COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF KINGSLAND, GEORGIA

For the Fiscal Year Ended

September 30, 2014

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF KINGSLAND, GEORGIA

Post Office Box 250, Kingsland, Georgia 31548

For the Fiscal Year Ended

September 30, 2014

Prepared by:
City Finance Department

Filiz Morrow, CPA, MPA
Director of Finance



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LETTER OF TRANSMITTAL

GFOA CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

LIST OF PRINCIPAL OFFICIALS

ORGANIZATIONAL CHART



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CITY OF KINGSLAND
FINANCE DEPARTMENT

Kenneth E. Smith, Sr.
Mayor

Filiz Morrow, CPA, MPA
Finance Director

March 27, 2015

Honorable Mayor Smith,
Distinguished Council Members,
and the Citizens of Kingsland:

I am pleased to submit the City of Kingsland's Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2014. Georgia state law requires we publish audited financial statements within six months of the fiscal year end. This CAFR satisfies that requirement. This was accomplished by using the Government Finance Officers Association's (GFOA) guidelines. We prepared the report by these stringent guidelines to provide the City Council, City Staff, our Citizens, and other readers with detailed information concerning the financial position and activities of the City.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City.

Baird & Company, Certified Public Accountants, have conducted an independent audit and issued an unqualified ("clean") opinion on the City of Kingsland's financial statements for the year ended September 30, 2014. This report can be found at the front of the financial section of the CAFR beginning on page 1 of this report.

The Report

This report is presented in the format required by Governmental Accounting Standards Board (GASB) Statement 34. The format provides more comprehensive information to the readers regarding city-wide financial information. The basic premise of GASB 34 is to enhance the accountability of governmental

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the financial highlights and analysis of financial trends. This discussion is to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found directly following the auditor's report beginning on page 4.

The CAFR is presented in three sections:

- The introductory section that includes this letter of transmittal, the Government Finance Officers Association of the United States and Canada's (GFOA) Certificate of Achievement for Excellence in Financial Reporting, a list of principal officials and department heads, and the City's organizational structure.
- The financial section presents the independent auditor's report, Management's Discussion and Analysis, the basic financial statements, combining and individual fund statements and schedules, and required supplemental information.
- The statistical section includes relevant financial, economic, and demographic data for the past ten years to facilitate trend analysis.

City Profile

The City of Kingsland is a municipal corporation incorporated in 1908 under the laws of the State of Georgia. The Mayor and a four-member Council conduct the affairs of the City. Under the City's Charter, all legislative powers are vested in the Council. No person is eligible to serve as Mayor or as a Council member unless he or she is a qualified voter of the City at the time of his or her election to such office. The Mayor is elected at-large by the voters of the entire City. The Council Members run for a specific post, but are elected by a city-wide vote. Each is elected to staggering four year terms with elections being held every two years.

Under the City's Charter, the Mayor is the chief executive officer of the City and has general jurisdiction of all affairs of the City. The Mayor presides at all meetings of the Council and has a vote only in the case of a tie vote by the members of the Council. The Mayor has the power to veto every ordinance or resolution passed by the council, which veto may be overridden only upon the affirmative vote of the four members of the Council. Under the City's Charter, the City Manager, who is appointed by and serves at the pleasure of the Council, is the chief administrative officer of the City responsible to the Mayor and Council for the administration of all City affairs placed in his or her charge pursuant to the Charter of the City.

The primary government provides services consisting of, but not limited to, police and fire protection, construction of roads and streets, community planning and development, building and code enforcement, water and sewer services, and sanitation.

The City is located in the southeastern portion of the state of Georgia in Camden County, which is bordered on the south by the state of Florida. The City presently serves a population of 16,240 and encompasses a total area of approximately 45 square miles. Of the area, 44.67 square miles is land and 0.33 square miles is water. Most of the City is approximately 25 feet above sea level with the downtown area being 35 feet above.

GASB 14 mandates any board or authority that are controlled by or are dependent on the City to be included as part of the reporting entity. The Kingsland Development Authority (KDA) is reported as a blended component unit and the Kingsland Area Convention and Visitors Bureau Authority (C&VB) is reported as a discretely presented component unit. This is explained in more detail in the "Notes to the financial Statements" that can be found directly behind the basic financial statements.

The budgetary process begins in July of each year and cumulates with council adopting the budget in September. The annual budget serves as the foundation for the City's future and assists in controlling the financial well-being of the government. A budget is adopted for all governmental funds as required by law and for enterprise funds to be used as a management tool. Project length budgets are adopted for capital project funds. Department heads may transfer budget amounts within their departments, as the legal level of budgetary control is approved at each department level. Any increase in total department expenditures requires Council approval. The long-term policies and goals of the City are the basic premise of the budget process. No increase may be made to the budget without a provision for financing such an increase.

Local Economy

The City is the second largest of three cities located in Camden County. Its boundaries are adjacent to the largest city; therefore what affects Camden County has a direct relationship on Kingsland. Camden County has tremendous economic potential. According to the Joint Development Authority, Camden County provides access to the largest market in Georgia outside of Atlanta. One million two-hundred fifty thousand people live within a one hour drive of Interstate 95 at Exit 3, which is located in Kingsland. It also has a strategic location between the three seaports of Jacksonville, FL, Brunswick, GA and Savannah, GA. It is also home port of the East Coast Trident Submarine fleet and the only Navy base in Georgia. Kingsland also has nearly 60,000 cars per day traveling through it on I-95. Per Georgia DOT, over 2,150,000 vehicles exit off of I-95 yearly at Kingsland's exit 3.

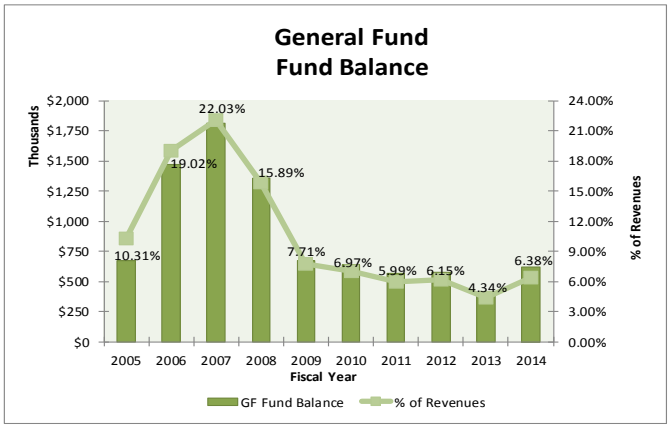
Although we are maintaining slow signs of growth slightly as evidenced by 19 building permits being issued already at the midpoint of the current fiscal year compared to 66 total for FY 2014, we are still nowhere near the 327 residential permits issued in 2006 prior to the recession. While our economic base is stronger than most, we continue to feel the effects of the decline in the economy through our revenue sources. Our sales tax and construction based revenue, such as permit fees, plan review fees, and utility tap fees have not fully recovered.

The City's population more than doubled from the 1990 population of 4,699 to the population in 2000 of 10,506. The 2010 census of 15,946 is evidence of the continued growth. The growth began with the construction of Kings Bay Naval Submarine Base in the mid 80's. However, it is now attributed to many different factors, including retirees and families from northern states finding the local area's environment, economic condition, and the close proximity to Jacksonville, FL attractive. The naval base is one of the largest and the only home port for nuclear subs on the east coast and many stay here when they retire.

Camden County increased its population from 30,164 in 1990 to 43,664 in 2000 and an estimated 51,476 currently. With the County passing the estimated population mark of 50,000, more major companies are beginning to take interest in locating in the area. A 500 acre area near Kingsland's exit 3 has been selected as a possible site for a future resort destination. The resort would encompass several components; such as, entertainment, amusement, water adventure, hospitality and conference, events, sporting complex, and retail. The economic impact of this project to Camden County over 10 years is estimated at $1.9 billion. The project is currently in the planning phase with ground breaking estimated to take place in 2016.

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Long-term Financial Planning



This graph displays the cumulative result of excess (shortage of) General Fund Revenues over expenditures and total fund balance as a percentage of General Fund revenues. Data is based on actual audited numbers. Percentage of revenue is based on operating revenues only, other financing sources are not included.

The City has struggled with the general fund's fund balance in the past. The rapid growth with the arrival of the naval base was difficult for a very small city at that time. Over the past years through careful planning, using cost versus benefit analysis and through the use of being more efficient, the government has been able to gradually increase the general fund's FY 2005 fund balance peaking at 22% of revenues in FY 2007 just prior to the recession. With the recession beginning in FY 2008, the fund balance plummeted to 7.71% of revenues in FY 2009 and held steady the next 3 years around 6% with a decline to 4.34% in FY 2013. In this fiscal year the fund balance increased to $614,569 (6.38% of revenues) mainly due to implementation of an early retirement plan and innovative cost sharing plans. Mayor, Council and management have taken the stance of protecting the remaining fund balance. There were no new positions approved in the subsequent year budget and vacant positions are only being filled based on critical need.

Major Initiatives

Through agreements, the City, County, and Chamber are now able to share services, personnel, and equipment in the areas of economic development, tourism, and fleet services. In the current year, Council is working on co-locating City and County planning and zoning offices to be able to provide a more uniformed and efficient service to the public. The Council implemented another cost saving measure in the current year by adding dependents to the existing agreement with the County for City employees to utilize the County Clinic. Now employees and dependents on the City health plan will be able to use the clinic for free primary care with a small cost to the City. In turn, the reduction in visits to outside primary care doctors will help reduce rising insurance premiums for the City and employees.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kingsland for its comprehensive annual financial report for the fiscal year ended September 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Government Finance Officers Association (GFOA) also awarded the City of Kingsland a Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2013. This was the fifteenth time the City has received the award. In order to qualify, the budget document has to be judged proficient as a policy document, a financial plan, an operations guide and a communications device. This is the highest award for governmental budgeting and it is a significant achievement to be awarded. We believe our current budget document continues to meet the stringent criteria of the Distinguished Budget award and we have submitted it for consideration of another certificate.

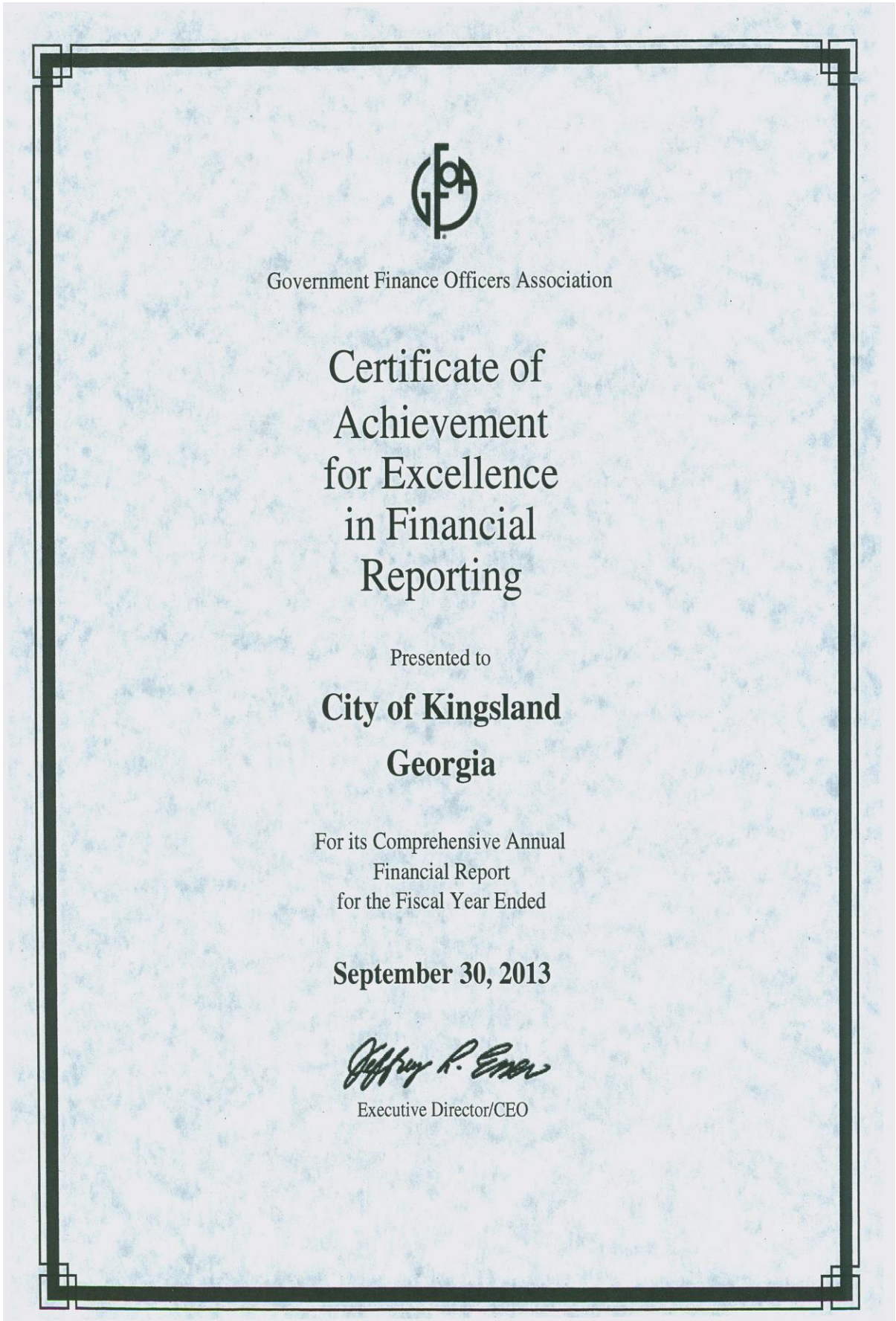
I appreciate the cooperation of Mayor and Council and each City department as we work together to provide quality, efficient services to the Citizens of Kingsland. The preparation of this report would not be possible without the dedicated and efficient efforts of the finance department's entire staff. I would like to thank each of them for the proficient work they do that makes this report able to be published in a timely manner. Special thanks for those who assist in the year end closing and the preparation of this report as this is not an easy accomplishment within a small department and would not be possible without Ms. Cindy McCollough's assistance.

I thank management and the governing board for their continued support in maintaining the highest standards of professionalism while conducting the financial affairs of the City of Kingsland.

Respectfully submitted,



Filiz Morrow, CPA, MPA
Finance Director



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Kingsland

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

City Officials and Department Heads



Mayor Kenneth E. Smith Sr.



Mayor Pro Tem
Alex Blount



Councilman
Grayson Day



Councilman
Daniel Minckler

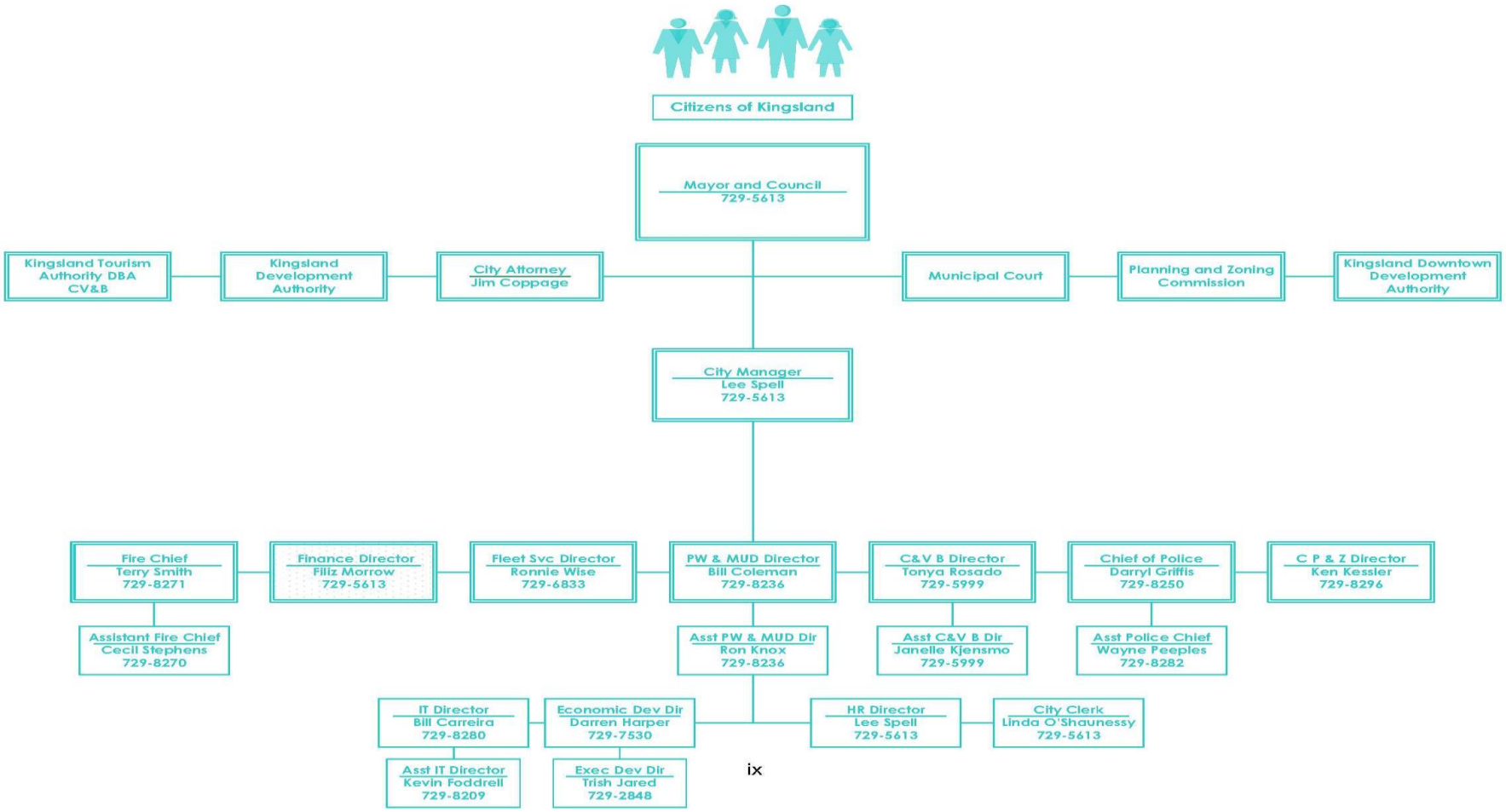


Councilman
Jim McClain

Department Heads

Lee Spell..... City Manager
Filiz Morrow .....Finance Director
Darryl Griffis..... Police Chief
Terry Smith..... Fire Chief
Bill Coleman ..... Public Works Director
Ken Kessler ..... Community Planning & Development Director
Ronnie Wise ..... Fleet Services Director
Bill Carreira.....Information Technology Director
Tonya Rosado.....Convention & Visitors Bureau Director

City of Kingsland



INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS





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Baird & Company *CPAs, LLC*
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
Rep E. Whiddon, CPA, CVA
Brenda F. Carroll, CPA, CFE, CIA, CICA, FCPA, PFS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
City of Kingsland, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Kingsland, Georgia, as of September 30, 2014, and the respective changes in financial position 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 budgetary comparison information on pages 4 through 17 and 55 through 58, and the schedule of funding progress on page 59 be presented to supplement the basic financial statements. Such information, although no a part of the basic financial statements, is required 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 audits 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 Kingsland, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, schedule of revenues, expenses and changes in net position – budget and actual, the Schedule of Special Purpose Local Option Sales Taxes and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of revenues, expenses, and changes in net position – budget and actual, and the Schedule of Special Purpose Local Option Sales Taxes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of revenues, expenses, and changes in net position – budget and actual, and the Schedule of Special Purpose Local Option Sales Taxes are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Financial Statement Restatement
In our report dated April 20, 2015, we expressed an opinion that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregately presented component unit, and each major fund of the City of Kingsland, Georgia as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. As described in note 20, the reporting of total assets and expenditures for SPLOST VII was incorrectly reported in the financial statements. The previously issued financial statements have been restated, and accordingly, our previously issued auditors' report is not to be relied upon because the previously issued financial statements were materially misstated, and the previously issued auditors' report is replaced by the auditors' report on the restated financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2015, on our consideration of the City of Kingsland, 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 the City of Kingsland, Georgia's internal control over financial reporting and compliance.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
April 20, 2015

As management of the City of Kingsland, Georgia (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Kingsland, Georgia for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found beginning on page i.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $46,180,790 (*net position*). Of this amount, $5,028,800 (unrestricted net position), may be used to meet the City's obligations to citizens and creditors.
- The total net position of the City increased by $6,186,508 due to an increase in investment in capital assets and an increase in unrestricted net position.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $1,687,133, an increase of $1,346,600 over the prior year. The Capital Projects Fund has a deficit fund balance due to expenditures being made against a grant that was awarded, but not allocated. This deficit will be eliminated in the future when revenues return to pre-recession levels.
- The City's total long-term debt decreased by $2,048,319 during the fiscal year due to resources paying down debt and no new debt being issued.
- At the end of the fiscal year, unrestricted fund balance for the general fund was $296,836, or approximately 3% of total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Kingsland's basic financial statements.

