....	(15,106)	-	(15,106)
Fund balances at beginning of year.....	29,738	-	29,738
Fund balances at end of year.....	<u>\$ 14,632</u>	<u>\$ -</u>	<u>\$ 14,632</u>

City of Pooler, Georgia
Confiscated Asset Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures.....	\$ -	\$ -	\$ 7,065	\$ 7,065
Investment.....	-	-	29	29
Total revenues.....	-	-	7,094	7,065
EXPENDITURES				
Current:				
Public Safety.....	-	22,220	22,200	20
Total expenditures.....	-	22,220	22,200	20
Excess (deficiency) of revenues over (under) expenditures.....	-	(22,220)	(15,106)	7,085
Net change in fund balance.....	-	(22,220)	(15,106)	7,085
Fund balance, beginning of year.....	29,738	29,738	29,738	-
Fund balance, end of year.....	<u>\$ 29,738</u>	<u>\$ 7,518</u>	<u>\$ 14,632</u>	<u>\$ 7,085</u>

City of Pooler, Georgia
Hotel / Motel Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes.....	\$ 570,000	\$ 615,000	\$ 615,706	\$ 706
Total revenues.....	570,000	615,000	615,706	706
EXPENDITURES				
Current:				
Housing and development.....	285,000	307,500	307,853	(353)
Total expenditures.....	285,000	307,500	307,853	(353)
Excess (deficiency) of revenues over (under) expenditures.....	285,000	307,500	307,853	353
OTHER FINANCING SOURCES (USES)				
Transfers out.....	(285,000)	(307,500)	(307,853)	(353)
Total financing sources (uses).....	(285,000)	(307,500)	(307,853)	(353)
Net change in fund balance.....	-	-	-	-
Fund balance, beginning of year.....	-	-	-	-
Fund balance, end of year.....	\$ -	\$ -	\$ -	\$ -

City of Pooler, Georgia
Municipal Court Fund
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2012

	Beginning Balance	Additions	Deletions	Ending Balance
ASSETS				
Cash.....	\$ 53,546	\$ 1,394,369	\$ 1,388,871	\$ 59,044
Fines receivable...	149,711	27,488	-	177,199
Total assets.....	\$ 203,257	\$ 1,421,857	\$ 1,388,871	\$ 236,243
LIABILITIES				
Due to others.....	\$ 203,257	\$ 1,421,857	\$ 1,388,871	\$ 236,243
Total liabilities.....	\$ 203,257	\$ 1,421,857	\$ 1,388,871	\$ 236,243

City of Pooler, Georgia
Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
December 31, 2012

Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total Cost
Sales Tax III (1998-2003)					
Drainage:	\$ 2,000,000	\$ 2,048,512			
Simmons Street drainage.....			\$ 4,213	\$ -	\$ 4,213
Benton Canal.....			297,361	-	297,361
South Rogers Street.....			3,974	-	3,974
Massey Street.....			7,238	-	7,238
Stormwater mapping.....			28,960	-	28,960
Outfalls.....			208,192	-	208,192
Miscellaneous drainage projects.....			342,282	34,526	376,808
Open Space.....	54,667	59,056	44,719	14,337	59,056
Public Safety:					
Fire truck debt service.....	266,667	217,140	217,140	-	217,140
Other Capital Outlay:					
Construction of new sidewalks.....	458,703	421,183	677,746	-	677,746
Pine Barren-Quacco Road Intersection.....			164,723	-	164,723
Subtotal Sales Tax III.....	<u>2,780,037</u>	<u>2,745,891</u>	<u>1,996,548</u>	<u>48,863</u>	<u>2,045,411</u>
Sales Tax IV (2003-2008)					
Public Safety:					
Fire truck debt service.....	200,000	245,815	245,815	-	245,815
Open Space.....	33,659	44,022	2,250	41,985	44,235
Other Capital Outlay:	3,779,500	4,201,634			
Recreational park.....			2,731,478	-	2,731,478
Debt service - Recreation Revenue Bonds.....			333,900	-	333,900
Construction of new sidewalks.....			250,738	37,792	288,530
Traffic signals.....			19,700	19,307	39,007
Subtotal Sales Tax IV.....	<u>4,013,159</u>	<u>4,491,471</u>	<u>3,583,881</u>	<u>99,084</u>	<u>3,682,965</u>
Sales Tax IV (2008-2014)					
Other Capital Outlay:					
Debt service - Recreation Revenue Bonds.....	6,000,000	6,000,000	1,069,988	1,316,865	2,386,853
Subtotal Sales Tax IV.....	<u>6,000,000</u>	<u>6,000,000</u>	<u>1,069,988</u>	<u>1,316,865</u>	<u>2,386,853</u>
Grand totals.....	<u>\$12,793,196</u>	<u>\$13,237,362</u>	<u>\$ 6,650,417</u>	<u>\$ 1,464,812</u>	<u>\$ 8,115,229</u>

City of Pooler, Georgia
Schedule of Required Expenditures Generated by the Hotel / Motel Tax
For the Year Ended December 31, 2012

REVENUES	
Hotel/Motel taxes.....	<u><u>\$ 615,706</u></u>
EXPENDITURES	
Tourism expenditures.....	<u><u>\$ 307,853</u></u>
Percentage of expenditures to revenues.....	<u><u>50%</u></u>



COMPONENT UNIT



City of Pooler, Georgia
Balance Sheet
Pooler Development Authority
December 31, 2012

ASSETS

Cash and cash equivalents..... \$ 111,589

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable..... \$ -

Fund balance

Assigned - housing and development..... 111,589

Total liabilities and fund balance..... \$ 111,589

City of Pooler, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Pooler Development Authority
For the Year Ended December 31, 2012

