

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Garden City, Georgia

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

**PREPARED BY
FINANCE DEPARTMENT**



City of Garden City, Georgia
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION





Office of the City Manager

Ronald A. Feldner, P.E.
City Manager

Rhonda Ferrell-Bowles
Clerk of Council

June 23, 2015

To the Honorable Mayor, Members of the City Council, and Citizens of Garden City:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Garden City, Georgia for the year ended December 31, 2014 to the Mayor, City Council and Citizens of Garden City. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to accurately present the financial position and results of the operation of the various funds and account groups within the City. All disclosures necessary to enable the reader to gain a full understanding of the City's financial activities have been included. This report also fulfills the state law to publish an annual audit within six months of the close of each fiscal year.

The CAFR is presented in four sections: (1) introductory, (2) financial, (3) statistical, and (4) compliance section. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis (MD&A); basic financial statements for governmental and proprietary funds; notes to the financial statements and the combining and individual funds statements; and schedules for the non-major governmental, special revenue, capital project, and proprietary funds. The statistical section presents selected and un-audited financial and demographic information.

The City's primary government financial statements have been audited by KRT, CPAs P.C. They have issued an unqualified ("clean") opinion of the City's financial statements for the fiscal year ended December 31, 2014. The independent audit involved examination, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A immediately follows the independent auditor's report. The MD&A complements the letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Located in the heart of Chatham County, Garden City stands apart as one of the leading municipalities in coastal Georgia. Featuring a progressive blend of industry and small business, Garden City boasts a rich history, friendly neighborhoods, vibrant economy and quality services for residents. Garden City is home to the Port of Savannah's Garden City Terminal, which is the fourth-largest container port in the United States and the largest single-terminal operation in North America.

On February 8, 1939, the Superior Court of Chatham County granted the residents of Industrial City Gardens, Georgia a charter of municipal incorporation. Thus began the story of a community that became what is known today as Garden City. Early residents of the area were simple farmers and mill workers, many of whom eventually found work in the rapidly expanding cotton and shipping industries in the area.

In its first 70 or so years, Garden City operated under a Mayor-Council form of government where the Mayor was the designated chief executive of the City and presiding officer of a seven member City Council that was elected at-large for staggered four-year terms. While responsibility for day-to-day operations was delegated to an appointed City Administrator, the Mayor maintained the ultimate authority to operate the City government, prepare and administer the budget, and veto acts of the elected body. The City Council maintained responsibility for adopting the budget, passage of resolutions and ordinances, auditing the performance of the government and adoption of general policy positions.

In 2009, legislation was passed which changed the structure within Garden City to a Council-Manager form of government. This system of government combines the strong political leadership of elected officials with the strong managerial experience of an appointed City Manager, enabling the Mayor and City Council to focus primarily on legislative functions. The Mayor continues to be recognized as the political head of the City but became a voting member of the City Council under the New City Charter. As the governing body of the City, the City Council provides legislative direction whereas a City Manager is appointed by the City Council to carry out the policies it establishes, and he/she is responsible for the administrative operation of the City based on the Council's recommendations. Thus, the Mayor and Council as a collegial body are responsible for setting policy, approving the budget and adopting resolutions and ordinances. The City Manager serves at the pleasure of the Mayor and City Council as the chief executive and he/she is responsible for preparing the budget, directing day-to-day operations, and oversight of City operations.

In addition to the change in the form of government, the new City Charter also incorporated a mixed election system and a change in the composition of the City Council. During the 2011 election, the City Council was reduced by one member. Currently, the City Council consists of seven members with one being the Mayor and another being the Mayor Pro-Tem. The five remaining members are elected from geographic districts while the Mayor and Mayor Pro-Tem are elected at-large. This mixed election system, combining at-large and district-member elections, blends the citywide perspective of the at-large council members with the district accountability to ensure that all geographic and demographic populations are properly represented.

The City of Garden City is also financially accountable for a legal separate tourism board which is reported separately within the City's financial statements. Additional information of the City's component units can be found in the notes to the financial statements (See Note I.A).

The annual budget document serves as the foundation for the City's financial planning, operation and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget that is approved by the Mayor and City Council. An annual operating budget is adopted for the general fund and special revenue funds. In addition, annual operating budgets are prepared for each enterprise fund for planning, control, cost allocation, and evaluation purposes. All annual appropriations end at the end of each fiscal year and fund balance carryovers are recorded, where appropriate. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management in all operational areas of the City.

ECONOMIC CONDITION AND OUTLOOK

The City's economic outlook has improved of late and continues to show signs of improvement. The City is attracting new business and continues to grow its business sector at a strong pace. Recently, the City has seen an increase in several major revenue sources that are directly linked to the economy such as occupational taxes, land development permitting, etc.

MAJOR CAPITAL CONSTRUCTION INITIATIVES

- **New Chatham County Public Library:** In an effort to enhance Garden City, the City entered into a cooperative venture with Chatham County to build a public library at the Town Center. The new public library was completed in late 2014 and it provides a valuable resource to all the residents of Garden City and Chatham County.
- **Dean Forest Road Widening Project:** In an effort to better facilitate traffic flow and to create a more attractive curb appeal for motorists, pedestrians and bicyclists, Dean Forest Road has been widened and now features a scenic landscaped boulevard and sidewalks extending south from Interstate 16. The final phase of the project involving construction of intersection improvements at Ogeechee Road (Highway 17) was well underway towards completion in late 2014 with final completion set for mid-2015.
- **Water and Sewer System Improvements:** In 2013, the City embarked on a multi-year infrastructure replacement and upgrade capital improvement program for the City's water and sewer operations. A total initial re-investment of \$3.15 million has been undertaken by the City involving seven major projects throughout the City. The projects are being funded using a low interest loan secured from the Georgia Environmental Finance Authority (GEFA) and payment of the debt service will be via future water and sewer revenues.

The City understands the importance of maintaining and improving our public facilities and infrastructure to ensure efficient City government operation. To that end, the City began development of its first ever Capital Improvement Plan (CIP) in 2014 that will eventually encompass all City departments using a multi-year planning horizon. The City expects to have the CIP in full use in FY2015 and in future fiscal years.

LONG-TERM FINANCIAL PLANNING

In November 2011, the City revised its fund balance policy to conform to the Governmental Accounting Standards Board (GASB) Statement 54. Part of the new policy outlines the minimum requirements for the City's Rainy Day fund balance. It states that the City Council will commit a minimum fund balance of 25% of budgeted General Fund operating expenditures for use in meeting unanticipated needs and/or emergencies. The City will maintain minimum cash reserves equaled to 15% of the General Fund budgeted operating expenditures. **This reserve will be part of the Rainy Day fund balance.** If existing

reserves exceed the required level, such funds may be used to provide for non-recurring expenditures as approved by Mayor and Council.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. We especially want to express our appreciation to Garden City Mayor and City Council members for their continued leadership and for maintaining the highest standards of professionalism in management of the City's finances for the year ending December 31, 2014.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Ronald Feldner', is positioned above the printed name.

Ronald Feldner, P.E.
City Manager

City of Garden City, Georgia

List of Principal Officials

December 31, 2014

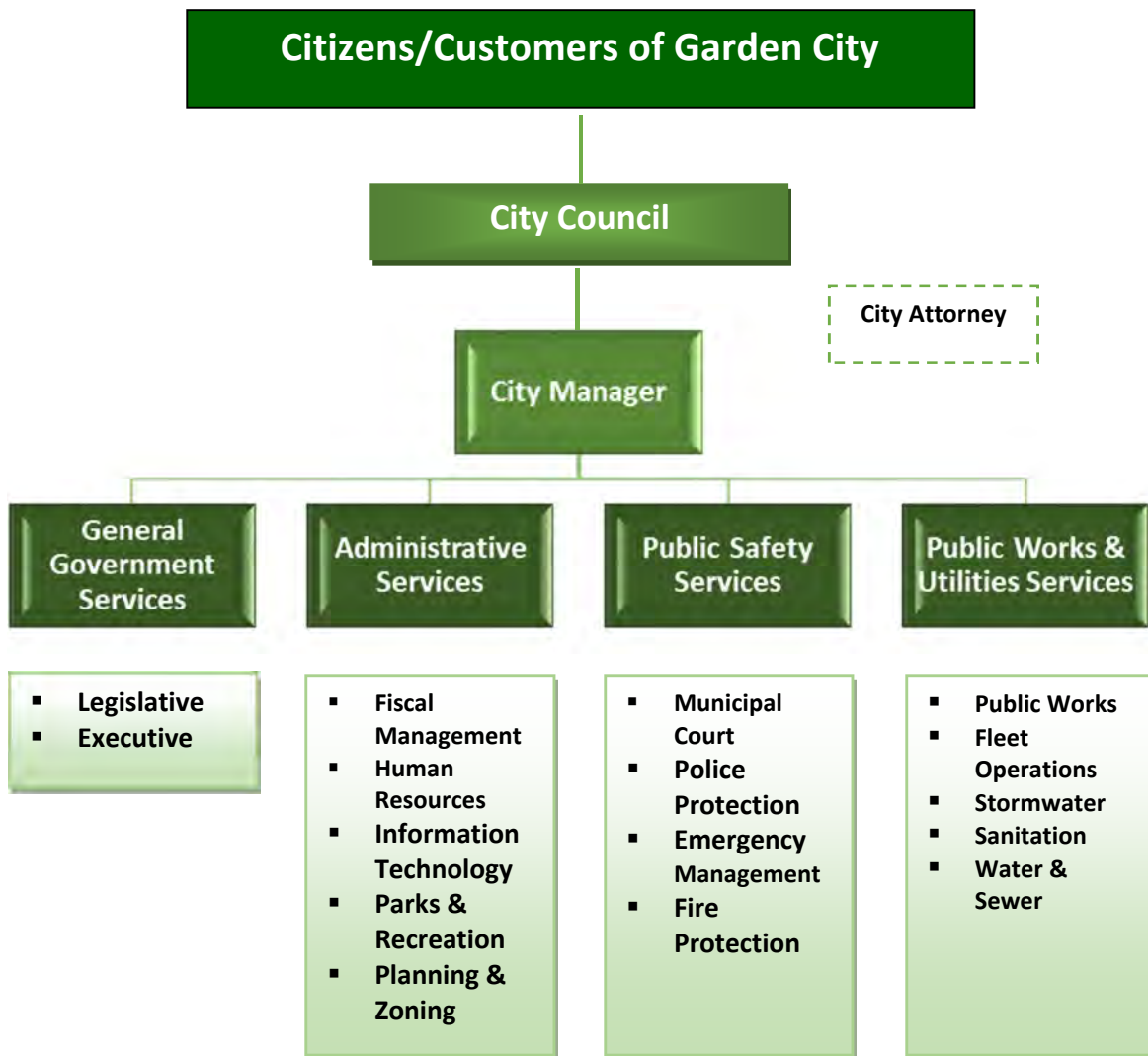
City Hall
(912) 966-7777
Fax (912) 966-7792

Mayor.....	Tennyson Holder
City Manager.....	Ron Feldner
City Clerk.....	Rhonda Ferrell Bowles
Director of Finance	Vacant
Chief of Police.....	David Lyons
Chief of Fire.....	Blake Hodge
Director of Public Works.....	Benny Googe
Director of Human Resources.....	Pamela Franklin
Director of Planning & Zoning.....	Ron Alexander
Director of Recreation.....	Cliff Ducey
Director of Information Technology.....	Ben Brengman
City Attorney.....	Jim Gerard

City Councilmembers

Scott George.....	Mayor Pro - Tem
Don Bethune.....	President of Council
Marcia Daniel.....	Councilmember
Bruce Campbell.....	Councilmember
Rosetta Cody.....	Councilmember
Kimberly Tice.....	Councilmember

City of Garden City Organization Chart by Function



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden City, Georgia, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden City, Georgia, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

The information identified in the table of contents as the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2015 on our consideration of the City of Garden City, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Garden City, Georgia's internal control over financial reporting and compliance.

KRT, CPAs P.C.

KRT, CPAs P.C.
Savannah, Georgia
June 23, 2015



City of Garden City, Georgia
Management's Discussion and Analysis

As management of the City of Garden City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Garden City, Georgia for the fiscal year ended December 31, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The City's assets exceeded its liabilities by \$30,800,882 (net position) for the fiscal year reported. Of this amount, \$8,142,406 (unrestricted net position) is available to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$2,021,420 which is attributed to the City levying an ad valorem tax rate of 4.000 mills on forty percent (40%) of each \$1,000 of taxable property for general government purposes for fiscal year 2014.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$5,441,336, an increase of \$1,757,062 in comparison with the prior year. The general fund reported an increase in fund balance of \$1,225,242, and the other governmental funds reported an increase of \$78,011. The increase in the General Fund balance is mainly the result of the City's collection of property tax revenue in fiscal year 2014.
- Unassigned fund balance for the general fund was \$2,482,404 or 39.3% of the total general fund operating expenditures. In addition, the City has \$1,898,074 in committed fund balance for emergencies.

Overview of the Financial Statements

This annual report consists of four parts – Management's Discussion and Analysis, the basic financial statements, required supplementary information and other supplementary information that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City of Garden City. The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the government-wide statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. 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. To assess the City's overall health, the reader needs to consider additional nonfinancial factors such as the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- Governmental activities – Most of the City's basic services are included here, such as police, public works, court, streets, recreation, parks, and general administration. Sales taxes, franchise taxes, charges for services, and fines and forfeitures provide most of the funding.
- Business-type activities – The City charges fees to customers to help cover the costs of certain services it provides. The City's water and sewer system, solid waste collection, stormwater, and fire protection are treated as business-type activities.

City of Garden City, Georgia
Management's Discussion and Analysis

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. State law requires some funds. The City Council establishes other funds to control and manage money for particular purposes.

The City has two kinds of funds:

- Governmental funds – Most of the City's basic services are included in governmental funds, which focus on how cash and other financial assets can readily be converted to cash flow in and out, and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.
- Proprietary funds – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide statements, provide both long-term and short-term financial information.

Financial Overview

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Garden City, Georgia, assets exceeded liabilities by \$30.8 million at the close of the most recent fiscal period. Governmental activities comprise \$17.8 million, and business-type activities make up \$13.0 million of the total net position. In a condensed format, the table below shows a comparison of the net position as of the current date to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current assets.....	\$ 6,593,098	\$ 4,839,544	\$ 3,253,731	\$ 2,087,278	\$ 9,846,829	\$ 6,926,822
Capital assets.....	19,500,517	20,258,917	15,825,046	15,980,901	35,325,563	36,239,818
Total assets.....	26,093,615	25,098,461	19,078,777	18,068,179	45,172,392	43,166,640
Current liabilities.....	438,370	506,487	635,831	439,957	1,074,201	946,444
Long-term liabilities.....	7,856,271	8,381,362	5,441,038	5,059,372	13,297,309	13,440,734
Total liabilities.....	8,294,641	8,887,849	6,076,869	5,499,329	14,371,510	14,387,178
Net position:						
Net investment in						
capital assets.....	11,695,771	11,973,251	10,408,014	10,950,870	22,103,785	22,924,121
Restricted.....	576,674	120,040	-	-	576,674	120,040
Unrestricted.....	5,526,529	4,117,321	2,593,894	1,617,980	8,120,423	5,735,301
Total net position.....	\$ 17,798,974	\$ 16,210,612	\$ 13,001,908	\$ 12,568,850	\$ 30,800,882	\$ 28,779,462

The largest portion of the City's net position (71.8%) represents its investment in capital assets such as land, buildings, infrastructure, and equipment, less any related debt used to acquire those assets that is still outstanding. 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 City has unrestricted net position totaling \$8,120,423 or 26.4% of total net position, which may be used to meet the City's ongoing obligations to citizens and creditors.

City of Garden City, Georgia
Management's Discussion and Analysis

The remaining balance of total net position contains resources that are subject to external restrictions on how they may be used, such as SPLOST resources and confiscated assets.

