

**C**OMPREHENSIVE

**A**NNUAL

**F**INANCIAL

**R**EPORT

**City of Pooler, Georgia**

For the Year Ended December 31, 2019

*Prepared by:  
Finance Department*



**CITY OF POOLER, GEORGIA**  
Comprehensive Annual Financial Report  
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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](http://www.pooler-ga.us)**

**Robert H. Byrd, Jr. - City Manager  
Steve Scheer - City Attorney**

**Mayor  
Rebecca C. Benton  
CITY COUNCIL  
Shannon Black  
Aaron Higgins  
Tom Hutcherson  
Stevie E. Wall  
John Wilcher  
Karen Williams**

July 8, 2020

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

The City Manager's office is pleased to present the Comprehensive Annual Financial Report of the City of Pooler for the year ended December 31, 2019. The purpose of this report is to provide City 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.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control 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.

Mauldin & Jenkins, LLC, Certified Public Accountants have issued an unmodified opinion on the City of Pooler's financial statements for the year ended December 31, 2019. 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 in Chatham County, Georgia 10 miles west of the City of Savannah. The City encompasses an area of approximately 29 square miles and has a current estimated population of 25,694.

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), street and drainage maintenance, solid waste collection, recreation, code enforcement, and water and sewer utilities.

The Pooler Development Authority, a legally separate entity, was created by the City to improve the standard of living for all citizens of Pooler by providing financing for affordable housing projects and other similar projects without tax increases to the citizens of Pooler. The Pooler Development Authority is considered a component unit of the City of Pooler and is reported separately within the City's financial statements. Additional information on the Pooler Development Authority can be found in the notes to the financial statements (see note I.B.).

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

## **LOCAL ECONOMY**

Over the past nineteen 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 has more than quadrupled. 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 the quality of life benefits Pooler has to offer has contributed to the growth.

The City of Pooler continues to experience significant growth in residential and commercial development. The total number of new construction permits issued in 2019 remained steady with 2018 but were just below the 10-year and 5-year averages by 13.3% and 10.8% respectively. There are many plans in the works for more development within City Pooler limits, especially commercial development including office complexes, restaurants, and retail establishments.

The City of Pooler has 18 hotels to offer the traveling public on Interstate 95. Annual lodging tax revenues have increased 66.6% over the last five years. The City is anticipating \$1,500,000 in lodging tax revenue in 2020. Local Option Sales Tax (LOST) revenue is the city's largest source of revenue. LOST revenue is expected to be approximately \$7,000,000 in 2020. After the decennial census in 2020, LOST distributions will be renegotiated between Chatham County and the municipalities in the County. The City of Pooler expects to receive a higher distribution as a result of the negotiations due to increasing population and development within the City.



St. Joseph's/Candler opened the first phase of a micro-hospital project in Pooler that will offer a wide range of medical services. The multi-phase project that will be completed over a 10-year period and mainly serve the growing population in west Chatham and nearby counties. The new campus is expected to become a destination center for patients in need of medical services from across the region. The micro-hospital will also house medical offices and offer clinical services. Once completed, the 170,000-square-foot micro hospital will contribute to Pooler's economic development by staffing approximately 100 employees.

The new GBI Crime Lab campus, a combined 66,000-square-foot facility comprised of a three-story forensic crime lab and a one-story morgue, was completed in 2019. The Pooler lab replaces the GBI's existing Coastal Georgia regional crime lab, which was built 30 years ago on Mohawk Street in Savannah to analyze projectiles, drugs and biological samples recovered at crime scenes. The new facility will house up to 60 employees.

Future commercial development plans tentatively include new grocery stores, additional restaurants and retail business at the outlet mall. All these projects will help to stimulate the economy in Pooler, as well as make the city a more attractive place for families to reside.

## **LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES**

Adherence to the City's financial planning, revenue, and expenditure policies has allowed the City to maintain a general fund unassigned fund balance of \$21,284,999 or 93.5% of general fund expenditures. Management believes this balance will be vital to improving the city's ability to deliver services to the growing population of the City of Pooler and as a buffer against unforeseen events.

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. The City of Pooler recently completed approximately \$6,200,000 worth of improvements to the wastewater treatment plant bringing the current treatment capacity of the plant to 3.34 million gallons per day. Planning for the next expansion began in 2019 and is expected to increase the treatment capacity of the plant to 6.223 million gallons per day.

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 the growth. Currently there are six different planned communities within the city 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, multi-family and commercial development is also proposed. 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 planned unit development (PUD) is located on the

north side of Jimmy DeLoach Parkway and consists of a mixture of single-family and multi-family town homes. The 717.5-acre Wynn-Capallo Tract PUD is located on the north and south side of Jimmy DeLoach Parkway. The mixed-use development includes commercial/retail and approximately 764 residential development 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, 2018. This was the eighteenth year the City has achieved this prestigious award. 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 blue ink, appearing to read "Robert H. Byrd, Jr.", is positioned above the printed name.

Robert H. Byrd, Jr.  
City Manager

## CITY OF POOLER, GEORGIA

### List of Principal Officials

December 31, 2019

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Mayor..... Michael F. Lamb

#### City Council Members

Rebecca Benton, Mayor Pro-Tem..... Chair - Streets and Drainage

Bruce Allen..... Chair - Planning and Zoning

Shannon Black..... Chair - Recreation

Larry Olliff..... Chair - Water and Sewer

Mike Royal..... Chair - Public Safety

Stevie E. Wall..... Chair - Finance

City Manager..... Robert H. Byrd, Jr.

Finance Officer..... Christopher T. Lightle

Chief of Police..... Ashley Brown

Chief of Fire..... Wade Simmons

Director of Public Works..... Matt Saxon

Director of Recreation..... Hugh Elton

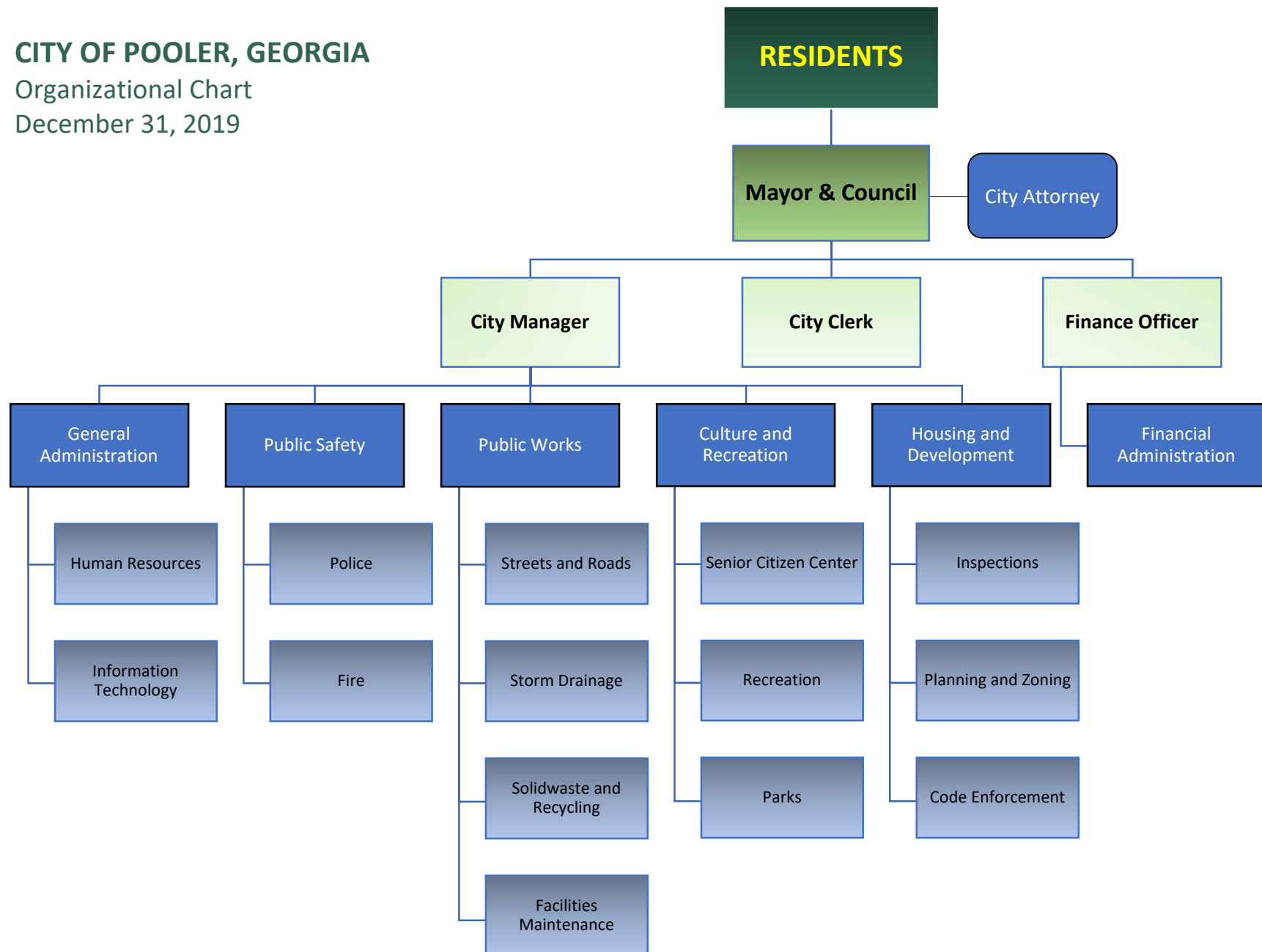
Director of Human Resources..... Caroline Hankins

City Attorney..... Steven E. Scheer

# CITY OF POOLER, GEORGIA

## Organizational Chart

December 31, 2019





Government Finance Officers Association

**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, 2018**

*Christopher P. Morrell*

Executive Director/CEO



## **FINANCIAL SECTION**





## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Pooler, Georgia** (the "City"), as of and for the year ended December 31, 2019, 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.

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pooler, Georgia, as of December 31, 2019, 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 (on pages C - 1 through C - 8), the Budgetary Comparison Schedule – General Fund (on page E -1), the Schedule of Changes in the Net Pension Liability and Related Ratios (on page E - 2), the Retirement Plan Schedule of Contributions (on page E - 3), the Schedule of Changes in the Net OPEB Liability and Related Ratios (on page E - 4), the OPEB Plan Schedule of Contributions (on page E - 5), and the Notes to the Required Supplementary Information (on page E - 6) 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 introductory section, combining and individual nonmajor fund financial statements and schedules, the balance sheet and statement of revenues, expenses, and changes in fund balance for the discretely presented component unit, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of special purpose local option sales tax proceeds is presented for the purpose of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and is not a required part of the basic financial statements.

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The combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax proceeds, and the balance sheet and statement of revenues, expenses, and changes in fund balance for the discretely presented component unit are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax proceeds, and the balance sheet and statement of revenues, expenses, and changes in fund balance for the discretely presented component unit are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2020, on our consideration of the City'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 solely 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 the effectiveness of the City's 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 the City's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Savannah, Georgia  
July 8, 2020



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pooler, Georgia, we offer readers of the City of Pooler Georgia's (the "City") financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages A-1 to A-4 of this report.

### FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$120,747,664 (*net position*). Of this amount, \$37,788,089 represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased \$9,217,856. The increase is related to the continuing significant residential and commercial growth within the City.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$25,225,934 an increase of \$3,119,190 in comparison with the prior year. Approximately 84.4% of this amount (\$21,284,999) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed, assigned, and unassigned components of fund balance*) for the general fund was \$21,660,586, or approximately 95.1% of total general fund expenditures.
- The City's total outstanding long-term debt decreased by \$3,987,091 during the current fiscal year. During 2019 the City did not enter into new capital leases for the financing of machinery and equipment.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**Government-wide Financial Statements.** *The government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the City include water and sewer operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Pooler Development Authority. By appointing the seven members of the Authority's board, Pooler City Council is able to impose its will on the Authority. Financial information for the Authority is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages D-1 thru D-3 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special purpose local option sales tax fund and the capital projects fund, which are considered to be major funds. Data from the other two governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages D-4 thru D-7 of this report.

**Proprietary Funds.** The City maintains an *enterprise fund* to report the same function, water and sewer operations, presented as *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water and sewer fund which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages D-8 thru D-11 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one fiduciary fund to report resources held by the City’s municipal court agency fund.

The municipal court fund information is presented in the statement of fiduciary assets and liabilities on page D-12 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D-13 thru D-36 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City’s general fund budget, the City’s progress in funding its obligation to provide pension and other post-employment benefits to its employees and notes to the required supplementary information. Required supplementary information can be found on pages E-1 thru E-8 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages F-1 thru F-9 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

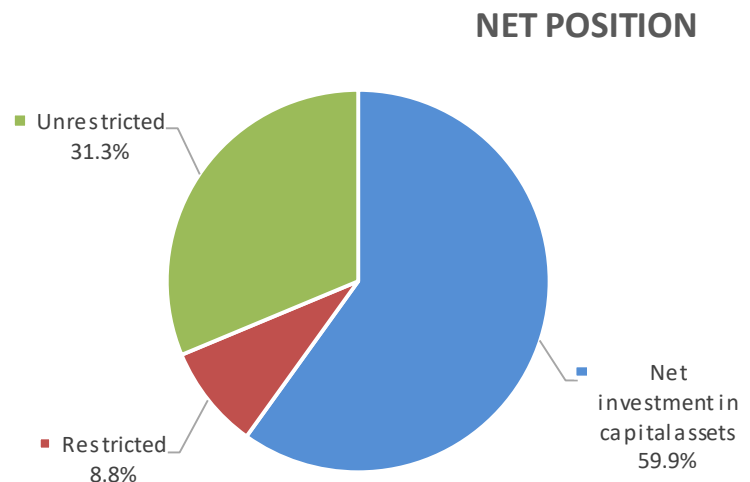
### City of Pooler, Georgia’s Net Position

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The City’s combined net position (government and business-type activities) totaled \$120,747,664 million at December 31, 2019.

The following table presents a summary of the City’s net position at December 31, 2019:

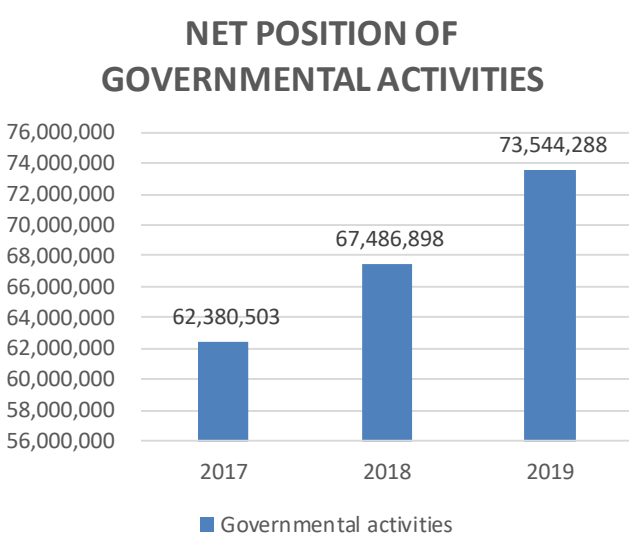
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current assets.....	\$ 28,766,199	\$ 25,324,085	\$ 27,842,324	\$ 25,189,424	\$ 56,608,523	\$ 50,513,509
Capital assets, net.....	67,461,300	67,723,165	40,492,442	41,899,672	107,953,742	109,622,837
Noncurrent assets.....	471,554	-	31,773	-	503,327	-
Total assets.....	96,699,053	93,047,250	68,366,539	67,089,096	165,065,592	160,136,346
Deferred outflows	4,194,279	3,210,361	552,546	486,992	4,746,825	3,697,353
Current liabilities.....	2,070,177	2,026,726	1,024,693	1,052,557	3,094,870	3,079,283
Noncurrent liabilities..	24,094,385	25,562,880	20,529,883	22,319,780	44,624,268	47,882,660
Total liabilities.....	26,164,562	27,589,606	21,554,576	23,372,337	47,719,138	50,961,943
Deferred inflows	1,184,482	1,181,107	161,133	160,841	1,345,615	1,341,948
Net position:						
Net investment in capital assets.....	51,230,892	49,007,232	21,110,199	20,676,283	72,341,091	69,683,515
Restricted.....	2,998,652	1,543,752	7,619,832	7,344,974	10,618,484	8,888,726
Unrestricted.....	19,314,744	16,935,914	18,473,345	16,021,653	37,788,089	32,957,567
Total net position.....	\$ 73,544,288	\$ 67,486,898	\$ 47,203,376	\$ 44,042,910	\$ 120,747,664	\$ 111,529,808

By far, the largest portion of the City’s net position (59.9%) reflects 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 position (31.3%) reflects unrestricted 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 position. The remaining balance of total net position 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 and future expansion of the City’s wastewater treatment plant.