REVENUES

Investment earnings..... \$ 279

EXPENDITURES

Current

Housing and development..... -

Net change in fund balance..... 279

Fund balance at beginning of year..... 111,310

Fund balance at end of year..... \$ 111,589

STATISTICAL SECTION

This part of the City of Pooler, Georgia’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	Page
Financial Trends	G-2
These schedules contain trend information to help the reader understand how the city's financial position has changed over time.	
Revenue Capacity	G-9
These schedules contain information to help the reader understand and assess the factors affecting the city's ability to generate its most significant local revenue sources, the property tax and the sales tax.	
Debt Capacity	G-14
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
Demographic and Economic Information	G-18
These schedules offer economic and demographic indicators to help the reader understand the environment within which the city's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	G-20
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the City’s financial reports for the relevant year. The City implemented GASBS 34 in 2004; schedules presenting government-wide information (unless otherwise indicated) include information beginning in that year.



City of Pooler, Georgia
Net Assets by Component
Last Nine Calendar Years

	2004	2005	2006	2007	2008
Governmental activities					
Invested in capital assets, net of related debt.	\$ 4,928,185	\$ 5,767,150	\$ 6,139,198	\$ 6,353,905	\$ 7,433,483
Restricted.....	1,956,085	2,371,521	3,081,829	2,807,189	2,467,827
Unrestricted.....	2,627,462	3,002,495	4,117,675	7,474,027	7,532,763
Total governmental activities net assets.....	<u>\$ 9,511,732</u>	<u>\$ 11,141,166</u>	<u>\$ 13,338,702</u>	<u>\$ 16,635,121</u>	<u>\$ 17,434,073</u>
Business-type activities					
Invested in capital assets, net of related debt.	\$ 5,099,945	\$ 4,918,821	\$ 5,464,882	\$ 6,883,885	\$ 10,759,811
Restricted.....	-	-	-	14,268,649	13,219,635
Unrestricted.....	5,938,500	8,508,689	11,539,480	1,732,433	1,314,871
Total business-type activities net assets.....	<u>\$ 11,038,445</u>	<u>\$ 13,427,510</u>	<u>\$ 17,004,362</u>	<u>\$ 22,884,967</u>	<u>\$ 25,294,317</u>
Primary Government					
Invested in capital assets, net of related debt.	\$ 10,028,130	\$ 10,685,971	\$ 11,604,080	\$ 13,237,790	\$ 18,193,294
Restricted.....	1,956,085	2,371,521	3,081,829	17,075,838	15,687,462
Unrestricted.....	8,565,962	11,511,184	15,657,155	9,206,460	8,847,634
Total primary government net assets.....	<u>\$ 20,550,177</u>	<u>\$ 24,568,676</u>	<u>\$ 30,343,064</u>	<u>\$ 39,520,088</u>	<u>\$ 42,728,390</u>

	2009	2010	2011	2012
Governmental activities				
Invested in capital assets, net of related debt.	\$ 7,047,370	\$ 7,684,621	\$ 21,645,967	\$ 22,995,624
Restricted.....	1,881,686	1,804,340	1,779,908	1,431,855
Unrestricted.....	8,107,120	8,716,070	10,397,712	12,469,802
Total governmental activities net assets.....	<u>\$ 17,036,176</u>	<u>\$ 18,205,031</u>	<u>\$ 33,823,587</u>	<u>\$ 36,897,281</u>
Business-type activities				
Invested in capital assets, net of related debt.	\$ 11,988,584	\$ 13,321,328	\$ 15,221,175	\$ 15,715,267
Restricted.....	1,103,235	733,445	717,391	1,506,768
Unrestricted.....	12,278,887	11,844,420	10,176,572	12,447,030
Total business-type activities net assets.....	<u>\$ 25,370,706</u>	<u>\$ 25,899,193</u>	<u>\$ 26,115,138</u>	<u>\$ 29,669,065</u>
Primary Government				
Invested in capital assets, net of related debt.	\$ 19,035,954	\$ 21,005,949	\$ 36,867,142	\$ 38,710,891
Restricted.....	2,984,921	2,537,785	2,497,299	2,938,623
Unrestricted.....	20,386,007	20,560,490	20,574,284	24,916,832
Total primary government net assets.....	<u>\$ 42,406,882</u>	<u>\$ 44,104,224</u>	<u>\$ 59,938,725</u>	<u>\$ 66,566,346</u>

The City of Pooler implemented GASB 34 for the calendar year ended December 31, 2004.
Information prior to the implementation of GASB 34 is not available.