The total net position increased by \$2,021,420 or 7.0% from the prior year. Governmental activities net position increased by \$1,588,362 or 9.8%, while business-type activities' net position increased by \$433,058 or 3.4%

Changes in Net Position

The following table shows the changes in net position for 2014:

	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Revenue						
Program revenue:						
Charges for services.....	\$ 1,081,102	\$ 1,095,021	\$ 5,224,169	\$ 5,050,737	\$ 6,305,271	\$ 6,145,758
Operating grants and contributions.....	164,947	146,502	39,078	193,377	204,025	339,879
Capital grants and contributions.....	1,295,386	1,664,723	87,876	15,215	1,383,262	1,679,938
General Revenue:						
Property taxes.....	1,180,722	-	-	-	1,180,722	-
Sales and use taxes.....	3,003,802	2,926,236	-	-	3,003,802	2,926,236
Business taxes.....	1,120,958	1,196,936	-	-	1,120,958	1,196,936
Franchise taxes.....	896,539	851,537	-	-	896,539	851,537
Selective sales and use taxes.....	389,973	356,020	-	-	389,973	356,020
Unrestricted investment.....	3,087	3,091	1,764	1,239	4,851	4,330
Miscellaneous.....	1,283	28,110	922	16,564	2,205	44,674
Total revenue	9,137,799	8,268,176	5,353,809	5,277,132	14,491,608	13,545,308
Expenses						
General government.....	1,449,807	1,934,767	-	-	1,449,807	1,934,767
Judiciary.....	95,500	97,160	-	-	95,500	97,160
Public safety.....	3,727,352	3,606,478	-	-	3,727,352	3,606,478
Public works.....	984,467	1,644,768	-	-	984,467	1,644,768
Health and welfare.....	165,958	149,818	-	-	165,958	149,818
Culture and recreation.....	694,969	770,782	-	-	694,969	770,782
Housing and development.....	164,671	300,931	-	-	164,671	300,931
Interest on long-term debt.....	212,955	200,938	-	-	212,955	200,938
Water and sewer.....	-	-	2,837,507	3,101,449	2,837,507	3,101,449
Sanitation.....	-	-	384,159	413,749	384,159	413,749
Stormwater.....	-	-	878,475	738,503	878,475	738,503
Fire protection services.....	-	-	874,368	962,591	874,368	962,591
Total expenses	7,495,679	8,705,642	4,974,509	5,216,292	12,470,188	13,921,934
Excess (deficiency) before special item and transfers.....	1,642,120	(437,466)	379,300	60,840	2,021,420	(376,626)
Transfers.....	(53,758)	9,198	53,758	(9,198)	-	-
Change in net position.....	1,588,362	(428,268)	433,058	51,642	2,021,420	(376,626)
Net position, beginning.....	16,210,612	16,638,880	12,568,850	12,517,208	28,779,462	29,156,088
Net position, ending.....	\$ 17,798,974	\$ 16,210,612	\$ 13,001,908	\$ 12,568,850	\$ 30,800,882	\$ 28,779,462

Governmental Activities

Revenues for governmental activities totaled \$9.1 million in 2014, which represents an increase of 10.5% over 2013. Sales and use taxes account for \$3.0 million or 32.9% of total revenue in 2014, a reported increase of \$77,566 compared to 2013. Business taxes, which include the insurance premium tax, accounted for \$1.1 million or 12.3% of total revenue in 2014, a reported decrease of (\$75,978) or (-6.3%) from 2013. A decrease in occupational taxes is responsible for this decrease. Charges for services generated \$1.0 million or 11.8% of total revenue for 2014. Franchise taxes increased slightly totaling \$896,539 in 2014.

Expenses for governmental activities totaled \$7.5 million in 2014, which represents a decrease of (\$1.2) million or (-14.1%) compared to 2013.

Business-type Activities

The City has four business-type activities: water and sewer operations, solid waste collection services, stormwater fees, and fire protection services. Revenues for business-type activities were \$5.3 million, which represents an increase of 1.5% over 2013. The slight increase is attributed to funding from the Cycle 16 Coastal Incentive Grant entitled "Stormwater Master Planning for Disaster Resiliency in Garden City" in the Stormwater fund in 2014.

Expenses for business-type activities totaled \$5.0 million in 2014, which represents a decrease of (-4.7%) compared to 2013.

Financial Analysis of City Funds

General Fund

The general fund is the chief operating fund of the City. At year-end, the total fund balance in the general fund was \$4,564,767. The total amount of unassigned fund balance for the general fund is \$2,482,404.

One measure of the general fund's liquidity is to compare its unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance and total fund balance represents 33.5% and 75.6% percent of total general fund expenditures respectively.

The fund balance of the general fund increased \$1,225,242 during 2014. The increase in fund balance is the result of the City's collection of property tax revenue of about \$1.1 million as well as slight increases in other various general fund revenues due to the upturn in the economy (i.e. Local Option Sales Tax, building permits, etc.).

Capital Projects Fund

The capital projects fund balance at December 31, 2014 was \$572,176. The fund balance increased \$453,809 over the prior year's balance. The upturn in the economy had a positive impact on the City's Special Local Option Sales Tax (SPLOST) revenue in 2014. In keeping with the purpose of having a capital projects fund, the City used monies for approved SPLOST projects such as debt service payment for the city hall loan as well as infrastructure improvements for the new library at Town Center.

Proprietary Funds

Proprietary fund statements provide the same information as in the business-type activities column of the government-wide financial statements, only in greater detail. The City uses four enterprise funds at this time in the proprietary fund financial statements, the water and sewer fund, the solid waste fund, the stormwater fund, and the fire protection fund. An enterprise fund is required to account for the operations for which fees are charged to external users for goods or services.

Capital Assets

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

City of Garden City, Georgia
Management's Discussion and Analysis

progress. At year-end, the City's net capital assets for both governmental activities and business-type activities totaled \$35.3 million. Capital assets include assets purchased, constructed or donated.

Additional information on the City's capital assets can be found in Note III.C. beginning on page D-18.

Debt Administration

The long-term liabilities at December 31, 2014 totaled \$13,297,309. Of this amount, \$7,856,271 relates to governmental type activities and \$5,441,038 relates to business-type activities. Overall, the City's long-term liabilities decreased from 2013 by \$143,425.

Additional information on the City's debt can be found in Note III.F. beginning on page D-21.

Current Economic Conditions, Next Year's Budget

Budget to actual schedules are provided in the required supplementary information other than MD&A for the General Fund and other major governmental funds. Individual columns are provided for both the adopted and amended budgets. A column for actual expenditures and a column for differences between final budget and actual expenditures follow these columns. These schedules can be found beginning on page E-1.

The City adopted a general fund budget of \$6,373,650 for 2015. The City is constantly reviewing opportunities to increase revenue by using its assets more efficiently and effectively.

In preparing the 2015 budget, the City considered outside factors that affect funding decisions such as state and local economic conditions, federal and state mandates, political and social environment, citizen concerns, and outside agency considerations. Based on these factors, the following assumptions were made to guide the development of the budget for 2015.

- In fiscal years 2013 and 2014, the City had to defer general government capital purchases and capital improvements projects due to the City's reduction in Local Option Sales Tax revenue. In 2014, the City levied property taxes to offset its reduction in Local Option Sales Tax revenue. The revenue generated from the collection of property taxes is be used to fund prior year deferred general government capital purchases and capital improvement projects (i.e. public safety vehicles/equipment, recreation projects, etc.).
- The City maintains a sustainable level of operating expenses in fiscal year 2015 (i.e. no cost of living adjustment (COLAs) for employees, etc.).
- The City maintains a sufficient fund balance level in the event that the City Council needs to utilize these funds in 2015.

Mayor and Council approved a rate increase for water and wastewater services in order to adequately fund all operating costs, including debt service, capital improvements and service expansion needs. In addition, the slight rate increase allowed the City to maintain an operating cash reserve for emergencies and to further build its savings account related to upgrade of the water pollution control plant within the next five years. As a result of the rate increase, the average residential customer will experience an increase in their bill of approximately \$2.13 per month. Even with the rate increase, the City offers a competitive rate for water and sewer services as compared to other Chatham County governments. The Mayor and City Council also approved the initiation of work on approximately \$3.0 million of water and sewer infrastructure projects in 2015 using proceeds from the 2013 GEFA Loan secured by the City.

City of Garden City, Georgia
Management's Discussion and Analysis

The stormwater fund was created in 2009, and the City reviews the cost allocations on an annual basis to ensure the accuracy of these allocations. The goal of the City is to accurately allocate storm water related costs incurred by the City to the stormwater fund which was created to serve as the primary funding source for stormwater and drainage related services undertaken by the City each year. In the 2015 budgeting process, some minor to moderate revisions and/or adjustments were made to accurately allocate stormwater related costs to the stormwater fund with the resulting budget balanced for 2015.

In the 2015 budgeting process, some revisions and/or adjustments were made to accurately allocate fire protection related costs to offset the reduction in monies received from the 2010 SAFER Grant, which ends in early 2014. The City balanced the 2015 budget without a rate increase in fire protection fees for FY2015.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact: The City of Garden City, 100 Central Avenue, Garden City, Georgia 31405.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Garden City, Georgia

Statement of Net Position

December 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents.....	\$ 1,324,703	\$ 522,880	\$ 1,847,583
Investments.....	2,358,408	1,253,129	3,611,537
Receivables.....	1,524,492	764,910	2,289,402
Internal balances.....	628,882	(628,882)	-
Inventories.....	-	5,284	5,284
Prepaid.....	184,289	4,028	188,317
Restricted assets			
Cash and cash equivalents.....	572,324	1,332,382	1,904,706
Capital assets			
Land and construction in progress.....	6,176,724	1,144,180	7,320,904
Other capital assets, net of depreciation.....	13,323,793	14,680,866	28,004,659
Total assets.....	<u>26,093,615</u>	<u>19,078,777</u>	<u>45,172,392</u>
LIABILITIES			
Accounts payable and other accrued liabilities.....	260,431	184,334	444,765
Accrued interest.....	25,164	19,705	44,869
Unearned revenue.....	70,462	-	70,462
Deposits payable.....	82,313	431,792	514,105
Long-term liabilities			
Due within one year.....	622,151	479,816	1,101,967
Due in more than one year.....	7,234,120	4,961,222	12,195,342
Total liabilities.....	<u>8,294,641</u>	<u>6,076,869</u>	<u>14,371,510</u>
NET POSITION			
Net investment in capital assets.....	11,695,771	10,408,014	22,103,785
Restricted for			
Capital projects.....	572,176	-	572,176
Other purposes.....	4,498	-	4,498
Unrestricted.....	5,526,529	2,593,894	8,120,423
Total net position.....	<u>\$ 17,798,974</u>	<u>\$ 13,001,908</u>	<u>\$ 30,800,882</u>

City of Garden City, Georgia

Statement of Activities

For the Year Ended December 31, 2014

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government.....	\$ 1,449,807	\$ 201,390	\$ -	\$ 366,167
Judicial.....	95,500	-	-	-
Public safety.....	3,727,352	709,893	164,947	411,876
Public works.....	984,467	705	-	517,343
Health and welfare.....	165,958	24,283	-	-
Culture and recreation.....	694,969	106,154	-	-
Housing and development.....	164,671	38,677	-	-
Interest on long-term debt.....	212,955	-	-	-
Total governmental activities.....	<u>7,495,679</u>	<u>1,081,102</u>	<u>164,947</u>	<u>1,295,386</u>
Business-type activities:				
Water and Sewer.....	2,837,507	3,452,134	-	82,080
Sanitation.....	384,159	367,117	-	-
Stormwater.....	878,475	843,649	39,078	-
Fire protection services.....	874,368	561,269	-	5,796
Total business-type activities.....	<u>4,974,509</u>	<u>5,224,169</u>	<u>39,078</u>	<u>87,876</u>
Total.....	<u>\$ 12,470,188</u>	<u>\$ 6,305,271</u>	<u>\$ 204,025</u>	<u>\$ 1,383,262</u>

General revenues:

Taxes:

Property taxes.....	
Sales and use taxes.....	
Business taxes.....	
Franchise taxes.....	
Selective sales and use taxes.....	
Unrestricted investment earnings.....	
Miscellaneous.....	
Transfers.....	
Total general revenues and transfers.....	
Change in net position.....	
Net position - beginning.....	
Net position - ending.....	

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Total
\$ (882,250)	\$ -	\$ (882,250)
(95,500)	-	(95,500)
(2,440,636)	-	(2,440,636)
(466,419)	-	(466,419)
(141,675)	-	(141,675)
(588,815)	-	(588,815)
(125,994)	-	(125,994)
(212,955)	-	(212,955)
<u>(4,954,244)</u>	<u>-</u>	<u>(4,954,244)</u>
-	696,707	696,707
-	(17,042)	(17,042)
-	4,252	4,252
-	(307,303)	(307,303)
<u>-</u>	<u>376,614</u>	<u>376,614</u>
<u>(4,954,244)</u>	<u>376,614</u>	<u>(4,577,630)</u>
1,180,722	-	1,180,722
3,003,802	-	3,003,802
1,120,958	-	1,120,958
896,539	-	896,539
389,973	-	389,973
3,087	1,764	4,851
1,283	922	2,205
(53,758)	53,758	-
<u>6,542,606</u>	<u>56,444</u>	<u>6,599,050</u>
1,588,362	433,058	2,021,420
<u>16,210,612</u>	<u>12,568,850</u>	<u>28,779,462</u>
<u>\$ 17,798,974</u>	<u>\$ 13,001,908</u>	<u>\$ 30,800,882</u>



FUND FINANCIAL STATEMENTS



City of Garden City, Georgia

Governmental Funds

Balance Sheet

December 31, 2014

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents.....	\$ 977,996	\$ -	\$ 346,707	\$ 1,324,703
Investments.....	2,358,408	-	-	2,358,408
Receivables.....	1,273,943	235,677	14,872	1,524,492
Due from other funds.....	856,853	-	10,431	867,284
Prepaid items.....	184,289	-	-	184,289
Restricted cash and cash equivalents.....	-	571,179	1,145	572,324
Total assets.....	<u>\$ 5,651,489</u>	<u>\$ 806,856</u>	<u>\$ 373,155</u>	<u>\$ 6,831,500</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable.....	\$ 112,663	\$ 570	\$ 5,216	\$ 118,449
Other accrued payables.....	141,982	-	-	141,982
Due to other funds.....	11,208	163,648	63,546	238,402
Unearned revenue.....	-	70,462	-	70,462
Due to others.....	82,313	-	-	82,313
Total liabilities.....	<u>348,166</u>	<u>234,680</u>	<u>68,762</u>	<u>651,608</u>
Deferred inflows of resources				
Unavailable revenue - property taxes.....	6,564	-	-	6,564
Unavailable revenue - franchise fees.....	731,992	-	-	731,992
Total deferred inflows of resources.....	<u>738,556</u>	<u>-</u>	<u>-</u>	<u>738,556</u>
Combined liabilities and deferred inflows of resources.....	<u>1,086,722</u>	<u>234,680</u>	<u>68,762</u>	<u>1,390,164</u>
Fund balances				
Nonspendable.....	184,289	-	-	184,289
Restricted.....	-	572,176	4,498	576,674
Committed - rainy day.....	1,898,074	-	-	1,898,074
Assigned.....	-	-	299,895	299,895
Unassigned.....	2,482,404	-	-	2,482,404
Total fund balances.....	<u>4,564,767</u>	<u>572,176</u>	<u>304,393</u>	<u>5,441,336</u>
Total liabilities, deferred inflows of resources and fund balance.....	<u>\$ 5,651,489</u>	<u>\$ 806,856</u>	<u>\$ 373,155</u>	<u>\$ 6,831,500</u>

City of Garden City, Georgia
Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities
December 31, 2014

Total Governmental Fund Balances.....		\$ 5,441,336
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.....	\$ 27,222,430	
Less: accumulated depreciation.....	<u>(7,721,913)</u>	19,500,517
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.....	6,564	
Franchise taxes.....	<u>731,992</u>	738,556
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.		
Capital leases.....	(7,765,244)	
Compensated absences.....	(91,027)	
Accrued interest payable.....	<u>(25,164)</u>	<u>(7,881,435)</u>
Net Position of Governmental Activities.....		<u>\$ 17,798,974</u>

