CITY OF DUBLIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2009

CITY OF DUBLIN, GEORGIA

COMPREHENSIVE

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JUNE 30, 2009

Prepared by:
Department of Finance

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I. INTRODUCTORY SECTION (Unaudited)

- **LETTER OF TRANSMITTAL**
- **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**
- **LIST OF ELECTED AND APPOINTED OFFICIALS**
- **ORGANIZATIONAL CHART**

November 25, 2009

To the Citizens of the City of Dublin;

Honorable Phil Best, Mayor; and

Distinguished Members of City Council

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Dublin, Georgia for the fiscal year ended June 30, 2009.

This report consists of management's representations concerning the finances of the City of Dublin, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Dublin, Georgia has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Dublin, Georgia's financial statements in conformity with GAAP. The City's management is responsible for establishing a system of internal controls to: safeguard City assets from loss or unauthorized use or disposal, provide reliable financial records for preparing internal and external financial reports and for maintaining accountability over City assets and to ensure compliance with applicable Federal and State laws and regulations related to programs for which the City receives assistance. No system of internal control can be perfect. Therefore internal controls are meant to provide "reasonable assurance". Reasonable assurance means: the cost of internal controls should not exceed the benefits likely to be derived from that control and the costs and benefits of internal controls are subject to estimates and judgments by management. We believe the City's internal controls reasonably safeguard assets, assure that financial transactions are properly recorded and reported and ensure compliance with Federal and State laws and regulations. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Dublin, Georgia's financial statements have been audited by Nichols, Cauley and Associates, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Dublin, Georgia for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Dublin, Georgia's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Dublin, Georgia's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Dublin, Georgia was incorporated in 1812 under provisions of an act of the General Assembly of Georgia. The City operates under a mayor-council form of government and provides the full range of services contemplated by statute or charter. Policy-making and legislative authority are vested in the governing council consisting of the mayor and seven other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with an election held every two years. The mayor is also elected to serve a four-year term. Four of the council members are elected by district. The mayor and the three remaining council members are elected at large. The City Clerk is appointed by the mayor and council, and is also the Finance Director and Election Superintendent. The mayor and council also appoint the City Judge and City Attorney.

The City of Dublin, Georgia provides a full range of services. These include police and fire protection, construction and maintenance of highways and streets, sanitation services, public infrastructure improvements, planning and zoning, general administrative services, water and sewer systems, a natural gas system, telecommunications services and parks and recreation services.

The annual budget serves as the foundation for the City of Dublin, Georgia's financial planning and control. All departments of the City are to submit requests for appropriation to the government's manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 15, the proposed budget is presented to the governing council for review. The governing council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City manager or the revenue estimates must be changed by an affirmative vote of a majority of the governing council.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

LOCAL ECONOMY. The City of Dublin, Georgia in the past has enjoyed a favorable economic environment. However, the City is impacted by the national economic recession. Currently, positive equity balances exist in all fund types, property taxes are stable, retail sales have declined and investment grade bond ratings are steady. The City of Dublin remains financially sound, well run and efficient.

The level of services provided by the City of Dublin in the community is among the highest in the State of Georgia. The millage rate at 5.20 mills remains one of the lowest among municipalities in Georgia even as the demands for services continue to grow.

The City of Dublin is committed to redevelopment of the inner city and to providing services for the expansion and protection of investments that have been made in the past and maintaining the cost of City services at the lowest possible rate.

Dublin has embraced the opening of the new Kroger Store and Kroger shopping center. The new store is a proto-type for nine other Georgia stores that follow a "one stop shop" concept. The 75,000 square foot store includes a pharmacy, a deli, expanded floral shop and a Starbucks Coffee Shop. There is also an outside fuel center. The new store has over 210 employees, which is an increase of 120 over the old smaller store. The shopping center has spaces for (15) fifteen retail businesses, most of which have been occupied, by retail stores and restaurants.

The City of Dublin is a continuously expanding regional shopping center. There are new restaurants, motels and retail developments. The new Wal-Mart Super Center, on Highway 80 near its intersection with the planned Highway 441 bypass, employs a total of 450 employees and replaced the old smaller Wal-Mart store. Retail activities continue to increase purchasing power in our area and provide more economic thrust, in addition to the actual number of jobs created.

The $7.2 million dollar Dubose Porter Regional Business and Industry Training Center, located at the Heart of Georgia Technical College, seats up to 1000 people at tables and up to 1400 in row seating. The YKK lecture auditorium utilizes the latest technology available for presentations. The City of Dublin has extended water and sewer service to the Heart of Georgia Technical College. The Heart of Georgia Technical College has completed construction of a new $13.7 million, 88,000 square feet Allied Health Facility building. This new facility enables the college to expand its health care training and includes a library, laboratories and classrooms for cosmetology, physical and life sciences and veterinary technology. It allows the college to expand course offerings to include new programs such as surgical technology and additional LPN classes. Construction was completed in August 2008. This facility is another great asset to our academic community.

The City of Dublin has financed and constructed a fiber optic telecommunications ring around Dublin at a cost in excess of $3,000,000. The network is a one Gigabit Ethernet solution with a 96 fiber redundant ring designed to connect various government, education and business facilities to the World Wide Web. This enhances economic development potential by providing Dublin with state of the art communication availability through high-speed Internet connectivity. All government and educational facilities have been connected and the service is being offered to the business community on a limited scale. The City of Dublin has acquired the necessary Certificates of Authority through the Georgia Public Service Commission to allow the use of other technology for future enhancements.

The City of Dublin was awarded grant funding through the Georgia Technology Authority's "Wireless Communities Georgia" program. Dublin received funds in the amount of $478,000, which includes the city's match. The project was designed to provide wireless broadband access to areas of Georgia. The first phase of the project was to run from 2007 to August of 2008, but some cities have filed for extensions. The City of Dublin has filed for one of those extensions, which ended in December of 2008. Of the six cities awarded funds in the first phase of the project, Dublin was one of two that decided to provide the wireless free of charge wherever connection is possible. This was because of the utilization of the City's fiber optic network and bandwidth capabilities already in place. Other cities had to partner with a bandwidth or telecommunications provider and thus charge for the service. Dublin's goal is to get 45% coverage of the city limits, focusing on main thru-fares and public areas in the city limits. City employees and services utilize the wireless service for public safety and time saving measures in their day-to-day responsibilities.

The City of Dublin continues its role as a regional medical center with on-going improvements in the quantity and quality of medical care. The Carl Vinson Medical Center has a new outpatient clinic. The Medical Center has added to its existing medical office building. A cancer treatment center provides the latest technological advances in the treatment of various forms of cancer. Fairview Park Hospital has an Angio Suite to house the state-of-the-art technology for diagnosis and therapy of vascular disease. The VA Center recently completed an Alzheimer's Ward. Our Public Health Department has become more active in community events and projects. A new Public Health Department facility is being planned to better serve our citizens. Because of the excellent medical facilities and medical care available, Dublin has become a desirable retirement community. There have been new assisted living and long term care centers planned and completed.

A new multi-million dollar "lifestyle" community, Moore Station Village, is nearing completion. This new development will offer single-family homes, townhouses and apartments and a community activity clubhouse and many recreational facilities. An assisted living facility has also been built nearby. These new residents and their support groups further enhance our growing retail, commercial and residential growth.

LONG-TERM FINANCIAL PLANNING. Highway 80 (Veteran's Blvd), our western gateway, has been expanded to five-lanes to the Old Macon Road. Annexation and growth along this corridor have created a demand for the extension of city utilities. The City has extended water and sewer infrastructure west to the airport. Our Development Authority has acquired 65 acres of land adjoining the airport to be utilized as an airport industrial park.

Highway 80 West will benefit from the 441 by-pass road, which the Department of Transportation began work on in 2007. There has been increased development at the five-lane US 80 and four lane 441 by-pass areas. We are serving this development with water, sewer and natural gas, in order to meet the anticipated demand. Completion of the 441 by pass will take 2 to 3 years to complete. There are new residential and commercial developments being constructed in these areas.

The Department of Transportation has realigned the I-16 and 441 South interchange to enhance its use. New lighting has been installed to entice more travelers to visit Dublin. The Chamber of Commerce operates a Tourist Welcome Center in this area and is successfully promoting Dublin's industry and services to travelers. Since opening, they have greeted over 70,000 visitors. The center is open Monday through Saturday. New development in this area includes a 3-story motel, a national steak house restaurant and other retail businesses.

YKK AP America has completed an $80 million Phase I 350,000 square foot expansion of their operations, which doubled their production capacity and added 54 new jobs. YKK held a groundbreaking for Phase 2 of this continued expansion. The 198,000 square foot building contains a third nine inch extension press and the second electrostatic paint system as well as a packing and shipping area to support growth in customer service. The next three phases will be completed by 2010 increasing the total number of employees to about 570. YKK AP's highly automated, state of the art Dublin plant manufactures doors, windows and curtain wall systems which are shipped worldwide.