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

The City’s overall net position increased \$9,217,856 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.



**Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$6,057,390 and represents a \$950,995 (11.4%) increase over the prior year increase of \$5,106,395. While expenses for governmental activities decreased \$47,255 (0.2%) total revenues increased \$903,740 (3.2%). The City continues to experience increases in revenues associated with the residential and commercial growth within the City. The City’s largest “own source” revenue, sales and use tax revenues, increased \$672,481 (7.4%) over the prior fiscal year. The City’s second largest “own source” revenue, property taxes, increased \$453,943 (7.7%) over the prior fiscal year.



**Business-type Activities.** During the current fiscal year, net position for business-type activities increased \$3,160,466 and represents a \$101,163 (3.1%) decrease over the prior year increase of \$3,261,629. New utility customers, consumption audits and annual rate increases resulted in an increase of \$1,009,349 (12.8%) in charges for services. In addition, higher interest rates earned by the City's cash deposits provided approximately \$307,000 of additional interest income. The increase in charges for services and interest income was over shadowed by the decline in grants and contributions of \$1,857,595 (51.2%) compared to the prior year. A significant portion of grants and contributions reported in the business-type activities is derived from residential and commercial growth and is restricted to debt service and future expansion of the City's waste water treatment plant. The decline in grants and contributions was expected since several development loans were paid in full in 2018.

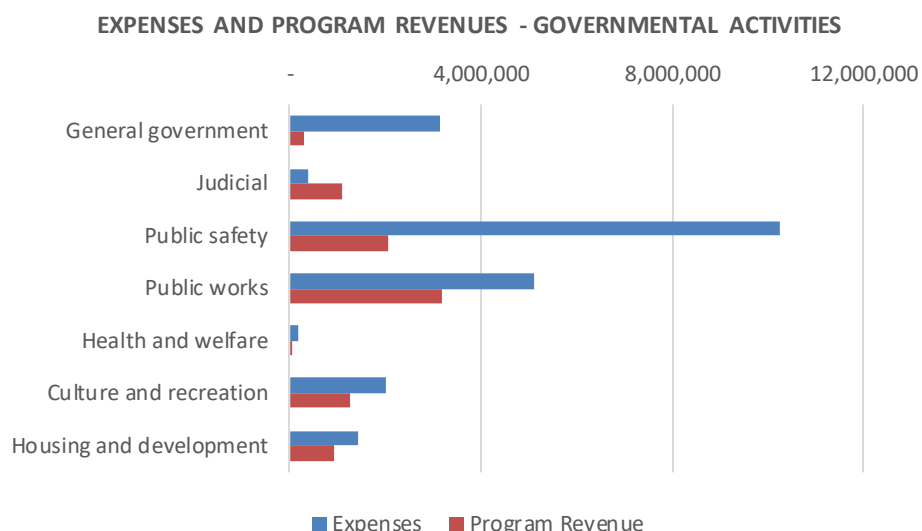
### City of Pooler Georgia's Changes in Net Position

The following table presents a summary of the changes in net position for the year ended December 31, 2019:

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services.....	\$ 4,639,737	\$ 5,294,308	\$ 8,898,474	\$ 7,889,125	\$ 13,538,211	\$ 13,183,433
Operating grants.....	458,221	675,736	-	-	458,221	675,736
Capital grants.....	3,808,089	3,498,415	1,772,991	3,630,586	5,581,080	7,129,001
General Revenues:						
Property taxes.....	6,357,718	5,903,775	-	-	6,357,718	5,903,775
Sales and use taxes.....	9,800,625	9,128,144	-	-	9,800,625	9,128,144
Franchise fees.....	1,893,549	1,830,632	-	-	1,893,549	1,830,632
Business taxes.....	1,822,345	1,703,300	-	-	1,822,345	1,703,300
Other.....	326,241	168,475	372,644	65,844	698,885	234,319
Total revenues.....	29,106,525	28,202,785	11,044,109	11,585,555	40,150,634	39,788,340
Expenses:						
General government.....	3,136,388	2,606,081	-	-	3,136,388	2,606,081
Judicial.....	389,773	-	-	-	389,773	-
Public safety.....	10,268,378	10,283,565	-	-	10,268,378	10,283,565
Public works.....	5,133,417	5,950,846	-	-	5,133,417	5,950,846
Health and welfare.....	184,825	160,156	-	-	184,825	160,156
Culture and recreation.....	2,017,129	2,260,443	-	-	2,017,129	2,260,443
Housing and development.....	1,459,165	1,318,187	-	-	1,459,165	1,318,187
Interest on long-term debt.....	460,060	517,112	-	-	460,060	517,112
Water and sewer.....	-	-	7,883,643	8,323,926	7,883,643	8,323,926
Total expenses.....	23,049,135	23,096,390	7,883,643	8,323,926	30,932,778	31,420,316
Change in net position.....	6,057,390	5,106,395	3,160,466	3,261,629	9,217,856	8,368,024
Net position - January 1.....	67,486,898	62,380,503	44,042,910	40,781,281	111,529,808	103,161,784
Net position - ending.....	\$ 73,544,288	\$ 67,486,898	\$ 47,203,376	\$ 44,042,910	\$ 120,747,664	\$ 111,529,808

For the current fiscal year, charges for services was the City's largest source of revenue (33.7%) and includes water and sewer fees, solid waste collection fees, and police fine revenue. The second largest source of revenue (24.4%) was sales tax revenue. The City reported a marginal increase in total City revenues of \$362,294 (0.9%). The combined increases in property taxes, sales and use taxes, charges for services, and interest income accounted for an increase of \$1,945,768 (6.8%) but was offset by the decline in grants and contributions of \$1,547,921 (21.7%).

Governmental expenses totaled \$23,049,135 for the fiscal year. Of the expenses, 44.5%, or \$10,268,378, are related to public safety, while public works accounted for \$5,133,417, or 22.3%. General government activities accounted for the third highest with 13.6%, General government activities include administration, legal, IT, human resources, and government buildings.



## FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

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

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

At December 31, 2019, the City governmental funds reported combined fund balances of \$25,225,934, an increase of \$3,119,190 in comparison with the prior year. Approximately 84.4% of this amount (\$21,284,999) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$566,696), 2) restricted for particular purposes (\$2,998,652), or 3) committed for particular purposes (\$375,587).

The **general fund** is the chief operating fund of the City. At December 31, 2019, unassigned fund balance of the general fund was \$21,284,999, while total fund balance was \$22,227,282. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 93.5% of total general fund expenditures, while total fund balance represents approximately 97.6% of that same amount.

The fund balance of the City's general fund increased by \$1,708,504 during the 2019 fiscal year. As discussed earlier in connection with governmental activities, the increase was due to unanticipated increase in revenues associated with the residential and commercial growth within the City.

The **special purpose local option sales tax capital projects fund** (SPLOST), a major fund, had an increase in fund balance during the current fiscal year of \$1,410,701 ending the year with a fund balance of \$2,943,258. The entire fund balance is restricted for approved SPLOST capital projects. In 2019, SPLOST funds were used for debt service on five fire trucks purchased in 2017 as well as the police department portion of the new municipal building.

The City's **capital projects fund**, a major fund, was established in 2012 to account for construction costs of the City's municipal complex and other non-SPLOST construction projects. The City's municipal complex was completed in 2017. In 2018, all other non-SPLOST construction projects previously reported in the capital projects fund were completed. The capital projects fund was dormant during 2019 and closed at year-end.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

*Original budget compared to final budget.* Budget amendments are approved throughout the year to more accurately reflect the ongoing changes and to abide by state laws. The City's original budget was adopted on December 17, 2018. Budget amendments resulted in a net increase in appropriations of \$1,862,200 (8.6%) and was mostly due to an unplanned purchase of property, emergency repairs, infrastructure projects and the threat posed by Hurricane Dorian. The increase in appropriations was offset by budget increases of \$1,240,000 (7.7%), \$138,500 (19.6%), and \$153,000 (5.0%) to tax revenue, licenses and permits, and investment income respectively.

*Final budget compared to actual results.* Major sources of unplanned revenue were as follows:

- Tax revenue exceeded the budgeted amount by \$608,939. Better than expected revenue from property taxes (\$275,700), motor vehicle title ad valorem taxes (\$101,500), local option sales tax (\$112,700) and insurance premium taxes (\$130,500) contributed to the higher than planned tax revenue.
- Investment income exceeded budgeted revenue by \$106,852. During 2019 management negotiated for, and received, a higher interest rate on the City's cash deposits.

Total general fund revenues were \$23,567,792 exceeding the final budgeted amount of \$22,728,500 by \$839,292. Total overall general fund expenditures were less than the amount budgeted by \$815,480. The excess revenues combined with expenditures being less than budgeted accounts for the general fund's increase in fund equity of \$1,708,504.

## **CAPITAL ASSETS**

The statement of net position 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, 2019, the City's capital assets net of depreciation for both governmental activities and business-type activities totaled \$107,953,742. Capital assets include assets donated and purchased, land, buildings, system improvements and machinery and equipment. Capital assets, net of depreciation decreased \$1,669,095 from what was reported at the end of 2018.

Major capital asset events during the year included the following:

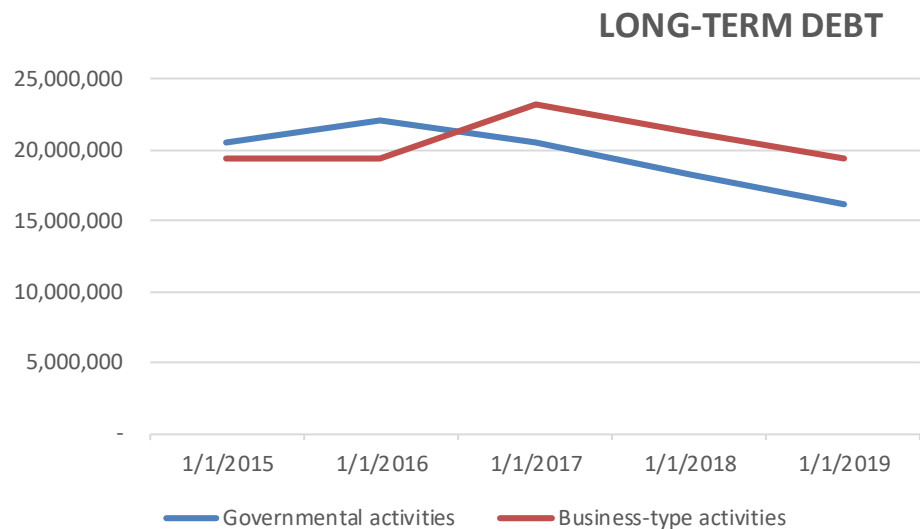
- The City purchased property on Collins Street for \$188,909.
- The City spent \$1,002,015 on Quacco Canal and Old Town Pooler drainage improvements. The drainage improvements accounted for the majority of the increases in construction in progress of governmental activities.
- Rogers Street signalization improvements were completed in 2019.
- The City purchased seventeen new vehicles in 2019 totaling \$797,547. The City did not incur any new debt for the purchase of these vehicles which included a new pumper truck for the fire department.
- Progress continued on the City's water and sewer infrastructure with \$340,153 being spent on lift station upgrades, planning for the next waste water treatment plant upgrade, Pine Barren water main extension, and the Savannah Quarters master pump station.

Additional information on the City's capital assets can be found in Note 2D on page D-22 to D-23.

## DEBT ADMINISTRATION

The City reduced its total debt by \$3,987,091 in 2019. Governmental activities debt decreased by \$2,145,945 and Business-type debt decreased \$1,841,146. Total reduction of GEFA long-term debt was \$1,775,822.

Additional information on the City's debt and other long-term liabilities can be found in Note 2G on pages D-25 through D-26.



## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City adopted the 2020 general fund budget of \$22,751,000 on December 16, 2019. The 2020 budget represents a 0.1% decrease when compared to the 2019 final budget. Budgeted appropriations in all departments in 2020 remain relatively stable from 2019. The following economic factors currently affect the City of Pooler and were considered in developing the 2020 budget:

- A property tax millage rate reduction of 1.2%,
- An increase in user charges on the City's current fee schedule,
- Expected increases in health insurance premiums, as well as pension and other post-employment benefit costs, and
- The City's population is approaching 26,000, a 34.2% increase over the 2010 census count.

## 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.

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



# CITY OF POOLER, GEORGIA

## Statement of Net Position

December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Pooler Development Authority
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 23,492,719	\$ 19,672,525	\$ 43,165,244	\$ 145,030
Receivables.....	3,521,130	1,146,953	4,668,083	-
Internal balances.....	653,817	(653,817)	-	-
Prepaid.....	751,231	56,831	808,062	-
Restricted assets				
Cash and cash equivalents.....	347,302	7,619,832	7,967,134	-
Capital assets				
Land and construction in progress.....	7,907,375	864,360	8,771,735	-
Other capital assets, net of depreciation.....	59,553,925	39,628,082	99,182,007	-
Net OPEB asset.....	471,554	31,773	503,327	-
Total assets.....	<u>96,699,053</u>	<u>68,366,539</u>	<u>165,065,592</u>	<u>145,030</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related.....	3,484,626	505,290	3,989,916	-
OPEB related.....	709,653	47,256	756,909	-
Total deferred outflows of resources.....	<u>4,194,279</u>	<u>552,546</u>	<u>4,746,825</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable.....	956,047	585,746	1,541,793	-
Salaries and wages payable.....	467,313	27,822	495,135	-
Contracts and retainage payable.....	76,133	-	76,133	-
Accrued interest.....	208,408	63,229	271,637	-
Unearned revenue.....	14,974	51,649	66,623	-
Deposits payable.....	347,302	296,247	643,549	-
Long-term liabilities				
Due within one year.....	2,589,575	1,868,636	4,458,211	-
Due in more than one year.....	14,133,061	17,568,542	31,701,603	-
Net pension liability.....	7,371,749	1,092,705	8,464,454	-
Total liabilities.....	<u>26,164,562</u>	<u>21,554,576</u>	<u>47,719,138</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related.....	607,706	123,062	730,768	-
OPEB related.....	576,776	38,071	614,847	-
Total deferred outflows of resources.....	<u>1,184,482</u>	<u>161,133</u>	<u>1,345,615</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets.....	51,230,892	21,110,199	72,341,091	-
Restricted for				
Capital projects and future expansion.....	2,943,258	6,596,327	9,539,585	-
Public safety.....	55,394	-	55,394	-
Debt service.....	-	1,023,505	1,023,505	-
Unrestricted.....	19,314,744	18,473,345	37,788,089	145,030
Total net position.....	<u>\$ 73,544,288</u>	<u>\$ 47,203,376</u>	<u>\$ 120,747,664</u>	<u>\$ 145,030</u>

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

# CITY OF POOLER, GEORGIA

## Statement of Activities

For the Year Ended December 31, 2019

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government.....	\$ 3,136,388	\$ 292,501	\$ 5,000	\$ -
Judicial.....	389,773	1,114,409	-	-
Public safety.....	10,268,378	68,541	187,524	1,805,795
Public works.....	5,133,417	1,922,117	254,742	1,034,903
Health and welfare.....	184,825	1,993	10,469	-
Culture and recreation.....	2,017,129	306,795	486	967,391
Housing and development.....	1,459,165	933,381	-	-
Interest on long-term debt.....	460,060	-	-	-
Total governmental activities.....	23,049,135	4,639,737	458,221	3,808,089
Business-type activities:				
Water and sewer.....	7,883,643	8,898,474	-	1,772,991
Total business-type activities.....	7,883,643	8,898,474	-	1,772,991
Total.....	\$ 30,932,778	\$ 13,538,211	\$ 458,221	\$ 5,581,080
Component Unit				
Pooler Development Authority.....	\$ 481	\$ -	\$ -	\$ -
General revenues:				
Taxes:				
Property taxes.....				
Sales and use taxes.....				
Selective sales and use taxes.....				
Franchise fees.....				
Business taxes.....				
Unrestricted investment earnings.....				
Miscellaneous.....				
Total general revenues.....				
Change in net position.....				
Net position - beginning.....				
Net position - ending.....				