City of Garden City, Georgia

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2014

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes.....	\$ 6,301,817	\$ -	\$ 226,864	\$ 6,528,681
Licenses and permits.....	115,075	-	-	115,075
Intergovernmental.....	172,945	1,287,388	75,621	1,535,954
Charges for services.....	155,754	-	-	155,754
Fines and forfeitures.....	681,974	-	3,415	685,389
Investment earnings.....	3,072	-	15	3,087
Miscellaneous.....	122,773	-	-	122,773
Total revenues.....	<u>7,553,410</u>	<u>1,287,388</u>	<u>305,915</u>	<u>9,146,713</u>
EXPENDITURES				
Current				
General government.....	1,028,023	-	-	1,028,023
Judicial.....	95,500	-	-	95,500
Public safety.....	3,549,923	-	590	3,550,513
Public works.....	789,449	-	-	789,449
Health and welfare.....	165,958	-	-	165,958
Culture and recreation.....	619,474	-	-	619,474
Housing and development.....	126,412	-	448	126,860
Capital outlay.....	-	115,405	-	115,405
Debt Service				
Principal.....	13,461	510,000	-	523,461
Interest.....	3,038	208,174	-	211,212
Intergovernmental:				
Assistance.....	-	-	113,432	113,432
Total expenditures.....	<u>6,391,238</u>	<u>833,579</u>	<u>114,470</u>	<u>7,339,287</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>1,162,172</u>	<u>453,809</u>	<u>191,445</u>	<u>1,807,426</u>
OTHER FINANCING SOURCES (USES)				
Transfers in.....	308,434	-	-	308,434
Transfers out.....	(248,758)	-	(113,434)	(362,192)
Insurance recoveries.....	3,394	-	-	3,394
Total other financing sources (uses)	<u>63,070</u>	<u>-</u>	<u>(113,434)</u>	<u>(50,364)</u>
Net changes in fund balances.....	1,225,242	453,809	78,011	1,757,062
Fund balances at beginning of year.....	3,339,525	118,367	226,382	3,684,274
Fund balances at end of year.....	<u>\$ 4,564,767</u>	<u>\$ 572,176</u>	<u>\$ 304,393</u>	<u>\$ 5,441,336</u>

City of Garden City, 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, 2014

Net change in Fund Balances - Total Governmental Funds.....		\$	1,757,062
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>			
Capital outlays.....	\$	41,515	
Depreciation expense.....		<u>(799,915)</u>	(758,400)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p> <p>Franchise fees and intergovernmental revenues:</p>			
Deferred at December 31, 2014.....		738,556	
Deferred at December 31, 2013.....		<u>675,243</u>	63,313
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>			
Capital leases.....			13,461
Note payable.....			510,000
Amortization of discount.....			(3,039)
Change in accrued interest payable.....			1,296
<p>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.</p>			
Compensated absences at December 31, 2014.....		91,027	
Compensated absences at December 31, 2013.....		<u>95,696</u>	4,669
Change in Net Position of Governmental Activities.....			<u>\$ 1,588,362</u>

City of Garden City, Georgia

Proprietary Funds

Statement of Net Position

December 31, 2014

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
ASSETS					
Current assets:					
Cash and cash equivalents.....	\$ 522,880	\$ -	\$ -	\$ -	\$ 522,880
Investments.....	1,253,129	-	-	-	1,253,129
Receivables (net of allowance).....	136,304	131,079	331,008	166,519	764,910
Due from other funds.....	11,208	-	-	-	11,208
Inventories.....	4,284	-	-	1,000	5,284
Prepaid items.....	-	89	3,939	-	4,028
Restricted cash and cash equivalents.....	500,623	25,622	-	-	526,245
Total current assets.....	2,428,428	156,790	334,947	167,519	3,087,684
Noncurrent assets:					
Restricted cash and cash equivalents.....	806,137	-	-	-	806,137
Capital assets:					
Land and construction in progress.....	1,061,379	-	-	82,801	1,144,180
Depreciable capital assets, net of depreciation.....	11,846,417	-	2,411,345	423,104	14,680,866
Total capital assets, net of depreciation.....	12,907,796	-	2,411,345	505,905	15,825,046
Total noncurrent assets.....	13,713,933	-	2,411,345	505,905	16,631,183
Total assets.....	16,142,361	156,790	2,746,292	673,424	19,718,867
LIABILITIES					
Current liabilities:					
Accounts payable.....	77,314	25,300	28,983	8,591	140,188
Other accrued payables.....	22,607	-	3,139	18,400	44,146
Due to other funds.....	-	299,481	112,935	227,674	640,090
Accrued interest.....	19,705	-	-	-	19,705
Compensated absences.....	18,815	-	-	5,191	24,006
Notes payable.....	455,810	-	-	-	455,810
Current liabilities payable from restricted assets:					
Customer deposits payable.....	407,349	24,443	-	-	431,792
Total current liabilities.....	1,001,600	349,224	145,057	259,856	1,755,737
Noncurrent liabilities:					
Notes payable.....	4,961,222	-	-	-	4,961,222
Total noncurrent liabilities.....	4,961,222	-	-	-	4,961,222
Total liabilities.....	5,962,822	349,224	145,057	259,856	6,716,959
NET POSITION					
Net investment in capital assets.....	7,490,764	-	2,411,345	505,905	10,408,014
Unrestricted.....	2,688,775	(192,434)	189,890	(92,337)	2,593,894
Total net position.....	\$ 10,179,539	\$ (192,434)	\$ 2,601,235	\$ 413,568	\$ 13,001,908

City of Garden City, Georgia

Proprietary Funds

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

For the Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
OPERATING REVENUES					
Charges for services.....	\$ 3,452,134	\$ 367,117	\$ 843,649	\$ 561,269	\$ 5,224,169
Other income.....	922	-	-	-	922
Total operating revenues.....	3,453,056	367,117	843,649	561,269	5,225,091
OPERATING EXPENSES					
Personnel services.....	1,022,151	-	362,729	578,308	1,963,188
Purchased and contractual services.....	550,800	384,155	381,131	173,992	1,490,078
Materials and supplies.....	309,646	4	37,427	55,310	402,387
Depreciation.....	859,098	-	97,188	66,758	1,023,044
Total operating expenses.....	2,741,695	384,159	878,475	874,368	4,878,697
Operating income (loss).....	711,361	(17,042)	(34,826)	(313,099)	346,394
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental - noncapital.....	-	-	39,078	5,796	44,874
Investment earnings.....	1,758	6	-	-	1,764
Interest expense.....	(95,812)	-	-	-	(95,812)
Total nonoperating revenues (expenses).....	(94,054)	6	39,078	5,796	(49,174)
Income before capital contributions and transfers.....	617,307	(17,036)	4,252	(307,303)	297,220
Capital contributions.....	82,080	-	-	-	82,080
Transfers in.....	-	30,000	-	248,758	278,758
Transfers out.....	(150,000)	-	(75,000)	-	(225,000)
Change in net position.....	549,387	12,964	(70,748)	(58,545)	433,058
Net position, beginning of year.....	9,630,152	(205,398)	2,671,983	472,113	12,568,850
Net position, end of year.....	\$ 10,179,539	\$ (192,434)	\$ 2,601,235	\$ 413,568	\$ 13,001,908

City of Garden City, Georgia

Proprietary Funds

Statement of Cash Flows

For the Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers.....	\$ 3,428,667	\$ 389,312	\$ 816,924	\$ 552,530	\$ 5,187,433
Cash payments to suppliers for goods and services.....	(1,393,395)	(418,036)	(397,752)	(223,321)	(2,432,504)
Cash payments to employees for services.....	(1,020,987)	-	(362,729)	(583,763)	(1,967,479)
Net cash provided (used) by operating activities.....	1,014,285	(28,724)	56,443	(254,554)	787,450
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund transfers in (out).....	(150,000)	30,000	(75,000)	248,758	53,758
Operating grants.....	-	-	39,078	5,796	44,874
Net cash provided (used) by noncapital financing activities.....	(150,000)	30,000	(35,922)	254,554	98,632
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from debt.....	832,812	-	-	-	832,812
Capital contributions - tap fees.....	82,080	-	-	-	82,080
Acquisitions and construction of capital assets.....	(846,666)	-	(20,521)	-	(867,187)
Principal payments on debt.....	(445,811)	-	-	-	(445,811)
Interest payments on debt.....	(95,812)	-	-	-	(95,812)
Net cash (used) by capital and related financing activities.....	(473,397)	-	(20,521)	-	(493,918)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest earned on cash and investments.....	1,758	6	-	-	1,764
Purchase of investments.....	(251,412)	-	-	-	(251,412)
Net cash provided (used) by investing activities.....	(249,654)	6	-	-	(249,648)
Net increase (decrease) in cash and cash equivalents.....	141,234	1,282	-	-	142,516
Cash and cash equivalents, beginning of year.....	1,688,406	24,340	-	-	1,712,746
Cash and cash equivalents, end of year.....	\$ 1,829,640	\$ 25,622	\$ -	\$ -	\$ 1,855,262
 Operating income (loss).....	 \$ 711,361	 \$ (17,042)	 \$ (34,826)	 \$ (313,099)	 \$ 346,394
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation.....	859,098	-	97,188	66,758	1,023,044
Change in assets and liabilities:					
Decrease (increase) in accounts receivables.....	(87,828)	21,137	(26,725)	(8,739)	(102,155)
Decrease (increase) in inventories.....	1,612	-	-	-	1,612
Decrease (increase) in prepaid items.....	-	-	634	19,594	20,228
(Decrease) Increase in accounts payable.....	69,367	25,300	28,983	6,683	130,333
(Decrease) Increase in accrued liabilities.....	1,164	-	-	(5,455)	(4,291)
(Decrease) increase in customer deposits.....	63,439	1,058	-	-	64,497
(Decrease) increase in interfund balances.....	(603,928)	(59,177)	(8,811)	(20,296)	(692,212)
Total adjustments.....	302,924	(11,682)	91,269	58,545	441,056
Net cash provided (used) by operating activities.....	\$ 1,014,285	\$ (28,724)	\$ 56,443	\$ (254,554)	\$ 787,450



NOTES TO THE FINANCIAL STATEMENTS



I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Garden City, Georgia was organized in 1930. The City operates under a council-manager form of government and provides the following services as authorized by its charter: general administrative services, public safety (police and fire), highways and streets, sanitation, culture and recreation, public improvements, and planning and zoning.

GASB Statement No. 14 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose financial burdens on the City.

Blended Component Unit

Blended components units are separate legal entities that meet the component criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides service entirely to the City or exclusively for the benefit of the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City has one blended component unit, the Garden City Tourism Board. The Garden City Tourism Board's governing body is substantively the same as the governing body of the primary government. The Garden City Tourism Board does not issue separate financial statements.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The Downtown Development Authority for the City of Garden City is the City's only discretely presented component unit. The Authority has a calendar year end. At the time the Authority has no significant activity or assets and is in a dormant status.

Membership in a Regional Commission

Under Georgia law, the City is a member of the Coastal Regional Commission and is required to pay annual dues thereto. During the year ended December 31, 2014, the City paid \$8,778 in such dues. Membership in a CRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CRC in Georgia. The CRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a CRC. Management believes the CRC is currently accumulating sufficient financial resources to meet its obligations. Separate financial statements may be obtained from Coastal Regional Commission, P.O. Box 1917, Brunswick, Georgia 31521.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 in the accounting period in which they become susceptible to accrual – that is, when they become both measurable and available to finance expenditures of the current period. 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 City considers revenues to be available if they are collected within 30 days of the end of the current period. Expenditures generally are recorded 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 recorded only when payment is due.

Sales taxes, franchise taxes, occupational taxes and interest associated with the current period are all considered to be susceptible to accrual and have so been recognized as revenues of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The special purpose local option sales tax (SPLOST) capital projects fund accounts for the receipt and use of local government shared revenues (SPLOST proceeds) to be used for the acquisition, construction, or improvement of capital facilities approved in the City's intergovernmental agreement with Chatham County, Georgia.

The City reports the following major proprietary funds:

The water and sewer enterprise fund accounts for financial resources from the operation of the sewage treatment plant, sewage pumping stations and collection systems, and the distribution of water.

The solid waste enterprise fund accounts for financial resources from the operation of the City's sanitation services.

The stormwater enterprise fund accounts for financial resources from the operation of the City's stormwater drainage systems.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The fire protection enterprise fund accounts for financial resources from the operation of the City's fire protection services.

Additionally, the City reports the following fund types:

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses 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 City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported on nonoperating revenues and expenses.

D. Assets, Liabilities and Equity

1. Deposits and Investments

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

State statutes authorize the City to invest in obligations of the United States Government and agencies of corporations of the United States Government; 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 Georgia Fund I. Georgia Fund I is managed by the State of Georgia's Office of State Treasurer under Georgia Law (OCGA 36-83-8). The pool operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The fair value of the City's position in the pool is the same as the value of pool shares (\$1 per share value). As a public fund, Georgia Fund I is exempt from any disclosure of custodial credit risk.

All investments are stated at fair value.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. Receivables and Payables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange revenues 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.

Property taxes are levied as of January 1 on property values assessed on the same date. A millage rate of 4.000 mills was adopted on June 16, 2014. Tax bills were rendered on September 15, 2014 and are considered past due 60 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain assets of the SPLOST fund, the water and sewer fund and the solid waste fund are classified as restricted assets because their use is limited by third party restrictions. When both restricted and non-restricted assets are available for use, it is the City's policy to use restricted resources first, then non-restricted resources, as they are needed.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. General infrastructure assets acquired prior to January 1, 2004 are not reported in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental fund financial statements. All capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in the proprietary fund as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings.....	30
Utility plant in service.....	30
Machinery and equipment.....	5 - 10
Infrastructure.....	30

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay 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.

7. Long-term Obligation

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.

8. Equity Classifications

Equity is classified as net position and displayed in three components in the government-wide 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 consist 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".

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned fund balance reflects the amounts constrained by the city's "intent" to be used for specific purposes, but are neither restricted nor committed. The city's fund balance policy authorizes the city manager or authorized designee the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General fund, that are not classified as nonspendable and are neither restricted nor committed.

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

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

9. Interfund Transactions

Interfund transactions are reflected as loans, are for services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

10. 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. Actual results may differ from these estimates.

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City of Garden City, Georgia
Notes to the Basic Financial Statements

II. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits:

At year end the carrying amount of the City's cash-on-hand and deposits with financial institutions was \$3,750,889 and the bank balance was \$3,786,373. The bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

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

Investments:

In its investment of public funds, the City follows state statutes and adopted investment policies. As of December 31, 2014 the investments of the City were:

<u>Investment</u>	<u>Average Credit Rating</u>	<u>Fair Value</u>	<u>Maturities in Years</u>
Georgia Fund 1	Aaa	3,611,537	less than 1 year

Deposit and investment transactions are subject to a variety of risks. The City seeks to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform to legal requirements.

Interest rate risk is the risk that changes in interest rates that will adversely affect the value of an investment. The City does not have a policy that addresses this risk.

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City does not have a policy that addresses this risk.

A reconciliation of cash and investments as shown on the government-wide Statement of Net Position follows:

Basic Financial Statements:

Cash and cash equivalents.....	\$ 1,847,583
Investments.....	3,611,537
Cash and cash equivalents - restricted.....	1,904,706
Total cash and investments.....	<u>\$ 7,363,826</u>

Notes to Financial Statements:

Deposits with financial institutions.....	\$ 3,750,889
Investments.....	3,611,537
Cash on hand.....	1,400
Total cash and investments.....	<u>\$ 7,363,826</u>

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

Receivables as of year-end, including the applicable allowances for uncollectible accounts are as follows:

Receivable	General	SPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Fire Protection Fund	Total
Taxes.....	\$ 1,184,938	\$ -	\$ 14,872	\$ -	\$ -	\$ -	\$ -	\$ 1,199,810
Accounts.....	901	-	-	192,602	147,062	367,966	188,841	897,372
Intergovernmental....	90,111	235,677	-	-	-	-	-	325,788
Gross receivables.....	1,275,950	235,677	14,872	192,602	147,062	367,966	188,841	2,422,970
Less: allowance for doubtful accounts	(2,007)	-	-	(56,298)	(15,983)	(36,958)	(22,322)	(133,568)
Net total receivables	<u>\$ 1,273,943</u>	<u>\$ 235,677</u>	<u>\$ 14,872</u>	<u>\$ 136,304</u>	<u>\$ 131,079</u>	<u>\$ 331,008</u>	<u>\$ 166,519</u>	<u>\$ 2,289,402</u>

Substantially all receivables are expected to be collected within one year.

C. Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Government Activities					
Capital assets, not being depreciated					
Land.....	\$ 5,794,877	\$ -	\$ -	\$ -	\$ 5,794,877
Construction in progress.....	357,349	24,498	-	-	381,847
Total capital assets not being depreciated.....	<u>6,152,226</u>	<u>24,498</u>	<u>-</u>	<u>-</u>	<u>6,176,724</u>
Capital assets, being depreciated					
Buildings.....	14,378,288	-	-	-	14,378,288
Machinery and equipment.....	4,993,679	17,017	20,617	-	4,990,079
Infrastructure.....	1,677,339	-	-	-	1,677,339
Total capital assets, being depreciated.....	<u>21,049,306</u>	<u>17,017</u>	<u>20,617</u>	<u>-</u>	<u>21,045,706</u>
Less accumulated depreciation for:					
Buildings.....	(2,899,620)	(275,488)	-	-	(3,175,108)
Machinery and equipment.....	(3,465,424)	(442,329)	(20,617)	-	(3,887,136)
Infrastructure.....	(577,571)	(82,098)	-	-	(659,669)
Total accumulated depreciation.....	<u>(6,942,615)</u>	<u>(799,915)</u>	<u>(20,617)</u>	<u>-</u>	<u>(7,721,913)</u>
Total capital assets, being depreciated, net.....	<u>14,106,691</u>	<u>(782,898)</u>	<u>-</u>	<u>-</u>	<u>13,323,793</u>
Total governmental activities.....	<u>\$ 20,258,917</u>	<u>\$ (758,400)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>19,500,517</u>
Less related long-term debt outstanding.....					(7,804,746)
Net investment in capital assets.....					<u>\$ 11,695,771</u>

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

Depreciation expense for governmental activities is charged to functions as follows:

General government.....	\$	421,784
Public Safety.....		198,525
Public Works.....		104,111
Recreation.....		75,495
Total depreciation for governmental activities.....	\$	<u>799,915</u>

Capital asset activity for business-type activities for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities					
Capital assets, not being depreciated					
Land.....	\$ 55,341	\$ -	\$ -	\$ -	\$ 55,341
Construction in progress.....	242,172	846,667	-	-	1,088,839
Total capital assets not being depreciated.....	<u>297,513</u>	<u>846,667</u>	<u>-</u>	<u>-</u>	<u>1,144,180</u>
Capital assets, being depreciated					
Utility plant in service.....	17,433,313	-	-	-	17,433,313
Buildings and systems.....	7,124,718	-	-	-	7,124,718
Other equipment.....	3,810,417	20,522	-	-	3,830,939
Infrastructure	2,758,917	-	-	-	2,758,917
Total capital assets, being depreciated.....	<u>31,127,365</u>	<u>20,522</u>	<u>-</u>	<u>-</u>	<u>31,147,887</u>
Less accumulated depreciation for:					
Utility plant in service.....	(11,213,192)	(490,763)	-	-	(11,703,955)
Buildings and systems.....	(1,058,719)	(232,516)	-	-	(1,291,235)
Other equipment.....	(2,901,163)	(207,801)	-	-	(3,108,964)
Infrastructure	(270,903)	(91,964)	-	-	(362,867)
Total accumulated depreciation.....	<u>(15,443,977)</u>	<u>(1,023,044)</u>	<u>-</u>	<u>-</u>	<u>(16,467,021)</u>
Total capital assets, being depreciated, net.....	<u>15,683,388</u>	<u>(1,002,522)</u>	<u>-</u>	<u>-</u>	<u>14,680,866</u>
Total business-type activities.....	<u>\$ 15,980,901</u>	<u>\$ (155,855)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,825,046</u>
Less related long-term debt outstanding.....					<u>(5,417,032)</u>
Net investment in capital assets.....					<u>\$ 10,408,014</u>

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2014, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund.....	SPLOST Fund.....	\$ 163,648
	Solid Waste Fund.....	299,481
	Stormwater Fund.....	112,935
	Fire Protection Fund.....	227,674
	Nonmajor governmental funds.....	53,115
		856,853
Nonmajor governmental fund.....	Nonmajor governmental fund.....	10,431
Water and Sewer Fund.....	General Fund.....	11,208
Totals.....		\$ 878,492

Due To/From Other Funds

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 Transfers

	Transfers Out				
	Governmental Fund Type		Proprietary Fund Type		
	General Fund	Nonmajor Funds	Water and Sewer Fund	Stormwater Fund	Total
Transfers In:					
Governmental Fund Type					
General Fund.....	\$ -	\$ 113,434	\$ 150,000	\$ 45,000	\$ 308,434
Proprietary Fund Type					
Solid Waste Fund.....	-	-	-	30,000	30,000
Fire Protection Fund.....	248,758	-	-	-	248,758
Total transfers.....	\$ 248,758	\$ 113,434	\$ 150,000	\$ 75,000	\$ 587,192

Throughout the course of the year, the City made occasional interfund transfers. These transfers are usually approved so that the fund receiving the money can continue to operate.

Interfund transfers are used to 1) move revenue from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

E. Capital Leases

The City has entered into lease agreements as lessee for financing of equipment and vehicles used in governmental activities. This year \$10,027 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 leases are as follows:

Asset	Governmental Activities
Machinery and equipment.....	\$ 100,273
Less: accumulated depreciation.....	(27,575)
Total.....	<u>\$ 72,698</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2014, were as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2015.....	\$ 14,163	\$ 2,336
2016.....	14,903	1,597
2017.....	15,680	818
	<u>\$ 44,746</u>	<u>\$ 4,751</u>

F. Long-term Obligations

Governmental Activities

Certificates of Participation

On October 1, 2012 the City issued Georgia Municipal Association, Inc. Certificates of Participation (Garden City Refunding Project), Series 2012, in the amount of \$8,740,000 with a variable interest rate of 2.00% – 3.15%. The loan proceeds were used to (i) refund and pay in full all amounts due under the 2009 sale agreement, (ii) fund a debt service reserve and (iii) pay the costs incurred in connection with the issuance and delivery of the certificates. Payment of principal and interest payments on the note are secured by special purpose local option sales taxes and other revenues collected by the City.

Annual debt service requirements to maturity for the note payable is as follows:

Year Ending December 31,	Principal	Interest
2015.....	\$ 520,000	\$ 198,030
2016.....	530,000	187,630
2017.....	540,000	177,030
2018.....	555,000	166,230
2019.....	565,000	156,240
2020 - 2024.....	3,025,000	571,465
2025 - 2027.....	2,025,000	127,178
Totals	<u>\$ 7,760,000</u>	<u>\$ 1,583,803</u>

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

Business-type Activities

Revenue Bonds

On May 9, 2013, the Mayor and Council authorized the issuance of \$5,040,000 of Water and Sewer Revenue Bonds (Series 2013) to pay in full all Georgia Environmental Facilities City (GEFA) loan agreements; provide a debt service reserve sufficient to satisfy the debt service reserve requirement of the Bonds; and pay the fees and expenses incurred in connection with the issuance of the Bonds. The bonds were issued at a premium of \$27,541 with interest rates ranging from 1.50% to 2.75%.

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest
2015.....	\$ 355,000	\$ 87,738
2016.....	360,000	80,638
2017.....	370,000	73,438
2018.....	375,000	66,038
2019.....	385,000	58,538
2020 - 2024.....	1,675,000	204,245
2025 - 2029.....	690,000	85,405
2030 - 2032.....	250,000	12,235
Totals	<u>\$ 4,460,000</u>	<u>\$ 668,275</u>

Contractual Obligations

On September 12, 2012, the Mayor and Council entered into a professional services agreement for system-wide sanitary sewer categorization, GIS updates and development of a wastewater asset management information system with RedZone Robotics, Inc. The total cost of the services to be provided was \$298,301 which is payable in two annual payments of \$99,434 and a final payment of \$99,433. The first annual payment of \$99,434 was paid in 2013 when the work commenced. The balance of the contract obligation at December 31, 2014 was \$99,433. A subsequent payment of \$99,433 is scheduled for 2015.

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.

Liability Description / Purpose	Original Amount	Interest Rate	Amount
GEFA 2013-L07WJ - Water and Sewer Improvements.....	(not closed)	5.15%	\$ 832,812
Total GEFA loans payable.....			832,812
Less GEFA loans not closed at year end.....			(832,812)
Long-term portion in repayment.....			<u>\$ -</u>

City of Garden City, Georgia
Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS (continued)

Long-term liability activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Capital leases.....	\$ 58,207	\$ -	\$ 13,461	\$ 44,746	\$ 14,163
Certificates of participation, series 2012....	8,270,000	-	510,000	7,760,000	520,000
Unamortized discount.....	(42,541)	-	(3,039)	(39,502)	(3,039)
Compensated absences.....	95,696	275,808	280,477	91,027	91,027
Total governmental activities long-term liabilities.....	<u>\$ 8,381,362</u>	<u>\$ 275,808</u>	<u>\$ 800,899</u>	<u>\$ 7,856,271</u>	<u>\$ 622,151</u>
Business-type Activities					
Revenue bonds, series 2013.....	\$ 4,805,000	\$ -	\$ 345,000	\$ 4,460,000	\$ 355,000
Unamortized premium.....	26,164	-	1,377	24,787	1,377
Contractual obligations.....	198,867	-	99,434	99,433	99,433
GEFA loans.....	-	832,812	-	832,812	-
Compensated absences.....	29,341	79,147	84,482	24,006	24,006
Total business-type activities long-term liabilities.....	<u>\$ 5,059,372</u>	<u>\$ 911,959</u>	<u>\$ 530,293</u>	<u>\$ 5,441,038</u>	<u>\$ 479,816</u>

For governmental activities, long-term liabilities are generally liquidated by the SPLOST fund. For business-type activities, long-term liabilities are liquidated by the water and sewer enterprise fund. The governmental fund liability for compensated absences is liquidated by the general fund.

G. Reserved Fund Balances / Retained Earnings and Restricted Asset Accounts

Amounts for specific purpose by classification and fund for the year ended December 31, 2014 are as follows:

Classification/Fund	Purpose	Amount
Nonspendable		
General fund.....	Prepaid items.....	\$ 184,289
Restricted		
Special Purpose Sales Tax fund....	Capital projects.....	572,176
Confiscated Asset fund.....	Public safety.....	3,353
Multiple Grant fund.....	Grant purposes.....	1,145
Committed		
General fund.....	Rainy day.....	1,898,074
Assigned		
Tourism Board.....	Promote tourism.....	299,895
Unassigned		
General fund.....		2,482,404
Total fund balance.....		<u>\$ 5,441,336</u>

In accordance with adopted fund balance policy, the City Council has committed fund balance to cover three months (25%) of budgeted operating expenditures in the general fund. The amount of committed fund balance is modified each year based upon the adopted budget for this fund. The amount can only be used after all efforts have been exhausted to fund unanticipated needs and/or emergencies.

IV. OTHER INFORMATION

A. 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 coverage:

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 the City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed 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 – incurred but not reported (IBNR) – is 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, 2014. No provisions have been made in the financial statements for any estimate of potential 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.

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.

B. Commitments and Contingencies

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

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

C. Employee Retirement Systems and Plans

Plan Description. Management, as authorized by City Council, has established a noncontributory defined benefit plan (The Garden City Retirement Plan) covering all full-time employees. The plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), a statewide, agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Benefits are fully vested after 10 years of service. Participants become eligible to retire at age 65, with 5 years of participation in the plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.75% of final average earnings up to a participant's amount of covered compensation multiplied by the participant's years of total credited service. These benefit provisions and all other requirements are established by local ordinance.

City of Garden City, Georgia
Notes to the Basic Financial Statements

IV. OTHER INFORMATION (continued)

As of July 1, 2014, the plan membership included the following categories of participants:

Retiree participants and beneficiaries	27
Terminated vested participants	54
Active participants	95
Total participants	<u>176</u>

Funding Policy. The City's policy is to contribute the actuarially determined amount as recommended by the actuary. Employees do not contribute to the plan. The Board of Trustees of the GMEBS has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the plan. The annual recommended contribution is the sum of 1) the normal cost, 2) the level dollar amortization of the unfunded actuarial accrued liability (initial unfunded actuarial accrued liability over 30 years from 1988 and changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods from the end of the year during which such changes arise), and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly).

For 2014, the actuarially determined rate was 9.58% of covered payroll. The City's contributions to the Plan for the years ended December 31, 2014, 2013, and 2012 were \$390,424, \$398,494 and \$400,893 respectively and were equal to the required contributions for each year.

Annual Pension Cost. The City's annual pension cost of \$390,424 equaled the City's actuarial required and actual contribution. The required contribution was determined as a part of the July 1, 2014 actuarial valuation, using the projected unit credit actuarial cost method and the asset valuation method for developing the actuarial value of assets as described in the tables of Significant Actuarial Assumptions and Actuarial Assumptions and Methods. The period, and related method, for amortizing the initial unfunded actuarial accrued liability over 30 years from 1988 and changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for the plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar. These amortization periods, if applicable, are open for this plan year.

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

Schedule of Employer Contributions

Fiscal Year Funding	Annual Required Contribution	Percentage Contributed	Net Pension Obligation
12/31/2012	\$ 400,893	100%	\$ -
12/31/2013	398,494	100%	-
12/31/2014	390,424	100%	-

Fund Status and Funding Progress. As of July 1, 2014, the most recent actuarial valuation date, the plan was 89.51% funded. The actuarial accrued liability for benefits was \$5,696,225 and the actuarial value of assets was \$5,098,854. The covered payroll (annual payroll of active employees covered by the plan) was \$3,709,342. The unfunded accrued actuarial liability (UAAL) was \$597,371 and the ratio of the UAAL to the covered payroll was 16.10%.

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

IV. OTHER INFORMATION *(continued)*

Significant Actuarial Assumptions

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

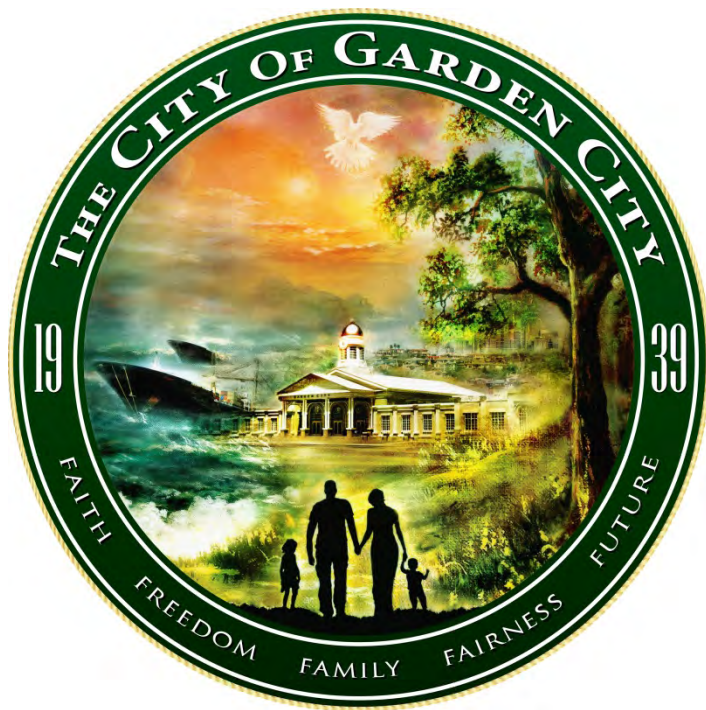
Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.50% plus age and service based merit increases
Social Security Wage Base Increase	3.50%
Inflation	3.50%
Cost of Living Adjustments	0.00%

Optional Defined Contribution Retirement Plan

Plan Description and Funding Requirements. The City of Garden City participates in a defined contribution plan administered by ICMA –RC to provide retirement benefits for employees. The plan is identified as a 457 retirement plan. The authority under which the plan provisions are established and may be amended rest with City Council. At December 31, 2014 there were 46 employees participating in the plan. All full-time employees are eligible to participate in the plan and all plan members are allowed to make voluntary contributions. The City contributes, on behalf of each participant, 50% of the contribution made by the participant for the plan year (not including participant contributions exceeding 6% of earnings). Total contributions for the year ended December 31, 2014, were \$132,631 by the employees and \$60,157 by the government.

