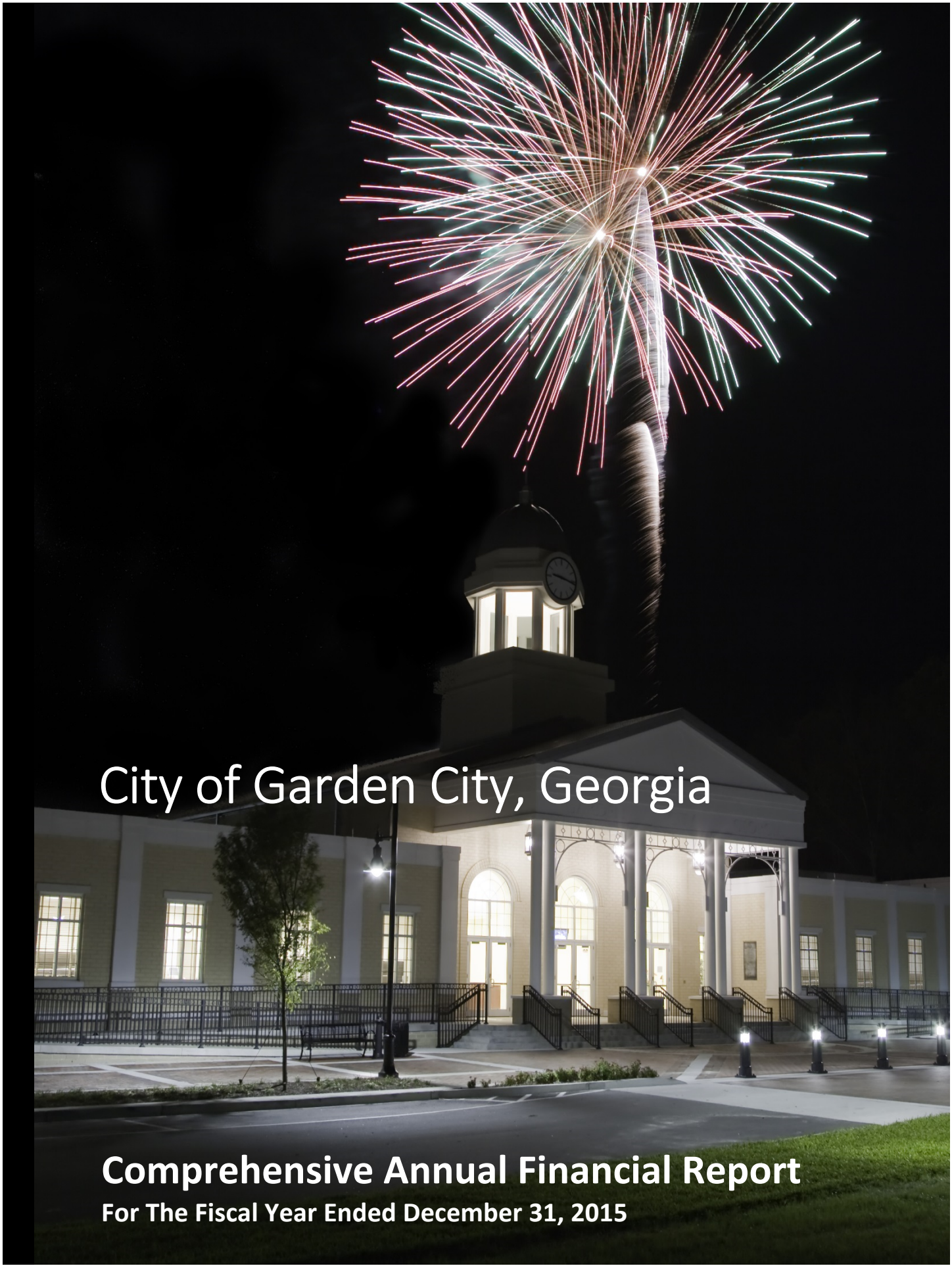
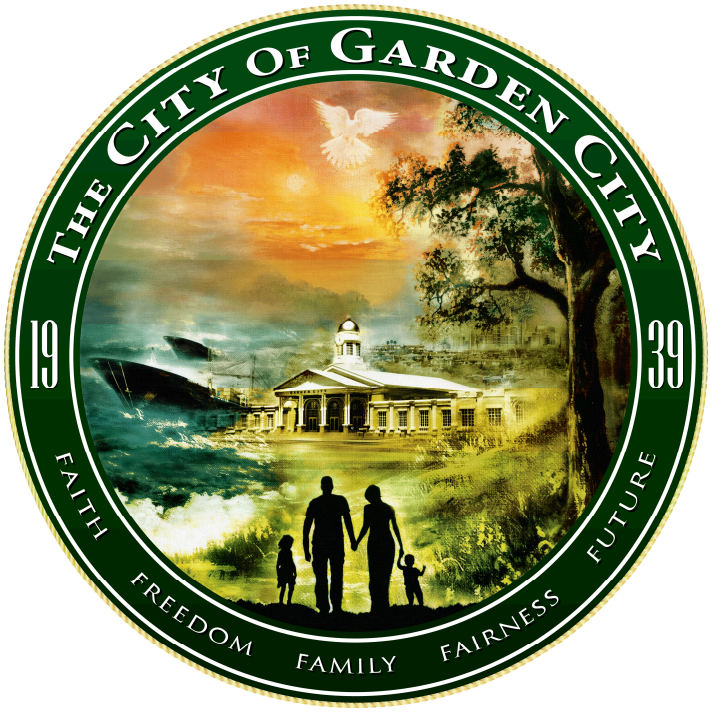


City of Garden City, Georgia

Comprehensive Annual Financial Report

For The Fiscal Year Ended December 31, 2015


THE CITY OF GARDEN CITY
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FUTURE

Comprehensive Annual Financial Report
Of The City of Garden City, Georgia
For The Fiscal Year Ended December 31, 2015

Prepared by the
Department of Finance

Mission

The employees of the Department of Finance are committed to providing quality service to all Citizens equitably, in a professional, responsive and caring manner.

Code of Ethics

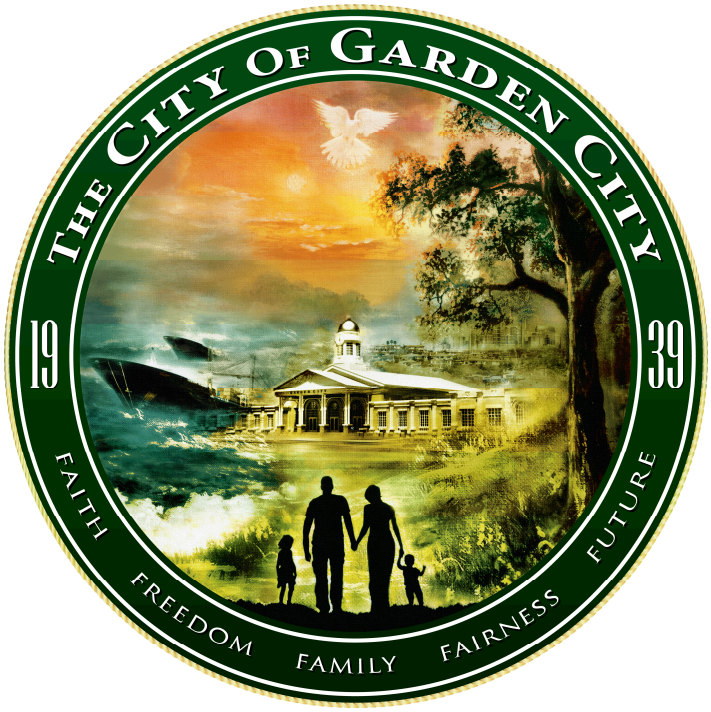
We, the employees of the Department of Finance, are committed to the highest standards of ethical conduct that reflect:
Responsibility, Honesty, Respect, Fairness, Compassion, Integrity, and Loyalty

Acknowledgments…

The preparation of this report has been accomplished by the efficient and dedicated services of the staff of the Department of Finance who have been assisted by the independent auditors, K RT, CPAs P.C. The contributions of all are invaluable and sincerely appreciated and clearly reflect the high standards which have been set by the City of Garden City.

It is also appropriate to thank the City Manager, Mayor and Members of City Council for making possible the excellent financial position of the City through their interest and support in planning and conducting the financial affairs of the City.

Please visit us at www.Gardencity-ga.gov.


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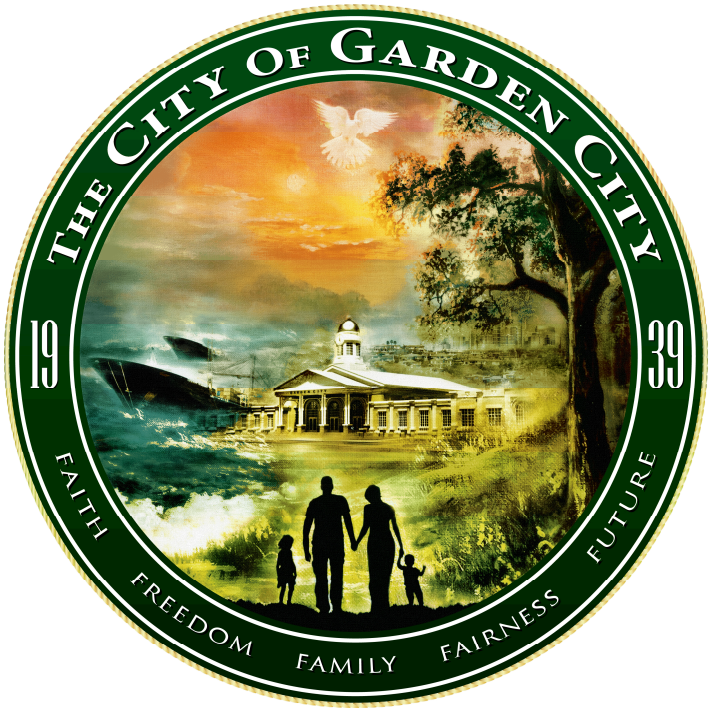
City of Garden City, Georgia
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION


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Mayor
DON BETHUNE

Members of Council
BRUCE A. CAMPBELL
ROSETTA BRYANT CODY
MARCIA C. DANIEL
BESSIE KICKLIGHTER
DEBBIE RUIZ
KIMBERLY WEXEL-TICE

City Manager
RONALD A. FELDNER

Clerk of Council / Finance Director
RHONDA FERRELL-BOWLES

City Attorney
JAMES P. GERARD

June 10, 2016

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Garden City, Georgia for the year ended December 31, 2015 to the Mayor, City Council and Citizens of Garden City. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to accurately present the financial position and results of the operation of the various funds and account groups within the City. All disclosures necessary to enable the reader to gain a full understanding of the City's financial activities have been included. This report also fulfills the state law to publish an annual audit within six months of the close of each fiscal year.

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

The City's primary government financial statements have been audited by KRT, CPAs P.C. They have issued an unqualified ("clean") opinion of the City's financial statements for the fiscal year ended December 31, 2015. The independent audit involved examination, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

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

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

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

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

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

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

ECONOMIC CONDITION AND OUTLOOK

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

MAJOR CAPITAL IMPROVEMENT INITIATIVES

The City understands the importance of maintaining and improving our public facilities and infrastructure to ensure efficient City government operation. During the 2015 budget process, the City launched its first ever comprehensive Capital Improvement Program (CIP) that encompasses all City Departments using a multi-year planning horizon. Highlighted below are major capital improvement projects completed by the City during fiscal year 2015 that carries forward the City's goal of capital maintenance, with projects that will upgrade, improve, and fix existing facilities and assets.

- **Dean Forest Road Widening Project:** In an effort to better facilitate traffic flow and to create a more attractive curb appeal for motorists, pedestrians and bicyclists, Dean Forest Road has been widened and now features a scenic landscaped boulevard and sidewalks extending south from Interstate 16. Under the oversight of Chatham County, the final phase of the project involving construction of intersection improvements at Ogeechee Road (Highway 17) was completed in mid-2015.

- **Traffic Signal Installation Chatham Parkway / Telfair Place Intersection Project:** In an effort to improve safety and alleviate traffic congestion on Chatham Parkway, a traffic signal has been installed at the road's intersection with Telfair Place. The final phase of the traffic signal installation was completed in late 2015, with the traffic signal going live in early 2016. This project was a joint project funded by the City of Garden City and the Georgia Department of Transportation.

- **Fire Station Renovations:** During the 2015 budget process, the City Council authorized renovation work for both Fire Station No. 1 and Fire Station No. 2. To minimize disruption, only one station was worked on at a time, so fire crews could be temporarily relocated during the renovation work. Renovations to Fire Station No. 1 (Main Street) were completed in late 2015. Renovations to Fire Station No. 2 (Highway 80) are well underway with final completion is set for mid-2016. These renovations provide for the modernization of both fire stations as well as provide for additional storage for new vehicles and equipment.

- **Water and Sewer System Improvements:** In 2013, the City embarked on a multi-year infrastructure replacement and upgrade capital improvement program for the City's water and sewer operations. A total re-investment of $4.6 million has been undertaken by the City involving several major projects throughout the City. The projects are being funded using a low interest loan secured from the Georgia Environmental Finance Authority (GEFA) and payment of the debt service will be via future water and sewer revenues. Some of the major projects completed in 2015 include: Wastewater Plant Belt Filter Press, Ronnie Ave/Azalea Ave/Pipkin Water Line Installations, Radio-Read Water Meter Installations, and Sanitary Sewer Line Rehabilitation in the historic area of Garden City.

LONG-TERM FINANCIAL PLANNING

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

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. We especially want to express our appreciation to Garden City Mayor and City Council members for their continued leadership and for maintaining the highest standards of professionalism in management of the City's finances for the year ending December 31, 2015.

Respectfully submitted,



Ronald Feldner, P.E.
City Manager
City of Garden City

CITY OF GARDEN CITY, GEORGIA

List of Principal City Officials
December 31, 2015

City Council

Don Bethune……Mayor

Bruce Campbell ……Mayor Pro-tem

Kimberly Tice…….. President of Council

Rosetta Cody…… Councilmember

Marcia Daniel…… Councilmember

Bessie Kicklighter…….. Councilmember

Debbie Ruiz…… Councilmember

Other Officials

Ron Feldner…….. City Manager

Rhonda Ferrell-Bowles…….. City Clerk

Rhonda Ferrell-Bowles…….. Director of Finance

Pamela Franklin…….. Director of Human Resources

Ben Brengman…… Director of Information Technology

Ron Alexander…… Director of Planning & Zoning

Benny Googe…… Director of Public Works

Cliff Ducey…… Director of Parks & Recreation

David Lyons…….. Chief of Police

Blake Hodge…….. Chief of Fire

Jim Gerard…… City Attorney

City of Garden City, Georgia
2015 Organizational Chart

Citizens/Customers of Garden City

Citizen Advisory Boards & Commissions
- Planning Commission & Board of Zoning Appeals
- Garden City Convention & Visitors Bureau
- Garden City Housing Team
- Beautification Committee

City Council
(Elected Officials)
Don Bethune, Mayor
Bruce Campbell, Mayor Pro-tem
Kimberly Tice, President of Council
Rosetta Cody
Marcia Daniel
Bessie Kicklighter
Debbie Ruiz

Appointed Officials
- **City Attorney**
  James P. Gerard
- **Judge**
  Tom Edenfield

City Manager
Ronald A. Feldner

General Government Services
- Legislative Services
- Executive Services

Administrative Services
- Fiscal Services
- Human Resources
- IT Services

Community Planning & Development
- Administration
- Planning Services
- Development
- Permit Services
- Code Enforcement

Parks & Recreation
- Administration
- Park Maintenance
- Facility Operations
- Sports Programs
- Youth Programs
- Senior Programs

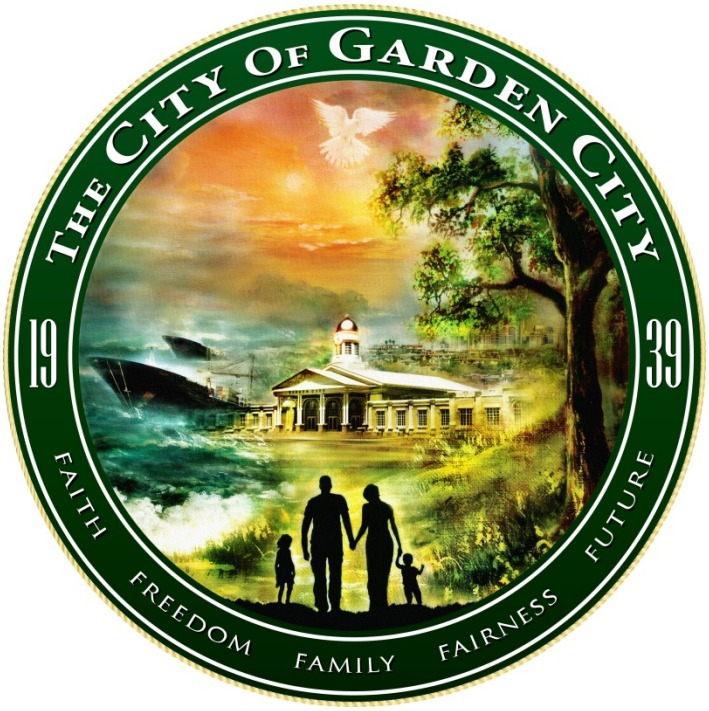
Police
- Court Services
- Administrative
- Policing Services

Fire
- Administrative
- Fire Operations
- Fire Prevention
- Emergency Management

Public Works
- Streets & ROW Maintenance
- Stormwater Management
- Fleet Maintenance

Water Operations
- Wastewater Treatment
- Water Treatment
- W/S Distribution, Billing & Repair

FINANCIAL SECTION


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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden City, Georgia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Garden City, Georgia, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

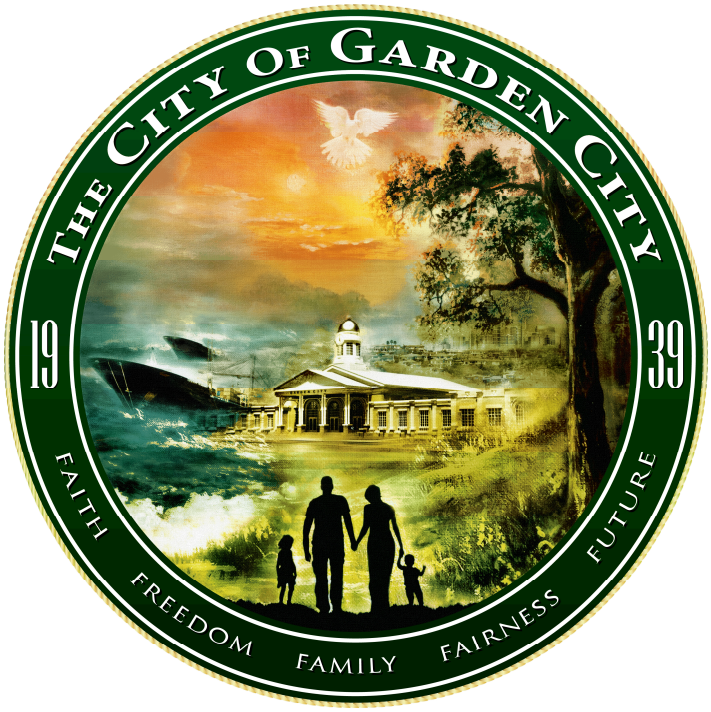
The information identified in the table of contents as the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2016 on our consideration of the City of Garden City, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Garden City, Georgia's internal control over financial reporting and compliance.