The City's basic financial statements are comprised of three components:

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

This report also includes supplementary information intended to provide additional detail to support the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Kingsland's finances, in a manner similar to a private-sector business. The statements provide short and long-term debt information, which assists in assessing the City's economic condition. These are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This results in methods used by most businesses. The government-wide financial statements include the following two statements:

- ***Statement of Net Position***. The *statement of net position* presents financial information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. This statement is a tool to measure the City's financial health or

financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

- ***Statement of Activities.*** The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods; such as, uncollected taxes and earned unused vacation leave. This statement also presents a direct comparison between program revenues and expenses for each function of the City.

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

Also, included in the government wide financial statements is the Kingsland Development Authority (KDA). It is blended into the governmental funds as if its transactions were that of the primary government. The Convention and Visitor's Bureau (CVB) is included in the financial statement as a discretely presented component unit. They are evaluated as either major or non-major funds and reported accordingly. More discussion on these component units can be found in Note 1 in the Notes of the Financial Statements section.

The government-wide financial statements can be found on pages 18 through 19 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The individual fund financial statements report the operations of the City in more detail than the government-wide statements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. These funds use different accounting methods and should be interpreted differently.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. This approach is known as the modified accrual method that recognizes the revenues when they become measurable and available. This means as soon as the amount is known and it is collected in the current year or soon enough thereafter to pay current liabilities, it is recognized.

This provides for a short-term assessment of the current needs of the City and whether there will be adequate resources to meet those needs.

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

The City maintains eleven (11) individual governmental funds to account for the following activities:

- General
- Special Revenues
    - Multiple Grant
    - Drug Forfeiture
    - Revolving Loan
    - Kingsland Development Authority
    - DOT Grant
    - Hotel/Motel Tax
- Capital Projects
    - Special Purpose Local Option Sales Tax (SPLOST)
    - Welcome Center Capital Projects
- Debt Service
    - Revenue Bond
    - Debt Service

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, multiple grant fund, and SPLOST because they are considered to be major funds. SPLOST is major in most years and this year multiple grant fund was calculated as a major fund also. Data from the other eight (8) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* located after the general fund budgetary comparison which is immediately behind the notes.

The City adopts an annual appropriated budget for its general fund as well as several of the nonmajor funds. A budgetary comparison statement has been provided for these governmental funds to demonstrate compliance with this budget. The City adopts a project length budget for the Capital Projects funds.

The governmental fund financial statements can be found on pages 22 through 25 of this report.

Proprietary Funds. These funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Since these funds charge fees for services rendered and are supposed to be self sustaining, they are treated like a business. They are called e*nterprise funds*. The City uses two enterprise funds to account for its water and sewage system and solid waste operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund statements provide separate information for the water and sewer operation and the solid waste operation. The water and sewer fund is the only fund calculated to be a major fund, but for presentation purposes the solid waste fund is also presented as a major fund.

The basic proprietary fund financial statements can be found on pages 26 through 28 of this report.

***Notes to the Financial Statements*.** The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 30 of this report.

***Required Supplementary information*.** In addition to the basic financial statements and accompanying notes, this report presents the General Fund budgetary comparison schedule and the schedule of funding progress for the City's pension obligation as required supplementary information beginning on page 55 of this report.

***Other Information*.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Following combining statements is the fund financial statements of the City's discretely presented component unit. These can be found beginning on page 62 of this report. Also included in the compliance section is the State mandated program information beginning on 108.

***Statistical Section*.** In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information; such as, 10 year presentation of revenues, expenditures, and tax rates. The statistical section can be found beginning on page 80 of this report.

Government-wide Financial Analysis

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, assets exceeded liabilities by $46,180,790 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (89%) reflects its investment in capital assets (e.g., land, buildings, machinery, 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 *unrestricted net position* ($5,028,800) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the City was able to report positive balances for the government as a whole. Prior year was able to report the same. A summary of the statement of net assets for the fiscal years ending September 30, 2014 and 2013 are presented below:

City of Kingsland's Net Position
As of September 30, 2014 and 2013

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and other assets	$ 3,195,640	$ 1,380,961	$ 4,685,427	$ 4,820,787	$ 7,881,067	$ 6,201,748
Capital assets	29,629,394	26,894,855	27,338,566	26,444,717	56,967,960	53,339,572
Total assets	32,825,034	28,275,816	32,023,993	31,265,504	64,849,027	59,541,320
Liabilities:						
Other liabilities	1,348,372	1,093,293	2,377,800	2,522,461	3,726,172	3,615,754
Non-current liabilities	5,066,743	4,357,557	9,870,069	11,573,727	14,936,812	15,931,284
Total liabilities	6,415,115	5,450,850	12,247,869	14,096,188	18,662,984	19,547,038
Deferred Inflow of Resources:						
Capital lease payable	160,134	-	-	-	160,134	-
Total liabilities and deferred inflow of resources	6,575,249	-	12,247,869	-	18,823,118	-
Net position:						
Invested in capital assets, net of related debt	24,899,927	22,519,089	16,094,649	13,502,957	40,994,576	36,022,046
Restricted for:						
Public Safety	61,644	61,644	-	-	61,644	61,644
Debt Service	95,771	95,771	-	-	95,771	95,771
Unrestricted	1,347,324	148,462	3,681,475	3,666,359	5,028,799	3,814,821
Total net position	$26,404,666	$22,824,966	$19,776,124	$17,169,316	$46,180,790	$39,994,282

Governmental Activities. During the fiscal year ended September 30, 2014, governmental activities increased the City of Kingsland's net position by $3,579,700. This is primarily due to an increase of contributed capital assets.

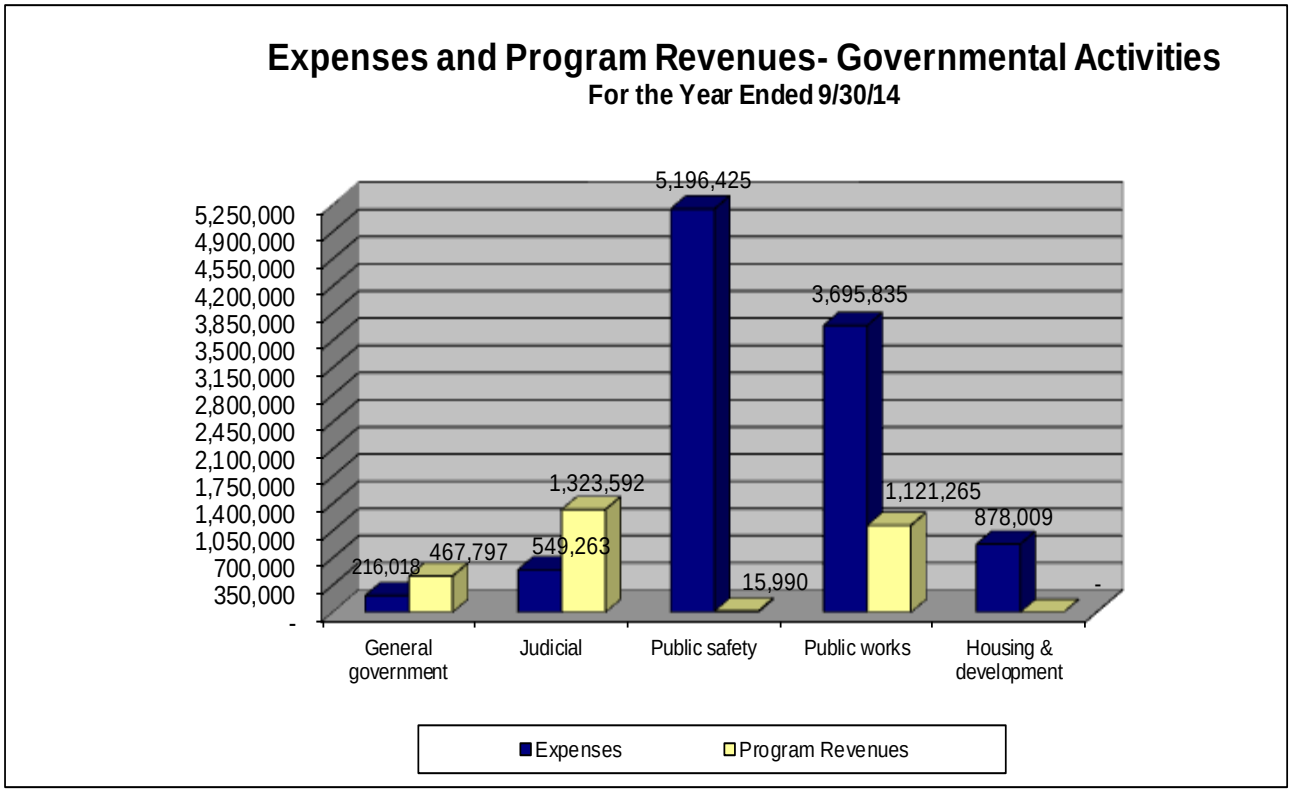
The following chart shows the revenue and expenses by activity for the total primary government.

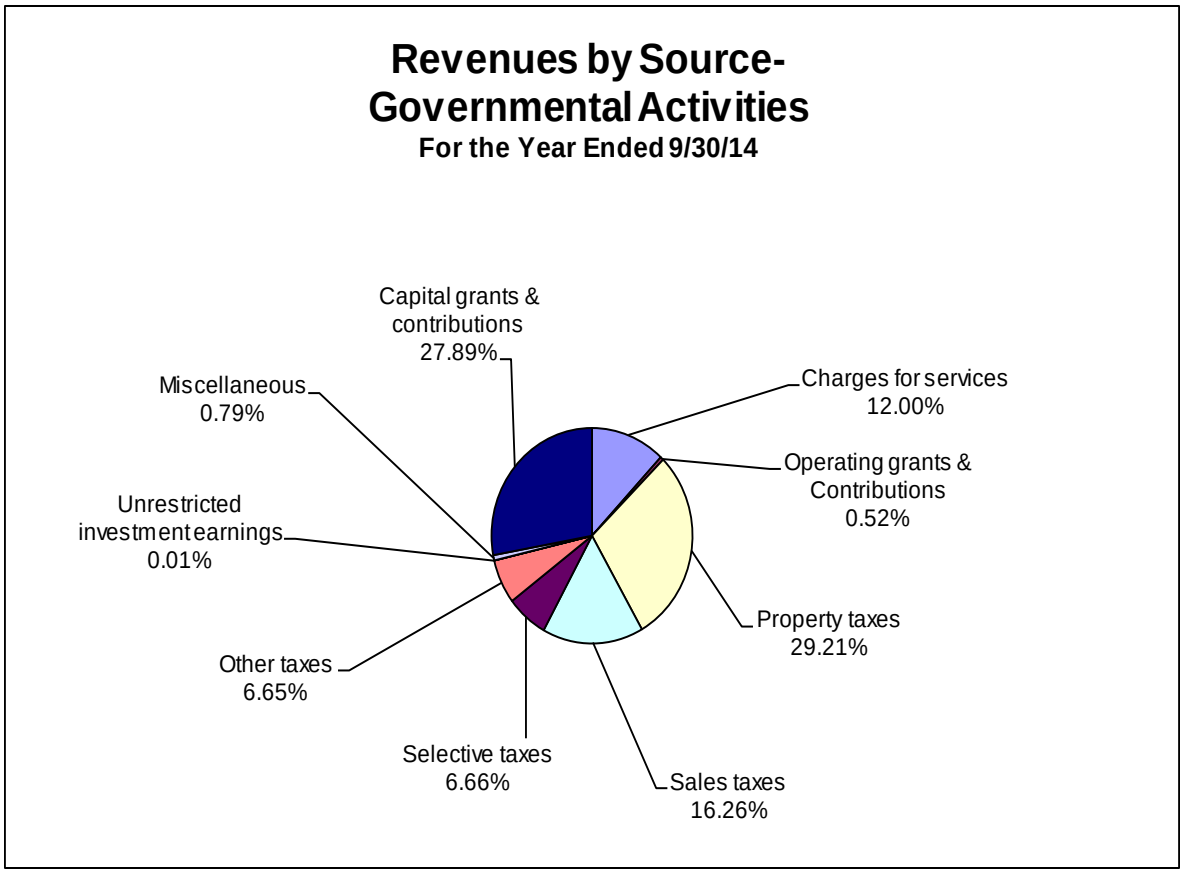
City of Kingsland's Changes in Net Position
September 30, 2014 and 2013

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues						
Charges for services	$ 1,807,379	$ 1,687,503	$ 6,314,198	$ 6,040,278	$ 8,121,577	$ 7,727,781
Operating grants and contributions	77,930	94,922	-	-	77,930	94,922
Capital grants and contributions	4,200,330	2,772,578	1,694,354	1,621,375	5,894,684	4,393,953
General revenues:						
Property taxes	4,399,967	4,442,953			4,399,967	4,442,953
Sales taxes	2,448,777	1,504,631			2,448,777	1,504,631
Selective taxes	1,003,827	921,849			1,003,827	
Other taxes	1,002,139	911,261			1,002,139	911,261
Grants & contributions	-	5,000			-	5,000
Unrestricted investment earnings	1,695	1,563	10,746	17,686	12,441	19,249
Miscellaneous	119,275	108,194	13,899	21,054	133,174	129,248
Gain(loss) on disposition of capital assets	21,620	20,069	4,100	(1,680)	25,720	18,389
Total Revenues	15,082,939	12,470,523	8,037,297	7,698,713	23,120,236	19,247,387
Expenses:						
General government	216,018	1,549,030			216,018	1,549,030
Judicial	549,263	595,657			549,263	595,657
Public safety	5,196,425	5,054,473			5,196,425	5,054,473
Public works	3,695,835	2,695,757			3,695,835	2,695,757
Housing and development	878,009	788,147			878,009	788,147
Intergovernmental	349,340	312,217			349,340	312,217
Interest on long-term debt	179,184	102,952			179,184	102,952
Water and sewer			5,074,961	5,321,171	5,074,961	5,321,171
Solid waste			794,693	828,511	794,693	828,511
Total expenses	11,064,074	11,098,233	5,869,654	6,149,682	16,933,728	17,247,915
Increase in net assets before transfers	4,018,865	1,372,290	2,167,643	1,549,031	6,186,508	2,921,321
Transfers	(439,165)	(195,198)	439,165	195,198	-	-
Increase in net position	3,579,700	1,177,092	2,606,808	1,744,229	6,186,508	2,921,321
Net position, beginning of year, restated	22,824,966	21,647,874	17,169,316	15,425,087	39,994,282	37,072,961
Net position, end of year	$26,404,666	$22,824,966	$19,776,124	$17,169,316	$46,180,790	$39,994,282

The following graphs present the cost of each of the City's governmental functions programs – general government, judicial, public safety, public works, and housing and development – as well as the program revenues generated by these activities.

- The cost of all governmental activities this year was $11,064,074.
- However, the amount that our taxpayers paid for these activities through City taxes was $8,854,710. Some of the cost was paid by :
    - Those who directly benefited from the programs ($1,807,379) or
    - Other governmental and organizations that subsidized certain programs with grants and contributions ($4,278,260).
- Public safety required the largest net amount of funds after subtracting program revenue, grants, and contributions. The total subsidy was $5,180,435 in fiscal year 2014. Public safety comprised 46.97% of total governmental expenses in 2014. Public Safety subsidized expense increased by 3.1%. This increase was due to an increase in expenditures.
- Public works comprised 33.4% of total governmental expenses. This is a 9% increase over last year due to an increase in SPLOST projects.
- General government comprised 1.95% of total governmental expenses. For every one dollar of the total governmental activities in fiscal year 2014, $.16 came from charges for services.

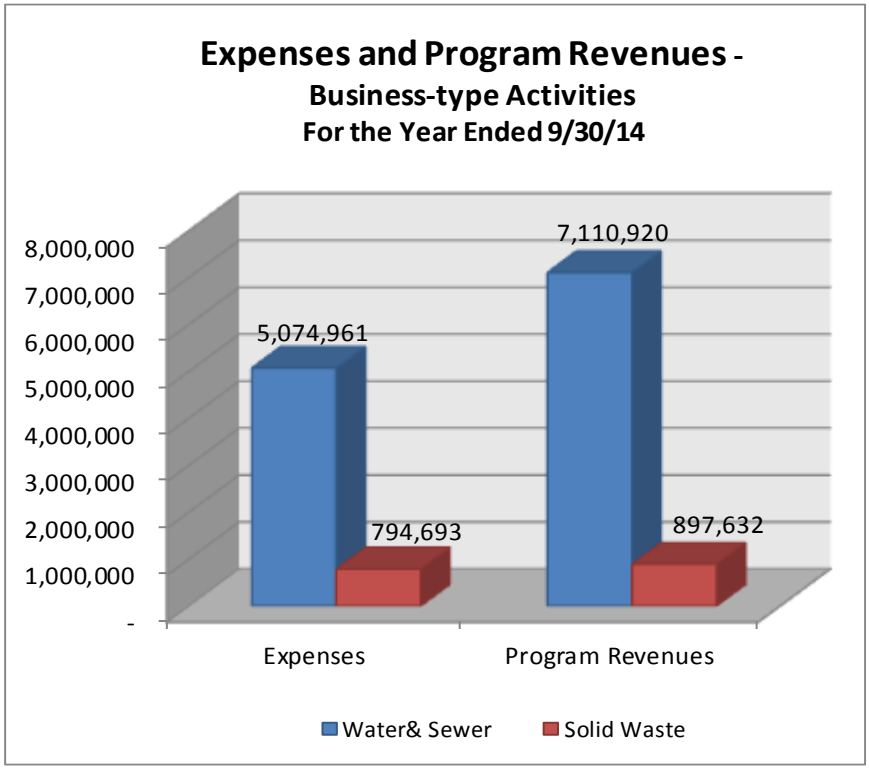


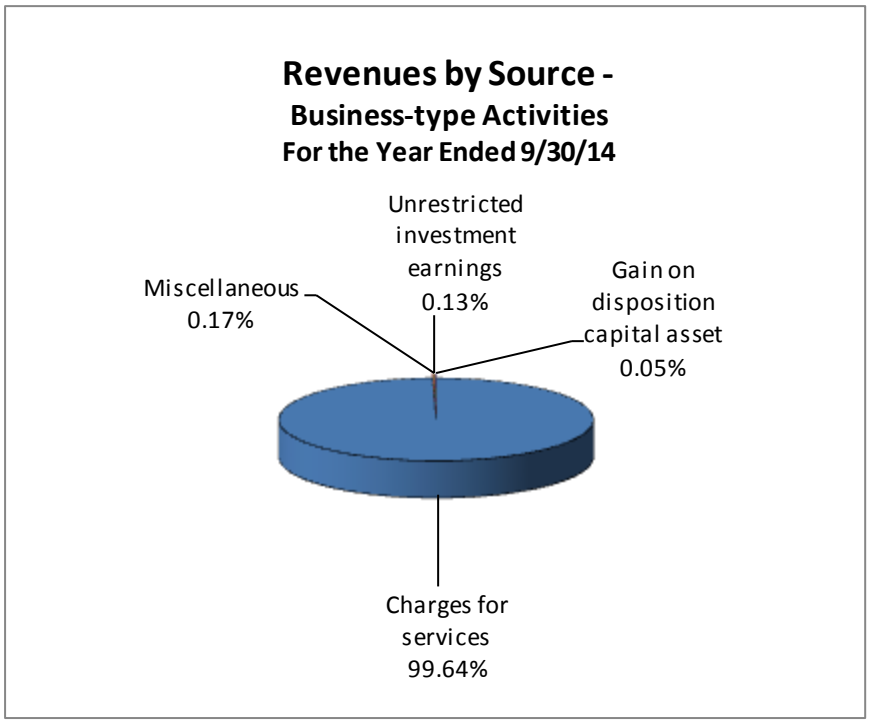


Business-type Activities. Business-type activities during the same period increased net position by $2,606,808. Increase in business-type activities resulted from contributed water and sewer lines from developers. Net operating income for the water/sewer fund resulted in a gain of $983,393 before non-operating revenues/expenses were added. Non-operating expenses were primarily the net of interest revenue and expense ($631,119), miscellaneous $13,899, and gain on disposition of capital assets $4,100.

