

CITY OF BRUNSWICK, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2014

Prepared by:
Finance Department

City of Brunswick, Georgia
Comprehensive Annual Financial Report
For the Year Ended June 30, 2014

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INTRODUCTORY SECTION

CITY OF BRUNSWICK

601 Gloucester Street * Post Office Box 550 * Brunswick * Georgia * 31520-0550 * (912) 267-5500 * Fax (912) 267-5549

Cornell L. Harvey, Mayor
Julie T. Martin, Mayor Pro-Tem
John A. Cason III, Commissioner
Felicia M. Harris, Commissioner
Vincent T. Williams, Commissioner

Nathan T. Williams, City Attorney
William M. Weeks, City Manager

December 31, 2014

THE HONORABLE MAYOR AND COMMISSIONERS
OF THE CITY OF BRUNSWICK
BRUNSWICK, GEORGIA

The Comprehensive Annual Financial Report of the City of Brunswick, Georgia, for the Fiscal Year ended June 30, 2014, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the government. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The enclosed data is reported in a manner designed to present fairly the financial position and results of operation for the government. We believe all disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

This report is presented in six (6) sections – Introductory, Financial, Additional Schedules, Statistical, Compliance and Single Audit.

The Introductory Section includes this letter of transmittal, a list of principal officials, a brief history of Brunswick and the City's Organization Chart.

Management's Discussion and Analysis includes summarized financial information about the City, analysis of the past year's operations of general government and major enterprise activities, and overview of the City's current and future economic picture, as well as its major initiatives and financial accomplishments for the year.

The Basic Financial Statements include Government-Wide Financial Statements and Fund Financial Statements. The Government-Wide Financial Statements present an overview of the City's entire financial operations. Fund Financial Statements present financial data of each of the separate funds of the City. Schedules provide certain other information summarized in the Financial Statements. The notes are an integral part of the Financial Statements and provide additional information, which is essential to an accurate understanding of the government's financial condition.

The government is required to undergo a single audit by the U.S. Office of Management and Budget Circular A-133. Information related to this single audit, including the schedule of expenditures of Federal awards, findings and recommendations, and audit reports on the internal control structure, and compliance with applicable laws and regulations, is included in the single audit section of this report. The Statistical Section includes selected financial information, generally presented on a multi-year basis.

CITY OF BRUNSWICK, GEORGIA GOVERNMENT

Brunswick became the County Seat of Glynn County on February 3, 1797 and was officially chartered as a town in 1836. The City has approximately 17.07 square miles of land area and 8.18 square miles of water area. The population is estimated to be 15,640 in 2013. The City has been a Port of Entry since 1789.

The City provides a full range of services for its citizens. The governing authority of the City is composed of an elected Mayor and five commissioners serving on a part-time basis. An appointed City Manager directs the daily operations of the City. Additional information about the current activities of the City can be obtained at the City's website, www.cityofbrunswick-ga.gov.

This report includes all the funds of the City of Brunswick, Georgia (the primary government) and its component unit, the Downtown Development Authority. Additional information about the City as a reporting entity is provided in the Notes to the Basic Financial Statements.

ECONOMIC OUTLOOK

Although the fiscal climate for states has greatly improved since the past recession the outlook for the fiscal year 2015 remains cautious. Employment in the Brunswick MSA (Metropolitan Service Area) is expected to modestly increase by 2-3 % which will generate modest increases in retail spending, hence increasing Local Option Sales Tax revenue. The LOST revenue for the current fiscal year is anticipated to remain steady with the prior year with an increase in consumer spending more than offsetting the decline in the City's share of Glynn County total tax receipts. This continued expansion in retail spending projected for 2015 is expected enhance the final adjustment in county wide sales tax share allocation providing close to $ 5.7 million in revenue which comprises thirty nine percent of the General Fund budget for the City of Brunswick.

The housing market within the local area has witnessed an increase in activity over the past 12 months with a significant reduction of marketable properties. However, looking forward to 2015, Brunswick will see only marginal growth in the taxable value of both residential and commercial property. This will be reflected in zero growth in the local tax digest for Brunswick without other initiatives to stimulate increased economic development. Ad Valorem taxes represent twenty five percent of the annual General Fund revenue budget.

MAJOR INITIATIVES

A five year downtrend in General Fund revenue was halted in the 2014 fiscal year with overall revenues being substantially the same as the 2013 fiscal year. Careful overall spending including critical evaluation of key spending accounts, privatization of sanitation services in the previous fiscal year, and delayed hiring for vacant positions has allowed the City of Brunswick to maintain a fund balance sufficient to accommodate a cyclical cash flow without having to participate in a Tax Anticipation Note in the 2014 fiscal year.

With the use of Special Local Option Sales Tax revenues, the City has been successful in achieving substantial improvements in infrastructure as well as major upgrades to recreational facilities and City buildings. SPLOST revenue cash balances will be depleted in the 2015 fiscal year so more CDBG Entitlement funds will be applied to continue upgrades. In addition a comprehensive investigation of other sources of revenue (i.e. implementation of a stormwater utility) will continue to fund infrastructure needs.

The City will implement a comprehensive status assessment and strategy for improving our Tax Digest in the 2015 fiscal year. These actions will include redevelopment initiatives for non-productive properties, establishment of a Land Bank Authority, acquisition and implementation of Redevelopment Powers as allowed under Georgia law, maximizing annexation potential, and the implementation of recently approve City-wide Enterprise zones. Resurgence in economic redevelopment initiatives will be the mainstay of digest improvements.

FINANCIAL INFORMATION

Management of the government is responsible for establishing and maintaining the internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure financial statement presentation in accordance with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit – As a recipient of Federal and State financial assistance, the government also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and staff of the government.

As a part of the government's single audit, described earlier, internal controls are tested, including those controls related to Federal financial assistance programs, as well as to determine that the government has complied with applicable laws

and regulations. The results of the government's single audit for the current year ended June 30, 2014 noted no instances of material weaknesses in the internal controls.

Budgeting Controls – In addition, the government maintains Budgetary Controls. The objective of these Budgetary Controls is to ensure compliance with legal provisions embodied in the Annual Appropriated Budget approved by the government's governing body. Activities of the General Fund and certain special Revenue Funds are included in the Annual Appropriated Budget. The level of Budgetary Control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established by department within an individual fund.

OTHER INFORMATION

Independent Audit – State statutes require an annual audit by an independent Certified Public Accountant. The accounting firm of Fowler, Holley, Rambo & Stalvey, P.C. was selected by the Government's Board of Commissioners. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The auditor's report and financial statements are included in the Financial Section of this report. The audit reports related to Government Auditing Standards and the single audit are included in the Single Audit Section.

Acknowledgements – I wish to express my appreciation to everyone who contributed to the preparation of this report. This report is intended to provide full disclosure of the financial affairs of the City of Brunswick, Georgia.

Respectfully submitted,

William M. Weeks
City Manager

WMW/gm

City of Brunswick, Georgia
Principal Officials

Mayor	***Cornell L. Harvey***
Mayor Pro-Tem	***Julie T. Martin***
City Commissioner	***John A. Cason, III***
City Commissioner	***Felicia M. Harris***
City Commissioner	***Vincent T. Williams***
City Manager	***William M. Weeks***
City Clerk	***Naomi D. Atkinson***
City Attorney	***Williams Litigation Group (Nathan Williams)***
Municipal Court Judge	***Andrew Lakin***
City Auditor	***Fowler, Holley, Rambo & Stalvey, P.C. Certified Public Accountants***
Human Resources	***Bonnie D. Roberts***
Finance Director	***Kathy D. Mills, CPA***
City Engineer/Acting Public Works	***Dan McFee***
Fire Chief	***Randy D. Mobley***
Interim Police Chief	***Jimmy C. Carter***
Planning & Development Director	***Arne Glaeser***

HISTORY OF BRUNSWICK

Around 1740, Mark Carr laid claim to one thousand acres of land in Spanish territory along what is now known as the Turtle River. Carr's plantation became known as Plug Point. It lay between what is modern day Dartmouth Street and First Avenue.

As first envisioned, Brunswick was to lie in a roughly triangular tract, some 383 1/2 acres, bounded on the north by "F" Street, on the east by Cochran Avenue, and on the south by First Avenue. The western border was the river.

Brunswick, in northern Germany, was the seat of the House of Hanover, of which King George II of England was a member. Brunswick was thus named in honor of George II, as was Hanover Square. Other streets and squares of the town were named after other members of the Royal Family and prominent Englishmen of the time.

Building lots were laid out, to be granted on June 30, 1772. Petitioners for lots were bound to build a "Good and Sufficient House".

The American Revolution nearly wiped out the town, which theretofore was having no great success. Most citizens were Torys, considering themselves loyal Englishmen, and fled to England and Canada. Little fighting occurred in the area.

In 1778, the war being over, the General Assembly of Georgia passed an act creating a Board of Commissioners to survey and sell lots of land in the township, the proceeds to go toward founding an Academy. A commons surrounding the City was founded and leases granted toward funding the school. The present limits of the town included all the land once known as Commons.

On February 3, 1797, the County Seat was officially moved to Brunswick from Frederica. Part of the Commons was sold to build a courthouse and a jail. Half of the funds again went to the Academy.

In 1789, Brunswick was made a Port of Entry and the tall ships began to arrive. The years from 1834 to 1839 were ones of prosperity and growth. In 1835, the General Assembly authorized the sale of yet more Commons, all the area known as New Town being north of "F" Street and east of Wolfe Street. In 1836, the town was officially chartered. Around 1839, a decline began. Sadly, the town returned its charter to the state. Only 400 people remained.

In the 1850's another boom began. Brunswick was officially reincorporated on February 22, 1856. Rumors of war began to circulate. The Civil War was hard on Georgia. The town was blockaded. Most citizens fled and lastly, the City was ordered to evacuate. Most people fled to Wayne and Ware Counties.

In 1865, the war was over and Brunswick began to thrive again. In 1874, Sidney Lanier, seriously ill, visited the town. Lying under the beautiful oaks, he penned his poem "The Marshes of Glynn".

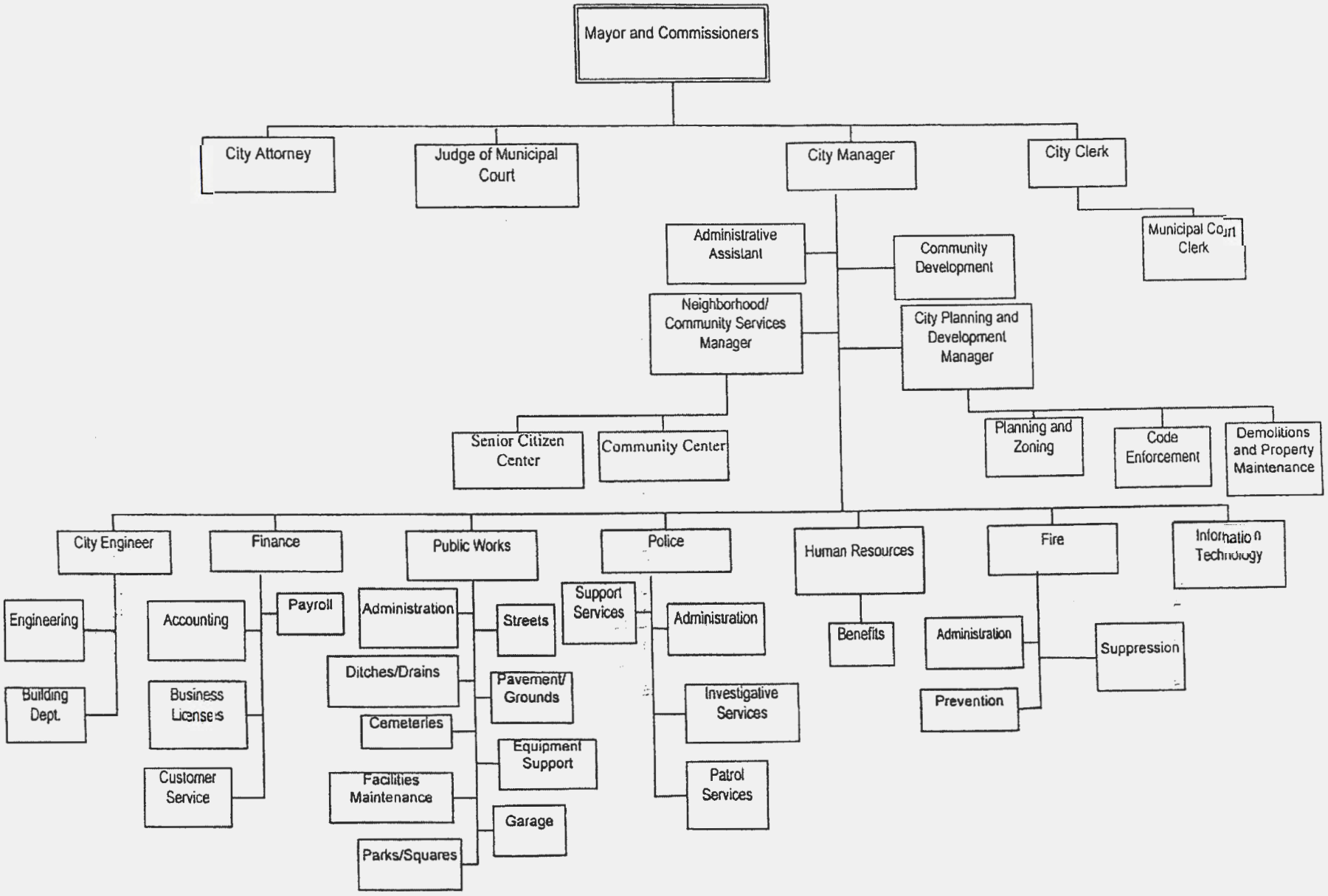
In 1876, yellow fever struck. The town struggled, fully recovering by 1878. It now boasted two railroads, a fine harbor and a population of 3,000.

During the 1880's, the population tripled. Stores, seafood, and lumber interests began to make the waterfront buzz with activity. But in 1893, the dreaded yellow fever struck again.

Brunswick, down but far from out, recovered quickly. In 1900, a beautiful new Post Office was built. It now serves as the "New" City Hall". In 1907, a magnificent new Court House with its sweeping lawns was constructed, and in 1911, by act of the General Assembly of Georgia, all persons holding leases to "Town Commons" lots were granted title in fee simple to those lots. World War I and II brought yet more prosperity as shipyard population poured in.

Brunswick continues to build into the new century, looking forward to the future with proud hopes and grand dreams. Problems exist, but solutions will be found and the City will go on through crisis and turmoil into the future.

CITY OF BRUNSWICK
ORGANIZATIONAL CHART
June 2014



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

FH R&S

Fowler, Holley, Rambo & Stalvey, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Commissioners
City of Brunswick, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of City of Brunswick, Georgia, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Brunswick, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Brunswick, Georgia, as of June 30, 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, budgetary comparison information, schedule of funding progress, schedule of changes in net pension liability and related ratios, schedule of employer contributions and schedule of investment returns for the defined benefit plan on pages 4 through 12 and 54 through 61 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 Brunswick, Georgia's basic financial statements. The introductory section, combining and individual non-major fund financial statements, schedules of revenue, expenditures and changes in fund balance-budget and actual, GAAP budget basis-non-major governmental funds, statistical section, schedule of projects constructed with special sales tax proceeds and annual report of 9-1-1 collections and expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedules of revenue, expenditures and changes in fund balance-budget and actual, GAAP budget basis-non-major governmental funds, schedule of projects constructed with special sales tax proceeds, annual report of 9-1-1 collections and expenditures and the schedule of expenditures of federal awards (collectively "the supplementary information") are the responsibility of

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2014 on our consideration of the City of Brunswick, 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 Brunswick, Georgia's internal control over financial reporting and compliance.

Fowler, Holley, Rambo + Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

Valdosta, Georgia
December 31, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Brunswick, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Introduction

As management of the City of Brunswick, we offer readers of the City of Brunswick's financial statements this narrative overview and analysis of the financial activities of the City of Brunswick for the fiscal year ended June 30, 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

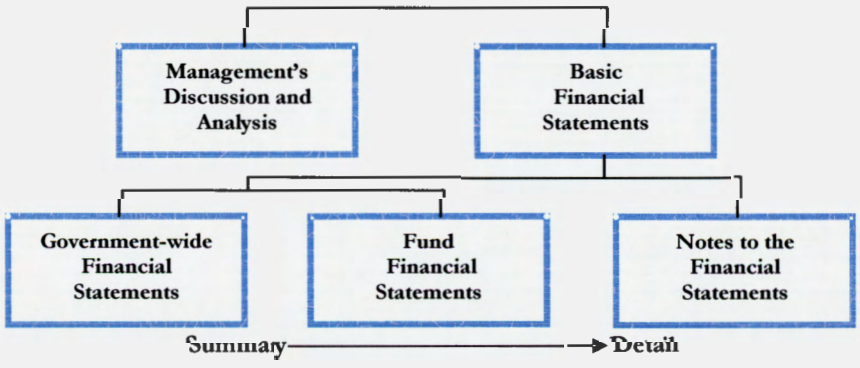
- The assets and deferred outflows of resources of the City of Brunswick exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $46,221,865 (*net position*).
- The City of Brunswick's total net position increased by $115,429, primarily due to increases in the business-type activities net position.
- As of the close of the current fiscal year, the City of Brunswick's governmental funds reported combined ending fund balances of $5,943,448 with a net change (decrease) of ($2,703,657) in fund balance, influenced primarily by capital projects expenditures in the SPLOST fund.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $1,260,983. General Fund expenditures increased 1.7% over the total general fund expenditures for the previous fiscal year.
- The City of Brunswick's total debt decreased $2,097,289 or 52.5% during the current fiscal year as the result of the repayment of the 2013 tax anticipation debt of $1,500,000 without having to incur new tax anticipation debt during the current fiscal year.
- The Sanitation Fund had an increase in operating revenue of $207,222 or 18.3% from the previous year and a decrease of operating expenses of $224,001 or 23.2% from the previous year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to City of Brunswick's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements.

Required Components of the Comprehensive Annual Financial Report

Figure 1



Overview of the Financial Statements (continued)

Basic Financial Statements

The Statement of Net Position and Statement of Activities together comprise the *government-wide financial statements.* They provide both short and long-term information about the City's financial status.

The next statements are *Fund Financial Statements.* These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the *Fund Financial Statements*: 1) the governmental funds statements, 2) the proprietary funds statements, and 3) a fiduciary fund statement.

The next section of the basic financial statements is the *notes.* The *notes to the financial statements* explain in detail some of the data contained in the basic financial statements.

After the notes, *required supplementary information* is provided to show budgetary schedules of the City's major governmental funds and funding information on the fiduciary fund.

Other *supplementary information* is included after the *required supplementary information* and provides combining fund financial statements of the nonmajor special revenue funds and the internal service funds, as well as the budget schedules of the capital project funds, nonmajor special revenue funds and the internal service funds.

Additional schedules are included after the *supplementary information* to provide information on the City's projects constructed with SPLOST proceeds.

An unaudited *statistical section* follows the *additional schedules.*

Compliance information follows the *statistical section.*

The last section of this report is *Single Audit Section.*

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances; similar in format to the financial statements of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how it has changed. Net position is the difference between the City's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) the component unit. The governmental activities include most of the City's basic services such as judicial, public safety, public works, community development, culture and recreation, and general administration. Taxes, licenses, fines, charges for services, and intergovernmental and grant revenues finance most of these activities. The business-type activities are those that the City charges customers to provide. These waste pick-up, recycling, and disposal services offered by the City of Brunswick. The final category is the component unit the Downtown Development Authority. Although legally separate from the City, the Downtown Development Authority is important to the City. The City exercises control over the Board by appointing its members.

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Brunswick, like all other governmental entities in Georgia, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's

Overview of the Financial Statements (continued)

Fund Financial Statements (continued)

budget ordinance. All of the funds of City of Brunswick can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs.

The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Proprietary Funds – City of Brunswick has two different kinds of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. City of Brunswick uses enterprise funds to account for its waste disposal (sanitation) activity. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of City of Brunswick. The City uses internal service funds to account for two activities – group health and workers' compensation. Because these operations benefit predominantly governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. City of Brunswick has one fiduciary fund, The City of Brunswick Defined Benefit Plan Trust.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary including budgetary comparison schedules of the major governmental funds and the City of Brunswick's progress in funding its obligation to provide pension benefits to its employees.

Interdependence with Other Entities – The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of Georgia. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign government and other holders of publicly held U.S. Treasury Securities.

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City of Brunswick, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Government-Wide Financial Analysis

City of Brunswick's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
ASSETS						
Cash, Investments & Receivables	$ 10,253,807	$ 13,492,794	$ 977,221	$ 398,444	$ 11,231,028	$ 13,891,238
Capital Assets	39,861,952	38,384,514	83,294	99,336	39,945,246	38,483,850
Prepaid items and other	273,120	-	-	-	273,120	-
Total Assets	$ 50,388,879	$ 51,877,308	$ 1,060,515	$ 497,780	$ 51,449,394	$ 52,375,088
LIABILITIES						
Current Liabilities	$ 2,788,770	$ 3,722,201	957,383	710,282	$ 3,746,153	$ 4,432,483
Net Pension Obligation	60,645	145,142	-	-	60,645	145,142
Long-term Liabilities	1,414,380	1,629,527	6,350	61,500	1,420,730	1,691,027
Total Liabilities	4,263,795	5,496,870	963,733	771,782	5,227,528	6,268,652
DEFERRED INFLOW OF RESOURCES	-	-	-	-	-	-
NET POSITION						
Net investment in capital assets	38,732,907	36,800,082	83,294	99,336	38,816,201	36,899,418
Restricted	4,571,818	7,848,893	-	-	4,571,818	7,848,893
Unrestricted	2,820,358	1,731,463	13,488	(373,338)	2,833,846	1,358,125
Total Net Position	$ 46,125,083	$ 46,380,438	$ 96,782	$ (274,002)	$ 46,221,865	$ 46,106,436

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the City of Brunswick exceeded liabilities and deferred inflows by $46,221,865 as of June 30, 2014. The City's net position increased by $115,429 for the fiscal year ended June 30, 2014. The largest portion of the City's net position is $38,816,201 which reflects the City's net investment in capital assets (e.g. land, buildings, infrastructure, and machinery and equipment). The City of Brunswick uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Brunswick's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City of Brunswick's net position, $4,571,818, represents resources that are subject to external restrictions on how they may be used. The remaining balance of $2,833,846 is unrestricted.

Several particular aspects of the City's financial operations positively influenced the total unrestricted governmental net position:

- Property tax revenues increased 6.3% due to an improving economy.
- Total expenses for governmental activities increased less than one percent from the previous fiscal year.
- The net operating income of providing sanitation services increased by 701.0% due primarily to the outsourcing of sanitation services in the prior fiscal year.

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City of Brunswick, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Government-Wide Financial Analysis (continued)

City of Brunswick's Changes in Net Position

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Program Revenues						
Charges for Services	$ 1,481,686	$ 1,329,295	$ 1,337,697	1,130,475	$ 2,819,383	$ 2,459,770
Operating Grants and Contributions	1,313,974	1,083,701	-	-	1,313,974	1,083,701
Capital Grants and Contributions	16,186	50,795	-	-	16,186	50,795
Total Program Revenues	2,811,846	2,463,791	1,337,697	1,130,475	4,149,543	3,594,266
General Revenues						
Property Taxes Levied for General Purposes	4,750,513	4,449,903	-	-	4,750,513	4,449,903
Franchise Taxes	1,340,636	1,344,975	-	-	1,340,636	1,344,975
Hotel/Motel Tax	8,328	8,416	-	-	8,328	8,416
Local Option Sales Tax	5,771,626	6,247,444	-	-	5,771,626	6,247,444
Selective Sales and Use Tax	1,348,392	1,350,546	-	-	1,348,392	1,350,546
Unrestricted Investment Earnings	15,830	17,046	-	-	15,830	17,046
Miscellaneous	51,149	57,696	-	-	51,149	57,696
Sale of Property (non-capital)	120,620	13,553	652	69,140	121,272	82,693
Total General Revenues	13,407,094	13,489,579	652	69,140	13,407,746	13,558,719
Total Revenues	16,218,940	15,953,370	1,338,349	1,199,615	17,557,289	17,152,985
Expenses						
General Government	(3,184,920)	(3,086,827)	-	-	(3,184,920)	(3,086,827)
Judicial	(285,832)	(301,340)	-	-	(285,832)	(301,340)
Public Safety	(8,091,480)	(7,720,009)	-	-	(8,091,480)	(7,720,009)
Public Works	(2,701,352)	(2,915,374)	-	-	(2,701,352)	(2,915,374)
Culture & Recreation	(785,803)	(881,828)	-	-	(785,803)	(881,828)
Cemetery	(221,183)	(206,992)	-	-	(221,183)	(206,992)
Community Development	(1,063,830)	(1,074,370)	-	-	(1,063,830)	(1,074,370)
Economic Development - Component Unit	(70,326)	(70,021)	-	-	(70,326)	(70,021)
Debt Service	(69,569)	(101,334)	-	-	(69,569)	(101,334)
Sanitation	-	-	(967,565)	(1,191,566)	(967,565)	(1,191,566)
Total Expenses	(16,474,295)	(16,358,095)	(967,565)	(1,191,566)	(17,441,860)	(17,549,661)
Excess (Deficiency)	(255,355)	(404,725)	370,784	8,049	115,429	(396,676)
Transfers in (out)	-	(143,000)	-	143,000	-	-
Payments from component unit	-	540,500	-	-	-	540,500
Total	-	397,500	-	143,000	-	540,500
Change in Net Position	(255,355)	(7,225)	370,784	151,049	115,429	143,824
Net Position, Beginning of Year	46,380,438	46,387,663	(274,002)	(425,051)	46,106,436	45,962,612
Net Position, End of Year	$ 46,125,083	$ 46,380,438	$ 96,782	$ (274,002)	$ 46,221,865	$ 46,106,436

Governmental activities

Governmental activities reduced the City's net position by ($255,355). Key net elements of the activity are as follows:

- Although property taxes increased as mentioned earlier, overall total taxes remained steady.
- SPLOST collections in the current year were minimal.
- Total expenses in governmental activities increased slightly, approximately one percent from the previous fiscal year.