KRT, CPAs P.C.

KRT, CPAs P.C.
Savannah, Georgia
June 10, 2016


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As management of the City of Garden City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Garden City, Georgia for the fiscal year ended December 31, 2015. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The City's total net position on a government-wide basis, at the close of fiscal year 2015 was $31,879,472 (net position). Of this amount, $8,641,189 (unrestricted net position) is available to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $2,195,453 from the prior year. The governmental net position increased by $1,345,052 and business-type net position increased by $850,401.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $6,641,438, an increase of $1,200,102 from the prior year. The general fund reported an increase in fund balance of $717,436, and the other governmental funds reported an increase of $106,601. The increase in the General Fund balance is mainly the result of the City's collection of property tax revenue in fiscal year 2015.
- Unassigned fund balance for the general fund was $3,022,728 or 41% of the total general fund operating expenditures. The City has $2,184,982 in committed fund balance for emergencies.

Overview of the Financial Statements

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

Government-wide Statements

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

The two government-wide statements report the City's net position and how they have changed. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the City's overall health, the reader needs to consider additional nonfinancial factors such as the condition of the City's capital assets.

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

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

Fund Financial Statements

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

The City has two kinds of funds:

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

Financial Overview

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Garden City, Georgia, assets exceeded liabilities by $31.8 million at the close of the most recent fiscal period. Governmental activities comprise $18.3 million, and business-type activities make up $13.5 million of the total net position. In a condensed format, the table below shows a comparison of the net position as of the current date to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2013
Current assets	$ 7,993,373	$ 6,593,098	$ 4,260,357	$ 3,253,731	$ 12,253,730	$ 9,846,829
Capital assets	19,560,919	19,500,517	18,685,411	15,915,953	38,246,330	35,416,470
Total assets	27,554,292	26,093,615	22,945,768	19,169,684	50,500,060	45,263,299
Deferred outflows	303,465	260,200	140,908	120,822	444,373	381,022
Current liabilities	559,519	438,370	754,737	635,831	1,314,256	1,074,201
Long-term liabilities	8,912,816	8,941,257	8,740,981	5,944,844	17,653,797	14,886,101
Total liabilities	9,472,335	9,379,627	9,495,718	6,580,675	18,968,053	15,960,302
Deferred inflows	66,182	-	30,726	-	96,908	-
Net position:						
Net investment in capital assets	11,798,120	11,695,771	10,461,769	10,498,921	22,259,889	22,194,692
Restricted	978,394	576,674	-	-	978,394	576,674
Unrestricted	5,542,726	4,701,743	3,098,463	2,210,910	8,641,189	6,912,653
Total net position	$ 18,319,240	$ 16,974,188	$ 13,560,232	$ 12,709,831	$ 31,879,472	$ 29,684,019

The largest portion of the City's net position (70%) represents its investment in capital assets such as land, buildings, infrastructure, and equipment, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City has unrestricted net position totaling $8,641,189 or 27% of total net position, which may be used to meet the City's ongoing obligations to citizens and creditors.

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

The total net position increased by $2,195,453 or 7.39% from the prior year. Governmental activities net position increased by $1,345,052 or 7.92%, while business-type activities' net position increased by $850,401 or 6.69%

Changes in Net Position

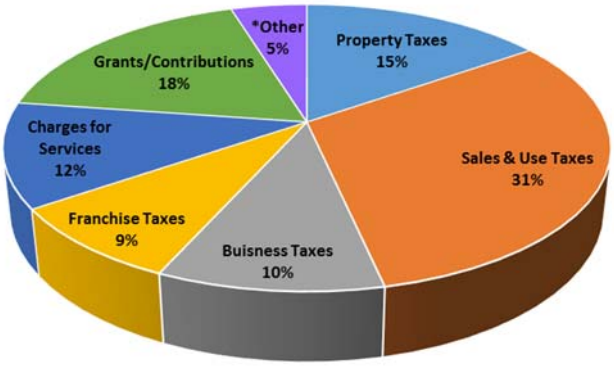
The following table shows the changes in net position for 2015:

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenue						
Program revenue:						
Charges for services	$ 1,158,966	$ 1,081,102	$ 5,442,920	$ 5,224,169	$ 6,601,886	$ 6,305,271
Operating grants and contributions	177,904	164,947	524,050	39,078	701,954	204,025
Capital grants and contributions	1,580,781	1,295,386	156,586	87,876	1,737,367	1,383,262
General Revenue:						
Property taxes	1,505,860	1,180,722	-	-	1,505,860	1,180,722
Sales and use taxes	3,058,754	3,003,802	-	-	3,058,754	3,003,802
Business taxes	1,000,770	1,120,958	-	-	1,000,770	1,120,958
Franchise taxes	851,206	896,539	-	-	851,206	896,539
Selective sales and use taxes	432,708	389,973	-	-	432,708	389,973
Unrestricted investment	7,904	3,087	2,546	1,764	10,450	4,851
Miscellaneous	29,782	1,283	38,724	922	68,506	2,205
Total revenue	9,804,635	9,137,799	6,164,826	5,353,809	15,969,461	14,491,608
Expenses						
General government	1,580,481	1,449,807	-	-	1,580,481	1,449,807
Judiciary	96,250	95,500	-	-	96,250	95,500
Public safety	3,978,747	3,727,352	-	-	3,978,747	3,727,352
Public works	1,016,071	984,467	-	-	1,016,071	984,467
Health and welfare	201,774	165,958	-	-	201,774	165,958
Culture and recreation	720,162	694,969	-	-	720,162	694,969
Housing and development	381,510	164,671	-	-	381,510	164,671
Interest on long-term debt	219,211	212,955	-	-	219,211	212,955
Water and sewer	-	-	3,075,811	2,837,507	3,075,811	2,837,507
Sanitation	-	-	370,800	384,159	370,800	384,159
Stormwater	-	-	808,378	878,475	808,378	878,475
Fire protection services	-	-	1,324,813	874,368	1,324,813	874,368
Total expenses	8,194,206	7,495,679	5,579,802	4,974,509	13,774,008	12,470,188
Excess (deficiency) before special item and transfers	1,610,429	1,642,120	585,024	379,300	2,195,453	2,021,420
Transfers	(265,377)	(53,758)	265,377	53,758	-	-
Change in net position	1,345,052	1,588,362	850,401	433,058	2,195,453	2,021,420
Net position, beginning	16,974,188	15,385,826	12,709,831	12,276,773	29,684,019	27,662,599
Net position, ending	$ 18,319,240	$ 16,974,188	$ 13,560,232	$ 12,709,831	$ 31,879,472	$ 29,684,019

Governmental Activities

Revenues for governmental activities totaled $9.8 million in 2015, which represents an increase of 7.30% over 2014. The largest source of revenue for the City, sales and use taxes accounted for $3.0 million or 31% of total revenue in 2015, a reported increase of $54,952 compared to 2014. Property taxes and Franchise taxes account for $2.3 million or 24% of total revenue in 2015. Business taxes, which include the insurance premium tax, accounted for $1.0 million or 10% of total revenue in 2015, a reported decrease of ($120,188) or (-10.7%) from 2014. A decrease in occupational taxes is responsible for this decrease. Charges for services generated $1.1 million or 12% of total revenue for 2015. Grants and contributions accounted for 18% and revenue from selective sales and use taxes and investment earnings accounted for 5% of the City's total revenue for 2015.

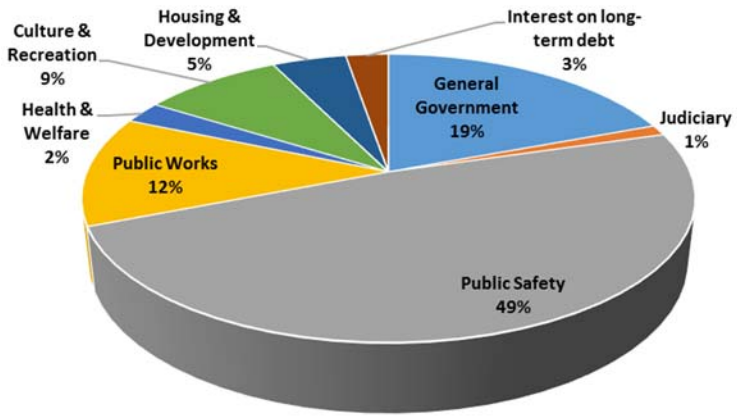
Revenues by Source – Governmental Activities – Year Ended December 31, 2015



*Other includes selective sales and use taxes, unrestricted investment earnings and miscellaneous revenues.

The City's expenses for governmental activities cover a wide range of services, with 50% or $4.0 million related to public safety (includes judiciary), 22% or $1.7 million for general government services (includes interest for long-term debt), 12% or $1.0 million for public works, and 16% or $1.3 million for public welfare services (includes health & welfare, culture & recreation and housing & development). Overall expenses for governmental activities totaled $8.1 million in 2015, which represents an increase of $698,527 or 9.3% compared to 2014.

Expenses by Function – Governmental Activities – Year Ended December 31, 2015



Business-type Activities

The City has four business-type activities: water and sewer operations, solid waste collection services, stormwater fees, and fire protection services. For fiscal year 2015, total revenues for business-type activities were $6.1 million, which represents an increase of 15% when compared to 2014. The increase is mainly due to operating grants, capital grants, and contributions. Total expenses for fiscal year 2015 were $5.5 million, which represents an increase of 12% over fiscal year 2014.

Financial Analysis of City Funds

General Fund

The general fund is the chief operating fund of the City. At year-end, the total fund balance in the general fund was $5,282,203. The total amount of unassigned fund balance for the general fund is $3,022,728.

One measure of the general fund's liquidity is to compare its unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance and total fund balance represents 41% and 71% percent of total general fund expenditures respectively.

The fund balance of the general fund increased $717,436 during fiscal year 2015. The increase is mainly the result of the City's collection of property tax revenue in fiscal year 2015.

Capital Projects Fund

The capital projects fund balance at December 31, 2015 was $948,241. The fund balance increased $376,065 over the prior year's balance. The upturn in the economy had a positive impact on the City's Special Local Option Sales Tax (SPLOST) revenue in 2015. In keeping with the purpose of having a capital projects fund, the City used monies for approved SPLOST projects such as debt service payment for the city hall loan, improvements to Fire Station No. 1, replacement of fire department vehicles and equipment, as well as infrastructure improvements for the new library at Town Center and Chatham Parkway.

Proprietary Funds

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

Capital Assets

Statement of net position presents capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities and those assets not subject to depreciation such as land and construction in progress. At year-end, the City's net capital assets for both governmental activities and business-type activities totaled $31.8 million. Capital assets include assets purchased, constructed or donated.

Additional information on the City's capital assets can be found in Note II.C. beginning on page D-19.

Debt Administration

The long-term debt liabilities at December 31, 2015 totaled $15,986,441 (includes loans and installment purchase agreements). Of this amount, $7,762,799 relates to governmental type activities and $8,223,642 relates to business-type activities.

Additional information on the City's debt can be found in Note II.H. beginning on page D-25.

Current Economic Conditions, Next Year's Budget

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

The City adopted a general fund budget of $8,739,928 for 2016. The City is constantly reviewing opportunities to increase revenue by using its assets more efficiently and effectively.

In preparing the 2016 budget, the City considered outside factors that affect funding decisions such as state and local economic conditions, federal and state mandates, political and social environment, citizen concerns, and outside agency considerations. Based on these factors, the following assumptions were made to guide the development of the budget for 2016.

- Local Option Sales Tax (L.O.S.T), the major source of General Fund revenue continues to rebound from the economic decline of the past few years.
- In 2014, the City levied property taxes to offset its decline in Local Option Sales Tax revenue. The City will continue to invest the revenue generated from the collection of property taxes in the City's Capital Improvement Plan (CIP) to fund general government capital purchases and capital improvement projects (e.g. public safety vehicles/equipment, building improvements, infrastructure improvements, etc.).
- The City continues to reform operations, utilize smart technologies, and aggressively manage expenses.
- The City maintains a sufficient fund balance level in the event that the City Council needs to utilize these funds in 2016.

Mayor and Council approved a rate increase for water and wastewater services in order to adequately fund all operating costs, including debt service, capital improvements and service expansion needs. In addition, the slight rate increase allowed the City to maintain an operating cash reserve for emergencies and to further build its savings account related to upgrade of the water pollution control plant within the next five years. As a result of the rate increase, the average residential customer will experience an increase in their bill of approximately $1.10 per month. Even with the rate increase, the City offers a competitive rate for water and sewer services as compared to other Chatham County governments. The City will continue to invest in water and sewer infrastructure projects using proceeds from the 2013 GEFA Loan secured by the City.

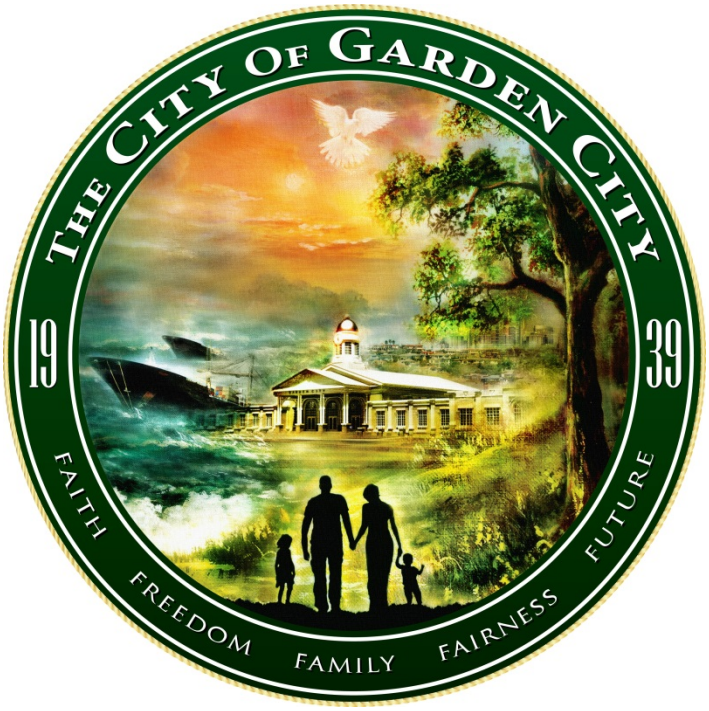
The stormwater fund was created in 2009, and the City reviews the cost allocations on an annual basis to ensure the accuracy of these allocations. The goal of the City is to accurately allocate storm water related costs incurred by the City to the stormwater fund, which was created to serve as the primary funding source for stormwater and drainage related services undertaken by the City each year. In the 2016 budgeting process, some minor to moderate revisions and/or adjustments were made to accurately allocate stormwater related costs to the stormwater fund with the resulting budget balanced for 2016. Stormwater utility fees remain unchanged.

The reformation of the City's fire department was the theme of 2015 and is continued through the 2016 budget. The City continues to reform operations to enhance the City's delivery of fire protection service. In 2015, the City completed the renovation of Fire Station No. 1. The City anticipates finishing the renovation work on Fire Station No. 2 in 2016. The City balanced the 2016 budget without a rate increase in fire protection fees for FY2016.