City of Pooler, Georgia
Changes in Net Assets
Last Nine Calendar Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses									
Governmental activities:									
General government.....	\$ 969,525	\$ 1,002,427	\$ 1,256,912	\$ 1,547,470	\$ 1,546,693	\$ 1,111,240	\$ 679,957	\$ 540,463	\$ 566,316
Public safety.....	2,225,836	2,707,976	3,107,415	3,393,650	3,883,305	4,582,679	4,593,471	5,097,220	5,457,742
Public works.....	2,422,748	2,470,765	2,125,679	2,566,199	3,166,924	2,644,005	2,896,229	3,865,511	3,771,731
Health and welfare.....	82,076	107,704	104,412	140,525	167,869	177,029	189,957	189,121	130,926
Culture and recreation.....	416,141	342,222	930,940	1,453,187	1,539,124	2,091,260	1,763,580	1,292,268	1,327,503
Housing and development.....	513,700	533,939	583,953	554,574	597,580	681,187	649,072	642,942	685,368
Interest on long-term debt.....	42,930	37,455	46,268	178,945	216,665	245,443	230,314	194,278	178,097
Total governmental activities expenses.....	6,672,956	7,202,488	8,155,579	9,834,550	11,118,160	11,532,843	11,002,580	11,821,803	12,117,683
Business-type activities:									
Water and sewer.....	3,216,630	3,021,623	3,716,554	5,043,784	5,923,440	5,899,528	5,435,722	5,682,784	5,627,153
Total business-type activities expense.....	3,216,630	3,021,623	3,716,554	5,043,784	5,923,440	5,899,528	5,435,722	5,682,784	5,627,153
Total primary government expenses.....	\$ 9,889,586	\$ 10,224,111	\$ 11,872,133	\$ 14,878,334	\$ 17,041,600	\$ 17,432,371	\$ 16,438,302	\$ 17,504,587	\$ 17,744,836
Program Revenues									
Governmental activities:									
Charges for services:									
General government.....	\$ 643,227	\$ 686,473	\$ 781,888	\$ 1,038,640	\$ 683,765	\$ 213,935	\$ 385,268	\$ 346,547	\$ 705,618
Public safety.....	470,224	475,618	470,681	712,812	664,769	452,756	534,095	951,699	961,374
Public works.....	766,834	816,135	908,002	1,209,568	1,374,763	937,006	1,067,061	1,242,437	1,292,842
Health and welfare.....	-	-	-	2,926	5,169	4,942	4,368	5,166	8,288
Culture and recreation.....	41,581	34,489	62,389	132,138	107,053	114,391	142,636	148,008	169,237
Operating grants and contributions.....	47,178	90,282	74,696	63,521	74,324	244,329	537,167	308,606	272,515
Capital grants and contributions.....	1,846,195	953,291	1,100,720	64,017	22,339	-	316,245	14,194,386	1,131,865
Total governmental activities program revenues..	3,815,239	3,056,288	3,398,376	3,223,622	2,932,182	1,967,359	2,986,840	17,196,849	4,541,739
Business-type activities - water and sewer:									
Charges for services.....	2,643,935	3,212,285	4,200,773	3,803,287	3,424,339	4,065,215	4,747,291	5,219,905	5,453,942
Capital grants and contributions.....	2,536,061	2,013,056	2,643,057	6,397,249	2,205,867	1,430,242	1,154,287	854,238	3,715,051
Total business type activities program revenues..	5,179,996	5,225,341	6,843,830	10,200,536	5,630,206	5,495,457	5,901,578	6,074,143	9,168,993
Total primary government program revenues.....	\$ 8,995,235	\$ 8,281,629	\$ 10,242,206	\$ 13,424,158	\$ 8,562,388	\$ 7,462,816	\$ 8,888,418	\$ 23,270,992	\$ 13,710,732

(continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2011
Net (Expense)/Revenue									
Governmental activities.....	\$ (2,857,717)	\$ (4,146,200)	\$ (4,757,203)	\$ (6,610,928)	\$ (8,185,978)	\$ (9,565,484)	\$ (8,015,740)	\$ 5,375,046	\$ (7,575,944)
Business-type activities.....	1,963,366	2,203,718	3,127,276	5,156,752	(293,234)	(404,071)	465,856	391,359	3,541,840
Total primary government net expense.....	<u>\$ (894,351)</u>	<u>\$ (1,942,482)</u>	<u>\$ (1,629,927)</u>	<u>\$ (1,454,176)</u>	<u>\$ (8,479,212)</u>	<u>\$ (9,969,555)</u>	<u>\$ (7,549,884)</u>	<u>\$ 5,766,405</u>	<u>\$ (4,034,104)</u>
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes.....	\$ 5,047,497	\$ 5,704,327	\$ 6,831,278	\$ 8,229,697	\$ 8,673,904	\$ 9,002,270	\$ 8,899,057	\$ 10,161,422	\$ 10,545,201
Unrestricted grants, contributions and investment earnings.....	-	-	-	1,487,699	469,178	119,218	209,897	4,467	9,262
Other revenue.....	58,304	71,307	123,461	39,551	36,835	46,099	75,641	77,621	95,175
Transfers.....	-	-	-	2,712	(194,987)	-	-	-	-
Total governmental activities.....	<u>5,105,801</u>	<u>5,775,634</u>	<u>6,954,739</u>	<u>9,759,659</u>	<u>8,984,930</u>	<u>9,167,587</u>	<u>9,184,595</u>	<u>10,243,510</u>	<u>10,649,638</u>
Business-type activities - water and sewer:									
Unrestricted grants, contributions and investment earnings.....	48,525	164,043	436,487	725,011	342,874	65,188	62,631	21,859	18,778
Miscellaneous income (loss).....	10,391	21,304	12,728	1,554	30,079	10,892	-	3,727	(6,691)
Transfers.....	-	-	-	(2,712)	194,987	-	-	-	-
Total business-type activities.....	<u>58,916</u>	<u>185,347</u>	<u>449,215</u>	<u>723,853</u>	<u>567,940</u>	<u>76,080</u>	<u>62,631</u>	<u>25,586</u>	<u>12,087</u>
Total primary government.....	<u>\$ 5,164,717</u>	<u>\$ 5,960,981</u>	<u>\$ 7,403,954</u>	<u>\$ 10,483,512</u>	<u>\$ 9,552,870</u>	<u>\$ 9,243,667</u>	<u>\$ 9,247,226</u>	<u>\$ 10,269,096</u>	<u>\$ 10,661,725</u>
Change in Net Assets									
Governmental activities.....	\$ 2,248,084	\$ 1,629,434	\$ 2,197,536	\$ 3,148,731	\$ 798,952	\$ (397,897)	\$ 1,168,855	\$ 15,618,556	\$ 3,073,694
Business-type activities.....	2,022,282	2,389,065	3,576,491	5,880,605	274,706	(327,991)	528,487	416,945	3,553,927
Total primary government.....	<u>\$ 4,270,366</u>	<u>\$ 4,018,499</u>	<u>\$ 5,774,027</u>	<u>\$ 9,029,336</u>	<u>\$ 1,073,658</u>	<u>\$ (725,888)</u>	<u>\$ 1,697,342</u>	<u>\$ 16,035,501</u>	<u>\$ 6,627,621</u>

(concluded)

The City of Pooler implemented GASB 34 for the calendar year ended December 31, 2004. Information prior to the implementation of GASB 34 is not available.