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



City of Garden City, Georgia
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes.....	\$ 4,850,550	6,017,984	\$ 6,301,817	\$ 283,833
Licenses and permits.....	114,500	115,075	115,075	-
Intergovernmental revenues.....	162,500	170,167	172,945	2,778
Charges for services.....	182,100	155,753	155,754	1
Fines and forfeitures.....	924,000	681,974	681,974	-
Investment income.....	2,500	2,918	3,072	154
Other revenues.....	137,500	130,495	122,773	(7,722)
Total revenues.....	6,373,650	7,274,366	7,553,410	279,044
Expenditures:				
Current:				
General governmental:				
Council.....	47,800	47,800	47,493	307
City manager.....	357,321	221,390	206,885	14,505
General administration.....	782,904	785,949	773,645	12,304
Total general government.....	1,188,025	1,055,139	1,028,023	27,116
Judicial:				
Municipal court.....	98,000	98,000	95,500	2,500
Public safety:				
Police.....	3,447,800	3,556,518	3,522,258	34,260
Emergency management.....	60,954	28,791	27,665	1,126
Total public safety.....	3,508,754	3,585,309	3,549,923	35,386
Public works:				
Public works administration.....	712,030	667,333	664,063	3,270
Maintenance and shop.....	112,250	126,125	125,386	739
Total public works.....	824,280	793,458	789,449	4,009
Health and welfare:				
Senior citizens center.....	149,559	203,625	165,958	37,667
Culture and recreation:				
Recreation.....	557,040	624,700	619,474	5,226
Total culture and recreation.....	557,040	624,700	619,474	5,226
Housing and development:				
Planning and zoning.....	82,734	129,000	126,412	2,588
Total current.....	6,408,392	6,489,231	6,374,739	114,492
Debt service:				
Principal.....	12,793	13,461	13,461	-
Interest.....	3,707	3,039	3,038	1
Total debt service.....	16,500	16,500	16,499	1
Total expenditures.....	6,424,892	6,505,731	6,391,238	114,493
Excess (deficiency) of revenues over (under) expenditures.....	(51,242)	768,635	1,162,172	393,537

(continued)

City of Garden City, Georgia
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Other financing sources (uses):				
Transfers in.....	290,000	300,382	308,434	8,052
Transfers out.....	(248,758)	(248,758)	(248,758)	-
Insurance recoveries.....	10,000	3,394	3,394	-
Total other financing sources (uses).....	<u>51,242</u>	<u>55,018</u>	<u>63,070</u>	<u>8,052</u>
Net change in fund balance.....	-	823,653	1,225,242	401,589
Fund balance, beginning of year.....	<u>3,339,525</u>	<u>3,339,525</u>	<u>3,339,525</u>	<u>-</u>
Fund balance, end of year.....	<u>\$ 3,339,525</u>	<u>\$ 4,163,178</u>	<u>\$ 4,564,767</u>	<u>\$ 401,589</u>
				<i>(concluded)</i>

City of Garden City, Georgia
Notes to Required Supplementary Information
December 31, 2014

I. Budgetary Information

A. Budgets and Budgetary Accounting

State law requires the City to adopt by ordinances or resolutions an annual balanced budget for the general fund and each special revenue fund. A budget is balanced when the sum of estimated revenues and appropriated fund balance is equal to appropriations. The legal level of budgetary control over expenditures is exercised by the City at the department level for its general and special revenue funds. Appropriations lapse at year-end.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. During the month of August, department heads prepare budget requests to submit to the City Manager.
2. The City Manager reviews the budget requests during September.
3. Committee meetings are held during October.
4. City Council holds budget hearings and approves the budget in November with a final budget adopted prior to December 31.
5. Amendments to the budget must be approved by the City Council.
6. Formal budgetary integration is employed for the General Fund and Special Revenue Funds on a basis consistent with generally accepted accounting principles. Project length budgets are adopted for the capital projects funds.

Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. For the year ended December 31, 2014, the following supplemental and decrease in appropriations were approved:

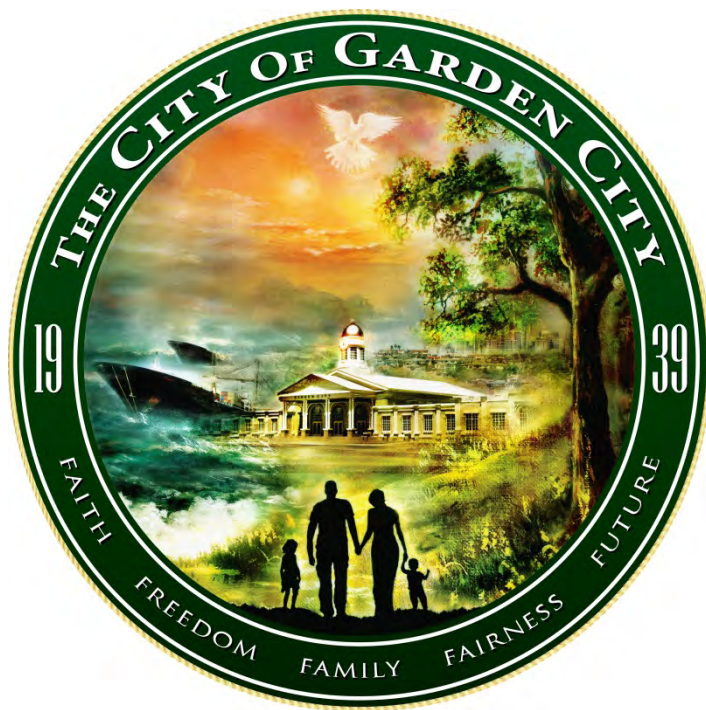
<u>Fund Type</u>	<u>Original Appropriation</u>	<u>Supplemental Appropriation</u>	<u>Supplemental Decreases</u>	<u>Final Appropriation</u>
General Fund.....	\$ 6,673,650	\$ 294,298	\$ 213,459	\$ 6,754,489
Special Revenue.....	202,000	37,179	-	239,179

City of Garden City, Georgia
Required Supplementary Information – Schedule of Funding Progress
December 31, 2014

The City contributes to the Georgia Municipal Employees Benefit System (GMEBS), a state-wide, agent multiple-employer defined benefit plan. The amounts reflected herein represent the City's portion as reported by GMEBS.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability [AAL] (b)	Unfunded AAL [UAAL] (Funding Excess) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (Funding Excess) As a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	\$ 4,101,286	\$ 4,903,818	\$ 802,532	83.63%	\$ 4,140,529	19.38%
7/1/2013	4,598,409	5,359,783	761,374	85.79%	4,002,149	19.02%
7/1/2014	5,098,854	5,696,225	597,371	89.51%	3,709,342	16.10%

SUPPLEMENTARY DATA
COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES



Nonmajor Governmental Funds

Special Revenue Funds:

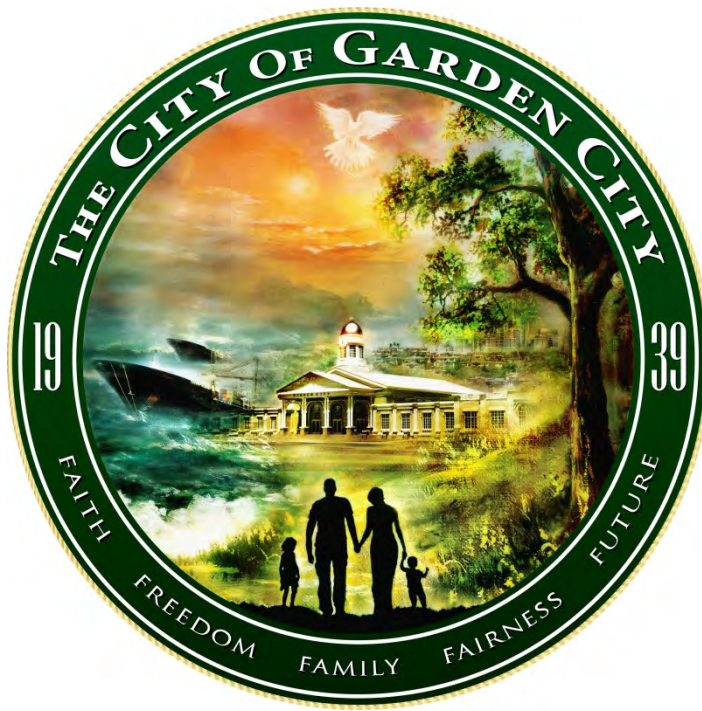
The Special Revenue Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

Confiscated Assets Fund – accounts for the receipt and disbursement of condemned monies awarded to the City by court order and expenditure of these funds.

Hotel – Motel Fund – accounts for revenues and expenditures of hotel – motel tax restricted by local ordinance for the promotion of tourism.

Garden City Tourism Board – accounts for operations of the Garden City Tourism Board. Transfers from the hotel/ motel tax fund provide the primary financing source for this fund. Expenditures of these funds are for the promotion of tourism.

Multiple Grant Fund – accounts for the receipt and disbursement of various grant resources awarded to the City.



City of Garden City, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds				
	Confiscated Assets	Special Purpose Hotel - Motel	Tourism Board	Multiple Grant	Total
ASSETS					
Cash and cash equivalents.....	\$ 4,389	\$ 40,624	301,694	\$ -	\$ 346,707
Taxes receivable.....	-	14,872	-	-	14,872
Due from other funds.....	-	-	10,431	-	10,431
Restricted cash and cash equivalents.....	-	-	-	1,145	1,145
Total assets.....	<u>\$ 4,389</u>	<u>\$ 55,496</u>	<u>\$ 312,125</u>	<u>\$ 1,145</u>	<u>\$ 373,155</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable.....	\$ -	\$ 5,216	\$ -	\$ -	\$ 5,216
Due to other funds.....	1,036	50,280	12,230	-	63,546
Total liabilities.....	<u>1,036</u>	<u>55,496</u>	<u>12,230</u>	<u>-</u>	<u>68,762</u>
Fund balances					
Restricted.....	3,353	-	-	1,145	4,498
Assigned.....	-	-	299,895	-	299,895
Total fund balance.....	<u>3,353</u>	<u>-</u>	<u>299,895</u>	<u>1,145</u>	<u>304,393</u>
Total liabilities and fund balances.....	<u>\$ 4,389</u>	<u>\$ 55,496</u>	<u>\$ 312,125</u>	<u>\$ 1,145</u>	<u>\$ 373,155</u>

City of Garden City, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue Funds				
	Confiscated Assets	Hotel - Motel	Tourism Board	Multiple Grant	Total
REVENUES					
Taxes.....	\$ -	\$ 226,864	\$ -	\$ -	\$ 226,864
Intergovernmental.....	-	-	75,621	-	75,621
Fines and forfeitures.....	3,415	-	-	-	3,415
Investment earnings.....	-	2	13	-	15
Total revenues.....	3,415	226,866	75,634	-	305,915
EXPENDITURES					
Current:					
Public safety.....	590	-	-	-	590
Housing and development.....	-	-	448	-	448
Intergovernmental:					
Assistance.....	-	113,432	-	-	113,432
Total expenditures.....	590	113,432	448	-	114,470
Excess (deficiency) of revenues over (under) expenditures.....	2,825	113,434	75,186	-	191,445
OTHER FINANCING SOURCES (USES)					
Transfers out.....	-	(113,434)	-	-	(113,434)
Total other financing sources (uses).....	-	(113,434)	-	-	(113,434)
Net change in fund balance.....	2,825	-	75,186	-	78,011
Fund balance, beginning of year.....	528	-	224,709	1,145	226,382
Fund balance, end of year.....	\$ 3,353	\$ -	\$ 299,895	\$ 1,145	\$ 304,393

City of Garden City, Georgia
Confiscated Assets Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Fines and forfeitures.....	\$ 10,000	\$ 10,000	\$ 3,415	\$ (6,585)
Total revenues.....	10,000	10,000	3,415	(6,585)
Expenditures:				
Current:				
Public safety.....	10,000	10,000	590	9,410
Total expenditures.....	10,000	10,000	590	9,410
Excess (deficiency) of revenues over (under) expenditures.....	-	-	2,825	2,825
Net change in fund balance.....	-	-	2,825	2,825
Fund balance, beginning of year.....	528	528	528	-
Fund balance, end of year.....	\$ 528	\$ 528	\$ 3,353	\$ 2,825

City of Garden City, Georgia
Hotel – Motel Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes.....	\$ 190,000	\$ 227,179	\$ 226,864	\$ (315)
Investment income.....	-	-	2	2
Total revenues.....	190,000	227,179	226,866	(313)
Expenditures:				
Intergovernmental:				
Assistance.....	95,000	113,589	113,432	157
Total expenditures.....	95,000	113,589	113,432	157
Excess (deficiency) of revenues over (under) expenditures.....	95,000	113,590	113,434	(156)
Other financing sources (uses):				
Transfers out.....	(95,000)	(113,590)	(113,434)	156
Total other financing sources (uses).....	(95,000)	(113,590)	(113,434)	156
Net change in fund balance.....	-	-	-	-
Fund balance, beginning of year.....	-	-	-	-
Fund balance, end of year.....	\$ -	\$ -	\$ -	\$ -

City of Garden City, Georgia
Tourism Board Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental.....	\$ 60,050	\$ 60,050	\$ 75,621	\$ 15,571
Investment income.....	-	-	13	13
Total revenues.....	60,050	60,050	75,634	15,584
Expenditures:				
Current:				
General government.....	2,000	2,000	448	1,552
Total expenditures.....	2,000	2,000	448	1,552
Excess (deficiency) of revenues over (under) expenditures.....	58,050	58,050	75,186	17,136
Net change in fund balance.....	58,050	58,050	75,186	17,136
Fund balance, beginning of year.....	224,709	224,709	224,709	-
Fund balance, end of year.....	\$ 282,759	\$ 282,759	\$ 299,895	\$ 17,136

City of Garden City, Georgia
Multiple Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Expenditures:				
Current:				
Housing and development.....	-	-	-	-
Total expenditures.....	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures.....	-	-	-	-
Net change in fund balance.....	-	-	-	-
Fund balance, beginning of year.....	1,145	1,145	1,145	-
Fund balance, end of year.....	\$ 1,145	\$ 1,145	\$ 1,145	\$ -

City of Garden City, Georgia
Schedule of Projects Constructed With
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2014

Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total Cost
<u>2008 - 2014 SPLOST Referendum</u>					
Capital outlay projects:					
Regional Police Academy.....	\$ 1,419,164	\$ 969,164	\$ -	\$ -	\$ -
Road paving projects.....	-	450,000	448,156	44,518	492,674
Debt service:					
Police Department - Vehicles	511,136	511,136	220,587	-	220,587
Fire Truck.....	47,395	47,395	142,049	-	142,049
Public Works.....	189,306	189,306	-	-	-
Municipal and Judicial facilities.....	3,932,999	3,932,999	3,107,934	718,174	3,826,108
Total 2008 - 2014 SPLOST.....	<u>6,100,000</u>	<u>6,100,000</u>	<u>3,918,726</u>	<u>762,692</u>	<u>4,681,418</u>
<u>2014 - 2020 SPLOST Referendum</u>					
Capital outlay projects:	8,085,000	8,085,000	-	-	-
Roads, streets and bridges.....			-	-	-
Cultural and recreational facilities.....			-	-	-
Parks.....			-	-	-
Fire facilities and equipment.....			-	-	-
Public safety facilities and equipment.....			-	-	-
Debt service:					
Municipal and Judicial facilities.....			-	-	-
	<u>8,085,000</u>	<u>8,085,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total SPLOST expenditures.....	<u>\$ 14,185,000</u>	<u>\$ 14,185,000</u>	<u>\$ 3,918,726</u>	<u>\$ 762,692</u>	<u>\$ 4,681,418</u>

*Reconciliation of Schedule of Projects Constructed with Special Sales Tax Proceeds to Expenditures
Reported in the Special Purpose Local Option Sales Tax Fund:*

Total SPOST Fund expenditures.....	\$ 833,579
Local Maintenance & Improvement Grant (LMIG).....	(70,887)
Total SPLOST expenditures.....	<u>\$ 762,692</u>

City of Garden City, Georgia
Schedule of Required Expenditures
Generated by the Hotel – Motel Tax
For the Year Ended December 31, 2014

Revenue:

Hotel / Motel taxes.....	\$	<u><u>226,864</u></u>
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Expenditures:

Tourism expenditures.....	\$	<u><u>113,432</u></u>
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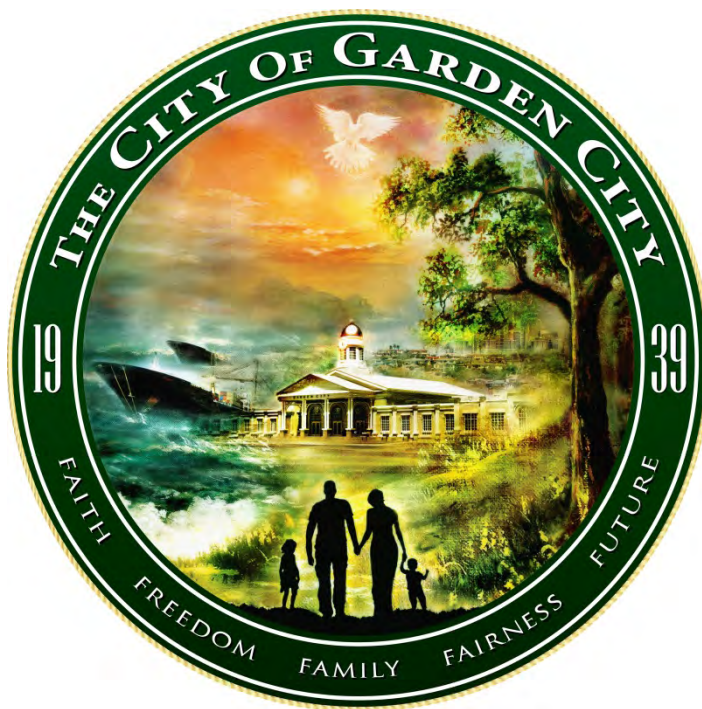
Percentage of expenditures to revenues.....		<u><u>50%</u></u>
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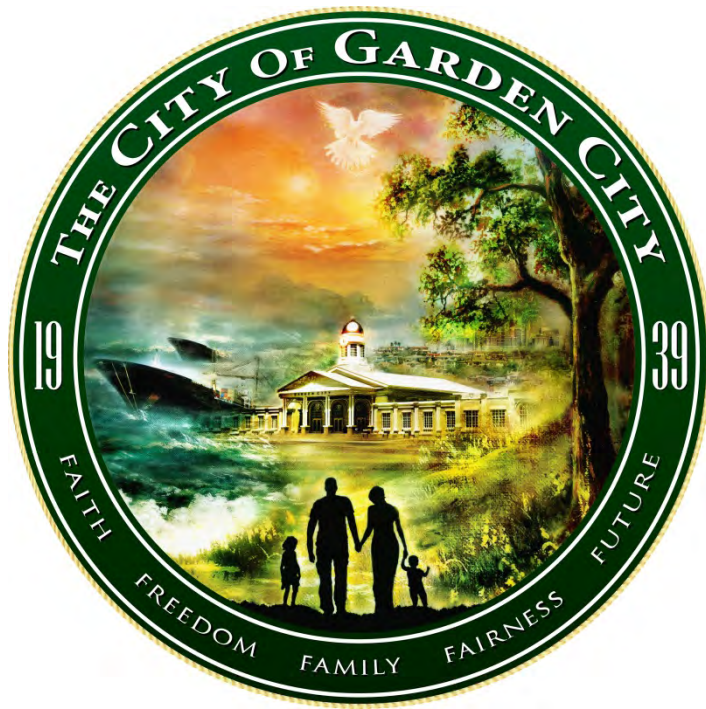
STATISTICAL SECTION

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

Contents	Page
Financial Trends.....	G -2
These schedules contain trend information to help the reader understand how the city's financial position has changed over time.	
Revenue Capacity.....	G -12
These schedules contain information to help the reader understand and assess the factors affecting the city's ability to generate its most significant local revenue sources, the property tax and the sales tax.	
Debt Capacity.....	G -21
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.	
Economic and Demographic Information.....	G -25
These schedules offer economic and demographic indicators to help the reader understand the environment within which the city's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information.....	G -27
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	

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





City of Garden City, Georgia

Net Position by Component
Last Ten Calendar Years

	2005	2006	2007
Governmental activities			
Net investment in capital assets.....	\$ 4,005,261	\$ 4,147,765	\$ 4,691,714
Restricted.....	2,407,751	2,239,292	1,772,604
Unrestricted.....	8,096,822	10,132,572	15,468,336
Total governmental activities net position.....	<u>\$ 14,509,834</u>	<u>\$ 16,519,629</u>	<u>\$ 21,932,654</u>
Business-type activities			
Net investment in capital assets.....	\$ 6,500,230	\$ 6,876,834	\$ 7,688,460
Restricted.....	-	-	-
Unrestricted.....	2,386,991	3,005,025	3,247,446
Total business-type activities net position.....	<u>\$ 8,887,221</u>	<u>\$ 9,881,859</u>	<u>\$ 10,935,906</u>
Primary Government			
Net investment in capital assets.....	\$ 10,505,491	\$ 11,024,599	\$ 12,380,174
Restricted.....	2,407,751	2,239,292	1,772,604
Unrestricted.....	10,483,813	13,137,597	18,715,782
Total primary government net position.....	<u>\$ 23,397,055</u>	<u>\$ 26,401,488</u>	<u>\$ 32,868,560</u>

2008	2009	2010	2011	2012	2013	2014
\$ 13,763,772	\$ 12,909,489	\$ 12,348,736	\$ 12,329,724	\$ 11,928,004	\$ 11,973,251	\$ 11,695,771
-	-	-	116,276	252,533	120,040	576,674
7,846,785	7,153,169	3,991,150	3,569,672	4,458,343	4,117,321	5,526,529
<u>\$ 21,610,557</u>	<u>\$ 20,062,658</u>	<u>\$ 16,339,886</u>	<u>\$ 16,015,672</u>	<u>\$ 16,638,880</u>	<u>\$ 16,210,612</u>	<u>\$ 17,798,974</u>
\$ 8,293,976	\$ 11,266,753	\$ 11,699,882	\$ 11,693,200	\$ 11,678,706	\$ 10,950,870	\$ 10,408,014
-	-	-	-	-	-	-
3,002,780	1,404,345	314,526	230,177	838,502	1,617,980	2,593,894
<u>\$ 11,296,756</u>	<u>\$ 12,671,098</u>	<u>\$ 12,014,408</u>	<u>\$ 11,923,377</u>	<u>\$ 12,517,208</u>	<u>\$ 12,568,850</u>	<u>\$ 13,001,908</u>
\$ 22,057,748	\$ 24,176,242	\$ 24,116,888	\$ 24,022,924	\$ 23,606,710	\$ 22,924,121	\$ 22,103,785
-	-	25,647	116,276	252,533	120,040	576,674
10,849,565	8,557,514	4,211,759	3,799,849	5,296,845	5,735,301	8,120,423
<u>\$ 32,907,313</u>	<u>\$ 32,733,756</u>	<u>\$ 28,354,294</u>	<u>\$ 27,939,049</u>	<u>\$ 29,156,088</u>	<u>\$ 28,779,462</u>	<u>\$ 30,800,882</u>

City of Garden City, Georgia

Changes in Net Position Last Ten Calendar Years

	2005	2006	2007
Expenses			
Governmental activities:			
General government.....	\$ 685,370	\$ 585,223	\$ 1,035,750
Judiciary.....	52,312	54,283	71,619
Public safety.....	3,078,641	3,133,517	3,341,151
Public works.....	732,921	1,119,824	1,349,616
Health and welfare.....	111,975	132,714	137,767
Culture and recreation.....	694,767	597,490	743,384
Housing and development.....	219,277	266,430	310,464
Interest on long-term debt.....	10,876	9,133	7,321
Total governmental activities expenses.....	<u>5,586,139</u>	<u>5,898,614</u>	<u>6,997,072</u>
Business-type activities:			
Water and sewer.....	1,685,828	1,828,024	1,866,494
Sanitation.....	349,368	305,683	383,870
Stormwater.....	-	-	-
Fire protection services.....	-	-	-
Total business-type activities expense.....	<u>2,035,196</u>	<u>2,133,707</u>	<u>2,250,364</u>
Total primary government expenses.....	<u>\$ 7,621,335</u>	<u>\$ 8,032,321</u>	<u>\$ 9,247,436</u>
Program Revenues			
Governmental activities:			
Charges for services:			
General government.....	\$ 45,512	\$ 47,217	\$ 69,245
Public safety.....	553,876	588,548	628,232
Public works.....	3,280	621	-
Health and welfare.....	-	-	-
Culture and recreation.....	69,225	61,581	80,133
Housing and development.....	78,032	247,837	230,177
Operating grants and contributions.....	94,020	185,678	66,925
Capital grants and contributions.....	55,503	64,087	63,251
Total governmental activities program revenues.....	<u>899,448</u>	<u>1,195,569</u>	<u>1,137,963</u>
Business-type activities:			
Charges for services.....	2,173,562	2,298,727	2,215,695
Operating grants and contributions.....	-	-	-
Capital grants and contributions.....	78,374	21,150	441,774
Total business type activities program revenues.....	<u>2,251,936</u>	<u>2,319,877</u>	<u>2,657,469</u>
Total primary government program revenues.....	<u>\$ 3,151,384</u>	<u>\$ 3,515,446</u>	<u>\$ 3,795,432</u>
Net (Expense)/Revenue			
Governmental activities.....	\$ (4,686,691)	\$ (4,703,045)	\$ (5,859,109)
Business-type activities.....	216,740	186,170	407,105
Total primary government net expense.....	<u>\$ (4,469,951)</u>	<u>\$ (4,516,875)</u>	<u>\$ (5,452,004)</u>

2008	2009	2010	2011	2012	2013	2014
\$ 1,229,916	\$ 1,749,681	\$ 2,272,465	\$ 1,957,364	\$ 2,018,107	\$ 1,934,767	\$ 1,449,807
72,997	71,619	98,187	97,289	97,000	97,160	95,500
3,984,387	4,410,216	6,332,933	3,990,758	3,691,402	3,606,478	3,727,352
1,523,871	1,459,347	1,553,248	1,010,737	706,294	1,644,768	984,467
265,131	146,905	157,645	142,685	185,716	149,818	165,958
733,409	859,249	744,323	632,721	836,979	770,782	694,969
524,466	414,517	496,820	311,098	323,100	300,931	164,671
9,181	12,593	380,030	348,678	637,930	200,938	212,955
<u>8,343,358</u>	<u>9,124,127</u>	<u>12,035,651</u>	<u>8,491,330</u>	<u>8,496,528</u>	<u>8,705,642</u>	<u>7,495,679</u>
2,406,423	2,879,332	2,924,569	3,047,325	2,952,549	3,101,449	2,837,507
384,738	461,521	434,560	385,114	399,333	413,749	384,159
-	765,146	766,005	829,794	722,104	738,503	878,475
-	-	-	747,183	899,450	962,591	874,368
<u>2,791,161</u>	<u>4,105,999</u>	<u>4,125,134</u>	<u>5,009,416</u>	<u>4,973,436</u>	<u>5,216,292</u>	<u>4,974,509</u>
<u>\$ 11,134,519</u>	<u>\$ 13,230,126</u>	<u>\$ 16,160,785</u>	<u>\$ 13,500,746</u>	<u>\$ 13,469,964</u>	<u>\$ 13,921,934</u>	<u>\$ 12,470,188</u>
\$ 286,287	\$ 115,827	\$ 119,688	\$ 116,139	\$ 72,804	\$ 197,364	\$ 201,390
765,113	1,057,234	1,014,791	1,210,341	1,218,187	764,254	709,893
600	450	720	1,045	2,198	170	705
-	-	-	-	-	22,574	24,283
89,426	67,558	106,654	106,017	128,288	93,780	106,154
85,648	42,478	52,476	21,299	29,367	16,879	38,677
138,576	141,953	768,046	259,378	254,356	146,502	164,947
15,983	2,170,273	15,059	1,169,793	1,203,611	1,664,723	1,295,386
<u>1,381,633</u>	<u>3,595,773</u>	<u>2,077,434</u>	<u>2,884,012</u>	<u>2,908,811</u>	<u>2,906,246</u>	<u>2,541,435</u>
2,967,045	3,589,799	3,587,896	4,401,169	4,974,884	5,050,737	5,224,169
-	-	-	201,426	200,189	193,377	39,078
81,741	50,200	205,910	22,441	401,069	15,215	87,876
<u>3,048,786</u>	<u>3,639,999</u>	<u>3,793,806</u>	<u>4,625,036</u>	<u>5,576,142</u>	<u>5,259,329</u>	<u>5,351,123</u>
<u>\$ 4,430,419</u>	<u>\$ 7,235,772</u>	<u>\$ 5,871,240</u>	<u>\$ 7,509,048</u>	<u>\$ 8,484,953</u>	<u>\$ 8,165,575</u>	<u>\$ 7,892,558</u>
\$ (6,961,725)	\$ (5,528,354)	\$ (9,958,217)	\$ (5,607,318)	\$ (5,587,717)	\$ (5,799,396)	\$ (4,954,244)
257,625	(466,000)	(331,328)	(384,380)	602,706	43,037	376,614
<u>\$ (6,704,100)</u>	<u>\$ (5,994,354)</u>	<u>\$ (10,289,545)</u>	<u>\$ (5,991,698)</u>	<u>\$ (4,985,011)</u>	<u>\$ (5,756,359)</u>	<u>\$ (4,577,630)</u>

continued

City of Garden City, Georgia

Changes in Net Position
Last Ten Calendar Years

	2005	2006	2007
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes.....	\$ 5,104,172	\$ 5,771,657	\$ 5,846,673
Grants and contributions not restricted to specific programs.....	899,037	1,036,458	1,038,544
Unrestricted investment earnings.....	323,205	528,454	737,279
Miscellaneous.....	71,155	80,276	125,786
Special Item - Gain on sale of municipal complex.....	-	-	3,184,212
Transfers.....	(379,280)	(704,006)	(486,703)
Total governmental activities.....	<u>6,018,289</u>	<u>6,712,839</u>	<u>10,445,791</u>
Business-type activities - water and sewer:			
Unrestricted investment earnings.....	46,136	104,462	160,239
Miscellaneous.....	-	-	-
Transfers.....	379,280	704,006	486,703
Total business-type activities.....	<u>425,416</u>	<u>808,468</u>	<u>646,942</u>
Total primary government.....	<u><u>\$ 6,443,705</u></u>	<u><u>\$ 7,521,307</u></u>	<u><u>\$ 11,092,733</u></u>
Change in Net Position			
Governmental activities.....	\$ 1,331,598	\$ 2,009,794	\$ 4,586,682
Business-type activities.....	642,156	994,638	1,054,047
Total primary government.....	<u><u>\$ 1,973,754</u></u>	<u><u>\$ 3,004,432</u></u>	<u><u>\$ 5,640,729</u></u>

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 5,842,702	\$ 5,500,889	\$ 5,618,465	\$ 5,693,408	\$ 6,042,359	\$ 5,330,729	\$ 6,591,994
258,538	-	202,913	-	-	-	-
360,975	67,762	18,644	2,152	2,500	3,091	3,087
201,026	241,991	200,423	191,832	142,866	28,110	1,283
-	-	-	17,023	-	-	-
(23,613)	(1,830,187)	195,000	(292,911)	23,200	9,198	(53,758)
<u>6,639,628</u>	<u>3,980,455</u>	<u>6,235,445</u>	<u>5,611,504</u>	<u>6,210,925</u>	<u>5,371,128</u>	<u>6,542,606</u>
79,611	10,155	1,542	438	816	1,239	1,764
-	-	-	-	13,509	16,564	922
23,613	1,830,187	(195,000)	292,911	(23,200)	(9,198)	53,758
<u>103,224</u>	<u>1,840,342</u>	<u>(193,458)</u>	<u>293,349</u>	<u>(8,875)</u>	<u>8,605</u>	<u>56,444</u>
<u>\$ 6,742,852</u>	<u>\$ 5,820,797</u>	<u>\$ 6,041,987</u>	<u>\$ 5,904,853</u>	<u>\$ 6,202,050</u>	<u>\$ 5,379,733</u>	<u>\$ 6,599,050</u>
\$ (322,097)	\$ (1,547,899)	\$ (3,722,772)	\$ 4,186	\$ 623,208	\$ (428,268)	\$ 1,588,362
360,849	1,374,342	(524,786)	(91,031)	593,831	51,642	433,058
<u>\$ 38,752</u>	<u>\$ (173,557)</u>	<u>\$ (4,247,558)</u>	<u>\$ (86,845)</u>	<u>\$ 1,217,039</u>	<u>\$ (376,626)</u>	<u>\$ 2,021,420</u>
						<i>(concluded)</i>

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

	2005	2006	2007
General Fund			
Reserved.....	\$ 182,844	\$ 134,708	\$ 189,626
Unreserved.....	7,447,373	9,480,603	14,190,311
Nonspendable.....	-	-	-
Committed.....	-	-	-
Assigned.....	-	-	-
Unassigned.....	-	-	-
Total general fund.....	<u>\$ 7,630,217</u>	<u>\$ 9,615,311</u>	<u>\$ 14,379,937</u>
All Other Governmental Funds			
Reserved.....	\$ -	\$ -	\$ -
Unreserved, reported in:			
Special revenue funds.....	(2,694)	(46)	276,499
Capital projects fund.....	2,407,751	2,239,292	1,772,604
Restricted			
Special revenue funds.....	-	-	-
Capital projects fund.....	-	-	-
Assigned			
Special revenue funds.....	-	-	-
Total all other governmental funds.....	<u>\$ 2,405,057</u>	<u>\$ 2,239,246</u>	<u>\$ 2,049,103</u>

The City of Garden City implemented GASB 54 for the calendar year ended December 31, 2011.