Requests for Information

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS


THE CITY OF GARDEN CITY
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FAITH
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City of Garden City, Georgia

Statement of Net Position

December 31, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 1,340,517	$ 752,228	$ 2,092,745
Investments	3,216,410	1,655,465	4,871,875
Receivables	1,495,697	645,242	2,140,939
Internal balances	577,421	(577,421)	-
Inventories	-	4,711	4,711
Prepaid	74,493	31,485	105,978
Restricted assets			
Cash and cash equivalents	1,288,835	1,748,647	3,037,482
Capital assets			
Land and construction in progress	6,368,087	3,174,984	9,543,071
Other capital assets, net of depreciation	13,192,832	15,510,427	28,703,259
Total assets	27,554,292	22,945,768	50,500,060
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	303,465	140,908	444,373
LIABILITIES			
Accounts payable and other accrued liablities	228,481	348,752	577,233
Contracts payable	-	83,489	83,489
Accrued interest	25,412	20,133	45,545
Unearned revenue	200,463	-	200,463
Deposits payable	105,163	302,363	407,526
Long-term liabilities			
Due within one year	811,396	540,719	1,352,115
Due in more than one year	7,050,848	7,712,434	14,763,282
Net pension liability	1,050,572	487,828	1,538,400
Total liabilities	9,472,335	9,495,718	18,968,053
DEFERRED INFLOWS OF RESOURCES			
Pension related	66,182	30,726	96,908
NET POSITION			
Net investment in capital assets	11,798,120	10,461,769	22,259,889
Restricted for			
Capital projects	948,241	-	948,241
Other purposes	30,153	-	30,153
Unrestricted	5,542,726	3,098,463	8,641,189
Total net position	$ 18,319,240	$ 13,560,232	$ 31,879,472

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

City of Garden City, Georgia

Statement of Activities

For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 1,580,481	$ 254,970	$ -	$ 437,439
Judicial	96,250	-	-	-
Public safety	3,978,747	734,117	172,904	482,490
Public works	1,016,071	630	-	603,817
Health and welfare	201,774	22,817	5,000	-
Culture and recreation	720,162	91,742	-	-
Housing and development	381,510	54,690	-	57,035
Interest on long-term debt	219,211	-	-	-
Total governmental activities	8,194,206	1,158,966	177,904	1,580,781
Business-type activities:				
Water and Sewer	3,075,811	3,639,594	107,942	156,586
Sanitation	370,800	340,391	-	-
Stormwater	808,378	875,631	66,095	-
Fire protection services	1,324,813	587,304	-	350,013
Total business-type activities	5,579,802	5,442,920	174,037	506,599
Total	$ 13,774,008	$ 6,601,886	$ 351,941	$ 2,087,380

General revenues:

Taxes:

Property taxes

Sales and use taxes

Business taxes

Franchise taxes

Selective sales and use taxes

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning (restated)

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (888,072)	$ -	$ (888,072)
(96,250)	-	(96,250)
(2,589,236)	-	(2,589,236)
(411,624)	-	(411,624)
(173,957)	-	(173,957)
(628,420)	-	(628,420)
(269,785)	-	(269,785)
(219,211)	-	(219,211)
(5,276,555)	-	(5,276,555)
-	828,311	828,311
-	(30,409)	(30,409)
-	133,348	133,348
-	(387,496)	(387,496)
-	543,754	543,754
(5,276,555)	543,754	(4,732,801)
1,505,860	-	1,505,860
3,058,754	-	3,058,754
1,000,770	-	1,000,770
851,206	-	851,206
432,708	-	432,708
7,904	2,546	10,450
29,782	38,724	68,506
(265,377)	265,377	-
6,621,607	306,647	6,928,254
1,345,052	850,401	2,195,453
16,974,188	12,709,831	29,684,019
$ 18,319,240	$ 13,560,232	$ 31,879,472


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FUND FINANCIAL STATEMENTS


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City of Garden City, Georgia

Governmental Funds

Balance Sheet

December 31, 2015

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 918,737	$ -	$ 421,780	$ 1,340,517
Investments	3,216,410	-	-	3,216,410
Receivables	1,246,209	235,220	14,268	1,495,697
Due from other funds	1,172,154	-	4,749	1,176,903
Prepaid items	74,493	-	-	74,493
Restricted cash and cash equivalents	2,465	1,230,165	56,205	1,288,835
Total assets	$ 6,630,468	$ 1,465,385	$ 497,002	$ 8,592,855
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 132,237	$ 27,748	$ 34,752	$ 194,737
Other accrued payables	33,744	-	-	33,744
Due to other funds	259,293	288,933	51,256	599,482
Unearned revenue	-	200,463	-	200,463
Due to others	105,163	-		105,163
Total liabilities	530,437	517,144	86,008	1,133,589
Deferred inflows of resources				
Unavailable revenue - property taxes.	135,590	-	-	135,590
Unavailable revenue - franchise fee	682,238	-	-	682,238
Total deferred inflows of resources	817,828	-	-	817,828
Combined liabilities and deferred inflows of resources	1,348,265	517,144	86,008	1,951,417
Fund balances				
Nonspendable	74,493	-	-	74,493
Restricted	-	948,241	30,153	978,394
Committed - rainy day	2,184,982	-	-	2,184,982
Assigned	-	-	380,841	380,841
Unassigned	3,022,728	-	-	3,022,728
Total fund balances	5,282,203	948,241	410,994	6,641,438
Total liabilities, deferred inflows of resources and fund balance	$ 6,630,468	$ 1,465,385	$ 497,002	$ 8,592,855

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

City of Garden City, Georgia

Reconciliation of Total Governmental Fund Balances

To Net Position of Governmental Activities

December 31, 2015

Total Governmental Fund Balances		$ 6,641,438
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	$ 27,677,530	
Less: accumulated depreciation	(8,116,611)	19,560,919
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds balance sheet.		
Property taxes	135,590	
Franchise taxes	682,238	817,828
Long-term and related liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.		
Certificates of participation	(7,240,000)	
Unamortized discount	36,463	
Capital leases	(559,262)	
Accrued interest payable	(25,412)	
Compensated absences	(99,445)	
Net pension liability	(1,050,572)	(8,938,228)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund financial statements:		
Deferred outflows of resources related to pensions		303,465
Deferred inflows of resources related to pensions		(66,182)
Net Position of Governmental Activities		$ 18,319,240

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

City of Garden City, Georgia

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2015

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 6,523,540	$ -	$ 246,486	$ 6,770,026
Licenses and permits	172,865	-	-	172,865
Intergovernmental	172,904	1,523,672	139,180	1,835,756
Charges for services	119,455	-	-	119,455
Fines and forfeitures	721,134	-	9,689	730,823
Investment earnings	7,887	74	27	7,988
Miscellaneous	159,750	-	-	159,750
Total revenues	7,877,535	1,523,746	395,382	9,796,663
EXPENDITURES				
Current				
General government	1,216,522	-	-	1,216,522
Judicial	96,250	-	-	96,250
Public safety	3,856,031	-	6,047	3,862,078
Public works	907,525	-	-	907,525
Health and welfare	202,054	-	-	202,054
Culture and recreation	734,559	-	-	734,559
Housing and development	304,316	-	36,244	340,560
Capital outlay	-	635,504	-	635,504
Debt Service				
Principal	74,458	543,588	-	618,046
Interest	4,670	213,589	-	218,259
Intergovernmental:				
Assistance	-	-	123,245	123,245
Total expenditures	7,396,385	1,392,681	165,536	8,954,602
Excess (deficiency) of revenues over (under) expenditures	481,150	131,065	229,846	842,061
OTHER FINANCING SOURCES (USES)				
Transfers in	318,245	-	-	318,245
Transfers out	(460,377)	-	(123,245)	(583,622)
Capital lease	367,563	245,000	-	612,563
Insurance recoveries	10,855	-	-	10,855
Total other financing sources (uses)	236,286	245,000	(123,245)	358,041
Net changes in fund balances	717,436	376,065	106,601	1,200,102
Fund balances at beginning of year	4,564,767	572,176	304,393	5,441,336
Fund balances at end of year	$ 5,282,203	$ 948,241	$ 410,994	$ 6,641,438

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

City of Garden City, Georgia

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2015

Net change in Fund Balances - Total Governmental Funds		$ 1,200,102
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	$ 756,902	
Depreciation expense	(696,500)	60,402
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Franchise fees and intergovernmental revenues:		
Deferred at December 31, 2015	817,828	
Deferred at December 31, 2014	738,556	79,272
Governmental funds report debt proceeds as an other financing source. However, in the statement of activities, debt proceeds are recognized as a long-term liability.		
Capital leases		(612,563)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Certificates of participation	520,000	
Capital leases	98,046	618,046
Amortization of discount		(3,039)
Change in accrued interest payable		(248)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences at December 31, 2015	99,445	
Compensated absences at December 31, 2014	91,027	(8,418)
In the statement of activities, pension expense represents the change in net pension liability from the beginning of the year to the end of the year. However, in the governmental funds, pension expense is measured by the amount of financial resources used (amount actually paid). This is the amount by which pension contributions paid in the current period exceeded pension expense		8,419
Change in Net Position of Governmental Activities		$ 1,345,052

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

City of Garden City, Georgia

Proprietary Funds

Statement of Net Position

December 31, 2015

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
ASSETS					
Current assets:					
Cash and cash equivalents	752,228	$ -	$ -	$ -	$ 752,228
Investments	1,655,465	-	-	-	1,655,465
Receivables (net of allowance)	436,482	51,524	74,363	82,873	645,242
Due from other funds	-	-	259,293	-	259,293
Inventories	3,711	-	-	1,000	4,711
Prepaid items	15,428	-	5,018	11,039	31,485
Restricted cash and cash equivalents	576,123	26,609	-	-	602,732
Total current assets	3,439,437	78,133	338,674	94,912	3,951,156
Noncurrent assets:					
Restricted cash and cash equivalents	1,045,915	-	-	100,000	1,145,915
Capital assets:					
Land and construction in progress	2,029,302	-	-	1,145,682	3,174,984
Depreciable capital assets, net of depreciation	12,527,751	-	2,471,828	510,848	15,510,427
Total capital assets, net of depreciation	14,557,053	-	2,471,828	1,656,530	18,685,411
Total noncurrent assets	15,602,968	-	2,471,828	1,756,530	19,831,326
Total assets	19,042,405	78,133	2,810,502	1,851,442	23,782,482
DEFERRED OUTFLOWS OF RESOURCES					
Pension related	71,454	-	22,842	46,612	140,908
LIABILITIES					
Current liabilities:					
Accounts payable	272,084	28,817	10,091	9,655	320,647
Contracts payable	83,489	-	-	-	83,489
Other accrued payables	2,696	-	3,600	21,809	28,105
Due to other funds	257,922	237,499	-	341,293	836,714
Accrued interest	12,178	-	756	7,199	20,133
Compensated absences	17,276	-	-	12,235	29,511
Notes payable	361,377	-	19,579	130,252	511,208
Current liabilities payable from restricted assets:					
Customer deposits payable	297,703	4,660	-	-	302,363
Total current liabilities	1,304,725	270,976	34,026	522,443	2,132,170
Noncurrent liabilities:					
Notes payable	6,788,274	-	82,272	841,888	7,712,434
Net pension obligation	247,375	-	79,073	161,380	487,828
Total noncurrent liabilities	7,035,649	-	161,345	1,003,268	8,200,262
Total liabilities	8,340,374	270,976	195,371	1,525,711	10,332,432
DEFERRED INFLOWS OF RESOURCES					
Pension related	15,582	-	4,982	10,162	30,726
NET POSITION					
Net investment in capital assets	7,407,402	-	2,369,977	684,390	10,461,769
Unrestricted	3,350,501	(192,843)	263,014	(322,209)	3,098,463
Total net position	$ 10,757,903	$ (192,843)	$ 2,632,991	$ 362,181	$ 13,560,232

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

City of Garden City, Georgia

Proprietary Funds

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

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
OPERATING REVENUES					
Charges for services	$ 3,639,594	$ 340,391	$ 893,131	$ 587,304	$ 5,460,420
Other income	810	-	17,987	2,427	21,224
Total operating revenues	3,640,404	340,391	911,118	589,731	5,481,644
OPERATING EXPENSES					
Personnel services	958,414	-	390,897	969,904	2,319,215
Purchased and contractual services	837,905	370,746	284,426	193,087	1,686,164
Materials and supplies	346,228	54	26,533	83,094	455,909
Depreciation	856,529	-	105,766	71,529	1,033,824
Total operating expenses	2,999,076	370,800	807,622	1,317,614	5,495,112
Operating income (loss)	641,328	(30,409)	103,496	(727,883)	(13,468)
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental - noncapital	-	-	66,095	-	66,095
Investment earnings	2,546	-	-	-	2,546
Interest expense	(76,735)	-	(756)	(7,199)	(84,690)
Total nonoperating revenues (expenses)	(74,189)	-	65,339	(7,199)	(16,049)
Income before capital contributions and transfers	567,139	(30,409)	168,835	(735,082)	(29,517)
Capital contributions	264,528	-	-	350,013	614,541
Transfers in	-	30,000	-	460,377	490,377
Transfers out	(150,000)	-	(75,000)	-	(225,000)
Change in net position	681,667	(409)	93,835	75,308	850,401
Net position, beginning of year (restated)	10,076,236	(192,434)	2,539,156	286,873	12,709,831
Net position, end of year	$ 10,757,903	$ (192,843)	$ 2,632,991	$ 362,181	$ 13,560,232

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

City of Garden City, Georgia

Proprietary Funds

Statement of Cash Flows

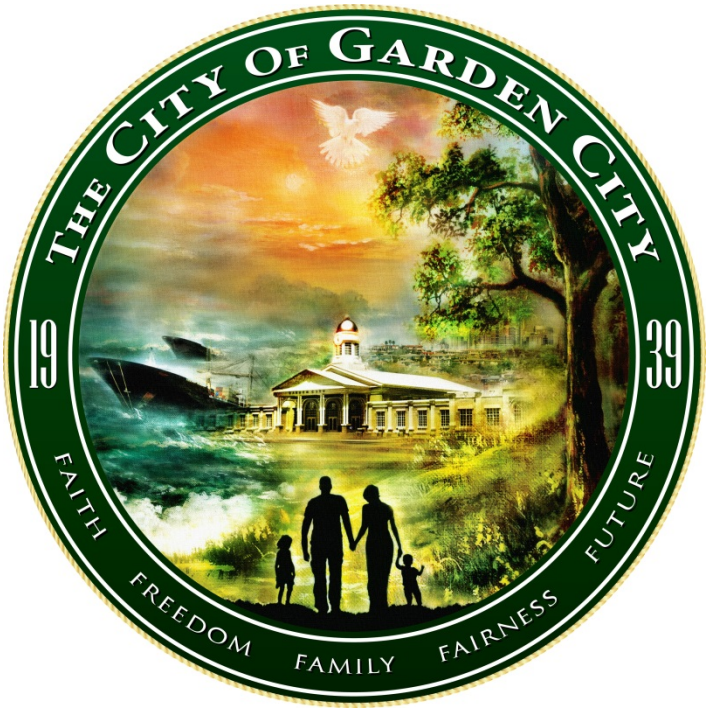
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds				
	Water and Sewer	Solid Waste	Stormwater	Fire Protection	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	$ 3,230,580	$ 400,163	$ 1,167,763	$ 673,377	$ 5,471,883
Cash payments to suppliers for goods and services	(635,654)	(429,176)	(703,158)	(172,537)	(1,940,525)
Cash payments to employees for services	(982,571)	-	(391,302)	(961,216)	(2,335,089)
Net cash provided (used) by operating activities	1,612,355	(29,013)	73,303	(460,376)	1,196,269
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund transfers in (out)	(150,000)	30,000	(75,000)	460,377	265,377
Operating grants	-	-	66,095	-	66,095
Net cash provided (used) by noncapital financing activities	(150,000)	30,000	(8,905)	460,377	331,472
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from debt	2,188,428	-	101,851	972,139	3,262,418
Capital contributions	264,528	-	-	-	264,528
Acquisitions and construction of capital assets	(2,430,826)	-	(166,249)	(872,140)	(3,469,215)
Principal payments on debt	(455,810)	-	-	-	(455,810)
Interest payments on debt	(84,262)	-	-	-	(84,262)
Net cash (used) by capital and related financing activities	(517,942)	-	(64,398)	99,999	(482,341)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest earned on cash and investments	2,546	-	-	-	2,546
Purchase of investments	(402,333)	-	-	-	(402,333)
Net cash provided (used) by investing activities	(399,787)	-	-	-	(399,787)
Net increase (decrease) in cash and cash equivalents	544,626	987	-	100,000	645,613
Cash and cash equivalents, beginning of year	1,829,640	25,622	-	-	1,855,262
Cash and cash equivalents, end of year	$ 2,374,266	$ 26,609	$ -	$ 100,000	$ 2,500,875
Operating income (loss)	$ 641,328	$ (30,409)	$ 103,496	$ (727,883)	$ (13,468)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	856,529	-	105,766	71,529	1,033,824
Change in assets and liabilities:					
Decrease (increase) in accounts receivables	(300,178)	79,555	256,645	83,646	119,668
Decrease (increase) in inventories	573	-	-	-	573
Decrease (increase) in prepaid items	(15,428)	89	(1,079)	(11,039)	(27,457)
(Decrease) Increase in accounts payable	294,204	3,517	(18,892)	1,064	279,893
(Decrease) Increase in accrued liabilities	(24,157)	-	(405)	8,688	(15,874)
(Decrease) increase in customer deposits	(109,646)	(19,783)	-	-	(129,429)
(Decrease) increase in interfund balances	269,130	(61,982)	(372,228)	113,619	(51,461)
Total adjustments	971,027	1,396	(30,193)	267,507	1,209,737
Net cash provided (used) by operating activities	$ 1,612,355	$ (29,013)	$ 73,303	$ (460,376)	$ 1,196,269
Noncash capital and related financing activities:					
Capital assets aquired with SPLOST resources	$ -	$ -	$ -	$ 350,013	$ 350,013

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


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NOTES TO THE FINANCIAL STATEMENTS


THE CITY OF GARDEN CITY
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

B. REPORTING ENTITY

The City of Garden City, Georgia (government) was organized in 1930. The government operates under a council-manager form of government (council) and provides the following services as authorized by its charter: general administrative services, public safety (police and fire), highways and streets, sanitation, culture and recreation, public improvements, and planning and zoning. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit – The Garden City Tourism Board is governed by a board that is substantively the same as the governing body of the primary government. The Garden City Tourism Board is reported as a special revenue fund. The Garden City Tourism Board does not issue separate financial statements.

Discretely Presented Component Unit – The Downtown Development Authority for the City of Garden City is the government's only discretely presented component unit. The Authority has a calendar year end. At the time the Authority has no significant activity or assets and is in a dormant status.

C. BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

D. BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

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

The government reports the following major governmental funds:

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

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

The government reports the following major proprietary funds:

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

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

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

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

Additionally, the government reports the following fund types:

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

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

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

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty (30) days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as, expenditures related to compensated absences and claims and judgments, are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The proprietary fund is reported using the economic resources measurement focus and the accrual basis of accounting.