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



Net (Expense) Revenue and Changes in Net Position			Component Unit
Primary Government			
Governmental Activities	Business- Type Activities	Total	Pooler Development Authority
\$ (2,838,887)	\$ -	\$ (2,838,887)	
724,636	-	724,636	
(8,206,518)	-	(8,206,518)	
(1,921,655)	-	(1,921,655)	
(172,363)	-	(172,363)	
(742,457)	-	(742,457)	
(525,784)	-	(525,784)	
(460,060)	-	(460,060)	
(14,143,088)	-	(14,143,088)	
-	2,787,822	2,787,822	
-	2,787,822	2,787,822	
(14,143,088)	2,787,822	(11,355,266)	
			\$ (481)
6,357,718	-	6,357,718	-
7,376,022	-	7,376,022	-
2,424,603	-	2,424,603	-
1,893,549	-	1,893,549	-
1,822,345	-	1,822,345	-
300,001	372,644	672,645	564
26,240	-	26,240	-
20,200,478	372,644	20,573,122	564
6,057,390	3,160,466	9,217,856	83
67,486,898	44,042,910	111,529,808	144,947
\$ 73,544,288	\$ 47,203,376	\$ 120,747,664	\$ 145,030



## **FUND FINANCIAL STATEMENTS**



# CITY OF POOLER, GEORGIA

## Balance Sheet

### Governmental Funds

December 31, 2019

	General	Special Purpose Local Option Sales Tax Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 20,974,608	\$ 2,418,573	\$ 44,768	\$ 54,770	\$ 23,492,719
Receivables.....	2,866,885	524,685	-	129,560	3,521,130
Due from other funds.....	703,946	-	-	624	704,570
Prepaid items.....	566,696	184,535	-	-	751,231
Restricted cash and cash equivalents.....	347,302	-	-	-	347,302
Total assets.....	<u>\$ 25,459,437</u>	<u>\$ 3,127,793</u>	<u>\$ 44,768</u>	<u>\$ 184,954</u>	<u>\$ 28,816,952</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities					
Accounts payable.....	\$ 647,313	\$ 184,535	\$ -	\$ 124,199	\$ 956,047
Salaries and wages payable.....	467,313	-	-	-	467,313
Due to other funds.....	624	-	44,768	5,361	50,753
Unearned revenue.....	14,974	-	-	-	14,974
Customer deposits payable.....	347,302	-	-	-	347,302
Total liabilities.....	<u>1,477,526</u>	<u>184,535</u>	<u>44,768</u>	<u>129,560</u>	<u>1,836,389</u>
Deferred inflows of resources					
Unavailable revenue - property taxes.....	216,855	-	-	-	216,855
Unavailable revenue - franchise fees.....	1,537,774	-	-	-	1,537,774
Total deferred inflows of resources.....	<u>1,754,629</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,754,629</u>
Combined liabilities and deferred inflows of resources.....	<u>3,232,155</u>	<u>184,535</u>	<u>44,768</u>	<u>129,560</u>	<u>3,591,018</u>
Fund balances					
Nonspendable.....	566,696	-	-	-	566,696
Restricted.....	-	2,943,258	-	55,394	2,998,652
Committed.....	375,587	-	-	-	375,587
Unassigned.....	21,284,999	-	-	-	21,284,999
Total fund balances.....	<u>22,227,282</u>	<u>2,943,258</u>	<u>-</u>	<u>55,394</u>	<u>25,225,934</u>
Total liabilities, deferred inflows of resources and fund balances.....	<u>\$ 25,459,437</u>	<u>\$ 3,127,793</u>	<u>\$ 44,768</u>	<u>\$ 184,954</u>	<u>\$ 28,816,952</u>

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

# CITY OF POOLER, GEORGIA

## Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

December 31, 2019

Total Governmental Fund Balances.....		\$ 25,225,934
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets.....	\$ 84,519,246	
Less: accumulated depreciation.....	<u>(17,057,946)</u>	67,461,300
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds balance sheet.		
Property taxes.....	216,855	
Franchise fees.....	1,537,774	
Net OPEB asset.....	<u>471,554</u>	2,226,183
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.		
Retainage payable.....	(76,133)	
Certificates of participation.....	(14,195,000)	
Capital leases.....	(1,959,275)	
Accrued interest.....	(208,408)	
Compensated absences.....	(568,361)	
Net pension liability.....	<u>(7,371,749)</u>	(24,378,926)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund financial statements.		
Deferred outflows of resources related to pensions and other postemployment benefits.....		4,194,279
Deferred inflows of resources related to pensions and other post employment benefits.....		<u>(1,184,482)</u>
Net Position of Governmental Activities.....		<u><u>\$ 73,544,288</u></u>

# CITY OF POOLER, GEORGIA

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

For the Year Ended December 31, 2019

	General	Special Purpose Local Option Sales Tax Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes.....	\$ 18,037,939	\$ -	\$ -	\$ 1,684,278	\$ 19,722,217
Licenses and permits.....	1,015,375	-	-	-	1,015,375
Intergovernmental.....	401,148	3,611,782	-	-	4,012,930
Charges for services.....	2,678,630	-	-	-	2,678,630
Fines and forfeitures.....	919,640	-	-	46,118	965,758
Investment earnings.....	299,852	21,307	-	149	321,308
Contributions and donations.....	185,955	-	-	-	185,955
Miscellaneous.....	29,253	-	-	-	29,253
Total revenues.....	<u>23,567,792</u>	<u>3,633,089</u>	<u>-</u>	<u>1,730,545</u>	<u>28,931,426</u>
<b>EXPENDITURES</b>					
Current					
General government.....	3,008,202	-	-	-	3,008,202
Judicial.....	396,675	-	-	-	396,675
Public safety.....	10,595,714	-	-	2,068	10,597,782
Public works.....	5,752,441	-	-	-	5,752,441
Health and welfare.....	186,064	-	-	-	186,064
Culture and recreation.....	1,738,541	-	-	-	1,738,541
Housing and development.....	682,843	-	-	842,139	1,524,982
Debt Service					
Principal.....	356,789	1,789,156	-	-	2,145,945
Interest.....	51,451	433,232	-	-	484,683
Total expenditures.....	<u>22,768,720</u>	<u>2,222,388</u>	<u>-</u>	<u>844,207</u>	<u>25,835,315</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>799,072</u>	<u>1,410,701</u>	<u>-</u>	<u>886,338</u>	<u>3,096,111</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in.....	886,353	-	-	-	886,353
Transfers out.....	-	-	(44,214)	(842,139)	(886,353)
Sale of general capital assets.....	10,313	-	-	-	10,313
Insurance recoveries.....	12,766	-	-	-	12,766
Total other financing sources (uses)	<u>909,432</u>	<u>-</u>	<u>(44,214)</u>	<u>(842,139)</u>	<u>23,079</u>
Net changes in fund balances.....	1,708,504	1,410,701	(44,214)	44,199	3,119,190
Fund balances at beginning of year.....	20,518,778	1,532,557	44,214	11,195	22,106,744
Fund balances at end of year.....	<u>\$ 22,227,282</u>	<u>\$ 2,943,258</u>	<u>\$ -</u>	<u>\$ 55,394</u>	<u>\$ 25,225,934</u>

*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, 2019

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Net change in Fund Balances - Total Governmental Funds.....	\$	3,119,190
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Amounts reported for governmental activities in the statement of activities are different because:

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, dispositions and changes in retainage payable in the current period.

Capital outlays.....	\$	2,013,649	
Depreciation expense.....		(2,170,574)	
Dispositions.....		(104,940)	
(Increase) decrease in retainage payable.....		<u>102,830</u>	(159,035)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred inflows of resources at December 31, 2019.....	1,754,629		
Deferred inflows of resources at December 31, 2018.....	<u>1,602,609</u>		152,020

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Certificates of participation.....	1,105,000		
Capital leases.....	<u>1,040,945</u>		2,145,945

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.

(Increase) decrease in compensated absences.....	(99,338)		
(Increase) decrease in accrued interest.....	24,623		
(Increase) decrease in the net pension liability.....	(921,541)		
(Increase) decrease in the net OPEB liability.....	814,983		
Increase (decrease) in deferred outflows related to pensions and OPEB.....	983,918		
(Increase) decrease in deferred inflows related to pensions and OPEB.....	<u>(3,375)</u>		799,270

Change in Net Position of Governmental Activities.....	\$	<u><u>6,057,390</u></u>
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# CITY OF POOLER, GEORGIA

## Statement of Net Position Water and Sewer Enterprise Fund December 31, 2019

ASSETS	
Current assets:	
Cash and cash equivalents.....	\$ 19,376,278
Accounts receivable - net.....	1,146,953
Prepaid items.....	56,831
Restricted cash and cash equivalents.....	296,247
Total current assets.....	<u>20,876,309</u>
Noncurrent assets	
Restricted cash and cash equivalents:	
Water and sewer system expansion.....	6,596,327
GEFA debt escrow.....	1,023,505
Capital assets:	
Land, improvements, and construction in progress.....	864,360
Other capital assets, net of depreciation.....	39,628,082
Net OPEB asset.....	31,773
Total noncurrent assets.....	<u>48,144,047</u>
Total assets.....	<u>69,020,356</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related.....	505,290
OPEB related.....	47,256
Total deferred outflows of resources.....	<u>552,546</u>
LIABILITIES	
Current liabilities:	
Accounts payable.....	585,746
Salaries and wages payable.....	27,822
Compensated absences.....	46,695
Due to other funds.....	653,817
Accrued interest.....	63,229
Unearned revenue.....	51,649
Customer deposits payable.....	296,247
Notes and loans payable.....	1,821,941
Total current liabilities.....	<u>3,547,146</u>
Noncurrent liabilities:	
Notes and loans payable.....	17,560,302
Compensated absences.....	8,240
Net pension liability.....	1,092,705
Total noncurrent liabilities.....	<u>18,661,247</u>
Total liabilities.....	<u>22,208,393</u>
(continued)	

# CITY OF POOLER, GEORGIA

## Statement of Net Position Water and Sewer Enterprise Fund December 31, 2019

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DEFERRED INFLOWS OF RESOURCES	
Pension related.....	123,062
OPEB related.....	38,071
Total deferred inflows of resources.....	<u>161,133</u>
NET POSITION	
Net investment in capital assets.....	21,110,199
Restricted for future expansion.....	6,596,327
Restricted for debt service.....	1,023,505
Unrestricted.....	18,473,345
Total net position.....	<u>\$ 47,203,376</u>
	(concluded)

# CITY OF POOLER, GEORGIA

## Statement of Revenues, Expenses, and Changes in Fund Net Position

### Water and Sewer Enterprise Fund

For the Year Ended December 31, 2019

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OPERATING REVENUES	
Water fees.....	\$ 4,039,341
Sewer fees.....	4,859,133
Total operating revenues.....	<u>8,898,474</u>
OPERATING EXPENSES	
<u>Sewer and Wastewater Treatment Plant</u>	
Purchased and contracted services.....	1,771,250
Materials and supplies.....	1,014,522
Depreciation.....	<u>1,441,218</u>
Sewer and Wastewater Treatment Plant operating expenses.....	<u>4,226,990</u>
<u>Water</u>	
Personnel services and employee benefits.....	795,695
Purchased and contracted services.....	364,153
Materials and supplies.....	1,580,193
Depreciation.....	<u>404,210</u>
Water operating expenses.....	<u>3,144,251</u>
Total operating expenses.....	<u>7,371,241</u>
Operating income (loss).....	<u>1,527,233</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income.....	372,644
Interest expense.....	<u>(512,402)</u>
Total nonoperating revenues (expenses).....	<u>(139,758)</u>
Income (loss) before capital contributions.....	<u>1,387,475</u>
CAPITAL CONTRIBUTIONS	
Tap fees.....	391,318
Capital cost recovery charges.....	<u>1,381,673</u>
Total capital contributions.....	<u>1,772,991</u>
Change in net position.....	3,160,466
Net position, beginning of year, as restated.....	<u>44,042,910</u>
Net position, end of year.....	<u>\$ 47,203,376</u>

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

# CITY OF POOLER, GEORGIA

## Statement of Cash Flows

### Water and Sewer Enterprise Fund

For the Year Ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers.....	\$ 8,869,349
Cash payments to suppliers for goods and services.....	(4,279,566)
Cash payments to employees for services.....	(858,418)
Net cash provided (used) by operating activities.....	<u>3,731,365</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal payments on debt.....	(1,841,146)
Interest payments on debt.....	(518,549)
Tap fees.....	391,318
Capital cost recovery proceeds.....	1,381,673
Acquisitions and construction of capital assets.....	(438,198)
Net cash provided (used) by capital and related financing activities.....	<u>(1,024,902)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned on cash and investments.....	372,644
Net cash provided (used) by investing activities.....	<u>372,644</u>
Net increase (decrease) in cash and cash equivalents.....	3,079,107
Cash and cash equivalents, beginning of year.....	24,213,250
Cash and cash equivalents, end of year.....	<u>\$ 27,292,357</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss).....	\$ 1,527,233
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation.....	1,845,428
Change in assets and liabilities:	
Decrease (increase) in accounts receivables.....	(38,117)
Decrease (increase) in prepaid expenses.....	(8,732)
(Decrease) increase in accounts payable and accrued liabilities.....	(70,734)
(Decrease) increase in interfund payable.....	473,056
(Decrease) increase in customer deposits payable.....	3,231
Total adjustments.....	<u>2,204,132</u>
Net cash provided (used) by operating activities.....	<u>\$ 3,731,365</u>

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

# CITY OF POOLER, GEORGIA

## Statement of Fiduciary Assets and Liabilities

### Fiduciary Fund

December 31, 2019

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	Municipal Court Fund
ASSETS	
Cash and cash equivalents.....	\$ 297,211
Total assets.....	<u>\$ 297,211</u>
LIABILITIES	
Due to others.....	<u>\$ 297,211</u>
Total liabilities.....	<u>\$ 297,211</u>

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



## **NOTES TO THE FINANCIAL STATEMENTS**





**CITY OF POOLER, GEORGIA**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

**B. Reporting Entity**

The City of Pooler, Georgia (government) is a municipal corporation governed by an elected mayor and six-member governing council (council). The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Currently, the City has no blended component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

**Discretely presented component unit** – Pooler Development Authority (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 can 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.

**C. Joint Ventures**

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The government participates in the following joint venture:

*Coastal Regional Commission* – Under Georgia law, the City, in conjunction with other governments in the region, is a member of the Coastal Regional Commission (RC) is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of an RC in Georgia. The RC 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 the RC. Management believes that the RC 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

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**D. Basis of Presentation – Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds, while the business-type activities incorporate data from the government's enterprise fund. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Pooler Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and programs revenues reported for the various functions concerned.

**E. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary fund. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *special purpose local option sales tax (SPLOST) fund* is used to account for 1% sales tax proceeds restricted for the acquisition or construction of specific capital projects as authorized by local referendum.

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

The government reports the following major enterprise fund:

The *water and sewer fund* accounts for water and sewer services provided to the residents of the government. 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 government 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, 2019**

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During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e. governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between funds included in business-type activities (i.e. enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**F. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded 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 (30) days of the end of the current fiscal period. 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, sanitation fees, and interest associated with the current fiscal period are susceptible to accrual. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period (within 30 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**G. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Fund Balance**

**1. Cash and Cash Equivalents**

The government'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 government 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.

**2. Receivables**

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, franchise fees, 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. Accounts receivable comprise the majority of proprietary fund receivables. Trade receivables are shown net of an allowance for uncollectibles.

**3. 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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**4. 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, for debt service and for future expansion of the water and sewer system.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year.

General infrastructure assets (i.e. those reported by governmental activities), acquired prior to January 1, 2003 are not reported in the basic financial statements. As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amount spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are required to be reported at acquisition value.

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. During the year ended December 31, 2019, there was no interest capitalized by the government's business-type activities relating to the construction of capital assets.