2008	2009	2010	2011	2012	2013	2014
\$ 107,194	\$ 3,851,793	\$ 1,689,362	\$ -	\$ -	\$ -	\$ -
10,675,968	6,001,695	4,088,793	-	-	-	-
-	-	-	125,386	126,443	117,959	184,289
-	-	-	1,757,128	1,923,724	1,757,126	1,898,074
-	-	-	-	533,000	-	-
-	-	-	1,321,567	1,149,729	1,464,440	2,482,404
<u>\$ 10,783,162</u>	<u>\$ 9,853,488</u>	<u>\$ 5,778,155</u>	<u>\$ 3,204,081</u>	<u>\$ 3,732,896</u>	<u>\$ 3,339,525</u>	<u>\$ 4,564,767</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
215,896	21,384	42,928	-	-	-	-
(4,135,489)	(3,411,015)	(2,478,743)	-	-	-	-
-	-	-	11,171	13,125	1,673	4,498
-	-	-	105,105	239,409	118,367	572,176
-	-	-	93,411	152,450	224,709	299,895
<u>\$ (3,919,593)</u>	<u>\$ (3,389,631)</u>	<u>\$ (2,435,815)</u>	<u>\$ 209,687</u>	<u>\$ 404,984</u>	<u>\$ 344,749</u>	<u>\$ 876,569</u>

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

	2005	2006	2007
Revenues			
Taxes.....	\$ 5,068,396	\$ 5,720,070	\$ 6,067,002
Licenses and permits.....	123,444	295,054	299,322
Intergovernmental.....	1,047,311	1,286,398	1,168,720
Charges for services.....	89,633	82,295	107,577
Fines and fees.....	536,847	568,651	600,888
Interest revenues.....	323,205	528,454	737,279
Other revenues.....	72,407	79,905	125,786
Total revenue.....	7,261,243	8,560,827	9,106,574
Expenditures			
Current:			
General government.....	560,226	550,094	993,290
Judiciary.....	52,312	54,283	71,619
Public safety.....	2,577,763	2,859,653	3,016,062
Public works.....	1,025,822	991,831	1,111,409
Health and welfare.....	111,975	132,714	137,767
Culture and recreation.....	500,379	468,847	626,069
Housing and development.....	136,957	164,571	417,853
Capital outlay.....	424,722	612,620	1,219,135
Debt service:			
Principal.....	46,801	47,810	51,213
Interest and other charges.....	10,876	9,133	7,321
Intergovernmental:			
Assistance.....	129,256	145,983	91,150
Total expenditures.....	5,577,089	6,037,539	7,742,888
Excess (Deficiency) of revenues			
over (under) expenditures.....	1,684,154	2,523,288	1,363,686
Other Financing sources (uses)			
Capital leases and notes payable.....	-	-	-
Certificates of participation issued.....	-	-	-
Discount on certificates of participation issued.....	-	-	-
Sale of surplus property.....	-	-	-
Insurance recoveries.....	-	-	-
Transfers in.....	100,735	131,637	205,415
Transfers out.....	(480,014)	(835,643)	(692,118)
Total other financing sources (uses).....	(379,279)	(704,006)	(486,703)
Special Item			
Proceeds from sale of municipal complex.....	-	-	3,389,558
Net change in fund balances.....	\$ 1,304,875	\$ 1,819,282	\$ 4,266,541
Debt service as a percentage of noncapital expenditures.....	1.13%	1.04%	0.89%

Note: Noncapital expenditures are total expenditures less capital outlay.

^(a) In calendar year 2011 management began reporting fire safety costs in the Fire Protection enterprise fund.

2008	2009	2010	2011	2012	2013	2014
\$ 5,681,166	\$ 5,862,825	\$ 5,558,257	\$ 5,792,343	\$ 6,025,297	\$ 5,341,826	\$ 6,528,681
371,935	158,305	172,197	136,213	102,171	80,782	115,075
413,097	156,106	1,067,075	1,365,828	1,457,934	1,883,741	1,535,954
111,948	86,398	119,519	125,035	139,499	150,326	155,754
743,191	1,038,844	1,002,613	1,193,593	1,209,174	730,884	685,389
360,975	67,762	18,703	2,152	2,530	3,091	3,087
238,684	241,991	223,002	231,154	122,320	148,532	122,773
<u>7,920,996</u>	<u>7,612,231</u>	<u>8,161,366</u>	<u>8,846,318</u>	<u>9,058,925</u>	<u>8,339,182</u>	<u>9,146,713</u>
1,258,805	1,778,215	1,835,903	1,527,331	1,616,657	1,565,889	1,028,023
72,997	71,619	98,187	97,289	97,000	97,160	95,500
3,636,442	4,106,397	4,519,181	3,577,570 ^(a)	3,514,410	3,474,984	3,550,513
1,314,486	1,307,368	1,082,379	811,223	675,617	583,182	789,449
148,852	146,905	157,645	142,685	185,716	149,818	165,958
733,409	745,024	744,323	570,302	775,429	817,256	619,474
495,843	386,341	639,431	326,839	302,740	264,661	126,860
9,910,821	8,712,346	1,875,554	-	-	948,156	115,405
142,763	219,904	283,814	1,191,325	9,060,504	547,220	523,461
9,181	12,593	380,030	377,338	881,197	240,704	211,212
<u>100,573</u>	<u>88,646</u>	<u>115,134</u>	<u>92,821</u>	<u>73,816</u>	<u>125,564</u>	<u>113,432</u>
<u>17,824,172</u>	<u>17,575,358</u>	<u>11,731,581</u>	<u>8,714,723</u>	<u>17,183,086</u>	<u>8,814,594</u>	<u>7,339,287</u>
<u>(9,903,176)</u>	<u>(9,963,127)</u>	<u>(3,570,215)</u>	<u>131,595</u>	<u>(8,124,161)</u>	<u>(475,412)</u>	<u>1,807,426</u>
361,318	10,207,438	253,698	-	71,000	-	-
-	-	-	-	8,740,000	-	-
-	-	-	-	(45,580)	-	-
-	-	-	-	39,107	-	-
-	-	-	-	20,546	12,607	3,394
3,646,975	140,885	3,327,250	3,383,109	582,482	312,115	308,434
<u>(3,670,588)</u>	<u>(784,908)</u>	<u>(3,132,250)</u>	<u>(3,443,276)</u>	<u>(559,282)</u>	<u>(302,917)</u>	<u>(362,192)</u>
<u>337,705</u>	<u>9,563,415</u>	<u>448,698</u>	<u>(60,167)</u>	<u>8,848,273</u>	<u>21,805</u>	<u>(50,364)</u>
-	-	-	-	-	-	-
<u>\$ (9,565,471)</u>	<u>\$ (399,712)</u>	<u>\$ (3,121,517)</u>	<u>\$ 71,428</u>	<u>\$ 724,112</u>	<u>\$ (453,607)</u>	<u>\$ 1,757,062</u>
1.92%	2.73%	5.98%	18.14%	58.78%	9.25%	10.07%

City of Garden City, Georgia
Assessed and Actual Value of Taxable Property
Last Ten Calendar Years

Tax	Real Property					
Digest Year	Residential	Commercial	Mobile Homes	Motor Vehicles	Industrial	Utility
2005 ⁽²⁾	\$ 73,296,670	\$ 108,812,133	\$ 5,557,200	\$ 24,129,680	\$ 74,199,818	\$ 5,278,878
2006 ⁽²⁾	84,959,176	121,928,390	5,979,000	24,656,400	78,110,613	5,700,133
2007 ⁽²⁾	96,315,222	139,038,044	4,837,800	25,821,260	88,079,178	5,144,188
2008 ⁽²⁾	102,002,998	148,130,329	4,879,800	27,855,530	93,924,012	8,489,551
2009 ⁽²⁾	102,612,345	153,186,452	4,716,200	28,087,370	90,569,095	7,803,677
2010 ⁽²⁾	87,583,851	152,466,687	4,606,800	26,211,060	102,262,351	8,491,300
2011 ⁽²⁾	79,077,088	144,592,269	4,519,484	25,055,760	124,301,390	10,779,351
2012 ⁽²⁾	78,084,103	147,194,157	5,492,582	26,301,130	111,412,897	10,150,904
2013 ⁽²⁾	81,535,065	156,766,825	5,965,240	27,999,510	109,871,199	10,367,321
2014 ⁽²⁾	81,205,784	167,938,531	5,773,080	24,858,970	100,240,147	10,872,614

Note: The City of Garden City does not levy a property tax.

⁽¹⁾ Source: Georgia Department of Revenue Property Tax Division Consolidation Summary

⁽²⁾ Source: Chatham County Tax Assessor City Only Consolidation and Evaluation Digest

Other Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 838,182	\$(10,901,255)	\$ 281,211,306	-	\$ 703,028,265	40%
2,031,356	(17,102,673)	306,262,395	-	765,655,988	40%
3,795,220	(22,627,682)	340,403,230	-	851,008,075	40%
3,869,741	(23,262,625)	365,889,336	-	914,723,340	40%
5,138,351	(20,065,855)	372,047,635	-	930,119,088	40%
3,344,329	(13,739,715)	371,226,663	-	928,066,658	40%
2,332,308	(9,383,559)	381,274,091	-	953,185,228	40%
1,153,718	(8,978,184)	370,811,307	-	927,028,268	40%
833,057	(10,592,025)	382,746,192	-	956,865,480	40%
1,482,241	(41,126,476)	351,244,891	-	878,112,228	40%

City of Garden City, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Calendar Years
(rate per \$1,000 of assessed value)

Tax Year	Direct	Overlapping Rates			Total
	City	School District	County	State	
2005	-	17.277	11.037	0.250	28.564
2006	-	15.817	10.837	0.250	26.904
2007	-	13.795	10.537	0.250	24.582
2008	-	13.404	10.537	0.250	24.191
2009	-	13.404	10.537	0.250	24.191
2010	-	14.131	10.537	0.250	24.918
2011	-	14.631	11.109	0.250	25.990
2012	-	14.631	11.109	0.200	25.940
2013	-	15.880	12.950	0.150	28.980
2014	4.000	15.881	12.543	0.100	32.524

Source: Chatham County Tax Assessor

City of Garden City, Georgia

Local Option Sales Tax History
Last Ten Calendar Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
January	\$ 235,358	\$ 246,946	\$ 280,728	\$ 293,311	\$ 344,503	\$ 273,020	\$ 250,824	\$ 270,245	\$ 256,987	\$ 198,095
February	282,882	307,070	324,874	327,143	254,327	270,843	280,818	290,586	295,748	210,564
March	261,209	299,409	274,918	228,148	221,021	294,915	279,450	326,733	237,172	240,296
April	213,716	296,109	282,938	301,310	394,481	275,134	295,415	298,087	195,103	233,610
May	267,321	296,695	302,503	317,991	249,038	285,449	293,494	313,743	224,825	238,363
June	264,636	340,138	323,734	301,614	269,339	281,520	304,670	321,629	224,100	240,984
July	270,665	302,035	320,618	328,109	284,952	280,362	318,112	310,599	215,672	247,207
August	269,740	332,151	288,609	304,379	314,377	279,326	306,235	293,763	220,673	235,973
September	264,241	361,600	335,186	306,294	263,508	265,355	301,040	310,136	216,010	230,915
October	290,402	306,450	314,916	278,989	269,220	274,202	273,984	302,928	213,307	231,495
November	280,142	389,374	329,570	334,426	245,272	261,524	268,169	288,766	205,247	232,669
December	245,283	210,042	599,365	272,842	270,655	300,901	331,240	332,013	250,943	267,433
Pro Rata Adjustment	5,679	14,582	7,315	-	-	-	-	-	-	-
Total	<u>\$ 3,151,274</u>	<u>\$ 3,702,601</u>	<u>\$ 3,985,274</u>	<u>\$ 3,594,556</u>	<u>\$ 3,380,693</u>	<u>\$ 3,342,551</u>	<u>\$ 3,503,451</u>	<u>\$ 3,659,228</u>	<u>\$ 2,755,787</u>	<u>\$ 2,807,604</u>

Sales tax information is presented using the accrual basis of accounting.

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

Tax Revenue	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Local Option Sales Tax	\$ 3,151,274	\$ 3,702,601	\$ 3,985,274	\$ 3,443,904	\$ 3,380,693	\$ 3,342,551	\$ 3,503,451	\$ 3,659,228	\$ 2,755,787	\$ 2,807,604
Real and Personal Property Tax	-	-	-	-	-	-	-	-	-	1,174,624
Title Ad Valorem Tax	-	-	-	-	-	-	-	-	170,450	196,198
Franchise Tax - Electric	408,724	474,867	471,962	527,708	691,275	589,091	722,827	655,423	683,785	662,390
Franchise Tax - Gas	36,936	27,697	43,142	33,479	31,319	31,171	30,163	30,654	31,938	31,442
Franchise Tax - Television Cable	68,090	68,507	73,286	81,123	81,315	79,960	110,206	90,787	94,093	94,802
Franchise Tax - Telephone	81,586	81,393	79,419	97,988	51,511	59,272	52,654	47,615	52,818	51,156
Alcoholic Beverage Excise Tax	192,778	191,367	185,202	172,002	172,217	157,393	151,710	140,161	129,078	139,623
Energy Excise Tax	-	-	-	-	-	-	-	-	6,701	18,900
Local Option Mixed Drink Excise Tax	-	987	4,312	5,436	5,421	2,340	3,015	2,860	2,565	4,271
Business and Occupation Tax	402,987	400,033	425,807	440,543	642,642	524,025	570,643	714,569	709,453	623,464
Insurance Premium Tax	508,848	532,383	558,647	568,637	563,302	546,931	411,725	437,321	453,628	474,518
Financial Institution Tax	30,400	30,310	24,561	21,952	23,251	40,349	35,885	40,562	33,959	22,825
	<u>\$ 4,881,623</u>	<u>\$ 5,510,145</u>	<u>\$ 5,851,612</u>	<u>\$ 5,392,772</u>	<u>\$ 5,642,946</u>	<u>\$ 5,373,083</u>	<u>\$ 5,592,279</u>	<u>\$ 5,819,180</u>	<u>\$ 5,124,255</u>	<u>\$ 6,301,817</u>

City of Garden City, Georgia

**Principal Property Tax Payers
Current Year**

Taxpayer	2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
International Paper	\$ 8,125,231	1	2.05%
Centerpoint Garden City LLC	7,136,760	2	1.80%
Georgia Power Company	6,994,812	3	1.76%
Garden Lake Townhomes LLC	6,381,648	4	1.61%
Duke Realty Limited Partnership	5,206,740	5	1.31%
Trafigura	5,023,394	6	1.27%
Cowan Investments LLC	3,948,000	7	0.99%
Newell Recycling of Savannah LLC	3,673,821	8	0.93%
Slivka Gene R	3,478,520	9	0.88%
ABRO Industries Inc.	3,324,485	10	0.84%
Total	<u>\$ 53,293,411</u>		<u>13.44%</u>

Source: Chatham County Tax Assessor

Note: 2014 was the first year the City of Garden City, Georgia
levied property taxes.