F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Deposits and Investments

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

   State statutes authorize the government to invest in obligations of the United States Government and agencies of corporations of the United States Government; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and Georgia Fund I. Georgia Fund I is managed by the State of Georgia's Office of State Treasurer under Georgia Law (OCGA 36-83-8). The pool operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The fair value of the government's position in the pool is the same as the value of pool shares ($1 per share value). As a public fund, Georgia Fund 1 is exempt from any disclosure of custodial credit risk.

   All investments are stated at fair value.

2. Receivables and Payables

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

   Activity between funds that is representative of lending/borrowing arrangements outstanding at year end are reported as interfund receivables and payables (due from/to other funds). Any residual balances outstanding at year end between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

3. Inventories and Prepaid Items

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

4. Restricted Assets

   Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. When both restricted and non-restricted assets are available for use, it is the government's policy to use restricted resources first, then non-restricted resources, as they are needed.

5. Capital Assets

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

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

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

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

6. Long-term Obligation

   In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

7. Deferred Outflows/Inflows of Resources

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

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

8. Net Position Flow Assumption

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

9. Fund Balance Flow Assumption

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

10. Equity Classifications

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

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

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

Unrestricted net position consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

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

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

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

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

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

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

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

11. Use of Estimates

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

G. REVENUES AND EXPENDITURES/EXPENSES

1. Program Revenues

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

2. Property Taxes

   Property taxes are levied as of January 1 on property values assessed on the same date. A millage rate of 3.883 mills was adopted on June 15, 2015. Tax bills were rendered on September 15, 2015 and are considered past due 60 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

3. Compensated Absences

   It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

5. Interfund Transactions

   Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

H. NEW ACCOUNTING PRONOUNCEMENTS

For the year ended December 31, 2015, the government implemented the provisions of GASB Statement No. 68 - *Accounting and Financial Reporting for Pension*, and GASB Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date*, as described in "New Accounting Pronouncements" below, which required the restatement of the December 31, 2014 net position of governmental activities and business-type activities. These changes are in accordance with generally accepted accounting principles.

II. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

At year end the carrying amount of the government's cash-on-hand and deposits with financial institutions was $5,128,827 and the bank balance was $4,576,399. The bank balance was covered by federal depository insurance or by collateral held by the government's agent in the government's name.

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

In its investment of public funds, the government follows state statutes and adopted investment policies. As of December 31, 2015 the investments of the government were:

Investment	Average Credit Rating	Fair Value	Maturities in Years
Georgia Fund 1	Aaa	4,871,875	less than 1 year

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

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

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

A reconciliation of cash and investments as shown on the government-wide statement of net position follows:

Basic Financial Statements:

Cash and cash equivalents	$	2,092,745
Investments		4,871,875
Cash and cash equivalents - restricted		3,037,482
Total cash and investments	$	10,002,102

Notes to Financial Statements:

Deposits with financial institutions	$	5,128,827
Investments		4,871,875
Cash on hand		1,400
Total cash and investments	$	10,002,102

B. RECEIVABLES

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

Receivable	General	SPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Fire Protection Fund	Total
Taxes	$ 910,767	$ -	$ 14,268	$ -	$ -	$ -	$ -	$ 925,035
Accounts	317	-	-	543,482	64,524	93,363	103,873	805,559
Intergovernmental	340,125	235,220	-	-	-	-	-	575,345
Gross receivables	1,251,209	235,220	14,268	543,482	64,524	93,363	103,873	2,305,939
Less: allowance for doubtful accounts	(5,000)	-	-	(107,000)	(13,000)	(19,000)	(21,000)	(165,000)
	$1,246,209	$235,220	$ 14,268	$436,482	$ 51,524	$ 74,363	$ 82,873	$2,140,939

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

C. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Government Activities					
Capital assets, not being depreciated					
Land	$ 5,794,877	$ -	$ -	$ -	$ 5,794,877
Construction in progress	381,847	191,363	-	-	573,210
Total capital assets not being depreciated	6,176,724	191,363	-	-	6,368,087
Capital assets, being depreciated					
Buildings	14,378,288	-	-	-	14,378,288
Machinery and equipment	4,990,079	545,173	301,802	-	5,233,450
Infrastructure	1,677,339	20,366	-	-	1,697,705
Total capital assets, being depreciated	21,045,706	565,539	301,802	-	21,309,443
Less accumulated depreciation for:					
Buildings	(3,175,108)	(275,488)	-	-	(3,450,596)
Machinery and equipment	(3,887,136)	(338,235)	(301,802)	-	(3,923,569)
Infrastructure	(659,669)	(82,777)	-	-	(742,446)
Total accumulated depreciation	(7,721,913)	(696,500)	(301,802)	-	(8,116,611)
Total capital assets, being depreciated, net	13,323,793	(130,961)	-	-	13,192,832
Total governmental activities	$ 19,500,517	$ 60,402	$ -	$ -	19,560,919
Less related long-term debt outstanding					(7,762,799)
Net investment in capital assets					$ 11,798,120

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

General government	$ 421,232
Public Safety	129,282
Public Works	71,832
Recreation	74,154
Total depreciation for governmental activities	$ 696,500

Capital asset activity for business-type activities for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities					
Capital assets, not being depreciated					
Land	$ 55,341	$ -	$ -	$ -	$ 55,341
Construction in progress	1,179,746	3,545,808	-	(1,605,911)	3,119,643
Total capital assets not being depreciated	1,235,087	3,545,808	-	(1,605,911)	3,174,984
Capital assets, being depreciated					
Utility plant in service	17,433,313	-	-	1,534,491	18,967,804
Buildings and systems	7,124,718	64,846	-	71,420	7,260,984
Other equipment	3,830,939	208,573	213,403	-	3,826,109
Infrastructure	2,758,917	-	-	-	2,758,917
Total capital assets, being depreciated	31,147,887	273,419	213,403	1,605,911	32,813,814
Less accumulated depreciation for:					
Utility plant in service	(11,703,955)	(508,104)	-	-	(12,212,059)
Buildings and systems	(1,291,235)	(233,907)	-	-	(1,525,142)
Other equipment	(3,108,964)	(199,849)	(197,458)	-	(3,111,355)
Infrastructure	(362,867)	(91,964)	-	-	(454,831)
Total accumulated depreciation	(16,467,021)	(1,033,824)	(197,458)	-	(17,303,387)
Total capital assets, being depreciated, net	14,680,866	(760,405)	15,945	1,605,911	15,510,427
Total business-type activities	$ 15,915,953	$ 2,785,403	$ 15,945	$ -	$ 18,685,411
Less related long-term debt outstanding					(8,223,642)
Net investment in capital assets					$ 10,461,769

D. DEFINED BENEFIT PENSION PLAN AND NET PENSION LIABILITY

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

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

Employees covered by benefit terms – As of July 1, 2015, the date of the latest actuarial valuation, the plan membership included the following categories of participants:

Inactive employees (or their beneficiaries) currently receiving benefits	30
Inactive employees entitled to, but not yet receiving benefits	59
Active employees	93
Active elected officials	8
Total	190

Contributions – The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The estimated minimum annual contribution under these standards is $315,855.

Net pension liability – The government's net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015.

Actuarial assumptions – The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.75%
Projected salary increases	3.25% plus service based merit increases
Cost of living adjustment	0.00%
Source of mortality assumptions:	
Healthy	RP-2000 Combined Healthy Mortality Table
Disabled	RP-2000 Disabled Retiree Mortality Table
Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the July 1, 2015 actuarial valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Long-term Nominal Real Rate of Return
Domestic equity	50.00%	5.95%	9.20%
International equity	15.00%	6.45%	9.70%
Fixed income	25.00%	1.55%	4.80%
Real estate	10.00%	3.75%	7.00%
Cash	0.00%		
Total	100.00%		

Discount rate – The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed the government contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at March 31, 2014	$ 6,602,509	$ 5,013,717	$ 1,588,792
Changes for the year:			
Service cost	217,862	-	217,862
Interest	501,801	-	501,801
Difference between expected and actual experience	113,765	-	113,765
Contributions, employer	-	381,022	(381,022)
Net investment income	-	492,021	(492,021)
Benefit payments	(255,306)	(255,306)	-
Administrative expense	-	(11,335)	11,335
Other	(22,112)	-	(22,112)
Net changes	556,010	606,402	(50,392)
Balances at March 31, 2015	$ 7,158,519	$ 5,620,119	$ 1,538,400

The balances at March 31, 2014 and 2015 include entry age normal liabilities calculated using ages and service amounts as of July 1, 2014 and 2015, respectively, and constitute measurements of the net pension liability for the fiscal years ending December 31, 2014 and 2015 respectively.

Sensitivity of the net pension liability to changes in the discount rate – The following represents the net pension liability of the government calculated using the discount rate of 7.75%, as well as what the government's net pension liability would be if it were calculated using a discount rate that is 1.00% point lower (6.75%) or 1.00% point higher (8.75%) than the current rate:

	1.00% Decrease (6.75%)	Current Discount Rate (7.75%)	1.00% Increase (8.75%)
City's net pension liability (asset)	$ 2,587,113	$ 1,538,400	$ 675,540

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

Pension expense for the year ended December 31, 2015:

Service cost	$	217,862
Interest on total pension liability		501,801
Administrative expenses		11,335
Expected return on assets		(392,995)
Expensed portion of current year period differences between projected and actual experience in total pension liability		22,753
Expensed portion of current year period assumption changes		(4,424)
Expensed portion of current year period differences between projected and actual investment earnings		(19,806)
Total expense	$	336,526

At December 31, 2015, the government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 91,012	$ -
Changes of assumptions	-	(17,688)
Net difference between projected and actual earnings on pension plan investments	-	(79,220)
City's contribution to the pension plan subsequent to the measurement date	353,361	-
Total deferred outflows/(inflows)	$ 444,373	$ (96,908)

The amount of deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, $353,361, will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense for the next six years as follows:

	Outflows	Inflows		
	Demographic	Assumption Change	Investment	Total
December 31, 2015:				
Beginning balance	$ 113,765	$ (22,112)	$ (99,026)	$ (7,373)
Amount recognized	22,753	(4,424)	(19,806)	(1,477)
Ending balance	$ 91,012	$ (17,688)	$ (79,220)	$ (5,896)
Recognized in future years:				
2016	$ 22,753	$ (4,422)	$ (19,805)	
2017	22,753	(4,422)	(19,805)	
2018	22,753	(4,422)	(19,805)	
2019	22,753	(4,422)	(19,805)	
Totals	$ 91,012	$ (17,688)	$ (79,220)	

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

E. DEFINED CONTRIBUTION RETIREMENT PLAN

Plan Description and Funding Requirements. The City of Garden City participates in a defined contribution plan administered by ICMA –RC to provide retirement benefits for employees. The plan is identified as a 457 retirement plan. The authority under which the plan provisions are established and may be amended rest with council. At December 31, 2015 there were 46 employees participating in the plan. All full-time employees are eligible to participate in the plan and all plan members are allowed to make voluntary contributions. The government contributes, on behalf of each participant, 50% of the contribution made by the participant for the plan year (not including participant contributions exceeding 6% of earnings). Total contributions for the year ended December 31, 2015, were $166,354 by the employees and $71,686 by the government.

F. RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers compensation for which the government carries the following insurance coverage:

Risk Pools. The government joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by the government's management based on the anticipated needs. The government is required to pay all premiums, applicable deductibles and assessments billed GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the government in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims – incurred but not reported (IBNR) – is established by an actuary. The government has not compiled a record of the claims paid up to the applicable deductible for the prior year or the current fiscal year. The government is unaware of any claims, which the government is liable (up to the applicable deductible), which were outstanding and unpaid at December 31, 2015. No provisions have been made in the financial statements for any estimate of potential claims.

The government has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the government has no legal obligation to pay its own workers' compensation claims. The government is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the government's annual contribution, the government has effectively transferred the risk and responsibility for payment of its workers' compensation claims.

However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency, as management believes the likelihood for assessment is remote.

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

G. CAPITAL LEASES

The government has entered into lease agreements as lessee for financing of equipment and vehicles used in governmental activities. This year $47,478 was included in depreciation expense of governmental activities and $6,341 was included in depreciation expense of business-type activities. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Acitivities	Business-type Acitivities
Machinery and equipment	$ 445,038	$ 1,216,756
Less: accumulated depreciation	(75,053)	(6,341)
Total	$ 369,985	$ 1,210,415

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015, were as follows:

	Governmental Activities		Business-type Activities	
Year Ending December 31,	Principal	Interest	Principal	Interest
2016	$ 184,416	$ 8,060	$ 149,832	$ 22,723
2017	187,551	4,915	152,994	19,561
2018	111,632	1,696	156,222	16,332
2019	50,231	458	159,519	13,036
2020	25,432	-	162,886	9,669
2021 - 2022	-	-	292,538	6,231
	$ 559,262	$ 15,129	$ 1,073,991	$ 90,700

H. LONG-TERM OBLIGATIONS

Governmental Activities

Certficates of Participation

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

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

Year Ending December 31,	Principal	Interest
2016	$ 530,000	$ 187,630
2017	540,000	177,030
2018	555,000	166,230
2019	565,000	156,240
2020	575,000	144,375
2021 - 2025	3,105,000	489,558
2026 - 2027	1,370,000	64,710
Totals	$ 7,240,000	$ 1,385,773

Business-type Activities

Business-type Activities

Revenue Bonds

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

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest
2016	$ 360,000	$ 80,638
2017	370,000	73,438
2018	375,000	66,038
2019	385,000	58,538
2020	390,000	53,725
2021 - 2025	1,435,000	174,530
2026 - 2030	640,000	68,270
2031 - 2032	150,000	5,360
Totals	$ 4,105,000	$ 580,537

Georgia Environmental Facilities Authority (GEFA) Loans

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

Liability Description / Purpose	Original Amount	Interest Rate	Amount
GEFA 2013-L07WJ - Water and Sewer Improvements	$ 3,145,543	5.15%	$ 3,021,241
Total GEFA loans payable			3,021,241
Less GEFA loans not closed at year end			(3,021,241)
Long-term portion in repayment			$ -

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Capital leases	$ 44,746	$ 612,563	$ 98,047	$ 559,262	$ 184,990
Certificates of participation	7,760,000	-	520,000	7,240,000	530,000
Unamortized discount	(39,502)	-	(3,039)	(36,463)	(3,039)
Long-term debt	7,765,244	612,563	615,008	7,762,799	711,951
Compensated absences	91,027	298,231	289,813	99,445	99,445
Total governmental activities long-term liabilities	$ 7,856,271	$ 910,794	$ 904,821	$ 7,862,244	$ 811,396
Business-type Activities					
Capital leases	$ -	$ 1,073,991	$ -	$ 1,073,991	$ 149,831
Revenue bonds	4,460,000	-	355,000	4,105,000	360,000
Unamortized premium	24,787	-	1,377	23,410	1,377
Contractual obligations	99,433	-	99,433	-	-
GEFA loans	832,812	2,188,429	-	3,021,241	-
Long-term debt	5,417,032	3,262,420	455,810	8,223,642	511,208
Compensated absences	24,006	82,956	77,451	29,511	29,511
Total business-type activities long-term liabilities	$ 5,441,038	$ 3,345,376	$ 533,261	$ 8,253,153	$ 540,719

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

I. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of December 31, 2015, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	SPLOST Fund	$ 288,933
	Water and Sewer Fund	257,922
	Solid Waste Fund	237,499
	Fire Protection Fund	341,293
	Nonmajor governmental funds	46,507
		1,172,154
Nonmajor governmental fund	Nonmajor governmental fund	4,749
Stormwater Fund	General Fund	259,293
Totals		$ 1,436,196

Due To/From Other Funds

These balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund Transfers

	Transfers Out				
	Governmental Fund Type		Proprietary Fund Type		
	General Fund	Nonmajor Funds	Water and Sewer Fund	Stormwater Fund	Total
Transfers In:					
Governmental Fund Type					
General Fund	$ -	$ 123,245	$ 150,000	$ 45,000	$ 318,245
Proprietary Fund Type					
Solid Waste Fund	-	-	-	30,000	30,000
Fire Protection Fund	460,377	-	-	-	460,377
Total transfers	$ 460,377	$ 123,245	$ 150,000	$ 75,000	$ 808,622

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

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

J. RESERVED FUND BALANCES / RETAINED EARNINGS AND RESTRICTED ASSET ACCOUNTS

Amounts for specific purpose by classification and fund for the year ended December 31, 2015 are as follows:

Classification/Fund	Purpose	Amount
Nonspendable		
General fund	Prepaid items	$ 74,493
Restricted		
Special Purpose Sales Tax fund	Capital projects	948,241
Confiscated Asset fund	Public safety	6,995
Multiple Grant fund	Grant purposes	23,158
Committed		
General fund	Rainy day	2,184,982
Assigned		
Tourism Board	Promote tourism	380,841
Unassigned		
General fund		3,022,728
Total fund balance		$ 6,641,438

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

K. RESTATEMENT OF PRIOR YEAR NET POSITION

For the year ended December 31, 2015, the government implemented the provisions of GASB Statement No. 68 and GASB Statement No. 71, as described in "New Accounting Pronouncements" below, which required the restatement of the December 31, 2014 net position of governmental activities and business-type activities.