Business-type activities

Business-type activities increased the City of Brunswick's net position by $370,784. The key element of this increase was the outsourcing of sanitation services to Waste Management of Georgia, Inc. in the prior year which resulted in an increase in revenue and a decrease in expenses during the current year.

City of Brunswick, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Financial Analysis of the City's Funds

As noted earlier, the City of Brunswick uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Major Governmental Funds

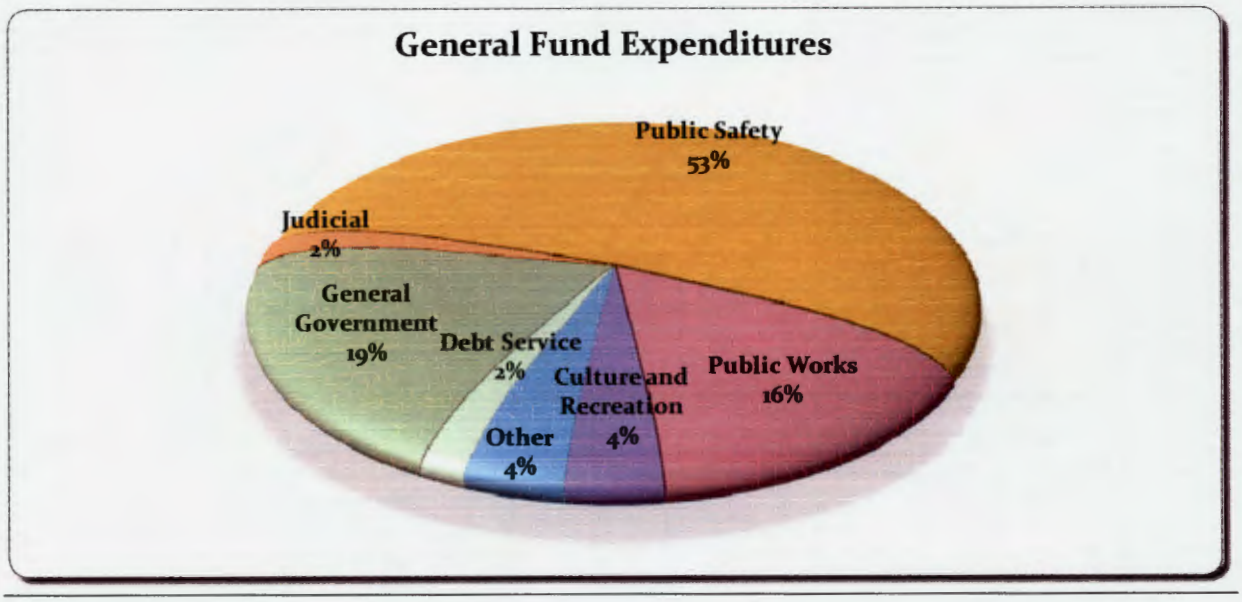
General Fund

The General Fund is the main operating fund for the City and accounts for all financial resources not restricted by federal and state laws, local ordinances, or other outside restrictions. At the end of the current fiscal year, total assets were $5,168,805, total liabilities were $2,637,567 and deferred inflow of resources (property taxes) were $1,001,635. The ending fund balance in the General Fund was $1,529,603, of which $268,620 was nonspendable and $1,260,983 was unassigned.

During the current fiscal year, the total revenues and other financing sources in the General Fund were $15,018,511 and the total expenditures and other financing uses in the General Fund were $14,469,146. 88.6% of total General Fund revenues come from taxes of which 44.1% is from sales tax and 55.9% is from property taxes, franchise taxes and other taxes. 52.4% of the General Fund expenditures (including capital outlay) are expended for public safety purposes.

The fund balance in the General Fund increased $549,365 in the current fiscal year compared to an increase of $740,335 in the prior year. The reduced amount of increase in the current year was influenced primarily by a $243,007 increase in total expenditures.

The percentages (rounded) of General Fund expenditures for the various functions are illustrated in the graph below:



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Financial Analysis of the City's Funds (continued)

Other Major Governmental Funds

The fund balance for the Community Development Fund decreased from $981,459 to $626,673. The fund received $565,680 in grant income and had expenditures $737,180 of during the current year.

The SPLOST IV Fund was closed during the year and is not in this financial report. The fund balance in the SPLOST V capital projects fund decreased from $6,819,904 to $3,888,534. Tax collections totaled $14,757 and expenditures totaled $3,084,665 . Many of the projects are still under construction, and, as a result, the expenditures are much greater than the tax collected during the year. The projects are paid for from cash deposits on hand in the fund bank account.

There are no significant restrictions, commitments, or other limitations of fund resources in all the governmental funds that could affect availability for future use.

Major Proprietary Funds

The Water/Wastewater Fund

The Water/Wastewater Fund had no activity during the year. Technically, the Water/Wastewater Fund is defunct as the operation of the fund as well as the assets and liabilities were transferred to the Brunswick-Glynn County Joint Water & Sewer Commission in prior years. The Water/wastewater Fund is still presented as a *major fund* in the proprietary fund statements because it has not been officially closed.

The Sanitation Fund

The Sanitation Fund is used to account for the waste collection, recycling and disposal services provided to customers in the city limits. During the previous fiscal year, the City contracted with and transferred these services to Waste Management of Georgia, Inc. The implementation of the contract has resulted in an increase in revenue and a decrease in operating expenses from the previous year. Total assets at the end of the current fiscal year were $1,060,515, total liabilities were $957,383, and net position was $96,782. Unrestricted net position of the Sanitation Fund at the end of the fiscal year was $13,488. The total increase in net position for the Sanitation Fund was $370,784. Expenses decreased by $224,001 from the previous year due primarily to the elimination of employee wages and benefits expense, supplies expense and energy expense. Operating revenue was $1,337,697 and operating expenses were $967,565 resulting in operating income of $370,132 compared to a ($61,091) operating loss in the previous year.

Fiduciary Fund

Defined Benefit Pension Plan Trust

The investments held by the City's defined benefit pension plan increased in fair value by $207,528. Contributions from the City and its employees totaled $1,192,013 during the year. Other additions to the plan including interest and dividends, gain on security sales, and unrealized appreciation on investment totaled $942,297. The Defined Benefit Pension Plan paid $1,194,028 in monthly and lump-sum payments to retirees during the plan year. Net position in the plan increased by $855,541 to $8,469,307 due primarily to a decrease in benefit payments of $830,123 during the current year from the previous year.

The City has reported a liability of $60,645 in the government-wide statement of net position for the cumulative effect of current and past underfunding of the net pension obligation (NPO). In the prior year the net pension obligation (NPO) was $145,142. There are no other underfunded amounts to report in the financial statements. Please see Note 6 in the *notes to the financial statements* for additional information.

During the current fiscal year the City implemented applicable provisions of GASB Statement No. 67 which required additional disclosures in the *notes to the financial statements* and the *required supplementary information* regarding the City's defined benefit plan activities and liabilities.

City of Brunswick, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Budgeting

The City adopts an operating budget annually on the modified accrual basis with revenue estimates and expenditure limits. The modified accrual basis is the City's *budgetary basis* as the Board of Commissioners customarily makes a final budget amendment to balance the budget with the audited numbers.

General Fund Comparison of Budget to Actual

	2014			2013		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES						
Taxes						
Property taxes	$ 4,633,705	$ 4,633,705	$ -	$ 4,449,903	$ 4,449,903	$ -
Franchise taxes	1,340,636	1,340,636	-	1,344,975	1,344,975	-
Local option sales tax	5,771,626	5,771,626	-	6,247,444	6,247,444	-
Selective sales and use tax	1,348,392	1,348,392	-	1,350,546	1,350,546	-
Licenses	335,870	335,870	-	337,115	337,115	-
Fines	374,167	374,167	-	347,518	347,518	-
Intergovernmental revenues and gratns	355,274	355,274	-	196,856	196,856	-
Charges for Services	385,966	385,966	-	466,073	466,073	-
Rental income	23,554	23,554	-	25,586	25,586	-
Sale of Municipal Property	120,620	120,620	-	13,553	13,553	-
Unrestricted investment earnings	13,647	13,647	-	16,126	16,126	-
Other	67,640	67,640	-	45,993	45,993	-
Total Revenues	14,771,097	14,771,097	-	14,841,688	14,841,688	-
EXPENDITURES						
General Government	2,680,557	2,680,557	-	2,709,762	2,709,762	-
Judicial	285,832	285,832	-	301,340	301,340	-
Public Safety	7,292,041	7,292,041	-	6,966,054	6,966,054	-
Public Works	1,991,747	1,991,747	-	2,192,159	2,192,159	-
Cemetery	233,001	233,001	-	196,483	196,483	-
Building inspection and planning	281,852	281,852	-	248,119	248,119	-
Cultural & Recreation	566,711	566,711	-	705,733	705,733	-
Economic Development	70,326	70,326	-	70,021	70,021	-
Capital Outlay	401,361	401,361	-	148,399	148,399	-
Debt Service	275,164	275,164	-	297,515	297,515	-
Total Expenditures	14,078,592	14,078,592	-	13,835,585	13,835,585	-
Excess of Revenues Over Expenditures	692,505	692,505	-	1,006,103	1,006,103	-
Other Financing Sources (Uses)						
Proceeds from Capital Leases	247,414	247,414	-	39,061	39,061	-
Prior year resources	(549,365)	-	549,365	(740,335)	-	740,335
Payment from component on property sale	-	-	-	53,000	53,000	-
Transfers (Out)	(390,554)	(390,554)	-	(453,788)	(453,788)	-
Transfers In	-	-	-	95,959	95,959	-
Total Other Financing (Uses)	(692,505)	(143,140)	549,365	(1,006,103)	(265,768)	740,335
Net Change in Fund Balance	-	549,365	$ 549,365	-	740,335	$ 740,335
Fund Balance (deficit), Beginning of Year	(1,164,046)	980,238		(1,164,046)	239,903	
Fund Balance (deficit), End of Year	$ (1,164,046)	$ 1,529,603		$ (1,164,046)	$ 980,238	

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Capital Asset and Debt Administration

Capital assets. The City of Brunswick's investment in capital assets for its governmental and business - type activities as of June 30, 2014 totaled $39,945,246 (net of accumulated depreciation). These assets included land, land improvements, buildings, equipment and infrastructure.

Major capital asset transactions during the year include the following:

- The completion of major infrastructure projects of $6,274,870 of which $4,674,762 was construction in progress from the previous year.
- Capital expenditures for public safety equipment and vehicles were $464,308.

City of Brunswick's Capital Assets
(net of depreciation)
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	$ 3,036,022	$ 3,036,022	$ -	$ -	$ 3,036,022	$ 3,036,022
Land improvements	3,902,301	3,384,681	-	-	3,902,301	3,384,681
Buildings	11,921,040	12,185,292	-	-	11,921,040	12,185,292
Equipment	1,896,076	1,797,922	83,294	99,336	1,979,370	1,897,258
Infrastructure	19,106,513	13,305,835	-	-	19,106,513	13,305,835
Construction in progress	-	4,674,762	-	-	-	4,674,762
Total Assets	$ 39,861,952	$ 38,384,514	$ 83,294	$ 99,336	$ 39,945,246	$ 38,483,850

Please see Note 5 in the *notes to the financial statements* for additional information on capital assets.

Long-term Debt. The City of Brunswick's total debt decreased $2,097,289 or 52.5% during the past fiscal year, as a result of payments on capital lease obligations and the payoff of the 2013 tax anticipation note.

Please see Notes 7 and 8 in the *notes to the financial statements* for additional information on the City's debt.

STATUS OF THE CITY OF BRUNSWICK ECONOMY

Employment in the area is expected to increase in the 2-3% range. This increase will have a positive effect on retail sales thus providing for a modest increase in local sales tax collections. The activity in the housing market increased during the current year yielding a significant reduction in residential and commercial property. The Tax Digest is likely to have no increase in 2015. The City continues to search for more effective and efficient means of delivering government services to our citizens.

Requests for Information

This report is intended to provide a general overview of the City's finances. Questions concerning the information or requests for additional information should be addressed to:

City of Brunswick
Kathy D. Mills, CPA, Finance Director
P. O. Box 550
Brunswick, GA 31521

BASIC FINANCIAL STATEMENTS

City of Brunswick, Georgia
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	$ 7,031,620	$ 808,263	$ 7,839,883	$ 10,636
Receivables, net of allowances for uncollectibles				
Taxes	1,076,044	-	1,076,044	-
Accounts	883,913	159,589	1,043,502	-
Intergovernmental	1,262,230	9,369	1,271,599	-
Inventories	-	-	-	5,074
Prepaid items	273,120	-	273,120	-
Capital assets				
Land	3,036,022	-	3,036,022	-
Construction-in-progress	-	-	-	-
Other capital assets, net of accumulated depreciation	36,825,930	83,294	36,909,224	-
Total Assets	$ 50,388,879	$ 1,060,515	$ 51,449,394	$ 15,710
LIABILITIES				
Accounts payable	$ 582,097	$ 80,044	$ 662,141	$ -
Accrued expenses	179,449	-	179,449	10,276
Unearned revenue	-	481,363	481,363	-
Claims payable	850,214	-	850,214	-
Due to other governments	131,572	-	131,572	-
Due to fiduciary fund	1,021,967	-	1,021,967	-
Internal balances	(395,976)	395,976	-	-
Long-term liabilities				
Due within one year:				
Capital leases payable for capital assets	124,747	-	124,747	-
Accrued compensated absences	294,701	-	294,701	-
Due in more than one year:				
Capital leases payable for capital assets	1,004,298	-	1,004,298	-
Accrued compensated absences	410,082	-	410,082	-
Customer deposits payable	-	6,350	6,350	-
Net pension obligation	60,645	-	60,645	-
Total Liabilities	4,263,796	963,733	5,227,529	10,276
NET POSITION				
Net investment in capital assets	38,732,907	83,294	38,816,201	-
Restricted for:				
Community Development	633,745	-	633,745	-
Capital projects	3,888,534	-	3,888,534	-
Public safety	49,539	-	49,539	-
Unrestricted	2,820,358	13,488	2,833,846	5,434
Total Net Position	$ 46,125,083	$ 96,782	$ 46,221,865	$ 5,434

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

City of Brunswick, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2014

		Program Revenues		
	Expenses	Charges For Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
General government	$ (3,184,920)	$ 1,057,308	$ 386,016	$ 16,186
Judicial	(285,832)	374,167	-	-
Public safety	(8,091,480)	-	104,381	-
Public works	(2,701,352)	-	-	-
Culture and recreation	(785,803)	-	-	-
Cemetery	(221,183)	-	-	-
Community development	(1,063,830)	50,211	823,577	-
Economic development-component unit	(70,326)	-	-	-
Interest on long-term debt	(69,569)	-	-	-
Total Governmental Activities	(16,474,295)	1,481,686	1,313,974	16,186
Business-type activities				
Sanitation	(967,565)	1,337,697	-	-
Total Business-Type Activities	(967,565)	1,337,697	-	-
Total primary government	$ (17,441,860)	$ 2,819,383	$ 1,313,974	$ 16,186
Component Unit				
Downtown Development Authority	$ (95,023)	$ 8,866	$ 81,629	$ -
GENERAL REVENUES				
Taxes:				
Property taxes levied for general purposes				
Franchise taxes				
Hotel/Motel Tax				
Selective sales and use tax				
Local option sales tax				
Unrestricted investment earnings				
Miscellaneous				
Sale of property				
Transfers				
Total General Revenues and transfers				
CHANGE IN NET POSITION				
Net Position, Beginning of Year				
Net Position, End of Year				

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

(continued)

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Unit
$ (1,725,410)	$ -	$ (1,725,410)	$ -
88,335	-	88,335	-
(7,987,099)	-	(7,987,099)	-
(2,701,352)	-	(2,701,352)	-
(785,803)	-	(785,803)	-
(221,183)	-	(221,183)	-
(190,042)	-	(190,042)	-
(70,326)	-	(70,326)	-
(69,569)	-	(69,569)	-
(13,662,449)	-	(13,662,449)	-
-	370,132	370,132	-
-	370,132	370,132	-
(13,662,449)	370,132	(13,292,317)	-
			$ (4,528)
4,750,513	-	4,750,513	-
1,340,636	-	1,340,636	-
8,328	-	8,328	-
1,348,392	-	1,348,392	-
5,771,626	-	5,771,626	-
15,830	-	15,830	-
51,149	-	51,149	-
120,620	652	121,272	-
-	-	-	-
13,407,094	652	13,407,746	-
(255,355)	370,784	115,429	(4,528)
46,380,438	(274,002)	46,106,436	9,962
$ 46,125,083	$ 96,782	$ 46,221,865	$ 5,434

(concluded)

City of Brunswick, Georgia
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Community Development Fund	SPLOST V Fund	Other Governmental Funds	Total Governmental Funds
ASSSETS					
Cash and cash equivalents	$ 1,539,604	$ 780,227	$ 3,935,768	$ 129,256	$ 6,384,855
Receivables, net of allowance for uncollectibles					
Taxes	1,075,418	-	-	626	1,076,044
Accounts	400,854	149,267	-	8,123	558,244
Intergovernmental	1,122,088	109,815	312	30,015	1,262,230
Prepaid expenses	268,620	-	-	-	268,620
Due from other funds	762,221	69,696	-	109,475	941,392
Total Assets	$ 5,168,805	$ 1,109,005	$ 3,936,080	$ 277,495	$ 10,491,385
LIABILITIES					
Liabilities:					
Accounts payable	$ 325,331	$ 193,254	$ 47,546	$ 15,964	$ 582,095
Accrued expenditures	172,992	2,578	-	3,879	179,449
Due to other funds	1,129,519	272,512	-	229,188	1,631,219
Due to other governments	22,097	-	-	109,475	131,572
Due to fiduciary fund	987,628	13,988	-	20,351	1,021,967
Total Liabilities	2,637,567	482,332	47,546	378,857	3,546,302
DEFERRED INFLOWS OF RESOURCES					
Taxes not available to finance expenditures	1,001,635	-	-	-	1,001,635
Total deferred inflow of resources	1,001,635	-	-	-	1,001,635
FUND BALANCES					
Nonspendable	268,620	-	-	-	268,620
Restricted for:					
Community Development	-	626,673	-	7,072	633,745
Completion of projects	-	-	3,888,534	-	3,888,534
Public safety	-	-	-	49,539	49,539
Unassigned	1,260,983	-	-	-	1,260,983
Unassigned, reported in nonmajor special revenue funds	-	-	-	(157,973)	(157,973)
Total Fund Balances (Deficit)	1,529,603	626,673	3,888,534	(101,362)	5,943,448
Total Liabilities and Fund Balances	$ 5,168,805	$ 1,109,005	$ 3,936,080	$ 277,495	$ 10,491,385

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

City of Brunswick, Georgia
Reconciliation of Governmental Fund Balances
to the Statement of Net Position
June 30, 2014

Total Fund Balances - Governmental Funds		$ 5,943,448
Amounts reported for governmental activities in the statement of net position are different because:		
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds as deferred inflow of resources.		1,001,635
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
Cost of the assets	78,162,809	
Less accumulated depreciation	(38,300,859)	39,861,950
Correction of prior year amount and rounding		2,250
An internal service fund is used by the City's management to charge the cost of group health and workers' compensation to the individual funds. The assets and liabilities of the internal service funds are included with governmental activities.		
Group health fund	881,648	
Workers compensation fund	328,625	1,210,273
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported as liabilities in the government funds with the exception of the tax anticipation note reported in the general fund.		(1,894,473)
Total Net Position - Governmental Activities		$ 46,125,083

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

City of Brunswick, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	General Fund	Community Development Fund	SPLOST V Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property taxes	$ 4,633,705	$ -	$ -	$ -	$ 4,633,705
Franchise taxes	1,340,636	-	-	-	1,340,636
Local option sales tax	5,771,626	-	-	-	5,771,626
Selective sales and use taxes	1,348,392	-	-	-	1,348,392
Hotel/Motel Taxes	-	-	-	8,328	8,328
Licenses and permits	335,870	-	-	-	335,870
Fines, forfeitures and penalties	374,167	-	-	-	374,167
Intergovernmental revenues	355,274	-	14,757	-	370,031
Grant revenues	-	565,680	-	362,278	927,958
Charges for services and assessments	385,966	-	-	50,211	436,177
Unrestricted investment earnings	13,647	2,183	1,429	-	17,259
Rental income	23,554	-	-	-	23,554
Contributions and donations from private sources	30,742	-	-	-	30,742
Sale of property	120,620	-	-	-	120,620
Miscellaneous	36,898	14,252	-	-	51,150
Total Revenues	14,771,097	582,115	16,186	420,817	15,790,215
EXPENDITURES					
General government	2,680,557	-	-	-	2,680,557
Judicial	285,832	-	-	-	285,832
Public safety	7,292,041	-	-	488,512	7,780,553
Public works	1,991,747	-	-	-	1,991,747
Culture and recreation	566,711	-	-	-	566,711
Cemetery	233,001	-	-	-	233,001
Building inspection and planning	281,852	-	-	-	281,852
Community development	-	540,656	-	352,337	892,993
Economic development	70,326	-	-	-	70,326
Debt service:					
Principal	209,182	-	493,619	-	702,801
Interest	65,982	-	3,587	-	69,569
Capital outlay					
General government	41,950	-	-	-	41,950
Community Development	-	196,524	-	-	196,524
Public safety	89,902	-	341,102	-	431,004
Public works	242,642	-	1,744,946	-	1,987,588
Cemetery	9,347	-	6,622	-	15,969
Culture and recreation	14,677	-	494,789	-	509,466
Building inspection and planning	2,843	-	-	-	2,843
Total Expenditures	14,078,592	737,180	3,084,665	840,849	18,741,286
Excess (Deficiency) of Revenues Over Expenditures	692,505	(155,065)	(3,068,479)	(420,032)	(2,951,071)

(continued)

City of Brunswick, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	General Fund	Community Development Fund	SPLOST V Fund	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Proceeds from capital leases	247,414	-	-	-	247,414
Transfers in	-	279	137,109	590,275	727,663
Transfers out	(390,554)	(200,000)	-	(137,109)	(727,663)
Total Other Financing Sources (Uses)	(143,140)	(199,721)	137,109	453,166	247,414
Net Change in Fund Balances	549,365	(354,786)	(2,931,370)	33,134	(2,703,657)
Fund Balances (Deficit), Beginning of Year	980,238	981,459	6,819,904	(134,496)	8,647,105
Fund Balances (Deficit), End of Year	$ 1,529,603	$ 626,673	$ 3,888,534	$ (101,362)	$ 5,943,448

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

(concluded)

City of Brunswick, Georgia
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2014

Net Change in Fund Balances - Governmental Funds		$ (2,703,657)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays in governmental funds are reported as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlays and depreciation expense for the current year is as follows:		
Capital outlays	3,170,035	
Depreciation expense	(1,692,598)	1,477,437
Long-term debt transactions are other financing sources or expenditures in the governmental funds, but these transactions do not affect the statement of net position. Long-term debt transactions during the current year are as follows:		
Lease obligations repaid, net of proceeds	455,387	455,387
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
Fiscal Year 2014 ending balance	1,001,635	
Fiscal Year 2013 ending balance	(892,394)	109,241
Some items reported in the statement of activities do not require (provide) current financial resources and therefore are not reported as expenditures (reduction in expenditures) in Governmental Funds. These activities consist of the following items:		
Decrease in compensated allowances	2,255	
Decrease in net pension obligation	84,497	
Reversal of correction of prior year amount and rounding	7,566	94,318
An internal service fund is used by the City's management to charge the costs of group health and worker's compensation to the individual funds. The change in net position of the internal service funds is reported with governmental activities.		311,919
Change in Net Position-Governmental Activities		$ (255,355)