Business-type Activities – by Revenue Source. The following graphs present the cost of each of the City's business-type activities - the water and sewer fund and the solid waste fund – as well as the program revenues generated by these activities.

- The cost of all business-type activities this year was $5,869,654. This reflects a 4.5% decrease from prior year. Due to the economy, costs were kept at a minimum.
- Business-type activities increased the City of Kingsland's net position by $2,606,808, or 42.1% of the City's total increase in net position.
- Charges for services accounts for 99.6% of the business-type revenues, with the water sewer fund generating 88.80% of total revenues.


Expenses and Program Revenues -
Business-type Activities
For the Year Ended 9/30/14
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
5,074,961
794,693
7,110,920
897,632
Expenses
Program Revenues
Water& Sewer
Solid Waste


Revenues by Source -
Business-type Activities
For the Year Ended 9/30/14
Unrestricted investment earnings 0.13%
Miscellaneous 0.17%
Gain on disposition capital asset 0.05%
Charges for services 99.64%

Financial Analysis of the Government's Funds

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

Governmental Funds. The City of Kingsland presents four major governmental funds the first of which is the General Fund. This is the chief operating fund of the City of Kingsland. At the end of FY 2014 the General Fund had a fund balance of $614,569. This is an increase of $213,251 from the beginning fund balance. Of this amount, $296,836, constitutes "unassigned fund balance" which is available for spending at the government's discretion.

The SPLOST fund is presented as a two separate major governmental funds, one for SPLOST VI and the other for SPLOST VII. The SPLOST funds are used to account for projects constructed with special purpose local option sales tax. The SPLOST VI is on a reimbursable basis per an intergovernmental contract with the county in which the City resides. The City's share of SPLOST VII funds are forwarded from the County on a monthly basis. The fund balances of $42,435 (SPLOST VI) and $1,147,046 (SPLOST VII) are restricted for SPLOST projects.

The multiple grant fund is also presented as a major fund. This fund is usually not a major fund, but this year it was calculated to be one. Grants classified in this fund do not meet the 2% rule to be classified in a separate grant fund. The negative fund balance of $2,187 is due to a timing difference.

The fund balances for the other governmental funds decreased by $11,486 due to timing differences for projects which used up revenues collected in prior years.

Proprietary Funds. The City of Kingsland's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water and Sewer fund at the end of the year amounted to a positive $2,951,713 and those for the non-major solid waste fund amounted to $729,762. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Kingsland's business-type activities.

General Fund Budgetary Highlights

The final budgeted operating revenues increased by $536,449 or approximately 5.3% from the original budget as a result of an increase in capital lease revenue. The operating expenditures increased by $541,114 or 5.4% from the original budget due to a capital outlay purchase included at mid-year budget revisions. All departments were cost conscience and aware of decreased revenues over prior years.

Capital Asset and Debt Administration

Capital Assets. As of September 30, 2014, governmental activities and business-type activities had capital assets of $56,967,960 (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and recreation and park facilities. This represents a $3,628,389 or 6.8% overall increase. The governmental capital activities increased by 10.16%. The increases are due to capital contributions from developers. Major capital asset events during the current period include the following:

- ❖ Developer capital contributions of land and street infrastructure valued at $1,121,265 for governmental funds and $1,694,354 for water and sewer infrastructure.
- ❖ Machinery, equipment, and vehicles purchased at a cost of $1,670,984 for governmental funds and $335,668 for enterprise funds.
- ❖ Various projects related to streets and sewer service (construction in progress as of the close of the fiscal year) had reached $1,998,813.

The City is a "stage 3" government as defined by GASB 34, which means roads, streets, and bridges prior to September 30, 2004, were not required to be capitalized, therefore they are not.

City of Kingsland's Capital Assets
(net of depreciation)
September 30, 2014 and 2013

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	$ 1,762,747	$ 1,762,747	$ 58,892	$ 58,892	$ 1,821,639	$ 1,821,639
Buildings	2,745,986	2,479,058	988,646	1,055,019	3,734,632	3,534,077
Land and building improvements	2,468,144	2,801,231			2,468,144	2,801,231
Infrastructure	18,884,747	17,979,756	-	-	18,884,747	17,979,756
System Improvements			25,659,997	24,760,111	25,659,997	24,760,111
Machinery and equipment	2,153,521	744,299	246,467	349,509	2,399,988	1,093,808
Construction in progress	1,614,249	1,127,764	384,564	221,185	1,998,813	1,348,949
Total	$29,629,394	$26,894,855	$27,338,566	$26,444,716	$56,967,960	$53,339,571

Additional information on the City's capital assets can be found in Note 5 beginning on page 40 of this report.

Debt Administration. The City's total long-term debt consists of revenue bonds, long-term notes, capital leases and compensated absences.

At the end of September 30, 2014, the City had $5,066,743 of outstanding long-term debt related to governmental activities and $11,276,048 of long-term liabilities related to business-type activities for a total of $16,342,791. The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service.

At the end of 2014, the governmental activity had bonded debt outstanding of $2,364,579 and the business-type had $10,841,048 for a total of $13,205,627. Of this amount, none is backed by the full

faith and credit of the City. All of the City's debt represents bonds secured solely by specific revenue sources (i.e., revenue bonds).

The City maintains an "AA+" rating from Standard & Poor's for its Water and Sewer Utility revenue bonds.

State statutes limit the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is $41,290,025 which is significantly in excess of the City's outstanding general obligation bonds, which is zero.

Additional information on the City's debt can be found in Note 6 beginning on page 41 of this report.

Economic Factors and Next Year's Budget and Rates

The outlook for FY 2015 is positive. The economy is showing steady signs of recovery through an increase in the housing market and a decrease in the unemployment rate. A major pending development will have a significant positive impact on the future of the City of Kingsland.

The FY 2014-15 city wide budget increased 15.53% partly due to increases in grants, SPLOST funding, and capital outlay. The total city wide budget was set at $26,191,724 and the millage rate was set at the same 8 mills as the prior year. The City tax digest decreased 5.37 % prior year and 2.17% in the current year. These decreases are mainly attributed to reassessments. Declines in the taxable assessed value from decreases in property assessments will continue to affect the City's real property tax base.

The Mayor and Council of the City of Kingsland considered many factors when approving the City's FY 2015 budget and are very aware of present economic conditions and their effect on its citizens. A study by Georgia Tech predicts Kingsland's population will increase 81 percent by 2030. We were experiencing tremendous growth, but with the economic decline, the growth has been slow. We hope this growth will increase in the near future. For the first time since the recession we are seeing an increase in our building permit fees and tap fees in the water/sewer fund. This growth has to be planned for and we strive to be proactive as we plan our future budgets. This is extremely difficult with revenues not increasing at the same rate as expenses. As a result Mayor and Council have implemented innovative cost sharing plans with the County by sharing personnel, equipment, and services. The benefits of these intergovernmental agreements are showing a positive effect on our current budget. Along with a one-time retirement incentive plan and utilizing a property tax collection service, these cost saving measures implemented resulted in the millage rate and user fees not increasing in the FY2015 budget.

The unemployment rate for the County in which the City of Kingsland resides is at 6.8%. This is a decrease over prior year by .6%. This is the fourth consecutive year of a decline in unemployment rate since pre-recession time which is a good indicator leading to a stable economy.

With rising insurance costs year after year, the Mayor and Council took action to help reduce future costs by joining the County administered health clinic. This clinic provides primary health care to all employees of the County. The City will pay a cost share of the operations of the clinic based on

employee utilization. Employees and their dependents on the City's health plan will be able to utilize the clinic for free. The desired outcome from employees using the clinic instead of primary care doctors

and facilities is to see a significant reduction in claims hopefully resulting in decreased health insurance premiums for the City and employees.

With the presence of the Kings Bay Naval Submarine Base, our economy has not been hit as hard as different areas of the country. We feel confident that the Base will remain here for many years as it is in a strategic location. Mayport Naval Base and Naval Air Station (NAS) in Jacksonville, Florida all form a "fleet concentration area" in the southeast. Kings Bay is also the only nuclear powered submarine base on the east coast; therefore, it is home to a certain class of subs that other bases do not have. It is also a fairly new base with the first sub coming in 1989. The steadiness of the military and the civilians it employs has been a stabilizer in these times.

We are constantly striving to assure the revenue streams are there to provide the needed services at the current level or better. We recognize that we have to be proactive instead of reactive in relation to the growth because even though it has slowed, it is starting to move forward now. Managing the future growth is the key to preserving the integrity of the City. It is a challenge to maintain the level of service the citizens need and deserve without a property tax increase. Once again the Mayor, Council, and management were able to reach that goal.

Request For Information

This financial report is designed to provide a general overview the City of Kingsland's finances for citizens, taxpayers, customers, investors and creditors and all others with an interest in the City. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Filiz Morrow, Director of Finance, City of Kingsland, PO Box 250, 105 W. William Avenue, Kingsland, Georgia 31548.

GOVERNMENT - WIDE FINANCIAL STATEMENTS

CITY OF KINGSLAND, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Business-type Activities	Total	Kingsland Area Convention & Visitor's Bureau
ASSETS				
Cash and investments	$ 1,534,832	$ 1,288,764	$ 2,823,596	$ 60,133
Receivables	1,569,698	650,815	2,220,513	9,514
Internal balances	(226,623)	226,623	-	-
Prepaid	50,433	41,885	92,318	663
Due from other governments	-	-	-	23,781
Inventories	177,413	106,788	284,201	-
Restricted assets				
Cash and investments	89,887	2,370,552	2,460,439	-
Capital assets				
Non-depreciable assets	3,376,996	443,456	3,820,452	-
Depreciable assets, net of accumulated depreciation	26,252,398	26,895,110	53,147,508	-
Total assets	32,825,034	32,023,993	64,849,027	94,091
LIABILITIES				
Accounts payable	550,393	86,359	636,752	7,694
Accrued liabilities	152,938	44,359	197,297	5,251
Due to other governments	380,829	-	380,829	-
Unearned revenues	264,212	-	264,212	-
Liabilities payable from restricted assets	-	873,234	873,234	-
Long-term liabilities				
Due within one year	1,767,532	1,373,848	3,141,380	5,068
Due in more than one year	3,299,211	9,870,069	13,169,280	6,751
Total liabilities	6,415,115	12,247,869	18,662,984	24,764
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues - property taxes	160,134	-	160,134	-
Total liabilities and deferred inflow of resources	6,575,249	12,247,869	18,823,118	24,764
NET POSITION				
Invested in capital assets, net of related debt	24,899,927	16,094,649	40,994,576	-
Restricted for:				
Public safety	61,644	-	61,644	-
Debt service	95,771	-	95,771	-
Unrestricted	1,347,324	3,681,475	5,028,800	69,327
Total net position	$ 26,404,666	$ 19,776,124	$ 46,180,790	$ 69,327

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

		Program Revenues			Net Revenue (Expense) and Changes in Net Position			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Discretely Presented Component Unit
Primary government:								
Governmental activities:								
General government	$ 216,018	$ 467,797	$ -	$ -	$ 251,779	$	$ 251,779	$
Judicial	549,263	1,323,592	-	-	774,329		774,329	
Public safety	5,196,425	15,990	-	-	(5,180,435)		(5,180,435)	
Public works	3,695,835	-	-	1,121,265	(2,574,570)		(2,574,570)	
Housing and development	878,009	-	-	-	(878,009)		(878,009)	
Intergovernmental	349,340	-	77,734	3,079,065	2,807,459		2,807,459	
Interest on long-term debt	179,184	-	196	-	(178,988)		(178,988)	
Total governmental activities	11,064,074	1,807,379	77,930	4,200,330	(4,978,435)		(4,978,435)	
Business-type activities:								
Water and Sewer	5,074,961	5,416,566	-	1,694,354	-	2,035,959	2,035,959	
Solid Waste	794,693	897,632	-	-	-	102,939	102,939	
Total business-type activities	5,869,654	6,314,198	-	1,694,354	-	2,138,898	2,138,898	
Total primary government	$ 16,933,728	$ 8,121,577	$ 77,930	$ 5,894,684	(4,978,435)	2,138,898	(2,839,537)	
Component unit:								
Kingsland Area Convention & Visitor's Bureau	$ 314,498	$ 3,858	$ 341,590	$ -				30,950
Total component units	$ 314,498	$ 3,858	$ 341,590	$ -				30,950
General revenues:								
Taxes:								
Property taxes, levied for general purposes					4,399,967	-	4,399,967	-
Sales taxes for general purposes					2,448,777	-	2,448,777	-
Selective taxes					1,003,827	-	1,003,827	-
Other taxes					1,002,139	-	1,002,139	-
Grants and contributions not restricted to specific programs					-	-	-	-
Unrestricted investment earnings					1,695	10,746	12,441	-
Miscellaneous					119,277	13,899	133,176	-
Gain (loss) on disposition of capital asseets					21,620	4,100	25,720	-
Total general revenues					8,997,302	28,745	9,026,047	-
Transfers					(439,166)	439,165	-	-
Total general revenues and transfers					8,558,136	467,910	9,026,046	-
Change in net position					3,579,701	2,606,808	6,186,509	30,950
Net position, beginning of year, as restated					22,824,965	17,169,316	39,994,281	38,377
Net position, end of year					$ 26,404,666	$ 19,776,124	$ 46,180,790	$ 69,327

The accompanying notes are an integral part of these financial statements.



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FUND FINANCIAL STATEMENTS

CITY OF KINGSLAND, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	General Fund	SPLOST VI	SPLOST VII	Multiple Grant Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 4,782	$ 389,533	$ 826,890	$ 227,746	$ 85,881	$ 1,534,832
Receivables	850,945	312,655	323,357	11,787	70,954	1,569,698
Due from other funds	33,797	-	-	-	9,187	42,984
Prepaid items	50,433	-	-	-	-	50,433
Inventories	177,413	-	-	-	-	177,413
Restricted cash and investments	89,887	-	-	-	-	89,887
Total assets	$ 1,207,257	$ 702,188	$ 1,150,247	$ 239,533	$ 166,022	$ 3,465,247
LIABILITIES						
Accounts payable	$ 220,802	$ 302,705	$ 3,201	$ 1,260	$ 22,425	$ 550,393
Due to other funds	35,033	-	-	-	234,575	269,608
Accrued liabilities	152,938	-	-	-	-	152,938
Due to other governments	23,781	357,048	-	-	-	380,829
Unearned revenue	-	-	-	240,460	23,752	264,212
Total liabilities	432,554	659,753	3,201	241,720	280,752	1,617,980
DEFERRED INFLOW OF RESOURCES						
Unavailable revenues - property taxes	160,134	-	-	-	-	160,134
FUND BALANCES						
Nonspendable	227,846	-	-	-	-	227,846
Restricted	89,887	42,435	1,147,046	(2,187)	26,792	1,303,973
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	(7,330)	(7,330)
Unassigned	296,836	-	-	-	(134,192)	162,644
Total fund balances	614,569	42,435	1,147,046	(2,187)	(114,730)	1,687,133
Total liabilities, deferred inflows of resources and fund balances	$ 1,207,257	$ 702,188	$ 1,150,247	$ 239,533	$ 166,022	$ 3,465,247

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

Total fund balances - governmental funds	$ 1,687,133
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 this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	29,629,394
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	160,134
Some liabilites, (such as Notes Payable, Capital Lease Payable, Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. See Long-term debt note.	(5,066,743)
Interest Payable is not available to pay current period expenditures and therefore is not reported in the fund financial statements, but is reported in the governmental activities in the Statement of Net Position.	(5,252)
Net position of governmental activities in the Statement of Net Position	$ 26,404,666

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General Fund	SPLOST VI	SPLOST VII	Multiple Grant Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 7,502,762	$ -	$ -	$ -	$ 776,342	$ 8,279,104
Licenses and permits	311,129	-	-	-	-	311,129
Intergovernmental	332,172	1,502,904	1,152,835	77,734	423,326	3,488,971
Charges for services	31,802	-	-	-	-	31,802
Fines and forfeitures	1,323,592	-	-	-	-	1,323,592
Investment	1,695	-	119	-	181	1,995
Miscellaneous	124,126	-	-	-	338,313	462,439
Total revenues	9,627,278	1,502,904	1,152,954	77,734	1,538,162	13,899,032
EXPENDITURES						
Current:						
General government	1,514,033	-	-	-	-	1,514,033
Judicial	545,247	-	-	-	-	545,247
Public safety	4,754,817	-	-	22,516	58,676	4,836,009
Public works	2,007,923	-	-	-	-	2,007,923
Housing and development	650,541	-	-	-	-	650,541
Intergovernmental	-	-	-	-	349,340	349,340
Capital outlay:						
General government	575,909	-	-	59,396	-	635,305
Judicial	-	-	-	-	-	-
Public safety	-	-	-	-	283,282	283,282
Public works	-	1,487,065	5,907	-	-	1,492,972
Debt service:						
Principal	-	-	-	-	202,250	202,250
Interest and other charges	-	-	-	-	173,932	173,932
Total expenditures	10,048,470	1,487,065	5,907	81,912	1,067,480	12,690,834
Excess (Deficiency) of revenues over expenditures	(421,192)	15,839	1,147,047	(4,178)	470,682	1,208,198
OTHER FINANCING SOURCES (USES)						
Transfer in	302,773	423,326	-	1,969	506,762	1,234,830
Transfer out	(245,901)	(439,165)	-	-	(988,930)	(1,673,996)
Capital lease	555,950	-	-	-	-	555,950
Sale of capital assets	21,620	-	-	-	-	21,620
Total other financing sources & (uses)	634,442	(15,839)	-	1,969	(482,168)	138,404
Net change in fund balances	213,250	-	1,147,047	(2,209)	(11,486)	1,346,602
Fund balances - beginning	401,319	42,435	-	22	(103,244)	340,532
Fund balances - ending	$ 614,569	$ 42,435	$ 1,147,047	$ (2,187)	$ (114,730)	$ 1,687,134

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, 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 SEPTEMBER 30, 2014