	Governmental Activities	Business-type Activities
Ending net position as previously reported.....	$ 17,798,974	$ 13,001,908
Omitted construction in progress.....	-	90,907
Deferred outflows of resources.....	260,200	120,822
Net pension liability.....	(1,084,986)	(503,806)
Total prior period adjustment.....	(824,786)	(292,077)
Net position, restated.....	$ 16,974,188	$ 12,709,831

	Water and Sewer	Stormwater	Fire Protection
Ending net position as previously reported.....	$ 10,179,539	$ 2,601,235	$ 413,568
Omitted construction in progress.....	90,907		
Deferred outflows of resources.....	61,268	19,585	39,969
Net pension liability.....	(255,478)	(81,664)	(166,664)
Total prior period adjustment.....	(194,210)	(62,079)	(126,695)
Net position, restated.....	$ 10,076,236	$ 2,539,156	$ 286,873

L. JOINT VENTURE

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

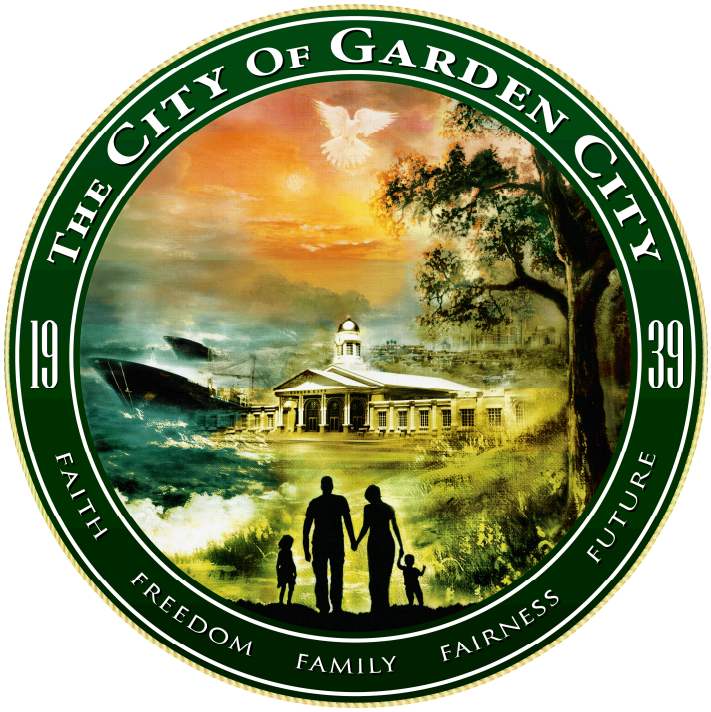
M. CONTINGENCIES

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

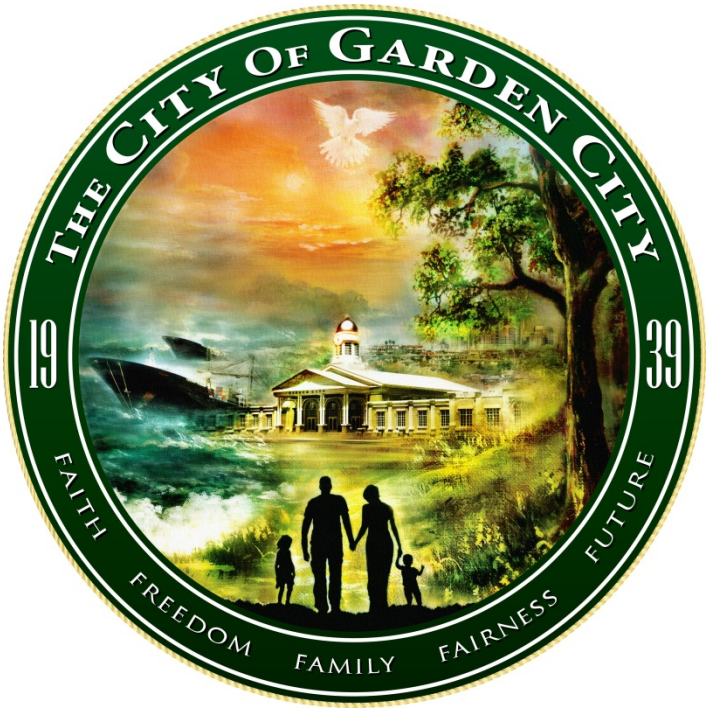
Various claims are pending against the government. The government attorney estimates that the potential effect of these claims net of insurance coverage would not be material in relation to the overall financial statements.

N. LODGING TAX

The government imposes a six percent hotel/motel tax on all lodging within the City. Revenues were $246,486 for the year ended December 31, 2015. Expenditures totaled $123,245 (50%) and were used to promote tourism, conventions, trade shows and to operate, maintain and market a conference center facility as required by O.C.G.A. 48-13-51.


THE CITY OF GARDEN CITY
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FAITH
FREEDOM
FAMILY
FAIRNESS
FUTURE

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION & ANALYSIS


THE CITY OF GARDEN CITY
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FAITH
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City of Garden City, Georgia
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Taxes	$ 5,933,935	6,527,906	$ 6,523,540	$ (4,366)
Licenses and permits	114,500	172,865	172,865	-
Intergovernmental revenues	162,500	172,904	172,904	-
Charges for services	156,860	119,455	119,455	-
Fines and forfeitures	750,000	611,656	721,134	109,478
Investment income	2,500	7,887	7,887	-
Other revenues	172,000	156,750	159,750	3,000
Total revenues	7,292,295	7,769,423	7,877,535	108,112
Expenditures:				
Current:				
General governmental:				
Council	423,000	61,647	61,647	-
City manager	278,600	269,962	269,678	284
General administration	826,274	885,339	885,197	142
Total general government	1,527,874	1,216,948	1,216,522	426
Judicial:				
Municipal court	104,481	96,250	96,250	-
Public safety:				
Police	3,659,925	3,856,623	3,853,328	3,295
Emergency management	7,700	2,703	2,703	-
Total public safety	3,667,625	3,859,326	3,856,031	3,295
Public works:				
Public works administration	734,150	762,342	762,699	(357)
Maintenance and shop	102,400	144,861	144,826	35
Total public works	836,550	907,203	907,525	(322)
Health and welfare:				
Senior citizens center	140,035	202,250	202,054	196
Culture and recreation:				
Recreation	605,400	734,619	733,169	1,450
Parks	2,000	1,390	1,390	-
Total culture and recreation	607,400	736,009	734,559	1,450
Housing and development:				
Planning and zoning	316,528	304,581	304,316	265
Total current	7,200,493	7,322,567	7,317,257	5,310
Debt service:				
Principal	12,793	74,458	74,458	-
Interest	3,707	4,670	4,670	-
Total debt service	16,500	79,128	79,128	-
Total expenditures	7,216,993	7,401,695	7,396,385	5,310
Excess (deficiency) of revenues over (under) expenditures	75,302	367,728	481,150	113,422

(continued)

City of Garden City, Georgia
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Other financing sources (uses):				
Transfers in	290,000	311,111	318,245	7,134
Transfers out	(375,302)	(460,377)	(460,377)	-
Capital lease	-	365,098	367,563	2,465
Insurance recoveries	10,000	10,855	10,855	-
Total other financing sources (uses)	(75,302)	226,687	236,286	9,599
Net change in fund balance	-	594,415	717,436	123,021
Fund balance, beginning of year	4,564,767	4,564,767	4,564,767	-
Fund balance, end of year	$ 4,564,767	$ 5,159,182	$ 5,282,203	$ 123,021

(concluded)

City of Garden City, Georgia
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2015

		2015
TOTAL PENSION LIABILITY		
Service cost	$	217,862
Interest		501,801
Differences between expected and actual experience		113,765
Changes of assumptions		(22,112)
Benefit payments		(255,306)
Net change in total pension liability		556,010
Total pension liability - beginning		6,602,509
Total pension liability - ending	$	7,158,519
PLAN FIDUCIARY NET POSITION		
Contributions - employer	$	381,022
Net investment income		492,021
Benefit payments		(255,306)
Administrative expense		(11,335)
Net change in plan fiduciary net position		606,402
Plan fiduciary net position - beginning		5,013,717
Plan fiduciary net position - ending	$	5,620,119
NET PENSION LIABILITY - ending	$	1,538,400
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY		21.49%
COVERED-EMPLOYEE PAYROLL	$	4,119,739
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL		37.34%

Historical information prior to the implementation of GASBS 68 is not required

City of Garden City, Georgia
Schedule of Contributions
December 31, 2015

	2015 *
Actuarially determined contribution	$ -
Contributions in relation to the actuarially determined contribution	-
Contribution deficiency (excess)	$ -
COVERED-EMPLOYEE PAYROLL	$ -
CONTRIBUTIONS AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL	-

Historical information prior to the implementation of GASBS 68 is not required

* 2015 information will be determined after fiscal year end and will be included in the 2016 valuation report.

1. Budgetary Information

A. Budgets and Budgetary Accounting

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

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

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

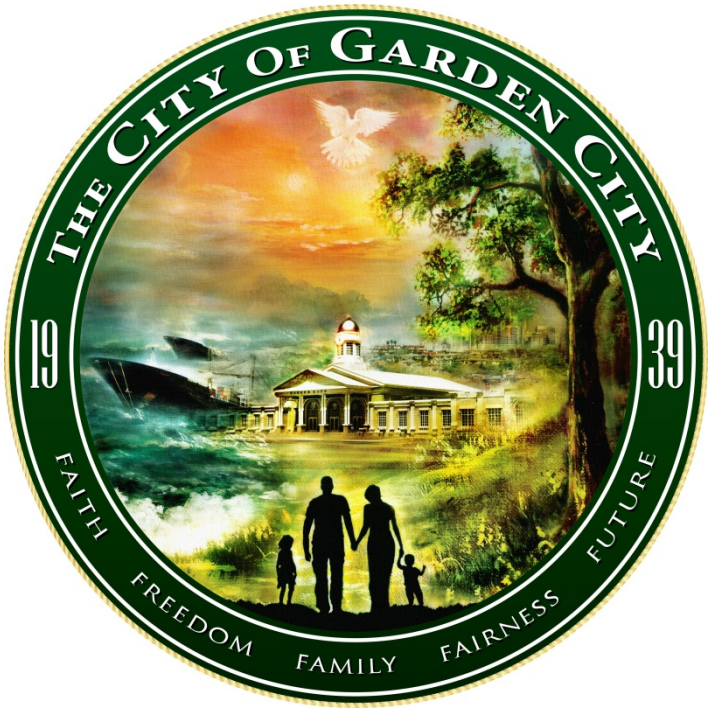
Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. For the year ended December 31, 2015, the following supplemental and decrease in appropriations were approved:

Fund Type	Original Appropriation	Supplemental Appropriation	Supplemental Decreases	Final Appropriation
General Fund	$ 7,592,295	$ 665,553	$ 395,776	$ 7,862,072
Special Revenue	202,000	113,515	778	314,737

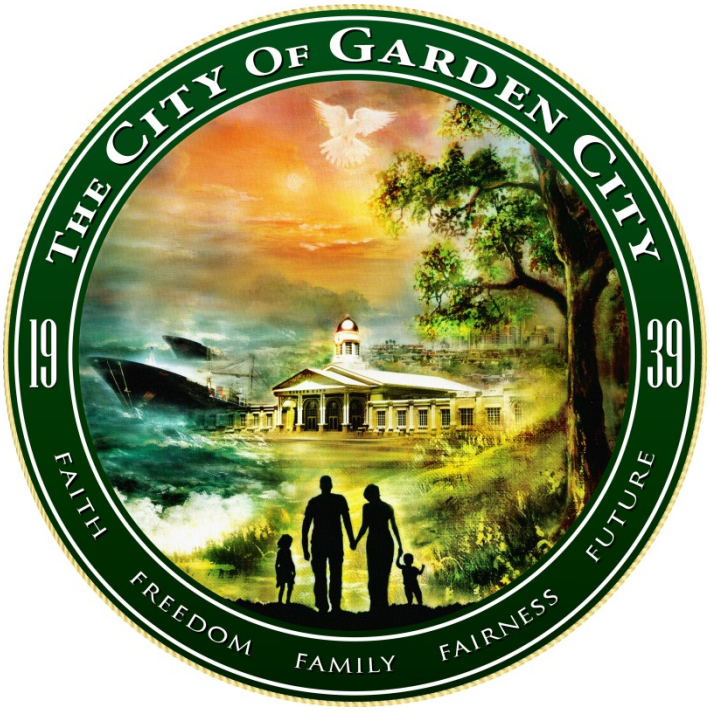
2. Retirement Plan Schedule of Contributions

The actuarially determined contribution rate was determined as of July 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending December 31, 2016.

Valuation Date	7/1/2015
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Method	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year year plus the assumed investment return, adjusted by 10% of the amount that the value excceds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of the market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.75%
Projected Salary Increases	3.50% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age	Normal: 65+5; Early: 55+10
Mortality	See notes to the basic financial statements


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SUPPLEMENTARY DATA
COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES


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Nonmajor Governmental Funds

Special Revenue Funds:

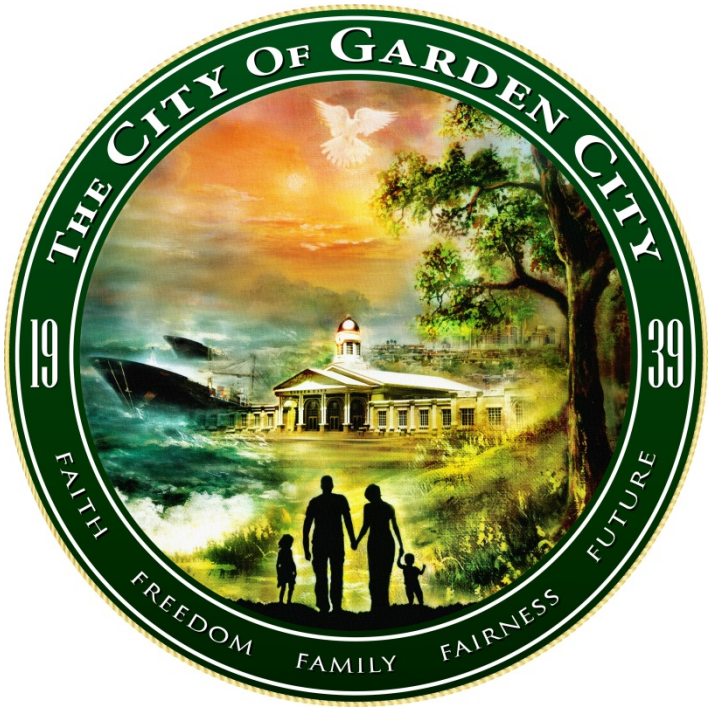
The Special Revenue Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

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

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

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

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


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City of Garden City, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Special Revenue Funds				
	Confiscated Assets	Special Purpose Hotel - Motel	Tourism Board	Multiple Grant	Total
ASSETS					
Cash and cash equivalents	$ 8,031	$ 24,205	389,544	$ -	$ 421,780
Taxes receivable	-	14,268	-	-	14,268
Due from other funds	-	-	4,749	-	4,749
Restricted cash and cash equivalents	-	-	-	56,205	56,205
Total assets	$ 8,031	$ 38,473	$ 394,293	$ 56,205	$ 497,002
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ 2,387	$ -	$ 32,365	$ 34,752
Due to other funds	1,036	36,086	13,452	682	51,256
Total liabilities	1,036	38,473	13,452	33,047	86,008
Fund balances					
Restricted	6,995	-	-	23,158	30,153
Assigned	-	-	380,841	-	380,841
Total fund balance	6,995	-	380,841	23,158	410,994
Total liablilities and fund balances	$ 8,031	$ 38,473	$ 394,293	$ 56,205	$ 497,002

City of Garden City, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Special Revenue Funds				
	Confiscated Assets	Hotel - Motel	Tourism Board	Multiple Grant	Total
REVENUES					
Taxes	$ -	$ 246,486	$ -	$ -	$ 246,486
Intergovernmental	-	-	82,155	57,025	139,180
Fines and forfeitures	9,689	-	-	-	9,689
Investment earnings	-	4	13	10	27
Total revenues	9,689	246,490	82,168	57,035	395,382
EXPENDITURES					
Current:					
Public safety	6,047	-	-	-	6,047
Housing and development	-	-	1,222	35,022	36,244
Intergovernmental:					
Assistance	-	123,245	-	-	123,245
Total expenditures	6,047	123,245	1,222	35,022	165,536
Excess (deficiency) of revenues over (under) expenditures	3,642	123,245	80,946	22,013	229,846
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(123,245)	-	-	(123,245)
Total other financing sources (uses)	-	(123,245)	-	-	(123,245)
Net change in fund balance	3,642	-	80,946	22,013	106,601
Fund balance, beginning of year	3,353	-	299,895	1,145	304,393
Fund balance, end of year	$ 6,995	$ -	$ 380,841	$ 23,158	$ 410,994

City of Garden City, Georgia
Confiscated Assets Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Fines and forfeitures	$ 10,000	$ 10,000	$ 9,689	$ (311)
Total revenues	10,000	10,000	9,689	(311)
Expenditures:				
Current:				
Public safety	10,000	10,000	6,047	3,953
Total expenditures	10,000	10,000	6,047	3,953
Excess (deficiency) of revenues over (under) expenditures	-	-	3,642	3,642
Net change in fund balance	-	-	3,642	3,642
Fund balance, beginning of year	3,353	3,353	3,353	-
Fund balance, end of year	$ 3,353	$ 3,353	$ 6,995	$ 3,642

City of Garden City, Georgia
Hotel – Motel Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	$ 190,000	$ 246,490	$ 246,486	$ (4)
Investment income	-	-	4	4
Total revenues	190,000	246,490	246,490	-
Expenditures:				
Intergovernmental:				
Assistance	95,000	123,245	123,245	-
Total expenditures	95,000	123,245	123,245	-
Excess (deficiency) of revenues over (under) expenditures	95,000	123,245	123,245	-
Other financing sources (uses):				
Transfers out	(95,000)	(123,245)	(123,245)	-
Total other financing sources (uses)	(95,000)	(123,245)	(123,245)	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

City of Garden City, Georgia
Tourism Board Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	$ 60,000	$ 77,407	$ 82,155	$ 4,748
Investment income	50	13	13	-
Total revenues	60,050	77,420	82,168	4,748
Expenditures:				
Current:				
General government	2,000	1,222	1,222	-
Total expenditures	2,000	1,222	1,222	-
Excess (deficiency) of revenues over (under) expenditures	58,050	76,198	80,946	4,748
Net change in fund balance	58,050	76,198	80,946	4,748
Fund balance, beginning of year	299,895	299,895	299,895	-
Fund balance, end of year	$ 357,945	$ 376,093	$ 380,841	$ 4,748