City of Pooler, Georgia
Fund Balances, Governmental Funds
Last Ten Calendar Years

	2003	2004	2005	2006	2007
General Fund					
Reserved.....	\$ 9,277	\$ 19,822	\$ 10,763	\$ 11,031	\$ 29,323
Unreserved.....	2,100,022	2,201,986	2,389,887	3,449,879	4,917,867
Nonspendable.....	-	-	-	-	-
Committed.....	-	-	-	-	-
Assigned.....	-	-	-	-	-
Unassigned.....	-	-	-	-	-
Total general fund.....	<u>\$ 2,109,299</u>	<u>\$ 2,221,808</u>	<u>\$ 2,400,650</u>	<u>\$ 3,460,910</u>	<u>\$ 4,947,190</u>
All Other Governmental Funds					
Reserved.....	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Capital projects fund.....	1,809,062	1,936,263	2,371,521	3,081,829	3,771,711
Restricted.....	-	-	-	-	-
Total all other governmental funds....	<u>\$ 1,809,062</u>	<u>\$ 1,936,263</u>	<u>\$ 2,371,521</u>	<u>\$ 3,081,829</u>	<u>\$ 3,771,711</u>
<hr/>					
	2008	2009	2010	2011	2012
General Fund					
Reserved.....	\$ 30,716	\$ 29,323	\$ 21,835	\$ -	\$ -
Unreserved.....	6,593,303	7,127,017	7,603,418	-	-
Nonspendable.....	-	-	-	61,454	60,329
Committed.....	-	-	-	2,500,000	2,500,000
Assigned.....	-	-	-	201,592	499,704
Unassigned.....	-	-	-	6,879,213	8,555,806
Total general fund.....	<u>\$ 6,624,019</u>	<u>\$ 7,156,340</u>	<u>\$ 7,625,253</u>	<u>\$ 9,642,259</u>	<u>\$ 11,615,839</u>
All Other Governmental Funds					
Reserved.....	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Capital projects fund.....	2,467,827	1,881,686	1,807,020	-	-
Restricted.....	-	-	-	1,779,908	1,431,855
Assigned.....	-	-	-	-	310,850
Total all other governmental funds....	<u>\$ 2,467,827</u>	<u>\$ 1,881,686</u>	<u>\$ 1,807,020</u>	<u>\$ 1,779,908</u>	<u>\$ 1,742,705</u>

The City implemented GASBS No. 54 in 2011.



City of Pooler, Georgia
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years

	2003	2004	2005	2006
Revenues				
Property taxes.....	\$ 1,304,325	\$ 1,803,823	\$ 1,930,670	\$ 2,581,647
Sales tax.....	1,600,089	1,645,800	1,779,487	2,068,609
Other taxes.....	1,687,930	1,826,482	1,994,619	2,330,773
Licenses and permits.....	256,455	284,639	487,307	539,812
Revenue from other governmental units.....	583,235	823,373	1,038,548	1,171,666
Charges for services.....	725,226	817,693	862,596	983,848
Fines and fees.....	402,119	556,420	479,186	457,982
Miscellaneous.....	97,240	58,304	76,333	127,211
Total revenue.....	<u>6,656,619</u>	<u>7,816,534</u>	<u>8,648,746</u>	<u>10,261,548</u>
Expenditures				
Current:				
General government.....	719,334	953,149	968,759	1,255,820
Public safety.....	1,666,943	2,467,508	2,779,850	3,025,187
Public works.....	1,919,863	2,373,655	2,385,388	2,118,352
Health and welfare.....	92,665	82,076	107,704	104,412
Culture and recreation.....	301,047	431,234	757,349	961,931
Housing and development.....	449,274	513,700	533,939	583,953
Capital outlay.....	1,276,692	555,935	530,298	436,023
Debt service:				
Principal.....	179,157	235,399	196,234	257,406
Interest and other charges.....	36,714	42,930	37,455	46,268
Total expenditures.....	<u>6,641,689</u>	<u>7,655,586</u>	<u>8,296,976</u>	<u>8,789,352</u>
Excess (Deficiency) of revenues over (under) expenditures.....	<u>14,930</u>	<u>160,948</u>	<u>351,770</u>	<u>1,472,196</u>
Other Financing sources (uses)				
Debt issuance.....	424,485	78,762	262,330	298,372
Transfers in.....	263,026	293,748	299,901	352,344
Transfers out.....	(263,026)	(293,748)	(299,901)	(352,344)
Sale of capital assets/insurance recoveries.....	-	-	-	-
Total other financing sources (uses).....	<u>424,485</u>	<u>78,762</u>	<u>262,330</u>	<u>298,372</u>
Net change in fund balances.....	<u>\$ 439,415</u>	<u>\$ 239,710</u>	<u>\$ 614,100</u>	<u>\$ 1,770,568</u>
Debt service as a percentage of noncapital expenditures.....	4.02%	3.92%	3.01%	3.64%

Source: *City records*

Notes: Noncapital expenditures are total expenditures less capital outlay.