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

City of Brunswick, Georgia
Statement of Fund Net Position
Proprietary Funds
June 30, 2014

	Enterprise Fund			Internal
	Water/Waste-Water System	Sanitation	Total	Service Funds
ASSETS				
Current assets				
Cash and cash equivalents	$ -	$ 808,263	$ 808,263	$ 646,765
Accounts receivable, net of allowances for uncollectibles				
Accounts	-	159,589	159,589	-
Claims reimbursement receivable	-	-	-	327,918
Due from other governments	-	9,369	9,369	-
Due from other funds	-	-	-	1,085,803
Total current assets	-	977,221	977,221	2,060,486
Non-current assets				
Machinery and equipment	-	1,395,085	1,395,085	-
Less accumulated depreciation	-	(1,311,791)	(1,311,791)	-
Total non-current assets	-	83,294	83,294	-
Total Assets	$ -	$ 1,060,515	$ 1,060,515	$ 2,060,486
LIABILITIES				
Current Liabilities				
Accounts payable	$ -	$ 80,044	$ 80,044	$ -
Unearned revenue	-	481,363	481,363	-
Due to other funds	-	395,976	395,976	-
Due to Fiduciary Fund	-	-	-	-
Claims payable	-	-	-	850,213
Total Current Liabilities	-	957,383	957,383	850,213
Long-term liabilities				
Customer deposits payable	-	6,350	6,350	-
Total Long-term Liabilities	-	6,350	6,350	-
Total Liabilities	-	963,733	963,733	850,213
NET POSITION				
Net investment in capital assets	-	83,294	83,294	-
Unrestricted	-	13,488	13,488	1,210,273
Total Net Position	$ -	$ 96,782	$ 96,782	$ 1,210,273

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

City of Brunswick, Georgia
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

	Enterprise Fund			Internal Service Funds
	Water/Waste-Water System	Sanitation	Total	
OPERATING REVENUES				
Sanitation fees	$ -	$ 1,337,697	$ 1,337,697	$ -
Contributions-employer	-	-	-	1,559,000
Contributions-employees	-	-	-	296,465
Miscellaneous income and reimbursements	-	-	-	658,347
Total Operating Revenues	-	1,337,697	1,337,697	2,513,812
OPERATING EXPENSES				
Personnel services - salaries and wages	-	-	-	-
Personnel services - employee benefits	-	-	-	-
Professional/Technical services	-	868,063	868,063	-
Repairs and maintenance	-	3,562	3,562	-
Insurance	-	13,551	13,551	-
Education and training	-	1,891	1,891	-
Contractual and other expenses	-	-	-	295,629
General Supplies	-	1,461	1,461	-
Provision for bad debts	-	51,883	51,883	-
Depreciation	-	16,042	16,042	-
Administrative expense	-	11,112	11,112	-
Claims	-	-	-	1,906,264
Total Operating Expenses	-	967,565	967,565	2,201,893
Operating Income (Loss)	-	370,132	370,132	311,919
NON-OPERATING REVENUES (EXPENSES)				
Sale of equipment (non-capital)	-	652	652	-
Total Non-Operating Revenues (Expenses)	-	652	652	-
Income (Loss) Before Transfers	-	370,784	370,784	311,919
Transfers in, (out)	-	-	-	-
Total Transfers in, (out)	-	-	-	-
Changes In Fund Net Position	-	370,784	370,784	311,919
Net Position, Beginning of Year	-	(274,002)	(274,002)	898,354
Net Position, End of Year	$ -	$ 96,782	$ 96,782	$ 1,210,273

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

City of Brunswick, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

	Enterprise Fund			Internal
	Water/Waste-Water System	Sanitation	Total	Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Sanitation fees	$ -	$ 1,567,073	$ 1,567,073	$ -
Other income	-	-	$ -	
Employee salaries and benefits	-	(47,998)	(47,998)	-
Payments to suppliers	-	(870,086)	(870,086)	-
Administrative expenses	-	(11,112)	(11,112)	(295,630)
Receipts for services	-	-	-	2,223,915
Refunded customer deposits	-	(55,150)	(55,150)	-
Payments of claims and expenses	-	-	-	(1,799,605)
Net Cash Provided (Used) by Operating Activities	-	582,727	582,727	128,680
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Sale of equipment	-	652	652	-
Payments on capital leases	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	652	652	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	583,379	583,379	128,680
Cash and Cash Equivalents, Beginning of Year	-	224,884	224,884	518,085
Cash and Cash Equivalents, End of Year	$ -	$ 808,263	$ 808,263	$ 646,765

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

(continued)

City of Brunswick, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

	Enterprise Fund			Internal
	Water/Waste-Water System	Sanitation	Total	Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ -	$ 370,132	$ 370,132	$ 311,919
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	-	16,042	16,042	-
Change in assets and liabilities:				
(Increase) decrease in assets				
Receivables	-	4,603	4,603	-
Due from Other Funds	-	-	-	32,940
Claims Reimbursement Receivable	-	-	-	(322,838)
Increase (decrease) in liabilities				
Accounts Payable	-	18,443	18,443	-
Unearned revenue	-	481,363	481,363	-
Due to other funds	-	(252,706)	(252,706)	-
Customer deposits		(55,150)	(55,150)	-
Accrued and other liabilities	-	-	-	106,659
Net Cash Provided (Used) By Operating Activities	$ -	$ 582,727	$ 582,727	$ 128,680
Noncash transactions affecting financial position:	-	-	-	-

The notes to the financial statements are an integral part of this statement. **(concluded)**

City of Brunswick, Georgia
Statement of Fiduciary Net Position
Defined Benefit Pension Plan
June 30, 2014

ASSETS	
Cash and cash equivalents	$ 2,073,120
Receivables:	
Due From General Fund	987,628
Due from Community Development Fund	13,988
Due from Roosevelt Harris Center Fund	20,351
Employee contributions receivable	4,206
Interest and dividends receivable	23,456
Total Receivables	1,049,629
Restricted investments, at fair value:	
Fixed income	1,248,060
Equities	4,098,498
Total Investments	5,346,558
Total Assets	$ 8,469,307
NET POSITION RESTRICTED FOR PENSIONS	$ 8,469,307

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

City of Brunswick, Georgia
Statement of Changes in Fiduciary Net Position
Defined Benefit Pension Plan
For the Fiscal Year Ended June 30, 2014

ADDITIONS:	
Contributions:	
Employer	$ 1,021,967
Employee	170,046
	1,192,013
Investment income:	
Interest and dividends	187,106
Gain (loss) on security sales	271,918
Net appreciation (depreciation) in fair value of plan investments	483,273
Net Investment Income	942,297
Total Additions	2,134,310
DEDUCTIONS:	
Pension benefits paid	1,194,028
Contractual and administrative expenses	84,741
Total Deductions	1,278,769
Net increase (decrease) in plan net position	855,541
NET POSITION RESTRICTED FOR PENSIONS	
Beginning of Year	7,613,766
End of Year	$ 8,469,307

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

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements

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City of Brunswick, Georgia
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of the City of Brunswick, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The City has used GASB Statement No. 34 minimum criteria for major fund determination. The SPLOST V Capital Projects Fund and the Water/Wastewater Fund are still considered major funds and are presented in their respective financial statements. The nonmajor funds are combined in a column in the fund financial statements and are detailed in the combining section of this report.

The fiscal year of the City and its component unit is June 30.

The more significant accounting policies of the City are described below.

B. Financial Reporting Entity

The City of Brunswick, Georgia (primary government) was incorporated by an Act of the General Assembly of Georgia. The City is governed by an elected mayor and a five-member commission with daily operations managed by an appointed city manager. The following services are provided by the City - general administrative services, public safety (police, fire and inspections), public works (streets), culture and recreation, cemetery, community development and historic preservation.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Discretely Presented Component Unit

Downtown Development Authority - The Authority was established by an Act of the General Assembly of Georgia. The Authority consists of seven members, all of whom are appointed by the City of Brunswick and charged with the development and improvement of the City's downtown area. Therefore, the City has concluded that in accordance with GASB No. 14, the Downtown Development Authority should be presented as a discrete component unit. The Downtown Development Authority does not issue separate financial statements.

C. Government-wide and Fund Financial Statements

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities report information about the primary government and its component unit. These financial statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal transactions. Governmental activities, which are normally supported by program fees and charges, taxes and intergovernmental revenues, are reported separately from business-type activities, which are financed by fees charged to external parties for goods and services. Likewise, the

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Government-wide and Fund Financial Statements (continued)

Government-wide Financial Statements (continued)

primary government is reported separately from its legally separate discretely presented component unit for which the primary government is financially accountable.

The Statement of Activities shows the degree to which the direct expense of a given function or segment is offset by program revenues. Program revenues include charges for services, fines and forfeitures and 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.

It is the City's policy to report interest expense of governmental activities as a separate line item in the Statement of Activities and no interest expense is included as a part of direct program costs.

The effect of interfund activity has been mostly eliminated from the government-wide financial statements. Exceptions include interfund services and the allocation of administrative services.

Fund Financial Statements

The City's accounting system is operated using separate funds, each of which is considered to be a distinct accounting entity. The operations of each fund are accounted for with its own set of accounting records and accounts that consist of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in the individual funds based upon the purposes for which the resources are to be expended and the means by which disbursement activities are controlled.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund although the fiduciary fund is excluded from the government-wide statements. Major individual governmental funds and major proprietary funds are reported as separate columns in the fund financial statements. The remaining governmental funds are aggregated and reported as nonmajor funds. The internal service funds are also aggregated and reported in a separate column in the proprietary funds financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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

The government-wide financial statements and the proprietary and fiduciary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. The fiduciary fund reports contributions on the accrual basis, and benefits and refunds when paid. Accordingly, all of the City's assets, (including capital assets) liabilities (including long-term liabilities) and deferred inflow and deferred outflow of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of ***GASB Statement No. 33 – Accounting and Financial Reporting for Nonexchange transactions***. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, major revenues such as property taxes are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

current liabilities. For this purpose, the City considers revenues to be available if they are collected within 60 days after the end of the current fiscal period.

Property tax revenues are considered measurable and available if they are collected during the current period or within sixty days after the end of the period. Property taxes not collected within sixty days are recorded as receivable; however, the related revenue is deferred and recognized when subsequently collected. Sales tax revenue is considered measurable and available when collected from the customer at the time that a taxable transaction occurs, if collected within sixty days of year end. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met.

Interest revenue and charges for service revenues, are considered measurable and available if collected during the current period or within twelve months of the end of the period. The City has determined that fines and forfeitures, in compliance with GASB 33, Accounting and Financial Report for Nonexchange Transactions, are not deemed to be susceptible to accrual as they are not measurable until received in cash.

Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

A proprietary fund separates operating revenues and expenses from non-operating 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 fund and of the City's internal service funds are charges for services. Operating expenses for the enterprise fund and the internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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. The City has elected not to follow private-sector guidance subsequent to December 1, 1989.

The City defines operating revenues and expenses in the proprietary funds using the criteria established for identifying cash flows from operations. Revenues from the sale of goods or services (including goods or services sold to internal customers) as well as from the sale of permits are considered operating revenues. Expenses incurred to purchase labor, operating supplies and services, as well as depreciation, are classified as operating expenses.

The City reports the following major funds:

Major Governmental Funds

General Fund - This is the City's principal operating fund and accounts for all financial resources and activities of the general government not otherwise required to be reported in other funds.

Community Development Fund/Special Revenue Fund - This fund accounts for the collections and disbursement of monies received under Title I of the Housing and Community Development Act of 1974.

Capital Projects Fund (SPLOST V Fund) - The Capital Project Fund account for capital improvements (except for those financed through proprietary funds) which are financed from the City's general obligation debt, certain federal grants, special purpose local option sales taxes (SPLOST) and other City funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Major Proprietary Fund

Sanitation Enterprise Fund - This fund is used to finance and account for the cost of providing both residential and commercial garbage pick-up to the residents and businesses of the City.

Other Funds

Other Nonmajor Funds Aggregated - All other nonmajor governmental funds are aggregated and reported in a separate column in the governmental funds financial statements and are presented in separate columns by fund in the Combining Nonmajor Fund Financial Statements. The aggregated nonmajor funds are the **Roosevelt Harris Fund**, the **Police Seizure Fund**, the **E-911 Fund**, the **DOT-21 Fund**, the **City Pier Fund** and the **Hotel/Motel Tax Fund**.

Internal Service Funds Aggregated – The internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City. These goods or services are provided on a cost reimbursement basis. The internal service funds are also aggregated and reported in a separate column in the proprietary funds financial statements and are presented in separate columns by fund in the Combining Nonmajor Fund Financial Statements.

The internal service funds are described below:

Group Health Fund - The Group Health Fund accounts for transactions related to the provision of health care benefits for employees of the City.

Workers' Compensation Fund – The Workers' Compensation Fund accounts for the transactions related to worker compensation claims incurred by City employees.

Fiduciary Fund

Defined Benefit Pension Plan – The Defined Benefit Pension Plan accounts for the assets and funding of retirement benefits for which employees are entitled.

E. Budgets and Budgetary Accounting

State law requires that the City adopt by ordinance or resolution, an annual balanced budget for its upcoming fiscal year (June 30). A budget is balanced when the sum of estimated net revenues and unassigned/unappropriated fund balance is equal to appropriations. Budgetary control over expenditures is exercised by the City at the departmental level for all governmental funds. Appropriations lapse at year-end. The Board of Commissioners has the authority to amend its budget as follows:

1. Any increase in appropriation in any fund for a department, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the Board of Commissioners.

2. Transfers of appropriations in any fund among the various accounts within a department shall require only the approval of the budget officer, except that transfers of appropriations within a department which increases the salary appropriation shall require the approval of the Board of Commissioners.

Budgets are adopted for the General Fund, Community Development Fund, SPLOST Fund and nonmajor governmental funds on the modified accrual basis method of accounting. Budgets for nonmajor governmental funds are not required by generally accepted accounting principles; however, Georgia Budget Statutes require budgets to be presented for nonmajor governmental funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Cash Equivalents

The City considers all highly liquid short-term investments with a maturity of three months or less, including those classified as restricted assets, to be cash equivalents.

G. Investments

Investments are stated at fair market value. Securities traded on public exchanges are valued at the last reported sales price at current exchange rates as of June 30, 2014.

H. Receivables

Revenues are generally recorded when received, as opposed to when earned, except for the following items for which receivables have been recorded:

1. Taxes Receivable

Amounts reported include property taxes which represent uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The taxes receivable have been reported net of these allowances. Sales taxes, franchise taxes, and public utilities assessments receivable, are recorded as revenue when they become both measurable and available for collection within the current period, which is not later than 60 days past year-end. The amount that has been earned, but not available, is recognized as a deferred inflow of resources.

2. Accounts Receivable

Amounts reported include services performed by various departments are recognized as revenue when they are measurable and assumed collectible within the current paying cycle of the City (60 days). That which is earned, but not collectible within the current paying cycle, is recognized as a deferred inflow of resources. Accounts Receivable for sanitation charges are recognized when earned, with an allowance for uncollectible accounts recorded against the receivables.

Amounts reported as unbilled services receivable within the City's Enterprise Fund represents an estimated amount for services rendered but not yet billed as of the close of June 30, 2014. Amounts reported as loans to commercial enterprises represent the amount owed to the City from loans made to commercial enterprises from Urban Development Action Grant Funds. Amounts reported as second mortgages receivable represent the amount owed the City from loans made to homeowners from Community Development Block Grant Funds.

I. Due from Other Governments and Agencies

Due from other governments includes local option sales taxes due from the Georgia Department of Revenue through Glynn County, and amounts from grantors for grants for specific programs and capital projects. Program grants and capital grants for governmental capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenue received in advance of project costs being incurred is deferred. Capital grants for capital asset additions in the proprietary fund are recorded as receivables and corresponding non-operating revenue from contributions when reimbursable project costs are incurred.

J. Due from and Due to Other Funds

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debts. To the extent that certain transactions between funds had not been paid or received as of June 30, 2014, balances of interfund amounts receivable or payable have been recorded. To the extent that these balances are between governmental funds, they have been eliminated on the statement of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Prepaid Items and Inventories

Prepaid items in the governmental funds and inventories in the proprietary fund are accounted for using the consumption method and are valued at lower of cost or market. 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. There are no inventory items reported in the governmental funds.

L. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the Government-wide financial statements. The City's policy sets the capitalization threshold for recording capital assets at $5,000. All purchased capital assets are recorded at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are recorded at their estimated fair market value on the date received.

GASB Statement No. 34 required the City to account for and record its infrastructure assets for the year ending June 30, 2007. Retroactive capitalization of infrastructure assets back to June 30, 1980 had not taken place as of that date. However, the City capitalized the infrastructure assets retroactively as of the end of the 2012 fiscal year as discussed in Note 5. Prospective capitalization of infrastructure assets began on July 1, 2002. Expenditures for maintenance and repairs which do not add to the value of the assets or materially extend their lives are expensed when incurred. However, expenditures for repairs and upgrading which do materially add to the value or life of an asset are capitalized.

Depreciation on the retroactive infrastructure assets is computed using the composite method on a straight-line basis. Depreciation on the prospective assets is provided on the straight-line basis over the estimated useful lives. The estimated useful lives are as follows:

	Years
Land Improvements	15-30
Buildings	50
Machinery and Equipment	5-20
Vehicles	5-20
Infrastructure	10-50

M. Compensated Absences

It is the City's policy to permit employees to accumulate varying days of vacation benefits depending on length of service, which can be taken either through time off or as pay upon termination. Additionally, employees can accrue sick leave which can be taken only due to personal illness, or the death or critical illness of an immediate family member. In governmental funds, the cost of compensated absences is recognized when payments are made to employees. In proprietary funds, the liability and associated costs are recognized as accrued and earned. The liability for compensated absences as of June 30, 2014 has been recorded in the government-wide statements representing the City's commitment to fund such costs from future operations.

N. Long-Term Obligations

Long-term liabilities used to finance proprietary fund operations are paid from revenue of the proprietary funds are recorded in the respective fund. Principal payments reduce the liability and interest is recorded as an expense.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Pension Plan

Annual pension benefit costs (annual pension costs) of the pension plan are actuarially computed by the City's outside actuaries. The City's policy is to fund the annual pension benefit costs in the annual budget. See Note 6 for information on the actuarial methods, significant assumptions and amortization periods utilized in the actuarial computations.

P. Deferred Outflow/Inflow of Resources

GASB Statement No. 63 - Financial Reporting and Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement provides guidance for reporting deferred outflows of resources and deferred inflows of resources within the financial statements of governmental entities. Additionally, it renames the statement of net assets, deferred outflows of resources, liabilities, deferred in flows of recourses and net position. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The City implemented this Statement effective for fiscal year ending June 30, 2013.

GASB Statement No. 65 - Items Previously Reported as Assets and Liabilities. This Statement provides guidance and establishes the accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of recourses, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The City implemented this Statement early effective for fiscal year ended June 30, 2013.

See Note 8 for additional information.

Q. Fund Equity

Government-wide/Proprietary Presentation

"Net investment in capital assets" measures the entity's value of capital assets, the cost of capital assets, less accumulated depreciation and outstanding debt related to asset acquisition. Restricted net position indicates the amount of funds subject to restrictions, either externally or internally-imposed, and beyond the City's control.

Governmental Funds

Fund balances, presented in the governmental fund financial statements, represent the difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources reported in a governmental fund. ***GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions***, established new criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. This new standard has not affected the total amount of reported fund balances but has substantially changed the categories and terminology used to describe their components. The City implemented GASB No. 54 in 2011. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds.

The City evaluated each of its funds at June 30, 2014 and classified fund balances in the following five categories:

- *Nonspendable* - items that cannot be spent because they are not in spendable such as prepaid items are reported in the general fund.
- *Restricted* - items that are restricted by external parties such as creditors or imposed by grants, law or legislation. The City has restrictions on grant revenues and expenditures in the Community Development Fund as well as legislative restrictions on collection and expenditures in SPLOST IV and SPLOST V.
- *Committed* – items that have been committed by formal action by the entity's "highest level of decision-making authority"; which the City considers to be Commission resolutions. The City had no committed fund balances at June 30, 2014.

City of Brunswick, Georgia
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Fund Equity (continued)

Governmental Funds (continued)

- *Assigned* - items that have been allocated by committee action where the City's intent is to use the funds for a specific purpose. The City considers this level of authority to be the Budget Committee. There are no such restrictions on the City's fund balances at June 30, 2014.
- *Unassigned* - this category is for any balances with no restrictions placed upon them as well as (deficit) fund balances in nonmajor governmental funds.

The City reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. The City reduces committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Governmental fund types under GASB 54 are as follows at June 30, 2014:

				Nonmajor Governmental Funds						
	General Fund	Community Development Fund	SPLOST V Fund	Roosevelt Harris Center Fund	Police Seizure Fund	E 911 Fund	DOT TE-21 Fund	City Pier Fund	Hotel-Motel Tax Fund	Total Governmental Funds
Fund Balances										
Nonspendable	268,620	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 268,620
Restricted for:										
Community Development	-	626,673	-	-	-	-	-	-	7,072	633,745
SPLOST - Capital Projects	-	-	3,888,534	-	-	-	-	-	-	3,888,534
Public Safety	-	-	-	-	49,539	-	-	-	-	49,539
Unassigned:	1,260,983	-	-	(147,865)	-	-	-	(10,108)	-	1,103,010
Total Fund Balance (Deficit)	$ 1,529,603	$ 626,673	$ 3,888,534	$ (147,865)	$ 49,539	$ -	$ -	$ (10,108)	$ 7,072	$ 5,943,448

Deficit fund balances in nonmajor governmental funds are classified as unassigned funds.

Fund Balance Deficits

The following funds had deficits at June 30, 2014:

The Roosevelt Harris Fund had a deficit fund balance of ($147,865) due to the excess of expenditures over revenue.

The City Pier Fund had a deficit fund balance of ($10,108), which improved over the previous year, due to an excess of revenues over expenditures in the current year.

The City is evaluating these negative fund balances and anticipates improved fund balances in the subsequent year.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Revenue and expenditures/expenses

1. Program revenues

   Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment (e.g., licenses and permits), 2) fines and forfeitures, and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All other taxes and fees, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues.

2. Proprietary funds operating and non-operating revenues and expenses

   Proprietary funds distinguish operating revenues and expenses from non-operating 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 revenue of the sanitation fund are sanitation charges to customers for services. Operating expenses for the enterprise fund include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. Estimates

Preparing the City's financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions about unsettled transactions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results upon settlement could differ from those estimates, but are not expected to be material.

NOTE 2 - DEPOSITS AND INVESTMENTS

Collateralization of Deposits

The Official Code of Georgia Annotated (O.C.G.A.), Section 45-8-12 provides that there shall not be on deposit at any time in any one depository for a time longer than ten days, a sum of money which has not been secured by 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 percent of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (O.C.G.A. 45-8-13.1), the aggregate of the market value of the securities pledged to secure a pool of public funds shall not be less than 110 percent of the daily pool balance. O.C.G.A. Section 45-8-11(b) provides that an officer holding public funds may, at his/her discretion, waive the requirements in the case of operating funds placed in demand deposit checking accounts.

As of June 30, 2014, the City's bank depositories reported government-wide balances held of $8,112,646 and $10,636 for the Component Unit. These amounts are reconciled to the financial statements as shown below:

	Governmental Activities	Business-Type Activities	Total	Component Unit
Reported bank balances	$ 7,312,376	$ 800,270	$ 8,112,646	$ 10,636
Plus petty cash	1,025	-	1,025	-
Less uncleared transactions	(281,781)	7,993	(273,788)	-
Financial statement balance	$ 7,031,620	$ 808,263	$ 7,839,883	$ 10,636

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Collateralization of Deposits (continued)

Custodial credit risk for deposits - custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy as it relates to custodial credit risk is to comply with state law and secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 100 percent of the uninsured deposits and accrued interest thereon. Acceptable collateral is defined in state statutes and includes U.S. Treasury securities and direct debt obligations of municipalities, counties and school districts in the state, surety bonds and letters of credit.

As required by federal law, all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. At June 30, 2014, the City had deposits of $8,112,646. The carrying amount for these deposits was $7,838,858 which included a money market account of $3,679,294. The City's deposits were insured or collateralized with securities held by the City, an agent in the name of the City, or securities pledged by the financial institution in the name of the City.