City of Garden City, Georgia
Multiple Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	$ -	$ 57,025	$ 57,025	$ -
Total revenues	-	57,025	57,025	-
Expenditures:				
Current:				
Housing and development	-	57,025	35,022	22,003
Total expenditures	-	57,025	35,022	22,003
Excess (deficiency) of revenues over (under) expenditures	-	-	22,003	22,003
Net change in fund balance	-	-	22,003	-
Fund balance, beginning of year	1,145	1,145	1,145	-
Fund balance, end of year	$ 1,145	$ 1,145	$ 23,148	$ -

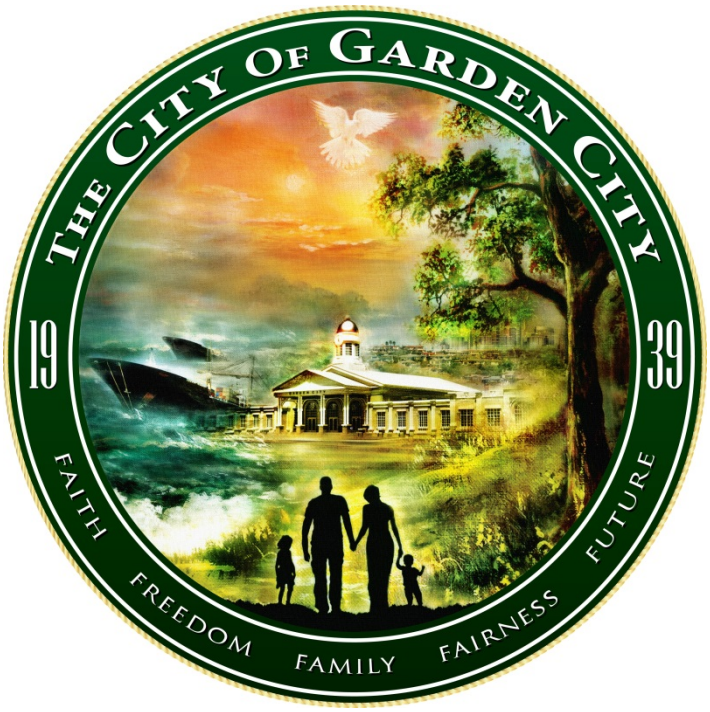
City of Garden City, Georgia
Schedule of Projects Constructed With
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2015

Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total Cost
2008 - 2014 SPLOST Referendum					
Capital outlay projects:					
Regional Police Academy	$ 1,419,164	$ -	$ -	$ -	$ -
Road paving projects	-	778,165	492,674	285,491	778,165
Debt service:					
Police Department - Vehicles	511,136	220,587	220,587	-	220,587
Fire Truck	47,395	142,049	142,049	-	142,049
Public Works	189,306	-	-	-	-
Municipal and Judicial facilities	3,932,999	3,877,115	3,826,108	51,007	3,877,115
Total 2008 - 2014 SPLOST	6,100,000	5,017,916	4,681,418	336,498	5,017,916
2014 - 2020 SPLOST Referendum					
Capital outlay projects:	3,613,000	3,613,000	-	-	-
Roads, streets and bridges			-	-	-
Cultural and recreational facilities			-	-	-
Parks			-	-	-
Public safety facilities and equipment			-	350,013	350,013
Debt service:					
Municipal and Judicial facilities	4,472,000	4,472,000	-	680,524	680,524
	8,085,000	8,085,000	-	1,030,537	1,030,537
Total SPLOST expenditures	$ 14,185,000	$ 13,102,916	$ 4,681,418	$ 1,367,035	$ 6,048,453

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

Total SPOST Fund expenditures	$ 1,392,681
Debt service on equipment reported on schedule	(25,646)
Total SPLOST expenditures	$ 1,367,035

Note: Proceeds from the 2008-2014 SPLOST referendum have been exhausted and this will be the final year reporting on 2008-2014.


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STATISTICAL SECTION

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

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

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

City of Garden City, Georgia

Net Position by Component
Last Ten Calendar Years

	2006	2007	2008
Governmental activities			
Net investment in capital assets	$ 4,147,765	$ 4,691,714	$ 13,763,772
Restricted	2,239,292	1,772,604	-
Unrestricted	10,132,572	15,468,336	7,846,785
Total governmental activities net position	$ 16,519,629	$ 21,932,654	$ 21,610,557
Business-type activities			
Net investment in capital assets	$ 6,876,834	$ 7,688,460	$ 8,293,976
Restricted	-	-	-
Unrestricted	3,005,025	3,247,446	3,002,780
Total business-type activities net position	$ 9,881,859	$ 10,935,906	$ 11,296,756
Primary Government			
Net investment in capital assets	$ 11,024,599	$ 12,380,174	$ 22,057,748
Restricted	2,239,292	1,772,604	-
Unrestricted	13,137,597	18,715,782	10,849,565
Total primary government net position	$ 26,401,488	$ 32,868,560	$ 32,907,313

2009	2010	2011	2012	2013	2014	2015
$ 12,909,489	$ 12,348,736	$ 12,329,724	$ 11,928,004	$ 11,973,251	$ 11,695,771	$ 11,798,120
-	-	116,276	252,533	120,040	576,674	978,394
7,153,169	3,991,150	3,569,672	4,458,343	4,117,321	5,526,529	5,542,726
$ 20,062,658	$ 16,339,886	$ 16,015,672	$ 16,638,880	$ 16,210,612	$ 17,798,974	$ 18,319,240
$ 11,266,753	$ 11,699,882	$ 11,693,200	$ 11,678,706	$ 10,950,870	$ 10,408,014	$ 10,461,769
-	-	-	-	-	-	-
1,404,345	314,526	230,177	838,502	1,617,980	2,593,894	3,098,463
$ 12,671,098	$ 12,014,408	$ 11,923,377	$ 12,517,208	$ 12,568,850	$ 13,001,908	$ 13,560,232
$ 24,176,242	$ 24,116,888	$ 24,022,924	$ 23,606,710	$ 22,924,121	$ 22,103,785	$ 22,259,889
-	25,647	116,276	252,533	120,040	576,674	978,394
8,557,514	4,211,759	3,799,849	5,296,845	5,735,301	8,120,423	8,641,189
$ 32,733,756	$ 28,354,294	$ 27,939,049	$ 29,156,088	$ 28,779,462	$ 30,800,882	$ 31,879,472

City of Garden City, Georgia

Changes in Net Position
Last Ten Calendar Years

	2006	2007	2008
Expenses			
Governmental activities:			
General government	$ 585,223	$ 1,035,750	$ 1,229,916
Judiciary	54,283	71,619	72,997
Public safety	3,133,517	3,341,151	3,984,387
Public works	1,119,824	1,349,616	1,523,871
Health and welfare	132,714	137,767	265,131
Culture and recreation	597,490	743,384	733,409
Housing and development	266,430	310,464	524,466
Interest on long-term debt	9,133	7,321	9,181
Total governmental activities expenses	5,898,614	6,997,072	8,343,358
Business-type activities:			
Water and sewer	1,828,024	1,866,494	2,406,423
Sanitation	305,683	383,870	384,738
Stormwater	-	-	-
Fire protection services	-	-	-
Total business-type activities expense	2,133,707	2,250,364	2,791,161
Total primary government expenses	$ 8,032,321	$ 9,247,436	$ 11,134,519
Program Revenues			
Governmental activities:			
Charges for services:			
General government	$ 47,217	$ 69,245	$ 286,287
Public safety	588,548	628,232	765,113
Public works	621	-	600
Health and welfare	-	-	-
Culture and recreation	61,581	80,133	89,426
Housing and development	247,837	230,177	85,648
Operating grants and contributions	185,678	66,925	138,576
Capital grants and contributions	64,087	63,251	15,983
Total governmental activities program revenues	1,195,569	1,137,963	1,381,633
Business-type activities:			
Charges for services	2,298,727	2,215,695	2,967,045
Operating grants and contributions	-	-	-
Capital grants and contributions	21,150	441,774	81,741
Total business type activities program revenues	2,319,877	2,657,469	3,048,786
Total primary government program revenues	$ 3,515,446	$ 3,795,432	$ 4,430,419
Net (Expense)/Revenue			
Governmental activities	$ (4,703,045)	$ (5,859,109)	$ (6,961,725)
Business-type activities	186,170	407,105	257,625
Total primary government net expense	$ (4,516,875)	$ (5,452,004)	$ (6,704,100)

2009	2010	2011	2012	2013	2014	2015
$ 1,749,681	$ 2,272,465	$ 1,957,364	$ 2,018,107	$ 1,934,767	$ 1,449,807	$ 1,580,481
71,619	98,187	97,289	97,000	97,160	95,500	96,250
4,410,216	6,332,933	3,990,758	3,691,402	3,606,478	3,727,352	3,978,747
1,459,347	1,553,248	1,010,737	706,294	1,644,768	984,467	1,016,071
146,905	157,645	142,685	185,716	149,818	165,958	201,774
859,249	744,323	632,721	836,979	770,782	694,969	720,162
414,517	496,820	311,098	323,100	300,931	164,671	381,510
12,593	380,030	348,678	637,930	200,938	212,955	219,211
9,124,127	12,035,651	8,491,330	8,496,528	8,705,642	7,495,679	8,194,206
2,879,332	2,924,569	3,047,325	2,952,549	3,101,449	2,837,507	3,075,811
461,521	434,560	385,114	399,333	413,749	384,159	370,800
765,146	766,005	829,794	722,104	738,503	878,475	808,378
-	-	747,183	899,450	962,591	874,368	1,324,813
4,105,999	4,125,134	5,009,416	4,973,436	5,216,292	4,974,509	5,579,802
$ 13,230,126	$ 16,160,785	$ 13,500,746	$ 13,469,964	$ 13,921,934	$ 12,470,188	$ 13,774,008
$ 115,827	$ 119,688	$ 116,139	$ 72,804	$ 197,364	$ 201,390	$ 254,970
1,057,234	1,014,791	1,210,341	1,218,187	764,254	709,893	734,117
450	720	1,045	2,198	170	705	630
-	-	-	-	22,574	24,283	22,817
67,558	106,654	106,017	128,288	93,780	106,154	91,742
42,478	52,476	21,299	29,367	16,879	38,677	54,690
141,953	768,046	259,378	254,356	146,502	164,947	177,904
2,170,273	15,059	1,169,793	1,203,611	1,664,723	1,295,386	1,580,781
3,595,773	2,077,434	2,884,012	2,908,811	2,906,246	2,541,435	2,917,651
3,589,799	3,587,896	4,401,169	4,974,884	5,050,737	5,224,169	5,442,920
-	-	201,426	200,189	193,377	39,078	524,050
50,200	205,910	22,441	401,069	15,215	87,876	156,586
3,639,999	3,793,806	4,625,036	5,576,142	5,259,329	5,351,123	6,123,556
$ 7,235,772	$ 5,871,240	$ 7,509,048	$ 8,484,953	$ 8,165,575	$ 7,892,558	$ 9,041,207
$ (5,528,354)	$ (9,958,217)	$ (5,607,318)	$ (5,587,717)	$ (5,799,396)	$ (4,954,244)	$ (5,276,555)
(466,000)	(331,328)	(384,380)	602,706	43,037	376,614	543,754
$ (5,994,354)	$ (10,289,545)	$ (5,991,698)	$ (4,985,011)	$ (5,756,359)	$ (4,577,630)	$ (4,732,801)

continued

City of Garden City, Georgia

Changes in Net Position
Last Ten Calendar Years

	2006	2007	2008
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes	$ 5,771,657	$ 5,846,673	$ 5,842,702
Grants and contributions not restricted to specific programs	1,036,458	1,038,544	258,538
Unrestricted investment earnings	528,454	737,279	360,975
Miscellaneous	80,276	125,786	201,026
Special Item - Gain on sale of municipal complex	-	3,184,212	-
Transfers	(704,006)	(486,703)	(23,613)
Total governmental activities	6,712,839	10,445,791	6,639,628
Business-type activities - water and sewer:			
Unrestricted investment earnings	104,462	160,239	79,611
Miscellaeous	-	-	-
Transfers	704,006	486,703	23,613
Total business-type activities	808,468	646,942	103,224
Total primary government	$ 7,521,307	$ 11,092,733	$ 6,742,852
Change in Net Position			
Governmental activities	$ 2,009,794	$ 4,586,682	$ (322,097)
Business-type activities	994,638	1,054,047	360,849
Total primary government	$ 3,004,432	$ 5,640,729	$ 38,752

2009	2010	2011	2012	2013	2014	2015
$ 5,500,889	$ 5,618,465	$ 5,693,408	$ 6,042,359	$ 5,330,729	$ 6,591,994	$ 6,849,298
-	202,913	-	-	-	-	
67,762	18,644	2,152	2,500	3,091	3,087	7,904
241,991	200,423	191,832	142,866	28,110	1,283	29,782
-	-	17,023	-	-	-	-
(1,830,187)	195,000	(292,911)	23,200	9,198	(53,758)	(265,377)
3,980,455	6,235,445	5,611,504	6,210,925	5,371,128	6,542,606	6,621,607
10,155	1,542	438	816	1,239	1,764	2,546
-	-	-	13,509	16,564	922	38,724
1,830,187	(195,000)	292,911	(23,200)	(9,198)	53,758	265,377
1,840,342	(193,458)	293,349	(8,875)	8,605	56,444	306,647
$ 5,820,797	$ 6,041,987	$ 5,904,853	$ 6,202,050	$ 5,379,733	$ 6,599,050	$ 6,928,254
$ (1,547,899)	$ (3,722,772)	$ 4,186	$ 623,208	$ (428,268)	$ 1,588,362	$ 1,345,052
1,374,342	(524,786)	(91,031)	593,831	51,642	433,058	850,401
$ (173,557)	$ (4,247,558)	$ (86,845)	$ 1,217,039	$ (376,626)	$ 2,021,420	$ 2,195,453

(concluded)

City of Garden City, Georgia

Fund Balances, Governmental Funds
Last Ten Calendar Years

	2006	2007	2008
General Fund			
Reserved	$ 134,708	$ 189,626	$ 107,194
Unreserved	9,480,603	14,190,311	10,675,968
Nonspendable	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total general fund	$ 9,615,311	$ 14,379,937	$ 10,783,162
All Other Governmental Funds			
Reserved	$ -	$ -	$ -
Unreserved, reported in:			
Special reveneue funds	(46)	276,499	215,896
Capital projects fund	2,239,292	1,772,604	(4,135,489)
Restricted			
Special reveneue funds	-	-	-
Capital projects fund	-	-	-
Assigned			
Special reveneue funds	-	-	-
Total all other governmental funds	$ 2,239,246	$ 2,049,103	$ (3,919,593)

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

2009	2010	2011	2012	2013	2014	2015
$ 3,851,793	$ 1,689,362	$ -	$ -	$ -	$ -	$ -
6,001,695	4,088,793	-	-	-	-	-
-	-	125,386	126,443	117,959	184,289	74,493
-	-	1,757,128	1,923,724	1,757,126	1,898,074	2,184,982
-	-	-	533,000	-	-	-
-	-	1,321,567	1,149,729	1,464,440	2,482,404	3,022,728
$ 9,853,488	$ 5,778,155	$ 3,204,081	$ 3,732,896	$ 3,339,525	$ 4,564,767	$ 5,282,203
$ -	$ -	$ -	$ -	$ -	$ -	$ -
21,384	42,928	-	-	-	-	-
(3,411,015)	(2,478,743)	-	-	-	-	-
-	-	11,171	13,125	1,673	4,498	30,153
-	-	105,105	239,409	118,367	572,176	948,241
-	-	93,411	152,450	224,709	299,895	380,841
$ (3,389,631)	$ (2,435,815)	$ 209,687	$ 404,984	$ 344,749	$ 876,569	$ 1,359,235

City of Garden City, Georgia

Changes in Fund Balances, Governmental Funds
Last Ten Calendar Years

	2006	2007	2008
Revenues			
Taxes	$ 5,720,070	$ 6,067,002	$ 5,681,166
Licenses and permits	295,054	299,322	371,935
Intergovernmental	1,286,398	1,168,720	413,097
Charges for services	82,295	107,577	111,948
Fines and fees	568,651	600,888	743,191
Interest revenues	528,454	737,279	360,975
Other revenues	79,905	125,786	238,684
Total revenue	8,560,827	9,106,574	7,920,996
Expenditures			
Current:			
General government	550,094	993,290	1,258,805
Judiciary	54,283	71,619	72,997
Public safety	2,859,653	3,016,062	3,636,442
Public works	991,831	1,111,409	1,314,486
Health and welfare	132,714	137,767	148,852
Culture and recreation	468,847	626,069	733,409
Housing and development	164,571	417,853	495,843
Capital outlay	612,620	1,219,135	9,910,821
Debt service:			
Principal	47,810	51,213	142,763
Interest and other charges	9,133	7,321	9,181
Intergovernmental:			
Assistance	145,983	91,150	100,573
Total expenditures	6,037,539	7,742,888	17,824,172
Excess (Deficiency) of revenues over (under) expenditures	2,523,288	1,363,686	(9,903,176)
Other Financing sources (uses)			
Capital leases and notes payable	-	-	361,318
Certificates of participation issued	-	-	-
Discount on certificates of participation issued	-	-	-
Sale of surplus property	-	-	-
Insurance recoveries	-	-	-
Transfers in	131,637	205,415	3,646,975
Transfers out	(835,643)	(692,118)	(3,670,588)
Total other financing sources (uses)	(704,006)	(486,703)	337,705
Special Item			
Proceeds from sale of municipal complex	-	3,389,558	-
Net change in fund balances	$ 1,819,282	$ 4,266,541	$ (9,565,471)
Debt service as a percentage of noncapital expenditures	1.04%	0.89%	1.92%

Note: Noncapital expenditures are total expenditures less capital outlay.