2007	2008	2009	2010	2011	2012
\$ 2,904,513	\$ 4,196,569	\$ 4,308,256	\$ 3,836,820	\$ 5,029,345	\$ 4,846,980
2,050,733	1,959,282	1,869,004	1,847,966	1,936,899	2,023,034
2,693,434	2,924,955	2,274,786	2,651,183	3,488,479	3,839,389
770,140	394,361	213,935	385,268	346,547	705,618
1,194,841	413,880	165,698	1,068,642	1,401,466	1,361,761
1,396,361	1,543,393	1,101,490	1,254,534	1,485,890	1,564,953
639,099	604,222	494,960	493,626	861,420	866,788
435,647	188,796	199,221	73,915	83,101	130,133
<u>12,084,768</u>	<u>12,225,458</u>	<u>10,627,350</u>	<u>11,611,954</u>	<u>14,633,147</u>	<u>15,338,656</u>
1,507,524	1,518,529	1,035,720	641,067	525,664	571,536
3,375,217	3,755,882	4,482,007	4,719,860	5,334,415	5,412,682
2,534,746	3,030,270	2,452,616	3,123,455	3,645,751	3,422,650
160,705	162,357	166,244	178,518	186,770	130,695
1,420,464	1,553,582	1,776,898	1,325,487	965,203	1,046,184
569,730	592,310	654,731	627,950	638,730	684,284
4,723,387	1,472,159	268,839	109,677	228,596	1,733,144
342,658	301,776	508,863	358,983	1,021,638	1,426,455
215,404	197,730	222,335	219,120	192,597	176,447
<u>14,849,835</u>	<u>12,584,595</u>	<u>11,568,253</u>	<u>11,304,117</u>	<u>12,739,364</u>	<u>14,604,077</u>
<u>(2,765,067)</u>	<u>(359,137)</u>	<u>(940,903)</u>	<u>307,837</u>	<u>1,893,783</u>	<u>734,579</u>
4,793,541	250,114	877,778	42,281	89,800	1,170,188
346,707	327,838	301,311	281,104	303,281	1,322,853
(346,707)	(327,838)	(301,311)	(281,104)	(303,281)	(1,322,853)
-	-	9,305	44,129	6,311	31,610
<u>4,793,541</u>	<u>250,114</u>	<u>887,083</u>	<u>86,410</u>	<u>96,111</u>	<u>1,201,798</u>
<u>\$ 2,028,474</u>	<u>\$ (109,023)</u>	<u>\$ (53,820)</u>	<u>\$ 394,247</u>	<u>\$ 1,989,894</u>	<u>\$ 1,936,377</u>
5.68%	4.57%	6.79%	5.69%	10.80%	13.02%

City of Pooler, Georgia
 Schedule of Tax Revenues and Franchise Fees
 Last Ten Calendar Years

Calendar Year Ending December 31,	Property Tax	Local Option Sales Tax	Insurance Premium Tax	Occupational Tax	Malt and Alcohol Beverage Tax	Lodging Tax	Utility Franchise Fee	Annual Totals
2003	\$ 1,304,325	\$ 1,600,089	\$ 267,997	\$ 160,253	\$ 232,431	\$ 526,052	\$ 501,197	\$ 4,592,344
2004	1,803,823	1,645,800	290,436	185,585	245,276	587,496	517,689	5,276,105
2005	1,930,670	1,779,487	312,471	199,166	264,880	601,136	616,966	5,704,776
2006	2,581,647	2,068,609	326,923	242,076	315,086	704,688	742,000	6,981,029
2007	2,904,513	2,050,733	341,017	268,500	410,803	693,414	979,700	7,648,680
2008	4,196,569	1,959,282	349,186	289,404	460,411	655,860	1,170,094	9,080,806
2009	4,308,256	1,869,004	345,910	307,689	466,200	602,624	552,363 ⁽¹⁾	8,452,046
2010	3,836,730	1,847,966	335,857	219,640	483,161	562,208	1,050,407	8,335,969
2011	5,029,345	1,936,899	897,746	233,723	504,451	562,892	1,289,667	10,454,723
2012	4,846,980	2,023,034	953,557	231,770	556,223	615,706	1,482,133	10,709,403

Source: *City records*

Table includes general fund and special revenue fund revenues.

⁽¹⁾ The City's franchise fee agreement with Georgia Power was amended in 2009 and the payment schedule changed from quarterly to annually. The City received the 2009 first quarter payment in April of 2009 and did not receive another payment until March 2010. The March 2010 payment represented the last three quarters of calendar year 2009.



City of Pooler, Georgia
 Assessed and Actual Value of Taxable Property
 Last Ten Calendar Years
 (In thousands of dollars)

Calendar Year	Real Property		Personal Property		Utilities and Other Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$ 301,457	\$ 753,643	\$ 71,431	\$ 178,578	\$ 1,515	\$ 3,788
2004	338,435	846,088	78,522	196,305	1,748	4,370
2005	419,499	1,048,748	88,793	221,983	1,831	4,578
2006	527,258	1,318,145	97,774	244,435	1,982	4,955
2007	670,918	1,677,295	117,386	293,465	1,583	3,958
2008	788,988	1,972,470	130,563	326,408	4,046	10,115
2009	821,471	2,053,678	149,589	373,973	4,681	11,703
2010	808,755	2,021,888	147,231	368,078	5,257	13,143
2011	777,266	1,943,165	180,030	450,075	5,604	14,010
2012	799,298	1,998,245	214,411	536,028	6,353	15,883

Source: Chatham County Board of Assessors - Consolidation and Evaluation of Digest

Note: The ratio of total assessed to total estimated value is set at 40% by state law.