Investments

The City is authorized to make direct investments in securities of the U.S. City, federal agencies and instrumentalities of the State of Georgia. The City may also invest in obligations of any corporation of the U.S. City, prime bankers' acceptances, the local City investment pool established by Georgia state law, repurchase agreements, and obligations of other political subdivisions of the State of Georgia.

The City had no investments to be reported on the statement of net position for the year ended June 30, 2014.

Pension Fund Investments

As of June 30, 2014, the City had $7,419,678 invested on behalf of a defined benefit pension fund which included cash of $2,073,120. The balance of pension investments of $5,346,558 is invested based on a separate policy for pension assets adopted by the City in compliance with state law. The City's pension fund assets are invested in domestic common stocks, international stocks, and domestic bonds and notes as follows:

Investment	Fair Value	Duration in Years	Credit Rating	Amount
Corporate Bonds	$ 1,172,470	4.50	AA+	$ 93,155
		7.00	A	141,939
		9.67	A-	163,194
		7.25	BBB+	112,252
		5.30	BBB	566,595
		5.00	BBB-	95,335
Corporate Senior Notes	75,590	50.60		75,590
Corporate Equities	4,098,498	-	-	-
Total	$ 5,346,558			

Credit Risk: The City has no formal policy regarding credit risk. The City does follow its policy of being authorized to make direct investments in securities of the U. S. City, federal agencies and instrumentalities of the State of Georgia.

Interest Rate Risk: The City has no formal policy regarding interest rate risk.

City of Brunswick, Georgia
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

NOTE 3 – RECEIVABLES

Receivables as of June 30, 2014 consisted of the following balances for the City's individual major funds, and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Community Development	SPLOST V	Sanitation	Nonmajor and Other Funds	Total
Receivables:						
Taxes:						
Fiscal Year 2013	$ 323,924	$ -	$ -	$ -	$ 626	$ 324,550
Prior Years	773,441	-	-	-	-	773,441
Accounts	400,854	149,267	-	164,472	336,041	1,050,634
Interest and dividends	-	-	-	-	23,456	23,456
Intergovernmental	1,122,088	109,815	312	9,369	34,221	1,275,805
Gross receivables	2,620,307	259,082	312	173,841	394,344	3,447,886
Less: allowance for uncollectibles	(21,947)	-	-	(4,883)	-	(26,830)
Net total receivables	$ 2,598,360	$ 259,082	$ 312	$ 168,958	$ 394,344	$ 3,421,056

The component unit, the Downtown Development Authority, had a zero balance in accounts receivable at June 30, 2014.

Property taxes, based on assessed values at January 1, 2014, became due and payable on November 15, 2014. Property taxes are administered on a calendar-year basis subject to the following dates:

Levy date	September 15, 2014
Collection period	September 16, 2014 - November 15, 2014
Due date	November 15, 2014
Delinquent date	November 16, 2014
Lien date	December 16, 2014

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NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2014, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Sanitation Fund	$ 361,625
General Fund	Community Development Fund	260,868
General Fund	Nonmajor Governmental Fund	138,931
General Fund	Nonmajor Governmental Fund	797
Community Development Fund	Nonmajor Governmental Fund	69,696
Nonmajor Governmental Fund	General Fund	109,475
Group Health Fund	Community Development Fund	3,711
Group Health Fund	Nonmajor Governmental Fund	6,622
Group Health Fund	General Fund	381,390
Group Health Fund	Sanitation Fund	34,351
Workers Compensation Fund	Nonmajor Governmental Fund	13,142
Workers Compensation Fund	Community Development Fund	7,933
Workers Compensation Fund	General Fund	638,654
Fiduciary Fund	General Fund	987,628
Fiduciary Fund	Community Development Fund	13,988
Fiduciary Fund	Nonmajor Governmental Fund	20,351

In prior years, cash was transferred to the Internal Service Funds to cover claims expense. The Internal Service Funds have recorded a receivable of $1,085,803 to cover this shortfall, repayment of which is unscheduled. The amount is due from the following funds: General Fund - $1,020,044, Community Development Fund - $11,644, Sanitation Fund - $34,351 and Roosevelt Harris Center Fund - $19,764. All other interfund balances result from short-term borrowings between funds. It is the City's intent to repay these interfund balances during the next fiscal year.

NOTE 5 - CAPITAL ASSETS

In the previous year the City retroactively capitalized $2,648,144 of infrastructure assets, net of retroactive accumulated depreciation, in accordance with GASB No. 34 to correct the presentation in the financial statements from a Non-GAAP Method to GAAP. The value of the assets was estimated to be $24,294,881 and the accumulated depreciation was estimated to be ($21,646,737), resulting in the net capitalized value of $2,648,144. The transaction was effective as of June 30, 2013, and the net position at June 30, 2012 has been restated to reflect the correction. The total value capitalized included $12,581,583 for networks and subsystems and $11,713,298 for the value of streets, curb and gutter, sidewalks, lighting, signage and traffic signals. Depreciation expense on the retroactively capitalized infrastructure is computed using the composite method under a straight-line basis.

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City of Brunswick, Georgia
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

NOTE 5 - CAPITAL ASSETS (continued)

Capital asset activity for the year ended June 30, 2014 is as follows:

	Balance June 30, 2013	Additions and Transfers	Retirements and Transfers	Balance June 30, 2014
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 3,036,022	$ -	$ -	$ 3,036,022
Construction-in-Progress	4,674,762	-	(4,674,762)	-
Total capital assets, not being depreciated	7,710,784	-	(4,674,762)	3,036,022
Capital assets, being depreciated:				
Buildings	15,696,984	65,929	-	15,762,913
Equipment	10,923,814	778,914	-	11,702,728
Land improvements	4,223,327	725,085	-	4,948,412
Infrastructure	36,437,866	6,274,870	-	42,712,736
Total capital assets being depreciated	67,281,991	7,844,798	-	75,126,789
Less accumulated depreciation for:				
Buildings	(3,511,692)	(330,181)	-	(3,841,873)
Equipment	(9,125,891)	(680,762)	-	(9,806,653)
Land improvements	(820,403)	(207,464)	-	(1,027,867)
Infrastructure	(23,150,275)	(474,191)	-	(23,624,466)
Total accumulated depreciation	(36,608,261)	(1,692,598)	-	(38,300,859)
Total capital assets, being depreciated, net	30,673,730	6,152,200	-	36,825,930
Governmental activities capital assets, net	$ 38,384,514	$ 6,152,200	$ (4,674,762)	$ 39,861,952
Business-Type Activities:				
Capital assets, not being depreciated:				
Equipment	$ 1,395,085	$ -	$ -	$ 1,395,085
Total capital assets, being depreciated	1,395,085	-	-	1,395,085
Less accumulated depreciation for:				
Equipment	(1,295,749)	(16,042)	-	(1,311,791)
Total accumulated depreciation	(1,295,749)	(16,042)	-	(1,311,791)
Total capital assets, being depreciated, net	99,336	(16,042)	-	83,294
Business-type activities capital assets, net	$ 99,336	$ (16,042)	$ -	$ 83,294

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NOTE 5 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Governmental Depreciation:	
General Government	$ 303,277
Community Development	37,980
Public Safety	411,645
Public Works	620,464
Public Works - retroactive infrastructure assets	87,389
Cemetery	13,260
Culture & Recreation	218,583
Total governmental depreciation	1,692,598
Business-Type Depreciation:	
Sanitation	16,042
Total business-type depreciation	16,042
Total depreciation expense	$ 1,708,640

NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST

This year the City was required to implement applicable provisions of GASB Statement No. 67 which required new disclosures in the *notes to the financial statements* regarding key provisions of the City's defined benefit plan.

The City sponsors a single-employer pension plan covering substantially all City employees. The pension plan is further described below.

Summary of Significant Accounting Policies

Basis of Accounting – The City accounts for the Defined Benefit Pension Plan on the accrual basis. Contributions from the City are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Investment income is recognized by the Plan when earned.

Investment Valuation Method - Investments are recorded at fair value based on quoted market prices. Securities traded on exchanges are valued at last reported sales price. No investments represented more than 5% of Plan net position at June 30, 2014. Title 47 of the Official Code of the State of Georgia requires that Plan investments in equities not exceed more than 55% of the retirement plan assets. As of June 30, 2014 investments in equities comprised 48% of total plan assets. The method used to determine the actuarial value of plan assets was a 5 year smoothed market value. The actuarial cost for the plan is determined using the entry age normal cost, level percentage of pay method.

Plan Description

The City of Brunswick Defined Benefit Pension Plan (the Plan) is a single-employer defined benefit pension plan administered by the City through an appointed Pension Committee. The Brunswick City Commission has the authority to establish and amend benefit provisions of the plan. Trustees for the plan are the City Manager, the Finance Director, and the Human Resources Director. The original effective date of the plan established by the Brunswick City Commission following guidelines issued by the State of Georgia was January 1, 1977. The Plan had two major amendments effective April 1, 2012. The Plan provides retirement and death benefits to plan participants and beneficiaries. The Plan's audited financial statement is included on pages 25 and 26 in the City's Comprehensive Annual Financial Report as a Pension Trust Fund and does not issue a stand-alone financial report. Every two years, the Plan's actuary must complete an actuarial investigation of the Plan and file it with the Georgia state auditor. At the same time of the actuarial investigation's filing, a financial report of the plan also must be filed with the Georgia state auditor. There were no major plan amendments during the current year.

The Plan does not provide for other postemployment benefits (OPEB).

NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

Plan Membership

There is one class of employees covered by the plan. Membership of the plan consisted of the following as of January 1, 2014, the date of the last actuarial valuation:

Retirees and beneficiaries receiving benefits	31
Terminated plan members entitled to, but not yet receiving benefits	99
Active plan members	164
Total	294

Benefits

A summary of the key benefits for the Defined Benefit Pension Plan is as follows:

- All regular full time common-law employees of the City with one year of service and working at least 30 hours per week, excluding nonresident aliens, independent contractors, and employees whose employment is governed by a collective bargaining agreement are eligible to participate in the plan.

- Active participant contributions of 3% of a participant's compensation are required beginning on April 1, 2012. Participants who terminate after March 31, 2012 and are not vested will be entitled to a refund of their contributions to the plan with interest at 7.5% per annum.

- Participants with five years or more of service are 100% vested in the Plan.

- Upon total and permanent disability for six months, the participant becomes 100% vested in his accrued benefit. The participant is entitled to an immediate retirement benefit calculated as though the participant retired upon termination of employment.

- For participants first hired before January 1, 2011, upon death prior to termination of employment, the participant's beneficiary is entitled to a death benefit equal to the present value of the participant's accrued benefit. For participants first hired after December 31, 2010, upon death prior to termination of employment, the participant's beneficiary is entitled to a death benefit equal to 50% of the present value of the participant's accrued benefit.

- Upon termination of employment prior to normal or early retirement, the participant is entitled to the vested interest of the accrued benefit. If the participant is non-vested they are entitled to a refund of cash contributions to the plan with interest at 7.5% per annum.

- The normal retirement age is 65. The monthly accrued benefit is 1.8% of average monthly compensation multiplied by years of benefit service. The minimum monthly accrued benefit for a participant is $150.

Contributions

The City's funding policy requires employer contributions to be determined actuarially under the entry age normal cost, level percentage of pay method and to be expressed as percentages of annual covered payroll and that accumulate sufficient assets to pay timely benefits.

The minimum required contribution for the current fiscal year ended June 30, 2014 is $1,021,967 which is 104.6% of the annual pension benefit cost as determined on the actuarial valuation date of January 1, 2014. The employer contribution represents approximately 17.6% of current year covered payroll. The total minimum required contribution was made in three installments subsequent to the June 30, 2014 fiscal year end as follows: $275,000 on October 21, 2014, $122,000 on November 19, 2014 and $624,967 on November 24, 2014.

NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

Investments

The Plan has no formal investment policy for the allocation of plan assets. See Note 2 for a summary of Plan investments.

Concentrations

The Plan had no concentrations of investments in any one organization greater than 5 percent of the Plan's fiduciary net position.

Rate of return

For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.10 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the City

The components of the net pension liability of the County at June 30, 2014, were as follows:

Total Pension Liability	$ 13,494,906
Less Plan fiduciary net position	8,469,307
City's net pension liability	$ 5,025,599
Plan fiduciary net position as a percentage of the total pension liability	62.76%

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NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

Actuarial Assumptions

The annual required contribution and actuarial accrued liability were determined as part of an actuarial valuation at January 1, 2014. The actuarial methods and significant actuarial assumptions are summarized as follows:

- Valuation date - January 1, 2014
- Actuarial cost method - Entry Age Normal, level percentage of pay
- Amortization Period - Actuarial Gains and Losses: 15 years; Change in Plan Provisions: 20 years; Change in Plan Provisions: 20 years; Change in Actuarial Assumptions 30 years.
- Asset valuation method - Smoothed Market Value (5-year smoothing)
- Investment rate of return - 8.00%
- Projected Salary increases - 3.00% through 2016 and 4.25% thereafter
- Inflation rate - 3.50%
- Administration expenses - none

Mortality rates were based on the RP-2000 Combined Mortality Fully Generational Table. The table used reflects an assumption about mortality improvement after the valuation date.

For the Plan year ending December 31, 2013 the actual return on the market value of assets was approximately 15.10%. To reduce the volatility in costs due to year-to-year fluctuations in market value, an actuarial value of assets is determined by spreading investment gains and losses over a five-year period. For the year ending December 31, 2013, the return on actuarial value of assets was approximately 10.70%.

The net actuarial gain for 2013 from all sources was $294,157. The primary driver of this gain was from the return on the actuarial value of assets.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

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NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

Funding Status and Progress

The funding status of the plan as of the most recent actuarial date of January 1, 2014 was as follows: The actuarial value of assets, under a five year smoothed market value was $7,399,053. The actuarial accrued liability was $15,711,960. The unfunded actuarial accrued liability was $8,312,907 with a funded ratio of 47.1%. The unfunded actuarial accrued liability is being amortized on a level basis over earnings on a closed group basis over the next thirty years. The amount of covered payroll was $5,922,265 and the unfunded annual accrued liability as a percentage of covered payroll was 140.4%. The net pension obligation decreased from $145,142 at June 30, 2013 to $60,645 at June 30, 2014, a decrease of $84,497. The change in the annual benefit plan cost and the net pension obligation for the current year and the two previous years is as follows:

		Fiscal year ending June 30, 2014	Fiscal year ending June 30, 2013	Fiscal year ending June 30, 2012
(a)	Annual Required Contribution due at beginning of year (ARC)	$ 989,391	$ 990,247	$ 1,195,556
(b)	Interest on Net Pension Obligation (Asset)	11,611	15,282	19,762
(c)	Adjustment to Annual Required Contribution	(16,957)	(22,317)	(28,860)
(d)	Annual Benefit Cost	984,045	983,212	1,186,458
(e)	Employer Contributions for previous fiscal year	1,068,542	1,029,095	1,242,457
(f)	Increase (decrease) in Net Pension Obligation: (d) - (e)	(84,497)	(45,883)	(55,999)
(g)	Net Pension Obligation at beginning of year (NPO)	145,142	191,025	247,024
(h)	Net Pension Obligation at end of year (NPO) (f) + (g)	60,645	145,142	191,025

There are no other underfunded amounts to report in the financial statements.

The required schedule of funding progress immediately following the notes to the financial statements in *required supplementary information* presents multi-year trend information which indicates that the actuarial value of plan assets is increasing over time relative to the actuarial accrued liability.

Annual Benefit Cost and Net Pension Obligation

The annual benefit cost comprise these three components; 1) the annual required contribution (ARC), 2) interest on the net pension obligation (NPO), and 3) the actuary's adjustment of the ARC based on the existence of the NPO.

Three Year Trend Information

Fiscal Year Ending	Annual City Benefit Cost	City Contributions as a % of Annual Benefit Cost	Net Pension Obligation (Asset)
June 30, 2014	$ 984,045	108.6%	$ 60,645
June 30, 2013	983,212	104.7%	145,142
June 30, 2012	1,186,458	104.7%	191,025

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NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

Historical Trend Information

Historical trend information provides information about the City's progress made in accumulating sufficient assets to pay benefits due is presented as follows:

	Plan Year Ended December 31,		
	2013	2012	2011
Actuarial value of assets expressed as a percentage of the actuarial accrued liability	47.10%	45.41%	45.70%
Unfunded actuarial accrued liability expressed as a percentage of the covered payroll	140.40%	144.10%	131.90%
Actual employer contributions expressed as a percentage of the required contribution	100.00%	100.00%	100.00%

Additional historical data is provided as required supplementary information after the Notes to the Financial Statements.

Funding Policy and Annual Pension Benefit Cost

The City is required to comply with Chapter 20 of Title 47 of the Official Code of Georgia, which sets forth minimum funding standards for governmental entities in the State of Georgia.

The ***Entry Age Normal Cost, level percentage of pay method,*** is used to determine the Plan's funding, liabilities and costs. Under this cost method, the actuarial present value of projected benefits for each individual member is allocated on a level basis over the earnings of the member between the valuation date nearest the member's commencement of employment and the assumed exit date. The portion of the actuarial present value of benefits not provided for at the valuation date by future normal costs is the actuarial accrued liability (AAL). Under this method, actuarial gains and (losses), as they occur, reduce or (increase) the unfunded actuarial accrued liability (UAAL).

The Plan normal cost for the 12-month period beginning on the valuation date has been determined by first calculating for each participant an individual yearly normal cost (that changes in dollar amount as pay increases, but is constant as a percent of each individual's pay), then adding together to obtain the Plan normal cost as of the beginning of the year. This preliminary total is then adjusted for interest credits assuming contributions are made monthly and an amount to allow for expected annual expenses.

The City's contribution to the Plan for 2014 was actuarially determined at a rate of 17.26% of covered payroll. Contribution requirements of the plan are determined annually by the actuary who certifies to the state auditor that the contribution has been made.

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NOTE 6 – DEFINED BENEFIT PENSION PLAN TRUST (continued)

GASB Funded Status

The following table represents the Plan's GASB-27 funded status as of June 30, 2014:

1. Actuarial Accrued Liability (AAL)	$ 15,711,960
2. Actuarial Value of Assets	7,399,053
3. Unfunded AAL (UAAL) [(1)-(2)]	8,312,907
4. Funded Ratio [(2)/(1)]	47.10%
5. Annual Covered Payroll	5,922,265
6. UAAL as a Percentage of Payroll [(3)/(5)]	140.40%

NOTE 7 – SHORT-TERM DEBT

A summary of activity in short-term debt is shown below followed by a narrative of the details of such liabilities:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014
Governmental Activities				
TAN Note - Series 2013	$ 1,500,000	$ -	$ (1,500,000)	-
Total - governmental activities	$ 1,500,000	$ -	$ (1,500,000)	$ -

The Series 2013 TAN Note was paid in full on December 13, 2013. There have been no additional short-term debt borrowings or repayments during the current fiscal year.

NOTE 8 - LONG-TERM DEBT and CAPITAL LEASES

A summary of activity in long-term debt, including capital leases payable is shown below followed by a narrative of the details of such liabilities:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Due Within One Year
Governmental Activities					
GMA capital leases payable	$ 1,584,432	$ 247,414	$ (702,801)	$ 1,129,045	$ 124,747
Accrued compensated absences	707,038	-	(2,255)	704,783	294,701
Net pension obligation	145,142	-	(84,497)	60,645	-
Total - governmental activities	$ 2,436,612	$ 247,414	$ (789,553)	$ 1,894,473	$ 419,448

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Due Within One Year
Business-Type Activities					
GMA capital leases payable	$ -	$ -	$ -	$ -	$ -
Customer deposits payable	61,500	-	(55,150)	6,350	-
Total - business-type activities	$ 61,500	$ -	$ (55,150)	$ 6,350	$ -

The GMA capital leases payable and the accrued compensated absences payable are liquidated by the General Fund.

NOTE 8 - LONG-TERM DEBT and CAPITAL LEASES (continued)

The City has entered into lease agreements financing the acquisition of capital assets. The terms of the lease agreements classify the contracts as capital leases for accounting purposes and, therefore, the liability for repayment of the principal has been recorded as debt with a corresponding capitalization of the asset cost.

As payments are made, the principal portion reduces the debt balance and the payment representing interest is charged to expense.

Certain lease transactions were facilitated with the Georgia Municipal Association's 1998A Lease Pool Series. The City's share of the 1998A Lease Pool Series is $1,166,000. The balance as of June 30, 2014 is $274,591.

The current portion of accrued compensated absences is computed using days earned at the end of the year times the pay rates in effect at the end of the year.

Under the terms of the program, the City is required to make lease payments in sufficient amounts to pay, when due, the principal and interest on its pro rata share of outstanding certificates in each year, as well as its portion of administrative expenses of the trust and costs of issuance of the certificates. The City's obligation to pay such lease payments is conditioned on the annual appropriation of funds to make those payments by the City Commission.

The assets acquired through capital leases are as follows:

	Governmental Activities	Proprietary Activities
Asset:		
Land	$ 1,530,000	$ -
Equipment and other tangible assets	4,508,348	589,814
Less: Accumulated depreciation	(2,794,274)	(519,656)
Total	$ 3,244,074	$ 70,158

Amortization expense was approximately $12,360.

The following is a schedule of future minimum lease payments under these capital leases and the present value of the net minimum lease payments as of June 30, 2014. For purposes of this schedule, an assumed interest rate of 0% was used on all GMA leases, which was the effective rate as of June 30, 2014.

	Governmental Activities		Business-Type Activities	
Year Ended	Capital Leases		Sanitation	
June 30	Principal	Interest	Principal	Interest
2015	$ 124,747	$ 41,937	$ -	$ -
2016	127,969	38,715	-	-
2017	131,715	35,328	-	-
2018	123,300	31,772	-	-
2019	119,378	28,035	-	-
2020-2024	429,068	98,874	-	-
2025-2029	72,868	1,286	-	-
	$ 1,129,045	$ 275,947	$ -	$ -

NOTE 8 - LONG-TERM DEBT and CAPITAL LEASES (continued)

Debt Service Requirements

Debt service requirements on capital leases at June 30, 2014 were as follows:

Capital Leases:

	Governmental Activities		Business-Type Activities	
Year Ended	Capital Leases		Sanitation	
June 30	Principal	Interest	Principal	Interest
2015	$ 124,747	$ 41,937	$ -	$ -
2016	127,969	38,715	-	-
2017	131,715	35,328	-	-
2018	123,300	31,772	-	-
2019	119,378	28,035	-	-
2020-2024	429,068	98,874	-	-
2025-2029	72,868	1,286	-	-
	$ 1,129,045	$ 275,947	$ -	$ -

Other:

The compensated absence liability is liquidated from the General Fund.

NOTE 9 – DEFERRED INFLOW/OUTFLOW OF RESOURCES

GASB Statement No. 63 added new elements of deferred outflow of resources and the deferred inflow of resources to the appropriate financial statements. The only item that affects the City is the reclassification of unavailable tax revenues of $1,001,635 to deferred inflow of resources on the governmental funds balance sheet in the General Fund. There were no items of deferred outflow.

NOTE 10 - INTERFUND TRANSFERS

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources to provide services. The Internal Service Funds record charges for services to all City departments and funds as operating revenue. Both governmental and proprietary funds record these payments and accruals to the internal service funds as operating expenses/expenditures.

	Transfer in:					
	General Fund	Community Development Fund	SPLOST V Capital Projects Fund	Nonmajor Governmental Funds	Enterprise Fund Sanitation Fund	Total
Transfer out:						
General Fund	$ -	$ 279	$ -	$ 390,275	$ -	$ 390,554
Community Development Fund	-	-	-	200,000	-	200,000
Nonmajor Government Fund	-	-	137,109	-	-	137,109
	$ -	$ 279	$ 137,109	$ 590,275	$ -	$ 727,663

The remaining transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers, and are reported as other financial sources in the governmental funds and transfers section in the proprietary funds. These transfers occur principally to move revenues from the General Fund to Special

NOTE 10 - INTERFUND TRANSFERS (continued)

Revenue Funds. These transfers should be normal and recurring, except for those generated by the special purpose local option sales tax funds. These will naturally discontinue when the collections cease and funds are expended.

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; injury to participants at City facilities; and natural disasters. Protection from all of these risks is provided by contracts with commercial insurance carriers, except for employees' health and workers' compensation risks.

The City is self-insured for group health and workers' compensation. These liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liabilities include an estimate for claims that have been incurred but not reported (IBNR).

The City of Brunswick has established a self-insurance program for the provision of medical benefits to the City's employees and their dependents, if elected. The City pays the specific stop loss fee, and the administrative fee monthly for each employee. Employees have the option of covering their dependents under the plan, at an additional cost to the employee. The City has specific caps under the plan which limits its exposure as follows. For any one employee, claims paid by the City which exceed $80,000 are reimbursed by an insurance company. There are no longer any annual or lifetime dollar limits as stipulated under the Affordable Care Act.