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

2009	2010	2011	2012	2013	2014	2015
$ 5,862,825	$ 5,558,257	$ 5,792,343	$ 6,025,297	$ 5,341,826	$ 6,528,681	$ 6,770,026
158,305	172,197	136,213	102,171	80,782	115,075	172,865
156,106	1,067,075	1,365,828	1,457,934	1,883,741	1,535,954	1,835,756
86,398	119,519	125,035	139,499	150,326	155,754	119,455
1,038,844	1,002,613	1,193,593	1,209,174	730,884	685,389	730,823
67,762	18,703	2,152	2,530	3,091	3,087	7,988
241,991	223,002	231,154	122,320	148,532	122,773	159,750
7,612,231	8,161,366	8,846,318	9,058,925	8,339,182	9,146,713	9,796,663
1,778,215	1,835,903	1,527,331	1,616,657	1,565,889	1,028,023	1,216,522
71,619	98,187	97,289	97,000	97,160	95,500	96,250
4,106,397	4,519,181	3,577,570 [(a)]	3,514,410	3,474,984	3,550,513	3,862,078
1,307,368	1,082,379	811,223	675,617	583,182	789,449	907,525
146,905	157,645	142,685	185,716	149,818	165,958	202,054
745,024	744,323	570,302	775,429	817,256	619,474	734,559
386,341	639,431	326,839	302,740	264,661	126,860	340,560
8,712,346	1,875,554	-	-	948,156	115,405	635,504
219,904	283,814	1,191,325	9,060,504	547,220	523,461	618,046
12,593	380,030	377,338	881,197	240,704	211,212	218,259
88,646	115,134	92,821	73,816	125,564	113,432	123,245
17,575,358	11,731,581	8,714,723	17,183,086	8,814,594	7,339,287	8,954,602
(9,963,127)	(3,570,215)	131,595	(8,124,161)	(475,412)	1,807,426	842,061
10,207,438	253,698	-	71,000	-	-	612,563
-	-	-	8,740,000	-	-	-
-	-	-	(45,580)	-	-	-
-	-	-	39,107	-	-	-
-	-	-	20,546	12,607	3,394	10,855
140,885	3,327,250	3,383,109	582,482	312,115	308,434	318,245
(784,908)	(3,132,250)	(3,443,276)	(559,282)	(302,917)	(362,192)	(583,622)
9,563,415	448,698	(60,167)	8,848,273	21,805	(50,364)	358,041
-	-	-	-	-	-	-
$ (399,712)	$ (3,121,517)	$ 71,428	$ 724,112	$ (453,607)	$ 1,757,062	$ 1,200,102
2.73%	5.98%	18.14%	58.78%	9.25%	10.07%	10.20%

City of Garden City, Georgia

Assessed and Actual Value of Taxable Property
Last Ten Calendar Years

Tax Digest Year	Real Property		Mobile Homes	Motor Vehicles	Industrial	Utility
	Residential	Commercial				
2006	$ 84,959,176	$ 121,928,390	$ 5,979,000	$ 24,656,400	$ 78,110,613	$ 5,700,133
2007	96,315,222	139,038,044	4,837,800	25,821,260	88,079,178	5,144,188
2008	102,002,998	148,130,329	4,879,800	27,855,530	93,924,012	8,489,551
2009	102,612,345	153,186,452	4,716,200	28,087,370	90,569,095	7,803,677
2010	87,583,851	152,466,687	4,606,800	26,211,060	102,262,351	8,491,300
2011	79,077,088	144,592,269	4,519,484	25,055,760	124,301,390	10,779,351
2012	78,084,103	147,194,157	5,492,582	26,301,130	111,412,897	10,150,904
2013	81,535,065	156,766,825	5,965,240	27,999,510	109,871,199	10,367,321
2014	81,205,784	167,938,531	5,773,080	24,858,970	100,240,147	10,872,614
2015	78,385,792	175,929,590	5,646,194	16,776,140	117,435,762	12,124,157

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

Note: The ratio of total assessed to total estimated actual value is at at 40.00% by state law.

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

Other Personal Property	Tax Exempt Real Property	Total Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
$ 2,031,356	$ (17,102,673)	$ 306,262,395	$ 765,655,988	40.00%	-
3,795,220	(22,627,682)	340,403,230	851,008,075	40.00%	-
3,869,741	(23,262,625)	365,889,336	914,723,340	40.00%	-
5,138,351	(20,065,855)	372,047,635	930,119,088	40.00%	-
3,344,329	(13,739,715)	371,226,663	928,066,658	40.00%	-
2,332,308	(9,383,559)	381,274,091	953,185,228	40.00%	-
1,153,718	(8,978,184)	370,811,307	927,028,268	40.00%	-
833,057	(10,592,025)	382,746,192	956,865,480	40.00%	-
1,482,241	(41,126,476)	351,244,891	878,112,228	40.00%	4.000
2,301,812	(39,526,795)	369,072,652	922,681,630	40.00%	3.883

City of Garden City, Georgia

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

	Direct	Overlapping Rates			
Tax Year	City	School District	County	State	Total
2006	-	15.817	10.837	0.250	26.904
2007	-	13.795	10.537	0.250	24.582
2008	-	13.404	10.537	0.250	24.191
2009	-	13.404	10.537	0.250	24.191
2010	-	14.131	10.537	0.250	24.918
2011	-	14.631	11.109	0.250	25.990
2012	-	14.631	11.109	0.200	25.940
2013	-	15.880	12.950	0.150	28.980
2014	4.000	15.881	12.543	0.100	32.524
2015	3.883	16.631	12.543	0.050	33.107

Source: Chatham County Tax Assessor

City of Garden City, Georgia

Local Option Sales Tax History
Last Ten Calendar Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
January	$ 246,946	$ 280,728	$ 293,311	$ 344,503	$ 273,020	$ 250,824	$ 270,245	$ 256,987	$ 198,095	$ 215,149
February	307,070	324,874	327,143	254,327	270,843	280,818	290,586	295,748	210,564	220,986
March	299,409	274,918	228,148	221,021	294,915	279,450	326,733	237,172	240,296	243,788
April	296,109	282,938	301,310	394,481	275,134	295,415	298,087	195,103	233,610	251,283
May	296,695	302,503	317,991	249,038	285,449	293,494	313,743	224,825	238,363	247,085
June	340,138	323,734	301,614	269,339	281,520	304,670	321,629	224,100	240,984	254,619
July	302,035	320,618	328,109	284,952	280,362	318,112	310,599	215,672	247,207	253,464
August	332,151	288,609	304,379	314,377	279,326	306,235	293,763	220,673	235,973	235,624
September	361,600	335,186	306,294	263,508	265,355	301,040	310,136	216,010	230,915	199,903
October	306,450	314,916	278,989	269,220	274,202	273,984	302,928	213,307	231,495	232,030
November	389,374	329,570	334,426	245,272	261,524	268,169	288,766	205,247	232,669	230,946
December	210,042	599,365	272,842	270,655	300,901	331,240	332,013	250,943	267,433	266,323
Pro Rata Adjustment	14,582	7,315	-	-	-	-	-	-	-	-
Total	$ 3,702,601	$ 3,985,274	$ 3,594,556	$ 3,380,693	$ 3,342,551	$ 3,503,451	$ 3,659,228	$ 2,755,787	$ 2,807,604	$ 2,851,200

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

City of Garden City, Georgia

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

Tax Revenue	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Local Option Sales Tax	$ 3,702,601	$ 3,985,274	$ 3,443,904	$ 3,380,693	$ 3,342,551	$ 3,503,451	$ 3,659,228	$ 2,755,787	$ 2,807,604	$ 2,851,200
Real and Personal Property Tax	-	-	-	-	-	-	-	-	1,174,624	1,377,255
Title Ad Valorem Tax	-	-	-	-	-	-	-	170,450	196,198	207,554
Franchise Tax - Electric	474,867	471,962	527,708	691,275	589,091	722,827	655,423	683,785	662,390	719,749
Franchise Tax - Gas	27,697	43,142	33,479	31,319	31,171	30,163	30,654	31,938	31,442	29,699
Franchise Tax - Television Cable	68,507	73,286	81,123	81,315	79,960	110,206	90,787	94,093	94,802	95,864
Franchise Tax - Telephone	81,393	79,419	97,988	51,511	59,272	52,654	47,615	52,818	51,156	55,648
Alcoholic Beverage Excise Tax	191,367	185,202	172,002	172,217	157,393	151,710	140,161	129,078	139,623	141,929
Energy Excise Tax	-	-	-	-	-	-	-	6,701	18,900	36,702
Local Option Mixed Drink Excise Tax	987	4,312	5,436	5,421	2,340	3,015	2,860	2,565	4,271	7,416
Business and Occupation Tax	400,033	425,807	440,543	642,642	524,025	570,643	714,569	709,453	623,464	466,552
Insurance Premium Tax	532,383	558,647	568,637	563,302	546,931	411,725	437,321	453,628	474,518	506,945
Financial Institution Tax	30,310	24,561	21,952	23,251	40,349	35,885	40,562	33,959	22,825	27,027
	$ 5,510,145	$ 5,851,612	$ 5,392,772	$ 5,642,946	$ 5,373,083	$ 5,592,279	$ 5,819,180	$ 5,124,255	$ 6,301,817	$ 6,523,540

City of Garden City, Georgia

Principal Property Tax Payers
Current Year and One Year Ago

	2015			2014		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
International Paper	$ 10,096,170	1	2.74%	$ 8,125,231	1	2.05%
Centerpoint Garden City LLC	8,399,936	2	2.28%	7,136,760	2	1.80%
Georgia Power Company	8,013,832	3	2.17%	6,994,812	3	1.76%
Slivka Gene R	7,621,800	4	2.07%	3,478,520	9	0.88%
Garden Lake Townhomes LLC	5,343,240	5	1.45%	6,381,648	4	1.61%
Duke Realty Limited Partnership	5,206,740	6	1.41%	5,206,740	5	1.31%
Newell Recycling of Savannah LLC	5,180,469	7	1.40%	3,673,821	8	0.93%
Graphic Packaging International	4,732,562	8	1.28%			
Byck Sylvan M Jr Etal	4,721,160	9	1.28%			
Sunbelt Rentals, Inc.	3,902,520	10	1.06%			
Trafigura				5,023,394	6	1.27%
Cowan Investments LLC				3,948,000	7	0.99%
ABRO Industries Inc.				3,324,485	10	0.84%
Total	$ 63,218,429		17.13%	$ 53,293,411		13.44%

Source: Chatham County Tax Assessor

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

City of Garden City, Georgia

Property Tax Levies and Collections
Last Two Calendar Years

Calendar Year [1]	Total Tax Levy [2]	Adjustments	Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2014	$ 1,278,693	$ (24,184)	$ 1,254,509	$ 1,009,692	78.96%	$ 242,493	$ 1,252,185	97.93%
2015	1,339,135	(53,343)	1,285,792	1,121,272	87.20%	-	1,121,272	87.20%

Source: Chatham County Tax Commissioner

[1] Taxes are assessed for the calendar year beginning January 1.

[2] The total tax levy is the original state approved levy and includes real property, industrial property, personal property and public utilities.

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

City of Garden City, Georgia

Water Rates
Last Ten Calendar Years

Years ended December 31,	Water - Inside the City		Water - Outside the City	
	Type of Charge	Charge	Type of Charge	Charge
2006	Cubic Feet- Residential		Cubic Feet	
	Up to 500	$8.17	Up to 500	$26.96
	Over 500, per 1,000	$11.43	Over 500, per 1,000	$20.34
	Cubic Feet- Commercial			
	Up to 500	$17.97		
	Over 500, per 1,000	$13.56		
2007	Cubic Feet- Residential		Cubic Feet	
	Up to 500	$8.58	Up to 500	$28.31
	Over 500, per 1,000	$12.00	Over 500, per 1,000	$21.36
	Cubic Feet- Commercial			
	Up to 500	$18.87		
	Over 500, per 1,000	$14.24		
2008 - 2010	Base	$8.96 per REU*	Base	$10.54 per REU*
	Administration Fee	$1.85	Administration Fee	$1.85
	Gallons		Gallons	
	up to 5,000	$1.00	up to 5,000	$1.50
	5,001 - 10,000	$1.50	5,001 - 10,000	$2.25
	10,001 - 15,000	$2.00	10,001 - 15,000	$3.00
	15,001 - 20,000	$2.50	15,001 - 20,000	$3.75
	Over 20,000	$3.00	Over 20,000	$4.50
2011	Base	$10.68 per REU*	Base	$12.26 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$1.00	up to 2,500	$1.50
	2,501 - 5,000	$1.25	2,501 - 5,000	$2.00
	5,001 - 10,000	$1.50	5,001 - 10,000	$2.25
	10,001 - 15,000	$2.00	10,001 - 15,000	$3.00
	15,001 - 20,000	$2.50	15,001 - 20,000	$3.75
	Over 20,000	$3.00	Over 20,000	$4.50
2012	Base	$11.68 per REU*	Base	$13.44 per REU*
2013	Base	$12.13 per REU*	Base	$13.95 per REU*
2014	Base	$13.35 per REU*	Base	$15.36 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$1.25	up to 2,500	$1.88
	2,501 - 5,000	$1.50	2,501 - 5,000	$2.25
	5,001 - 10,000	$1.75	5,001 - 10,000	$2.63
	10,001 - 15,000	$2.25	10,001 - 15,000	$3.38
	15,001 - 20,000	$2.75	15,001 - 20,000	$4.13
	Over 20,000	$3.25	Over 20,000	$4.88
2015	Base	$11.68 per REU*	Base	$13.44 per REU*
	Base	$12.13 per REU*	Base	$13.95 per REU*
	Base	$13.55 per REU*	Base	$15.59 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$1.27	up to 2,500	$2.07
	2,501 - 5,000	$1.52	2,501 - 5,000	$2.48
	5,001 - 10,000	$1.78	5,001 - 10,000	$2.90
	10,001 - 15,000	$2.28	10,001 - 15,000	$3.72
	15,001 - 20,000	$2.79	15,001 - 20,000	$4.55
	Over 20,000	$3.30	Over 20,000	$5.37

** REU - Residential Equivalent Unit*

City of Garden City, Georgia

Sewer Rates
Last Ten Calendar Years

Years ended December 31,	Sewer - Inside the City		Sewer - Outside the City	
	Type of Charge	Charge	Type of Charge	Charge
2006	Cubic Feet- Residential		Cubic Feet	
	Up to 500	$12.25	Up to 500	$34.31
	Over 500, per 1,000	$11.43	Over 500, per 1,000	$20.34
	Cubic Feet- Commercial			
	Up to 500	$22.87		
	Over 500, per 1,000	$13.56		
2007	Cubic Feet- Residential		Cubic Feet	
	Up to 500	$12.86	Up to 500	$36.02
	Over 500, per 1,000	$12.00	Over 500, per 1,000	$21.36
	Cubic Feet- Commercial			
	Up to 500	$24.01		
	Over 500, per 1,000	$14.24		
2008 - 2010	Base	$10.00 per REU*	Base	$12.04 per REU*
	Administration Fee	$1.85	Administration Fee	$1.85
	Gallons		Gallons	
	up to 5,000	$1.30	up to 5,000	$1.95
	5,001 - 10,000	$1.95	5,001 - 10,000	$2.93
	10,001 - 15,000	$2.60	10,001 - 15,000	$3.90
	15,001 - 20,000	$3.25	15,001 - 20,000	$4.88
	Over 20,000	$3.90	Over 20,000	$5.85
2011	Base	$11.35 per REU*	Base	$13.39 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$1.30	up to 2,500	$1.95
	2,501 - 5,000	$1.66	2,501 - 5,000	$2.55
	5,001 - 10,000	$1.95	5,001 - 10,000	$2.93
	10,001 - 15,000	$2.60	10,001 - 15,000	$3.90
	15,001 - 20,000	$3.25	15,001 - 20,000	$4.88
	Over 20,000	$3.90	Over 20,000	$5.85
2012	Base	$13.35 per REU*	Base	$15.35 per REU*
2013	Base	$14.40 per REU*	Base	$16.56 per REU*
2014	Base	$15.84 per REU*	Base	$18.21 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$1.55	up to 2,500	$2.33
	2,501 - 5,000	$1.91	2,501 - 5,000	$2.87
	5,001 - 10,000	$2.20	5,001 - 10,000	$3.30
	10,001 - 15,000	$2.85	10,001 - 15,000	$4.28
	15,001 - 20,000	$3.50	15,001 - 20,000	$5.25
	Over 20,000	$4.15	Over 20,000	$6.23
2015	Base	$13.35 per REU*	Base	$15.35 per REU*
	Base	$14.40 per REU*	Base	$16.56 per REU*
	Base	$16.08 per REU*	Base	$18.50 per REU*
	Administration Fee	$2.35	Administration Fee	$2.35
	Gallons		Gallons	
	up to 2,500	$2.00	up to 2,500	$3.00
	2,501 - 5,000	$2.15	2,501 - 5,000	$3.23
	5,001 - 10,000	$2.23	5,001 - 10,000	$3.63
	10,001 - 15,000	$2.89	10,001 - 15,000	$4.71
	15,001 - 20,000	$3.55	15,001 - 20,000	$5.78
	Over 20,000	$4.21	Over 20,000	$6.86

** REU - Residential Equivalent Unit*

City of Garden City

Ratios of Outstanding Debt by Type
Last Ten Calendar Years

Calendar Year	Governmental Activities				Business-type Activities					Total Primary Government	Percentage of Personal Income [a]	Per Capita [a]
	Water Credits	Capital Leases	Certificates of Participation	Note Payable	Capital Leases	SRF Loan	GEFA Loans	Revenue Bonds	Contractual Obligations			
2006	$ 4,128	$ 187,368	$ -	$ -	$ -	$ 394,373	$3,298,113	-	-	$3,883,982	1.88%	$ 410
2007	-	140,283	-	-	-	309,768	3,164,919	-	-	3,614,970	1.69%	384
2008	-	358,838	-	-	-	223,458	3,913,483	-	-	4,495,779	2.03%	478
2009	-	396,372	-	9,950,000	-	135,411	4,999,932	-	-	15,481,715	6.66%	1,629
2010	-	366,256	-	9,950,000	-	45,588	5,079,901	-	-	15,441,745	10.55%	1,759
2011	-	127,145	-	8,997,787	-	-	5,007,978	-	-	14,132,910	9.56%	1,593
2012	-	135,428	8,694,420	-	-	-	4,889,494	-	-	13,719,342	9.23%	1,539
2013	-	58,207	8,227,459	-	-	-	-	4,831,164	198,867	13,315,697	8.96%	1,494
2014	-	44,746	7,720,498	-	-	-	832,812	4,484,787	99,433	13,182,276	8.88%	1,480
2015	-	559,262	7,203,537	-	1,073,991	-	3,021,241	4,128,410	-	15,986,441	10.66%	1,776

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

[a] These ratios are calculated using personal income and population for the prior calendar year.