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
Infrastructure.....	50 years	

**6. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**7. Pension Plan and Other Postemployment Benefit (OPEB) Plan**

For purposes of measuring the net pension liability and the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the City of Pooler Retirement Plan and the City of Pooler OPEB Plan, related expense, information about the fiduciary net position of the plans and additions to/deductions from the plans fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**8. Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the acquisition of net position that applies to a future period(s) as so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and franchise fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide statements and proprietary fund financial statements have additional deferred outflows of resources and deferred inflows of resources not reported on the modified accrual basis. These deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, result from amounts not included in expense due to effects in actuarial differences, changes in assumptions, and differences between actual and projected earnings on plan investments and subsequent contributions.

**9. Equity Classifications**

Equity is classified as net position and displayed in three components in the government-wide financial statements and in the proprietary fund type in the fund financial statements.

*Net investment in capital assets* 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 position* consists of net position 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 position* consists of all other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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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* describes the portion of fund balance that reflects the government’s intended use of resources but is neither restricted nor committed. The City of Pooler’s fund balance policy authorizes the finance officer to designate portions of fund balance as assigned at any time. The finance officer may also remove assigned fund balances as he or she deems appropriate. In all governmental funds other than the general fund, assigned fund balance may be the residual fund balance designation after nonspendable, restricted, and committed amounts have been reported.

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

**10. Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as *restricted net position* and *unrestricted net position* in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**11. Fund Balance Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**12. 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.

**H. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as *program revenues* include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenue.

**2. Property Taxes**

Property taxes are levied as of January 1 on property values assessed on the same date. A millage rate of 3.754 mills was adopted on July 15, 2019. Tax bills were rendered on September 19, 2019 and are considered past due on December 16, 2019 at which time the applicable property is subject to lien and penalties and interest are assessed.

**3. Compensated Absences**

It is the government'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.

**4. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

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.



**CITY OF POOLER, GEORGIA**  
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**II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Cash Deposits with Financial Institutions**

At year-end, the carrying amount of the government's deposits was \$51,426,864 and the bank balance was \$51,805,314. As of December 31, 2019, the entire bank balance was insured and collateralized with securities held by the government or its agent in the government's name.

*Custodial credit risk* is the risk that in the event of a bank failure, the government's deposits may not be returned to the government. 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 government has no custodial credit risk policy that would require additional collateral requirements.

**B. Receivables**

Amounts are aggregated into a single receivable (net of allowance for uncollectible accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund, SPLOST fund and the nonmajor governmental funds in the aggregate, including the applicable allowance for uncollectible accounts.

Receivable	General	SPLOST	Nonmajor Governmental	Total
Franchise fees.....	\$ 1,615,422	\$ -	\$ -	\$ 1,615,422
Property taxes.....	284,589	-	-	284,589
Sales taxes.....	667,610	-	-	667,610
Lodging taxes.....	-	-	129,560	129,560
Intergovernmental.....	184,578	524,685	-	709,263
Accounts receivable.....	116,808	-	-	116,808
Other.....	598	-	-	598
Gross receivables	2,869,605	524,685	129,560	3,523,850
Less: Allowance for uncollectibles.....	(2,720)	-	-	(2,720)
Net receivables.....	<u>\$ 2,866,885</u>	<u>\$ 524,685</u>	<u>\$ 129,560</u>	<u>\$ 3,521,130</u>

Accounts receivable reported in the water and sewer fund represents uncollected charges for water and sewer services provided to customers. The allowance for uncollectible accounts at year end was \$279,675.

**CITY OF POOLER, GEORGIA**  
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**C. Tax Abatements**

The City has entered into tax abatement agreements to promote economic development in the County and City through the Savannah Economic Development Authority (SEDA). SEDA can enter into agreements for industrial projects to encourage the creation of jobs and new capital investment through an "Investment Assistance Program." Georgia case law and statutory provisions, including the Development Authorities Law (Title 36 Chapter 62 of the Georgia Code Annotated), provide SEDA with the power to enter into such agreements with businesses. The City has determined that these agreements will promote and expand for the public good and welfare, industry and trade within the City and reduce unemployment to the greatest extent possible, and will be acting in furtherance of the public purposes for which it was created.

For the fiscal year ended December 31, 2019, the City abated property taxes totaling \$368,608.

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
<i>Non-Depreciable Assets:</i>					
Land.....	\$ 6,640,604	\$ 188,909	\$ -	\$ -	\$ 6,829,513
Construction in progress.....	2,588,766	1,039,155	104,940	(2,445,119)	1,077,862
Total non-depreciable capital assets.....	<u>9,229,370</u>	<u>1,228,064</u>	<u>104,940</u>	<u>(2,445,119)</u>	<u>7,907,375</u>
<i>Depreciable Assets:</i>					
Buildings and improvements.....	34,141,265	11,645	-	-	34,152,910
Machinery, equipment and vehicles...	14,376,015	773,940	519,911	-	14,630,044
Infrastructure.....	25,383,798	-	-	2,445,119	27,828,917
Total depreciable capital assets.....	<u>73,901,078</u>	<u>785,585</u>	<u>519,911</u>	<u>2,445,119</u>	<u>76,611,871</u>
<i>Accumulated Depreciation</i>					
Buildings and improvements.....	(3,811,842)	(730,981)	-	-	(4,542,823)
Machinery, equipment and vehicles...	(8,467,175)	(880,450)	(519,911)	-	(8,827,714)
Infrastructure.....	(3,128,266)	(559,143)	-	-	(3,687,409)
Total accumulated depreciation.....	<u>(15,407,283)</u>	<u>(2,170,574)</u>	<u>(519,911)</u>	<u>-</u>	<u>(17,057,946)</u>
Total Governmental Activities.....	<u>\$67,723,165</u>	<u>\$ (156,925)</u>	<u>\$ 104,940</u>	<u>\$ -</u>	<u>\$67,461,300</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Function	Depreciation Expense
General government.....	\$ 428,898
Public safety.....	809,243
Public works.....	566,901
Health and welfare.....	6,200
Culture and recreation.....	351,611
Housing and development.....	7,721
Total depreciation expense - governmental activities.....	<u>\$ 2,170,574</u>

**CITY OF POOLER, GEORGIA**  
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Changes in business-type activities capital asset for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Net Transfers	Ending Balance
<b>Business-type Activities:</b>					
<i>Non-Depreciable Assets:</i>					
Land.....	\$ 172,139	\$ -	\$ -	\$ -	\$ 172,139
Construction in progress.....	352,068	340,153	-	-	692,221
Total non-depreciable capital assets.....	524,207	340,153	-	-	864,360
<i>Depreciable Assets:</i>					
Buildings and improvements.....	62,055,164	16,258	-	(120,192)	61,951,230
Machinery, equipment and vehicles...	1,866,695	81,787	-	120,192	2,068,674
Total depreciable capital assets.....	63,921,859	98,045	-	-	64,019,904
<i>Accumulated Depreciation</i>					
Buildings and improvements.....	(20,986,417)	(1,739,136)	-	(148,280)	(22,873,833)
Machinery, equipment and vehicles...	(1,559,977)	(106,292)	-	148,280	(1,517,989)
Total accumulated depreciation.....	(22,546,394)	(1,845,428)	-	-	(24,391,822)
Total Business-type Activities.....	\$41,899,672	\$ (1,407,230)	\$ -	\$ -	\$40,492,442

**E. Interfund Receivables, Payables and Transfers**

Interfund receivable and payable balances at December 31, 2019 are as follows:

Receivable Fund	Payable Fund				Amount
	General	Capital Projects Fund	Nonmajor Governmental	Water and Sewer	
General	\$ -	\$ 44,768	\$ 5,361	\$ 653,817	\$ 703,946
Confiscated Assets	624	-	-	-	624
	<u>\$ 624</u>	<u>\$ 44,768</u>	<u>\$ 5,361</u>	<u>\$ 653,817</u>	<u>\$ 704,570</u>

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.

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

Transfer In	Transfer Out	Purpose	Amount
General Fund	Capital Projects Fund	Close Capital Projects Fund	\$ 44,214
General Fund	Nonmajor governmental funds	Distribution of tax revenue	842,139
			<u>\$ 886,353</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.

**F. Capital Leases**

The City has entered into lease agreements as lessee for financing of equipment and vehicles used in governmental activities. This year, \$315,085 was included in depreciation expense of governmental 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:

	Governmental Activities
Machinery and Equipment.....	\$ 4,619,580
Less: Accumulated depreciation.....	(1,587,411)
Total.....	<u>\$ 3,032,169</u>

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, 2019:

Year Ending December 31,	Governmental Activities
2020	\$ 1,035,589
2021	315,534
2022	295,239
2023	250,457
2024	111,513
2025 - 2027	86,126
Total minimum lease payments.....	2,094,458
Less: amount representing interest.....	(135,183)
Present value of minimum lease payments....	<u>\$ 1,959,275</u>

**CITY OF POOLER, GEORGIA**  
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**G. Long-term Debt**

Installment Sale Agreement – Municipal Complex

In July 2015, the City entered into an installment sale agreement with the Georgia Municipal Association, Inc. providing \$18,475,000 to finance the construction of the municipal complex. The agreement carries an interest rate of 2.60% and has a term of fifteen years with final maturity on July 1, 2030.

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

Year Ending December 31,	Principal	Interest	Total
2020	\$ 1,130,000	\$ 369,070	\$ 1,499,070
2021	1,160,000	339,690	1,499,690
2022	1,190,000	309,530	1,499,530
2023	1,220,000	278,590	1,498,590
2024	1,255,000	246,870	1,501,870
2025 - 2029	6,775,000	728,000	7,503,000
2030	1,465,000	38,090	1,503,090
	<u>\$ 14,195,000</u>	<u>\$ 2,309,840</u>	<u>\$ 16,504,840</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 12/31/2019
02-L33WQ	\$ 672,289	4.36%	\$ 256,026
CWSRF 02-007	12,593,549	3.00%	5,382,701
03-L42WJ	3,103,709	4.16%	1,438,326
05-L23WJ	2,406,407	4.14%	729,855
11-L11WJ	901,235	3.44%	542,664
13-L29WJ	2,644,538	2.40%	2,130,331
13-L30WJ	3,810,627	0.70%	3,241,528
CWSRF 15-020	6,022,796	1.09%	5,660,812
Long-term portion in repayment.....			<u>\$ 19,382,243</u>

**CITY OF POOLER, GEORGIA**  
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Annual debt service requirements to maturity for the GEFA Loans are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 1,821,941	\$ 416,126	\$ 2,238,067
2021	1,869,525	368,542	2,238,067
2022	1,918,626	319,441	2,238,067
2023	1,969,296	268,771	2,238,067
2024	1,936,897	217,165	2,154,062
2025 - 2029	5,684,986	525,513	6,210,499
2030 - 2034	2,661,607	215,303	2,876,910
2035 - 2038	1,519,365	30,157	1,549,522
Totals.....	<u>\$ 19,382,243</u>	<u>\$ 2,361,018</u>	<u>\$ 21,743,261</u>

Changes in Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Note payable - municipal complex.....	\$ 15,300,000	\$ -	\$ 1,105,000	\$ 14,195,000	\$ 1,130,000
Capital lease obligations.....	3,000,220	-	1,040,945	1,959,275	976,468
Long-term debt.....	18,300,220	-	2,145,945	16,154,275	2,106,468
Compensated absences.....	469,023	438,207	338,869	568,361	483,107
Net pension liability.....	6,450,208	921,541	-	7,371,749	-
Net OPEB liability.....	343,429	-	343,429	-	-
Total Governmental Activities.....	<u>\$ 25,562,880</u>	<u>\$ 1,359,748</u>	<u>\$ 2,828,243</u>	<u>\$ 24,094,385</u>	<u>\$ 2,589,575</u>
<b>Business-Type Activities:</b>					
GEFA loans.....	\$ 21,158,065	\$ -	\$ 1,775,822	\$ 19,382,243	\$ 1,821,941
Capital lease obligations.....	65,324	-	65,324	-	-
Long-term debt.....	21,223,389	-	1,841,146	19,382,243	1,821,941
Compensated absences.....	42,342	43,186	30,593	54,935	46,695
Net pension liability.....	1,031,583	61,122	-	1,092,705	-
Net OPEB liability.....	22,466	-	22,466	-	-
Total Business-Type Activities.....	<u>\$ 22,319,780</u>	<u>\$ 104,308</u>	<u>\$ 1,894,205</u>	<u>\$ 20,529,883</u>	<u>\$ 1,868,636</u>

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

**CITY OF POOLER, GEORGIA**  
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**H. Fund Balance Classifications**

Amounts for specific purposes by fund and fund classifications for the year ended December 31, 2019, are as follows:

Classification/Fund	Purpose	Amount
Nonspendable		
General fund.....	Prepaid items.....	\$ 566,696
Restricted		
Special Purpose Local Option		
Sales Tax fund.....	Capital projects.....	2,943,258
Confiscated Asset fund.....	Public safety.....	55,394
Committed		
General fund.....	Beautification.....	375,587
Unassigned		
General fund.....		21,284,999
Total fund balance.....		<u>\$ 25,225,934</u>

**III. OTHER INFORMATION**

**A. Defined Benefit Pension Plan and Net Pension Liability**

*Plan description* – The City of Pooler Pension Plan (the Plan) is a defined benefit pension plan covering all employees, 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.

*Benefits provided* – 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 City Council.

*Employees covered by benefit terms* – As of July 1, 2019, the date of the latest actuarial valuation, the plan membership included the following categories of participants:

Inactive employees (or their beneficiaries) currently receiving benefits.....	39
Inactive employees entitled to, but not yet receiving benefits.....	31
Active employees.....	195
Total.....	<u>265</u>

**CITY OF POOLER, GEORGIA**  
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*Contributions* – The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The estimated minimum annual contribution under these standards is \$1,056,367.

*Net pension liability* – The City's net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019.

*Actuarial assumptions* – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.50%
Projected salary increases	2.75% plus service based merit increases
Cost of living adjustment	2.00% for participants hired prior to July 1, 2017 1.50% for participants hired on or after July 1, 2017
Source of mortality assumptions:	
<i>Healthy:</i>	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females
<i>Disabled:</i>	RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
<i>Plan termination basis (all lives):</i>	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the July 1, 2019 actuarial valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

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**CITY OF POOLER, GEORGIA**  
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The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	45.00%	6.40%
International equity	20.00%	7.40%
Real estate	10.00%	5.10%
Global Fixed income	5.00%	3.03%
Domestic Fixed income	20.00%	1.75%
Cash	0.00%	
Total	100.00%	

*Discount rate* – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed the City contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at March 31, 2018.....	\$ 24,147,650	\$ 16,665,859	\$ 7,481,791
Changes for the year:			
Service cost.....	757,645	-	757,645
Interest.....	1,828,833	-	1,828,833
Difference between expected and actual experience.....	469,819	-	469,819
Contributions, employer.....	-	1,221,653	(1,221,653)
Contributions, employee.....	-	280,784	(280,784)
Net investment income.....	-	611,055	(611,055)
Benefit payments.....	(1,041,701)	(1,041,701)	-
Administrative expense.....	-	(39,858)	39,858
Other.....	-	-	-
Net changes.....	2,014,596	1,031,933	982,663
Balances at March 31, 2019.....	\$ 26,162,246	\$ 17,697,792	\$ 8,464,454

The balances at March 31, 2018 and 2019 include entry age normal liabilities calculated using ages and service amounts as of July 1, 2018 and 2019, respectively, and constitute measurements of the net pension liability for the fiscal years ending December 31, 2018 and 2019 respectively.

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*Sensitivity of the net pension liability to changes in the discount rate* – The following represents the net pension liability of the City calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1.00% point lower (6.50%) or 1.00% point higher (8.50%) than the current rate:

	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
City's net pension liability (asset).....	\$ 12,326,323	\$ 8,464,454	\$ 5,329,070

*Pension plan fiduciary net position* – Detailed information about the pension plan's fiduciary net position is available in the separately issued GMEBS financial report.