On November 1, 1991, the City of Brunswick established a self-insurance program for workers' compensation. All costs (premiums, administrative costs, etc.) are funded by the City through a charge to its various funds. Similar to the program noted above, it also provides for specific caps to limit the City's liability for claims. For any one occurrence the maximum payout liability for the City is $450,000. The aggregate cap is determined by state law. All funds of the City participate in the above programs and make payments to the risk management funds based on the individual funds' experience.

The claims liability as of June 30, 2014 is $214,001 and $636,213 for the Group Health Fund and the Workers' Compensation Fund, respectively. Unpaid claims in the Group Health Plan are calculated by annualizing the claims processed for the six most recent months. Unpaid claims in the Workers' Compensation Fund are calculated by the third-party administrator of the plan. Changes in the respective funds' claims liability amount were:

	Unpaid Claims Beginning of Fiscal Year	Claims (including IBNR)	Claim Payments	Unpaid Claims End of Fiscal Year
Group Health Fund				
June 30, 2013	$ 225,170	$ 1,263,629	$ 1,308,844	$ 179,955
June 30, 2014	179,955	$ 1,353,742	1,319,698	214,000
Workers Compensation Fund				
June 30, 2013	$ 464,628	$ 696,155	$ 597,183	$ 563,600
June 30, 2014	563,600	552,520	479,907	636,213

NOTE 12 - GRANTS FROM OTHER GOVERNMENTAL UNITS

Federal and state governmental units represent an important source of supplementary funding used to finance housing, employment and construction programs and other activities beneficial to the City. This funding, primarily in the form of grants, is recorded in each appropriate fund.

NOTE 12 - GRANTS FROM OTHER GOVERNMENTAL UNITS (continued)

Under the terms of the grants, the programs are subject to program compliance audits by the grantors or their representatives. Such audits could question certain costs as not being appropriate expenditures under the terms of the grants and, therefore, require reimbursement to the grantor agencies. Grantor audits of the programs are conducted by the City or its representative on an on-going basis.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

The City had no on-going construction commitments as of June 30, 2014.

Contingencies

The City of Brunswick is a defendant in various lawsuits that expectedly result from its varying involvement in business and employment issues. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City Attorney that final settlement will not pose significant financial responsibility above insurance coverage other than two lawsuits and one unasserted claim that could pose a serious and adverse financial impact on the City.

NOTE 14 - SPLOST V CAPITAL PROJECTS FUND

On November 8, 2005, the voters of Glynn County voted to continue the 1% Special Purpose Local Option Sales Tax (SPLOST V) to pay for various capital projects within the City of Brunswick and surrounding areas of Glynn County. The City of Brunswick entered into a contract with the Glynn County Government assigning Glynn County the authority to collect the tax and disburse 23.09% of the proceeds up to a maximum of $25,964,616 to the City of Brunswick. The tax is scheduled to be collected until December 31, 2011, or until the City's pro-rata share is fully collected. The following revenues have been reported by the Capital Projects Fund as of June 30, 2014:

2009	$ 1,408,631
2010	4,243,993
2011	8,620,682
2012	2,020,304
2013	39,303
2014	14,757
	$ 16,347,670

NOTE 15 – HOTEL AND MOTEL TAX

The City is required to disburse 70% of the funds received from the collection of hotel/motel taxes pursuant to O.C.G.A. 48-1351 (a)(1). The City received $8,328 from the collection of the hotel/motel tax during fiscal year ended June 30, 2014 and remitted $5,391 to the Golden Isles Convention and Visitors Bureau, which is a non-profit organization whose purpose is to create and coordinate the promotion of tourism in Brunswick and the Golden Isles.

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NOTE 16 - COMPONENT UNIT DISCLOSURES

A. Summary of Significant Accounting Policies

The Downtown Development Authority is presented as a component unit on the government-wide financial statements. Its financial operations are accounted for under the accrual basis of accounting.

B. Cash and Cash Equivalents

The Downtown Development Authority's unrestricted cash and cash equivalents are held in an insured deposit account with a financial institution.

NOTE 17 – RELATED ORGANIZATIONS

City of Brunswick Housing Authority

The City's Board of Commissioners is responsible for appointing all five, (thus a voting majority) of the members of the City of Brunswick Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments. The City has no control over the Housing Authority's budgets, fee structure, management or other powers of its governing authority. Complete financial statements can be obtained from its administrative offices at 1126 Albany Street, Brunswick, Georgia.

Brunswick-Glynn County Joint Water & Sewerage Commission

The City's Board of Commissioners appoints one of its board members to the Board of Commissioners of the Brunswick-Glynn County Joint Water & Sewerage Commission, but the City's accountability for this organization does not extend beyond making the appointments. The City has no control over the budgets, fee structure, management or other powers of its governing authority. Complete financial statements can be obtained from its administrative offices at 700 Gloucester Street, Suite 300, Brunswick, Georgia.

NOTE 18 – JOINT VENTURES

The Glynn-Brunswick Memorial Hospital Authority

The City is a participant with Glynn County, Georgia, in a joint venture to provide hospital-related health care to its citizens and the citizens of nearby counties. The Glynn-Brunswick Memorial Hospital Authority was created pursuant to the provisions of the Hospital Authority Law of the State of Georgia and a joint resolution of the respective Boards of Commissioners of the City and County. The Authority appoints its governing board from lists provided equally by the City and County. The City has no ongoing financial interest in or responsibility for the Authority. Complete financial statements can be obtained from its administrative offices at 2415 Parkwood Drive, Brunswick, Georgia.

Brunswick and Glynn County Development Authority

The City is also a participant with Glynn County, Georgia for the purpose of developing, promoting and expanding economic development through the Brunswick and Glynn County Development Authority. The Authority was created by an act of the General Assembly of the State of Georgia. Authority board members are appointed by joint resolution of the Boards of Commissioners of the City and County. The City has no ongoing financial interest in or responsibility for the Authority. Complete financial statements can be obtained from its administrative offices at 4 Glynn Avenue, Brunswick, Georgia.

Coastal Georgia Regional Commission

The City, in conjunction with 35 cities and 10 counties in the Coastal Georgia area are members of the Coastal Georgia Regional Commission (RC), formerly the Coastal Georgia Regional Development Center (RDC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia, Section 50-8-34 (Georgia Planning Act of 1989, amended in July 2009) provides for the organizational structure of an RC. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The City paid annual dues in the amount of $15,383 to the RC for

NOTE 18 – JOINT VENTURES (continued)

the year ended June 30, 2014. The RC Board membership consists of members from the respective cities and counties that comprise the RC, including at least one elected city official from each county and at least one elected county official from each county. An RC is defined as a multi-county planning and development organization that partners with local governments on their planning and development efforts and can also serve as a service delivery organization. Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1). Complete financial statements for Coastal Georgia RC can be obtained from the RC office at 118 Coastal Drive SW, Darien, Georgia 31305. The City of Brunswick has a cost-reimbursement contract with Coastal Georgia RC to administer Special Programs for the Aging (Title III). The City received $101,601 under this cost-reimbursement contract during the year ended June 30, 2014.

NOTE 19 – JOINTLY-GOVERNED ORGANIZATIONS

The City, in conjunction with Glynn County, Georgia, the Glynn County Board of Education and other counties and municipalities in the Coastal Georgia Region, has created the following entity.

Glynn-Brunswick Regional Library

The City appoints five of the eighteen Board members. The State of Georgia provides 60% of the library's funding. The City did not provide funding to the library for the year ended June 30, 2014.

NOTE 20 - RELATED PARTY TRANSACTIONS

The City received $157,760 from the City of Brunswick Housing Authority for reimbursements of salaries and benefits for police officers assigned specifically to the authority.

NOTE 21- SHORT-TERM TAX ANTICIPATION NOTE

In June 2013, the City borrowed $1,500,000 in a tax anticipation note at an interest rate of 1.45% to finance the general obligations of the City. The note was paid in full on December 31, 2013.

NOTE 22 - SUBSEQUENT EVENTS

The City made $1,021,967 in contributions to the Defined Benefit Pension Plan for the current fiscal year ended June 30, 2014. The City made payments of $275,000 on October 21, 2014, $122,000 on November 19, 2014 and $624,966 on November 24, 2014.

These payments represent the full amount of the actuarially computed required contribution of $1,021,967 for the fiscal year ended June 30, 2014.

Subsequent events were evaluated through December 31, 2014, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

City of Brunswick, Georgia
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	$ 3,925,059	$ 4,633,705	$ 4,633,705	$ -
Franchise taxes	1,342,000	1,340,636	1,340,636	-
Local option sales tax	6,090,000	5,771,626	5,771,626	-
Selective sales and use taxes	1,248,000	1,348,392	1,348,392	-
Licenses and permits	326,550	335,870	335,870	-
Fines, forfeitures and penalties	297,500	374,167	374,167	-
Investment earnings	-	13,647	13,647	-
Intergovernmental revenues and grants	199,928	355,274	355,274	-
Charges for services and assessments	329,362	385,966	385,966	-
Rental income	23,200	23,554	23,554	-
Contributions and donations from private sources	2,500	30,742	30,742	-
Miscellaneous income	23,000	36,898	36,898	-
Sale of municipal property	127,000	120,620	120,620	-
Total Revenues	13,934,099	14,771,097	14,771,097	-
EXPENDITURES				
Current:				
General government				
City Commission and Clerk	282,218	308,643	308,643	-
City Manager	249,382	249,264	249,264	-
Finance Administration	336,005	335,730	335,730	-
Information Technology	255,371	259,877	259,877	-
Human Resourcers	150,760	178,010	178,010	-
General Government Buildings and Plant	271,488	243,653	243,653	-
City Engineer	214,455	190,734	190,734	-
Customer Service	44,978	47,815	47,815	-
General Administration	1,007,795	866,831	866,831	-
Total general government	2,812,452	2,680,557	2,680,557	-
Judicial				
Legal	90,700	85,643	85,643	-
Municipal Court	200,544	200,189	200,189	-
Total judical	291,244	285,832	285,832	-
Public safety				
Police	4,986,438	5,073,904	5,073,904	-
Fire Services	2,331,802	2,218,137	2,218,137	-
Total public safety	7,318,240	7,292,041	7,292,041	-
Public works				
Administration	467,031	259,130	259,130	-
Highways and streets	697,173	843,807	843,807	-
Maintenance and shop	822,635	888,810	888,810	-
Total public safety	1,986,839	1,991,747	1,991,747	-
Total public works				

(continued)

City of Brunswick, Georgia
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
Cemetery	225,715	233,001	233,001	-
Building inspection and planning				
Building Inspection	71,790	65,926	65,926	-
Planning and Zoning	311,189	215,926	215,926	-
Total building inspection and plannng	382,979	281,852	281,852	-
Culture and recreation				
Administration	30,816	11,342	11,342	-
Leisure Services	25,518	27,848	27,848	-
Neighborhood and Community Service	157,817	175,214	175,214	-
Parks	283,974	352,307	352,307	-
Total culture and recreation	498,125	566,711	566,711	-
Economic development	70,000	70,326	70,326	-
Total economic development	70,000	70,326	70,326	-
Debt service				
Principal	310,806	209,182	209,182	-
Interest	10,965	65,982	65,982	-
Total debt service	321,771	275,164	275,164	-
Total capital outlay	305,000	401,361	401,361	-
Total Expenditures	14,212,365	14,078,592	14,078,592	-
Excess (Deficiency) of Revenues Over Expenditures	(278,266)	692,505	692,505	-
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases and debt	291,000	247,414	247,414	-
Payment from component on sale of property	-	-	-	-
Transfers in	327,672	-	-	-
Transfers (out)	(340,406)	(390,554)	(390,554)	-
Total Other Financing Sources (Uses)	278,266	(143,140)	(143,140)	-
Prior year resources	-	-	-	-
Net Change in Fund Balance	-	549,365	549,365	549,365
Fund Balance (deficit), Beginning of Year	(1,164,046)	(824,555)	980,238	1,804,793
Fund Balance (deficit), End of Year	$ (1,164,046)	$ (275,190)	$ 1,529,603	$ 2,354,158

See independent auditor's report.

(concluded)

City of Brunswick, Georgia
Community Development Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Program fees /revenues	$ -	$ 14,252	$ 14,252	$ -
Grant revenues	449,312	565,680	565,680	-
Investment earnings and interest	-	2,183	2,183	-
Total Revenues	449,312	582,115	582,115	-
EXPENDITURES				
Community development				
CDGB Entitlement	449,312	340,743	340,743	-
Economic Development	-	55,077	55,077	
Capital Outlay	-	196,524	196,524	
Program administration	157,244	144,836	144,836	-
Total Expenditures	606,556	737,180	737,180	-
Excess (Deficiency) of Revenues Over Expenditures	(157,244)	(155,065)	(155,065)	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(174,310)	(199,721)	(199,721)	-
	(174,310)	(199,721)	(199,721)	-
Prior year resources	331,554	354,786	-	(354,786)
Net Change in Fund Balance	-	-	(354,786)	(354,786)
Fund Balance (deficit), Beginning of Year	(271,082)	574,712	981,459	406,747
Fund Balance (deficit), End of Year	$ (271,082)	$ 574,712	$ 626,673	$ 51,961

See independent auditor's report.

City of Brunswick, Georgia
Required Supplementary Information
The City of Brunswick, Georgia Defined Benefit Plan
Schedule of Funding Progress
2006-2014

Actuarial Valuation Date	Actuarial Accrued Liability AAL	Actuarial Value of Assets (1)	Unfunded (Overfunded) UAAL	Funded Ratio	Annual Covered Payroll	UAAL as % of Covered Payroll
1/1/2006	$ 13,612,321	$ 4,708,351	$ 8,903,970	34.6%	$ 8,152,334	109.2%
1/1/2007	14,645,871	5,689,359	8,956,512	38.8%	8,223,426	108.9%
1/1/2008	16,231,322	7,122,473	9,108,849	43.9%	6,672,357	136.5%
1/1/2009	17,405,629	7,373,444	10,032,185	42.4%	7,939,460	126.4%
1/1/2010	16,701,337	7,066,553	9,634,784	42.3%	8,371,467	115.1%
1/1/2011	15,018,988	6,898,227	8,120,761	45.9%	7,078,841	114.7%
1/1/2012	15,427,615	7,050,832	8,376,783	45.7%	6,351,487	131.9%
1/1/2013	16,072,516	7,298,033	8,774,483	45.4%	6,089,059	144.1%
1/1/2014	15,711,960	7,399,053	8,312,907	47.1%	5,922,265	140.4%

Notes to Schedule

(1) Asset valuation method is five-year smoothed market value.

(2) See notes to the basic financial statements for the assumptions and actuarial methods used in this schedule.

See independent auditor's report.

City of Brunswick, Georgia
Required Supplementary Information
The City of Brunswick, Georgia Defined Benefit Plan
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Last Three Fiscal Years

	2012	2013	2014
Total pension liability			
Service cost	$ 545,610	$ 591,238	$ 415,594
Interest	972,955	1,020,836	1,036,134
Changes in benefit terms and plan amendments	9	6,126	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	230,362	-	-
Benefit payments, including refunds of member contributions	(1,263,872)	(1,036,959)	(1,816,996)
Net change in total pension liability	485,064	581,241	(365,268)
Total pension liability - beginning	12,793,869	13,278,933	13,860,174
Total pension liability - ending (a)	13,278,933	13,860,174	13,494,906
Plan fiduciary net position			
Contributions - employer	1,029,095	1,068,542	1,021,967
Contributions - member	53,669	179,059	170,046
Net investment income	323,260	764,675	942,297
Benefit payments, including refunds of member contributions	(1,290,733)	(2,024,151)	(1,194,028)
Administrative expense	(72,560)	(91,505)	(84,741)
Other	-	-	-
Net change in fiduciary net position	42,731	(103,380)	855,541
Plan fiduciary net position - beginning	7,674,415	7,717,146	7,613,766
Plan fiduciary net position - ending (b)	$ 7,717,146	$ 7,613,766	$ 8,469,307
City's net pension liability - ending (a) - (b)	$ 5,561,787	$ 6,246,408	$ 5,025,599
Plan fiduciary net position as a percentage of the total pension liability	58.12%	54.93%	62.76%
Covered-employee payroll	$ 6,351,487	$ 6,089,059	$ 5,922,265
City's net pension liability as a percentage of covered-employee payroll	87.57%	102.58%	84.86%

Notes to Schedule

Changes in Plan Benefit Provisions. Active participant contributions were required beginning on April 1 2012. These contributions are subject to 3% of the participant's compensation.

Changes in Actuarial Methods and Assumptions. The salary and mortality assumptions were changed to better reflect anticipated plan experience. The net impact of theses changes was a loss of $417,237, which will be amortized over 30 years.

See independent auditor's report.

City of Brunswick, Georgia
Required Supplementary Information
The City of Brunswick, Georgia Defined Benefit Plan
Schedule of City Contributions
Last 10 Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined minimum contribution	$ 1,257,581	$ 1,208,697	$ 1,290,791	$ 1,345,000	$ 1,205,200	$ 1,441,219	$ 1,242,458	$ 1,029,095	$ 1,068,542	$ 1,021,967
Contributions in relation to the actuarially determined minimum contribution	1,257,581	1,208,697	1,290,791	1,345,000	1,205,200	1,441,219	1,242,458	1,029,095	1,068,542	1,021,967
Contribution Deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 8,213,807	$ 8,152,334	$ 8,223,426	$ 6,672,357	$ 7,939,460	$ 8,371,467	$ 7,078,841	$ 6,351,487	$ 6,089,059	$ 5,922,265
Contributions as a percentage of covered-employee payroll	15.31%	14.83%	15.70%	20.16%	15.18%	17.22%	17.55%	16.20%	17.55%	17.26%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of Januay 1st, six months prior to the end of the fiscal year in which the contributions are reported.

Actuarial cost method - Entry Age Normal, level percentage of pay

Amortization Period - Actuarial Gains and Losses: 15 years; Change in Plan Provisions: 20 years; Change in Actuarial Assumptions 30 years.

Asset valuation method - Smoothed Market Value (5-year smoothing)

Investment rate of return - 8.00%

Projected Salary increases - 3.00% through 2016 and 4.25% thereafter

Inflation rate - 3.50%

Administration expenses - none

NOTES:

(1) $300,000 in contributions were made prior to the end of the fiscal year, and the remaining amount of $768,542 was made subsequent to the end of the fiscal year but before December 31, 2013.

(2) See the notes to the basic financial statements for the assumptions used for this schedule.

See independent auditor's report.

City of Brunswick, Georgia
Required Supplementary Information
The City of Brunswick, Georgia Defined Benefit Plan
Schedule of Investment Returns
Last Six Fiscal Years

	2009	2010	2011	2012	2013	2014
Annual money-weighted rate of return, net of investment expense	(-14.00%)	13.00%	9.10%	4.80%	7.70%	15.10%

See independent auditor's report.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

City of Brunswick, Georgia
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Budgets and Budgetary Accounting

State law requires that the City adopt by ordinance or resolution, an annual balanced budget for its upcoming fiscal year (June 30). A budget is balanced when the sum of estimated net revenues and unreserved/unappropriated fund balance is equal to appropriations. Budgetary control over expenditures is exercised by the City at the departmental level for all governmental funds. Appropriations lapse at year-end. The Board of Commissioners has the authority to amend its budget as follows:

1. Any increase in appropriation in any fund for a department, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the Board of Commissioners.

2. Transfers of appropriations in any fund among the various accounts within a department shall require only the approval of the budget officer, except that transfers of appropriations within a department which increases the salary appropriation shall require the approval of the Board of Commissioners.

Budgets are adopted for all governmental funds and proprietary funds of the City. Budgets for non-major governmental funds and capital project funds are not required by generally accepted accounting principles. However, Georgia Budget Statutes do require budgets to be presented for non-governmental funds and capital project funds. The budgets for these funds are presented as Supplementary Information.

The City was not in violation of State budget statutes for the year ended June 30, 2014 because certain departmental expenditures did not exceed their budget at the legal level of control. The Georgia statutes define legal level of control at a minimum to be the departmental level.

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the budget basis are as follows for the *major funds*:

	Modified Accrual Basis- net change in fund balances	Net accrual adjustments	Budget Basis - net change in fund balances
General Fund	$ 549,365	$ -	$ 549,365
Community Development Fund	(354,786)	-	(354,786)

The final amendment to the budget customarily adjusts the budgetary basis balances to the actual modified accrual basis amounts as reflected in the fund financial statements.

SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Roosevelt Harris Center Fund - to account for money received under a Title III grant, a community development block grant, and program fees that are expended to meet the nutritional and respite care needs of senior citizens in a congregate setting.

Police Seizure Fund - to account for funds confiscated and collected by the City of Brunswick Police Department, Glynn County Police and from federal seizure funds.

E-911 Fund - to account for the City's portion of shared expenditures for the "911" Emergency Telephone System operated by Glynn County, Georgia.

DOT TE-21 Fund - to account for the 2013 LMIG (Local Maintenance and Improvement Grant) money received for patching, leveling, and resurfacing various roads within the City.

City Pier Fund - to account for the collection of funds received for docking fees received from cruise lines and individual berth rentals.

Hotel - Motel Tax Fund - established to account for the collection of the 3% excise tax collected on hotel/motel accommodations in the City of Brunswick and the disbursement of 70% of the tax collected to the Golden Isles Convention and Visitors Bureau.

City of Brunswick, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue Funds						
	Roosevelt Harris Center Fund	Police Seizure Fund	E 911 Fund	DOT TE-21 Fund	City Pier Fund	Hotel-Motel Tax	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	$ 11,108	$ 54,454	$ -	$ -	$ 57,248	$ 6,446	$ 129,256
Accounts Receivable, net of allowances for uncollectibles							
Taxes	-	-	-	-	-	626	626
Accounts	5,783	-	-	-	2,340	-	8,123
Intergovernmental	30,015	-	-	-	-	-	30,015
Due from other funds	-	-	109,475	-	-	-	109,475
Total Assets	$ 46,906	$ 54,454	$ 109,475	$ -	$ 59,588	$ 7,072	$ 277,495
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	11,846	4,118	-	-	-	-	15,964
Accrued expenditures	3,879	-	-	-	-	-	3,879
Due to other funds	158,695	797	-	-	69,696	-	229,188
Due to other governments	-	-	109,475	-	-	-	109,475
Due to fiduciary fund	20,351	-	-	-	-	-	20,351
Total Liabilities	194,771	4,915	109,475	-	69,696	-	378,857
Fund Balances (Deficit):							
Restricted for public safety	-	49,539	-	-	-	-	49,539
Restricted for community development	-	-	-	-	-	7,072	7,072
Unassigned, reported in nonmajor special revenue funds	(147,865)	-	-	-	(10,108)	-	(157,973)
Total Fund Balances (Deficit)	(147,865)	49,539	-	-	(10,108)	7,072	(101,362)
Total Liabilities and Fund Balances	$ 46,906	$ 54,454	$ 109,475	$ -	$ 59,588	$ 7,072	$ 277,495

See independent auditor's report.

City of Brunswick, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014

	Special Revenue Funds						
	Roosevelt Harris Center Fund	Police Seizure Fund	E 911 Fund	DOT TE-21 Fund	City Pier Fund	Hotel-Motel Tax	Total Non-Major Governmental Funds
REVENUES							
Program fees/revenues	$ 26,978	$ -	$ -	$ -	$ 23,233	$ -	$ 50,211
Hotel/Motel Taxes	-	-	-	-	-	8,328	8,328
Grant revenues	120,788	104,381	-	137,109	-	-	362,278
Contributions and donations	-	-	-	-	-	-	-
Total Revenues	147,766	104,381	-	137,109	23,233	8,328	420,817
EXPENDITURES							
Current							
Community development	346,946	-	-	-	-	5,391	352,337
Public safety	-	98,237	390,275	-	-	-	488,512
Total Expenditures	346,946	98,237	390,275	-	-	5,391	840,849
Excess (Deficiency) of Revenues Over Expenditures	(199,180)	6,144	(390,275)	137,109	23,233	2,937	(420,032)
OTHER FINANCING SOURCES (USES)							
Transfers in	200,000	-	390,275	-	-	-	590,275
Transfers (out)	-	-	-	(137,109)	-	-	(137,109)
Total Other Financing Sources (Uses)	200,000	-	390,275	(137,109)	-	-	453,166
Net Change in Fund Balances	820	6,144	-	-	23,233	2,937	33,134
Fund Balances (Deficit), Beginning of Year	(148,685)	43,395	-	-	(33,341)	4,135	(134,496)
Fund Balances (Deficit), End of Year	$ (147,865)	$ 49,539	$ -	$ -	$ (10,108)	$ 7,072	$ (101,362)

See independent auditor's report.