Flexsteel Industries, a manufacturer of recliners and motion furniture, completed a $2,000,000 expansion that added 95,000 square feet to the original 150,000 square foot facility and added 75 new jobs. Their supplier of recliner bases, Leggett and Platt, expanded their operation in relation to Flexsteel and has located a plant here.

New Holland Manufacturing Company has restructured the assembly facility in order to accommodate the assembly of a larger model tractor and has completed an expansion to store all completed tractors on site. The company has assembled over 100,000 tractors at the Dublin facility. The "Boomer" is built only in Dublin and sold internationally.

The Dublin-Laurens Industrial Development Authority continues to recruit industrial prospects. The 60,000 square foot speculative building expandable to 120,000 square feet on the corner of Fire Tower Road and Waldrep Blvd was purchased by Eldorado Stone and began operations in their new facility. Eldorado Stone is a leading manufacturer of architectural stone veneer. The new Dublin facility is Eldorado's new flagship property where the company's entire core product line and some regional products are being manufactured. The total number of employees has grown to approximately 300 in three years.

Farmers Furniture has expanded their distribution warehouse located on U.S. 441 South. Farmers Furniture is headquartered in Dublin and has over 140 stores across the southeastern United States. The current warehouse has over 200,000 feet of racked storage. With this expansion, there are now 100 employees at the distribution center.

The Dublin-Laurens Industrial Development Authority acquired 200 acres of industrial property adjacent to Highway 257. On January 19, 2000, Best Buy Co., Inc. purchased 130 acres of this property. Best Buy, a leading retailer of home electronics and appliances, built a 700,000 square foot distribution center at a cost of over $40,000,000. This center distributes to sixty Best Buy stores in Georgia, Florida, North Carolina, South Carolina, and Tennessee. They currently have over 200 employees. As a result of the Best Buy project, the Georgia Department of Transportation has widened Highway 257 from Interstate Highway 16 to Industrial Boulevard from a two-lane to a five-lane highway to facilitate even more growth in this corridor. The second phase of this project was the construction of a new interchange at I-16 and Highway 257 including wider ramps and a new bridge over the interstate. This $14 million new construction created another major business corridor. The expansion of Highway 257 allows the roadway to accommodate the increased traffic along the highway as new industries are attracted to the Dublin area.

Since constructing a new $30 million, 600,000 square foot distribution center in Dublin on a 136 acre site on Highway 257 near the present Best Buy facility, Fred's Distribution Center has created over 200 jobs which may increase to as many as 400. The new center serves stores in Alabama, Georgia, Florida and North and South Carolina from its strategic location in Dublin. It can be expanded as growth dictates to about 1 million square feet. The City has extended water and sewer infrastructure to accommodate the new facility and the Highway 257/I-16 interchange. In addition, Georgia Highways 257 and 19 have been annexed by the City to the south side of the I-16 interchange. Love's Travel Stops and Country Stores, Inc. opened at the 257 interchange.

A new building for our current Big Lots Store was constructed so a Home Depot Store could be constructed on Veterans Boulevard. The new Home Depot Store is 133,000 square feet and cost approximately $10,000,000. Since opening, this store has added to our constantly growing retail strength and helps to maintain our reputation as a regional retail center.

The City of Dublin and Laurens County continue to sponsor the Main Street Dublin-Downtown Development Authority, under the guidance of a full time director. The Main Street Program has proven of great benefit to our downtown business and professional district. Many events take place during the year with the participation of our merchants. Revitalization of the historic structures in the downtown area is ongoing and the area exhibits new vitality through recent construction projects and renovations of existing structures. The City of Dublin has implemented the renovation of the major portion of one block in the downtown area for various public purposes. The City, with public funds and private contributions, has renovated the former Martin Theater building for use as a community and performing arts center renamed Theatre Dublin. Adjacent to this theater building is the office for the Dublin-Laurens County Recreation Authority. Adjacent to this facility is the Fred Roberts Hotel Building, which houses a senior citizens center and Main Street offices.

Morris Bank built a new bank on Jackson Street to replace their old building. The two-story 40,000 square foot bank has become the focal point in downtown Dublin. The bank has constructed a park on the former bank site.

The City has begun a Southside revitalization effort to bring new development and economic vitality to this area of Dublin. A new Southside Police Precinct Station in the Katie Dudley Housing area has improved Police presence and community policing efforts on the Southside. A Southside Revitalization Committee is operating and many projects are forthcoming from their efforts.

The City received a $500,000 Community Development Block Grant, which was used to improve fire protection and renovate water lines in the Scottsville area of the City. These improvements serve a predominately low to moderate income neighborhood and enhance our continuing efforts to improve our entire city.

The City has purchased the old Mindis Recycling site from the Downtown Development Authority and is constructing a new Police Department and Courtroom facility on the property. The projected was completed in October 2009.

The Special Purpose Local Option Sales Tax (SPLOST) has provided for a Farmers Market directly behind the Theater Dublin and Senior Citizen Center to further enhance our downtown and Southside development. Various resurfacing and road and intersection improvements are also being completed with the SPLOST funds. A new $1.3 million dollar Georgia State Patrol headquarters building on Southern Pines Road beside the Law Enforcement Center has been built and funded with S.P.L.O.S.T. A new Department of Drivers Services facility was constructed to replace the old Driver's License Issuing facility. Having these facilities in our community serves as a destination point for people seeking these state services, and brings more people to our community and boosts our local economy.

An $871,362 Transportation Enhancement Activity (TEA) grant received from the Department of Transportation has funded the Emerald Pathways project, which integrates aesthetic and safety improvements for the downtown area and encourages and accommodates pedestrian and non-vehicular traffic. This project enhances the appeal of downtown to the local citizens, business owners and tourists. Improvements include the construction of improved sidewalks and crosswalks, extensive landscaping, benches, trash receptacles, bicycle racks, a beautiful fountain, a street clock, and the installation of appropriate signage. The construction and designation of bicycle and pedestrian pathways and a downtown streetscape along Jackson and Jefferson Streets which included the relocating of overhead electric wires to underground completed this project. These improvements have sparked a new interest in downtown improvements by both the public and private sectors. During the past year there has been a retail and residential revitalization in the downtown commercial district. A local entrepreneur has purchased and remodeled several vacant buildings and opened new restaurants, shops and created loft apartments on the second floor above the retail spaces.

The Laurens County Board of Commissioners purchased most of a city block of land on the north side of the Courthouse and has built a Courthouse Annex at a cost of $2,000,000. The new building houses the Tax Commissioners' and Tax Assessors' and Board of Registrars' Offices and eliminates the crowded conditions in the Courthouse. The demolition of the old structures and completion of the new annex provides additional parking and further enhances the downtown area and makes government services more convenient to the public.

The Department of Natural Resources Historic Preservation Division has named the commercial district of Downtown Dublin to the National Register of Historic Places and is known as the "Dublin National Register Historic District." The Stubbs Park/Stonewall Street neighborhood has also been listed. There has been a renewed interest in renovations of structures in the neighborhoods since receiving these designations. There is a very active neighborhood association.

The City has received a request from the Georgia Department of Transportation to extend water and sewer lines to the rest areas on I-16. The Department of Transportation will reimburse the City for 100 percent of construction and engineering costs of the project to extend the water distribution and wastewater collection system to serve the rest areas along Interstate 16 west of Dublin. This expansion allows the City to extend services south of the Interstate at the Highway 257 Interchange, which opens up both sides of the interchange for commercial development. This project should be completed in 2009.

In March 2006 voters approved a continuation of the current S.P.L.O.S.T. to be used for capital improvement projects. These projects include areas of transportation and drainage, the water and sewer system, city facilities, capital equipment purchases, and gas system improvements. Approximately $16 million of estimated revenue will be collected over the six-year period.

CASH MANAGEMENT POLICIES AND PRACTICES. Cash temporarily idle during the year was invested in demand deposits, time deposits and the state investment pool. The state investment pool contained approximately 19.63% of the City's cash at June 30, 2009. The average yield on maturing investments during the year was approximately 2.18 percent. Excess cash is also used for interfund financing. The amount of interest earned was $473,036, which includes $28,275 of interfund financing interest.

RISK MANAGEMENT. During fiscal year 2009, the City continued its safety program to control and reduce the number of claims submitted under its workers' compensation insurance. Several control related procedures minimize work related accidents. Among these are safety committees made up of department heads, supervisors, and employees to educate and train all employees in the various aspects of accident prevention and safety related activities. Each department participates in a yearly safety contest, the winner of which receives a plaque and individual awards of "Safety Jackets". Accident free departments award each employee with eight hours of additional annual leave. Third-party coverage is currently maintained for workers' compensation claims and all other potential losses. Additional information on the City of Dublin, Georgia's risk management activities can be found in Note V.A of the notes to financial statements.