Pension expense for the year ended December 31, 2019:

Service cost.....	\$ 757,645
Interest on total pension liability.....	1,828,833
Employee contributions.....	(280,784)
Administrative expenses.....	39,858
Expected return on assets.....	(1,265,722)
Expensed portion of current year period differences between projected and actual experience in total pension liability.....	78,304
Expensed portion of current year period differences between projected and actual investment earnings.....	130,935
Current year recognition of deferred inflows and outflows established in prior years.....	318,887
Total expense.....	<u>\$ 1,607,956</u>

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience.....	\$ 1,538,482	\$ (86,676)
Changes of assumptions.....	391,510	-
Net difference between projected and actual earnings on pension plan investments.....	54,625	-
City's contribution to the pension plan subsequent to the measurement date....	1,361,207	-
Total deferred outflows/(inflows).....	<u>\$ 3,345,824</u>	<u>\$ (86,676)</u>

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The amount of deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date, \$1,361,207, will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense for the next six years as follows:

	Outflows			Total
	Demographic	Assumption Change	Investment	
Beginning balance, 01/01/2019.....	\$ 1,489,015	\$ 509,782	\$ 349,970	\$ 2,348,767
Established in 2019.....	469,819	-	654,667	1,124,486
Amount recognized.....	(420,352)	(118,272)	(305,920)	(844,544)
Total outflows.....	1,538,482	391,510	698,717	2,628,709

	Inflows			Total
	Demographic	Assumption Change	Investment	
Beginning balance, 01/01/2019.....	(108,345)	-	(938,841)	(1,047,186)
Established in 2019.....	-	-	-	-
Amount recognized.....	21,669	-	294,749	316,418
Total inflows.....	(86,676)	-	(644,092)	(730,768)
Totals.....	\$ 1,451,806	\$ 391,510	\$ 54,625	\$ 1,897,941

**Recognized in future years:**

2020	\$ 398,682	\$ 118,272	\$ 50,792	\$ 567,746
2021	398,682	118,272	(124,193)	392,761
2022	342,358	77,483	(2,907)	416,934
2023	233,781	77,483	130,933	442,197
2024	78,303	-	-	78,303
Totals.....	\$ 1,451,806	\$ 391,510	\$ 54,625	\$ 1,897,941

The required schedule of changes in the City's net pension liability and related ratios and the schedule of City Contributions immediately follow the notes to the financial statements.

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**CITY OF POOLER, GEORGIA**  
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**B. Other Postemployment Benefits**

*Plan description.* The City of Pooler OPEB Plan is a defined benefit postretirement health and prescription drug plan. The Plan is administered by the Georgia Municipal Employees Benefit System (GMEBS), an agent-multiple employer OPEB Plan administered by the Georgia Municipal Association (GMA). The GMA issues a publicly available financial report that can be obtained by writing to the Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

*Plan membership* – At July 1, 2018, the Plan's valuation date, City plan membership consisted of the following:

Retired members or beneficiaries currently receiving benefits.....	12
Vested terminated members entitled to but not yet receiving benefits.....	-
Active members.....	119
Total.....	<u>131</u>

*Benefits provided.* The City Council has the authority to establish and amend the OPEB Plan. The City provides medical and prescription drug benefits to retirees. Retirees' spouses are eligible for the same benefits as the retiree. Employees are eligible for benefits if they retire on or after age 55 with at least fifteen years of service, and the subsidy is tiered based on service.

*City Contributions* – The City has been pre-funding the Plan, contributing the actuarially determined contribution to the trust and paying annual costs from general assets.

**Net OPEB Liability (Asset)**

The City's net OPEB liability (asset) was measured as of December 31, 2017 and 2018. The Plan Fiduciary Net Position (plan assets, if any) was valued as of the measurement dates and the total OPEB liability (asset) was determined from actuarial valuations using data as of July 1, 2018.

Actuarial assumptions. The total OPEB asset was measured as of December 31, 2018 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Investment rate of return	3.25%
Salary increases	3.25% to 8.25%, including inflation
Discount rate	7.50%
Healthcare cost trend rates	Medical and prescription drug: 7.50% trended down to 4.50% over 12 years Administrative expenses: Included in premium
Mortality rates	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females

The actuarial assumptions used in July 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**Determination of Discount Rate**

The long-term expected rate of return on OPEB plan investments was set by the investment advisor to be 7.50%. The rate was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	45.00%	6.40%
International equity	20.00%	7.40%
Real estate	10.00%	5.10%
Global Fixed income	5.00%	3.03%
Domestic Fixed income	20.00%	1.75%
Total	100.00%	

*Discount rate.* The discount rate used to measure the total OPEB asset was 7.50%. The projection of cash flows used to determine the discount rate assume that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to only cover all the projected benefit payments of current plan members.

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

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at beginning of year.....	\$ 3,112,539	\$ 2,746,644	\$ 365,895
Changes for the year:			
Service cost.....	131,016	-	131,016
Interest.....	239,692	-	239,692
Change of benefit terms.....	(1,115,774)	-	(1,115,774)
Difference between expected and actual experience.....	(595,396)	-	(595,396)
Change in assumptions.....	449,377	-	449,377
Contributions, employer.....	-	127,018	(127,018)
Net investment income.....	-	(140,816)	140,816
Benefit payments.....	(95,334)	(95,334)	-
Administrative expense.....	-	(8,065)	8,065
Net changes.....	(986,419)	(117,197)	(869,222)
Balances at end of year.....	\$ 2,126,120	\$ 2,629,447	\$ (503,327)

*Changes in assumptions.* The discount rate effective for December 31, 2017 was 7.75%, and effective for December 31, 2018 was 7.50%

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

*Sensitivity of the net OPEB (asset) to changes in the discount rate.* The following presents the net OPEB (asset) of the City, as well as what the City's net OPEB asset would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1- percentage point higher (8.5 percent) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Current Discount Rate (7.50%)	1% Increase Discount Rate (8.50%)
Net OPEB liability (asset).....	\$ (274,281)	\$ (503,327)	\$ (699,028)

*Sensitivity of the net OPEB (asset) to changes in the healthcare cost trend rates.* The following presents the net OPEB (asset) of the City, as well as what the City's net OPEB (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase Healthcare Cost Trend Rates
Net OPEB liability (asset).....	\$ (720,866)	\$ (503,327)	\$ (246,018)

*OPEB plan fiduciary net position.* Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued financial report.

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

For the year ended December 31, 2019, the City recognized OPEB expense of \$(942,742). At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience.....	\$ -	\$ 614,847
Changes of assumptions.....	463,692	-
Net difference between projected and actual earnings on pension plan investments.....	151,143	-
City's contribution to the OPEB plan subsequent to 12/31/2018.....	142,074	-
Total deferred outflows/(inflows).....	<u>\$ 756,909</u>	<u>\$ 614,847</u>

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

The amount of deferred outflows of resources related to OPEB resulting from City contributions subsequent to the December 31, 2018 measurement date, \$142,074, will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as pension expense for the next six years as follows:

Recognized in future years:	Demographic	Assumption Change	Investment	Total
2020	\$ (105,958)	\$ 79,899	\$ 27,201	\$ 1,142
2021	(105,958)	79,899	27,201	1,142
2022	(105,958)	79,899	27,201	1,142
2023	(105,958)	79,899	69,540	43,481
2024	(105,958)	79,899	-	(26,059)
Thereafter	(85,057)	64,197	-	(20,860)
Totals.....	<u>\$ (614,847)</u>	<u>\$ 463,692</u>	<u>\$ 151,143</u>	<u>\$ (12)</u>

### 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, 2019.

No provisions have been made in the financial statements for the year ended December 31, 2019 for any estimate of potential unpaid claims.

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.

**CITY OF POOLER, GEORGIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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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. Contingencies**

The City receives several 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.

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. Construction and Other Commitments**

At December 31, 2019, the City had contractual commitments on uncompleted road and drainage projects as follows:

Capital Projects	Total Commitment	Spent-to-Date	Remaining Commitment
Old Pooler drainage projects.....	\$ 811,700	\$ 761,330	\$ 50,370
Highway 80, Frontage Road project.....	307,823	-	307,823
Towne Lake lift station force main and Benton Boulevard lift station upgrade.....	3,315,953	-	3,315,953
			<u>\$ 3,674,146</u>



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



**CITY OF POOLER, GEORGIA**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes.....	\$ 16,189,000	\$ 17,429,000	\$ 18,037,939	\$ 608,939
Licenses and permits.....	708,000	846,500	1,015,375	168,875
Intergovernmental revenues.....	304,000	304,000	401,148	97,148
Charges for services.....	2,936,000	3,006,000	2,678,630	(327,370)
Fines and forfeitures.....	850,000	900,000	919,640	19,640
Investment income.....	40,000	193,000	299,852	106,852
Other revenues.....	50,000	50,000	215,208	165,208
Total revenues.....	21,077,000	22,728,500	23,567,792	839,292
EXPENDITURES				
Current:				
General governmental:				
Legislative.....	164,165	327,665	325,641	2,024
Executive.....	444,515	447,390	440,780	6,610
Financial administration.....	660,170	682,405	682,248	157
Legal administration.....	24,000	26,000	25,363	637
Information technology.....	369,980	290,655	285,546	5,109
Human resources.....	270,275	262,775	223,258	39,517
Risk management.....	261,500	289,500	286,701	2,799
General government buildings.....	247,840	693,150	690,116	3,034
General administrative fees.....	45,500	56,500	48,549	7,951
Total general government.....	2,487,945	3,076,040	3,008,202	67,838
Judicial				
Municipal court.....	422,200	417,500	396,675	20,825
Public safety:				
Police.....	5,628,175	5,523,375	5,437,166	86,209
Fire.....	4,691,385	5,162,910	5,158,548	4,362
Total public safety.....	10,319,560	10,686,285	10,595,714	90,571
Public works:				
Roads and streets.....	2,025,545	2,200,330	1,846,077	354,253
Storm drainage.....	1,343,220	2,053,490	1,878,405	175,085
Solid waste and recycling.....	1,572,920	1,572,920	1,563,108	9,812
Maintenance and shop.....	438,575	465,600	464,851	749
Total public works.....	5,380,260	6,292,340	5,752,441	539,899
Health and welfare:				
Senior citizens center.....	191,535	191,535	186,064	5,471
Culture and recreation:				
Recreation.....	1,641,160	1,641,160	1,620,516	20,644
Parks.....	147,050	147,050	118,025	29,025
Total culture and recreation.....	1,788,210	1,788,210	1,738,541	49,669
				(continued)

**CITY OF POOLER, GEORGIA**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Housing and development:				
Inspections.....	438,950	431,950	411,645	20,305
Planning and zoning.....	287,285	278,285	271,198	7,087
Total housing and development.....	<u>726,235</u>	<u>710,235</u>	<u>682,843</u>	<u>27,392</u>
Debt service:				
Principal.....	357,708	368,708	356,789	11,919
Interest.....	48,347	53,347	51,451	1,896
Total expenditures.....	<u>21,722,000</u>	<u>23,584,200</u>	<u>22,768,720</u>	<u>815,480</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>(645,000)</u>	<u>(855,700)</u>	<u>799,072</u>	<u>1,654,772</u>
OTHER FINANCING SOURCES (USES)				
Transfers in.....	645,000	843,000	886,353	43,353
Sale of capital assets.....	-	-	10,313	10,313
Insurance recoveries.....	-	12,700	12,766	66
Total other financing sources (uses).....	<u>645,000</u>	<u>855,700</u>	<u>909,432</u>	<u>53,732</u>
Net change in fund balance.....	-	-	1,708,504	1,708,504
Fund balance, beginning of year.....	<u>20,518,778</u>	<u>20,518,778</u>	<u>20,518,778</u>	<u>-</u>
Fund balance, end of year.....	<u>\$ 20,518,778</u>	<u>\$ 20,518,778</u>	<u>\$ 22,227,282</u>	<u>\$ 1,708,504</u>

*(concluded)*

**CITY OF POOLER, GEORGIA**  
**Required Supplementary Information**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**For the Year Ended December 31, 2019**

	2015	2016	2017	2018	2019
<b>TOTAL PENSION LIABILITY</b>					
Service cost.....	\$ 517,521	\$ 644,368	\$ 708,352	\$ 835,687	\$ 757,645
Interest.....	1,171,076	1,314,389	1,477,154	1,575,795	1,828,833
Differences between expected and actual experience..	394,269	760,039	(151,685)	1,062,881	469,819
Changes of assumptions.....	285,520	-	-	464,898	-
Changes of benefit terms.....	-	-	-	291,887	-
Benefit payments.....	(490,518)	(547,853)	(689,367)	(832,684)	(1,041,701)
Net change in total pension liability.....	1,877,868	2,170,943	1,344,454	3,398,464	2,014,596
Total pension liability - beginning.....	15,355,921	17,233,789	19,404,732	20,749,186	24,147,650
Total pension liability - ending.....	<u>\$ 17,233,789</u>	<u>\$ 19,404,732</u>	<u>\$ 20,749,186</u>	<u>\$ 24,147,650</u>	<u>\$ 26,162,246</u>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer.....	\$ 1,012,162	\$ 802,073	\$ 1,087,307	\$ 1,143,278	\$ 1,221,653
Contributions - employee.....	146,721	213,049	258,969	263,585	280,784
Net investment income.....	998,989	45,482	1,571,318	1,800,503	611,055
Benefit payments.....	(490,518)	(547,853)	(689,367)	(832,684)	(1,041,701)
Administrative expense.....	(22,476)	(26,371)	(40,849)	(38,349)	(39,858)
Net change in plan fiduciary net position.....	1,644,878	486,380	2,187,378	2,336,333	1,031,933
Plan fiduciary net position - beginning.....	10,010,890	11,655,768	12,142,148	14,329,526	16,665,859
Plan fiduciary net position - ending.....	<u>\$ 11,655,768</u>	<u>\$ 12,142,148</u>	<u>\$ 14,329,526</u>	<u>\$ 16,665,859</u>	<u>\$ 17,697,792</u>
NET PENSION LIABILITY - ending.....	\$ 5,578,021	\$ 7,262,584	\$ 6,419,660	\$ 7,481,791	\$ 8,464,454
<b>PLAN FIDUCIARY NET POSITION AS A PERCENTAGE</b>					
OF THE TOTAL PENSION LIABILITY.....	67.63%	62.57%	69.06%	69.02%	67.65%
COVERED PAYROLL.....	\$ 7,201,514	\$ 7,996,662	\$ 8,733,903	\$ 8,485,433	\$ 9,249,034
<b>NET PENSION LIABILITY AS A PERCENTAGE</b>					
OF COVERED PAYROLL.....	77.46%	90.82%	73.50%	88.17%	91.52%

Required pension schedules are intended to report information for ten years. Historical information prior to the implementation of GASB 68 is not required. Additional information will be presented as it becomes available.

**CITY OF POOLER, GEORGIA**  
**Required Supplementary Information**  
**Retirement Plan Schedule of Contributions**  
**For the Year Ended December 31, 2019**

	2015	2016	2017	2018	2019
Actuarially determined contribution.....	\$ 852,563	\$ 974,563	\$ 1,129,633	\$ 1,184,560	\$ 1,337,081
Contributions in relation to the actuarially determined contribution.....	852,537	977,188	1,118,041	1,184,560	1,337,081
Contribution deficiency (excess).....	<u>\$ 26</u>	<u>\$ (2,625)</u>	<u>\$ 11,592</u>	<u>\$ -</u>	<u>\$ -</u>
COVERED PAYROLL.....	\$ 6,146,813	\$ 7,316,539	\$ 8,733,903	\$ 8,413,907	\$ 9,249,034
CONTRIBUTIONS AS A PERCENTAGE OF COVERED PAYROLL.....	13.87%	13.36%	12.80%	14.08%	14.46%

Required pension schedules are intended to report information for ten years. Historical information prior to the implementation of GASB 68 is not required. Additional information will be presented as it becomes available.