City of Garden City, Georgia
Property Tax Levies and Collections
Current Year

Calendar Year ⁽¹⁾	Total Tax Levy ⁽²⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 1,150,040	\$ 1,009,692	87.80%	\$ -	\$ 1,009,692	87.80%

Source: Chatham County Tax Commissioner

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

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

Note: 2014 was the first year the City of Garden City, Georgia levied property taxes

City of Garden City, Georgia

Water Rates Last Ten Calendar Years

Years ended December 31,	Water - Inside the City		Water - Outside the City	
	Type of Charge	Charge	Type of Charge	Charge
2005	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$7.42	Up to 500	\$24.50
	Over 500, per 1,000	\$10.39	Over 500, per 1,000	\$18.48
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$16.33		
	Over 500, per 1,000	\$12.32		
2006	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$8.17	Up to 500	\$26.96
	Over 500, per 1,000	\$11.43	Over 500, per 1,000	\$20.34
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$17.97		
	Over 500, per 1,000	\$13.56		
2007	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$8.58	Up to 500	\$28.31
	Over 500, per 1,000	\$12.00	Over 500, per 1,000	\$21.36
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$18.87		
	Over 500, per 1,000	\$14.24		
2008 - 2010	Base	\$8.96 per REU*	Base	\$10.54 per REU*
	Administration Fee	\$1.85	Administration Fee	\$1.85
	<u>Gallons</u>		<u>Gallons</u>	
	up to 5,000	\$1.00	up to 5,000	\$1.50
	5,001 - 10,000	\$1.50	5,001 - 10,000	\$2.25
	10,001 - 15,000	\$2.00	10,001 - 15,000	\$3.00
	15,001 - 20,000	\$2.50	15,001 - 20,000	\$3.75
	Over 20,000	\$3.00	Over 20,000	\$4.50
	Base	\$10.68 per REU*	Base	\$12.26 per REU*
	Administration Fee	\$2.35	Administration Fee	\$2.35
2011	<u>Gallons</u>		<u>Gallons</u>	
	up to 2,500	\$1.00	up to 2,500	\$1.50
	2,501 - 5,000	\$1.25	2,501 - 5,000	\$2.00
	5,001 - 10,000	\$1.50	5,001 - 10,000	\$2.25
	10,001 - 15,000	\$2.00	10,001 - 15,000	\$3.00
	15,001 - 20,000	\$2.50	15,001 - 20,000	\$3.75
	Over 20,000	\$3.00	Over 20,000	\$4.50
	Base	\$11.68 per REU*	Base	\$13.44 per REU*
	Base	\$12.13 per REU*	Base	\$13.95 per REU*
	Base	\$13.35 per REU*	Base	\$15.36 per REU*
2012 2013 2014	Administration Fee	\$2.35	Administration Fee	\$2.35
	<u>Gallons</u>		<u>Gallons</u>	
	up to 2,500	\$1.25	up to 2,500	\$1.88
	2,501 - 5,000	\$1.50	2,501 - 5,000	\$2.25
	5,001 - 10,000	\$1.75	5,001 - 10,000	\$2.63
	10,001 - 15,000	\$2.25	10,001 - 15,000	\$3.38
	15,001 - 20,000	\$2.75	15,001 - 20,000	\$4.13
	Over 20,000	\$3.25	Over 20,000	\$4.88

* REU - Residential Equivalent Unit

City of Garden City, Georgia

Sewer Rates Last Ten Calendar Years

Years ended December 31,	Sewer - Inside the City		Sewer - Outside the City	
	Type of Charge	Charge	Type of Charge	Charge
2005	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$11.13	Up to 500	\$31.19
	Over 500, per 1,000	\$10.39	Over 500, per 1,000	\$18.48
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$20.79		
	Over 500, per 1,000	\$12.32		
2006	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$12.25	Up to 500	\$34.31
	Over 500, per 1,000	\$11.43	Over 500, per 1,000	\$20.34
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$22.87		
	Over 500, per 1,000	\$13.56		
2007	<u>Cubic Feet- Residential</u>		<u>Cubic Feet</u>	
	Up to 500	\$12.86	Up to 500	\$36.02
	Over 500, per 1,000	\$12.00	Over 500, per 1,000	\$21.36
	<u>Cubic Feet- Commercial</u>			
	Up to 500	\$24.01		
	Over 500, per 1,000	\$14.24		
2008 - 2010	Base	\$10.00 per REU*	Base	\$12.04 per REU*
	Administration Fee	\$1.85	Administration Fee	\$1.85
	<u>Gallons</u>		<u>Gallons</u>	
	up to 5,000	\$1.30	up to 5,000	\$1.95
	5,001 - 10,000	\$1.95	5,001 - 10,000	\$2.93
	10,001 - 15,000	\$2.60	10,001 - 15,000	\$3.90
	15,001 - 20,000	\$3.25	15,001 - 20,000	\$4.88
	Over 20,000	\$3.90	Over 20,000	\$5.85
	Base	\$11.35 per REU*	Base	\$13.39 per REU*
	Administration Fee	\$2.35	Administration Fee	\$2.35
2011	<u>Gallons</u>		<u>Gallons</u>	
	up to 2,500	\$1.30	up to 2,500	\$1.95
	2,501 - 5,000	\$1.66	2,501 - 5,000	\$2.55
	5,001 - 10,000	\$1.95	5,001 - 10,000	\$2.93
	10,001 - 15,000	\$2.60	10,001 - 15,000	\$3.90
	15,001 - 20,000	\$3.25	15,001 - 20,000	\$4.88
	Over 20,000	\$3.90	Over 20,000	\$5.85
	Base	\$13.35 per REU*	Base	\$15.35 per REU*
	Base	\$14.40 per REU*	Base	\$16.56 per REU*
	Base	\$15.84 per REU*	Base	\$18.21 per REU*
2012 2013 2014	Administration Fee	\$2.35	Administration Fee	\$2.35
	<u>Gallons</u>		<u>Gallons</u>	
	up to 2,500	\$1.55	up to 2,500	\$2.33
	2,501 - 5,000	\$1.91	2,501 - 5,000	\$2.87
	5,001 - 10,000	\$2.20	5,001 - 10,000	\$3.30
	10,001 - 15,000	\$2.85	10,001 - 15,000	\$4.28
	15,001 - 20,000	\$3.50	15,001 - 20,000	\$5.25
	Over 20,000	\$4.15	Over 20,000	\$6.23

* REU - Residential Equivalent Unit

City of Garden City

Ratios of Outstanding Debt by Type Last Ten Calendar Years

Calendar Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income ^(a)	Per Capita ^(a)
	Water Credits	Capital Leases	Certificates of Participation	Note Payable	SRF Loan	GEFA Loans	Revenue Bonds	Contractual Obligations			
2005	\$ 6,665	\$ 232,641	\$ -	\$ -	\$ 477,306	\$3,425,365	-	-	\$4,141,977	2.07%	\$ 334
2006	4,128	187,368	-	-	394,373	3,298,113	-	-	3,883,982	1.88%	308
2007	-	140,283	-	-	309,768	3,164,919	-	-	3,614,970	1.69%	282
2008	-	358,838	-	-	223,458	3,913,483	-	-	4,495,779	2.03%	345
2009	-	396,372	-	9,950,000	135,411	4,999,932	-	-	15,481,715	6.66%	1,130
2010	-	366,256	-	9,950,000	45,588	5,079,901	-	-	15,441,745	9.49%	1,628
2011	-	127,145	-	8,997,787	-	5,007,978	-	-	14,132,910	11.39%	1,610
2012	-	135,428	8,694,420	-	-	4,889,494	-	-	13,719,342	11.05%	1,563
2013	-	58,207	8,227,459	-	-	-	4,831,164	198,867	13,315,697	10.73%	1,517
2014	-	44,746	7,720,498	-	-	832,812	4,484,787	99,433	13,182,276	10.62%	1,502

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

^(a) *These ratios are calculated using personal income and population for the prior calendar year.*

City of Garden City, Georgia

Direct and Overlapping Governmental Activities Debt As of December 31, 2014

	Debt Outstanding	Estimated Percentage Applicable ^(a)	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes:			
Chatham County, Georgia:			
DSA Chatham County Projects Series 2005.....	\$ 10,230,000	3.20%	\$ 327,360
DSA Chatham County Projects Series 2005A.....	3,870,000	3.20%	123,840
DSA Union Mission Series 2009.....	2,060,000	3.20%	65,920
DSA Union Mission Series 2011.....	2,680,000	3.20%	85,760
Mosquito Control.....	3,699,106	3.20%	118,371
Chatham-Savannah School Board:			
General Obligation Bonded Debt.....	48,457,887	3.20%	1,550,652
Overlapping other debt:			
Capital leases:			
Savannah-Chatham County School Board.....	11,937,255	7.86%	938,268
Subtotal, overlapping debt.....			3,210,172
City of Garden City direct debt.....			7,765,244
Total direct and overlapping debt.....			\$ 10,975,416

Sources: Assessed value data used to estimate applicable percentages provided by the Chatham County Board of Taxation.
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 Garden City. 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 payment.

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

City of Garden City, Georgia

Legal Debt Margin Information Last Ten Calendar Years

	2005	2006	2007	2008	2009
Total assessed value of taxable property.....	\$ 281,211,306	\$ 306,262,395	\$ 340,403,230	\$ 365,889,336	\$ 372,047,635
Less exemptions for bond purposes.....	-	-	-	-	-
Net assessed value for bond purposes.....	<u>\$ 281,211,306</u>	<u>\$ 306,262,395</u>	<u>\$ 340,403,230</u>	<u>\$ 365,889,336</u>	<u>\$ 372,047,635</u>
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	\$ 28,121,131	\$ 30,626,240	\$ 34,040,323	\$ 36,588,934	\$ 37,204,764
Total net debt applicable to limit: General obligation bonds (net of set aside)....	-	-	-	-	-
Legal debt margin.....	<u>\$ 28,121,131</u>	<u>\$ 30,626,240</u>	<u>\$ 34,040,323</u>	<u>\$ 36,588,934</u>	<u>\$ 37,204,764</u>
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

	2010	2011	2012	2013	2014
Total assessed value of taxable property.....	\$ 371,226,663	\$ 381,274,091	\$ 370,811,307	\$ 382,746,192	\$ 382,746,192
Less exemptions for bond purposes.....	-	-	-	-	-
Net assessed value for bond purposes.....	<u>\$ 371,226,663</u>	<u>\$ 381,274,091</u>	<u>\$ 370,811,307</u>	<u>\$ 382,746,192</u>	<u>\$ 382,746,192</u>
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	\$ 37,122,666	\$ 38,127,409	\$ 37,081,131	\$ 38,274,619	\$ 38,274,619
Total net debt applicable to limit: General obligation bonds (net of set aside)....	-	-	-	-	-
Legal debt margin.....	<u>\$ 37,122,666</u>	<u>\$ 38,127,409</u>	<u>\$ 37,081,131</u>	<u>\$ 38,274,619</u>	<u>\$ 38,274,619</u>
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

The present constitutional limit on direct general obligation bonds for the City of Garden City 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 Garden City has no general obligation bonds authorized but unissued.

City of Garden City, Georgia

Pledged Revenue Coverage
Last Ten Calendar Years

Water and Sewer Long-Term Obligations						
Fiscal Year	Utility Service Charges	Less: Operating Expenses ^(a)	Net Available Revenue	Debt Service ^(b)		Coverage
				Principal	Interest	
2005	\$ 1,871,854	\$ 940,158	\$ 931,696	\$ 169,508	\$ 169,386	2.75
2006	1,963,331	1,039,575	923,756	210,185	173,908	2.41
2007	1,907,805	1,070,148	837,657	217,799	160,339	2.22
2008	2,633,654	1,618,935	1,014,719	225,729	132,173	2.84
2009	2,503,945	1,970,551	533,394	250,064	170,105	1.27
2010	2,351,036	1,971,069	379,967	272,574	165,923	0.87
2011	2,890,439	2,030,635	859,804	236,906	155,337	2.19
2012	3,275,829	1,910,226	1,365,603	227,721	184,438	3.31
2013	3,246,503	1,923,996	1,322,507	335,811	291,878	2.11
2014	3,453,056	1,882,597	1,570,459	445,811	95,812	2.90

^(a) Operating expenses do not include interest, depreciation, amortization expenses, or support departments such as administration and finance.

^(b) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

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

Year	Population*	Personal Income (1)	Per Capita Personal Income (1)	Median Age	Unemployment Rate (2)
2005	9,572	\$ 154,358,072	\$ 16,126	32.0	4.5%
2006	9,469	155,395,759	16,411	32.0	4.2%
2007	9,426	157,367,070	16,695	32.0	4.1%
2008	9,413	159,832,740	16,980	32.0	5.6%
2009	9,502	162,757,152	17,129	32.0	8.5%
2010	8,778	143,783,640	16,380	35.0	9.1%
2011	8,871	143,783,640	16,208	35.0	9.2%
2012	8,913	143,783,640	16,132	35.0	8.6%
2013	8,913	163,036,596	18,292	36.8	8.9%
2014	8,904	155,989,176	17,519	35.3	7.7%

Sources:

* *US Census Bureau - population based on 2010 Census with Census estimates applied to subsequent years*

(1) *United States Census Bureau - Community Facts*

(2) www.city-data.com/city/garden-city-georgia.html

City of Garden City, Georgia
Principal Employers
Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percentage of Total Metro Area Employment	Employees	Rank	Percentage of Total Metro Area Employment
Gulfstream Aerospace Corporation	10,126	1	7.85%	4,505	2	3.54%
Memorial Health	5,000	2	3.88%	5,473	1	4.30%
Savannah-Chatham Board of Ed.	4,808	3	3.73%	4,309	4	3.39%
Ft. Stewart/Hunter Army Airfield	4,637	4	3.59%	3,485	5	2.74%
St. Joseph's/Candler	3,304	5	2.56%	3,400	6	2.67%
City of Savannah	2,795	6	2.17%	2,408	8	1.89%
Savannah College of Art and Design	1,590	7	1.23%	1,200	9	0.94%
Chatham County	1,578	8	1.22%	1,600	8	
Georgia Port Authority	988	9	0.77%			
Armstrong Atlantic University	602	10	0.47%			
Savannah International Airport				4,500	3	1.26%
International Paper				1,027	10	1.57%
Georgia-Pacific				2,421	7	1.23%
Total	35,428		27.46%	34,328		23.53%

Source: Savannah Economic Development Authority and Georgia Department of Labor

Note: This data includes employer and employee information for the Savannah Metropolitan Service Area.

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<u>Function/Program</u>					
General government.....	13	8	11	11	11
Public safety.....	41	44	49	49	51
Public works.....	22	19	21	13	13
Culture and recreation.....	12	9	13	15	14
Utility services.....	11	11	13	15	17
Total.....	<u>99</u>	<u>91</u>	<u>107</u>	<u>103</u>	<u>106</u>

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Function/Program</u>					
General government.....	14	13	12	12	9
Public safety.....	57	56	54	54	56
Public works.....	14	11	12	12	12
Culture and recreation.....	12	12	12	12	12
Water and sewer services.....	17	15	18	18	17
Total.....	<u>114</u>	<u>107</u>	<u>108</u>	<u>108</u>	<u>106</u>

Source: City Personnel Records

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

	2005	2006	2007	2008	2009
Police:					
Arrests.....	1859	1897	2375	2149	1256
Fire:					
Number of emergency calls.....	261	334	366	390	348
Inspections.....	unav	unav	unav	unav	unav
Public works:					
Ditch maintenance (miles).....	unav	unav	unav	unav	10.7
Canal maintenance (miles).....	unav	unav	unav	unav	120
Dry trash (tons).....	unav	900	1100	1000	826
Water:					
New connections.....	unav	unav	unav	unav	10
Average daily consumption (millions of gallons).....	1.2	1.2	1.2	1.1	1.03
Sewer:					
New connections.....	unav	unav	unav	unav	6
Average daily sewage treatment (millions of gallons).....	1.09	0.97	0.98	0.96	1.05
	2010	2011	2012	2013	2014
Police:					
Arrests.....	1385	1259	854	842	867
Fire:					
Number of emergency calls.....	379	394	362	370	357
Inspections.....	50	53	100	133	180
Public works:					
Ditch maintenance (miles).....	8.1	5.6	4.96	6.50	5.60
Canal maintenance (miles).....	84	109	1,530	646	508
Dry trash (tons).....	848	848	150	189	38
Water:					
New connections.....	8	7	12	2	6
Average daily consumption (millions of gallons).....	1.03	0.99	0.94	0.95	0.96
Sewer:					
New connections.....	8	7	11	2	6
Average daily sewage treatment (millions of gallons).....	1.05	0.83	0.86	0.88	0.89

Sources: City records

unav - This information is not available.

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

	2005	2006	2007	2008	2009
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	2	2	2	2	2
Public works:					
Streets (miles).....	unav	unav	unav	45	45
Parks and recreation:					
Parks.....	4	4	4	4	4
Community centers.....	3	3	3	3	3
Water:					
Water mains (miles).....	unav	unav	unav	39.9	39.9
Maximum daily capacity (millions of gallons).....	1.5	1.5	1.5	1.5	1.5
Wastewater:					
Sanitary sewers (miles).....	unav	unav	unav	45	45
Maximum daily treatment capacity (millions of gallons).....	2.0	2.0	2.0	2.0	2.0
	2010	2011	2012	2013	2014
Police:					
Stations.....	1	1	1	1	1
Fire:					
Fire stations.....	2	2	2	2	2
Public works:					
Streets (miles).....	45	45	45	45	45
Parks and recreation:					
Parks.....	4	4	4	4	4
Community centers.....	3	3	3	3	3
Water:					
Water mains (miles).....	39.9	41.9	41.9	41.9	41.9
Maximum daily capacity (millions of gallons).....	1.5	1.3	1.3	1.3	1.3
Wastewater:					
Sanitary sewers (miles).....	45	48	48	48	48
Maximum daily treatment capacity (millions of gallons).....	2.0	2.0	2.0	2.0	2.0

Sources: City records and Technical Data Assessment Garden City Comprehensive Plan

unav - This information is not available.





**Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Garden City, Georgia, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated June 23, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Garden City, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Garden City, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KRT, CPAs P.C.

KRT, CPAs P.C.
Savannah, Georgia
June 23, 2015