Tax rates are per \$1,000 net assessed value.

Total		Ratio of Total Assessed to Total Estimated Value	Total Direct Tax Rate
Assessed Value	Estimated Actual Value		
\$ 374,403	\$ 936,009	40.00%	3.669
418,705	1,046,763	40.00%	4.250
510,123	1,275,309	40.00%	4.071
627,014	1,567,535	40.00%	4.500
789,887	1,974,718	40.00%	4.392
923,597	2,308,993	40.00%	4.500
975,741	2,439,354	40.00%	4.500
961,243	2,403,109	40.00%	4.500
962,900	2,407,250	40.00%	4.500
1,020,062	2,550,156	40.00%	4.635

City of Pooler, Georgia
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years

Tax Year	City of Pooler	Overlapping Rates			Total
	Operating	School District	County	State	
2003	3.669	17.680	10.367	0.250	31.966
2004	4.250	17.600	10.367	0.250	32.467
2005	4.071	17.277	11.037	0.250	32.635
2006	4.500	14.642	10.837	0.250	30.229
2007	4.392	13.795	10.537	0.250	28.974
2008	4.500	13.404	10.537	0.250	28.691
2009	4.500	13.404	10.537	0.250	28.691
2010	4.500	14.131	10.537	0.250	29.418
2011	4.500	14.631	11.109	0.250	30.490
2012	4.635	14.631	11.109	0.200	30.575

Source: Department of Revenue - *Tax Digest Millage Rates*

^a Overlapping rates are those of local and county governments that apply to property owners within the City of Pooler.

City of Pooler, Georgia
Principal Property Taxpayers
Current and Nine Years Ago

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
HASBRO, Inc.	\$ 25,419,348	1	2.50%			
A & B Properties Inc.	9,637,592	2	0.95%			
Courtney Station LLC	9,600,000	3	0.94%			
Towne Lake Investors LLC	9,534,000	4	0.94%			
Mitsubishi Power Systems Americas	8,852,385	5	0.87%			
Mid-America Apartments LP	8,386,560	6	0.82%			
Rolls-Royce North America, Inc.	7,918,957	7	0.78%			
JCB Manufacturing, Inc.	7,882,744	8	0.77%			
Savannah Housing Partners II	7,760,200	9	0.76%			
JCB USA, Inc	6,447,826	10	0.63%	\$ 13,666,830	3	3.65%
Southwest Quadrant Holdings LLC				23,836,000	1	6.37%
Southwest Quadrant Development				14,338,000	2	3.83%
Morgan Tract				6,935,800	4	1.85%
Godley Station Apartments LP				5,800,000	5	1.55%
Walmart Stores, Inc #1-02860				3,992,000	6	1.07%
Godley Station Apartments LP				3,840,600	7	1.03%
Walmart Stores East, Inc				3,828,652	8	1.02%
Foxfield Company				3,561,000	9	0.95%
Robert B. Baker				3,379,000	10	0.90%
Totals	<u>\$ 101,439,612</u>		<u>9.96%</u>	<u>\$ 83,177,882</u>		<u>22.22%</u>

Source: *Chatham County Board of Assessors*

City of Pooler, Georgia
Property Tax Levies and Collections
Last Ten Calendar Years

Calendar Year ⁽¹⁾	Total Tax Levy ⁽²⁾	Collected within the Calendar Year of the Levy		Collections for subsequent years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 1,117,404	\$ 931,708	83.38%	\$ 185,696	\$ 1,117,404	100.00%
2004	1,473,786	1,324,285	89.86%	149,501	1,473,786	100.00%
2005	1,631,884	1,536,648	94.16%	95,236	1,631,884	100.00%
2006	2,388,944	1,984,407	83.07%	401,800	2,386,207	99.89%
2007	2,881,516	1,229,403 ⁽³⁾	42.67%	1,637,741	2,867,144	99.50%
2008	3,592,498	2,952,303	82.18%	535,435	3,487,738	97.08%
2009	3,844,880	3,251,769	84.57%	520,648	3,772,417	98.12%
2010	3,863,904	2,960,033	76.61%	899,639	3,859,672	99.89%
2011	3,883,670	3,468,972	89.32%	402,827	3,871,799	99.69%
2012	4,180,122	3,795,818	90.81%	-	3,795,818	90.81%

Source: *City records.*

⁽¹⁾ Taxes are assessed for the calendar year beginning January 1.

⁽²⁾ The total tax levy includes real property, industrial area, personal property and public utilities. The total tax levy is the original state approved levy after adjustments for cancelations, releases, errors and additions.

⁽³⁾ Collections decreased due to a two week delay in rendering tax bills.

City of Pooler, Georgia
Ratios of Outstanding Debt by Type
Last Ten Calendar Years

Calendar Year	Governmental Activities		Business-type Activities			Total Primary Government	Percentage of Personal Income ^(a)	Per Capita ^(a)
	Contractual Obligations	Capital Leases	Revenue Bonds	GEFA Loans	Capital Leases			
2003	\$ -	\$ 931,754	\$ -	\$ 7,837,609	\$ 199,686	\$ 8,969,049	5.15%	\$ 1,055
2004	-	775,117	-	14,804,691	159,066	15,738,874	7.32%	1,674
2005	-	841,213	-	19,965,404	159,090	20,965,707	8.50%	2,055
2006	-	882,179	-	21,727,035	100,755	22,709,969	8.24%	2,103
2007	4,500,000	833,062	-	21,846,550	170,227	27,349,839	7.82%	2,022
2008	4,500,000	781,400	-	19,915,439	108,405	25,305,244	7.15%	1,874
2009	4,500,000	1,150,315	-	19,302,565	162,628	25,115,508	6.90%	1,860
2010	4,500,000	833,613	-	18,410,739	104,792	23,849,144	6.31%	1,246
2011	3,750,000	651,775	-	17,759,412	51,128	22,212,315	5.60%	1,145
2012	2,550,000	727,365	-	17,429,466	15,940	20,722,771	4.74%	1,006

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^(a) See the Schedule of Demographic and Economic Statistics on page G-18 for personal income and population data.