**CITY OF POOLER, GEORGIA**  
**Required Supplementary Information**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**For the Year Ended December 31, 2019**

	2018	2019
<b>TOTAL OPEB LIABILITY</b>		
Service cost.....	\$ 108,046	\$ 131,016
Interest.....	228,341	239,692
Change in benefit terms.....	-	(1,115,774)
Differences between expected and actual experience..	(146,308)	(595,396)
Changes of assumptions.....	109,915	449,377
Benefit payments.....	(51,480)	(95,334)
Net change in total pension liability.....	248,514	(986,419)
Total OPEB liability - beginning.....	2,864,025	3,112,539
Total OPEB liability - ending.....	<u>\$ 3,112,539</u>	<u>\$ 2,126,120</u>
<b>PLAN FIDUCIARY NET POSITION</b>		
Contributions - employer.....	\$ 325,054	\$ 127,018
Contributions - employee.....	-	-
Net investment income.....	379,119	(140,816)
Benefit payments.....	(51,480)	(95,334)
Administrative expense.....	(3,181)	(8,065)
Net change in plan fiduciary net position.....	649,512	(117,197)
Plan fiduciary net position - beginning.....	2,097,132	2,746,644
Plan fiduciary net position - ending.....	<u>\$ 2,746,644</u>	<u>\$ 2,629,447</u>
NET OPEB LIABILITY (ASSET) - ending.....	\$ 365,895	\$ (503,327)
<b>PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL OPEB LIABILITY.....</b>	88.24%	123.67%
COVERED PAYROLL.....	\$ 7,859,800	\$ 5,916,415
<b>NET OPEB LIABILITY (ASSET) AS A PERCENTAGE OF COVERED PAYROLL.....</b>	4.66%	8.51%

Required pension schedules are intended to report information for ten years. Historical information prior to the implementation of GASB 75 is not required. Additional information will be presented as it becomes available.

**CITY OF POOLER, GEORGIA**  
Required Supplementary Information  
OPEB Plan Schedule of Contributions  
For the Year Ended December 31, 2019

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	<u>2018</u>	<u>2019</u>
Actuarially determined contribution.....	\$ 173,830	\$ -
Contributions in relation to the actuarially determined contribution.....	<u>127,018</u>	<u>142,074</u>
Contribution deficiency (excess).....	<u>\$ 46,812</u>	<u>\$ (142,074)</u>
COVERED PAYROLL.....	\$ 5,916,415	\$ 9,249,034
CONTRIBUTIONS AS A PERCENTAGE OF COVERED PAYROLL.....	2.15%	0.00%

Required pension schedules are intended to report information for ten years. Historical information prior to the implementation of GASB 75 is not required. Additional information will be presented as it becomes available.



# CITY OF POOLER, GEORGIA

## Notes to Required Supplementary Information December 31, 2019

### 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, 2019, the following supplemental appropriation was approved:

Fund Type	Original Appropriation	Supplemental Appropriation	Supplemental Decreases	Final Appropriation
General Fund.....	\$ 21,722,000	\$ 2,074,525	\$ 212,325	\$ 23,584,200
Special Revenue Funds -				
Hotel / Motel Tax Fund.....	1,290,000	396,000	-	1,686,000

### NOTE 2 – RETIREMENT PLAN SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution rate was determined as of July 1, 2019.

Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending December 31, 2020. The following methods and assumptions were used to determine contribution rates:

Valuation date	July 1, 2019
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization varies for the bases, with a net effective amortization period of 11 years
Asset valuation method	Sum of the actuarial value at the 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 end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Investment rate of return	7.50%
Projected salary increases	2.75% plus service based merit increases
Cost of living adjustment	2.00% for participants hired prior to July 1, 2017 1.50% for participants hired on or after July 1, 2017
Normal Retirement age	62+5 or 55+30 not required to be in service
Mortality	See notes to the basic financial statements

*Changes of Assumptions.* Amounts reported for the fiscal year ending in 2018 and later reflect the following assumption changes based on an actuarial study conducted in September 2017:

- ✓ The investment return assumption was decreased from 7.75% to 7.50 %
- ✓ The inflation assumption was decreased from 3.25% to 2.75%

## CITY OF POOLER, GEORGIA

### Notes to Required Supplementary Information

December 31, 2019

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*Benefit Changes.* Effective July 1, 2017:

- ✓ Firefighters and police officers became eligible for alternative normal retirement upon meeting the Rule of 75 with minimum age 50,
- ✓ The Official's benefit multiplier increased from \$20 to \$35,
- ✓ Disability benefits were eliminated,
- ✓ The cost of living adjustment for participants employed on or after July 1, 2017 is variable not to exceed 1.50%.

#### **NOTE 3 – OTHER POSTEMPLOYMENT BENEFIT PLAN SCHEDULE OF CONTRIBUTIONS**

Valuation date	July 1, 2018
Actuarial cost method	Entry Age Level Percent of Pay
Amortization method	Closed 25 years, level dollar
Remaining amortization period	15 years as of June 30, 2018
Asset valuation method	Market value
Actuarial Assumptions:	
Investment rate of return	7.50%
Healthcare cost trend rates	7.00% initial, decreasing 0.25% per year to an ultimate rate of 4.50%
Salary increases	3.50% to 8.50%, including inflation
Retirement age	Age 55 with at least 35 years of service
Mortality	Healthy: RP-2000 Combined Healthy Mortality Table Disabled: RP-2000 Disabled Retiree Mortality Table

*Changes of Assumptions.* The discount rate effective for December 31, 2016 was 7.75%, and effective for December 31, 2017 was 7.50%.

*Benefit Changes.* There have been no benefit changes since GASB 75 implementation.

*Salary Scale Change.* A salary scale ranging from 3.50% to 8.50% was added.

**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, 2019**

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	Confiscated Assets	Hotel - Motel	Total
ASSETS			
Cash and cash equivalents.....	\$ 54,770	\$ -	\$ 54,770
Taxes receivable.....	-	129,560	129,560
Due from other funds.....	624		624
Total assets.....	<u>\$ 55,394</u>	<u>\$ 129,560</u>	<u>\$ 184,954</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable.....	\$ -	\$ 124,199	\$ 124,199
Due to other funds.....	-	5,361	5,361
Total liabilities.....	<u>-</u>	<u>129,560</u>	<u>129,560</u>
Fund balances			
Restricted.....	55,394	-	55,394
Total fund balance.....	<u>55,394</u>	<u>-</u>	<u>55,394</u>
Total liabilities and fund balance.....	<u>\$ 55,394</u>	<u>\$ 129,560</u>	<u>\$ 184,954</u>

# CITY OF POOLER, GEORGIA

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2019

	Confiscated Assets	Hotel - Motel	Total
REVENUES			
Taxes.....	\$ -	\$ 1,684,278	\$ 1,684,278
Fines and forfeitures.....	46,118	-	46,118
Investment earnings.....	149	-	149
Total revenues.....	46,267	1,684,278	1,730,545
EXPENDITURES			
Current:			
Public safety.....	2,068	-	2,068
Housing and development.....	-	842,139	842,139
Total expenditures.....	2,068	842,139	844,207
Excess (deficiency) of revenues over (under) expenditures.....	44,199	842,139	886,338
OTHER FINANCING SOURCES (USES)			
Transfers out.....	-	(842,139)	(842,139)
Total other financing sources (uses)	-	(842,139)	(842,139)
Net change in fund balance.....	44,199	-	44,199
Fund balance, beginning of year.....	11,195	-	11,195
Fund balance, end of year.....	\$ 55,394	\$ -	\$ 55,394



**CITY OF POOLER, GEORGIA**  
**Confiscated Asset Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Fines and forfeitures.....	\$ -	\$ 2,100	\$ 46,118	\$ 44,018
Investment.....	-	-	149	149
Total revenues.....	-	2,100	46,267	44,167
<b>EXPENDITURES</b>				
Current:				
Public Safety.....	-	2,100	2,068	32
Total expenditures.....	-	2,100	2,068	32
Excess (deficiency) of revenues over (under) expenditures.....	-	-	44,199	44,199
Net change in fund balance.....	-	-	44,199	44,199
Fund balance, beginning of year.....	11,195	11,195	11,195	-
Fund balance, end of year.....	\$ 11,195	\$ 11,195	\$ 55,394	\$ 44,199

**CITY OF POOLER, GEORGIA**  
**Hotel / Motel Tax Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes.....	\$ 1,290,000	\$ 1,686,000	\$ 1,684,278	\$ (1,722)
Total revenues.....	1,290,000	1,686,000	1,684,278	(1,722)
EXPENDITURES				
Current:				
Housing and development.....	645,000	843,000	842,139	861
Total expenditures.....	645,000	843,000	842,139	861
Excess (deficiency) of revenues over (under) expenditures.....	645,000	843,000	842,139	(861)
OTHER FINANCING SOURCES (USES)				
Transfers out.....	(645,000)	(843,000)	(842,139)	861
Total financing sources (uses).....	(645,000)	(843,000)	(842,139)	861
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, 2019

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	Beginning Balance	Additions	Deletions	Ending Balance
ASSETS				
Cash.....	\$ 265,778	\$ 2,450,728	\$ 2,419,295	\$ 297,211
Total assets.....	<u>\$ 265,778</u>	<u>\$ 2,450,728</u>	<u>\$ 2,419,295</u>	<u>\$ 297,211</u>
LIABILITIES				
Due to others.....	\$ 265,778	\$ 2,450,728	\$ 2,419,295	\$ 297,211
Total liabilities.....	<u>\$ 265,778</u>	<u>\$ 2,450,728</u>	<u>\$ 2,419,295</u>	<u>\$ 297,211</u>

# CITY OF POOLER, GEORGIA

## Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds December 31, 2019

Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total Cost
Sales Tax VI (2014-2020)					
Capital Outlay Projects:					
Public safety facilities and equipment..	\$ 8,400,000	\$ 8,400,000	\$ 6,248,012	\$ 1,538,232	\$ 7,786,244
Traffic signal project.....	1,500,000	1,500,000	1,361,268	-	1,361,268
Street and road improvements.....	2,500,000	2,500,000	144,920	-	144,920
Recreational facilities.....	4,500,000	4,500,000	5,315,038	-	5,315,038
Totals.....	<u>\$ 16,900,000</u>	<u>\$ 16,900,000</u>	<u>\$ 13,069,238</u>	<u>\$ 1,538,232</u>	<u>\$ 14,607,470</u>
Total SPLOST fund expenditures (see page D - 6).....				\$ 2,222,388	
Principal on public safety equipment included in schedule.....				(684,156)	
Total expenditures funded with SPLOST proceeds.....				<u>\$ 1,538,232</u>	

## CITY OF POOLER, GEORGIA

### Schedule of Required Expenditures Generated by the Hotel / Motel Tax For the Year Ended December 31, 2019

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#### REVENUES

Hotel/Motel taxes.....	<u>\$ 1,684,278</u>
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#### EXPENDITURES

Tourism expenditures.....	<u>\$ 842,139</u>
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Percentage of expenditures to revenues.....	<u>50%</u>
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## **COMPONENT UNIT**





# CITY OF POOLER, GEORGIA

## Pooler Development Authority

### Balance Sheet

December 31, 2019

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#### ASSETS

Cash and cash equivalents..... \$ 145,030

#### LIABILITIES AND FUND BALANCE

##### Liabilities

Accounts payable..... \$ -

##### Fund balance

Assigned - housing and development..... 145,030

Total liabilities and fund balance..... \$ 145,030

# CITY OF POOLER, GEORGIA

## Pooler Development Authority

### Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ended December 31, 2019

---

#### REVENUES

Charges for services.....	\$ -
Investment earnings.....	564
Total revenues.....	<u>564</u>

#### EXPENDITURES

Current	
Housing and development.....	<u>481</u>
Net change in fund balance.....	83
Fund balance at beginning of year.....	<u>144,947</u>
Fund balance at end of year.....	<u>\$ 145,030</u>

## 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..... <i>These schedules contain trend information to help the reader understand how the city's financial position has changed over time.</i>	G-2
Revenue Capacity..... <i>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.</i>	G-10
Debt Capacity..... <i>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.</i>	G-17
Demographic and Economic Information..... <i>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.</i>	G-23
Operating Information..... <i>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.</i>	G-25

**Sources:** Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.



# CITY OF POOLER, GEORGIA

## Net Position by Component

### Last Ten Calendar Years

	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets.....	\$ 7,684,621	\$ 21,645,967	\$ 22,995,624	\$ 26,439,001	\$ 30,325,758
Restricted.....	1,804,340	1,779,908	1,431,855	681,733	750,818
Unrestricted.....	8,716,070	10,397,712	12,469,802	14,612,090	17,048,570
Total governmental activities net position..	<u>\$ 18,205,031</u>	<u>\$ 33,823,587</u>	<u>\$ 36,897,281</u>	<u>\$ 41,732,824</u>	<u>\$ 48,125,146</u>
Business-type activities					
Net investment in capital assets.....	\$ 13,321,328	\$ 15,221,175	\$ 15,715,267	\$ 16,524,638	\$ 18,147,634
Restricted.....	733,445	717,391	1,506,768	1,304,856	1,041,089
Unrestricted.....	11,844,420	10,176,572	12,447,030	13,888,285	14,897,480
Total business-type activities net position..	<u>\$ 25,899,193</u>	<u>\$ 26,115,138</u>	<u>\$ 29,669,065</u>	<u>\$ 31,717,779</u>	<u>\$ 34,086,203</u>
Primary Government					
Net investment in capital assets.....	\$ 21,005,949	\$ 36,867,142	\$ 38,710,891	\$ 42,963,639	\$ 48,473,392
Restricted.....	2,537,785	2,497,299	2,938,623	1,986,589	1,791,907
Unrestricted.....	20,560,490	20,574,284	24,916,832	28,500,375	31,946,050
Total primary government net position.....	<u>\$ 44,104,224</u>	<u>\$ 59,938,725</u>	<u>\$ 66,566,346</u>	<u>\$ 73,450,603</u>	<u>\$ 82,211,349</u>

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets.....	\$ 24,885,553	\$ 44,384,681	\$ 46,999,273	\$ 49,007,232	\$ 51,230,892
Restricted.....	277,963	945	336,585	1,543,752	2,998,652
Unrestricted.....	28,779,772	14,349,505	15,044,645	16,935,914	19,314,744
Total governmental activities net position..	<u>\$ 53,943,288</u>	<u>\$ 58,735,131</u>	<u>\$ 62,380,503</u>	<u>\$ 67,486,898</u>	<u>\$ 73,544,288</u>
Business-type activities					
Net investment in capital assets.....	\$ 19,821,116	\$ 23,318,018	\$ 20,180,845	\$ 20,676,283	\$ 21,110,199
Restricted.....	1,233,007	989,605	1,356,249	7,344,974	7,619,832
Unrestricted.....	15,237,072	13,702,813	19,244,187	16,021,653	18,473,345
Total business-type activities net position..	<u>\$ 36,291,195</u>	<u>\$ 38,010,436</u>	<u>\$ 40,781,281</u>	<u>\$ 44,042,910</u>	<u>\$ 47,203,376</u>
Primary Government					
Net investment in capital assets.....	\$ 44,706,669	\$ 67,702,699	\$ 67,180,118	\$ 69,683,515	\$ 72,341,091
Restricted.....	1,510,970	990,550	1,692,834	8,888,726	10,618,484
Unrestricted.....	44,016,844	28,052,318	34,288,832	32,957,567	37,788,089
Total primary government net position.....	<u>\$ 90,234,483</u>	<u>\$ 96,745,567</u>	<u>\$ 103,161,784</u>	<u>\$ 111,529,808</u>	<u>\$ 120,747,664</u>