Net change in fund balances - governmental funds		$ 1,346,602
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
Capital outlays	3,238,449	
Less: depreciation expense	(1,355,924)	1,882,525
Governmental funds do not present non cash donations to capital assets. The effect of capital assets donations is to increase net position.		1,121,265
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.		
Unavailable revenues - property taxes	160,134	
Less unavailable revenues September 30, 2013	(667,808)	(507,674)
Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayment as a reduction in long-term liabilities. This is the amount by which proceeds exceeded repayments. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amount is the net of these differences in the treatment of long-term debt and related items.		
Principal retirements		202,250
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Lease purchase agreement payable	(555,950)	
Compensated absences	95,935	
Accrued interest	(5,252)	(465,267)
Change in net assets of governmental activities		$ 3,579,701

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - ENTERPRISE
SEPTEMBER 30, 2014

	Water & Sewer Fund	Solid Waste Fund	Totals
ASSETS			
Current assets:			
Cash and investments	$ 614,283	$ 674,481	$ 1,288,764
Receivables	550,331	100,484	650,815
Due from other funds	273,490	102	273,592
Prepaid items	39,504	2,381	41,885
Inventory	106,788	-	106,788
Restricted cash and investments	2,358,579	11,973	2,370,552
Total current assets	3,942,975	789,421	4,732,396
Non-current assets:			
Capital assets:			
Non-depreciable assets	443,456	-	443,456
Depreciable assets, net of accumulated depreciation	26,493,301	401,809	26,895,110
Total non-current assets	26,936,757	401,809	27,338,566
Total assets	30,879,732	1,191,230	32,070,962
LIABILITIES			
Current liabilities:			
Accounts payable	67,910	18,449	86,359
Accrued liabilities	37,561	6,798	44,359
Due to other funds	12,718	34,251	46,969
Current portion of debt			
Payable from restricted assets:			
Accrued interest	80,078	161	80,239
Customer deposits	792,995	-	792,995
Current portion of bonds	1,373,848	-	1,373,848
Total current liabilities	2,365,110	59,659	2,424,769
Non-current liabilities	9,518,055	352,014	9,870,069
Total non-current liabilities	9,518,055	352,014	9,870,069
Total liabilities	11,883,165	411,673	12,294,838
Net position			
Invested in capital assets, net of related debt	16,044,854	49,795	16,094,649
Unrestricted	2,951,713	729,762	3,681,475
Total net position	$ 18,996,567	$ 779,557	$ 19,776,124

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS - ENTERPRISE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Water & Sewer Fund	Solid Waste Fund	Total
Operating Revenues			
Water sales	$ 2,625,391	$ -	$ 2,625,391
Sewer sales	2,064,482	-	2,064,482
Water and wastewater tap fees	143,730	-	143,730
Capital recovery fees	360,306	-	360,306
Garbage fees	70,651	892,407	963,058
Other	152,006	5,225	157,231
Total operating revenues	5,416,566	897,632	6,314,198
Operating Expenses			
Salaries and benefits	1,592,054	322,495	1,914,549
Contracted services	349,842	190,212	540,054
Supplies	733,126	180,936	914,062
Other operating expenses	200,113	-	200,113
Depreciation and amortization	1,558,038	97,334	1,655,372
Total operating expenses	4,433,173	790,977	5,224,150
Operating income	983,393	106,655	1,090,048
Nonoperating Revenues (Expenses)			
Investment income	10,669	77	10,746
Interest expenses	(641,788)	(3,716)	(645,504)
Gain on disposition of capital assets	4,100	-	4,100
Miscellaneous	13,899	-	13,899
Total non-operating revenues (expenses)	(613,120)	(3,639)	(616,759)
Income (loss) before contributions and transfers	370,273	103,016	473,289
Capital contributions	1,694,354	-	1,694,354
Transfers in	439,165	-	439,165
Change in net position	2,503,792	103,016	2,606,808
Total net position - beginning	16,492,775	676,541	17,169,316
Total net position - ending	$ 18,996,567	$ 779,557	$ 19,776,124

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Water & Sewer Fund	Solid Waste Fund	Total
Cash flows from operating activities:			
Cash received from customers	$ 5,288,648	$ 923,449	$ 6,212,097
Cash payments to suppliers for goods and services	(1,304,501)	(376,769)	(1,681,270)
Cash payments to employees for services	(1,625,011)	(338,041)	(1,963,052)
Net cash provided by operating activities	2,359,136	208,639	2,567,775
Cash flows from noncapital financial activities:			
Miscellaneous revenues	13,899	-	13,899
Transfers to other funds	-	277,202	277,202
Net cash provided by noncapital financing activities	13,899	277,202	291,101
Cash flows from capital and related financing activities:			
Transfer in from SPLOST	439,165	-	439,165
Proceeds from debt	9,241,048	-	9,241,048
Acquisitions and construction of capital assets	(608,370)	-	(608,370)
Principal payments on debt	(11,225,000)	172,389	(11,052,611)
Interest payments on debt	(633,588)	(3,555)	(637,143)
Net cash (used) by capital and related financing activities	(2,786,745)	168,834	(2,617,911)
Cash flows from investing activities:			
Interest earned on cash and investments	10,669	77	10,746
Net cash provided by investing activities	10,669	77	10,746
Net increase in cash and cash equivalents	(403,041)	654,752	251,711
Cash and cash equivalents, beginning of year	3,375,224	410,087	3,785,311
Cash and cash equivalents, end of year	$ 2,972,183	$ 1,064,839	$ 4,037,022

The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Water & Sewer Fund	Solid Waste Fund	Total
Operating income	$ 983,393	$ 106,655	$ 1,090,048
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	1,606,061	97,334	1,703,395
Gain on disposition of capital assets	(4,100)	-	(4,100)
Change in assets and liabilities:			
Decrease (increase) in other/accounts receivables	(144,010)	9,058	(134,952)
(Increase) decrease in prepaid items	1,157	(374)	783
Decrease in inventory	(2,490)	-	(2,490)
(Decrease) in accrued liabilities	11,079	1,448	12,527
(Decrease) in accounts payable	(93,653)	(5,250)	(98,903)
(Decrease) in deferred charges	-	-	-
Increase in customer deposits	20,192	-	20,192
(Increase) decrease in compensated absences	(18,493)	(232)	(18,725)
Total adjustments	1,375,743	101,984	1,477,727
Net cash provided by operating activities	$ 2,359,136	$ 208,639	$ 2,567,775

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS



NOTE 1: Summary of Significant Accounting Policies

The financial statements of the City of Kingsland, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated under the provisions of Georgia Laws 1959, H.B. No. 242, Act No. 148. The City operates under a Mayor/Council form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, housing and development, public improvements, planning and zoning, and general administrative services.

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

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides service entirely to the City or exclusively for the benefit of the City. These component units are blended into those of the City by appropriate activity type to compose the primary government presentation. Currently, the City has one blended component unit, the Kingsland Development Authority.

The Kingsland Development Authority has been included as a component unit of the City. The governing body of the Authority is appointed by the City Council. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government because its sole purpose is to finance the construction of the City's public buildings. The Kingsland Development Authority does not issue separate financial statements.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

The Kingsland Area Convention and Visitors Bureau Authority was established in 1991 to promote tourism, trade, and conventions. The Authority is legally separate from the City and the City appoints a voting majority of the Authority's governing body. The City has the ability to remove appointed members of the Authority's board, and the City can modify the budget of the Authority. Therefore, the City has the ability to impose its will on the Authority. The Authority does not issue separate financial statements.

The Kingsland Downtown Development Authority is a discretely presented component unit of the City as it is a legally separate entity, the City appoints a voting majority of the Authority's board and the City is able to impose its will on the Authority. Further, the Authority provides services and benefits for the community. As of September 30, 2014, the Authority had insignificant assets, liabilities, fund balance, revenues and expenditures. Therefore, no financial statements have been presented.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relate to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The fund financial statements emphasize the major funds in either the governmental or proprietary categories. Nonmajor funds are summarized into a single column.

The City reports the following major governmental funds:

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

The **SPLOST VI Fund** is a capital projects fund used to account for the proceeds of a one percent Special Purpose Local Option Sales Tax.

The **SPLOST VII Fund** is a capital projects fund used to account for the proceeds of a one percent Special Purpose Local Option Sales Tax.

The Multiple Grant Fund was established to account for various grant proceeds as well as the expenditures associated with the grants.

The City reports the following major proprietary funds:

The **Water and Sewer Fund** accounts for the provision of water and sewer services to the residents of the City.

The **Solid Waste Fund** accounts for the collection of solid waste for the residents of the City.

All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, maintenance, financing and related debt services, and billing and collection.

Additionally, the government reports the following fund types:

The **Special Revenue Funds** account for specific revenues that are legally restricted to expenditures for particular purposes.

The **Welcome Center Fund** is a capital projects fund used to account for the construction of the welcome center.

The **Debt Service fund** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

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

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

D. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements.

State statutes authorize the City to invest in obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime banker's acceptances; repurchase agreements; and the Georgia local government investment pool (Georgia Fund 1). Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAA+ rated money market funds. However, Georgia Fund 1 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 pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to insure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on a $1.00 per share. The fair value of the City's position in the pool is the same as the value of pool shares ($1.00 per share value). The regulatory oversight agency for Georgia Fund 1 is the Office of the State Treasurer.

E. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

F. Inventories

Inventories consist of expendable supplies and items acquired for infrastructure repair and maintenance or for possible future expansion. Inventories are valued at average cost using the first in/first out (FIFO) method in the governmental funds. The cost of such inventories is recorded as expenses when consumed rather than when purchased. Enterprise fund inventories are stated at lower of average cost or market. The consumption method is used to account for inventories. Under the consumption method, budgetary authority is slated and expenditures are recorded in terms of authority to use or consume inventory items.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2014, are recorded as prepaid terms.

H. Restricted Assets

Enterprise funds, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. Customer deposits that must be refunded upon the termination of service are restricted.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the governmental wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 in the governmental funds and $3,000 in the business-type funds and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In accordance with GASB 34, the City has elected not to include infrastructure acquired prior to July 1, 2003.

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

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following useful lives:

Asset	Years
Building	7-40
Land and building improvements	10-40
System improvements	10
Infrastructure	15-50
Machinery and equipment	3-20

J. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item which arises only under a modified accrual basis of accounting that 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 property taxes

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. It is the City's policy to pay 25% of unpaid accumulated sick leave when employees separate from service with the City. Accumulated unpaid vacation costs and 25% of sick pay are accrued when incurred in the government-wide and proprietary 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.

L. Long-Term Obligations

In the Government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The gain on defeasance of bonds is presented as an addition to the face amount of bonds payable and is being amortized over the life of the bonds through interest expense. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

M. Fund Equity

Fund equity at the governments fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund balance reported in the governmental funds financial statements generally represents the difference between current assets and current liabilities. Fund balance classifications represent a hierarchy based primarily on the extent to which the City is bound to honor constraints on specific purposes for which amounts in those funds can be spent. These classifications may consist of the following:

a) **Nonspendable** - Fund balances are classified as nonspendable when amounts cannot be spent because they are either i) in nonspendable form or ii) they are legally contractually required to be maintained intact. The City includes items that are not expected to be converted to cash such as inventories and prepaid amounts.
b) **Restricted -** Fund balances are reported as restricted when their use is restricted for specific purposes including i) constraints on funds externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or ii) constraints imposed by law through constitutional provisions or enabling legislation.
c) **Committed** - Fund balances are reported as committed if their use is for a specific purpose as approved by formal action by the City Council (resolution). Amounts committed cannot be used for any other purpose unless Council removes or changes the specific use by approving such action through resolution at a Council meeting. Budget resolutions are considered a plan for specific use.
d) **Assigned** - Fund balances are reported as assigned when constrained by the City's intent to use the funds for specific purposes that are neither restricted nor committed. Assigned fund balances includes i) all remaining amounts (except negative balances) reported in governmental funds, other than the General fund, that are not classified as nonspendable, restricted or committed, and ii) amounts in the General Fund intended for a specific use identified by either the City Manager or Finance Director, and iii) amounts appropriated to eliminate a projected budget deficit in the subsequent year.
e) **Unassigned** - Fund balances are reported as unassigned when the balances do not meet any of the above four criterion for classification. The City reports positive unassigned fund balance in only the General Fund. Negative unassigned fund balances may be reported in all governmental funds.

For purposes of fund balance disbursement, unless otherwise approved by the City Council, the City will expend restricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Next the City will expand committed fund balance when an expenditure is paid for which unrestricted fund balance is available. The City would next disburse fund balance assigned for purposes of the fund before disbursing other assigned fund balance amounts. In the General Fund, the City would disburse unassigned fund balance prior to disbursing fund balance assigned for financial policy reserve levels or amounts assigned to eliminate subsequent year's budget deficit.

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

a) **Invested in capital assets, net of related debt** consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
b) **Restricted net position** consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
c) **Unrestricted net position** consists of all other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt".

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: Legal Compliance - Budgets

A. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, special revenue funds, debt service fund, and capital projects funds. Enterprise fund budgets are prepared and utilized as a management tool to access the operations of the enterprise funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General Fund, Special Revenue Funds, Debt Service Fund, and Proprietary Funds. Project length budgets are adopted for the Capital Project Funds. During the fiscal year ended September 30, 2014, individual amendments were not material in relation to the original appropriations. All annual appropriations lapse at the end of each year.

The City code provides for the following procedures in establishing the budgetary data reflected in these financial statements:

At least 30 days before its adoption, the budget is prepared by the chief administrative officer, transmitted to members of the governing body for their review and made available for public inspection. No earlier than seven days after the budget is transmitted to members of the governing body and no later than the date the budget is adopted by the governing body, a public hearing is held to give the public the opportunity to comment on the proposed budget.

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The budget is adopted at the department level.

Transfers of appropriations within a department budget or within a non-departmental expenditures category require only the approval of the chief administrative officer. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

The City did not employ encumbrance accounting during the year. Encumbrances, if existing at the end of the fiscal year, are recorded and appropriations lapse at the year end. Open encumbrances would then be a reservation of fund balance since the commitments would be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at September 30, 2014, and none were recorded.

B. Deficit Fund Equity

The following funds reported deficits in fund balances at September 30, 2014:

The Welcome Center Fund has a deficit fund balance of $134,192. The City plans to eliminate this deficit once revenues return to pre-recession levels.

NOTE 3: Deposits and Investments

Total deposits and investments as of September 30, 2014, are summarized as follows:

Account Balances		Ownership of Funds	
		Governmental Funds:	
Petty cash/cash on hand	$ 950	Cash and investments	$ 707,942
Demand deposits	2,186,185	Restricted cash and investments	89,887
Certificates of deposits	1,061,286	Enterprise Funds:	
Investments	1,208,724	Cash and investments	1,288,764
		Restricted cash and investments	2,370,552
	$ 4,457,145		
			$ 4,457,145

Credit Risk

As of September 30, 2014, the City's investment in Georgia Fund 1 was rated AAAm by Standard & Poor's. The City has no additional credit risk policy of investments other than that required by State Law.

Investment	Maturities	Fair Values
Georgia Fund 1 (investment pool)	58 days weighted average	$ 1,208,724

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Current management limits investments to maturities of one year or less.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. The City has no additional custodial credit risk policy other than that stipulated by State Law.

NOTE 4: Receivables

Receivables at September 30, 2014, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

Receivables:	Taxes	Intergovernmental	Accounts Receivable	Gross Receivables	Less: Allowance for uncollectibles	Net Receivables
General	$ 470,645	$ 263,847	$ 294,852	$ 1,029,344	$ (178,398)	$ 850,946
SPLOST VI	-	312,654	-	312,654	-	312,654
SPLOST VII	-	323,357	-	323,357	-	323,357
Multiple Grant	-	11,787	-	11,787	-	11,787
Non-major government	54,048	12,485	4,421	70,954	-	70,954
Water and Sewer	-	-	578,483	578,483	(28,152)	550,331
Solid Waste	-	-	105,772	105,772	(5,288)	100,484
Total	$ 524,693	$ 924,130	$ 983,528	$ 2,432,351	$ (211,838)	$ 2,220,513

NOTE 4: Receivables - Continued

Property taxes are attached as an enforceable lien on property as of January 1. Taxes were levied on October 2, 2013 and payable on or before December 9, 2013. Penalties were applied on all unpaid taxes as of March 9, 2014. The City bills and collects its own property taxes. Property taxes levied for the year ending September 30, 2014, are recorded as receivable, net of the estimated uncollectible amount.

NOTE 5: Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Non-Depreciable Assets:				
Land	$ 1,762,747	$ -	$ -	$ 1,762,747
Construction in progress	1,127,764	486,485	-	1,614,249
	2,890,511	486,485	-	3,376,996
Depreciable Assets:				
Buildings	4,277,596	410,684	-	4,688,280
Land and building improvements	5,204,426	-	(121,089)	5,083,337
Infrastructure	21,552,496	1,643,399	-	23,195,895
Machinery and equipment	6,686,182	1,670,984	(205,206)	8,151,960
	37,720,700	3,725,067	(326,295)	41,119,472
Accumulated Deprecitation:				
Buildings	(1,798,538)	(143,756)	-	(1,942,294)
Land and building improvements	(2,403,195)	(211,998)	-	(2,615,193)
Infrastructure	(3,572,740)	(738,408)	-	(4,311,148)
Machinery and equipment	(5,941,883)	(261,762)	205,206	(5,998,439)
	(13,716,356)	(1,355,924)	205,206	(14,867,074)
Total Governmental Activities:	26,894,855	2,855,628	(121,089)	29,629,394
Business-Type Activities:				
Non-Depreciable Assets:				
Land	58,892	-	-	58,892
Construction in progress	221,185	163,379	-	384,564
	280,077	163,379	-	443,456
Depreciable Assets:				
Building and improvements	2,822,061	7,475	-	2,829,536
System improvements	48,257,717	2,042,701	-	50,300,418
Machinery and equipment	3,255,132	335,668	(279,101)	3,311,699
	54,334,910	2,385,844	(279,101)	56,441,653
Accumulated Depreciation:				
Buildings and improvements	(1,767,042)	-	(73,848)	(1,840,890)
System improvements	(23,507,992)	-	(1,132,429)	(24,640,421)
Machinery and equipment	(2,905,625)	-	(159,607)	(3,065,232)
	(28,180,659)	-	(1,365,884)	(29,546,543)
Total Business-Type Activities	26,434,328	2,549,223	(1,644,985)	27,338,566
Total Capital Assets	$ 53,329,183	$ 5,404,851	$ (1,766,074)	$ 56,967,960

NOTE 5: Capital Assets - Continued

Depreciation expense was charged to function/programs of the City as follows:

Governmental activities:	
General government	$ 216,018
Judiciary	2,008
Public safety	180,208
Public works	843,956
Housing and development	113,734
Total depreciation expense - governmental activities	$ 1,355,924

NOTE 6: Long-Term Debt

Revenue Bonds:

Governmental Funds -

During the fiscal year 2007 the City issued revenue bonds in the amount of $2,500,000 for the purpose of constructing a new welcome center. Revenue bonds outstanding at September 30, 2014, recorded in the City's Governmental Activities are as follows:

Purpose	Original Amount	Interest Rate	Due Date	Amount
Welcome Center Construction	$ 2,500,000	4.60%	2032	$ 2,364,579

Debt service requirements to maturity on the Welcome Center Revenue Bonds are as follows:

Year Ending September 30,	Principal	Interest
2015	$ 35,360	$ 108,640
2016	37,022	106,978
2017	38,761	105,239
2018	40,582	103,418
2019-2023	233,366	486,634
2024-2028	293,586	426,414
2029-2032	1,685,902	304,869
Total	$ 2,364,579	$ 1,642,192

Enterprise Funds -

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. On February 5, 2014, the City issued the Series 2014 Bond which was issued in printed form as a single revenue bond in the principal amount of $9,214,048. The Series 2014 Bond shall mature on December 1, 2021 and shall bear interest at 2.0341%. The bond was sold to a purchaser through a private placement transaction, and no premium or discount was recorded at issuance. The Series 2014 Bond may not be exchanged. The proceeds from the bond sale were used to i) refund all outstanding Series 2004 bonds and $2,365,000 of the Series 2010 Bond.