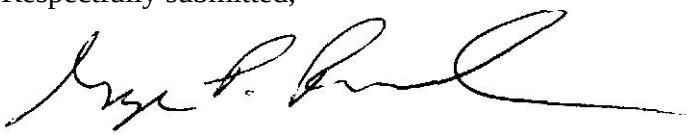
PENSION BENEFITS. The City and its component units contribute to the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as an investment and administrative agent for cities and municipalities in Georgia. The City has the right to establish and amend the benefit provisions of the plan. These amendments become effective once approved by the Board of Trustees of GMEBS. The system also provides death and disability benefits. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. Additional information on the City of Dublin, Georgia's pension arrangements can be found in Note V.E of the notes to financial statements.

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 Dublin, Georgia for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the twenty-first consecutive year that the City of Dublin has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit 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 preparation of this report on a timely basis has been accomplished with the efficient and dedicated services of the entire staff of the Finance Department. We express our appreciation to all members of the Department who assisted and contributed to its preparation. We thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,





George P. Roussel
City Manager

Joe M. Kinard, III
City Clerk/Finance Director

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dublin Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

CITY OF DUBLIN, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2009

MAYOR

Phil Best, Sr.

CITY COUNCIL

J.W. Scarboro, Jr (Mayor Pro-Tem)

Julie Driger (Chairman of Council)

Bill Brown III

J. Mathew Hatchett

Gary Johnson

Phil Thacker

Ed Touchberry

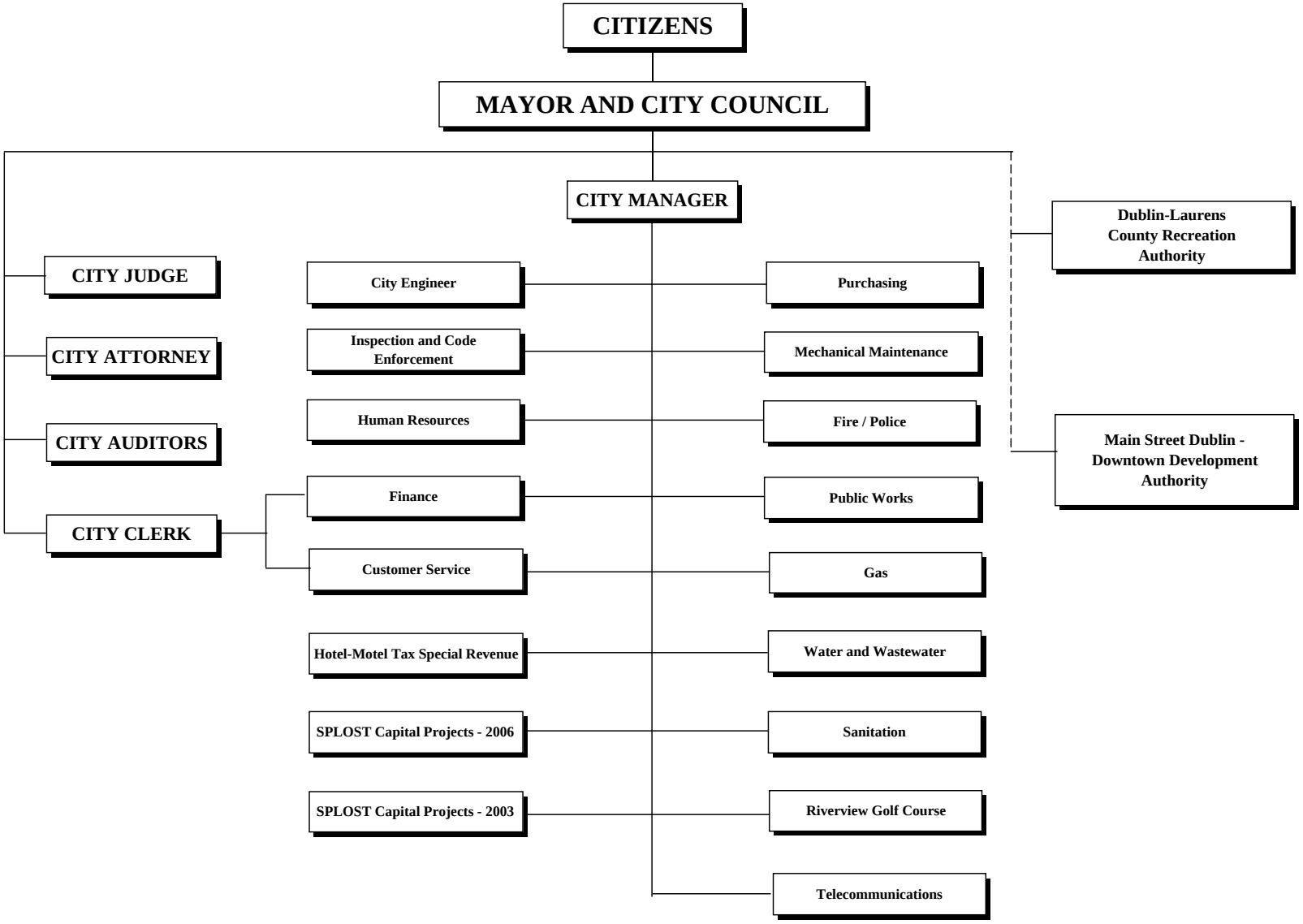
CITY MANAGER

George P. Roussel

CITY CLERK	CITY JUDGE	CITY ATTORNEY
Joe M. Kinard III	Harold D. McLendon	Lance Jones

CITY OF DUBLIN, GEORGIA

ORGANIZATIONAL CHART



II. FINANCIAL SECTION

- **INDEPENDENT AUDITOR'S REPORT**
- **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**
- **BASIC FINANCIAL STATEMENTS**

NICHOLS, CAULEY & ASSOCIATES, LLC
A Professional Services Firm of:
Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Dublin, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Dublin, Georgia, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City's nonmajor governmental, and proprietary funds presented in the accompanying combining and individual fund statements and schedules as of and for the year ended June 30, 2009 as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Dublin-Laurens County Recreation Authority, which represents 93 percent and 84 percent, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Dublin-Laurens County Recreation Authority, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Dublin, Georgia, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and notes to required supplementary information for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, proprietary fund, and fiduciary fund of the City of Dublin, Georgia as of June 30, 2009, the respective changes in financial position and cash flows, where applicable, thereof, and the statement of changes in fiduciary assets and liabilities, the schedules of expenditure by function for the General Fund, the budgetary comparison of the Hotel-Motel Tax fund, and the schedules of expenditures of SPLOST 2003 and SPLOST 2006 proceeds for the year then ended in conformity with accounting principals generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2009, on our consideration of the City of Dublin, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 14 through 24 and the schedule of funding progress for the Georgia Municipal Employees Benefit System on page 64 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dublin, Georgia's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*), is presented for purposes of additional analysis and is also not a required part of the basic financial statements of the City of Dublin, Georgia. The Schedule of Expenditures of Federal Awards on page 118 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Nichols, Cauley & Associates, LLC

Dublin, Georgia

November 25, 2009

Management of the City of Dublin, Georgia (City) provides this Management's Discussion and Analysis of the City's Comprehensive Annual Financial Report (CAFR) for readers of the City's financial statements. This narrative overview and analysis of the financial activities of the City of Dublin, Georgia is for the fiscal year ended June 30, 2009. We encourage readers to consider this information in conjunction with the additional information that is furnished in the letter of transmittal, which can be found preceding this narrative, and with the City's financial statements which follow.

FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

Government-Wide Highlights:

Net Assets - The assets of the City exceeded its liabilities at fiscal year ending June 30, 2009 by $63,497,598 (presented as "net assets"). Of this amount, $24,751,447 was reported as "unrestricted net assets". Unrestricted net assets represent the amount available to be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Assets -The City's total net assets increased by $2,710,566 (a 4.5% increase) in fiscal year 2009. Net assets of governmental activities increased by $2,108,075, (a 7.9% increase) while net assets of the business-type activities showed an increase of $602,491 (a 1.8% increase).

Fund Highlights:

Governmental Funds - Fund Balances - As of the close of fiscal year 2009, the City's governmental funds reported a combined ending fund balance of $15,838,025, a decrease of $4,880,038 in comparison with the prior year. Of this total amount, $15,165,965 represents the "unreserved fund balances". This $15,165,965 is approximately 72% of the total governmental fund expenditures for the year. The primary difference in the $2,108,075 increase in net assets of governmental activities compared to the $4,880,038 decrease in fund balance of governmental funds relates to capital improvement expenditures of $2,779,514, net of depreciation and the payment debt for the special assessment bonds in the amount of $4,000,000.