# CITY OF POOLER, GEORGIA

## Changes in Net Position

### Last Ten Calendar Years

	2010	2011	2012	2013
Expenses				
Governmental activities:				
General government.....	\$ 679,957	\$ 540,463	\$ 567,380	\$ 748,377
Judicial.....	-	-	-	-
Public safety.....	4,593,471	5,097,220	5,456,678	6,587,767
Public works.....	2,896,229	3,865,511	3,771,731	3,907,512
Health and welfare.....	189,957	189,121	130,926	113,466
Culture and recreation.....	1,763,580	1,292,268	1,327,503	1,343,641
Housing and development.....	649,072	642,942	685,368	776,033
Interest on long-term debt.....	230,314	194,278	178,097	131,198
Total governmental activities expenses.....	11,002,580	11,821,803	12,117,683	13,607,994
Business-type activities:				
Water and sewer.....	5,435,722	5,682,784	5,633,844	5,782,950
Total business-type activities expense.....	5,435,722	5,682,784	5,633,844	5,782,950
Total primary government expenses.....	\$ 16,438,302	\$ 17,504,587	\$ 17,751,527	\$ 19,390,944
Program Revenues				
Governmental activities:				
Charges for services:				
General government.....	\$ 116,651	\$ 120,616	\$ 203,322	\$ 248,411
Judicial.....	-	-	945,426	1,123,130
Public safety.....	534,095	951,699	8,883	8,649
Public works.....	1,067,061	1,242,437	1,244,167	1,235,094
Health and welfare.....	4,368	5,166	11,039	10,425
Culture and recreation.....	142,636	148,008	166,636	161,280
Housing and development.....	268,617	225,931	597,555	419,291
Operating grants and contributions.....	537,167	308,606	274,781	239,727
Capital grants and contributions.....	316,245	14,194,386	1,147,660	1,221,548
Total governmental activities program revenues.....	2,986,840	17,196,849	4,599,469	4,667,555
Business-type activities - water and sewer:				
Charges for services.....	4,747,291	5,219,905	5,453,942	5,690,369
Capital grants and contributions.....	1,154,287	854,238	3,715,051	2,123,141
Total business type activities program revenues.....	5,901,578	6,074,143	9,168,993	7,813,510
Total primary government program revenues.....	\$ 8,888,418	\$ 23,270,992	\$ 13,768,462	\$ 12,481,065
Net (Expense)/Revenue				
Governmental activities.....	\$ (8,015,740)	\$ 5,375,046	\$ (7,518,214)	\$ (8,940,439)
Business-type activities.....	465,856	391,359	3,535,149	2,030,560
Total primary government net expense.....	\$ (7,549,884)	\$ 5,766,405	\$ (3,983,065)	\$ (6,909,879)

2014	2015	2016	2017	2018	2019
\$ 727,613	\$ 851,414	\$ 2,095,714	\$ 2,393,700	\$ 2,606,081	\$ 3,136,388
-	-	-	-	-	389,773
7,810,684	7,324,997	9,382,866	10,130,386	10,283,565	10,268,378
4,149,557	5,544,496	5,009,280	5,317,459	5,950,846	5,133,417
114,585	118,851	153,228	131,478	160,156	184,825
1,534,746	1,698,857	1,898,599	2,222,201	2,260,443	2,017,129
924,225	1,040,932	1,117,343	1,080,688	1,318,187	1,459,165
71,561	608,396	545,076	663,710	517,112	460,060
15,332,971	17,187,943	20,202,106	21,939,622	23,096,390	23,049,135
5,684,961	6,344,911	7,077,825	7,534,225	8,323,926	7,883,643
5,684,961	6,344,911	7,077,825	7,534,225	8,323,926	7,883,643
\$ 21,017,932	\$ 23,532,854	\$ 27,279,931	\$ 29,473,847	\$ 31,420,316	\$ 30,932,778
\$ 265,511	\$ 254,382	\$ 718,895	\$ 792,293	\$ 1,009,517	\$ 292,501
1,053,094	993,301	946,453	941,410	921,567	1,114,409
47,732	53,727	69,370	72,745	47,800	68,541
1,295,914	1,517,792	1,629,592	1,714,837	1,765,011	1,922,117
8,989	10,055	10,310	8,698	12,149	1,993
179,860	236,498	237,337	257,826	286,825	306,795
710,469	629,592	670,170	858,910	1,251,439	933,381
1,170,047	552,264	852,567	309,918	675,736	458,221
1,475,855	6,383,131	3,197,039	3,527,159	3,496,987	3,808,089
6,207,471	10,630,742	8,331,733	8,483,796	9,467,031	8,906,047
5,994,052	6,193,991	7,227,868	7,579,123	7,889,125	8,898,474
2,043,372	3,417,479	1,529,496	2,695,611	3,630,586	1,772,991
8,037,424	9,611,470	8,757,364	10,274,734	11,519,711	10,671,465
\$ 14,244,895	\$ 20,242,212	\$ 17,089,097	\$ 18,758,530	\$ 20,986,742	\$ 19,577,512
\$ (9,125,500)	\$ (6,557,201)	\$ (11,870,373)	\$ (13,455,826)	\$ (13,629,359)	\$ (14,143,088)
2,352,463	3,266,559	1,679,539	2,740,509	3,195,785	2,787,822
\$ (6,773,037)	\$ (3,290,642)	\$ (10,190,834)	\$ (10,715,317)	\$ (10,433,574)	\$ (11,355,266)

# CITY OF POOLER, GEORGIA

## Changes in Net Position

### Last Ten Calendar Years

	2010	2011	2012	2013
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes.....	\$ 9,002,270	\$ 8,899,057	\$ 10,545,201	\$ 13,701,600
Unrestricted grants, contributions and investment earnings.....	119,218	209,897	9,262	8,606
Other revenue.....	46,099	75,641	37,445	65,776
Transfers.....	-	-	-	-
Total governmental activities.....	9,167,587	9,184,595	10,591,908	13,775,982
Business-type activities - water and sewer:				
Unrestricted grants, contributions and investment earnings.....	65,188	62,631	18,778	18,154
Miscellaneous income (loss).....	10,892	-	-	-
Transfers.....	-	-	-	-
Total business-type activities.....	76,080	62,631	18,778	18,154
Total primary government.....	\$ 9,243,667	\$ 9,247,226	\$ 10,610,686	\$ 13,794,136
Change in Net Position				
Governmental activities.....	\$ 1,151,847	\$ 14,559,641	\$ 3,073,694	\$ 4,835,543
Business-type activities.....	541,936	453,990	3,553,927	2,048,714
Total primary government.....	\$ 1,693,783	\$ 15,013,631	\$ 6,627,621	\$ 6,884,257



2014	2015	2016	2017	2018	2019
\$ 15,488,559	\$ 16,138,769	\$ 16,371,029	\$ 17,093,816	\$ 18,565,851	\$ 19,874,237
5,010	10,426	42,070	46,223	53,799	300,001
24,253	65,182	249,117	213,476	116,104	26,240
-	-	-	-	-	-
15,517,822	16,214,377	16,662,216	17,353,515	18,735,754	20,200,478
15,961	18,117	39,702	56,465	65,844	372,644
-	-	-	1,000	-	-
-	-	-	-	-	-
15,961	18,117	39,702	57,465	65,844	372,644
\$ 15,533,783	\$ 16,232,494	\$ 16,701,918	\$ 17,410,980	\$ 18,801,598	\$ 20,573,122
\$ 6,392,322	\$ 9,657,176	\$ 4,791,843	\$ 3,897,689	\$ 5,106,395	\$ 6,057,390
2,368,424	3,284,676	1,719,241	2,797,974	3,261,629	3,160,466
\$ 8,760,746	\$ 12,941,852	\$ 6,511,084	\$ 6,695,663	\$ 8,368,024	\$ 9,217,856



# CITY OF POOLER, GEORGIA

## Fund Balances, Governmental Funds

### Last Ten Calendar Years

	2010	2011	2012	2013	2014
General Fund					
Reserved.....	\$ 2,135	\$ -	\$ -	\$ -	\$ -
Unreserved.....	7,603,418	-	-	-	-
Nonspendable.....	-	61,454	60,329	57,901	85,187
Committed.....	-	2,500,000	2,500,000	2,238,501	494,175
Assigned.....	-	201,592	499,704	2,730,086	2,416,600
Unassigned.....	-	-	8,555,806	9,141,363	13,462,384
Total general fund.....	<u>\$ 7,605,553</u>	<u>\$ 2,763,046</u>	<u>\$ 11,615,839</u>	<u>\$ 14,167,851</u>	<u>\$ 16,458,346</u>
All Other Governmental Funds					
Reserved.....	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Capital projects fund.....	1,807,020	-	-	-	-
Restricted.....	-	1,779,908	1,742,705	\$ 681,733	\$ 750,818
Assigned.....	-	-	-	12,937	124,095
Total all other governmental funds.....	<u>\$ 1,807,020</u>	<u>\$ 1,779,908</u>	<u>\$ 1,742,705</u>	<u>\$ 694,670</u>	<u>\$ 874,913</u>

	2015	2016	2017	2018	2019
General Fund					
Nonspendable.....	\$ 105,059	\$ 92,753	\$ 108,026	\$ 391,539	\$ 566,696
Committed.....	-	77,369	89,219	224,669	375,587
Assigned.....	2,449,905	1,088,775	1,627,420	-	-
Unassigned.....	16,000,225	16,479,842	16,706,847	19,902,570	21,284,999
Total general fund.....	<u>\$ 18,555,189</u>	<u>\$ 17,738,739</u>	<u>\$ 18,531,512</u>	<u>\$ 20,518,778</u>	<u>\$ 22,227,282</u>
All Other Governmental Funds					
Restricted.....	\$ 277,963	\$ 884,535	\$ 336,585	1,543,752	2,998,652
Assigned.....	13,546,614	(913,630)	44,081	44,214	-
Total all other governmental funds.....	<u>\$ 13,824,577</u>	<u>\$ (29,095)</u>	<u>\$ 380,666</u>	<u>\$ 1,587,966</u>	<u>\$ 2,998,652</u>

The City implemented GASBS No. 54 in 2011.

# CITY OF POOLER, GEORGIA

## Changes in Fund Balances, Governmental Funds Last Ten Calendar Years

	2010	2011	2012	2013
<b>Revenues</b>				
Property taxes.....	\$ 3,836,730	\$ 5,029,345	\$ 4,846,980	\$ 5,033,507
Sales tax.....	1,847,966	1,936,899	2,023,034	4,813,162
Other taxes.....	2,651,273	3,488,479	3,839,389	3,879,471
Licenses and permits.....	385,268	346,547	705,618	580,252
Revenue from other governmental units.....	1,068,642	1,401,466	1,361,761	1,474,516
Charges for services.....	1,254,534	1,485,890	1,564,953	1,533,877
Fines and fees.....	493,626	861,420	866,788	1,025,201
Miscellaneous.....	73,915	74,595	126,383	112,990
<b>Total revenue.....</b>	<b>11,611,954</b>	<b>14,624,641</b>	<b>15,334,906</b>	<b>18,452,976</b>
<b>Expenditures</b>				
Current:				
General government.....	641,067	525,664	571,536	680,595
Judicial.....	-	-	-	-
Public safety.....	4,719,860	5,334,415	5,412,682	6,966,088
Public works.....	3,123,455	3,645,751	3,422,650	3,763,562
Health and welfare.....	178,518	186,770	130,695	110,821
Culture and recreation.....	1,325,487	965,203	1,046,184	999,994
Housing and development.....	627,950	638,730	684,284	772,837
Capital outlay.....	109,677	228,596	1,733,144	2,653,832
Debt service:				
Principal.....	358,983	1,021,638	1,426,455	1,516,173
Interest and other charges.....	219,120	192,597	176,447	130,336
<b>Total expenditures.....</b>	<b>11,304,117</b>	<b>12,739,364</b>	<b>14,604,077</b>	<b>17,594,238</b>
<b>Excess (Deficiency) of revenues over (under) expenditures.....</b>	<b>307,837</b>	<b>1,885,277</b>	<b>730,829</b>	<b>858,738</b>
<b>Other Financing sources (uses)</b>				
Debt issuance.....	42,281	89,800	1,170,188	610,724
Transfers in.....	281,104	281,446	1,322,853	2,174,615
Transfers out.....	(281,104)	(281,446)	(1,322,853)	(2,174,615)
Sale of capital assets/insurance recoveries.....	44,129	14,817	35,360	34,515
<b>Total other financing sources (uses).....</b>	<b>86,410</b>	<b>104,617</b>	<b>1,205,548</b>	<b>645,239</b>
<b>Net change in fund balances.....</b>	<b>\$ 394,247</b>	<b>\$ 1,989,894</b>	<b>\$ 1,936,377</b>	<b>\$ 1,503,977</b>
<b>Debt service as a percentage of noncapital expenditures.....</b>	<b>5.69%</b>	<b>10.80%</b>	<b>13.02%</b>	<b>11.90%</b>

Note: Noncapital expenditures are total expenditures less capital outlay.

2014	2015	2016	2017	2018	2019
\$ 5,457,528	\$ 5,416,884	\$ 5,280,954	\$ 5,527,203	\$ 5,896,848	\$ 5,329,613
5,793,017	5,973,712	5,956,413	6,380,183	6,914,333	7,376,022
4,183,634	4,748,173	5,176,745	5,284,839	5,629,627	7,016,582
863,735	767,959	770,840	1,019,170	1,353,033	1,015,375
1,789,118	3,869,973	3,999,221	3,813,654	3,989,820	4,012,930
1,644,598	1,940,854	2,614,190	2,746,295	3,074,542	2,678,630
970,725	917,245	861,137	868,974	844,919	965,758
136,259	128,054	207,956	145,690	315,182	536,516
20,838,614	23,762,854	24,867,456	25,786,008	28,018,304	28,931,426
688,637	685,814	1,375,847	1,627,419	2,573,818	3,008,202
-	-	-	-	-	396,675
8,300,793	8,275,476	9,037,307	9,431,445	9,339,066	10,597,782
4,043,892	4,762,480	4,570,274	4,922,854	5,369,696	5,752,441
114,450	119,919	177,076	126,608	151,569	186,064
1,049,051	1,256,109	1,673,668	2,002,377	1,723,782	1,738,541
940,947	1,047,050	1,110,503	1,078,015	1,296,467	1,524,982
2,411,157	10,197,139	22,746,814	3,276,973	1,700,972	-
1,828,013	414,964	1,564,177	2,189,445	2,187,352	2,145,945
92,945	384,257	518,196	658,451	540,454	484,683
19,469,885	27,143,208	42,773,862	25,313,587	24,883,176	25,835,315
1,368,729	(3,380,354)	(17,906,406)	472,421	3,135,128	3,096,111
1,095,710	18,501,801	3,066,708	580,401	-	-
2,873,106	2,902,980	3,957,040	1,861,942	2,383,112	886,353
(2,873,106)	(2,902,980)	(3,957,040)	(1,861,942)	(2,383,112)	(886,353)
6,299	46,926	169,576	149,712	59,438	23,079
1,102,009	18,548,727	3,236,284	730,113	59,438	23,079
\$ 2,470,738	\$ 15,168,373	\$ (14,670,122)	\$ 1,202,534	\$ 3,194,566	\$ 3,119,190
12.96%	6.32%	10.47%	13.04%	12.10%	11.04%

# CITY OF POOLER, GEORGIA

## Schedule of Tax Revenues and Franchise Fees Last Ten Calendar Years

	2010	2011	2012	2013
Local option sales and use taxes <sup>(1)</sup>	\$ 1,847,966	\$ 1,936,899	\$ 2,023,034	\$ 4,802,818
Property taxes	3,836,730	5,029,345	4,846,980	5,033,507
Franchise taxes	1,050,407	1,289,667	1,482,133	1,424,210
Selective sales and use taxes:				
Lodging tax	562,208	562,892	615,706	658,987
Alcoholic beverage excise tax	433,029	451,968	502,416	505,564
Local option mixed drink tax	50,132	52,483	53,807	58,754
Energy excise tax	-	-	-	10,344
Business taxes:				
Business and occupation tax	178,869	185,402	182,997	194,950
Insurance premium tax	335,857	897,746	953,557	987,317
Financial institution tax	40,771	48,321	48,773	49,689
Total tax revenue	<u>\$ 8,335,969</u>	<u>\$ 10,454,723</u>	<u>\$ 10,709,403</u>	<u>\$ 13,726,140</u>

Schedule includes general fund and special revenue fund revenues.

<sup>(1)</sup> The City's local option sales and use tax is a joint City-County tax. Counties and "qualified cities" receiving general purpose local option sales and use tax are required to renegotiate distribution agreements within two years of each decennial census. The City and the County must begin renegotiation of the distribution agreement on or before July 1, 2022. Chatham County's sales tax rate is 7.00%. The State of Georgia receives 4.00% and the County receives 3.00%.