The refunding provided a reduction in total future debt service payments of $1,983,852 with most of the savings occurring within the first year.

Purpose	Original Amount	Interest Rate	Due Date	Amount
Refunding 2008 Series Bonds and GEFA loans	$ 9,755,000	3.47%	2021	$ 1,600,000
Refunding 2014A Series Bonds	5,535,890.00		2020	5,535,890
Refunding 2014B Series Bonds	3,705,158.00		2023	3,705,158
				$ 10,841,048

Debt service requirements to maturity on the water and sewer revenue bonds are as follows:

Year Ending September 30,	Principal	Interest
2015	$ 1,373,848	$ 222,209
2016	1,419,010	181,498
2017	1,450,880	146,568
2018	1,478,562	118,264
2019	1,508,561	89,835
2020-2023	3,610,187	108,578
Total	$ 10,841,048	$ 866,952

Capital Leases:

The City has entered into lease agreements as lessee for financing the acquisition of various equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payment as of the date of their inceptions. On July 9, 2014, the City entered into a capital lease agreement to obtain a Fire Truck for $555,950 with the first payment of $56,119 due July 9, 2015.

Capital Leases: - Continued

The cost of assets under capital leases as of September 30, 2014 is:

	Governmental Activities	Business-type Activities
Equipment	$ 692,714	$ 339,304

The City's total capital lease debt service requirements to maturity as of September 30, 2014, are as follows:

Year Ending September 30,	Governmental Activities	Business-type Activities
2015	$ 92,238	$ 95,246
2016	93,055	97,184
2017	74,709	63,300
2018	56,119	45,842
2019-2023	280,595	42,773
2024-2026	168,357	-
Total minimum lease payments	765,073	344,345
Less amount representing interest	(72,359)	(5,041)
Present value of future minimum lease payments	$ 692,714	$ 339,304

Note Payable:

Governmental Funds

During the year ended September 30, 2005, the City obtained a loan from the United States Department of Agriculture to help mitigate the costs of constructing a new fire station within the City. The original amount of the loan was $646,000 and the current amount of the loan outstanding as of September 30, 2014, is $331,158. This note is due in monthly installments including interest at 4.75% through January 2022.

During the year ended September 30, 2011, the Kingsland Development Authority obtained a loan from Citizens State Bank to help mitigate costs within the Authority. The original amount of the loan was $1,582,237 and the current amount of the loan outstanding as of September 30, 2014, is $1,392,226. This note is due in monthly installments including interest at 4.25% through December 2014.

The City's debt service requirement to maturity for the notes payable is as follows:

United States Department of Agriculture

Year Ending September 30,	Principal	Interest
2015	$ 37,356	$ 14,352
2016	39,170	12,538
2017	41,072	10,636
2019	43,066	8,642
2020-2022	170,494	13,124
Total	$ 331,158	$ 59,292

Citiizens State Bank

Year Ending September 30,	Principal	Interest
2015	$ 1,392,226	$ 5,424
Total	$ 1,392,226	$ 5,424

Note Payable: - Continued

Governmental Funds

Long-Term liability activity for the year ended September 30, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Revenue bonds payable	$ 2,411,765	$ -	$ (47,186)	$ 2,364,579	$ 35,360
Notes Payable	1,827,237	-	(103,853)	1,723,384	1,429,582
Capital Leases	136,764	555,950	(51,210)	641,504	92,238
Compensated absences	433,211	-	(95,935)	337,276	210,352
Total Governmental Activities	$ 4,808,977	$ 555,950	$ (298,184)	$ 5,066,743	$ 1,767,532
Business-Type Activities					
Bonds Payable	$ 12,825,000	$ 9,241,048	$ (11,225,000)	$ 10,841,048	$ 1,373,848
Capital leases	166,915	224,740	(52,352)	339,303	95,247
Compensated absences	114,422	-	(18,725)	95,697	59,012
Total Business-Type Activities	$ 13,106,337	$ 9,465,788	$ (11,296,077)	$ 11,276,048	$ 1,528,107

For governmental activities, compensated absences are generally liquidated by the General Fund.

Discretely Presented Component Unit: The Kingsland Area Convention and Visitor's Bureau Authority long-term debt at September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Discretely Presented Component Unit					
Compensated absences	$ 15,304	$ -	$ (3,485)	$ 11,819	$ 5,068
Total Discretely Presented Component Unit	$ 15,304	$ -	$ (3,485)	$ 11,819	$ 5,068

NOTE 7: Interfund Receivables, Payables and Transfers

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

	Payable Fund				
Receivable Funds	General Fund	Nonmajor Governmental Fund	Water and Sewer Fund	Solid Waste Fund	Total
General Fund	$ -	$ -	$ 12,718	$ 21,079	$ 33,797
Nonmajor Governmental Funds	9,188	-			9,188
Water and Sewer Fund	25,743	234,575	-	13,172	273,490
Solid Waste Fund	102	-	-	-	102
Funds	$ 35,033	$ 234,575	$ 12,718	$ 34,251	$ 316,577

	Transfers Out				
Transfer In	Genral Fund	SPLOST Fund	Governmental Fund	Water/Sewer Fund	Total
General Fund	$ -	$ -	$ 166,381	$ 136,392	$ 302,773
Nonmajor Governmental Funds	245,901	137,483	245,900	302,773	932,057
Water/Sewer Fund	-	285,843	153,322	-	439,165
	$ 245,901	$ 423,326	$ 565,603	$ 439,165	$ 1,673,995

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.

The composition of interfund transfers as of September 30, 2014, is as follows:

Transfers are used to (1) move revenues from the fund statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8: Fund Equity

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent which the City is bound to constraints on the specific purposes for which amounts in the funds can be spent. As of September 30, 2014, fund balances for all the major and non-major funds were distributed as follows:

	General Fund	SPLOST VI	SPLOST VII	Multiple Grant Fund	Other Governmental Funds
Fund Balances:					
Nonspendable:					
Inventories and prepaids	$ 227,846	$ -	$ -	$ -	$ -
Restricted for:					
Drug forfeiture	-	-	-	-	26,502
Grant purposes	-	-	-	(2,187)	-
Debt reserve requirements	89,887	-	-	-	290
Construction and capital outlay	-	42,435	1,147,046	-	-
Assigned to:					
Kingsland Development Authority	-	-	-	-	692
Revenue bond	-	-	-	-	(8,022)
Unassigned:	296,836	-	-	-	(134,192)
Total Fund Balances	$ 614,569	$ 42,435	$ 1,147,046	$ (2,187)	$ (114,730)

The City's policy is to maintain a working capital reserve fund of 10% of the prior year's actual revenues.

NOTE 9: Joint Ventures

Under Georgia Law, the City, in conjunction with other cities and counties in the nine county coastal Georgia region, is a member of the Coastal Regional Commission and is required to pay annual dues thereto. The Coastal Regional Commission is one of the 16 Regional Commissions (RC) that cover the State of Georgia. During its year ended September 30, 2014, the City paid $15,946 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provided for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the Coastal Regional Commission, P. O. Box 1917, Brunswick, Georgia 31521.

NOTE 10: Jointly Governed Organization

Under a contract with the Camden County Public Service Authority (the "Authority") in conjunction with the City of St. Mary's, the City of Woodbine, and Camden County, the City provided funding on an annual basis to the Authority. During the year ended September 30, 2014, the City paid the Authority $289,095. The Authority board is made up of the mayors of Kingsland and St. Mary's, and is charged with providing recreation services to all citizens of Camden County.

Separate financial statements may be obtained from the Camden County Public Service Authority, 1050 Wildcat Drive, Kingsland, Georgia 31548.

NOTE 11: Pension Plan

A. Plan Description

The City of Kingsland Retirement Plan (the Plan) is a noncontributory plan covering all full-time employees with a service period of one year or more. The Plan is administered by the Georgia Municipal Employees Benefit System (GMEBS), a state-wide, agent multiple-employer defined benefit plan. GMEBS handles all administrative and investment functions relative to the Plan. Benefits are fully vested after 5 years of service. Participants become eligible to retire at age 65, with five years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.6% of final average earnings up to a participant's amount of covered compensation, all multiplied by the participant's years of total credited service. The previous two-tiered formula (1.25% and 2%) will be grandfathered in to prevent from having a loss of benefits for those employees earning more than the dynamic break point amount of $61,884. These benefit provisions and all other requirements are established and amended by local ordinance. The GMEBS 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 GMEBS, 201 Pryor Street, SW, Atlanta, Georgia 30303.

B. Funding Policy

The City's policy is to contribute the actuarially determined amount as recommended by GMEBS. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the plan. The annual recommended contribution is the sum of 1) the normal cost (including administrative expenses), 2) the level dollar amortization of the unfunded actuarial accrued liability (initial unfunded actuarial accrued liability over 30 years from 1982 and changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods from the end of the year during which such changes arise), and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). These amortization periods, if applicable, are closed for this plan year.

The recommended contributions under this policy for 2014 and 2013 are shown below:

	2014	2013
Normal Costs		
Plan Benefits	$ 451,488	$ 460,115
Administrative Expenses	21,927	21,085
Amortization of the Unfunded Actuarial Accrued Liability	228,044	238,904
Covered Payroll	741,849	761,567
Recommended Contribution as a Percentage of Covered Payroll	11.88%	11.83%

The above contributions exceed the estimated minimum annual contribution under Public Retirement Systems Standards Law (Georgia Code Section 47-20-10).

NOTE 11: Pension Plan - Continue

C. Annual Pension Cost

For the fiscal year ended September 30, 2014, the City's annual pension cost and actual contribution was $761,567. Recommended contributions of $741,849 and $761,567 were determined as part of the January 1, 2014 and 2013 actuarial valuations, respectively. The January 1, 2014 actuarial required contribution payments will be funded during the City's fiscal year 2014.

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

D. Trend Information

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

Period Ending	Annual Cost	Percentage of Annual Pension Cost Contributed	Obligation
9/30/2012	$ 741,873	100%	-
9/30/2013	744,903	100%	-
9/30/2014	761,567	100%	-

E. Funded Status and Funding Progress

As of January 1, 2014, the most recent actuarial valuation date, the plan was 83.08% funded. The actuarial accrued liability for benefits was $9,494,167 and the actuarial value of the assets was $6,847,087 resulting in an unfunded actuarial liability (UAAL) of $1,682,956. The covered payroll (annual payroll of active employees covered by the plan was $6,086,595, and the ratio of the UAAL to the covered payroll was 26.39%).

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

NOTE 12: Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants with GASB Statement No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", no assets or liabilities of the City's Deferred Compensation Plan are included in the City's financial statements.

NOTE 13: Commitments and Contingencies

Litigation:

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies:

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowance, if any, will not be significant.

NOTE 14: Risk Management

The City is exposed to various risks or losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with the other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the City's insurance coverage.

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

NOTE 15: Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. The City collected $776,342 in hotel/motel tax for the year ending September 30, 2014. Of the total amount collected, the City expended $341,591 or 44% for the promotion of tourism, $131,978 or 17% for the construction of a facility for visitor center purposes and $302,773, or 39% for general government needs.

Revenue:	
Hotel/Motel Taxes	$ 776,342
Expenditures:	
Tourism expenditures	$ 341,591
Visitor center debt service	131,978
General government	302,773
Total expenditures	$ 776,342
Percentage of expenditures to revenues	100%

NOTE 18: Subsequent Events

Events that occur after the net assets date but before the financial statements are issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the net position date require disclosure in the accompanying notes. Management evaluated the activity of the City through April 20, 2015 and concluded that the following subsequent events need to be disclosed:

The City agreed to a direct installment program on July 24, 2014 for the lease of the Pierce Rescue Engine and Pumper. The first payment will be due July 9, 2015.

NOTE 19: Uncertain Tax Positions

The City evaluates tax positions judged to be uncertain. A loss contingency reserve is accrued if it is probable that the tax position will be challenged, it is probable that the future resolution of the challenge will confirm that a loss has been incurred, and the amount of such a loss can be reasonable estimate. No accrual for uncertain tax positions has been recorded at September 30, 2014.

NOTE 20: Fund Balances

The following individual major governmental funds had deficit unassigned fund balances at September 30, 2014:

Multiple Grant Fund	$ 2,187

The deficit fund balance in the above fund resulted from expenditures incurred during prior years for which subsequent reimbursements did not meet accrual recognition criteria, or for which terms of the agreement did not yet allow reimbursement.

The following individual nonmajor governmental funds had deficit unassigned fund balances at September 30, 2014:

Welcome Center Fund	$ 134,192
Revenue Bond Fund	$ 7,732

The deficits will be funded through future revenues and transfers from the General Fund.

NOTE 21: RE-ISSUANCE OF FINANCIAL STATEMENTS

The financial statements for the City of Kingsland, Georgia are being re-stated due to SPLOST VII total assets and expenditures being incorrectly stated. SPLOST VII total assets and expenditures were incorrectly stated due to a clerical error when calculating cash and expenditures.



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REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS



CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
Revenues				
Taxes	$ 7,188,500	$ 7,500,235	$ 7,502,762	$ 2,527
License and permits	271,600	308,800	311,129	2,329
Intergovernmental	344,096	339,581	332,172	(7,409)
Charges for services	66,800	35,400	31,802	(3,598)
Fines and forfeitures	1,844,000	1,441,557	1,323,592	(117,965)
Investment	1,500	1,500	1,695	195
Miscellaneous	90,000	124,500	124,126	(374)
Total revenues	9,806,496	9,751,573	9,627,278	(124,295)
Expenditures				
Current:				
General government				
Administration	1,184,728	1,188,766	1,173,563	15,203
Finance	349,659	347,848	340,469	7,379
Total general government	1,534,387	1,536,614	1,514,032	22,582
Judicial				
Municipal Court	626,299	564,379	545,247	19,132
Total judicial	626,299	564,379	545,247	19,132
Public safety:				
Police department	2,964,669	2,965,171	2,839,866	125,305
Fire department	1,948,204	1,948,279	1,914,951	33,328
Total public safety	4,912,873	4,913,450	4,754,817	158,633
Public works:				
Public works	1,706,454	1,701,150	1,735,315	(34,165)
Fleet services	261,728	284,993	272,608	12,385
Total public works	1,968,182	1,986,143	2,007,923	(21,780)

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance With Final Budget**
Housing and development:				
Protective inspection	516,187	491,651	485,354	6,297
Economic development	156,064	175,939	165,187	10,752
Total housing and development	672,251	667,590	650,541	17,049
Capital outlay	31,850	611,030	575,908	35,122
Total current expenditures	9,745,842	10,279,206	10,048,468	230,738
Excess (deficiency) of revenues over expenditures	60,654	(527,633)	(421,190)	106,443
OTHER FINANCING SOURCES (USES)				
Transfers in	278,850	302,772	302,773	1
Transfers out	(240,682)	(248,432)	(245,901)	2,531
Capital lease	-	555,950	555,950	-
Sale of capital assets	10,000	21,500	21,619	119
Total other financial sources (uses)	48,168	631,790	634,441	2,651
Net change in fund balances	108,822	104,157	213,251	109,094
Fund balances, beginning of year	-	401,318	401,318	-
Fund balances, end of year	$ 108,822	$ 505,475	$ 614,569	$ (109,094)

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
MULTIPLE GRANT FUND
SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance with Final Budget**
REVENUES				
Intergovernmental	$ 209,500	$ 163,220	$ 77,734	$ (85,486)
TOTAL REVENUES	209,500	163,220	77,734	(85,486)
EXPENDITURES				
Current				
Public safety	214,000	29,000	22,516	6,484
Capital outlay				
General government	-	138,720	59,396	79,324
Public safety	-	-	-	-
Public works	-	-	-	-
TOTAL EXPENDITURES	214,000	167,720	81,912	85,808
Excess revenues over (under) expenditures	(4,500)	(4,500)	(4,178)	322
OTHER FINANCING SOURCES (USES)				
Transfers in	4,500	4,500	1,969	2,531
Total other financing (uses)	4,500	4,500	1,969	2,531
Net change in fund balance	-	-	(2,209)	(2,209)
Fund balance at beginning of year	-	-	23	-
Fund balance at end of year	$ -	$ -	$ (2,186)	$ (2,186)

CITY OF KINGSLAND, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2014

A. Budgets and Budgetary Accounting

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

Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. For the year ended September 30, 2014, the following supplemental appropriations and decreases were approved.

Fund Type	Original Appropriations	Supplemental Appropriations	Supplemental Decreases	Final Appropriations
General Fund	$ 9,986,524	$ 541,114	$ -	$ 10,527,638

CITY OF KINGSLAND, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Accrued Liability	Funded Ratio	Annual Covered Payroll	Actuarial Accrued Liability as a Percentage of Covered Payroll
3/1/2005	$ 2,910,114	$ 3,132,795	$ 222,681	92.89%	$ 3,203,425	6.95%
3/1/2006	3,205,765	3,418,185	212,420	93.79%	3,828,192	5.55%
3/1/2007	3,511,533	3,727,088	215,555	94.22%	4,047,679	5.33%
3/1/2008	3,910,817	4,352,965	442,148	89.84%	4,701,234	9.40%
3/1/2009	3,432,340	5,498,984	2,066,644	62.42%	5,524,989	37.41%
1/1/2010	4,624,711	6,398,250	1,773,539	72.28%	6,199,577	28.61%
1/1/2011	5,254,388	7,020,621	1,766,233	74.84%	6,158,710	28.68%
1/1/2012	6,007,918	7,631,081	1,623,163	78.73%	6,285,312	25.82%
1/1/2013	6,847,087	8,530,043	1,682,956	80.27%	6,272,838	26.83%
1/1/2014	7,887,719	9,494,167	1,606,448	83.08%	6,086,595	26.39%



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COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES AND OTHER SUPPLEMENTARY INFORMATION



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Non-Major Funds

Non-Major Governmental Funds

Special Revenue Funds:

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

The Drug Forfeiture Fund was established to account for cash received either as a result of a cash confiscation or from the sale of capital assets acquired from a drug raid.

The Revolving Loan Fund was established to account for cash and cash payments regarding loans paid by the City.

The Kingsland Development Authority Fund is used to account for the blended component unit activity related to financing the construction of the City's public buildings.

The Grant Fund was established to account for grant proceeds and expenditures from Georgia Department of Transportation. It also is used to account for grant proceeds of the Energy Efficiency and Conservation Block Grant (EECBG) from the U.S. Department of Energy (DOE) program funding and that Georgia Environmental Facility Authority (GEFA) as well as the use of the GEFA EECBG funds based on an intergovernmental agreement between City of Kingsland, the City of St. Marys, the City of Woodbine, Camden County and the Camden County Public Service Authority.

The Hotel/Motel Tax Fund was established to account for the tax revenues collected from the hotels/motels in the City and to track the expenditures associated with those revenues.

Capital Project Fund:

The **Welcome Center Fund** was established to account for the construction activity of the Welcome Center that was completed during fiscal year 2008 and placed in service.

Debt Service Funds:

The Revenue Bond Fund was established to account for the principal and interest bond payments on the Series 1991 Revenue Bonds issued for the renovation and equipping of the old Camden Hotel within the City.

The Debt Service Fund was established to account for the accumulation of resources and payments of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest for special assessment levies when the government is obligated in some manner for the payment.