Long-term Debt:

The City's total long-term debt obligations decreased by $4,036,999 (18.6%) during the current fiscal year. The key factor in this decrease was the principle payment of $4,000,000 related to the special assessment bonds of which $8,000,000 constituted long-term debt at June 30, 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Dublin, Georgia's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information (combining financial statements) in addition to the basic financial statements themselves. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the City - the government-wide financial statements and the fund financial statements. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government- Wide Financial Statements

The government-wide financial statements provide a broad view of the City's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the City's financial position, which assists in assessing the City's economic condition at the end of the fiscal year. These are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include two statements:

The **Statement of Net Assets** presents all of the government's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the City's net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The **Statement of Activities** presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the City.

Both of the above financial statements have separate sections for three different types of City programs or activities. These three types of activities are:

Governmental Activities - The activities in this section are mostly supported by taxes and intergovernmental revenues. Most services normally associated with City government fall into this category, including education, general government, legal and judiciary services, recreation, natural resources, public safety and defense, regulatory services and social services.

Business-type Activities - These functions normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. These business-type activities of the City include the operations of the Water and Sewerage System Fund, Natural Gas System Fund, Sanitation Fund, Telecommunications Fund, and Riverview Golf Course Fund. All of these programs operate with minimal assistance from the governmental activities of the City.

Discretely Presented Component Units - These are operations for which the City has financial accountability but they have certain independent qualities as well. For the most part, these entities operate similar to private sector businesses and the business-type activities described above.

The City's two discretely presented major component units are:

Dublin-Laurens County Recreation Authority
Main Street Dublin-Downtown Development Authority

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Addresses and other additional information about the City's component units are presented in the notes to the financial statements.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements and Major Component Unit 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 city and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. All of the funds of the City can be divided into three categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The three categories of funds are:

Governmental Funds Financial Statements - Most of the basic services provided by the City are financed through 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, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the City's finances that assists in determining whether there will be adequate financial resources available to meet the current needs of the City.

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 the governmental activities. These reconciliations are presented on the page immediately following the governmental fund financial statement.

The City has four governmental funds. The major funds are presented in a separate column, while the nonmajor funds are combined in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The City's major governmental funds are - the General Fund and the SPLOST Capital Projects - 2006 Fund. The City's nonmajor governmental funds are the SPLOST Capital Projects - 2003 and Hotel-Motel Tax Fund.

The basic governmental funds financial statements can be found immediately following the government-wide statements.

Proprietary Funds Financial Statements - These funds are used to show activities that operate more like those of commercial enterprises. Because these funds charge fees for services provided to outside customers including local governments, they are known as enterprise funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. There is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

The City has five enterprise funds with the major funds presented in a separate column in the proprietary funds statement of net assets and in the proprietary funds statement of revenues, expenditures, and changes in fund net assets. The City's major proprietary funds are - the Water and Sewerage System Fund, Natural Gas System Fund and Sanitation Fund. The City's nonmajor proprietary funds are the Riverview Golf Course Fund and Telecommunications Fund.

The basic proprietary funds financial statements can be found immediately following the governmental fund financial statements.

Fiduciary Fund - This fund is used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. They use the accrual basis of accounting.

The City's fiduciary fund is the Dublin Board of Education Agency Fund (which accounts for the assets held for distribution by the City as an agent for the Dublin Board of Education).

The basic fiduciary fund's financial statement can be found immediately following the proprietary fund financial statements.

Component Units Financial Statements - As mentioned above, these are operations for which the City has financial accountability but they have certain independent qualities as well, and they operate similar to private-sector businesses. The government-wide financial statements present information for the component units in separate columns in the statement of net assets and the statement of changes in net assets.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information concerning the City's progress in funding its obligations to provide pension benefits to its employees. It also includes a budget and actual（non-GAAP budget basis) schedule of revenues, expenditures and changes in fund balances for the General Fund.

Supplementary Schedules

This section includes the schedule of expenditures of special purpose local option sales tax proceeds - 2006 and special purpose local option sales tax proceeds - 2003.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets (government and business-type activities) totaled $63,497,598 at the end of 2009, compared to $60,787,032 at the end of the previous year.

The largest portion of the City's net assets (58.0%) reflects its investment in capital assets such as land, buildings and plant, machinery and equipment and infrastructure, less any related debt used to acquire those assets that is still outstanding. The City uses its capital assets to provide services to citizens; consequentially, 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.

An additional portion of the City's net assets (3.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net assets of the City's (governmental and business-type) activities decreased $1,403,952 or 4.6% from the prior year. Internally imposed designations of resources are not presented as restricted net assets.

City of Dublin, Georgia – Net Assets

	Governmental Activites		Business-type Activites		Total	
	2009	2008	2009	2008	2009	2008
Current assets	$ 16,811,865	$ 21,718,480	$ 12,577,603	$ 11,601,507	$ 29,389,468	$ 33,319,987
Capital assets	21,743,044	18,963,530	32,708,456	33,293,808	54,451,500	52,257,338
Other assets	115,444	153,925	186,740	199,189	302,184	353,114
Total assets	38,670,353	40,835,935	45,472,799	45,094,504	84,143,152	85,930,439
Noncurrent liabilities	8,818,602	10,969,308	8,992,038	8,877,229	17,810,640	19,846,537
Other liabilities	1,026,853	3,149,804	1,808,061	1,473,584	2,834,914	5,296,870
Total liabilities	9,845,455	14,119,112	10,800,099	11,024,295	20,645,554	25,143,407
Invested in capital assets, net of related debt	13,297,712	6,341,257	23,548,434	24,266,814	36,846,146	30,608,071
Restricted	185,635	2,503,637	1,714,370	1,519,925	1,900,005	4,023,562
Unrestricted	15,341,551	17,871,929	9,409,896	8,283,470	24,751,447	26,155,399
Total net assets	$ 28,824,898	$ 26,716,823	$ 34,672,700	$ 34,070,209	$ 63,497,598	$ 60,787,032

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Changes in Net Assets

The City's net assets increased by $2,710,566 or 4.5%. $2,108,075 of this increase was from governmental activities while business activities increased $602,491. Historically, and in fiscal year 2009, transfers are made from the Natural Gas System Fund to the General Fund to provide funds to carry out the services provided by the General Fund. Net transfers between the governmental and business type activities for fiscal year 2009 were $650,000 which included $600,000 from the Natural Gas Fund and $50,000 from the Telecommunications Fund. During the current year, the City also contributed Buildings and Plant in the amount of $309,931 from the SPLOST 2003 Capital Projects Fund to the Main Street Dublin Downtown Development Authority, a component unit. Approximately 33.4 percent of the City's total revenue came from taxes, while 2.0 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and intragovernmental items provided 64.7 percent of the total revenues.

The City's expenses cover a range of services. The largest expenses were for public safety, water and sewer services, gas services, general government, and sanitation services. In 2009, governmental activity program revenues exceeded expenses, resulting in the use of $12,214,423 in general revenues which were comprised of; $11,469,407 (taxes), $650,000 (transfers), ($309,931) (intragovernmental contributions) and $404,947 (unrestricted investment earnings). Total program and general revenues from business-type activities exceeded net expenses, excluding transfers out, in 2009 by $1,252,491.

Governmental activities increased the City's net assets by $2,108,075. The key elements in this change were an increase in property tax revenue, a large transfer from the Gas Fund to the General Fund, continued collection in the local option sales tax and the special purpose local option sales tax proceeds, and capital grants. Business-type activities increased the City's net assets by $602,491. The key elements in this change were the increase in water and sewer and sanitation rates and capital grants received. Other key elements of these changes are as follows:

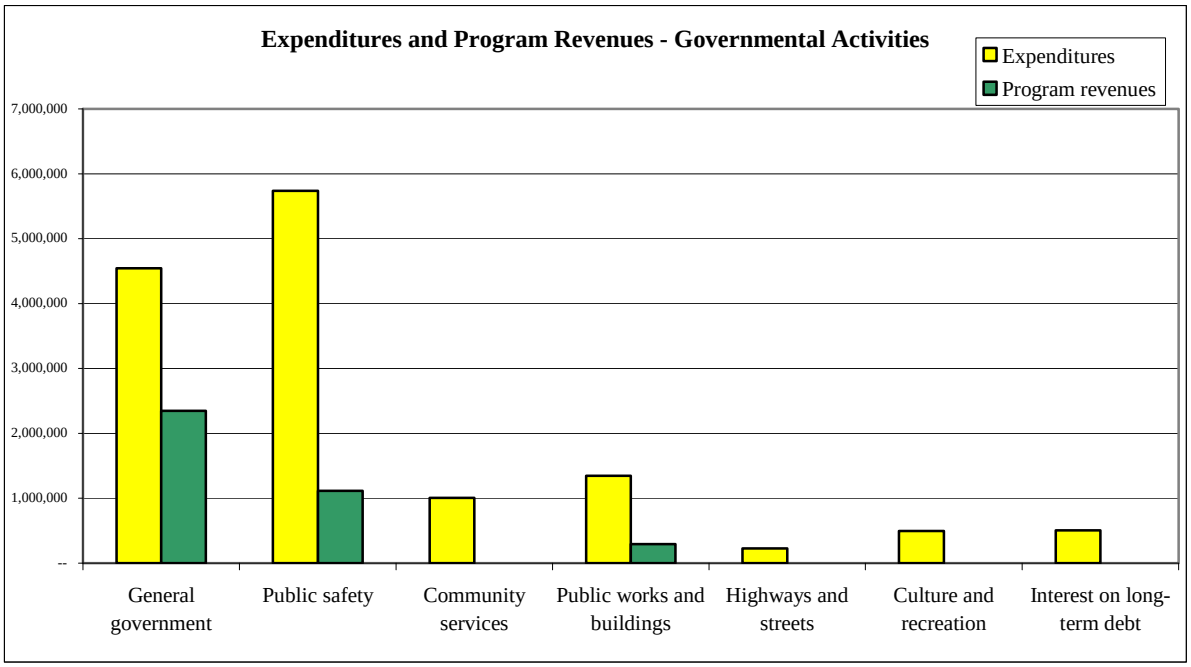
City of Dublin, Georgia – Changes in Net Assets