Internal Service Funds

Group Health Fund - Established to account for employer and employee contributions for self-funded health insurance coverage, and the payment of claims from the fund. The liabilities in this fund are based on known claims, probable and reasonably determinable.

Workers' Compensation Fund - Established to provide self-insurance for worker's compensation benefits and coverage. The Government operates its insured general liability program in this fund. The liabilities in this fund are based on known claims, probable and reasonably determinable.

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City of Brunswick, Georgia
Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	Group Health Fund	Workers' Compensation Fund	Total
ASSETS			
Current Assets			
Cash and cash equivalents	$ 646,202	$ 563	$ 646,765
Due from other funds	426,074	659,729	1,085,803
Claim reimbursement receivable	23,372	304,546	327,918
Total Assets	$ 1,095,648	$ 964,838	$ 2,060,486
LIABILITIES			
Current Liabilities			
Claims payable	214,000	636,213	850,213
Total Liabilities	214,000	636,213	850,213
NET POSITION			
Unrestricted	881,648	328,625	1,210,273
Total Net Position	$ 881,648	$ 328,625	$ 1,210,273

See independent auditor's report.

City of Brunswick, Georgia
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2014

	Group Health Fund	Workers' Compensation Fund	Total
OPERATING REVENUES			
Contributions			
Employer	$ 1,274,000	$ 285,000	$ 1,559,000
Employee	296,465	-	296,465
Reimbursements	210,702	447,645	658,347
Total Operating Revenues	1,781,167	732,645	2,513,812
OPERATING EXPENSES			
Contractual and administrative expenses			
Contractual	295,629	-	295,629
Claims	1,353,744	552,520	1,906,264
Total Operating Expenses	1,649,373	552,520	2,201,893
Operating Income (Loss)	131,794	180,125	311,919
Change In Net Position	131,794	180,125	311,919
Net Position, Beginning of Year	749,854	148,500	898,354
Net Position, End of Year	$ 881,648	$ 328,625	$ 1,210,273

See independent auditor's report.

City of Brunswick, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2014

	Group Health Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts for services and reimbursements	$ 1,762,876	$ 461,039	$ 2,223,915
Payments for claims	(1,319,698)	(479,907)	(1,799,605)
Payments for other expenses	(295,630)	-	(295,630)
Net Cash Provided (Used) By Operating Activities	147,548	(18,868)	128,680
Net Increase (Decrease) In Cash and Cash Equivalents	147,548	(18,868)	128,680
Cash and Cash Equivalents, Beginning of Year	498,654	19,431	518,085
Cash and Cash Equivalents, End of Year	$ 646,202	$ 563	$ 646,765
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ 131,794	$ 180,125	$ 311,919
Adjustments to reconcile operating by operating activities			
(Increase) decrease in assets			
Claims Reimbursement Receivable	(18,292)	(304,546)	(322,838)
Due from Other Funds	-	32,940	32,940
Increase (decrease) in liabilities			
Claims Payable	34,046	72,613	106,659
Net Cash Provided (Used) By Operating Activities	$ 147,548	$ (18,868)	$ 128,680

See independent auditor's report.

City of Brunswick, Georgia
SPLOST V Capital Projects Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local option sales tax - intergovernmental	$ 14,757	$ 14,757	$ 14,757	$ -
Investment earnings and interest	1,428	1,428	1,428	-
Total Revenues	16,185	16,185	16,185	-
EXPENDITURES				
Public safety	341,102	341,102	341,102	-
Public works	1,744,946	1,744,946	1,744,946	-
Culture and recreation	494,789	494,789	494,789	-
Cemetery	6,622	6,622	6,622	
Debt-service				
Principal	493,619	493,619	493,619	-
Interest	3,587	3,587	3,587	-
	3,084,665	3,084,665	3,084,665	-
Excess (Deficiency) of Revenues Over Expenditures	(3,068,480)	(3,068,480)	(3,068,480)	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
Prior year resources	3,068,480	3,068,480	-	(3,068,480)
Net Change in Fund Balance	-	-	(3,068,480)	(3,068,480)
Fund Balance (Deficit), Beginning of Year	3,280,419	3,441,019	6,819,904	3,378,885
Fund Balance (Deficit), End of Year	$ 3,280,419	$ 3,441,019	$ 3,751,424	$ 310,405

See independent auditor's report.

City of Brunswick, Georgia
Roosevelt Harris Center Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Program fees/revenues	$ 49,400	$ 26,978	$ 26,978	$ -
Grant revenues	77,913	120,788	120,788	-
Contributions and donations	-	-	-	-
Total Revenues	127,313	147,766	147,766	-
EXPENDITURES				
Multi-Purpose				
Program administration	338,458	346,946	346,946	-
Total Expenditures	338,458	346,946	346,946	-
Excess (Deficiency) of Revenues Over Expenditures	(211,145)	(199,180)	(199,180)	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	211,145	200,000	200,000	-
Prior year resources	-	(820)	-	820
Net Change in Fund Balance	-	-	820	820
Fund Balance (deficit), Beginning of Year	(336,857)	(364,716)	(148,685)	216,031
Fund Balance (deficit), End of Year	$ (336,857)	$ (364,716)	$ (147,865)	$ 216,851

See independent auditor's report.

City of Brunswick, Georgia
Police Seizure Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Grant revenues/seizure funds	$ 104,381	$ 104,381	$ 104,381	$ -
Total Revenues	104,381	104,381	104,381	-
EXPENDITURES				
Public safety	98,237	98,237	98,237	-
Total Expenditures	98,237	98,237	98,237	-
Excess (Deficiency) of Revenues Over Expenditures	6,144	6,144	6,144	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
Prior year resources	(6,144)	(6,144)	-	6,144
Net Change in Fund Balance	-	-	6,144	6,144
Fund Balance, Beginning of Year	-	-	43,395	43,395
Fund Balance, End of Year	$ -	$ -	$ 49,539	$ 49,539

See independent auditor's report.

City of Brunswick, Georgia
E911 Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Public Safety	$ 340,406	$ 390,275	$ 390,275	$ -
Total Expenditures	340,406	390,275	390,275	-
Excess (Deficiency) of Revenues Over Expenditures	(340,406)	(390,275)	(390,275)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	340,406	390,275	390,275	-
Net Change in Fund Balance	-	-	-	-
Fund Balance (deficit), Beginning of Year	1,100	29,854	-	(29,854)
Fund Balance (deficit), End of Year	$ 1,100	$ 29,854	$ -	$ (29,854)

See independent auditor's report.

City of Brunswick, Georgia
DOT TE-21
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Grant revenues	$ 137,109	$ 137,109	$ 137,109	$ -
Total Revenues	137,109	137,109	137,109	-
EXPENDITURES				
Community Development	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	137,109	137,109	137,109	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(137,109)	(137,109)	(137,109)	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	(126,412)	-	126,412
Fund Balance, End of Year	$ -	$ (126,412)	$ -	$ 126,412

See independent auditor's report.

City of Brunswick, Georgia
City Pier Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Program fees/revenues	$ 26,699	$ 23,233	$ 23,233	$ -
Total Revenues	26,699	23,233	23,233	-
EXPENDITURES				
Community Development	55,445	-	-	-
Total Expenditures	55,445	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	(28,746)	23,233	23,233	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
Prior year resources	28,746	(23,233)	-	23,233
Net Change in Fund Balance	-	-	23,233	23,233
Fund Balance (deficit), Beginning of Year	2,645	2,645	(33,341)	(35,986)
Fund Balance (deficit), End of Year	$ 2,645	$ 2,645	$ (10,108)	$ (12,753)

See independent auditor's report.

City of Brunswick, Georgia
Hotel - Motel Tax Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Hotel/Motel Tax	$ 8,328	$ 8,328	$ 8,328	$ -
Total Revenues	8,328	8,328	8,328	-
EXPENDITURES				
Community Development	5,391	5,391	5,391	-
Total Expenditures	5,391	5,391	5,391	-
Excess (Deficiency) of Revenues Over Expenditures	2,937	2,937	2,937	-
Prior year resources	(2,937)	(2,937)	-	2,937
Net Change in Fund Balance	-	-	2,937	2,937
Fund Balance, Beginning of Year	-	-	4,135	4,135
Fund Balance, End of Year	$ -	$ -	$ 7,072	$ 7,072

See independent auditor's report.

ADDITIONAL SCHEDULES

City of Brunswick, Georgia
Schedule of Projects Constructed
With Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended June 30, 2014

Project Number	Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		
				Prior Years	Current Year	Total
	SPLOST III					
501	College Park	$ 400,000	$ 400,000	$ 339,501	$ -	$ 339,501
502	Kaiser Street	370,000	370,000	7,651	-	7,651
503	L Street	340,000	340,000	544,380	-	544,380
504	Lanier Blvd. at 5th Ave.	240,000	240,000	393,563	-	393,563
505	Magnolia Park	350,000	350,000	388,806	-	388,806
506	Riverside Drive	250,000	250,000	1,064,801	-	1,064,801
507	Wildwood Drive	350,000	350,000	588	-	588
508	Union Street, F to G Street	350,000	350,000	216,457	-	216,457
509	Albany Street	200,000	200,000	97,408	-	97,408
510	Miscellaneous Small Road Drainage	950,000	950,000	1,138,995	-	1,138,995
601	Multipurpose Community Center	1,000,000	1,000,000	1,297,825	-	1,297,825
602	Three Athletic Fields	400,000	400,000	423,343	-	423,343
603	New Playground Equipment	150,000	150,000	158,149	-	158,149
604	Renovation of Howard Coffin Park	150,000	150,000	396,152	-	396,152
701	Upgrade Academy Creek Wastewater Plant	1,800,000	1,800,000	2,333,587	-	2,333,587
702	South end Sanitary Sewer Improvements	600,000	600,000	1,039,308	-	1,039,308
703	Newcastle Street Sewer Improvement	440,000	440,000	620,367	-	620,367
704	K Street Sewer Improvement	400,000	400,000	84,045	-	84,045
705	Replace Pump Station #13	100,000	100,000	106,227	-	106,227
706	Replace Pump Station #10	35,000	35,000	-	-	-
707	Repair Pump Station #6	100,000	100,000	293,878	-	293,878
708	Replace Pump Station #19	465,000	465,000	375	-	375
709	Sewer Line Rehabilitation	1,000,000	1,000,000	60,832	-	60,832
710	Repair Pump Station #28	80,000	80,000	125,609	-	125,609
711	Repair Pump Station #48	80,000	80,000	105,253	-	105,253
712	Extension of Water Lines	500,000	500,000	1,030,303	-	1,030,303
713	Overhead Storage Tank I-95/US-341	500,000	500,000	786,633	-	786,633
801	MLK Blvd Utility Relocation/Right of Way	360,000	360,000	93,644	-	93,644
802	I-95 / U.S. 341 Utility Relocation	390,000	390,000	29,225	-	29,225
803	U.S. 17 Utility Relocation	500,000	500,000	1,808,221	-	1,808,221
901	Repair/Replace/Construct Sidewalks	750,000	750,000	569,056	-	569,056
902	Miscellaneous Paving	-	-	90,009	-	90,009
1001	Osborne Street	200,000	200,000	67,676	-	67,676
1201	Construct/Equip Fire Station	560,000	560,000	623,389	-	623,389
1401	Restore Old City Hall	2,500,000	2,500,000	2,831,595	-	2,831,595
1402	Renovate New City Hall	1,700,000	1,700,000	2,346,202	-	2,346,202
1403	Repair Police Station	640,000	640,000	684,930	-	684,930
	SPLOST IV - Tier I					
601	Sanitary Sewer - K Street	4,650,000	7,650,000	7,115,389	-	7,115,389
602	15" Gravity Sewer - Dixville	2,425,000	2,425,000	1,339,263	-	1,339,263
603	Sludge Dryer	1,750,000	1,750,000	925,955	-	925,955
604	30" Gravity Sewer	535,000	535,000	322,322	-	322,322
605	Gravity Sewer - FLETC	2,000,000	2,000,000	496,944	-	496,944
606	ARCO 12" Water Main	400,000	400,000	155,186	-	155,186
607	Storm Drain - Albany/Howe Street	1,500,000	1,500,000	1,851,138	-	1,851,138
608	City Halls	800,000	800,000	1,032,635	-	1,032,635
608	City Halls	-		13,384	-	13,384

(continued)

City of Brunswick, Georgia
Schedule of Projects Constructed
With Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended June 30, 2014

Project Number	Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		
				Prior Years	Current Year	Total
	SPLOST IV - Tier II/III					
609	Roosevelt Harris Center Upgrade	175,000	175,000	199,195	-	199,195
706	Ritz Theater	1,700,000	1,700,000	134,470	-	134,470
701	Oglethorpe Study	-	78,000	23,471	-	23,471
	Sanitary Sewer - K Street	3,000,000	-	-	-	-
704	Water Reclamation Project	1,410,000	1,410,000	1,026,171	-	1,026,171
705	Storm Drain - N Street	1,750,000	1,920,859	1,725,110	-	1,725,110
703	Public Safety Complex	750,000	750,000	641,414	-	641,414
702	Public Works Complex	3,750,000	3,671,145	2,007,138	-	2,007,138
	Water/Wastewater Complex	1,500,000	-	-	-	-
	Sidewalks	85,000	85,000	-	-	-
	Street Paving	190,000	190,000	-	-	-
	SPLOST V					
N/A	Public Safety Complex	1,750,000	1,748,459	721,730	-	721,730
N/A	Public Works Complex	400,000	48,516	-	-	-
N/A	Fire Truck and vehicles	610,000	620,415	620,415	33,922	654,337
N/A	Police Cars	596,918	273,688	-	273,688	273,688
N/A	Contengencies	4,162	-	-	-	-
N/A	Roosevelt Harris Center	100,000	100,000	2,029	509	2,538
N/A	Cemeteries	100,000	100,000	80,978	6,622	87,600
N/A	Aquatics - Site Improvements	1,322,087	1,322,087	394,919	497,206	892,125
N/A	City Hall Improvements	150,000	150,000	-	-	-
N/A	Recreation - Parks	375,000	375,000	-	-	-
N/A	Neighborhoods & Community Service	-	117,963	51,223	66,740	117,963
N/A	Mary Ross Site Improvements	225,000	523,282	95,742	427,540	523,282
N/A	Oglethorpe Convention Center	1,500,000	1,500,000	-	-	-
N/A	Ritz Theater	180,000	180,000	-	-	-
N/A	Water/wastewater	250,000	250,000	-	76,292	76,292
N/A	Sidewalks and Streets	800,000	1,174,657	1,130,382	374,681	1,505,063
N/A	Storm Drainage and Infrastructure	7,925,000	7,774,759	5,613,007	1,327,465	6,940,472
		$ 63,858,167	$ 62,498,830	$ 49,917,593	$ 3,084,665	$ 53,002,258

See independent auditor's report.

(concluded)

STATISTICAL SECTION

Statistical Section
(Unaudited)

This part of the City'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 (Schedules 1-4)	79
These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time.	
Revenue Capacity (Schedules 5-12)	85
These schedules contain information to help the reader assess the City's most significant local revenue sources: the property tax and sales tax.	
Debt Capacity (Schedules 13-17)	93
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information (Schedules 18-19)	98
These schedules offer demographic and economic indicators that help the reader understand the environment within which the City's financial activities take place.	
Operating Information (Schedules 20-22)	100
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 Government provides and the activities it performs.	

For some schedules included in this section, a full ten years of data may not be available.

Sources: Unless otherwise noted, the information in these schedules is derived from the Audit Reports for the relevant year.

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Schedule 1
City of Brunswick, Georgia
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Invested in capital assets, net of related debt	$ 15,200,371	$ 13,861,722	$ 19,437,322	$ 21,725,262	$ 26,845,769	$ 27,016,563	$ 27,318,226	$ 33,105,685	$ 36,800,082	$ 36,800,082
Restricted	8,098,808	15,663,082	5,558,654	4,032,407	1,845,220	4,445,427	4,400,038	11,406,938	7,848,893	4,571,821
Unrestricted	4,417,215	7,192,269	9,373,120	4,635,498	2,684,827	2,093,399	9,917,800	1,875,040	5,008,535	4,753,180
Total governmental activities net position	$ 27,716,394	$ 36,717,073	$ 34,369,096	$ 30,393,167	$ 31,375,816	$ 33,555,389	$ 41,636,064	$ 46,387,663	$ 49,657,510	$ 46,125,083
Business-type activities										
Invested in capital assets, net of related debt	$ 18,531,367	$ 22,182,483	$ 31,709,237	$ 36,353,623	$ 151,658	$ 38,895	$ 60,136	$ 49,126	$ 99,336	$ 83,294
Restricted	3,748,592	3,917,571	5,854,538	-	-	-	-	-	-	-
Unrestricted	11,606,731	12,689,886	7,874,860	5,890,528	5,978,068	(286,087)	(431,700)	(474,177)	(373,338)	13,488
Total business-type activities net position	33,886,690	38,789,940	45,438,635	42,244,151	6,129,726	(247,192)	(371,564)	(425,051)	(274,002)	96,782
Primary government										
Net investment in capital assets	33,731,738	36,044,205	51,146,559	58,078,885	26,997,427	27,055,458	27,378,362	33,154,811	36,899,418	36,883,376
Restricted	11,847,400	19,580,653	11,413,192	4,032,407	1,845,220	4,445,427	4,400,038	11,406,938	7,848,893	4,571,821
Unrestricted	16,023,946	19,882,155	17,247,980	10,526,026	8,662,895	1,807,312	9,486,100	1,400,863	4,635,197	4,766,668
Total primary government net position	$ 61,603,084	$ 75,507,013	$ 79,807,731	$ 72,637,318	$ 37,505,542	$ 33,308,197	$ 41,264,500	$ 45,962,612	$ 49,383,508	$ 46,221,865

See independent auditor's report.

Schedule 2
City of Brunswick, Georgia
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities										
General government	$ 2,347,953	$ 4,302,707	$ 5,172,782	$ 7,312,099	$ 3,816,719	$ 3,081,465	$ 2,537,928	$ 3,123,919	$ 3,086,826	$ 3,184,920
Judicial	429,366	323,919	380,557	490,180	852,473	535,515	474,169	420,800	301,340	285,832
Public safety	6,711,914	6,167,935	6,623,487	7,065,253	8,676,124	8,092,528	7,758,165	7,467,780	7,720,009	8,091,480
Public works	5,586,177	1,038,353	620,740	1,646,292	3,207,038	2,749,412	2,945,394	2,737,629	2,915,374	2,701,352
Culture and recreation	941,223	953,079	1,009,864	1,079,520	1,418,458	1,318,444	1,126,943	1,093,144	881,828	785,803
Cemetery	355,418	346,524	310,824	285,453	325,185	332,905	403,142	178,401	206,992	221,183
Community Development	865,516	1,225,399	1,108,376	1,640,286	1,460,778	1,776,366	1,468,904	1,335,525	1,074,371	1,063,830
Economic Development - Component Unit	85,000	85,000	85,000	120,000	114,089	103,676	80,000	80,000	70,021	70,326
Interest on long-term debt	19,574	36,599	94,423	157,878	128,513	117,503	115,244	119,018	101,334	69,569
Total governmental activities expenses	17,342,141	14,479,515	15,406,053	19,796,961	19,999,377	18,107,814	16,909,889	16,556,216	16,358,095	16,474,295
Business-type activities										
Water and sewer	11,296,982	12,787,840	13,002,097	8,401,834	969,100	876,356	-	-	-	-
Sanitation	1,480,162	1,437,609	1,537,819	1,664,208	1,815,126	1,945,859	1,462,792	1,444,944	1,191,566	967,565
Total business-type activities expenses	12,777,144	14,225,449	14,539,916	10,066,042	2,784,226	2,822,215	1,462,792	1,444,944	1,191,566	967,565
Total primary government expenses	$ 30,119,285	$ 28,704,964	$ 29,945,969	$ 29,863,003	$ 22,783,603	$ 20,930,029	$ 18,372,681	$ 18,001,160	$ 17,549,661	$ 17,441,860
Program Revenues										
Governmental Activities										
Charges for services										
General government	$ 596,313	$ 194,334	$ 872,632	$ (331,530)	$ 207,280	$ (343,860)	$ 742,194	$ 929,819	709,044	1,057,308
Judicial	545,580	415,087	636,380	603,119	602,800	342,442	332,979	416,833	347,518	374,167
Public safety	-	-	-	-	-	21,289	21,052	17,401	26,597	-
Public works	-	-	-	-	-	25,849	25,676	25,646	27,783	-
Culture and recreation	21,293	26,112	56,911	50,374	53,710	90,784	108,079	97,697	39,279	-
Cemetery	-	-	-	-	-	92,730	95,340	119,320	150,785	-
Community Development	204,109	339,467	718,299	(543,015)	483,558	348,104	65,051	65,505	28,289	50,211
Operating grants and contributions	1,042,476	1,529,437	1,506,595	1,509,190	1,445,948	1,343,277	1,660,246	1,767,998	1,083,701	1,313,974
Capital grants and contributions	-	-	-	-	-	-	8,620,682	2,036,678	50,795	16,186
Total governmental activities program revenues	2,409,771	2,504,437	3,790,817	1,288,138	2,793,296	1,920,615	11,671,299	5,476,897	2,463,791	2,811,846
Business-type activities										
Charges for services										
Water and sewer	12,060,337	13,093,654	14,341,243	7,644,792	21,431	11	-	-	-	-
Sanitation	1,371,327	1,184,332	1,549,611	1,333,121	1,568,157	1,389,445	1,142,596	1,114,851	1,130,475	1,337,697
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	3,330,090	4,311,577	-	-	-	-	-	-	-	-
Total business-type activities program revenues	16,761,754	18,589,563	15,890,854	8,977,913	1,589,588	1,389,456	1,142,596	1,114,851	1,130,475	1,337,697
Total primary government program revenues	$ 19,171,525	$ 21,094,000	$ 19,681,671	$ 10,266,051	$ 4,382,884	$ 3,310,071	$ 12,813,895	$ 6,591,748	$ 3,594,266	$ 4,149,543

(continued)

Schedule 2
City of Brunswick, Georgia
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Net (Expense)/Revenue	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities	$ (14,932,370)	$ (11,975,078)	$ (11,615,236)	$ (18,508,823)	$ (17,206,081)	$ (16,187,199)	$ (5,238,590)	$ (11,079,319)	$ (13,894,304)	$ (13,662,449)
Business-type activities	654,520	4,364,114	1,350,938	(1,088,129)	(1,194,638)	(1,432,759)	(320,196)	(330,093)	(61,091)	370,132
Total primary government net expense	(14,277,850)	(7,610,964)	(10,264,298)	(19,596,952)	(18,400,719)	(17,619,958)	(5,558,786)	(11,409,412)	(13,955,395)	(13,292,317)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property taxes levied for general purposes	3,341,782	3,779,254	3,822,582	4,381,256	4,809,870	5,077,795	4,417,789	4,246,279	4,449,903	4,750,513
Franchise taxes	872,882	1,021,283	1,040,067	1,462,055	1,451,384	1,360,043	1,390,541	1,438,127	1,344,975	1,340,636
Local option sales tax	11,554,180	12,993,904	11,081,676	7,827,430	8,249,984	10,677,987	3,809,103	6,462,660	6,247,444	5,771,626
Selective sales and use tax	1,216,661	1,372,151	1,432,291	1,437,852	1,428,702	1,370,142	1,380,501	1,248,388	1,350,546	1,348,392
Hotel/Motel Tax	-	-	-	-	-	-	-	7,499	8,416	8,328
Restricted investment earnings	-	-	-	-	-	909	258	-	-	-
Unrestricted investment earnings	241,812	496,077	764,887	458,040	48,618	3,881	18,001	13,608	17,046	15,830
Miscellaneous	40,619	1,441,842	105,926	452,083	49,470	130,781	106,774	7,713	57,696	51,149
Gain on sale of capital assets	-	-	-	-	500,000	-	-	-	13,553	120,620
Special items	-	-	-	-	-	(253,434)	2,467,895	-	-	-
Payment from component unit	-	-	-	-	-	-	-	-	540,500	-
Transfers	(150,280)	(128,754)	(4,668,593)	(1,485,822)	(244,172)	(1,332)	(271,597)	(241,500)	(143,000)	-
Total governmental activities	17,117,656	20,975,757	13,578,836	14,532,894	16,293,856	18,366,772	13,319,265	13,182,774	13,887,079	13,407,094
Business-type activities										
Restricted investment earnings	256,831	410,382	629,164	608,706	237,930	282,991	-	-	-	-
Unrestricted investment earnings	-	-	-	-	830,408	55	24	-	-	-
Elimination of Water Fund net position balance	-	-	-	-	-	-	(84,447)	-	-	-
Miscellaneous	-	-	-	-	-	-	-	16,122	-	-
Gain on sale of capital assets	-	-	-	-	-	-	8,650	18,984	69,140	652
Special items	-	-	-	-	-	(5,228,537)	-	-	-	-
Transfer of water fund assets to Brunswick - Glynn County Joint Water & Sewer Commission	-	-	-	(4,200,883)	(45,229)	-	-	-	-	-
Transfers	150,280	128,754	4,668,593	1,485,822	244,172	1,332	271,597	241,500	143,000	-
Total business-type activities	407,111	539,136	5,297,757	(2,106,355)	1,267,281	(4,944,159)	195,824	276,606	212,140	652
Total primary government	$ 17,524,767	$ 21,514,893	$ 18,876,593	$ 12,426,539	$ 17,561,137	$ 13,422,613	$ 13,515,089	$ 13,459,380	$ 14,099,219	$ 13,407,746
Change in Net Position										
Governmental Activities	$ 2,185,286	$ 9,000,679	$ 1,963,600	$ (3,975,929)	$ (912,225)	$ 2,179,573	$ 8,080,675	$ 2,103,455	$ (7,225)	$ (255,355)
Business-type activities	1,061,631	4,903,250	6,648,695	(3,194,484)	72,643	(6,376,918)	(124,372)	(53,487)	151,049	370,784
Total primary government	$ 3,246,917	$ 13,903,929	$ 8,612,295	$ (7,170,413)	$ (839,582)	$ (4,197,345)	$ 7,956,303	$ 2,049,968	$ 143,824	$ 115,429

Note: The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. There was some insignificant activity recorded on the City's books in 2009.