CITY OF KINGSLAND, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	Drug Forfeiture Fund	Revolving Loan Fund	Kingsland Development Authority Fund	DOT Grant Fund	Hotel/Motel Tax Fund	Welcome Center Fund	Revenue Bond Fund	Debt Service Fund	Total
Assets									
Cash and investments	$ 85,189	$ -	$ 692	$ -	$ -	$ -	$ -	$ -	$ 85,881
Receivables	-	745	-	12,485	54,048	-	3,676	-	70,954
Due from other funds	-	-	-	-	-	-	9,187	-	9,187
Total assets	85,189	745	692	12,485	54,048	-	12,863	-	166,022
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	22,425	-	-	-	-	-	-	-	22,425
Due to other funds	13,192	63	-	12,485	54,048	134,192	20,595	-	234,575
Due to other governments	-	-	-	-	-	-	-	-	-
Deferred revenue	23,752	-	-	-	-	-	-	-	23,752
Total liabilities	59,369	63	-	12,485	54,048	134,192	20,595	-	280,752
Fund balances:									
Restricted	25,820	682	-	-	-	-	290	-	26,792
Assigned	-	-	692	-	-	-	(8,022)	-	(7,330)
Unassigned	-	-	-	-	-	(134,192)	-	-	(134,192)
Total fund balances	25,820	682	692	-	-	(134,192)	(7,732)	-	(114,730)
Total liabilities and fund balances	$ 85,189	$ 745	$ 692	$ 12,485	$ 54,048	$ -	$ 12,863	$ -	$ 166,022

CITY OF KINGSLAND, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds					Capital Project Fund	Debt Services Fund		
	Drug Forfeiture Fund	Revolving Loan Fund	Kingsland Development Authority Fund	DOT Grant Fund	Hotel/Motel Tax Fund	Welcome Center Fund	Revenue Bond Fund	Debt Service Fund	Total
Revenues									
Taxes	$ -	$ -	$ -	$ -	$ 776,342	$ -	$ -	$ -	$ 776,342
Intergovernmental	-	-	-	423,326	-	-	-	-	423,326
Investment	181	-	-	-	-	-	-	-	181
Miscellaneous	338,214	99	-	-	-	-	-	-	338,313
Total revenues	338,395	99	-	423,326	776,342	-	-	-	1,538,162
Expenditures									
Current:									
Public safety	58,676	-	-	-	-	-	-	-	58,676
Intergovermental	-	-	7,750	-	341,590	-	-	-	349,340
Capital outlay:									
Public safety	283,282	-	-	-	-	-	-	-	283,282
Debt Service:									
Principal	-	-	-	-	-	-	47,186	155,064	202,250
Interest and other charges	-	-	-	-	-	-	92,814	81,118	173,932
Total expenditures	341,958	-	7,750	-	341,590	-	140,000	236,182	1,067,480
Excess (deficiency) of revenues over expenditures	(3,563)	99	(7,750)	423,326	434,752	-	(140,000)	(236,182)	470,682
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	138,602	-	-	-	131,978	236,182	506,762
Transfers out	-	-	(130,852)	(423,326)	(434,752)	-	-	-	(988,930)
Total other financing sources and uses	-	-	7,750	(423,326)	(434,752)	-	131,978	236,182	(482,168)
Net changes in fund balance	(3,563)	99	-	-	-	-	(8,022)	-	(11,486)
Fund balances - beginning	29,383	583	692	-	-	(134,192)	290	-	(103,244)
Fund balances - ending	$ 25,820	$ 682	$ 692	$ -	$ -	$ (134,192)	$ (7,732)	$ -	$ (114,730)

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND - DRUG FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 25,000	$ 324,800	$ 338,214	$ 13,414
Interest income	-	-	181	181
TOTAL REVENUES	25,000	324,800	338,395	13,595
EXPENDITURES				
Current				
Public safety	25,000	60,431	58,676	1,755
Capital outlay	-	281,604	283,282	(1,678)
TOTAL EXPENDITURES	25,000	342,035	341,958	77
Excess revenues over (under) expenditures	-	(17,235)	(3,563)	13,672
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing (uses)	-	-	-	-
Net change in fund balance	-	(17,235)	(3,563)	13,672
Fund balance at beginning of year	-	29,383	29,383	-
Fund balance at end of year	$ -	$ 12,148	$ 25,820	$ 13,672

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND – REVOLVING LOAD FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Miscellaneous	$ 99	$ 99	$ 99	$ -
TOTAL REVENUES	99	99	99	-
EXPENDITURES				
Current				
Intergovernmental	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess revenues over (under) expenditures	99	99	99	-
Net change in fund balance	99	99	99	-
Fund balance at beginning of year	-	583	583	-
Fund balance at end of year	$ 99	$ 682	$ 682	$ -

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND – KINGSLAND DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Interest income	$ -	$ -	$ -	$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
TOTAL EXPENDITURES	-	7,750	7,750	-
Excess revenues over (under) expenditures	-	(7,750)	(7,750)	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(130,852)	(130,852)	(130,852)	-
Transfers in	130,852	138,602	138,602	-
Total other financing (uses)	-	7,750	7,750	15,500
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	687	692	5
Fund balance at end of year	$ -	$ 687	$ 692	$ 5

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND – DOT GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ 400,000	$ 439,160	$ 423,326	$ (15,834)
Miscellaneous	-	-	-	-
TOTAL REVENUES	400,000	439,160	423,326	(15,834)
EXPENDITURES				
Current				
Public safety	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess revenues over (under) expenditures	400,000	439,160	423,326	(15,834)
OTHER FINANCING SOURCES (USES)				
Transfers out	(400,000)	(439,160)	(423,326)	15,834
Total other financing (uses)	(400,000)	(439,160)	(423,326)	15,834
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND - HOTEL/MOTEL TAX
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 715,000	$ 776,340	$ 776,342	$ 2
TOTAL REVENUES	715,000	776,340	776,342	2
EXPENDITURES				
Current				
Intergovernmental	314,600	341,590	341,590	-
TOTAL EXPENDITURES	314,600	341,590	341,590	-
Excess revenues over (under) expenditures	400,400	434,750	434,752	2
OTHER FINANCING SOURCES (USES)				
Transfers Out	(400,400)	(434,750)	(434,752)	(2)
Total other financing (uses)	(400,400)	(434,750)	(434,752)	(2)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND - REVENUE BOND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance with Final Budget**
REVENUES				
TOTAL REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
Debt service				
Principal	34,373	34,373	47,186	(12,813)
Interest and other charges	109,627	105,627	92,814	12,813
TOTAL EXPENDITURES	144,000	140,000	140,000	-
Excess revenues over (under) expenditures	(144,000)	(140,000)	(140,000)	-
OTHER FINANCING SOURCES (USES)				
Transfers In	121,550	131,978	131,978	-
Total other financing sources	121,550	131,978	131,978	-
Net change in fund balance	(22,450)	(8,022)	(8,022)	-
Fund balance at beginning of year	-	290	290	-
Fund balance at end of year	$ (22,450)	$ (7,732)	$ (7,732)	$ -

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
TOTAL REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
Debt service				
Principal	80,806	155,376	155,064	312
Interest and other charges	155,376	80,806	81,118	(312)
TOTAL EXPENDITURES	236,182	236,182	236,182	-
Excess revenues over (under) expenditures	(236,182)	(236,182)	(236,182)	-
OTHER FINANCING SOURCES (USES)				
Transfers In	236,182	236,182	236,182	-
Total other financing sources	236,182	236,182	236,182	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF KINGSLAND, GEORGIA
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT-
CONVENTION AND VISITOR'S BUREAU
SEPTEMBER 30, 2014

ASSETS	
Cash	$ 60,133
Accounts Receivables	9,514
Due from other governments	23,781
Prepaid items	663
Total assets	$ 94,091
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	$ 7,694
Accrued liabilities	5,251
Total liabilities	12,945
Fund balances:	
Unassigned	81,146
Total fund balances	81,146
Total liabilities and fund balances	$ 94,091
Total fund balance, descretely presented component unit	$ 81,146
Amounts reported for discretely presented component unit in the Statement of Net Assets are different because	
Some liabilities, (such as Compensated Absences), are not due and payable in the current period and are not included in the fund financial statement, but are included in the discretely presented component unit of the Statement of Net Assets. See the Long-Term debt note.	(11,819)
Net Assets of the Discretely Presented Component Unit in the Statement of Net Assets	$ 69,327

CITY OF KINGSLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISCRETELY PRESENTED COMPONENT UNIT-
CONVENTION AND VISITOR'S BUREAU
FOR THE YEAR ENDED SEPTEMBER 30, 2014

REVENUES	
Intergovernmental	$ 341,590
Miscellaneous	3,858
Total revenues	345,448
EXPENDITURES	
Current:	
Housing and development	311,013
Total expenditures	311,013
Excess (deficiency) of revenues over expenditures	34,435
Net change in fund balances	34,435
Fund balances - beginning	46,711
Fund balances - ending	$ 81,146
Net change in fund balance - discretely presented component unit:	$ 34,435
Amounts reported for Discretely Presented Component Units in the Statement of Activities are different because:	
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in the discretely presented component unit fund:	
Compensated absences	(3,485)
Change in net assets of discretely presented component unit statement of activities	$ 30,950

CITY OF KINGSLAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE
DISCRETELY PRESENTED COMPONENT UNIT-
CONVENTION AND VISITOR'S BUREAU
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ 314,600	$ 341,590	$ 341,590	$ -
Miscellaneous	3,200	3,200	3,858	658
TOTAL REVENUES	317,800	344,790	345,448	658
EXPENDITURES				
Current				
Housing and development	317,800	343,815	311,013	32,802
TOTAL EXPENDITURES	317,800	343,815	311,013	32,802
Excess revenues over (under) expenditures				
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net change in fund balance	-	975	34,435	33,460
Fund balance at beginning of year	-	-	46,711	46,711
Fund balance at end of year	$ -	$ 975	$ 81,146	$ 80,171



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COMMENT RELATIVE TO STATISTICAL SECTION

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These reflect social and economic data, financial trends, and the fiscal capacity of the government. The tables are unaudited due to the nature of the information contained therein.



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CITY OF KINGSLAND, GEORGIA

STATISTICAL SECTION

This part of the City of Kingsland's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	80
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	88
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.	93
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	99
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.	102

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

	Fiscal Years									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Governmental Activities[1]										
Invested in capital assets, net of related debt	$5,371,343	$ 7,326,403	$11,534,744	$15,996,862	$16,852,160	$20,854,273	$21,866,711	$21,226,848	$22,519,089	$24,899,927
Restricted	-	14,127	14,127	14,127	-	-	70,440	157,415	157,415	157,415
Unrestricted	559,999	1,151,749	(201,551)	(445,218)	731,030	473,901	639,879	284,571	148,462	1,347,324
Total governmental activities net assets	$5,931,342	$8,492,279	$11,347,320	$15,565,771	$17,583,190	$21,328,174	$22,577,030	$21,668,834	$22,824,966	$26,404,666
Business-type activities										
Invested in capital assets, net of related debt	$2,701,057	$ 3,026,506	$ 4,951,306	$13,269,838	$12,948,278	$14,644,306	$14,506,473	$12,257,452	$13,502,957	$16,094,649
Restricted	1,669,467	2,684,545	-	-	-	-	-	-		
Unrestricted	2,417,301	2,691,991	5,642,765	(968,480)	1,119,640	938,136	1,292,093	3,428,480	3,666,359	3,681,475
Total business-type activities net assets	$6,787,825	$8,403,042	$10,594,071	$12,301,358	$14,067,918	$15,582,442	$15,798,566	$15,685,932	$17,169,316	$19,776,124
Primary government										
Invested in capital assets, net of related debt	$8,072,400	$10,352,909	$16,486,050	$29,266,700	$29,800,438	$35,498,579	$36,373,184	$33,484,300	$36,022,046	$40,994,576
Restricted	1,669,467	2,698,672	14,127	14,127	-	-	70,440	157,415	157,415	157,415
Unrestricted	2,977,300	3,843,740	5,441,214	(1,413,698)	1,850,670	1,412,037	1,931,972	3,713,051	3,814,821	5,028,799
Total primary government net assets	$12,719,167	$16,895,321	$21,941,391	$27,867,129	$31,651,108	$36,910,616	$38,375,596	$37,354,766	$39,994,282	$46,180,790

[1] Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2009 as a blended component unit, beginning in FY 2010 and forward CVB is shown as a discretely presented component unit. A prior period adjustment was done in FY2010 reflecting the presentation change of the CVB. Therefore, beginning in FY10 CVB is not reflected in the statistical data.

CITY OF KINGSLAND, GEORGIA
CHANGE IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Years									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenses:										
Governmental Activities:										
General government	$ 1,076,474	$ 1,131,879	$ 1,374,233	$ 1,679,263	$ 1,536,012	$ 1,341,785	$ 1,392,414	$ 1,311,326	$ 1,549,030	$ 216,018
Judicial	290,431	409,137	502,505	433,491	468,914	586,457	720,472	593,966	595,657	549,263
Public Safety	3,407,182	3,837,977	4,194,251	4,693,818	4,998,687	4,923,349	5,232,678	5,234,857	5,054,473	5,196,425
Public Works	1,742,406	1,903,194	2,267,822	2,304,912	2,759,855	2,834,467	2,867,912	2,793,005	2,695,757	3,695,835
Culture and recreation [1]	-	226,909	-	-	-	-	-	-		
Housing & development	495,873	336,617	712,478	1,012,135	1,112,641	764,028	725,654	730,052	788,147	878,009
Intergovernmental	-	-	-	-	-	294,782	292,298	632,291	312,217	349,340
Interest on LT debt	51,672	44,506	210,512	241,953	228,773	249,123	229,995	334,323	102,952	179,184
Total government activities expenses	$ 7,064,038	$ 7,890,219	$ 9,261,801	$10,365,572	$11,104,882	$10,993,991	$11,461,423	$11,629,820	$11,098,233	$11,064,074
Business-type activities:										
Water and Sewer	3,847,788	5,583,697	4,919,199	5,225,681	5,504,659	5,601,873	5,884,614	5,640,757	5,321,171	5,074,961
Solid Waste	599,463	606,353	744,141	796,166	798,420	711,315	818,472	822,268	828,511	794,693
Total business-type activities expenses	$ 4,447,251	$ 6,190,050	$ 5,663,340	$ 6,021,847	$ 6,303,079	$ 6,313,188	$ 6,703,086	$ 6,463,025	$ 6,149,682	$ 5,869,654
Total primary government expenses	$11,511,289	$14,080,269	$14,925,141	$16,387,419	$17,407,961	$17,307,179	$18,164,509	$18,092,845	$17,247,915	$16,933,728
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 672,407	$ 307,960	$ 274,278	$ 425,531	$ 491,971	$ 403,994	$ 465,758	$ 260,265	$ 256,795	$ 467,797
Judicial	673,474	1,004,019	1,161,617	983,624	933,788	1,425,213	1,540,533	1,430,229	1,425,735	1,323,592
Public Safety	217,582	242,744	186,041	188,477	188,772	38,196	122,751	44,476	4,973	15,990
Public Works	4,280	3,515	12,010	15,460	7,090	-	-	-		
Housing & development	48,210	574,816	492,045	332,524	177,901	-	-	-		
Operating grants & contr.	132,152	21,801	46,765	409,707	45,644	226,683	266,774	569,802	94,922	77,930
Capital grants & contr.	411,922	1,063,432	1,535,072	10,495	1,955,132	2,223,119	2,100,531	152,971	2,772,578	4,200,330
Total gov't activities program revenues	$ 2,160,027	$ 3,218,287	$ 3,707,828	$ 2,365,818	$ 3,800,298	$ 4,317,205	$ 4,496,347	$ 2,457,743	$ 4,555,003	$ 6,085,639
Business-type activities:										
Charges for services:										
Water/Sewer	4,502,822	5,756,344	6,165,278	5,692,975	4,828,346	5,065,254	5,609,536	5,267,971	5,151,329	5,416,566
Solid Waste	627,212	665,205	816,014	865,576	854,220	863,611	862,256	874,997	888,949	897,632
Capital grants & contr.	-	1,270,474	617,744	-	2,251,972	1,779,465	383,000	-	1,621,375	1,694,354
Total business-type activities program revenues	$ 5,130,034	$ 7,692,023	$ 7,599,036	$ 6,558,551	$ 7,934,538	$ 7,708,330	$ 6,854,792	$ 6,142,968	$ 7,661,653	$ 8,008,552
Total primary government program revenues	$ 7,290,061	$10,910,310	$11,306,864	$ 8,924,369	$11,734,836	$12,025,535	$11,351,139	$ 8,600,711	$12,216,656	$14,094,191
Net (expense)/revenue										
Governmental activities	(4,904,011)	(4,671,932)	(5,553,973)	(7,999,754)	(7,304,584)	(6,676,786)	(6,965,076)	(9,172,077)	(6,543,230)	(4,978,435)

Business-type activities	682,783	1,501,973	1,935,696	536,704	1,631,459	1,395,142	151,706	(320,057)	1,511,971	2,138,898
Total primary government net expense	$ (4,221,228)	$ (3,169,959)	$ (3,618,277)	$ (7,463,050)	$ (5,673,125)	$ (5,281,644)	$ (6,813,370)	$ (9,492,134)	$ (5,031,259)	$ (2,839,537)
Other Changes in Net										
Governmental activities:										
Taxes:										
Property taxes	$ 2,126,596	$ 2,380,159	$ 4,000,895	$ 4,716,671	$ 5,280,865	$ 5,355,372	$ 5,400,913	$ 4,700,654	$ 4,442,953	$ 4,399,967
Sales taxes	2,799,417	2,841,143	5,066,681	7,337,901	3,105,910	3,763,107	1,440,061	1,487,010	1,504,631	2,448,777
Other taxes	1,782,066	1,930,362	807,080	828,086	828,240	901,410	930,582	1,839,115	1,833,110	2,005,966
Unrestricted grants & contri.	-	-	12,350	86,686	20,815	329,193	325,411	120,202	5,000	-
Unrestricted invest. earnings	18,393	80,442	156,778	95,647	7,155	1,331	984	1,328	1,563	1,695
Miscellaneous	-	-	93,134	78,303	78,587	112,834	115,981	115,572	128,263	119,277
Gain (loss) on didsposition of capital assets	-	-	-	-	-	-	-	-	-	21,620
Transfers	(174,540)	763	413	(925,089)	431	-	-	-	(195,198)	(439,166)
Total governmental activities	$ 6,551,932	$ 7,232,869	$10,137,331	$12,218,205	$ 9,322,003	$10,463,247	$ 8,213,932	$ 8,263,881	$ 7,720,322	$ 8,558,136
Business-type activities:										
Investment earnings	78,266	114,007	255,746	241,933	108,377	65,948	32,522	23,328	17,686	10,746
Investment expense	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	3,562	27,155	53,434	31,899	184,095	19,374	13,899
Gain (loss) on didsposition of capital assets	-	-	-	-	-	-	-	-	-	4,100
Transfers	174,540	(763)	(413)	925,089	(431)	-	-	-	195,198	439,165
Total business-type activiites	$ 252,806	$ 113,244	$ 255,333	$ 1,170,584	$ 135,101	$ 119,382	$ 64,421	$ 207,423	$ 232,258	$ 467,910
Total primary government	$ 6,804,738	$ 7,346,113	$10,392,664	$13,388,789	$ 9,457,104	$10,582,629	$ 8,278,353	$ 8,471,304	$ 7,952,580	$ 9,026,046
Changes in Net Position										
Governmental activiities	$ 1,647,921	$ 2,560,937	$ 4,583,358	$ 4,218,451	$ 2,017,419	$ 3,786,461	$ 1,248,856	$ (908,196)	$ 1,177,092	$ 3,579,701
Business-type activities	935,589	1,615,217	2,191,029	1,707,288	1,766,560	1,514,524	216,127	(112,634)	1,744,229	2,606,808
Total primary government	$ 2,583,510	$ 4,176,154	$ 6,774,387	$ 5,925,739	$ 3,783,979	$ 5,300,985	$ 1,464,983	$ (1,020,830)	$ 2,921,321	$ 6,186,509

[1] In FY 2006 Culture and recreation was shown separately; however, it is shown in Housing & Development in all other years.