City of Pooler, Georgia
Ratios of Net General Bonded Debt Outstanding
Last Ten Calendar Years

General Bonded Debt Outstanding

Calendar Year	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2003	\$ -	\$ -	\$ -	0.00%	\$ -
2004	-	-	-	0.00%	-
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-

City of Pooler, Georgia

Direct and Overlapping Governmental Activities Debt

As of December 31, 2012

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^(a)</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt repaid with property taxes:			
Chatham County, Georgia:			
DSA Chatham County Projects Series 2005.....	\$ 11,520,000	9.66%	\$ 1,112,832
Chatham County Public Health Facilities Projects.....	340,000	9.66%	32,844
DSA Chatham County Projects Series 2005A.....	4,950,000	9.66%	478,170
DSA Union Mission Series 2009.....	2,230,000	9.66%	215,418
DSA Union Mission Series 2011.....	2,680,000	9.66%	258,888
Mosquito Control.....	3,903,143	9.66%	377,044
Savannah-Chatham County School Board:			
General Obligation Bonded Debt.....	60,110,000	9.66%	5,806,626
Overlapping other debt:			
Capital leases:			
Chatham County, Georgia.....	57,898	7.59%	4,394
Savannah-Chatham County School Board.....	8,982,003	6.50%	583,830
Subtotal, overlapping debt.....			<u>8,870,046</u>
City of Pooler direct debt.....			<u>3,277,365</u>
Total direct and overlapping debt.....			<u><u>\$ 12,147,411</u></u>

Sources: *Assessed value data used to estimate applicable percentages provided by the Chatham County Board of Assessors; debt outstanding data provided by each governmental unit.*

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Pooler. This process recognizes that, when considering the city's ability to issue and repay long-term-debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

^(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the city's boundaries and dividing it by each unit's total taxable value. For overlapping other debt (County), the percentage of overlapping applicable is estimated using the city's population and dividing it by the county's population. For overlapping other debt (School), the percentage of overlapping applicable is estimated using the city's school enrollment and dividing it by the school district's total enrollment.

City of Pooler, Georgia
Legal Debt Margin Information
Last Ten Calendar Years

	2003	2004	2005	2006	2007
Total assessed value of taxable property.....	\$ 374,402,618	\$ 418,705,433	\$ 510,123,606	\$ 627,014,291	\$ 789,886,671
Less exemptions for bond purposes.....	<u>1,681,838</u>	<u>2,036,066</u>	<u>2,385,817</u>	<u>3,083,620</u>	<u>9,765,842</u>
Net assessed value for bond purposes.....	<u>\$ 372,720,780</u>	<u>\$ 416,669,367</u>	<u>\$ 507,737,789</u>	<u>\$ 623,930,671</u>	<u>\$ 780,120,829</u>
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	\$ 37,272,078	\$ 41,666,937	\$ 50,773,779	\$ 62,393,067	\$ 78,012,083
Total net debt applicable to limit:					
General obligation bonds (net of set aside).....	-	-	-	-	-
Legal debt margin.....	<u>\$ 37,272,078</u>	<u>\$ 41,666,937</u>	<u>\$ 50,773,779</u>	<u>\$ 62,393,067</u>	<u>\$ 78,012,083</u>
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

	2008	2009	2010	2011	2012
Total assessed value of taxable property.....	\$ 923,596,537	\$ 975,740,676	\$ 961,243,027	\$ 962,899,635	\$1,020,061,805
Less exemptions for bond purposes.....	<u>9,872,720</u>	<u>59,624,888</u>	<u>49,495,073</u>	<u>44,586,615</u>	<u>68,033,622</u>
Net assessed value for bond purposes.....	<u>\$ 913,723,817</u>	<u>\$ 916,115,788</u>	<u>\$ 911,747,954</u>	<u>\$ 918,313,020</u>	<u>\$ 952,028,183</u>
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	\$ 91,372,382	\$ 91,611,579	\$ 91,174,795	\$ 91,831,302	\$ 95,202,818
Total net debt applicable to limit:					
General obligation bonds (net of set aside).....	-	-	-	-	-
Legal debt margin.....	<u>\$ 91,372,382</u>	<u>\$ 91,611,579</u>	<u>\$ 91,174,795</u>	<u>\$ 91,831,302</u>	<u>\$ 95,202,818</u>
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

The present constitutional limit on direct general obligation bonds for the City of Pooler is the amount equivalent to 10% of the net assessed valuation of taxable property for debt service (bond) purposes.

The Constitutional debt limitation applies to all general obligation bonds authorized. Additional general obligation bonds may authorized to be issued if so approved by a majority of those voting in an election held for that purpose. The City of Pooler has no general obligation bonds authorized but unissued.