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2014	2015	2016	2017	2018	2019
\$ 5,759,059	\$ 5,905,538	\$ 5,866,450	\$ 6,265,749	\$ 6,790,037	\$ 7,257,870
5,457,528	5,416,884	5,280,954	5,527,203	5,896,848	6,283,779
1,481,331	1,666,671	1,770,874	1,762,840	1,712,516	1,815,468
795,388	1,010,949	1,203,257	1,217,935	1,505,889	1,684,278
529,212	562,200	569,229	565,434	577,290	594,260
73,420	97,599	111,890	117,198	130,632	146,065
33,958	68,174	89,963	114,434	124,296	118,152
218,860	273,038	287,152	301,222	325,172	365,897
1,030,370	1,100,781	1,192,110	1,267,477	1,330,502	1,413,366
55,053	36,935	42,233	52,733	47,626	43,082
<u>\$ 15,434,179</u>	<u>\$ 16,138,769</u>	<u>\$ 16,414,112</u>	<u>\$ 17,192,225</u>	<u>\$ 18,440,808</u>	<u>\$ 19,722,217</u>

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## 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
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
2013	833,321	2,083,303	230,093	575,233	6,932	17,330
2014	922,041	2,305,103	244,709	611,773	6,999	17,498
2015	957,037	2,392,593	253,793	634,483	7,262	18,155
2016	1,013,708	2,534,271	213,055	532,638	7,642	19,105
2017	1,045,661	2,614,153	246,154	615,385	14,928	37,320
2018	1,129,917	2,824,793	276,359	690,898	14,643	36,608
2019	1,217,102	3,042,755	287,396	718,490	15,383	38,458

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.



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Total		Ratio of Total Assessed to Total Estimated Value		Total Direct Tax Rate
Assessed Value	Estimated Actual Value			
\$ 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
1,070,346	2,675,866	40.00%		4.250
1,173,749	2,934,374	40.00%		4.179
1,218,092	3,045,231	40.00%		4.019
1,234,405	3,086,014	40.00%		3.909
1,306,743	3,266,858	40.00%		3.849
1,420,919	3,552,299	40.00%		3.799
1,519,881	3,799,703	40.00%		3.754

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## CITY OF POOLER, GEORGIA

### Direct and Overlapping Property Tax Rates Last Ten Calendar Years

Tax Year	City of Pooler	Overlapping Rates <sup>(1)</sup>			Total
	Operating	School District	County	State	
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
2013	4.250	15.880	11.950	0.150	33.230
2014	4.179	15.881	11.543	0.100	32.703
2015	4.019	16.631	11.543	0.050	33.243
2016	3.909	16.631	11.543	-	32.083
2017	3.849	16.631	11.543	-	32.023
2018	3.799	18.881	11.543	-	34.223
2019	3.754	18.881	11.543	-	34.178

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

<sup>(1)</sup> 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	2019			2010		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
JCB USA, Inc	\$ 71,666,295	1	4.36%	\$ 15,349,053	1	1.60%
HASBRO, Inc.	21,618,266	2	1.31%	12,281,467	2	1.28%
Bassford N L JR	21,173,520	3	1.29%			
Rolls-Royce North America, Inc.	19,097,869	4	1.16%	5,648,388	10	0.59%
KTR SAV LLC	19,072,760	5	1.16%			
Two Addison - Grande Pointe LLC	15,906,800	6	0.97%			
Godley Station Apartments LP	15,046,207	7	0.92%	6,240,960	9	0.65%
West Plaza RE Holdings LLC	13,716,000	8	0.83%			
Pooler Park Avenue LLC	13,634,400	9	0.83%			
SG Villas at Park Avenue LLC	13,250,527	10	0.81%			
Walmart Stores, Inc.				6,422,563	8	0.67%
Courtney Station LLC				10,155,600	4	1.06%
A & B Properties Inc.				12,347,000	3	1.28%
Alta Towne Lake LLC				9,534,000	5	0.99%
Savannah Housing Partners II				8,816,480	6	0.92%
Spanos Corporation				8,386,560	7	0.87%
Totals	<u>\$ 224,182,644</u>		<u>13.64%</u>	<u>\$ 95,182,071</u>		<u>9.90%</u>

Source: Chatham County Board of Assessors

## CITY OF POOLER

### Property Tax Levies and Collections

#### Last Ten Calendar Years

Calendar Year <sup>(1)</sup>	Total Tax Levy <sup>(2)</sup>	Collected within the Calendar Year of the Levy		Collections for subsequent years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 3,863,412	\$ 2,960,033	76.61%	\$ 903,379	\$ 3,863,412	100.00%
2011	3,884,879	3,468,972	89.29%	415,718	3,884,690	100.00%
2012	4,078,827	3,795,818	93.06%	282,635	4,078,453	99.99%
2013	4,045,908	3,787,968	93.64%	257,692	4,045,660	99.99%
2014	4,635,714	4,268,796	92.10%	366,787	4,635,583	100.00%
2015	4,501,804	4,249,105	95.37%	252,575	4,501,680	100.00%
2016	4,405,218	4,205,736	95.47%	199,294	4,405,030	100.00%
2017	4,644,313	4,438,103	95.56%	203,217	4,641,320	99.94%
2018	5,033,652	4,725,566	93.88%	294,717	5,020,283	99.73%
2019	5,236,862	4,969,889	94.90%	-	4,969,889	94.90%

Source: *City records*.

<sup>(1)</sup> Taxes are assessed for the calendar year beginning January 1.

<sup>(2)</sup> 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.



## CITY OF POOLER, GEORGIA

### Ratios of Outstanding Debt by Type Last Ten Calendar Years

Calendar Year	Governmental Activities			Business-type Activities	
	Contractual Obligations	Notes Payable	Capital Leases	GEFA Loans	Capital Leases
2010	\$ 4,500,000	\$ -	\$ 833,613	\$ 18,410,739	\$ 104,792
2011	3,750,000	-	651,775	17,759,412	51,128
2012	2,550,000	-	1,595,095	17,429,466	15,940
2013	1,300,000	-	1,939,646	16,393,731	3,239
2014	-	-	2,507,343	17,471,382	309,575
2015	-	18,475,000	2,119,180	19,199,460	250,851
2016	-	17,425,000	4,671,616	19,236,116	190,573
2017	-	16,375,000	4,112,572	23,089,084	128,700
2018	-	15,300,000	3,000,220	21,158,065	65,324
2019	-	14,195,000	1,959,275	19,382,243	-

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

<sup>(a)</sup> See the Schedule of Demographic and Economic Statistics on page G-23 for personal income and population data.

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Total Primary Government	Percentage of Personal Income <sup>(a)</sup>	Per Capita <sup>(a)</sup>
\$ 23,849,144	4.54%	\$ 1,246
22,212,315	4.13%	1,145
21,590,501	3.67%	1,048
19,636,616	2.95%	893
20,288,300	2.92%	904
40,044,491	5.79%	1,790
41,523,305	5.14%	1,773
43,705,356	5.32%	1,835
39,523,609	4.69%	1,619
35,536,518	3.77%	1,383

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# CITY OF POOLER, GEORGIA

## Ratios of Net General Bonded Debt Outstanding Last Ten Calendar Years

Calendar Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property		Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding			
2010	\$ -	\$ -	\$ -	0.00%		\$ -
2011	-	-	-	0.00%		-
2012	-	-	-	0.00%		-
2013	-	-	-	0.00%		-
2014	-	-	-	0.00%		-
2015	-	-	-	0.00%		-
2016	-	-	-	0.00%		-
2017	-	-	-	0.00%		-
2018	-	-	-	0.00%		-
2019	-	-	-	0.00%		-



# CITY OF POOLER, GEORGIA

## Direct and Overlapping Governmental Activities Debt

As of December 31, 2019

	Debt Outstanding	Estimated Percentage Applicable <sup>(1)</sup>	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes:			
Chatham County, Georgia:			
DSA Chatham County Projects Series 2005A.....	\$ 720,000	11.35%	\$ 81,720
DSA Savannah Authority Series 2009.....	1,560,000	11.35%	177,060
DSA Savannah Authority (Chatham County Projects) Series 2014.....	6,550,000	11.35%	743,425
CDW Cybersecurity.....	367,037	11.35%	41,659
Savannah-Chatham County School Board:			
General Obligation Bonded Debt.....	7,736,953	14.17%	1,096,326
Overlapping other debt:			
Capital leases:			
Chatham County, Georgia.....	1,868,007	11.35%	212,019
Savannah-Chatham County School Board.....	18,038,961	14.17%	2,556,121
Subtotal, overlapping debt.....			4,908,330
City of Pooler direct debt.....			16,154,275
Total direct and overlapping debt.....			<u>\$ 21,062,605</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.

<sup>(1)</sup> 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

	2010	2011	2012	2013
Total assessed value of taxable property.....	\$ 961,243,027	\$ 962,899,635	\$1,020,061,805	\$1,070,346,277
Less exemptions for bond purposes.....	-	-	-	-
Net assessed value for bond purposes.....	<u>\$ 961,243,027</u>	<u>\$ 962,899,635</u>	<u>\$1,020,061,805</u>	<u>\$1,070,346,277</u>
Debt limit percentage.....	10%	10%	10%	10%
Debt limit.....	\$ 96,124,303	\$ 96,289,964	\$ 102,006,181	\$ 107,034,628
Total net debt applicable to limit: General obligation bonds (net of set aside)	-	-	-	-
Legal debt margin.....	<u>\$ 96,124,303</u>	<u>\$ 96,289,964</u>	<u>\$ 102,006,181</u>	<u>\$ 107,034,628</u>
Total net debt applicable to the limit as a percentage of debt limit.....	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.

2014	2015	2016	2017	2018	2019
\$ 1,173,748,812	\$ 1,218,092,282	\$ 1,234,404,655	\$ 1,306,743,145	\$ 1,420,919,110	\$ 1,519,880,760
-	-	-	-	-	-
<u>\$ 1,173,748,812</u>	<u>\$ 1,218,092,282</u>	<u>\$ 1,234,404,655</u>	<u>\$ 1,306,743,145</u>	<u>\$ 1,420,919,110</u>	<u>\$ 1,519,880,760</u>
10%	10%	10%	10%	10%	10%
\$ 117,374,881	\$ 121,809,228	\$ 123,440,466	\$ 130,674,315	\$ 142,091,911	\$ 151,988,076
-	-	-	-	-	-
<u>\$ 117,374,881</u>	<u>\$ 121,809,228</u>	<u>\$ 123,440,466</u>	<u>\$ 130,674,315</u>	<u>\$ 142,091,911</u>	<u>\$ 151,988,076</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

## CITY OF POOLER, GEORGIA

### Demographic and Economic Statistics Last Ten Calendar Years

Year	Population	Personal Income	Per Capita Personal Income <sup>(1)</sup>	Unemployment Rate <sup>(2)</sup>
2010	19,141	\$ 525,650,142	\$ 27,462	9.2%
2011	19,391	537,499,129	27,719	8.7%
2012	20,598	588,999,810	28,595	8.8%
2013	21,978	666,746,586	30,337	7.1%
2014	21,772	693,745,968	30,928	6.6%
2015	22,718	705,316,939	31,531	5.6%
2016	23,423	780,877,548	33,756	4.9%
2017	23,816	819,603,824	34,414	5.4%
2018	24,411	842,716,542	34,522	3.7%
2019	25,694	942,558,696	36,684	2.9%

Sources:

<sup>(1)</sup> [www.city-data.com/city/Pooler-Georgia.html](http://www.city-data.com/city/Pooler-Georgia.html)

<sup>(2)</sup> *State Department of Labor*

# CITY OF POOLER, GEORGIA

## Principal Employers Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
CJKANTRG PA, LLC	1,300	1	9.61%			
JCB, Inc.	440	2	3.25%	240	2	3.70%
Wal-Mart	217	3	1.60%	433	1	6.67%
Energy Systems Southeast	143	4	1.06%			
Jenkins Plumbing	140	5	1.03%			
Sam's Club	140	6	1.03%	146	3	2.25%
Nordic Logistics & Warehousing	132	7	0.98%			
The Home Depot	130	8	0.96%	132	6	2.03%
Hutton's Landscapes	128	9	0.95%			
Publix Supermarket	125	10	0.92%	85	9	1.31%
ProBuild East, LLC				136	4	2.09%
Cracker Barrel				133	5	2.05%
The Place at Pooler				106	7	1.63%
Lowe's Home Center, LLC				105	8	1.62%
Longhorn Steakhouse				83	10	1.28%
Total	<u>2,895</u>		<u>21.39%</u>	<u>1,599</u>		<u>24.62%</u>

Source: City business license records

# CITY OF POOLER, GEORGIA

## Full Time City Employees by Function/Program Last Ten Calendar Years

	2010	2011	2012	2013	2014
<u>Function/Program</u>					
General government.....	10	13	13	15	15
Public safety.....	69	70	72	90	101
Public works.....	28	24	23	23	30
Culture and recreation.....	13	11	11	11	11
Water and sewer services.....	19	21	17	20	16
Total.....	<u>139</u>	<u>139</u>	<u>136</u>	<u>159</u>	<u>173</u>

	2015	2016	2017	2018	2019
<u>Function/Program</u>					
General government.....	15	17	21	25	25
Public safety.....	109	112	114	114	121
Public works.....	27	21	27	22	19
Culture and recreation.....	15	20	23	21	19
Water and sewer services.....	25	26	21	12	12
Total.....	<u>191</u>	<u>196</u>	<u>206</u>	<u>194</u>	<u>196</u>

Source: City Personnel Records - final payroll

# CITY OF POOLER, GEORGIA

## Operating Indicators by Function

Last Ten Calendar Years

	2010	2011	2012	2013	2014
Police:					
Arrests.....	601	845	987	1,337	1,442
Fire:					
Number of emergency calls.....	2,241	2,391	2,499	2,569	3,005
Inspections.....	724	895	687	826	684
Public works:					
Street resurfacing (miles).....	-	1.000	1.940	1.290	-
Water:					
New connections.....	262	272	312	315	285
Average daily consumption (gallons).....	2,058,684	2,168,287	2,118,763	2,008,375	1,980,000
Sewer:					
New connections.....	262	272	312	315	293
Average daily sewage treatment (gallons).....	1,617,000	1,401,000	1,812,000	1,791,781	1,890,000

	2015	2016	2017	2018	2019
Police:					
Arrests.....	1,401	1,395	1,152	1,718	1,875
Fire:					
Number of emergency calls.....	3,421	3,846	3,982	4,130	4,319
Inspections.....	802	701	758	813	858
Public works:					
Street resurfacing (miles).....	4.730	0.840	1.870	4.090	2.890
Water:					
New connections.....	243	233	254	299	225
Average daily consumption (gallons).....	1,963,853	2,179,800	2,106,000	2,060,000	2,467,000
Sewer:					
New connections.....	243	219	240	305	253
Average daily sewage treatment (gallons).....	2,035,042	2,224,167	2,273,000	2,348,808	2,411,000

Sources: City records

**CITY OF POOLER, GEORGIA**  
**Capital Asset Statistics by Function**  
**Last Ten Calendar Years**

	2010	2011	2012	2013	2014
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	2	2	2	4	4
Public works:					
Streets (miles).....	87	102	102	102	103
Traffic signals.....	7	8	8	8	8
Parks and recreation:					
Parks.....	5	5	5	5	5
Community centers.....	1	1	1	1	1
Water:					
Maximum daily capacity (gallons).....	3,697,000	3,697,000	3,697,000	3,697,000	4,454,000
Wastewater:					
Maximum daily treatment capacity (gallons)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000

	2015	2016	2017	2018	2019
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	4	4	4	4	4
Public works:					
Streets (miles).....	105	105	105	105	105
Traffic signals.....	9	9	18	18	18
Parks and recreation:					
Parks.....	5	5	5	5	5
Community centers.....	1	1	1	1	1
Water:					
Maximum daily capacity (gallons).....	4,454,000	4,454,000	4,454,000	4,454,000	4,454,000
Wastewater:					
Maximum daily treatment capacity (gallons)	2,500,000	2,500,000	3,500,000	3,500,000	3,500,000

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



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

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**To the Honorable Mayor and Members  
of the City Council  
City of Pooler, Georgia  
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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pooler, Georgia (the "City"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 8, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City'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 the 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 over financial reporting 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 City'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.

*Mauldin & Jenkins, LLC*

Savannah, Georgia

July 8, 2020

# CITY OF POOLER, GEORGIA

## SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2019

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

\_\_\_ Yes    X No

Significant deficiencies identified not considered  
to be material weaknesses?

\_\_\_ Yes    X None Reported

Noncompliance material to financial statements noted?

\_\_\_ Yes    X No

#### **Federal Awards**

A single audit was not performed for the fiscal year ended December 31, 2019 due to the City not expending in excess of \$750,000 in federal funds.

### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

### SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

**CITY OF POOLER, GEORGIA**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**STATUS OF PRIOR YEAR AUDIT FINDINGS**

None reported.