Note: Beginning in FY 2010 Convention and Visitor's Bureau Fund (Tourism) is shown as a discretely presented Component Unit and is not presented in the statistical tables.

Note: Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2009 as a blended component unit, beginning in FY 2010 and forward CVB is shown as a discretely presented component unit. A prior period adjustment was done in FY2010 reflecting the presentation change of the CVB. Beginning in FY10 CVB is not reflected in the statistical data.



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City of Kingsland, Georgia
Program Revenues by Function/Program
Last Ten Fiscal Years

(accrual basis of accounting)

Function/Program	Program Revenues 2005	2006	2007	2008	2009
Governmental activities:					
General government	$ 1,038,907 [1]	$ 307,960 [1]	$ 274,278	$ 527,194	$ 511,348
Judicial	673,474	1,004,019 [1]	1,161,617	983,624	933,788
Public Safety	355,336	573,861 [1]	207,806	198,019	215,039
Public Works	44,100	752,560 [1]	1,547,082	324,457	1,962,222
Housing and development	48,210	579,887 [1]	517,045	332,524	177,901
Intergovernmental					
Subtotal governmental activities	2,160,027	3,218,287	3,707,828	2,365,818	3,800,298
Business-type activities:					
Water and sewer	4,502,822	7,026,818 [1]	6,783,022	5,692,975	7,080,318
Solid waste	627,212	665,205	816,014	865,576	854,220
Subtotal business-type activities	5,130,034	7,692,023	7,599,036	6,558,551	7,934,538
Total primary government	$ 7,290,061	$ 10,910,310	$ 11,306,864	$ 8,924,369	$ 11,734,836

Function/Program	Program Revenues 2010	2011	2012	2013	2014
Governmental activities:					
General government	$ 403,994	$ 587,259	$ 792,777	$ 687,895	$ 467,797
Judicial	1,425,213	1,540,533	1,430,229	1,425,735	1,323,592
Public Safety	232,123	268,024	81,766	28,623	15,990
Public Works	2,223,119	392,681		1,533,580	1,121,265
Housing and development	32,756	-	-	238	-
Intergovernmental	-	-	-	878,932	3,156,799
Interest on long-term debt	-	-	-	-	196
Subtotal governmental activities	4,317,205	2,788,497	2,304,772	4,555,003	6,085,639
Business-type activities:					
Water and sewer	6,844,719	5,992,536	5,267,971	6,772,704	7,110,920
Solid waste	863,611	862,256	874,997	888,949	897,632
Subtotal business-type activities	7,708,330	6,854,792	6,142,968	7,661,653	8,008,552
Total primary government	$ 12,025,535	$ 9,643,289	$ 8,447,740	$ 12,216,656	$ 14,094,191

[1] The fluctuations in revenues are due to amounts related to operating and capital grants.

Note: Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2009 as a blended component unit, beginning in FY 2010 and forward CVB is shown as a discretely presented component unit. A prior period adjustment was done in FY2010 reflecting the presentation change of the CVB. Beginning in FY10 CVB is not reflected in the statistical data.

City of Kingsland, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
General Fund[3]										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved[1]	668,508	1,467,745	1,812,415	1,353,608	669,333	635,933	-	-	-	-
Nonspendable	-	-	-	-	-	-	201,652	195,890	218,686	227,846
Restricted	-	-	-	-	-	-	70,440	70,879	82,339	89,887
Assigned	-	-	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	296,901	309,417	100,293	296,836
Total general fund	$668,508	$1,467,745	$1,812,415	$1,353,608	$669,333	$635,933	$568,993	$576,186	$401,318	$614,569
All Other Governmental Funds[3]										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved reported in:										
Special revenue funds[2]	(54,225)	(56,142)	(1,551,647)	(1,578,813)	90,122	46,795	-	-	-	-
Capital projects funds	36,608	(117,807)	53,204	(72,917)	(1,311,292)	(1,449,649)	-	-	-	-
Debt service funds	-	-	-	56,633	60,047	46,940	-	-	-	-
Restricted										
Special revenue funds	-	-	-	-	-	-	31,556	25,192	30,256	26,792
Grant fund	-	-	-	-	-	-			24	(2,187)
Capital projects funds	-	-	-	-	-	-	42,435	42,435	42,435	1,189,481
Assigned										
Special revenue funds	-	-	-	-	-	-	687	692	692	(7,330)
Debt service funds	-	-	-	-	-	-	27,873	20,308	-	
Unassigned, reported in:										
Capital projects funds	-	-	-	-	-	-	(134,192)	(134,192)	(134,192)	(134,192)
Total all other governmental funds	$ (17,617)	$ (173,949)	$(1,498,443)	$ (1,595,097)	$ (1,161,123)	$ (1,355,914)	$ (31,641)	$ (45,565)	$ (60,785)	$ 1,072,564

[1] The substantial increase in unreserved GF fund balance beginning in 2006 is attributed to a gradual increase in the excess of revenues over expenditures.

[2] The substantial decrease in Special Revenue unreserved fund balance in FY07 is attibuted to Kingsland Development Authority being classified as a Special Revenue fund. In previous years it was an enterprise fund until the golf course was sold.

[3] Beginning in FY 2011, fund balance is presented under GASB 54 guidelines.

Note: Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2009 as a blended component unit, beginning in FY 2010 and forward CVB is shown as a discretely presented component unit. A prior period adjustment was done in FY2010 reflecting the presentation change of the CVB. Beginning in FY10 CVB is not reflected in the statistical data.

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

	Fiscal Years									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Revenues										
Taxes	$2,148,132	$2,384,976	$ 2,658,410	$ 3,320,876	$ 3,372,885	$ 3,488,649	$ 3,571,344	$ 3,751,476	$ 3,210,275	$ 3,357,901
Sales taxes	$2,799,417	$2,841,143	5,066,682	7,337,901	3,105,910	3,763,107	3,147,911	1,639,980	2,383,563	4,277,625
Other taxes	1,773,991	1,930,362	2,139,301	2,226,571	2,664,753	2,549,291	2,575,359	2,897,149	3,061,480	3,299,317
Licenses and permits	542,845	667,877	577,916	492,631	347,070	279,963	331,208	256,721	272,159	311,129
Intergovernmental	185,649	351,948	158,245	748,701	547,230	831,004	604,866	687,074	475,140	833,232
Charges for services	326,905	353,473	262,299	154,983	174,975	55,432	148,999	62,200	45,774	31,802
Fines and forfeitures	709,001	1,025,693	1,186,645	1,046,240	966,013	1,573,636	1,680,470	1,426,817	1,425,735	1,323,592
Interest	18,393	80,442	156,778	95,647	7,155	1,331	984	1,328	1,689	1,995
Miscellaneous	37,202	55,251	93,134	77,758	78,587	106,483	102,257	110,137	118,329	462,439
Total revenues	8,541,535	9,691,165	12,299,409	15,501,308	11,264,578	12,648,896	12,163,398	10,832,882	10,994,144	13,899,032
Expenditures										
General government	$ 901,544	$1,033,884	$ 1,148,649	$ 1,250,800	$ 1,305,658	$ 1,261,296	$ 1,209,454	$ 1,206,542	$ 1,333,809	$ 1,514,033
Judicial	289,864	408,639	502,505	433,491	472,792	586,307	719,891	593,614	593,925	545,247
Public Safety	3,098,951	4,001,055	4,246,142	4,652,027	5,284,695	4,726,508	5,014,761	4,862,140	4,846,530	4,836,009
Public works	1,607,456	1,751,576	1,893,069	2,058,369	2,197,624	2,001,532	2,016,085	2,025,924	1,954,267	2,007,923
Housing & development	814,610	336,021	698,503	1,011,605	1,051,907	692,788	658,919	670,465	665,278	650,541
Culture and recreation	-	242,328	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	294,782	413,799	632,291	312,217	349,340
Capital outlay	1,021,496	1,189,852	5,443,979	5,309,793	3,423,522	2,508,604	140,113	579,164	847,613	2,411,559
Debt service:										
Principal	325,716	328,204	181,247	195,291	445,853	506,484	505,405	240,761	254,174	202,250
Interest	54,804	45,550	237,231	230,799	223,253	247,880	229,389	209,310	201,290	173,932
Total expenditures	8,114,441	9,337,109	14,351,325	15,142,175	14,405,304	12,826,181	10,907,816	11,020,211	11,009,103	12,690,834
Excess of revenues over (under) expenditures	427,094	354,056	(2,051,916)	359,133	(3,140,726)	(177,285)	1,255,582	(187,329)	(14,959)	1,208,198
Other Financing Sources (Uses):										
Capital lease proceeds	26,287	288,086	300,000	-	507,894	-	-	171,750	-	555,950
Long-term debt proceeds	-	-	2,500,000	-	2,382,100	-	-	-	-	-
Sale of capital assets	-	-	-	10,495	-	-	1,750	8,848	20,069	21,620
Transfers in	1,150,106	940,970	3,656,681	1,526,525	1,560,819	1,443,036	1,106,959	1,052,322	918,530	1,234,830
Transfers out	(1,150,106)	(940,207)	(3,656,268)	(2,451,614)	(1,560,388)	(1,443,036)	(1,106,959)	(1,052,322)	(1,113,728)	(1,673,996)
Total other financing sources (uses)	26,287	288,849	2,800,413	(914,594)	2,890,425	-	1,750	180,598	(175,129)	138,404
Net change in fund balance	$ 453,381	$ 642,905	$ 748,497	$ (555,461)	$ (250,301)	$ (177,285)	$ 1,257,332	$ (6,731)	$ (190,088)	$ 1,346,602
Debt service as a percentage of non-capital expenditures	5.86%	4.95%	4.79%	4.38%	6.42%	7.68%	6.92%	4.31%	4.48%	3.66%

Note: Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2009 as a blended component unit, beginning in FY 2010 and forward CVB is shown as a discretely presented component unit. A prior period adjustment was done in FY2010 reflecting the presentation change of the CVB. Beginning in FY10 CVB is not reflected in the statistical data.



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City of Kingsland, Georgia
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	Property	Sales Tax[1]	Occupancy	Other	Total
2005	2,148,132	2,799,417	573,220	1,200,771	6,721,540
2006	2,384,976	2,841,143	612,045	1,318,317	7,156,481
2007	2,658,410	5,066,682	724,940	1,414,361	9,864,392
2008	3,320,876	7,337,901	726,431	1,500,140	12,885,348
2009	3,372,885	3,105,910	728,905	1,935,848	9,143,548
2010	3,488,649	3,763,107	669,960	1,879,331	9,801,047
2011	3,571,344	3,147,911	664,313	1,911,046	9,294,614
2012	3,751,476	1,639,980	731,970	2,165,179	8,288,605
2013	3,210,275	2,383,563	702,838	2,358,642	8,655,318
2014	3,357,901	4,277,625	776,342	2,522,975	10,934,843
Change 2005-2014	56.3%	52.8%	35.4%	110.1%	62.7%

[1] The decrease in sales tax in FY 2009 is attributed to a decrease in Special Purpose Local Option Tax and Local Option Sales Tax resulting from the declining economy.

Note: Convention and Visitor's Bureau (CVB) Fund is shown in Governmental Activities through FY 2008 as a blended component unit, beginning in FY 2009 and forward CVB is shown as a discretely presented component unit. Beginning in FY10 CVB is not reflected in the statistical data. However, for comparative purposes Occupancy Tax is shown here.

City of Kingsland, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended Sept 30th	Digest Tax Year	Real & Personal Property	Motor Vehicles	Mobile Home	Timber	Less: Tax-Exempt Real Property	Total Taxable Assessed Value		Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2005	04	223,179,134	20,192,180	3,493,756	476,846	3,792,492	243,549,424		8.50	608,873,560	40%
2006	05	239,346,242	20,333,750	3,162,647	5,208	4,731,377	258,116,470		8.45	645,291,175	40%
2007	06	266,791,445	21,310,370	3,062,643	30,067	5,906,866	285,287,659		8.40	713,219,148	40%
2008	07	378,348,869	25,936,340	3,156,720	361,488	7,212,103	400,591,314	[1]	8.00	1,001,478,285	40%
2009	08	447,215,075	28,660,160	2,959,583	221,534	7,991,248	471,065,104		8.00	1,177,662,760	40%
2010	09	475,765,358	30,146,770	3,046,515	1,094,861	10,586,857	499,466,647		8.00	1,248,666,618	40%
2011	10	477,566,899	29,547,380	3,046,515	238,349	71,050,371	439,348,772		8.00	1,098,371,930	40%
2012	11	465,813,927	28,296,740	2,625,875	385,288	11,597,463	485,524,367		8.00	1,213,810,918	40%
2013	12	415,397,412	28,801,860	2,749,522	32,241	11,525,024	435,488,252		8.00	1,088,720,630	40%
2014	13	389,638,711	31,395,960	2,654,045	162,511	10,950,976	412,900,251		8.00	1,032,250,628	40%

Source: Camden County Board of Equalization and Assessment.

Note: Property in the City is reassessed periodically. Property is assessed at 40% of the fair market value; therefore, the assessed values are equal to 40% of the estimated actual value. Tax rates are per $1,000 of assessed value. Tax year levied fund the following fiscal year. I.e. taxes levied for 2013 are financial resources for fiscal year ended 2014.

Note: The millage rate was raised by 1.5 mills in FY 2002 to provide for the joint funding of the Public Service Authority that provides County-wide recreation.

[1] The 40% increase in taxable assessed value from FY07 to FY08 is mainly due to reassessments.

City of Kingsland, Georgia
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

		City of Kingsland			Overlapping Rates[1]					
					Camden County			School Board		
Fiscal Year	Digest Tax Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage[2]	Operating Millage	Debt Service Millage	Total School Millage
2005	04	6.51	1.99	8.50	12.50	-	12.50	14.58	-	14.58
2006	05	6.71	1.79	8.50	12.30	-	12.30	14.58	-	14.58
2007	06	7.22	1.23	8.45	12.25	-	12.25	14.75	-	14.75
2008	07	7.56	0.84	8.40	12.25	-	12.25	14.75	-	14.75
2009	08	7.35	0.65	8.00	12.00	-	12.00	14.75	-	14.75
2010	09	6.74	1.26	8.00	11.25	-	11.25	14.75	-	14.75
2011	10	6.71	1.29	8.00	11.95	-	11.95	15.00	-	15.00
2012	11	7.32	0.68	8.00	11.95	-	11.95	15.00	-	15.00
2013	12	7.21	0.79	8.00	11.90	-	11.90	15.50	-	15.50
2014	13	7.37	0.63	8.00	11.70	-	11.70	15.50	-	15.50

Source: Camden County Board of Commissioners, School Board, and Kingsland Finance Department.

Note: The City's total property tax rate may be increased only by a majority vote of the City's elected council. Rates for debt service are set based on each year's requirements. Tax year levied fund the following fiscal year. I.e. taxes levied for 2013 are financial resources for fiscal year ended 2014.

[1]Overlapping rates are those of local and county governments that apply to property owners within the City of Kingsland.

[2]County millage rate includes .25 for State in previoius years and .20 for FY 2012 and forward.

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

	2014			2005		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value[1]**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value[1]**
Soncel Homes, Inc	$6,432,626	1	1.65%	$ 5,659,983	2	2.54%
Lowes Home Centers Inc	4,660,883	2	1.20%			
Georgia Power	3,562,653	3	0.91%	2,347,436	5	1.05%
Kingsland Dev Co LP	2,600,646	4	0.67%	3,196,558	3	1.43%
CPF-FIA LLC	2,329,502	5	0.60%			
A T Williams Oil Co	1,790,386	6	0.46%			
Royal Point Apartments LP	1,581,317	7	0.41%	1,840,858	6	0.82%
Redus Atlanta Subdivisions LLC	1,490,906	8	0.38%			
Desai Brothers LLC	1,409,892	9	0.36%			
Aston Cove LP	1,337,714	10	0.34%	1,387,790	8	0.62%
Sawyer & Associates				5,876,296	1	2.63%
Camden Telegraph & Tele Co				2,757,654	4	1.24%
The Neighborhoods of Laurel				1,462,059	7	0.66%
Rayland LLC				1,293,838	9	0.58%
Kingsland Hotel Group LLC				1,221,385	10	0.55%
Total	$27,196,525		6.98%	$ 27,043,857		9.58%

Source: County Board of Equalization and Assessment.

[1] See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for Taxable Assessed Value. Percentage is based on Real & Personal Property Tax only.



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City of Kingsland, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended Sept 30th	Digest Ta Year	Taxes Levied for the Fiscal Year [1]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2005	04	1,809,671	1,765,184	97.54%	39,454	1,804,638	99.72%	5,033
2006	05	1,980,266	1,879,521	94.91%	96,763	1,976,284	99.80%	3,982
2007	06	2,197,481	2,123,110	96.62%	71,727	2,194,836	99.88%	2,645
2008	07	2,884,650	2,781,354	96.42%	96,936	2,878,290	99.78%	6,360
2009	08	3,392,106	3,238,208	95.46%	136,948	3,375,156	99.50%	16,950
2010	09	3,663,097	3,456,856	94.37%	176,188	3,633,044	99.18%	30,053
2011	10	3,747,656	3,495,919	93.28%	195,728	3,691,647	98.51%	56,009
2012	11	3,633,732	3,372,991	92.82%	203,873	3,576,864	98.43%	56,868
2013	12	3,187,450	3,036,593	95.27%	81,803	3,118,396	97.83%	69,054
2014	13	3,003,304	2,918,242	97.17%		2,918,242	97.17%	85,062
		$ 29,499,413	$ 28,067,977		$ 1,099,420	$ 29,167,396		$ 332,016

Sources: Camden County Board of Equalization and Assessment and Kingsland Department of Finance.

[1] Tax year levied fund the following fiscal year. I.e. taxes levied for 2013 are financial resources for fiscal year ended 2014.

City of Kingsland, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities								
Fiscal Year	Revenue Bonds	Short-term Line of Credit	Note Payables	Capital Leases	Water Revenue Bonds	Note Payables	Short-term Line of Credit	Capital Leases	Total Primary Government	Percentage of Estimated Actual Value of Taxable Property[1]	Per Capita[2]	Percentage of Personal Income[2]	**Population[a]**
2005	80,000	-	586,359	216,996	8,502,583	1,784,478	-	212,681	11,383,096	1.87%	948.59	0.96%	12,000
2006	-	-	561,977	281,260	8,080,000	1,641,852	-	107,584	10,672,673	1.65%	775.35	0.84%	13,765
2007	2,492,052	1,750,000	536,411	433,527	7,615,000	1,477,141	-	324,394	14,628,525	2.05%	1,054.69	1.10%	13,870
2008	2,488,079	1,750,000	509,604	269,017	7,135,000	1,325,264	1,300,000	561,681	15,338,644	1.53%	1,055.07	1.05%	14,538
2009	2,483,723	1,383,227	2,618,509	610,633	13,165,763	4,380,591	-	408,050	25,050,495	2.13%	1,705.74	1.71%	14,686
2010	2,472,563	1,191,227	2,317,440	414,529	12,055,914	4,882,222	-	275,221	23,609,116	1.89%	1,480.57	1.55%	15,946
2011	2,455,518	-	2,015,191	228,053	15,360,000	-	-	137,590	20,196,352	1.84%	1,272.77	1.25%	15,868
2012	2,437,669	-	1,927,233	264,846	14,115,001	-	-	259,922	19,004,671	1.57%	1,167.58	1.11%	16,277
2013	2,411,576	-	1,827,237	136,764	12,825,001	-	-	166,915	17,367,493	1.60%	1,069.43	1.00%	16,240
2014	2,364,579	-	1,723,384	641,503	10,841,048	-	-	339,304	15,909,818	1.54%	979.67	N/A	16,240

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

[1] See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for property values.