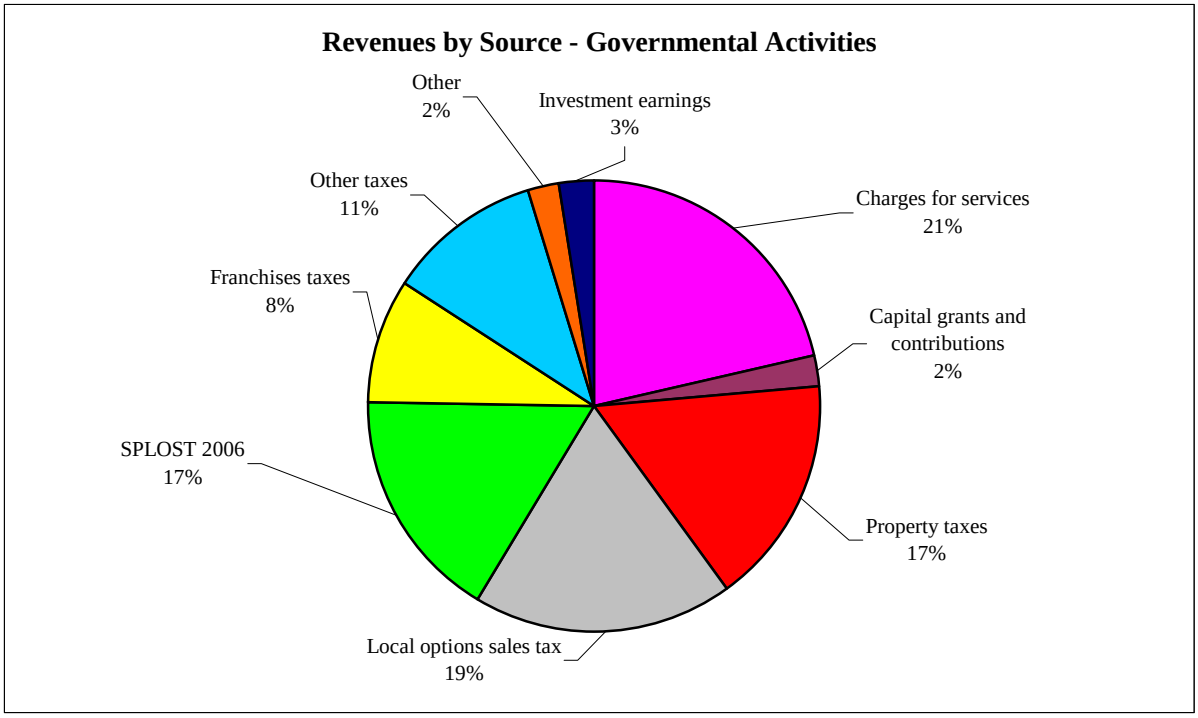
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	$ 3,395,771	$ 3,269,757	$ 18,384,562	$ 19,948,338	$ 21,780,333	$ 23,218,095
Operating grants and contributions	--	3,000	--	--	--	3,000
Capital grants and contributions	360,069	400,315	313,322	662,984	673,391	1,063,299
General revenues:						
Property taxes	2,648,656	2,565,732	--	--	2,648,656	2,565,732
Local option sales tax	2,943,746	3,094,809	--	--	2,943,746	3,094,809
Special purpose local option sales tax 2006	2,681,311	3,244,746	--	--	2,681,311	3,244,746
Franchise taxes	1,391,186	1,258,013	--	--	1,391,186	1,258,013
Other taxes	1,804,508	1,822,780	--	--	1,804,508	1,822,780
Investment earnings	404,947	867,788	68,089	188,345	473,036	1,056,133
Total revenues	15,630,194	16,526,940	18,765,973	20,799,667	34,396,167	37,326,607
Expenses:						
General government	4,541,634	4,647,568	--	--	4,541,634	4,647,568
Public safety	5,739,116	5,332,339	--	--	5,739,116	5,332,339
Community services	1,005,107	1,170,949	--	--	1,005,107	1,170,949
Public works and buildings	1,347,070	1,187,688	--	--	1,347,070	1,187,688
Highways and streets	225,694	254,093	--	--	225,694	254,093
Culture and recreation	495,566	472,161	--	--	495,566	472,161
Interest on long-term debt	508,001	584,245	--	--	508,001	584,245
Water and sewer	--	--	5,228,079	4,792,029	5,228,079	4,792,029
Gas	--	--	8,917,877	9,461,385	8,917,877	9,461,385
Sanitation	--	--	2,212,891	2,161,577	2,212,891	2,161,577
Riverview Golf Course	--	--	450,072	548,692	450,072	548,692
Telecommunications	--	--	704,563	647,050	704,563	647,050
Total expenses	13,862,188	13,649,043	17,513,482	17,610,733	31,375,670	31,259,776
Increase in net assets before transfers	1,768,006	2,877,897	1,252,491	3,188,934	3,020,497	6,066,831
Transfers	650,000	238,843	(650,000)	(238,843)	--	--
Intra-governmental	(309,931)	--	--	--	(309,931)	--
Change in net assets	2,108,075	3,116,740	602,491	2,950,091	2,710,566	6,066,831
Net assets, beginning of year	26,716,823	23,600,083	34,070,209	31,120,118	60,787,032	54,720,201
Net assets, ending	$ 28,824,898	$ 26,716,823	$ 34,672,700	$ 34,070,209	$ 63,497,598	$ 60,787,032

Governmental Activities

The following graphs present the cost of each of the City's governmental functions programs - general government, public safety, community services, public works and buildings, and culture and recreation - as well as the program revenues generated by these activities.

- The cost of all governmental activities this year was $13,862,188.
- However, the amount that our taxpayers paid for these activities through City taxes was $11,469,407. Some of the cost was paid by:
  - Those who directly benefited from the programs ($3,395,771)
  - Other governments and organizations that subsidized certain programs with grants and contributions ($360,069).
  - Net transfers to the General Fund of $650,000 from the Proprietary Funds.
  - Intra-governmental expense from the SPLOST 2003 Capital Projects Fund of ($309,931) to the Main Street Dublin Downtown Development Authority, a component unit.
- Public safety required the largest net amount of public funds after subtracting program revenue and grants and contributions. The total subsidy was $5,739,116 in fiscal year 2009. Public safety comprised 41.4% of total expenditures in 2009.
- Community services comprised 7.2% of total expenditures in fiscal year 2009.
- Public works and buildings comprised 9.7% of total expenditures in fiscal year 2009.
- Highways and streets comprised 1.6% of total expenditures in fiscal year 2009.
- Culture and recreation comprised 3.6% of total expenditures in fiscal year 2009.
- Interest on long-term debt comprised 3.7% of total expenditures in fiscal year 2009.
- General government comprised 32.8% of total expenditures and reflected a decrease of $105,934 over the prior year. For every one dollar of general government expenditures in fiscal year 2009, 52 cents came from charges for services to pay for the expenditures and increases in interest rates.