See independent auditor's report.

(concluded)

Schedule 3
City of Brunswick, Georgia
Fund Balances. Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ 55,204	$ 51,113				
Unreserved	2,074,926	3,143,781	2,915,104	1,264,855	20,569	278,743				
Total general fund	$ 2,074,926	$ 3,143,781	$ 2,915,104	$ 1,264,855	$ 75,773	$ 329,856				
All Other Governmental Funds										
Reserved - completion of projects	$ 7,713,594	$ 8,198,728	$ 7,484,076	$ 3,996,637	$ 1,635,120	$ 4,343,609				
Reserved - public safety	95,242	142,132	163,710	35,770	154,896	50,727				
Reserved - perpetual care	289,972	300,083	341,161	-	-	-				
Unreserved, reported in:										
Special revenue funds	480,688	459,386	846,882	1,948,228	1,611,126	851,602				
Nonmajor special revenue funds	(86,836)	998,895	(140,025)	(32,753)	(18,230)	17,056				
Capital projects funds	-	-	-	-	-	-				
Total all other governmental funds	$ 8,492,660	$ 10,099,224	$ 8,695,804	$ 5,947,882	$ 3,382,912	$ 5,262,994				
General Fund										
Nonspendable							$ -	$ -	$ -	$ -
Restricted							5,724	-	-	-
Assigned							-	-	-	-
Unassigned							6,897	239,903	980,238	1,529,603
Total general fund							12,621	239,903	980,238	1,529,603
Community Development Fund										
Nonspendable							-	-	-	-
Restricted							1,697,396	960,681	981,459	626,673
Committed							-	-	-	-
Assigned							-	-	-	-
							1,697,396	960,681	981,459	626,673
Capital Project Funds										
Restricted							11,610,922	11,358,019	6,819,904	3,888,534
Committed							-	-	-	-
Assigned							-	-	-	-
							11,610,922	11,358,019	6,819,904	3,888,534
Other Nonmajor Governmental Funds										
Restricted							63,569	139,801	47,530	56,611
Committed							-	-	-	-
Assigned							-	-	-	-
Unassigned							(229,014)	(105,436)	(182,026)	(157,973)
							(165,445)	34,365	(134,496)	(101,362)
							$ 13,155,494	$ 12,592,968	$ 8,647,105	$ 5,943,448

Fund balance classifications were changed in 2011 as a result of the implementation of GASB 54.

See independent auditor's report.

Schedule 4
City of Brunswick, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
REVENUES										
Property taxes	$ 3,607,538	$ 3,779,254	$ 3,822,582	$ 4,356,558	$ 4,870,321	$ 4,802,245	$ 4,379,301	$ 4,206,413	$ 4,449,903	$ 4,633,705
Franchise taxes	948,113	1,021,283	1,040,067	1,462,055	1,451,384	1,360,043	1,390,541	1,438,127	1,344,975	1,340,636
Local option sales tax	6,289,765	7,247,186	7,554,229	7,827,430	6,841,353	6,433,994	6,221,815	6,462,660	6,247,444	5,771,626
Selective sales and use taxes	1,164,954	1,342,097	1,411,094	1,437,852	1,411,131	1,378,334	1,373,224	1,248,388	1,350,546	1,348,392
Hotel/Motel Taxes	46,422	30,054	21,197	24,698	17,571	8,192	7,277	7,499	8,416	8,328
Licenses and permits	324,767	262,294	358,572	357,655	342,183	322,692	374,628	318,993	337,115	335,870
Fines, forfeitures and penalties	545,580	415,087	636,380	603,119	602,800	342,442	332,979	416,833	347,518	374,167
Intergovernmental revenues	5,819,516	6,684,901	4,132,411	712,574	1,864,132	4,704,740	8,981,997	2,303,089	236,159	370,031
Collections on loans	204,109	339,467	718,299	1,383,951	243,112	131,622	22,201	43,810	-	-
Grant revenues	217,181	591,254	901,631	796,616	902,168	904,799	1,313,728	1,458,423	737,129	927,958
Charges for services and assessments	261,522	243,895	297,473	287,447	337,002	441,577	459,758	484,759	539,937	436,177
Unrestricted investment earnings	241,812	482,493	744,864	449,821	47,046	3,710	57,333	29,982	28,537	17,259
Restricted investment earnings	-	-	-	-	-	909	258	-	-	-
Rental income	31,317	20,137	19,892	24,577	31,054	30,694	42,227	19,609	25,586	23,554
Contributions and donations from private sources	-	-	-	-	-	-	-	-	149,716	30,742
Miscellaneous and sale of property	104,306	831,175	105,926	452,083	646,500	130,511	137,785	34,486	71,274	171,770
Total Revenues	19,806,902	23,290,577	21,764,617	20,176,436	19,607,757	20,996,504	25,095,052	18,473,071	15,874,255	15,790,215
EXPENDITURES										
General government	2,416,604	2,974,212	3,286,462	4,127,572	3,947,204	2,981,666	2,847,904	1,930,277	2,709,762	2,680,557
Judicial	429,366	323,919	380,557	490,180	858,031	533,324	474,169	420,800	301,340	285,832
Public safety	6,462,538	6,523,249	6,899,945	7,735,049	8,330,174	7,922,940	7,395,846	7,207,413	7,330,732	7,780,553
Public works	1,992,702	1,330,200	1,270,396	2,632,052	2,821,400	2,563,397	2,211,647	2,155,264	2,192,159	1,991,747
Culture and recreation	857,699	1,050,045	1,065,941	1,178,175	1,227,760	1,181,342	955,295	910,201	705,733	566,711
Cemetery	351,379	342,062	319,604	365,219	362,266	313,050	390,645	179,721	196,483	233,001
Building inspection and planning	-	-	-	-	-	-	149,886	153,330	248,119	281,852
Community development	1,007,074	2,161,889	2,748,271	1,658,300	1,427,714	1,602,642	1,883,203	2,135,516	1,037,548	892,993
Economic development	85,000	85,000	85,000	120,000	114,089	103,676	80,000	80,000	70,021	70,326
Debt service:										
Principal	157,229	124,680	339,352	429,067	2,101,744	1,077,525	564,216	449,259	381,777	702,801
Interest	19,574	36,599	94,423	157,878	128,513	117,503	115,244	119,018	101,334	69,569
Capital outlay	6,963,122	7,422,278	4,083,460	4,649,921	1,798,742	1,032,371	1,392,756	3,072,298	4,981,671	3,185,344
Total Expenditures	20,742,287	22,374,133	20,573,411	23,543,413	23,117,637	19,429,436	18,460,811	18,813,097	20,256,679	18,741,286
Excess (Deficiency) of Revenues	(935,385)	916,444	1,191,206	(3,366,977)	(3,509,880)	1,567,068	6,634,241	(340,026)	(4,382,424)	(2,951,071)

(continued)

Schedule 4
City of Brunswick, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Excess (Deficiency) of Revenues from previous pag	$ (935,385)	$ 916,444	$ 1,191,206	$ (3,366,977)	$ (3,509,880)	$ 1,567,068	$ 6,634,241	$ (340,026)	$ (4,382,424)	$ (4,382,424)
Other Financing Sources (Uses)										
Capital Leases	-	1,887,726	1,944,099	1,564,628	-	1,369,412	-	19,000	39,061	247,414
Payment from component unit on property sale	-	-	-	-	-	-	-	-	540,500	-
Transfers in	358,625	419,861	1,310,263	2,262,683	2,881,174	1,499,833	343,116	774,646	686,929	777,663
Transfers (out)	(508,905)	(548,614)	(5,978,856)	(4,858,505)	(3,125,346)	(2,285,765)	(614,713)	(1,016,146)	(829,929)	(777,663)
Total other financing uses	(150,280)	1,758,973	(2,724,494)	(1,031,194)	(244,172)	583,480	(271,597)	(222,500)	436,561	247,414
Special Item										
Settlement of Cypress Mills Loan	-	-	-	-	-	-	1,200,000	-	-	-
Net change in fund balance	$ (1,085,665)	$ 2,675,417	$ (1,533,288)	$ (4,398,171)	$ (3,754,052)	$ 2,150,548	$ 7,562,644	$ (562,526)	$ (3,945,863)	$ (2,703,657)
Debt service as a percentage of noncapital expenditu	1.3%	1.1%	2.7%	3.2%	11.7%	6.9%	4.1%	3.7%	3.3%	5.2%

See independent auditor's report.

(concluded)

Schedule 5
City of Brunswick, Georgia
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function/Program										
General government	$ 1,201,672	$ 1,132,517	$ 1,477,596	$ 381,044	$ 396,395	$ (128,945)	$ 742,194	$ 3,023,448	$ 858,600	$ 1,459,510
Judicial	545,580	413,087	636,380	603,119	602,800	342,442	332,979	416,833	347,518	374,167
Public safety	95,365	35,947	91,343	45,942	408,188	437,582	430,850	234,838	188,335	104,381
Public works	-	-	-	-	104,568	35,961	25,676	90,646	148,181	-
Culture and recreation	143,109	583,419	867,199	801,048	53,710	90,784	124,173	97,697	54,279	-
Cemetery	-	-	-	-	-	92,730	95,340	119,320	150,785	-
Community development	424,045	339,467	718,299	(543,015)	1,227,635	1,050,061	1,299,405	1,494,115	716,093	873,788
Subtotal governmental activities	2,409,771	2,504,437	3,790,817	1,288,138	2,793,296	1,920,615	3,050,617	5,476,897	2,463,791	2,811,846
Business-type activities										
Water and sewer	12,060,337	13,093,654	14,341,243	7,644,792	21,431	11	-	-	-	-
Sanitation	1,371,327	1,184,332	1,549,611	1,333,121	1,568,157	1,389,445	1,142,596	1,114,851	1,130,475	1,337,697
Subtotal business-type activities	13,431,664	14,277,986	15,890,854	8,977,913	1,589,588	1,389,456	1,142,596	1,114,851	1,130,475	1,337,697
Total primary government	$ 15,841,435	$ 16,782,423	$ 19,681,671	$ 10,266,051	$ 4,382,884	$ 3,310,071	$ 4,193,213	$ 6,591,748	$ 3,594,266	$ 4,149,543

Note: The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. There was some insignificant activity recorded on the City's books in 2009.

See independent auditor's report.

Schedule 6
City of Brunswick, Georgia
Governmental Activities Tax Revenue by Source
(accrual basis of accounting)
Last Ten Fiscal Years

Fiscal Year	Property Tax	Franchise Taxes	General Sales Tax	Special Purpose Local Option Sales Tax (SPLOST)	Other Taxes	Total
2005	3,341,782	872,882	6,604,571	4,949,609	1,216,661	16,985,505
2006	3,779,254	1,021,283	7,247,186	5,746,718	1,372,151	19,166,592
2007	3,822,582	1,040,067	7,554,229	3,527,447	1,432,291	17,376,616
2008	4,381,256	1,462,055	7,827,430	-	1,437,852	15,108,593
2009	4,809,870	1,451,384	6,841,353	1,408,631	1,428,702	15,939,940
2010	5,077,795	1,360,043	6,433,994	4,243,993	1,370,142	18,485,967
2011	4,417,789	1,390,541	3,769,716	8,620,682	1,380,501	19,579,229
2012	4,246,279	1,438,127	6,462,660	2,020,304	1,255,887	15,423,257
2013	4,449,903	1,344,975	6,247,444	39,303	1,358,962	13,440,587
2014	4,750,513	1,340,636	5,771,626	14,757	1,356,720	13,234,252

See independent auditor's report.

Schedule 7
City of Brunswick, Georgia
Assessed Value and Actual Value of Taxable Property
Last Ten Calendar Years

Calendar Year Ended December 31	Real and Personal Property	Motor Vehicles	Mobile Homes	Public Utilities	Timber	Heavy Equipment	(enter as negative number) Less Exempt Property	Total Assessed Value	Total Net Taxable Assessed Value	Total Direct Tax Rate (2)	Assessed Value as a Percentage of Actual Value
2004	692,350,545	57,405,200	105,845	31,432,070	-	9,793	(57,549,738)	723,753,715	289,501,486	12.250	40%
2005	760,832,205	51,969,225	96,970	31,360,988	25,838	-	(95,841,943)	748,443,283	299,377,313	12.250	40%
2006	817,874,628	62,275,350	98,010	33,031,148	-	-	(121,798,253)	791,480,883	316,592,353	12.250	40%
2007	1,053,530,440	70,257,050	126,575	35,881,945	-	-	(159,845,198)	999,950,812	399,980,325	12.250	40%
2008	1,114,209,645	57,678,425	172,300	33,660,160	-	19,835	(154,282,395)	1,051,457,970	420,583,188	12.250	40%
2009	1,094,881,965	60,136,000	170,600	35,460,165	-	34,470	(151,375,143)	1,039,308,057	415,723,223	12.250	40%
2010	977,528,655	51,619,000	140,500	30,156,813	-	-	(164,828,625)	894,616,343	357,846,537	12.250	40%
2011	936,471,835	53,070,775	342,500	30,669,180	-	-	(165,825,740)	854,728,550	341,891,420	12.719	40%
2012	910,062,360	51,085,550	136,200	34,744,883	-	-	(182,407,078)	813,621,915	325,448,766	12.719	40%
2013	900,495,060	54,545,675	135,700	36,588,903	-	-	(177,298,335)	814,467,003	325,786,801	12.719	40%

Source: City of Brunswick Tax Digest/Georgia Department of Revenue

Note (1) Property assessed at 40% of FMV under Georgia law.
(2) The direct tax rate is applied against the total net taxable assessed value to levy property taxes

See independent auditor's report.

Schedule 8
City of Brunswick, Georgia
Water and Wastewater Rates
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Water Rates										
Customers inside Corporate Limits										
Charge per Bill-Admin	N/A	2.15	2.15	2.15	2.15	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	3.85	3.85	3.85	3.85	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	2.03	2.03	2.03	2.03	N/A	N/A	N/A	N/A	N/A
Customers in unincorporated areas:										
Charge per Bill-Admin	N/A	3.23	2.15	2.15	N/A	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	5.78	3.85	3.85	N/A	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	3.05	2.03	2.03	N/A	-	N/A	N/A	N/A	N/A
Commercial customers in unincorporated areas:										
Charge per Bill-Admin	N/A	3.23	2.15	2.15	2.15	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	6.16	6.15	6.15	6.15	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	3.25	3.25	3.25	3.25	N/A	N/A	N/A	N/A	N/A
Wastewater Rates										
Customers inside Corporate Limits:										
Charge per Bill-Admin	N/A	2.41	2.41	2.41	2.41	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	4.93	4.93	4.93	4.93	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	3.56	3.56	3.56	3.56	N/A	N/A	N/A	N/A	N/A
Customers in unincorporated areas:										
Charge per Bill-Admin	N/A	3.62	2.41	2.41	N/A	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	7.40	7.89	4.93	N/A	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	5.34	3.56	3.56	N/A	N/A	N/A	N/A	N/A	N/A
Commercial customers in unincorporated areas:										
Charge per Bill-Admin	N/A	3.62	2.41	2.41	2.41	N/A	N/A	N/A	N/A	N/A
Charge per REU-Debt	N/A	7.89	7.89	7.89	7.89	N/A	N/A	N/A	N/A	N/A
Charge per thousand-O&M	N/A	5.70	3.56	3.56	3.56	N/A	N/A	N/A	N/A	N/A
BOD: charge per pound in excess of 200 mg/L:	N/A	0.59	0.59	0.59	0.39	N/A	N/A	N/A	N/A	N/A
TSS: charge per pound in excess of 200 mg/L:	N/A	0.38	0.38	0.38	0.26	N/A	N/A	N/A	N/A	N/A

N/A = Not Available or required to be presented.

Note: The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. There was some insignificant activity recorded on the City's books in 2009.

See independent auditor's report.

Schedule 9
City of Brunswick, Georgia
Principal Water/Wastewater Customers
Last Nine Fiscal Years

	2006			2007			2008			2009			2010	2011	2012	2013	2014
Customer	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	N/A	N/A	N/A	N/A	N/A
Water Customers																	
Federal Law Enforcement Training Center	$ 211,595	1	4.79%	$ 206,302	1	4.79%	$ 37,648	1	1.63%	$ 91,815	1	8.15%	N/A	N/A	N/A	N/A	N/A
Southeast Georgia Regional Medical Cente	94,104	2	2.13%	51,048	3	1.19%	20,126	2	0.87%	42,362	2	3.76%	N/A	N/A	N/A	N/A	N/A
City of Brunswick	-	-	-	-	-	-	-	-	-	19,755	3	1.75%	N/A	N/A	N/A	N/A	N/A
Southeast Georgia Regional Medical Cente	-	-	-	41,425	6	0.96%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Federal Law Enforcement Training Center	45,979	3	1.04%	73,150	2	1.70%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Glynn County Maintenance Department	40,279	4	0.91%	42,881	5	1.00%	12,338	3	0.53%	-	-	-	N/A	N/A	N/A	N/A	N/A
Ramada Inn	35,836	5	0.81%	-	-	-	3,844	8	0.16%	-	-	-	N/A	N/A	N/A	N/A	N/A
Sea Island Company	28,851	6	0.65%	35,483	8	0.82%	6,769	4	0.29%	4,485	6	0.40%	N/A	N/A	N/A	N/A	N/A
Days Inn	28,796	7	0.65%	-	-	-	3,940	7	0.17%	-	-	-	N/A	N/A	N/A	N/A	N/A
Lodgian , Inc. Site 1206	28,680	8	0.65%	38,769	7	0.90%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
			479%			12.70%			0.00%			8.15%	N/A	N/A	N/A	N/A	N/A
MTC=BWK Job Corps Center	28,307	9	0.64%	50,019	4	1.16%	5,768	5	-	8,182	4	0.73%	N/A	N/A	N/A	N/A	N/A
Westminster Club Apartments	16,763	10	0.38%	26,168	9	0.61%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Marine Port Terminal	-	-	-	23,855	10	-	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
LaQuinta Inns	-	-	-	-	-	-	5,611	6	0.24%	-	-	-	N/A	N/A	N/A	N/A	N/A
Whispering Pines	-	-	-	-	-	-	3,659	9	0.16%	6,721	5	0.60%	N/A	N/A	N/A	N/A	N/A
Davita Inc.	-	-	-	-	-	-	3,185	10	0.13%	-	-	-	N/A	N/A	N/A	N/A	N/A
Golden Isles Laundry	-	-	-	-	-	-	-	-	-	4,104	7	0.36%	N/A	N/A	N/A	N/A	N/A
College of Coastal Georgia	-	-	-	-	-	-	-	-	-	3,880	8	0.34%	N/A	N/A	N/A	N/A	N/A
Cracker Barrel #54	-	-	-	-	-	-	-	-	-	3,149	9	0.28%	N/A	N/A	N/A	N/A	N/A
Travel Lodge	-	-	-	-	-	-	-	-	-	3,033	10	0.27%	N/A	N/A	N/A	N/A	N/A
													N/A	N/A	N/A	N/A	N/A
Wastewater Customers													N/A	N/A	N/A	N/A	N/A
													N/A	N/A	N/A	N/A	N/A
Glynn County Utility Manager	298,446	1	3.91%	767,118	1	12.70%	107,433	1	2.86%	-	-	-	N/A	N/A	N/A	N/A	N/A
Pinova, Inc./Hercules, Inc.	-	-	-	-	-	-	34,247	2	0.91%	171,276	1	12.81%	N/A	N/A	N/A	N/A	N/A
Federal Law Enforcement Training Center	222,994	2	2.92%	225,774	2	3.74%	29,893	3	0.79%	85,417	2	6.39%	N/A	N/A	N/A	N/A	N/A
Southeast Georgia Regional Medical Cente	158,770	3	2.08%	78,564	4	1.30%	20,126	4	0.53%	41,113	3	3.07%	N/A	N/A	N/A	N/A	N/A
Rich Products Corp.	-	-	-	-	-	-	7,364	5	0.20%	38,760	4	2.90%	N/A	N/A	N/A	N/A	N/A
Glynn County Maintenance Department	67,954	4	0.89%	69,608	5	1.15%	-	-	0.00%	-	-	-	N/A	N/A	N/A	N/A	N/A
Sea Island Company	48,679	5	0.64%	58,689	7	0.97%	6,769	6	0.18%	4,485	9	0.34%	N/A	N/A	N/A	N/A	N/A
King & Prince Seafood	-	-	-	-	-	-	5,860	7	0.15%	28,776	5	2.15%	N/A	N/A	N/A	N/A	N/A
City of Brunswick	-	-	-	-	-	-	-	-	0.00%	17,725	6	1.33%	N/A	N/A	N/A	N/A	N/A
Federal Law Enforcement Training Center	47,311	6	0.62%	80,873	3	1.34%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Ramada Inn	37,771	7	0.49%	-	0	-	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Days Inn	30,359	8	0.40%	-	-	-	3,940	10	0.10%	-	-	-	N/A	N/A	N/A	N/A	N/A
Lodgian , Inc. Site 1206	30,230	9	0.40%	42,156	9	0.70%	-	-	0.00%	-	-	-	N/A	N/A	N/A	N/A	N/A
MTC=BWK Job Corps Center	29,820	10	0.39%	55,124	8	0.91%	5,768	8	0.15%	8,182	7	0.61%	N/A	N/A	N/A	N/A	N/A
Whispering Pines	-	-	-	-	-	0.00%	-	0	0.00%	6,721	8	0.50%	N/A	N/A	N/A	N/A	N/A
LaQuinta Inns	-	-	-	-	-	-	5,611	9	0.15%	-	-	-	N/A	N/A	N/A	N/A	N/A
Southeast Georgia Regional Medical Cente	-	-	-	67,959	6	1.13%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Westminster Club Apartments	-	-	-	41,191	10	0.68%	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Golden Isles Laundry	-	-	-	-	-	-	-	-	-	4,104	10	0.0031	N/A	N/A	N/A	N/A	N/A

Source: The City of Brunswick

N/A - The Water Fund was inactive during these years.

The information for the years 2004 and 2005 was not available.

Note: The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. There was some insignificant activity recorded on the City's books in 2009.

See independent auditor's report.

Schedule 10
City of Brunswick, Georgia
Direct and Overlapping Property Tax Rates (1)
Last Ten Calendar Years

Calendar Year	City of Brunswick	Overlapping Rates (2)					Total Direct & Overlapping Rates
		State	Glynn County M & O	Glynn County Bond	Glynn County School District M & O	Glynn County School District Bond	
2003	$ 12.864	$ 0.250	$ 5.897	$ -	$ 15.820	$ 0.680	$ 35.511
2004	12.250	0.250	5.897	-	15.809	0.673	34.879
2005	12.250	0.250	5.897	-	16.349	0.631	35.377
2006	12.250	0.250	5.860	-	15.656	0.574	34.590
2007	12.250	0.250	5.860	-	15.230	-	33.590
2008	12.250	0.250	5.673	-	15.230	-	33.403
2009	12.250	0.250	5.673	-	15.230	-	33.403
2010	12.250	0.250	5.673	-	15.230	-	33.403
2011	12.719	0.250	5.673	-	15.230	-	33.872
2012	12.719	0.200	5.673	-	16.230	-	34.822
2013	12.719	0.150	5.673	-	16.230	-	34.772

Source: Glynn County Tax Commissioner's Office and Georgia Department of Revenue

(1) Tax rates are per thousand dollars of assessed value.
(2) Overlapping rates are the rates of the local and county governments that apply to property owners within the City of Brunswick.