City of Pooler, Georgia
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income ⁽²⁾	Per Capita Personal Income ⁽¹⁾	Unemployment Rate ⁽³⁾
2003	8,500	\$ 174,020,500	\$ 20,473	4.1%
2004	9,400	214,912,200	22,863	3.8%
2005	10,200	246,666,600	24,183	4.6%
2006	10,800	275,529,600	25,512	4.1%
2007	13,526	349,836,464	25,864	4.4%
2008	13,500	353,956,500	26,219	5.4%
2009	13,500	364,000,500	26,963	8.5%
2010	19,141	378,207,019	19,759	9.2%
2011	19,391	396,991,943	20,473	8.7%
2012	20,598	436,924,776	21,212	8.8%

Sources:

- ⁽¹⁾ *www.city-data.com/city/Pooler-Georgia.html*
- ⁽²⁾ *Personal income has been estimated based upon the municipal population and per capita personal income presented.*
- ⁽³⁾ *State Department of Labor*

City of Pooler, Georgia
Principal Employers
Current Year and Five Years Ago

Employer	2012			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wal-Mart	289	1	4.79%	518	1	9.06%
JCB, Inc.	240	2	3.98%	240	2	4.20%
Logan's Roadhouse	141	3	2.34%			
City of Pooler	136	4	2.26%	141	3	2.47%
Cracker Barrel	130	5	2.16%	115	6	2.01%
Sam's Club	121	6	2.01%	122	5	2.13%
The Place at Pooler	106	7	1.76%	108	8	1.89%
Lowe's	104	8	1.72%			
Home Depot	103	9	1.71%	132	4	2.31%
Publix	100	10	1.66%			
Dorsey Tire Company, Inc	100	10	1.66%			
William Bros. Lumber				110	7	1.92%
Piggly Wiggly, Inc.				101	9	1.77%
Longhorn Steakhouse				83	10	1.45%
Total	<u>1,570</u>		<u>26.03%</u>	<u>1,670</u>		<u>29.22%</u>

Source: City records

Beginning in 2011, information presented above is specific to the City of Pooler, Georgia and not the Savannah Metropolitan Service Area as reported prior to 2011. Statistics prior to 2007 are not available.

City of Pooler, Georgia
 Full Time City Employees by Function/Program
 Last Ten Calendar Years

<u>Function/Program</u>	2003	2004	2005	2006	2007
General government.....	14	14	14	16	19
Public safety.....	38	42	45	51	54
Public works.....	30	29	29	32	39
Culture and recreation.....	6	6	5	6	10
Water and sewer services.....	17	18	19	19	19
Total.....	105	109	112	124	141

<u>Function/Program</u>	2008	2009	2010	2011	2012
General government.....	13	10	10	13	13
Public safety.....	55	63	69	70	72
Public works.....	40	35	28	24	23
Culture and recreation.....	10	8	13	11	11
Water and sewer services.....	23	26	19	21	17
Total.....	141	142	139	139	136

Source: *City Personnel Records*

City of Pooler, Georgia
Operating Indicators by Function
Last Ten Calendar Years

	2003	2004	2005	2006	2007
Police:					
Arrests.....	698	705	960	1,060	1,143
Fire:					
Number of emergency calls.....	651	1,079	1,168	1,547	1,754
Inspections.....	-	-	13	166	256
Public works:					
Street resurfacing (miles).....	3.665	2.105	2.086	1.193	1.000
Water:					
New connections.....	368	380	436	778	701
Average daily consumption (gallons).....	705,129	688,000	628,749	676,390	1,755,345
Sewer:					
New connections.....	368	380	436	778	676
Average daily sewage treatment (gallons).....	975,000	1,110,000	1,210,000	1,300,000	1,700,000
<hr/>					
	2008	2009	2010	2011	2012
Police:					
Arrests.....	415	641	601	845	987
Fire:					
Number of emergency calls.....	1,843	2,002	2,241	2,391	2,499
Inspections.....	- ^b	213	724	895	687
Public works:					
Street resurfacing (miles).....	1.820	0.700	-	1.000	1.940
Water:					
New connections.....	362	243	262	272	312
Average daily consumption (gallons).....	1,951,355	2,117,587	2,058,684	2,168,287	2,118,763
Sewer:					
New connections.....	361	243	262	272	312
Average daily sewage treatment (gallons).....	1,750,000	1,750,000	1,617,000	1,401,000	1,812,000

Sources: *City records*

unav - This information is not available.

City of Pooler, Georgia
Capital Asset Statistics by Function
Last Ten Calendar Years

	2003	2004	2005	2006	2007
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	1	2	2	2	2
Public works:					
Streets (miles).....	unav	unav	55.7	71.6	80
Traffic signals.....	2	2	2	3	3
Parks and recreation:					
Parks.....	1	1	1	1	2
Community centers.....	1	1	1	1	1
Water:					
Maximum daily capacity (gallons).....	1,010,000	1,092,000	1,100,000	1,114,000	3,960,000
Wastewater:					
Maximum daily treatment capacity (gallons)....	998,000	2,500,000	2,500,000	2,500,000	3,000,000
	2008	2009	2010	2011	2012
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	2	2	2	2	2
Public works:					
Streets (miles).....	80	81	87	102	102
Traffic signals.....	3	5	7	8	8
Parks and recreation:					
Parks.....	5	5	5	5	5
Community centers.....	1	1	1	1	1
Water:					
Maximum daily capacity (gallons).....	3,900,000	3,900,000	3,697,000	3,697,000	3,697,000
Wastewater:					
Maximum daily treatment capacity (gallons)....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000

Sources: *City records and Georgia Department of Transportation, Office of Transportation*

unav - This information is not available.

^a Began including water purchased from the City of Savannah in 2007.



COMPLIANCE SECTION



KARP, RONNING & TINDOL

CERTIFIED PUBLIC ACCOUNTANTS

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*

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Pooler, 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, each major fund, and the aggregate remaining fund information of City of Pooler, Georgia, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated June 7, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Pooler, 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City'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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Pooler, Georgia's financial statements are free from 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*.

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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Karp, Ronning & Tindol, P.C.

Karp, Ronning & Tindol, P.C.
Savannah, Georgia
June 7, 2013