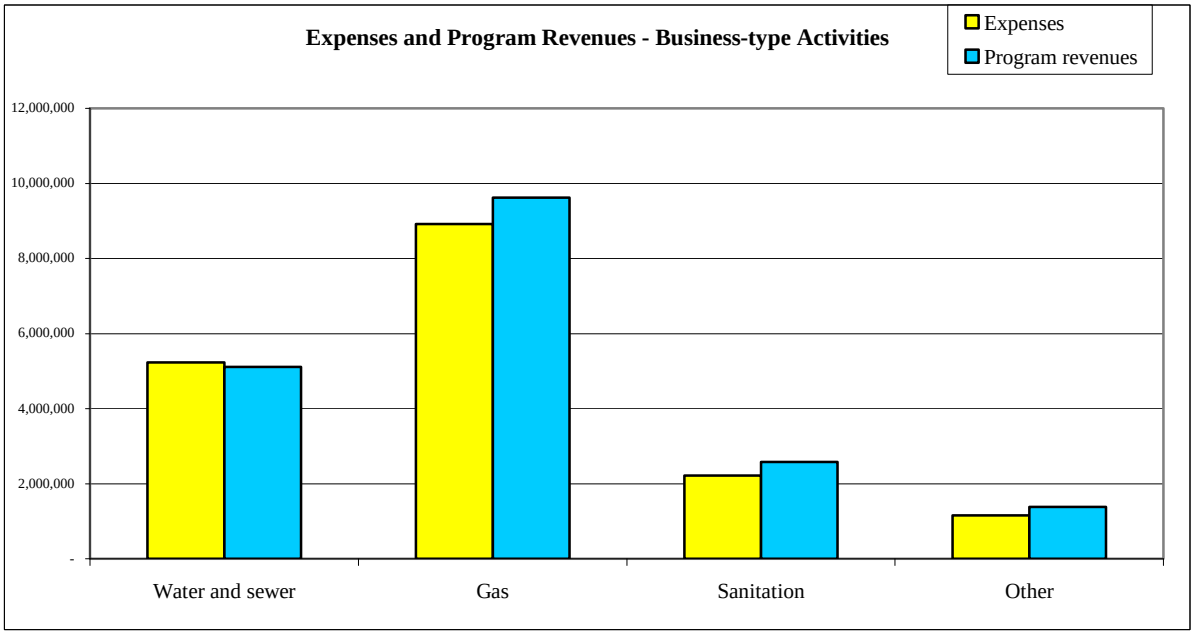


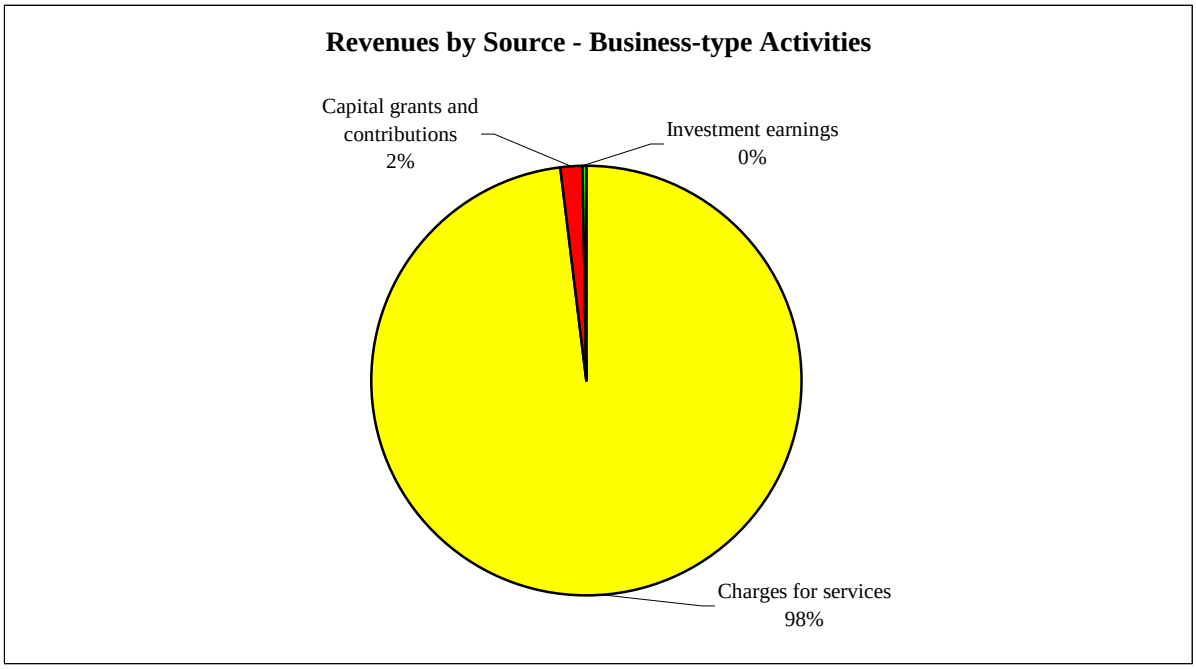


Business-Type Activities

The following graphs present the cost of each of the City's business-type activities – water and sewer, gas, sanitation, and other – as well as the program revenues generated by these activities.

- The cost of all business-type activities this year was $17,513,482.
- Revenues generated by the gas function comprised 51.5% of program revenues for business-type activities. Water and sewer, sanitation and other comprised 27.3%, 13.8%, and 7.4%, respectively.
- Investment earnings decreased by approximately $120,246 from the prior year due to an overall average decrease in the interest rates earned on investments.





FINANCIAL ANALYSIS OF THE CITY'S INDIVIDUAL FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $15,838,025 a decrease of $4,880,038 in comparison with the prior year. $15,165,965 or 95.8% of this total amount constitutes unreserved fund balance, which is available for spending in the coming year. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes ($486,425) and for debt service payments ($185,635).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the General Fund was $6,113,435 while the total fund balance reached $6,599,860. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 51.6% of total general fund expenditures, while total fund balance represents 55.7% of that same amount.

The fund balance of the City's General Fund increased by $757,246 during the current fiscal year. This is a 13% increase from the prior year. This increase is primarily attributable to an increase in cash as a result of current year operations and a transfer from proprietary funds. At June 30, 2009, the fund balance of the City's General Fund represented 41.7% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2006 fund decreased by $5,205,070, during the current fiscal year. This decrease is primarily attributable to the repayment of principle and interest relating to the special assessment bonds issued in FY 2008. At June 30, 2009, the fund balance of the City's SPLOST Capital Projects - 2006 fund represented 53.6% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2003 fund decreased by $432,214 during the current fiscal year. This is a 36.4% decrease from the prior year. This decrease is attributable to the SPLOST 2003 revenue ending in FY 2007, and the City government continuing to spend money for ongoing projects. At June 30, 2009, the fund balance of the City's SPLOST Capital Projects - 2003 fund represented 4.7% of the total governmental fund balance.

Proprietary Funds

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

As discussed in the business-type activities above, the City's net assets increased by $602,491 as a result of operations in the proprietary funds. This resulted primarily from a $373,039 increase in net assets by the Sanitation Fund, and a $139,920 increase in net assets of the Gas Fund after transferring $600,000 to the City's General Fund. The increases in the Sanitation and Gas Funds were due mostly in part to increases in charges for services.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted expenditures increased by 1.3% from the prior year. Actual expenditures decreased approximately 1.1% from prior year. The actual excess of revenues over expenditures was funded through supplemental appropriations from available fund balance.

Large variances in the General Fund's revenues and expenditures verses budget amounts are as follows: For revenues, Police recorders court revenue was 42.1% over budget due to continued increase in fines as a result of the City's Highway Enforcement of Aggressive Traffic (HEAT) police team and more aggressive techniques by the City's judge to cut down on traffic violations. Other intergovernmental revenues were under budget by approximately 35.2% due to the City receiving less funds than expected from a local reimbursement. Interest income from investments was 33.8% under budget as a result of a declining interest rate environment in FY 2009 resulting in smaller rates paid on cash and investment balances. On the expenditure side, legislative department expenditures were 23.4% under budget, due to the City spending less than expected on services including travel, education, and training. Finance department expenditures were 15.0% under budget because salaries and benefits were below budget expectations due to employee turnover. City Judge expenditures were 45.6% over budget due to expenditures related to court fees paid to the State increasing as a result of increased fine revenue from the police department. The police department C.I.D. expenditures were 26.5% under budget because of an unexpected decrease in the number of employees in the department. Cemetery expenditures were 15.8% under budget because the City did not spend money budgeted for capital projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2009, amounts to $116,589,903, net of accumulated depreciation of $62,138,403 leaving a net book value of $54,451,500. This investment in capital assets includes land, construction in progress, buildings and plant, improvements other than buildings, machinery and equipment, and infrastructure.

The total increase in the City's investment in capital assets for the current fiscal year was about 4.2% in terms of net book value. However, actual expenditures to purchase or construct capital assets were $5,721,633 for the year.

Most of this amount was used to move and construct water and gas lines as part of highway widening projects and extension of services as well as road and other capital improvements designated by the SPLOST Capital Projects - 2003 and 2006 funds. Depreciation charges for the year totaled $3,217,540. Additional information on the City's capital assets can be found in Note IV. H. of the notes to the financial statements of this report.

Debt Administration

At the end of the current fiscal year, the City had total bonded debt outstanding of $15,260,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by $4,300,000 as a result of current year principal payments. The City also had $1,807,306 of debt from capital leases and notes payable, excluding interfund notes payable. This is a $231,961 decrease over the prior year as a result of current year principal payments. Additional information relating to the City's long-term debt can be found in Note IV.K. of the notes to financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City is currently 7.1%, which is a increase from a rate of 7.0% a year ago.
- Inflationary trends in the region compare favorably to national indices.
- The City is expecting the national economy to impact next years budget significantly.