See independent auditor's report.

Schedule 11
City of Brunswick, Georgia
Principal Property Taxpayers
Current Year and Nine Years Ago

	2014			2005		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pinova, Inc.	$ 48,151,796	1	5.91%	$ 51,111,487	1	7.06%
King & Prince Seafood Corporation	33,063,140	2	4.06%	19,717,395	2	2.72%
Industrial Insulation Group	5,144,575	3	0.63%	5,990,204	3	0.83%
777 Gloucester LLC	3,215,904	4	0.39%	3,956,331	4	0.55%
Hercules, Inc.	2,738,515	5	0.34%	-		-
Glynn Iron & Metal, Inc.	2,406,427	6	0.30%	-		-
First Chatham Bank	2,112,465	7	0.26%	-		-
Lang Planning Mill, Inc.	1,824,556	8	0.22%	2,048,918	5	0.28%
Brunswick News Publishing Company, Inc.	1,612,620	9	0.20%	1,588,914	8	0.22%
Marshland Federal Credit Union	1,548,744	10	0.19%	1,723,225	7	0.24%
Atlantic National Bank	-		-	2,038,740	6	0.28%
Sears Manor, Inc.	-		-	1,282,785	9	0.18%
Sweat's Furniture, Inc.	-		-	1,229,145	10	0.17%

Source: Glynn County Board of Assessors

See independent auditor's report.

Schedule 12
City of Brunswick, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	3,546,393	2,804,901	79%	182,097	2,986,998	84%
2006	3,667,372	3,021,613	82%	98,304	3,119,917	85%
2007	3,878,256	3,148,474	81%	161,727	3,310,201	85%
2008	4,899,759	3,797,808	78%	345,423	4,143,231	85%
2009	5,152,144	4,258,470	83%	192,318	4,450,788	86%
2010	5,092,609	4,371,756	86%	260,026	4,631,782	91%
2011	4,383,620	3,813,236	87%	216,935	4,030,171	92%
2012	4,348,517	3,705,933	85%	159,754	3,865,687	89%
2013	4,139,383	3,502,292	85%	132,068	3,634,360	88%
2014	3,810,530	3,516,175	92%	-	3,516,175	92%

See independent auditor's report.

Schedule 13
City of Brunswick, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(accrual basis of accounting)

	Governmental Activities					Business-Type Activities				
Fiscal Year Ended June 30,	Capital Leases	Utility Construction Contract Settlement Payable	Housing Development Grant Settlement Agreement Payable	Grant Contract Settlement Agreement Payable	Notes Payable	Water/Sewer Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2004	$ 327,885	$ 559,437	$ 99,000	-	-	$ 19,225,000	-	$ 20,211,322	4.28%	1,299
2005	151,082	187,409	99,000	-	-	18,395,000	-	18,832,491	3.82%	1,202
2006	1,913,371	-	99,000	-	-	17,525,000	-	19,537,371	3.72%	1,228
2007	3,492,233	-	99,000	-	-	16,615,000	-	20,206,233	3.77%	1,269
2008	4,627,794	-	99,000	-	-	15,660,000	400,435	20,787,229	3.79%	1,283
2009	2,526,050	-	99,000	-	-	14,660,000	301,299	17,586,349	3.40%	1,077
2010	2,921,621	-	-	-	100,000	-	202,164	3,223,785	0.67%	210
2011	2,357,405	-	-	-	50,000	-	103,029	2,510,434	0.48%	162
2012	1,927,148	-	-	-	1,500,000	-	22,500	3,449,648	0.64%	221
2013	1,584,432	-	-	-	1,500,000	-	-	3,084,432	0.56%	195

Note: Details of the City's outstanding debt can be obtained from the notes to the basic financial statements.

(1) See Schedule 18, Demographics and Economic Statistics, for personal income and population statistics. Amounts are calculated from Schedule 18.

See independent auditor's report.

Schedule 14
City of Brunswick, Georgia
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Redevelopment Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2005	$ -	$ -	$ -	$ -	$ -
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-

Note: The City has no general bonded debt outstanding.

See independent auditor's report.

Schedule 15
City of Brunswick, Georgia
Direct and Overlapping Governmental Activities Debt

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	N/A	N/A	N/A

See independent auditor's report.

Schedule 16
City of Brunswick, Georgia
Legal Debt Margin Information
Last Ten Calendar Years
(accrual basis of accounting)

	Calendar Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	$ 72,375,372	$ 74,844,328	$ 79,148,088	$ 99,995,081	$ 105,145,797	$ 103,930,806	$ 89,461,634	$ 85,472,855	$ 81,362,192	$ 81,446,700
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 72,375,372	$ 74,844,328	$ 79,148,088	$ 99,995,081	$ 105,145,797	$ 103,930,806	$ 89,461,634	$ 85,472,855	$ 81,362,192	$ 81,446,700
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Under state law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

Legal Debt Margin Calculation for Calendar Year 2013

Assessed value	$ 814,467,003
Debt Limit (10% of net assessed value)	81,446,700
Total Net Debt Applicable to Limit	-
Legal Debt Margin	$ 81,446,700

See independent auditor's report.

Schedule 17
City of Brunswick, Georgia
Pledged - Revenue Coverage
Last Ten Fiscal Years
(accrual basis of accounting)

Water/Wastewater Revenue Bonds

Fiscal Year	Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 12,317,168	$ 10,503,624	$ 1,813,544	$ 830,000	$1,036,325	0.97
2006	13,093,645	11,728,891	1,364,754	870,000	999,490	0.73
2007	14,341,243	12,016,744	2,324,499	910,000	959,230	1.24
2008	7,644,792	7,473,917	170,875	955,000	915,545	0.09
2009	21,431	91,339	(69,908)	1,000,000	868,145	(0.04)
2010	11	21,569	(21,558)	1,055,000	586,155	(0.01)
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-

Note: The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. There was some insignificant activity recorded on the City's books in 2009 and 2010. The City paid the obligations of the revenue bonds until the bonds, related investment accounts and obligations were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission during the 2010 fiscal year.

Details regarding the Government's outstanding debt can be found in the Notes to the Basic Financial Statements. Operating revenues include all charges for services and other revenue. Operating expenses do not include interest, amortization or depreciation.

See independent auditor's report.

Schedule 18
City of Brunswick, Georgia
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	(1) & (2) Population	(1) Personal Income	(1) Per Capita Income	(3) Unemployment Rate		
2004	15,558	$ 471,905,256	$ 30,332	4.2%		
2005	15,670	492,774,490	31,447	4.6%		
2006	15,913	525,208,565	33,005	4.1%		
2007	15,924	536,336,244	33,681	3.9%		
2008	16,208	547,797,984	33,798	5.4%	(S)	S: Reflects adjustment to new state control totals.
2009	16,326	516,930,138	31,663	8.8%	(S)	S: Reflects adjustment to new state control totals.
2010	15,383	483,764,584	31,448	10.3%	(S)	S: Reflects adjustment to new state control totals.
2011	15,525	518,969,700	33,428	10.7%	(E)	E: Reflects revised inputs, re-estimation, and adjustment to new state control totals
2012	15,640	539,235,920	34,478	10.0%	(E)	E: Reflects revised inputs, re-estimation, and adjustment to new state control totals
2013	15,813	553,929,390	35,030	8.3%	(E)	E: Reflects revised inputs, re-estimation, and adjustment to new state control totals

(1) Source: U.S. Bureau of Economic Analysis: Regional Economic Accounts
(2) Source: U. S. Bureau of the Census, 1990 and 2000; 2005 American Community Survey
(3) Bureau of Labor Statistics

See independent auditor's report.

Schedule 19
City of Brunswick, Georgia
Principal Employers (Includes City of Brunswick and Glynn County)
For the Fiscal Years Ended June 30, 2014 and 2005

	2014			2005		
Employer	Number of Employees (1)	Rank	Percentage of Total City Employment (2)	Number of Employees (1)	Rank	Percentage of Total City Employment (2)
Federal Law Enforcement Training Center	2,333	1	6.59%	2,300	1	6.42%
Southeast GA Health System	2,300	2	6.50%	1,200	4	3.35%
Glynn County Board of Education	1,775	3	5.01%	1,700	3	4.75%
Sea Island Acquisition (formerly Sea Island Co.	1,650	4	4.66%	1,800	2	5.02%
Glynn County Board of Commissioners	875	5	2.47%	807	6	2.25%
Brunswick Cellulose, LLC (formerly GA Pacific)	600	6	1.70%	790	7	2.21%
Wal Mart Superstore	470	7	1.33%	570	9	1.59%
GSI Commerce	400	8	1.13%	-	-	
eBay Enterprise	400	9	1.13%	-	-	
King & Prince Seafood	375	10	1.06%	520	10	1.45%
Rich Products Corporation	-		-	725	5	2.02%
Jekyll Island Authority	-		-	850		2.37%
Total of Top Ten Employers	11,178		31.58%	11,262		31.43%
Total Employees	35,395			35,821		

(1) Source: Brunswick Golden Isles Chamber of Commerce
(2) Source: U.S. Bureau of Labor Statistics

See independent auditor's report.

Schedule 20
City of Brunswick, Georgia
Full-Time Equivalent City Government Employees By Function
Last Ten Fiscal Years

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Culture and Recreation	Cemetery	Community Development	Economic Development - Component Unit	Sanitation Department	Total
2005	25.00	2.00	120.00	123.00	31.40	10.00	4.00	-	15.00	330.40
2006	18.50	2.00	113.00	118.00	23.50	9.00	5.00	-	12.00	301.00
2007	33.50	2.00	133.00	130.00	37.50	10.00	10.00	-	26.00	382.00
2008	26.90	2.00	116.00	53.00	39.64	9.00	10.00	1.00	20.00	277.54
2009	24.40	2.00	122.00	51.00	34.68	8.00	9.00	1.00	20.00	272.08
2010	27.30	2.00	120.00	45.00	31.00	7.00	1.00	1.00	20.00	254.30
2011	16.90	2.00	110.00	38.00	18.30	2.00	2.00	1.00	17.00	207.20
2012	15.90	2.00	119.50	36.00	21.00	2.00	2.00	1.00	14.00	213.40
2013	16.90	2.00	110.50	33.00	15.20	4.00	2.00	4.00	-	187.60
2014	16.90	2.00	111.50	33.00	15.20	4.00	2.00	4.00	-	188.60

Sources : City Human Resources Department and Other Departments

See independent auditor's report.

Schedule 21
City of Brunswick, Georgia
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL GOVERNMENT										
Occupancy Permits Issued	N/A	N/A	N/A	N/A	105	123	140	139	99	123
Building Permits Issued	92	214	229	172	82	98	86	108	83	67
Plumbing Permits Issued	N/A	N/A	N/A	N/A	20	22	85	64	36	46
Electrical Permits Issued	N/A	N/A	N/A	N/A	126	225	140	115	103	204
Mechanical Permits Issued	N/A	N/A	N/A	N/A	14	17	28	19	17	25
Other Permits Issued	N/A	N/A	N/A	N/A	2	4	6	20	20	-
Inspections - Percentage of Plans Completed Within 10 Days										
Inspections - Percentage of Plans Completed in 24 Hours										
JUDICIAL										
Dockets Processed	5,636	6,512	6,127	5,455	5,222	4,020	3,971	4,203	3,577	3,970
PUBLIC SAFETY										
Police - Number of Arrests	N/A	1,863	2,007	1,994	1,430	1,105	1,006	1,121	950	1,237
Police - Jail Bookings	N/A	N/A	N/A	N/A	1,482	1,124	990	1,212	1,089	1,192
Police - Calls Received	35,786	37,682	37,435	41,790	61,940	55,790	42,904	42,700	53,081	55,264
Police - Narcotics Arrests	N/A	N/A	N/A	175	118	106	141	153	116	173
Police - Traffic Citations Total	3,295	3,198	2,780	2,693	2,764	2,555	5,194	4,142	3,769	3,961
Police - Traffic Citations - Moving	3,165	3,098	2,670	2,600	2,488	2,219	4,677	3,609	3,105	2,926
Police - Traffic Citations Non-moving	130	100	110	93	276	336	517	533	664	1,095
Fire - Calls Received	2,368	2,254	2,238	2,313	2,358	2,451	2,680	2,594	2,445	2,682
Fire - Inspection and Plan Reviews	19	6	234	345	208	691	971	402	159	80
E911 - Calls Received	N/A	N/A	N/A	N/A	N/A	44,534	47,536	47,658	56,432	58,665
PUBLIC WORKS										
Street Sweeping Frequency Per Year (miles per work day)	N/A	N/A	N/A	51.66	65.18	55.44	55.63	36.9	31.2	28
Ditches Maintained (Miles)	N/A	N/A	N/A	50.15	22.49	3.68	4.81	12.95	20.96	18.5
Feet of Storm Drains Cleaned and Maintained	N/A	17,423	20,366	10,876	12,724	11,299	14,097	11,616	22,263	19,500
SANITATION (note 1)										
Residential customers	N/A	N/A	N/A	N/A	N/A	4,028	3,722	3,482	3,626	4,395
Commercial customers	N/A	N/A	N/A	N/A	N/A	969	626	551	520	342
CULTURE & RECREATION										
Number of Days Various Facilities Rented	27	58	52	56	58	43	48	45	18	5
Number of Participants in Athletics	315	146	280	327	125	229	367	266	78	225
CEMETERY										
Number of New Grave Openings	144	141	156	188	179	189	150	113	129	149
COMMUNITY DEVELOPMENT										
Net Gain of New Downtown Businesses	15	35	35	25	9	14	17	17	18	27

Note (1) Residential and commercial sanitation service was outsourced in December 2012.
Prior to January 1, 2009 the City of Brunswick also provided water service to city residents. Billing for both services was combined on the same bill. Therefore, statistically comparable number are not available for the years 2004 - 2009.
The number of commercial customers has declined as the result of the City's current policy of not providing dumpst

N/A = Information not Available
Sources: Various City Departments

See independent auditor's report.

Schedule 22
City of Brunswick, Georgia
Capital Assets Statistics by Function
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PUBLIC SAFETY										
Police - Vehicles	65	65	64	64	62	61	58	55	60	80
Police - Stations/Substations	4	4	4	4	4	4	4	4	4	4
Police - Jails	2	2	2	2	2	2	2	2	2	2
Fire - Stations	5	4	4	4	4	4	4	5	5	5
Fire - Trucks and Other Vehicles	24	27	28	28	28	28	28	28	26	26
Traffic Signals										
PUBLIC WORKS										
Miles of Paved Roads Maintained	99.5	99.5	99.5	99.5	99.5	99.5	99.5	99.5	99.5	99.5
Miles of Unimproved Roads Maintained	76.7	76.7	76.7	76.7	76.7	76.7	76.7	76.7	76.7	76.7
SANITATION										
Collection Vehicles	N/A	11	11	12	12	11	11	12	9	9
CULTURE & RECREATION										
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Parks	28	28	28	28	28	28	28	28	28	28
Tennis Courts	11	11	11	11	11	11	11	11	11	11
Community Centers	2	2	2	2	2	2	2	2	2	2
Ball Fields	4	4	4	4	4	4	4	4	4	4
Camping Sites										
Golf Courses										
CEMETERY										
Cemeteries	3	3	3	3	3	3	3	3	3	3
Water (1)										
Water mains (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire hydrants	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storage capacity (gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater (1)										
Sanitary sewers (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Treatment capacity (gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Sources: Various City Departments

N/A = Information not Available

(1) Statistical information is no longer available for the Water/Wastewater Fund. The operations of the Water/Wastewater Fund were transferred to the Brunswick - Glynn County Joint Water & Sewer Commission on January 1, 2008. The historical data was also transferred. There was some insignificant activity recorded on the City's books in 2009.

See independent auditor's report.

COMPLIANCE SECTION

FH R&S

Fowler, Holley, Rambo & Stalvey, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS, CFP® · Carlton W. Holley, CPA · C. Wayne Rambo, CPA, CVA · Richard A. Stalvey, CPA

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INDEPENDENT AUDITOR'S REPORT

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about City of Brunswick, Georgia's compliance during the fiscal year ended June 30, 2014 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for City of Brunswick, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about City of Brunswick, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about City of Brunswick, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on City of Brunswick, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that City of Brunswick, Georgia complied with the aforementioned requirement during the fiscal year ended June 30, 2014 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

Fowler, Holley, Rambo & Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

Valdosta, Georgia
December 31, 2014

City of Brunswick
601 Gloucester Street
Brunswick, GA 31521

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended June 30, 2014

Line No.		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	_X_ Special Revenue Fund ____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.50	
3	Total revenue from exchange access facility subscribers:			$ -
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	_X_ Yes ____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	____ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	_X_ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ 1.50	
7	Total revenue from wireless telecommunications connection subscribers:			$ -
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ -
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -

City of Brunswick
601 Gloucester Street
Brunswick, GA 31521

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended June 30, 2014

Line No.		O.C.G.A. Reference:	
10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		$ -
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ -
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	_____		$ -
	_____		$ -
	_____		$ -
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$ -
14b	Purchase costs	46-5-134(f)(1)	$ -
14c	Maintenance costs	46-5-134(f)(1)	$ -
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$ -
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time _____ Part time _____		
16a	Salaries and wages	46-5-134(f)(3)	$ -
16b	Employee benefits	46-5-134(f)(3)	$ -

City of Brunswick
601 Gloucester Street
Brunswick, GA 31521

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended June 30, 2014

Line No.		O.C.G.A. Reference:	
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ -
18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ -
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	$ -
19a2	Purchase costs	46-5-134(f)(5)	$ -
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$ -
	_X_ Yes ____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$ -
20b	Purchase costs	46-5-134(f)(6)	$ -
20c	Maintenance costs	46-5-134(f)(6)	$ -
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$ -
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$ -
22b	Purchase costs	46-5-134(f)(8)	$ -
22c	Maintenance costs	46-5-134(f)(8)	$ -
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Glynn County Government - Shared Expenditures		$ 390,275
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 390,275

City of Brunswick
601 Gloucester Street
Brunswick, GA 31521

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended June 30, 2014

Line No.		O.C.G.A. Reference:	
25	Transfers From Other Funds (identify by fund)		
	General Fund		$ 390,275
			$
26	Transfers To Other Funds (identify by fund)		
			$ -
			$ -
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)		
			$ -
			$ -
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)		$ -
29	Fund Balance - Beginning of Year		$ -
30	Fund Balance - End of Year		$ -

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

_X___ Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official Cornell L Harvey Date 10/21/14

Print Name of Chief Elected Official Cornell Harvey

Title of Chief Elected Official Mayor

Signature of Chief Financial Officer Kathy D. Mills Date 10/21/14

Print Name of Chief Financial Officer Kathy D. Mills, CPA

See independent auditor's report.

SINGLE AUDIT

FH R&S
Fowler, Holley, Rambo & Stalvey, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS, CFP® · Carlton W. Holley, CPA · C. Wayne Rambo, CPA, CVA · Richard A. Stalvey, CPA

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

To the Honorable Mayor and Members of the City Commission
City of Brunswick, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Brunswick, Georgia, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Brunswick, Georgia's basic financial statements and have issued our report thereon dated December 31, 2014.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency as Item 14-01.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Brunswick, 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards.*

City of Brunswick, Georgia's Response to Findings

City of Brunswick, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Brunswick, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Fowler, Holley, Rambo & Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

Valdosta, Georgia
December 31, 2014

FH R&S

Fowler, Holley, Rambo & Stalvey, P.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Honorable Mayor and Commissioners
City of Brunswick, Georgia

Report on Compliance for Each Major Federal Program

We have audited City of Brunswick, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City of Brunswick, Georgia's major federal programs for the year ended June 30, 2014. City of Brunswick, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Brunswick, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Brunswick, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Brunswick, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Brunswick, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of City of Brunswick, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Brunswick, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Brunswick, Georgia's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Fowler, Holley, Rambo & Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

December 31, 2014

CITY OF BRUNSWICK, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014

A. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

1. The auditor's opinion on the City of Brunswick, Georgia's financial statement expresses an unmodified opinion.

2. A significant deficiency in internal control over financial reporting was disclosed during the audit of the financial statements.

3. The audit of the City of Brunswick, Georgia disclosed no instances of noncompliance which would be required to be reported in accordance with *Government Auditing Standards.*

4. No material weaknesses were identified.

FEDERAL AWARDS

5. No significant deficiencies in internal control over major programs were reported.

6. No material weaknesses in internal control over major programs were identified.

7. The auditor's report on compliance for the major federal award programs for the City of Brunswick, Georgia expresses an unmodified opinion. The audit disclosed no findings relating to major programs that are required to be reported under Section 510(a) of OMB Circular A-133.

8. The following programs were tested as major programs:

	CFDA Number	Amount
Community Dev Block Grants/Entitlement Grants	14.218	$ 420,693
Brownfields Assessment and Cleanup Agreements	66.818	$ 37,463

9. The threshold for distinguishing between Types A and B programs was $300,000.

10. The City of Brunswick, Georgia qualified as a low-risk auditee as defined by Section .530 of OMB Circular A-133.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

14-01 Segregation of Duties (Repeat violation No. 13-01 from June 30, 2013)

Criteria – Internal control systems are typically more effective when the number of employees is sufficient to create a proper separation of duties.

Condition - Due to the limited number of employees in some of the City's offices, including the Finance Department, there is not a proper separation of duties to create an effective system of internal control.

Effect – Transactions might not be processed in conformity with the internal control system of the City and, if material, the financial statements might not conform with generally accepted accounting principles and-or lack of compliance with applicable laws and regulations could occur. Further, failure to properly segregate duties between recording, distribution and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Cause – Overlapping of duties is occurring in the recording, distribution, and reconciliation of accounts internal control function.

Recommendation – While it may not be practical or economical to hire sufficient personnel in each department, we do recommend that the heads of each department be made aware of this condition, and that it is their responsibility to monitor the activities of their respective department and to properly account for all transactions of said department.

Views of Responsible Officials and Planned Corrective Action – Concur. While the City still does not have the resources to hire sufficient personnel to totally eliminate this finding, we do make a conscious effort each year to actively search for methods and procedures to minimize risks inherent in this finding. In the prior audit year, we were able to segregate the functions of cash receipts and reconciliation of applicable bank accounts. During the current reporting year, we have taken outlying departments (Police and Building Department) and brought them on the financial system software (New World Systems), which greatly enhances internal accounting controls over cash receipts. These departments were previously issuing hand written receipts for all cash received, and accounting entries were made by the Finance Department. Now, at the time the receipt is generated by the receipting department, the entries are automatically made to the appropriate general ledger accounts. City management is working on segregating duties as much as possible with limited personnel and resources. In cases where segregation of sensitive duties is not an option due to budget constraints, we are emphasizing to department managers the need for additional oversight on their part. The Finance Department is also exploring possibilities of shifting some duties in order to obtain more effective segregation of duties.

CITY OF BRUNSWICK, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014

C. NON-COMPLIANCE WITH LAWS AND REGULATIONS

The audit of the City of Brunswick, Georgia disclosed no instances of noncompliance.

D. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

The audit of the City of Brunswick, Georgia disclosed no findings or questioned costs relating to major federal award programs.

CITY OF BRUNSWICK, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR
FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS
Year Ended June 30, 2014

No matters were reported.

City of Brunswick, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Programs From:			
Coastal Georgia Regional Commission			
Aging Cluster:			
Special Programs for the Aging - Title III, Part B	93.044	2014-17	$ 19,015
Special Programs for the Aging - Title III, Part C 1	93.045	2014-17	37,546
Nutrition Services Incentive Program	93.053	2014-17	8,722
Subtotal Aging Cluster			65,283
Total-U.S. Department of Health and Human Services			65,283
U.S. Department of Justice Direct Programs			
Federal Seizure Equitable Sharing Through U.S. Department of Treasury	16.922	N/A	103,318
COPS Grant - 2011	16.710	2011-UM-WX-0048	69,354
Subtotal U.S. Department of Justice Direct Programs			172,672
U.S. Department of Justice Pass Through Programs From:			
Justice Assistance Cluster:			
JAG Grant - 2013	16.738	2013-DJ-BX-0655	24,279
Subtotal Justice Assistance Cluster			24,279
Total-U.S. Department of Justice			196,951
U.S. Department of Homeland Security Direct Programs			
Assistance to Firefighters - SAFER Grant - 2011	97.044	EMW-2011-FH-00158	97,378
Fire Prevention-FEMA Grant-2012	97.044	EMW-2012-FP-00516	84,303
Total-U.S. Department of Homeland Security			181,681
U.S. Department of Housing and Urban Development Direct Programs		B-13-MC-130010	
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-130010	420,693
Total U.S. Department of Housing and Urban Development			420,693
Environmental Protection Agency Direct Programs			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	N/A	37,463
Total-Environmental Protection Agency			37,463
Total			$ 902,071

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Brunswick, Georgia and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

See independent auditor's report.