[2] See Schedule on Demographic and Economic Statistics for Personal Income and population amounts.

* Information not available.

City of Kingsland, Georgia
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property[1]	Per Capita[2]
	General Obligation Bonds	Less: Amounts Avail. in Debt Service Fund	Total		
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-

Note: The City has had no General Bonded Debt Issued or Outstanding for the last ten years.

[1] See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for property values.

[2] See Schedule on Demographic and Economic Statistics for Personal Income and population amounts.

City of Kingsland, Georgia
Direct and Overlapping Governmental Activities Debt
As of September 30, 2014

Jurisdiction	New Debt Outstanding	Percentage Applicable to City of Kingsland[1]	Amount Applicable to City of Kingsland
Camden County, Georgia- Overlapping Debt			
	$0	27.72%	$0
Subtotal Overlapping Debt			$0
City of Kingsland, Georgia- Direct Debt			$4,729,466
Total Direct and overlapping debt			$4,729,466

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding provided by the County and City Finance Departments.
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 could place burden on the residents and businesses of the City of Kingsland. This process recognizes that, when considering the government's abilitiy to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

[1]The percentage of overlapping debt applicable is estimated using the assessed gross digest. Applicable percentages were estimated by determining the portion of the City's assessed taxable value that is within the County's boundaries and dividing it by the County's total gross digest.

City of Kingsland, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Years[1]									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Debt limit	$ 24,354,942	$ 25,811,647	$ 28,528,766	$ 40,059,131	$ 47,106,510	$ 49,946,665	$ 43,934,877	$ 48,552,437	$ 43,548,825	$ 41,290,025
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 24,354,942	$ 25,811,647	$ 28,528,766	$ 40,059,131	$ 47,106,510	$ 49,946,665	$ 43,934,877	$ 48,552,437	$ 43,548,825	$ 41,290,025
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%

Legal Debt Margin Calculation for Fiscal Year 2013	
Total assessed value	$ 423,851,227
Less Exempt:	10,950,976
Total taxable assessed value:	$ 412,900,251
Debt limit (10% of total taxable assessed value)	41,290,025
Debt applicable to limit:	-
Legal debt margin	$ 41,290,025

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

[1]Tax year levied fund the following fiscal year. I.e. taxes levied for 2013 are financial resources for fiscal year ended 2014.

City of Kingsland, Georgia
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Water Revenue Bonds					
Fiscal Year	Utility Service Charges[1]	Less: Operating Expenses[2]	Net Available Revenue	Debt Service[3] Principal	Debt Service[3] Interest	Coverage Ratio
2005	4,502,822	2,252,080	2,250,742	100,000	245,719	6.51
2006	5,756,344	3,848,335	1,908,009	460,000	289,763	2.54
2007	6,165,278	3,109,746	3,055,532	465,000	278,188	4.11
2008	5,692,975	3,484,344	2,208,631	480,000	264,013	2.97
2009	4,828,346	3,516,832	1,311,514	769,237	423,382	1.10
2010	5,065,254	3,459,217	1,606,037	1,109,849	531,182	0.98
2011	5,609,536	3,489,473	2,120,063	525,000	374,972	2.36
2012	5,267,971	3,433,439	1,834,532	1,245,000	530,122	1.03
2013	5,151,329	3,284,160	1,867,169	1,290,000	486,928	1.05
2014	5,416,566	2,875,135	2,541,431	1,335,000	300,582	1.55

[1] Operating revenues do not include interest and capital contributions.

[2] Operating expenses do not include interest, loss on disposal, depreciation, and amortization expenses.

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

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

Calendar Year	Kingsland Population[1]		County Population[1]		Personal Income[2] (in thousands of dollars)	Per Capita[2] Personal Income	Labor Force	School Enrollment[3]	Unemployment Rate[4]
2005	12,000		45,082		1,180,883	25,805	19,501	9,569	4.3%
2006	13,765		45,759		1,266,660	27,913	20,978	9,566	4.0%
2007	13,870		45,118		1,332,634	28,288	22,010	9,624	3.6%
2008	14,538	[5]	48,689		1,454,331	30,642	21,332	9,614	6.9%
2009	14,686	[5]	48,277		1,464,733	30,340	20,189	9,667	9.4%
2010	15,946		50,513		1,518,815	29,961	19,903	9,604	9.9%
2011	15,868		50,332		1,616,052	32,058	20,339	9,368	9.5%
2012	16,277		51,460		1,712,549	33,317	20,949	9,327	8.9%
2013	16,240		51,476		1,735,703	33,719	20,392	9,172	7.4%
2014	16,240	*	51,476	*	*	*	20,944	9,048	6.8%

Sources: Population information provided by the Bureau of Labor Statistics and the US Census Bureau. Personal income and Per Capita Personal Income provided by Bureau of Economic Analysis. Labor force and unemployment data provided by the Georgia Department of Labor.

Note: Population is for Kingsland and Camden County. All other statistics are based on the County; information based solely on Kingsland is not available.

* Information not available.

[1] Population is an estimate based on surveys. Source: US Census Bureau

[2] Personal income information is a total for the year. Source: Bureau of Economic Analysis, www.bea.gov/regional

[3] School enrollment data provided by Georgia Department of Education.

[4] Unemployment rate information is an adjusted yearly average, 2014 rate is for November 2014. Source: Georgia Department of Labor,www.dol.state.ga.us/pr/laborforce.htm

[5] Source: U.S Census & Kingsland Planning & Zoning Department

[6]Census Bureau information only available through 2013, using the same population figures for 2014.

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

	2014			2005		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
Kings Bay Naval Submarine Base	8,979	1	42.87%	8,936	1	45.82%
Camden County School System	1,200	2	5.73%	1,700	2	8.72%
Express Scripts	650	3	3.10%	480	3	2.46%
Lockheed Missiles & Space	479	4	2.29%	435	4	2.23%
Camden County Government	404	5	1.93%	315	6	1.62%
Wal-Mart Supercenter	366	6	1.75%	425	5	2.18%
Southeast Georgia Health System	330	7	1.58%	250	7	1.28%
Kings Bay Support Services	290	8	1.38%	—	—	—
City of Kingsland Government	179	9	0.85%	137	9	0.70%
City of St Marys Government	142	10	0.68%	145	8	0.74%
Bayer Crop Science	—	—	—	130	10	0.67%
Total	13,019		62.16%	12,953		66.42%

Source: Kings Bay Area Chamber of Commerce, Georgia Department of Labor.

Note: Due to the close proximity of the Cities within the County, information is based on County data. Information based solely on Kingsland is not available.

City of Kingsland, Georgia
Full-time Equivalent City Government Employees
By Function
Last Ten Fiscal Years

	Fiscal Years									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Function										
General government										
Administration	4	5.5	6	6	6	4.5	4.5	4.5	5.4	3.8
Information Technology	—	—	—	—	—	—	—	—	2.7	2.7
Finance	3.5	3.5	3.5	4.5	4.5	4.5	4.5	4.5	7.15	6.5
Municipal Court	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3	3	3
Police	38	40	44	47	48	46	47	49	46	48
Fire	20	23	24	29	30	27	29	30	30	29
Public Works	22.5	27	27	30	30	26	26	27	27	26
Planning & Zoning	4	5	6	9	9	8	8	8	8	6.5
Economic Development[1]	—	2	2	2	2	2	2	3	2	1
Fleet Services	4.5	4	5	6	6	6	5	5	3.75	4.13
Tourism (CVB Fund)	2	3	4	6.5	6.5	6	6	5	5.5	5.5
Water/Sewer Fund										
Administration	5	5.5	6	7	7	6.5	6.5	5.5	4.6	4.2
Information Technology	2	2	2	3	3	3	3	3	0.3	0.3
Finance	4.5	4.5	6.5	6.5	6.5	6.5	6.5	6.5	3.85	3.5
Fleet Services	—	—	—	—	—	—	—	—	1.25	1.37
Operations	20	24	25	29	29	25	25	26	26	25
Sanitation										
Operations	4	5	6	7	7	8	8	8	8	8
Total	136.5	156.5	169.5	195	195	181.5	183.5	188	184.5	178.5

Source: City Finance Department

[1] The Economic Development Department was created in FY 2006, this department was previously accounted for in Planning and Zoning.

Note: FTE counts are based on actual budgeted positions. New budget allocations effective FY 12/13 : City Manager & Human Resource Director - 80% General Fund & 20% Water Fund, Finance - 65% General Fund & 35% Water Fund, Fleet Services - 75% General Fund & 25% Water Fund, Information Technology - 90% General Fund & 10% Water Fund.

CITY OF KINGSLAND, GEORGIA
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Years									
Function/Program	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
General Fund										
Administration										
Number of Council Meetings	22	23	20	21	21	21	21	18	20	20
Number of Ordinances Adopted	16	21	18	27	11	8	10	8	9	7
Number of New Employees Processed	30	45	57	54	39	20	24	40	24	45
Finance										
Total Receipts	$ 12,462,172	$ 15,814,139	$ 19,032,110	$ 21,909,860	$16,444,911	$ 17,293,226	$ 17,725,533	$16,479,111	$ 15,565,877	$ 18,162,447
Cash Receipts	$ 875,876	$ 919,941	$ 896,999	$ 898,072	$ 933,682	$ 982,031	$ 1,053,302	$ 1,006,365	$ 1,083,399	$ 974,156
Check Receipts	$ 9,854,579	$ 12,644,446	$ 15,129,478	$ 18,123,910	$13,287,578	$ 13,786,024	$ 13,947,960	$12,618,427	$ 11,503,481	$ 13,576,090
Credit Card Receipts	$ 179,549	$ 439,161	$ 585,153	$ 637,832	$ 668,542	$ 1,095,368	$ 1,293,824	$ 1,397,220	$ 1,459,469	$ 1,508,998
Electronic Funds Processed	$ 1,552,168	$ 1,810,591	$ 2,420,480	$ 2,250,046	$ 1,555,109	$ 1,429,803	$ 1,430,447	$ 1,457,099	$ 1,519,529	$ 2,103,206
Employees on Direct Deposit	76%	83%	85%	83%	89%	89%	91%	90%	92%	85%
Accounts Payable Checks Issued	3,877	5,357	5,800	5,499	5,404	4,911	4,612	4,189	4,493	4,839
Court										
Cases/ Citations Processed	4,632	7,260	7,700	7,085	7,861	12,019	12,240	10,199	8,946	7,594
Failure to Appear Warrants Issued	47	59	51	67	24	42	18	51	90	122
Suspension Notices Issued	606	797	1,129	1,143	1,210	2,039	2,230	2,057	1,619	1,388
Police										
Average Response Time (in minutes)	5:35	2:38	2:08	2:20	1:00	4:00	4:00	3:00	4:00	4:00
Violent Crimes/Assaults	97	208	125	229	225	184	48	202	219	225
Fire										
Average Response Time										
(Fire)	4:00	5:07	4:23	5:00	4:33	4:42	5:05	4:14	5:29	5:22
(EMS)	3:45	4:42	4:14	5:00	4:49	5:00	6:14	4:19	4:20	4:27
Firefighters per Call	12	7	9	11	11	10	11	13	8	13
Number of New Hydrants	23	50	73	86	182	61	38	38	11	4
Public Works										
Ditches Cleaned (miles)[1]	11.97	17	3.8	7.06	70.5	15	1.11	14.39	101.86	17.25
Sidewalk Repair (feet)	1,000	-	120	706	465	410	485	2,123	-	2,660
Pot-hole/ Wash-out Repair	126	83	61	54	79	56	47	113	208	281

CITY OF KINGSLAND, GEORGIA
Operating Indicators by Function
Last Ten Fiscal Years

Planning and Zoning										
Residential Permits Issued										
Single Family	179	223	179	109	103	46	51	19	11	66
Multi-Family	246	104	31	12	0	12	0	0	0	0
New Business License Issued	211	213	188	191	159	174	134	126	105	120
Fleet										
Number of Tires Replaced	150	187	225	401	326	349	451	444	382	81
Number of Preventive Maint. Procedures Performed	200	274	261	279	308	290	306	377	322	186
Vehicle Alignments Performed	35	36	37	19	24	30	46	41	24	20
CVB Fund										
Tourism										
Memberships	18	16	17	20	22	20	25	28	18	24
Travel Shows Attended	9	12	15	23	22	27	35	53	46	120
Advertisement/ Print Media	48	24	43	66	50	29	154	100	360	57
Training/ Meetings	10	39	59	71	107	63	100	149	69	77
Water Fund										
Administration										
Average Monthly Water Bills Sent	6,114	6,278	6,724	6,828	6,874	6,902	6,878	6,959	7,068	7,139
Information Technology										
Average Monthly Visitors to Website	1,500	2,100	2,365	3,127	5,767	6,852	7,103	16,887	18,780	13,651
Operations										
Drinking Water (millions of gallons)	532.080	552.469	614.602	685.640	670.877	655.339	645.153	609.599	586.147	617.343
Wastewater										
Wastewater Treated (million of gallons)	704.311	629.52	697.595	677.422	697.383	589.259	594.200	575.539	610.958	639.434
Solid Waste Fund										
Refuse Collected (in tons)	6,922	5,225	5,486	5,782	5,811	6,118	5,969	5,528	5,977	6,004
Average Number of Customers Served Monthly	4,323	4793	4,827	5,063	5,053	5,158	5,151	5,254	5,348	5,413

Sources: Various City departments.

[1] The large number is attributed to equipment being purchased to clean ditches, which had previously not been done for several years.

* Information not available

City of Kingsland, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function/Program										
Police										
Stations	1	1	1	2	2	2	2	2	2	2
Patrol Units	39	39	35	40	40	42	46	36	41	40
Firing Range	1	1	0	0	0	0	0	0	0	0
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks										
Engine	4	5	5	5	6	6	6	6	6	6
Ladder	2	2	2	2	2	2	2	2	2	2
Tanker	1	1	1	1	1	1	1	1	1	1
Rescue	1	1	1	1	1	1	1	1	1	1
Ambulances	3	3	3	3	3	3	3	3	3	1
Public works										
Streets Owned (miles)	68.4	66.8	67.1	67.1	70.9	76.8	89.9	89.9	89.9	89.9
Streets Maintained (miles)	86.3	84.7	84.9	84.9	90.6	96.7	110.3	110.3	110.3	110.3
Service Trucks	14	14	15	15	15	15	16	15	17	15
Tourism										
Welcome Centers	1	1	1	1	1	1	1	2	2	2
Water										
Service Trucks	15	16	20	19	19	19	20	19	16	10
Fire Hydrants	942	992	1,065	1,151	1,333	1,394	1,432	1,470	1,481	1,485
Storage Capacity (thousands of gallons)[1]	1,250	1,250	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Wastewater										
Treatment Capacity per Day (millions of gallons)	2.2	2.2	2.2	2.2	2.2	2.2	4.4	4.4	4.4	4.4
Solid Waste										
Garbage Can CollectionTrucks	4	4	5	6	6	5	6	6	6	5
Other Collection Trucks[2]	4	5	6	4	5	5	4	4	4	4

Sources: Various City Departments.

Note: No capital asset indicators are available for the general government functions.

* Information not available

[1] Water storage is available in three city-owned water towers.

[2] Other collection trucks include limbwagons and trucks to dispose of white goods or bulky items.

COMPLIANCE SECTION





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STATE MANDATED PROGRAM INFORMATION

CITY OF KINGSLAND, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX - 2008 ISSUE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Project	Original Estimated Cost	Current Estimated Cost	Amount Expended		Other Financing Sources*	Total SPLOST Funds Expended
			Prior Years	Current Year		
Roads/Streets, Bridges & Drainage Projects	$ 3,540,000	$ 4,550,000	$ 4,576,762	$ 932,649	$ (772,357)	$ 4,737,054
Buildings	$ 2,700,000	$ 3,100,000	$ 3,171,816	$ 113,552	$ (200,000)	$ 3,085,368
Kingsland Waterfront Park	$ 2,500,000	$ -	$ -		$ -	$ -
Water/Sewer Line Extensions	$ 7,500,000	$ 3,000,000	$ 1,314,871	$ 439,165	$ -	$ 1,754,036
Equipment & Technology	$ 560,000	$ 710,387	$ 247,679	$ 440,863	$ -	$ 688,542
Total	$ 16,800,000	$ 11,360,387	$ 9,311,128	$ 1,926,230	$ (972,357)	$ 10,265,001

This is the annual report on spending for fiscal year 2013-2014 of the Special Purpose Local Option Sales Tax-2008 Issue for the City of Kingsland, Georgia.
Projects not funded or underfunded are a result of a decrease in SPLOST revenue actually received.
* Other Financing Sources represents the amount funded by the Department of Transportation.

CITY OF KINGSLAND, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX - 2013 ISSUE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Project	Original Estimated Cost	Amount Expended			Total SPLOST Funds Expended
		Prior Years	Current Year	Other Financing Sources*	
Machinery & Equuipment	$ 508,000	$ -	$ 5,907		$ 5,907
Road Construction Projects	$ 6,900,000	$ -	$ -	$ -	$ -
Re-Surfacing Projects	$ 700,000	$ -		$ -	$ -
Sidewalk Projects	$ 100,000	$ -	$ -	$ -	$ -
Miscellaneous Repairs & Improvements	$ 335,000	$ -	$ -	$ -	$ -
				$ -	
Water & Sewer Projects	$ 8,096,629	$ -	$ -	$ -	$ -
Total	$ 16,639,629	$ -	$ 5,907	$ -	$ 5,907

This is the annual report on spending for fiscal year 2013-2014 of the Special Purpose Local Option Sales Tax-2013 Issue for the City of Kingsland, Georgia.

CITY OF KINGSLAND, GEORGIA
SCHEDULDE OF REQUIRED EXPENDITURES
GENERARTED BY THE HOTEL/MOTEL TAX
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 715,000	$ 776,340	$ 776,342	$ 2
TOTAL REVENUES	715,000	776,340	776,342	2
EXPENDITURES				
Current				
Intergovernmental	314,600	341,590	341,590	-
TOTAL EXPENDITURES	314,600	341,590	341,590	-
Excess revenues over (under) expenditures	400,400	434,750	434,752	2
OTHER FINANCING SOURCES (USES)				
Transfers Out	(400,400)	(434,750)	(434,752)	(2)
Total other financing (uses)	(400,400)	(434,750)	(434,752)	(2)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

Baird & Company *CPAs, LLC*
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
Brenda F. Carroll, CPA, CFE, CIA, CICA, FCPA, PFS
Rep E. Whiddon, CPA, CVA

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

To the Honorable Mayor and Members of City Council
City of Kingsland, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Kingsland, Georgia, as of and for the year ended September 30, 2014, which collectively comprise the City of Kingsland, Georgia's basic financial statements and have issued our report thereon dated April 20, 2015. We conducted our audits 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.

Internal Control Over Financial Reporting

Management of Kingsland, Georgia, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audits, we considered Kingsland, Georgia's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kingsland, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Kingsland, Georgia's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. 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.

4210 Columbia Road, Building 10, Augusta, Georgia 30907 / Telephone (706) 855-9500 / Telefax (706) 855-2900 (www.bairdcpas.com)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kingsland, Georgia's financial statements are free of 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.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
April 20, 2015