These factors are considered by legislative leaders and management in preparing the City's budget for future years.

The City continues to have positive equity balances in all fund types, as well as stable property taxes and investment grade bond ratings, the City of Dublin remains financially sound. The City's tax rates remain low in comparison with other municipalities. The millage rate is at 5.2 mills and has remained low even though the demands for services continue to grow.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Dublin, Georgia's finances for all of the City's citizens, taxpayers, customers, and investors and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: City of Dublin, Georgia, Department of Finance, P.O. Box 690, Dublin, Georgia 31040.

CITY OF DUBLIN, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
ASSETS:					
Equity in pooled cash	$ 848,014	$ 7,148,399	$ 7,996,413	$ --	$ --
Equity in investment pool	4,832,639	198,296	5,030,935	--	--
Cash	4,880,498	406,274	5,286,772	1,067,265	140,103
Certificates of deposit	5,101,281	157,477	5,258,758	--	--
Taxes receivable, net	127,279	--	127,279	--	--
Accounts receivable, net	--	786,160	786,160	44,323	--
Other receivables, net	141,997	116,044	258,041	--	52,500
Note receivable - interfund loan	--	544,962	544,962	--	
Accrued interest receivable	53,421	4,431	57,852	--	--
Due from other governments	218,208	--	218,208	--	--
Due from component units	47,568	--	47,568	--	--
Inventories, at cost	155,460	313,392	468,852	--	--
Prepaid items	219,865	239,929	459,794	24,732	--
Restricted assets:					
Equity in investment pool	--	392,290	392,290	--	--
Cash	185,635	1,276,627	1,462,262	--	--
Certificates of deposits	--	993,322	993,322	--	--
Capital assets not being depreciated:					
Land	1,380,911	565,757	1,946,668	--	--
Construction in progress	2,980,793	--	2,980,793	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	1,749,202	31,117,777	32,866,979	5,547,738	307,926
Improvements other than buildings	2,076,496	4,886	2,081,382	235,860	--
Machinery and equipment	1,539,479	1,020,036	2,559,515	338,858	--
Infrastructure	12,016,163	--	12,016,163	--	--
Unamortized bond cost	115,444	186,740	302,184	--	--
Total assets	$ 38,670,353	$ 45,472,799	$ 84,143,152	$ 7,258,776	$ 500,529

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
LIABILITIES:					
Accounts payable and accrued costs	$ 799,711	$ 845,422	$ 1,645,133	$ 33,704	$ --
Due to primary government	--	--	--	--	47,354
Accrued interest payable	--	14,770	14,770	--	--
Deposits and bonds	17,000	--	17,000	--	--
Bond premium	210,142	--	210,142	--	--
Payables from restricted assets:					
Customer deposits	--	582,869	582,869	--	--
Revenue bonds payable - current	--	365,000	365,000	--	--
Noncurrent liabilities:					
Due within one year:					
Capital leases payable	84,673	--	84,673	--	--
Compensated absences	28,000	18,000	46,000	--	--
Note payable - interfund loan	--	39,552	39,552	--	
Note payable - other	--	64,678	64,678	62,945	--
Due in more than one year:					
Capital leases payable	367,573	--	367,573	--	--
Compensated absences	338,356	179,016	517,372	50,180	--
Note payable - interfund loan	--	505,410	505,410	--	
Note payable - other	--	1,290,382	1,290,382	673,205	--
Revenue bonds payable	8,000,000	6,895,000	14,895,000	--	--
Total liabilities	9,845,455	10,800,099	20,645,554	820,034	47,354
NET ASSETS					
Invested in capital assets, net of related debt	13,297,712	23,548,434	36,846,146	6,122,456	307,926
Restricted assets:					
Restricted for debt service	185,635	1,714,370	1,900,005	--	--
Unrestricted	15,341,551	9,409,896	24,751,447	316,286	145,249
Total net assets	28,824,898	34,672,700	63,497,598	6,438,742	453,175
Total liabilities and net assets	$ 38,670,353	$ 45,472,799	$ 84,143,152	$ 7,258,776	$ 500,529

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	$ 4,541,634	$ 2,349,550	$ --
Public safety	5,739,116	1,046,221	--
Community services	1,005,107	--	--
Public works and buildings	1,347,070	--	--
Highways and streets	225,694	--	--
Culture and recreation	495,566	--	--
Interest on long-term debt	508,001	--	--
Total governmental activities	13,862,188	3,395,771	--
Business-type activities:			
Water and Sewer	5,228,079	4,799,364	--
Gas	8,917,877	9,621,572	--
Sanitation	2,212,891	2,579,728	--
Riverview Golf Course	450,072	455,885	--
Telecommunications	704,563	928,013	--
Total business-type activities	17,513,482	18,384,562	--
Total primary government	31,375,670	21,780,333	--
Component units:			
Dublin-Laurens County Recreation Authority	1,901,972	184,764	1,543,109
Main Street Dublin Downtown Development Authority	88,809	--	--
Total component units	$ 1,990,781	$ 184,764	$ 1,543,109
General revenues:			
Property taxes			
Local option sales tax			
Hotel-Motel tax			
Special purpose local option sales tax 2006			
Alcoholic beverage taxes			
Franchise taxes			
Insurance premium tax			
Miscellaneous			
Unrestricted investment earnings			
Intra-governmental			
Transfers			
Total general revenues, intra-governmental, and transfers			
Change in net assets			
Net assets - beginning			
Net assets - ending			

Program Revenues	Net (Expense) Revenue and Changes in Net Assets				
	Primary Government			Component Units	
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
$ --	$ (2,192,084)	$ --	$ (2,192,084)		
66,637	(4,626,258)	--	(4,626,258)		
--	(1,005,107)	--	(1,005,107)		
293,432	(1,053,638)	--	(1,053,638)		
--	(225,694)	--	(225,694)		
--	(495,566)	--	(495,566)		
--	(508,001)	--	(508,001)		
360,069	(10,106,348)	--	(10,106,348)		
313,322	--	(115,393)	(115,393)		
--	--	703,695	703,695		
--	--	366,837	366,837		
--	--	5,813	5,813		
--	--	223,450	223,450		
313,322	--	1,184,402	1,184,402		
673,391	(10,106,348)	1,184,402	(8,921,946)		
60,890				$ (113,209)	$ --
--				--	(88,809)
$ 60,890				(113,209)	(88,809)
	2,648,656	--	2,648,656	--	--
	2,943,746	--	2,943,746	--	--
	492,536	--	492,536	129,940	--
	2,681,311	--	2,681,311	194,990	--
	424,484	--	424,484	--	--
	1,391,186	--	1,391,186	--	--
	887,488	--	887,488	--	--
	--	--	--	17,316	--
	404,947	68,089	473,036	5,784	1,441
	(309,931)	--	(309,931)	--	414,138
	650,000	(650,000)	--	--	--
	12,214,423	(581,911)	11,632,512	348,030	415,579
	2,108,075	602,491	2,710,566	234,821	326,770
	26,716,823	34,070,209	60,787,032	6,203,921	126,405
	$ 28,824,898	$ 34,672,700	$ 63,497,598	$ 6,438,742	$ 453,175

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General	SPLOST Capital Projects - 2006	Nonmajor Funds	Total Governmental Funds
ASSETS				
Equity in pooled cash	$ 783,506	$ --	$ 64,508	$ 848,014
Equity in investment pool	4,832,639	--	--	4,832,639
Cash	680,703	3,560,324	639,471	4,880,498
Certificates of deposit	--	5,101,281	--	5,101,281
Cash - restricted for bond debt service	--	185,635	--	185,635
Taxes receivable - net of uncollectible accounts	127,279	--	--	127,279
Other receivables	141,997	--	--	141,997
Accrued interest receivable	2,408	51,013	--	53,421
Due from other governments - State of Georgia - local option sales tax	218,208	--	--	218,208
Due from component units:				
Main Street Dublin Downton Development Authority	47,354	--	--	47,354
Dublin-Laurens County Recreation Authority	214	--	--	214
Due from other funds	94,773	93,431	137,928	326,132
Prepaid items	219,865	--	--	219,865
Inventories, at cost	155,460	--	--	155,460
Total assets	$ 7,304,406	$ 8,991,684	$ 841,907	$ 17,137,997
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued costs	$ 343,555	$ 396,813	$ 59,343	$ 799,711
Deferred revenue	157,129	--	--	157,129
Due to other funds	186,862	110,396	28,874	326,132
Distilled spirits bond deposits	17,000	--	--	17,000
Total liabilities	704,546	507,209	88,217	1,299,972
FUND BALANCES				
Reserved for encumbrances	111,100	--	--	111,100
Reserved for inventories	155,460	--	--	155,460
Reserved for prepaid items	219,865	--	--	219,865
Reserved for debt service	--	185,635	--	185,635
Unreserved, reported in:				
General fund	6,113,435	--	--	6,113,435
Capital projects funds	--	8,298,840	753,690	9,052,530
Total fund balances	6,599,860	8,484,475	753,690	15,838,025
Total liabilities and fund balances	$ 7,304,406	$ 8,991,684	$ 841,907	$ 17,137,997