City of Garden City, Georgia

Direct and Overlapping Governmental Activities Debt
As of December 31, 2015

	Debt Outstanding	Estimated Percentage Applicable [(a)]	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes:			
Chatham County, Georgia:			
DSA Chatham County Projects Series 2005	$ 9,840,000	3.23%	$ 317,832
DSA Chatham County Projects Series 2005A	3,295,000	3.23%	106,429
DSA Union Mission Series 2009	1,875,000	3.23%	60,563
DSA Union Mission Series 2011	2,680,000	3.23%	86,564
Mosquito Control	3,528,990	3.23%	113,986
Chatham-Savannah School Board:			
General Obligation Bonded Debt	32,605,000	7.47%	2,435,594
Overlapping other debt:			
Capital leases:			
Chatham County, Georgia	4,301,351	3.23%	138,934
Savannah-Chatham County School Board	12,306,053	7.47%	919,262
Subtotal, overlapping debt			4,179,163
City of Garden City direct debt			7,765,244
Total direct and overlapping debt			$ 11,944,407

Sources: Assessed value data used to estimate applicable percentages provided by the Chatham County Board of Taxation. Debt outstanding data provided by each governmental unit.

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

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

City of Garden City, Georgia

Legal Debt Margin Information
Last Ten Calendar Years

	2006	2007	2008	2009	2010
Total assessed value of taxable property.....	$306,262,395	$340,403,230	$365,889,336	$372,047,635	$371,226,663
Less exemptions for bond purposes.....	-	-	-	-	-
Net assessed value for bond purposes.....	$306,262,395	$340,403,230	$365,889,336	$372,047,635	$371,226,663
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	$ 30,626,240	$ 34,040,323	$ 36,588,934	$ 37,204,764	$ 37,122,666
Total net debt applicable to limit: General obligation bonds (net of set aside).	-	-	-	-	-
Legal debt margin.....	$ 30,626,240	$ 34,040,323	$ 36,588,934	$ 37,204,764	$ 37,122,666
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

	2011	2012	2013	2014	2015
Total assessed value of taxable property.....	$381,274,091	$370,811,307	$382,746,192	$351,244,891	$369,072,652
Less exemptions for bond purposes.....	-	-	-	-	-
Net assessed value for bond purposes.....	$381,274,091	$370,811,307	$382,746,192	$351,244,891	$369,072,652
Debt limit percentage.....	10%	10%	10%	10%	10%
Debt limit.....	$ 38,127,409	$ 37,081,131	$ 38,274,619	$ 35,124,489	$ 36,907,265
Total net debt applicable to limit: General obligation bonds (net of set aside).	-	-	-	-	-
Legal debt margin.....	$ 38,127,409	$ 37,081,131	$ 38,274,619	$ 35,124,489	$ 36,907,265
Total net debt applicable to the limit as a percentage of debt limit.....	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

City of Garden City, Georgia

Pledged Revenue Coverage
Last Ten Calendar Years

	Water and Sewer Long-Term Obligations					
				Debt Service [b]		
Fiscal Year	Utility Service Charges	Operating Expenses [a]	Net Available Revenue	Principal	Interest	Coverage
2006	$ 1,963,331	$ (1,039,575)	$ 923,756	$ 210,185	$ 173,908	2.41
2007	1,907,805	(1,070,148)	837,657	217,799	160,339	2.22
2008	2,633,654	(1,618,935)	1,014,719	225,729	132,173	2.84
2009	2,503,945	(1,970,551)	533,394	250,064	170,105	1.27
2010	2,351,036	(1,971,069)	379,967	272,574	165,923	0.87
2011	2,890,439	(2,030,635)	859,804	236,906	155,337	2.19
2012	3,275,829	(1,910,226)	1,365,603	227,721	184,438	3.31
2013	3,246,503	(1,923,996)	1,322,507	335,811	291,878	2.11
2014	3,453,056	(1,882,597)	1,570,459	445,811	95,812	2.90
2015	3,640,404	(2,142,547)	1,497,857	455,810	76,735	2.81

[a] Operating expenses do not include interest, depreciation, amortization expenses, or support departments such as administration and finance.

[b] Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Garden City, Georgia

Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population*	Personal Income [1]	Per Capita Personal Income [1]	Median Age [1]	Unemployment Rate [2]
2006	9,469	$ 155,395,759	$ 16,411	32.0	4.2%
2007	9,426	157,367,070	16,695	32.0	4.1%
2008	9,413	159,832,740	16,980	32.0	5.6%
2009	9,502	162,757,152	17,129	32.0	8.5%
2010	8,778	143,783,640	16,380	35.0	9.1%
2011	8,871	143,783,640	16,208	35.0	9.2%
2012	8,913	143,783,640	16,132	35.0	8.6%
2013	8,913	163,036,596	18,292	36.8	8.9%
2014	8,904	155,989,176	17,519	35.3	7.7%
2015	8,994	161,712,120	17,980	36.0	5.0%

Sources:

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

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

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

City of Garden City, Georgia

Principal Employers
Current Year and Nine Years Ago

	2015			2006		
Employer	Employees	Rank	Percentage of Total Metro Area Employment	Employees	Rank	Percentage of Total Metro Area Employment
Gulfstream Aerospace Corporation	10,126	1	8.63%	4,505	2	3.69%
Memorial Health	5,000	2	4.26%	5,473	1	4.49%
Savannah-Chatham Board of Ed.	4,808	3	4.10%	4,309	4	3.53%
Ft. Stewart/Hunter Army Airfield	4,637	4	3.95%	3,485	5	2.86%
St. Joseph's/Candler	3,304	5	2.82%	3,400	6	2.79%
Walmart	2,935	6	2.50%	2,182	6	
City of Savannah	2,795	7	2.38%	2,408	8	1.97%
Savannah College of Art and Design	1,590	8	1.36%	1,200	9	0.98%
Chatham County	1,573	9	1.34%			
Kroger	1,070	10		1,200	10	1.57%
Georgia-Pacific Savannah River Mill				1,420	8	1.23%
Total	37,838		31.35%	29,582		23.12%

Source: Savannah Economic Development Authority and Georgia Department of Labor

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

City of Garden City, Georgia

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

Function/Program	2006	2007	2008	2009	2010
General government	8	11	11	11	14
Public safety	44	49	49	51	57
Public works	19	21	13	13	14
Culture and recreation	9	13	15	14	12
Utility services	11	13	15	17	17
Total	91	107	103	106	114

Function/Program	2011	2012	2013	2014	2015
General government	13	12	12	9	7
Public safety	56	54	54	56	58
Public works	11	12	12	12	12
Culture and recreation	12	12	12	12	13
Water and sewer services	15	18	18	17	17
Total	107	108	108	106	107

Source: City Personnel Records

City of Garden City, Georgia

Operating Indicators by Function
Last Ten Calendar Years

	2006	2007	2008	2009	2010
Police:					
Arrests	1897	2375	2149	1256	1385
Fire:					
Number of emergency calls	334	366	390	348	379
Inspections	unav	unav	unav	unav	50
Public works:					
Ditch maintenance (miles)	unav	unav	unav	10.7	8.1
Canal maintenance (miles)	unav	unav	unav	120	84
Dry trash (tons)	900	1100	1000	826	848
Water:					
New connections	unav	unav	unav	10	8
Average daily consumption (millions of gallons)	1.2	1.2	1.1	1.03	1.03
Sewer:					
New connections	unav	unav	unav	6	8
Average daily sewage treatment (millions of gallons)	0.97	0.98	0.96	1.05	1.05

	2011	2012	2013	2014	2015
Police:					
Arrests	1259	854	842	867	845
Fire:					
Number of emergency calls	394	362	370	357	601
Inspections	53	100	133	180	150
Public works:					
Ditch maintenance (miles)	5.6	4.96	6.50	5.60	7.60
Canal maintenance (miles)	109	1,530	646	508	745
Dry trash (tons)	848	150	189	38	157
Water:					
New connections	7	12	2	6	12
Average daily consumption (millions of gallons)	0.99	0.94	0.95	0.96	0.89
Sewer:					
New connections	7	11	2	6	8
Average daily sewage treatment (millions of gallons)	0.83	0.86	0.88	0.89	1.07

Sources: City records

unav - This information is not available.

City of Garden City, Georgia

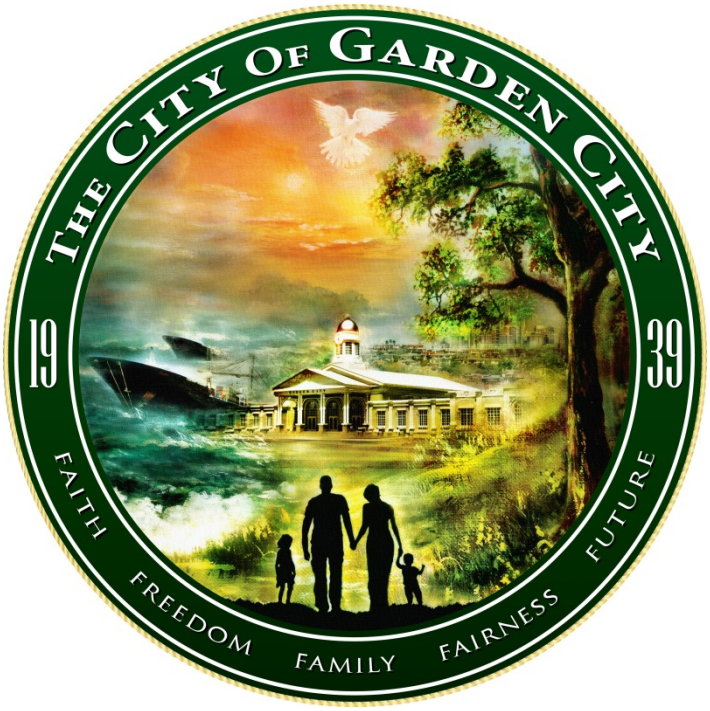
Capital Asset Statistics by Function
Last Ten Calendar Years

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

	2011	2012	2013	2014	2015
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	45	45	45	45	45
Parks and recreation:					
Parks	4	4	4	4	4
Community centers	3	3	3	3	3
Water:					
Water mains (miles)	41.9	41.9	41.9	41.9	41.9
Maximum daily capacity (millions of gallons)	1.3	1.3	1.3	1.3	1.3
Wastewater:					
Sanitary sewers (miles)	48	48	48	48	48
Maximum daily treatment capacity (millions of gallons)	2.0	2.0	2.0	2.0	2.0

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

unav - This information is not available.


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

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Garden City, Georgia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated June 10, 2016.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses and identified as item 2015-01, which we consider to be a significant deficiency.

Compliance and Other Matters

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

City of Garden City, Georgia's Response to Findings

City of Garden City, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. City of Garden City, 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KRT, CPAs P.C.

KRT, CPAs P.C.
Savannah, Georgia
June 10, 2016

AUDIT FINDING 2015-01: CASH DEPOSITS NOT MADE DAILY

CRITERIA: Cash deposits should be made daily and intact.

CONDITION: Garden City Municipal Court cash deposits are not made daily; court deposits have routinely been made between two and four weeks subsequent to the court date.

CAUSE: Municipal Court Clerk needs to accumulate cash in order to have a sufficient amount of cash on hand to make change.

EFFECT: The cash deposit for the period covering 11/19/2015 – 11/25/2015 appears to be approximately $2,000 short in comparison to the transaction records for that period. The deposit was made on 1/15/16 which is fifty-one (51) days subsequent to the actual court date of 11/25/15. It was noted that the following deposits were made subsequent to 1/15/16, but these deposits do not have a citation reference:

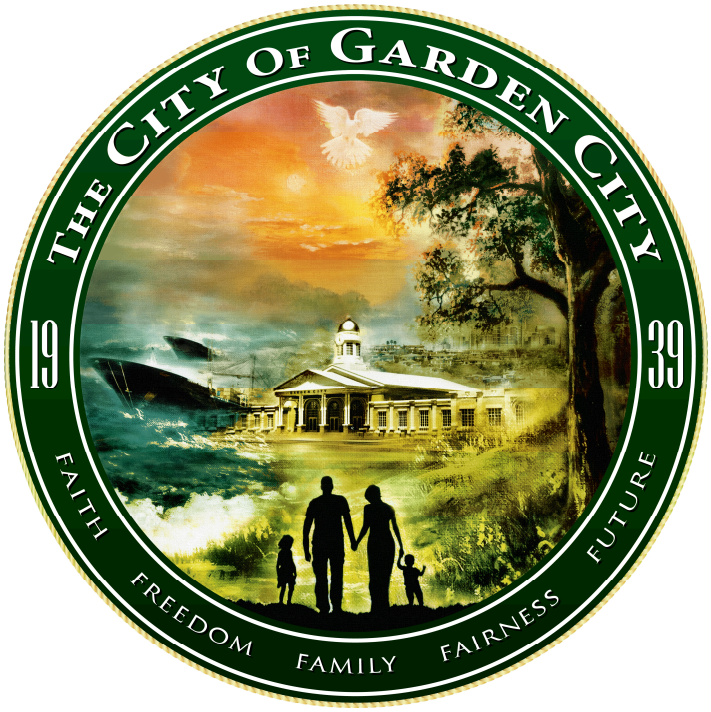
Date	Amount
03/16/16	306.50
04/01/16	1,560.50
04/01/16	861.50
	2,728.50

As such, the relationship of the above three deposits to the shortfall associated with the 11/19/15 – 11/25/15 time period cannot be determined without further investigation.

MANAGEMENT'S RESPONSE:

In Progress: The City of Garden City has implemented internal control policies and procedures in the Municipal Court Division to ensure all monies received are receipted, recorded, transmitted, and deposited properly. With the implementation of the internal controls, oversight and reconciliation procedures have improved. The Municipal Court Clerk reconciles the composition of receipts to the composition of monies received by the municipal court division on a daily basis. The Municipal Court Clerk provides the Supervisor of the Municipal Court Division with daily receipt reports. The Supervisor of the Municipal Court Division reviews the daily receipt reports and documents any composition difference identified. The monies are then transmitted daily to Finance Department, finance staff reconciles the composition of receipts with the composition of monies transmitted, issues a receipt of acknowledgement for the monies received, and prepares the deposit. Monthly disbursement totals are generated by Municipal Court Division. The Finance Department staff reviews the totals and prepares the disbursements.

In addition, the City is in the process of implementing a new financial system which includes a software module for the municipal court division. Currently, the municipal court division is operating on a different financial system than the City's finance department. The implementation of the new financial system will provide the finance department access to real time data which will further improve the accounting controls and procedures of the Municipal Court Division to ensure timely depositing and reconciling of monies.


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Office of the City Manager

Ronald A. Feldner, P.E.
City Manager

Rhonda Ferrell-Bowles
City Clerk / Finance Director

June 22, 2016

Mr. Russel Clarke, Director
Department of Audits & Accounts
Non Profit & Local Government Audits
270 Washington Street, S.W., Room 1-156
Atlanta, Georgia 30334-8400

RE: City of Garden City, Georgia
Independent Auditor's Report Finding Fiscal Year Ended December 31, 2015
Management's Response

We have reviewed the Independent Auditor's Report for fiscal year ended December, 31, 2016, and offer the following response to the below finding identified in the audit report.

AUDIT FINDING 2015-01: CASH DEPOSITS NOT MADE DAILY

CRITERIA: Cash deposits should be made daily and intact.

CONDITION: Garden City Municipal Court cash deposits are not made daily; court deposits have routinely been made between two and four weeks subsequent to the court date.

CAUSE: Municipal Court Clerk needs to accumulate cash in order to have a sufficient amount of cash on hand to make change.

EFFECT: The cash deposit for the period covering 11/19/2015 – 11/25/2015 appears to be approximately $2,000 short in comparison to the transaction records for that period. The deposit was made on 1/15/16 which is fifty-one (51) days subsequent to the actual court date of 11/25/15. It was noted that the following deposits were made subsequent to 1/15/16, but these deposits do not have a citation reference:

Date	Amount
03/16/16	306.50
04/01/16	1,560.50
04/01/16	861.50
	2,728.50

As such, the relationship of the above three deposits to the shortfall associated with the 11/19/15 – 11/25/15 time period cannot be determined without further investigation.

MANAGEMENT'S RESPONSE:

In Progress: The City of Garden City has implemented internal control policies and procedures in the Municipal Court Division to ensure all monies received are receipted, recorded, transmitted, and deposited properly. With the implementation of the internal controls, oversight and reconciliation procedures have improved. The Municipal Court Clerk reconciles the composition of receipts to the composition of monies received by the municipal court division on a daily basis. The Municipal Court Clerk provides the Supervisor of the Municipal Court Division with daily receipt reports. The Supervisor of the Municipal Court Division reviews the daily receipt reports and documents any composition difference identified. The monies are then transmitted daily to Finance Department, finance staff reconciles the composition of receipts with the composition of monies transmitted, issues a receipt of acknowledgement for the monies received, and prepares the deposit. Monthly disbursement totals are generated by Municipal Court Division. The Finance Department staff reviews the totals and prepares the disbursements.

In addition, the City is in the process of implementing a new financial system which includes a software module for the municipal court division. Currently, the municipal court division is operating on a different financial system than the City's finance department. The implementation of the new financial system will provide the finance department access to real time data which will further improve the accounting controls and procedures of the Municipal Court Division to ensure timely depositing and reconciling of monies.

If you have any questions, please let me know.

Sincerely,

CITY OF GARDEN CITY, GEORGIA

Ronald Feldner, P.E.
City Manager

Cc: KRT, CPAs P.C.