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Amounts reported for governmental activities in the statement of net assets are different because:	
Total governmental fund balance (page 27)	$15,838,025
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	21,743,044
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	272,573
Long-term liabilities, such as compensated absences, capital leases, and bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.	(9,028,744)
Net assets of governmental activities (page 25)	$28,824,898

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	General	SPLOST Capital Projects - 2006	Nonmajor Funds	Total Governmental Funds
REVENUES:				
General property taxes	$ 2,622,330	$ --	$ --	$ 2,622,330
Other taxes	5,831,985	2,681,311	492,536	9,005,832
Licenses and permits	573,180	--	--	573,180
Fines and forfeitures	925,128	--	--	925,128
Intergovernmental	324,168	--	--	324,168
Interest on investments	82,762	318,074	4,111	404,947
Miscellaneous income	1,601,729	200	76,306	1,678,235
Total revenues	11,961,282	2,999,585	572,953	15,533,820
EXPENDITURES:				
Current:				
General government	3,979,350	--	--	3,979,350
Public safety	5,617,942	--	--	5,617,942
Community services	1,005,107	--	--	1,005,107
Public works and buildings	1,158,206	--	--	1,158,206
Culture and recreation	--	--	492,536	492,536
Debt Service:				
Principal	88,059	4,081,968	--	4,170,027
Interest	5,372	502,629	--	508,001
Bond issuance costs	--	500	--	500
Capital Outlay:				
Highways and streets	--	--	512,631	512,631
Special assessments	--	3,619,558	--	3,619,558
Total expenditures	11,854,036	8,204,655	1,005,167	21,063,858
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	107,246	(5,205,070)	(432,214)	(5,530,038)
OTHER FINANCING SOURCES:				
Transfer in	650,000	--	--	650,000
Total other financing sources	650,000	--	--	650,000
NET CHANGE IN FUND BALANCES	757,246	(5,205,070)	(432,214)	(4,880,038)
FUND BALANCES, Beginning	5,842,614	13,689,545	1,185,904	20,718,063
FUND BALANCES, Ending	$ 6,599,860	$ 8,484,475	$ 753,690	$ 15,838,025

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Amounts reported for governmental activities in the statement of activities (page 26) are different because:	
Net change in fund balances - total governmental funds (page 29)	$ (4,880,038)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	2,779,514
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	26,326
The issuance of long-term debt (e.g. bonds, leases), provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	4,201,594
In the statement of activities, certain operating expenses - compensated absences (vacations) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). During this year, compensated absences increased by $19,321.	(19,321)
Change in net assets of governmental activities (page 26)	$ 2,108,075

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
ASSETS		
CURRENT ASSETS:		
Equity in pooled cash	$ 891,974	$ 3,693,729
Equity in investment pool	--	15,790
Cash	404,974	300
Certificate of deposit	--	157,477
Notes receivable from Water and Sewerage System Fund - current	--	39,552
Accounts receivable, net	183,128	465,811
Other receivables, net	116,044	--
Accrued interest receivable	4,367	5
Inventories, at cost	--	299,125
Prepaid items	65,287	96,500
Restricted assets:		
Customer deposits - certificate of deposit	--	215,346
Customer deposits - equity in investment pool	367,523	--
Revenue bond debt service:		
Cash - sinking fund	1,276,627	--
Cash - reserve account - certificate of deposit	777,976	--
Revenue bond contingency (renewal and extension):		
Equity in investment pool	24,767	--
Total current assets	4,112,667	4,983,635
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land	151,381	324,914
Buildings and plant	36,793,999	14,178,594
Improvements other than buildings	--	--
Machinery and equipment	2,141,774	869,931
Less - accumulated depreciation	(16,744,193)	(7,798,840)
Capital assets - net	22,342,961	7,574,599
OTHER ASSETS:		
Note receivable - water and sewerage system fund - long-term portion	--	505,410
Unamortized bond cost	186,740	--
Total other assets	186,740	505,410
Total non-current assets	22,529,701	8,080,009
Total assets	$ 26,642,368	$ 13,063,644

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
$	1,804,077	$ 758,619	$ 7,148,399
	182,506	--	198,296
	300	700	406,274
			157,477
	--	--	39,552
	116,690	20,531	786,160
	--	--	116,044
	59	--	4,431
	--	14,267	313,392
	69,196	8,946	239,929
	--	--	215,346
	--	--	367,523
	--	--	1,276,627
	--	--	777,976
	--	--	24,767
	2,172,828	803,063	12,072,193
	89,462	--	565,757
	--	3,503,472	54,476,065
	--	197,027	197,027
	2,750,295	1,096,743	6,858,743
	(2,407,974)	(2,438,129)	(29,389,136)
	431,783	2,359,113	32,708,456
	--	--	505,410
	--	--	186,740
	--	--	692,150
	431,783	2,359,113	33,400,606
$	2,604,611	$ 3,162,176	$ 45,472,799

(continued on the following page)

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	$ 71,985	$ 625,501
Accrued expenses	10,751	36,597
Note payable to natural gas system fund - current portion	39,552	--
Note payable GEFA - current portion	64,678	--
Accrued interest payable	14,770	--
Payable from restricted assets:		
Customer deposits	367,523	215,346
Revenue bonds payable- current portion	365,000	--
Total current liabilities	934,259	877,444
LONG TERM LIABILITIES:		
Compensated absences payable	75,945	43,432
Note payable - natural gas system fund - long-term portion	505,410	--
Note payable - GEFA - long-term portion	1,290,382	--
Revenue bonds payable - long-term portion	6,895,000	--
Total long-term liabilities	8,766,737	43,432
Total liabilities	9,700,996	920,876
NET ASSETS:		
Invested in capital assets, net of related debt	13,182,939	7,574,599
Restricted assets -		
Restricted for debt service	1,714,370	--
Unrestricted	2,044,063	4,568,169
Total net assets	16,941,372	12,142,768
Total liabilities and net assets	$ 26,642,368	$ 13,063,644

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
$	56,179	$ 31,798	$ 785,463
	8,416	4,195	59,959
	--	--	39,552
	--	--	64,678
	--	--	14,770
	--	--	582,869
	--	--	365,000
	64,595	35,993	1,912,291
	60,842	16,797	197,016
	--	--	505,410
	--	--	1,290,382
	--	--	6,895,000
	60,842	16,797	8,887,808
	125,437	52,790	10,800,099
	431,783	2,359,113	23,548,434
	--	--	1,714,370
	2,047,391	750,273	9,409,896
	2,479,174	3,109,386	34,672,700
$	2,604,611	$ 3,162,176	$ 45,472,799

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
OPERATING REVENUES:		
Sales / Charges for services	$ 4,426,581	$ 9,413,100
Administrative expense reimbursement	103,620	116,300
Connection and installation	46,516	532
Penalties and cut-on fees	144,838	82,250
Other revenue	--	--
Total operating revenues	4,721,555	9,612,182
OPERATING EXPENSES:		
Purchases	--	6,641,327
Personnel services	1,175,106	569,421
Employee benefits	167,861	81,189
Repairs and maintenance	194,700	27,960
Gas transportation	--	52,477
Amortization of bond issue cost	12,449	--
Depreciation	942,842	433,306
Other operating	1,560,750	529,686
General and administrative	770,681	582,511
Total operating expenses	4,824,389	8,917,877
OPERATING INCOME (LOSS)	(102,834)	694,305
NON-OPERATING REVENUES (EXPENSES):		
Interest expense	(403,690)	--
Interest income	25,063	36,225
Miscellaneous	391,131	9,390
Total non-operating revenues, net	12,504	45,615
NET INCOME (LOSS) BEFORE TRANSFERS	(90,330)	739,920
TRANSFERS OUT	--	(600,000)
Total transfers and contributions	--	(600,000)
CHANGE IN NET ASSETS	(90,330)	139,920
NET ASSETS, Beginning	17,031,702	12,002,848
NET ASSETS, Ending	$ 16,941,372	$ 12,142,768

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
	$ 2,529,797	$ 1,109,697	$ 17,479,175
	--	--	219,920
	--	--	47,048
	48,296	1,277	276,661
	--	272,924	272,924
	2,578,093	1,383,898	18,295,728
	--	--	6,641,327
	763,499	245,962	2,753,988
	109,900	32,948	391,898
	103,723	12,395	338,778
	--	--	52,477
	--	--	12,449
	100,650	221,437	1,698,235
	1,028,849	641,893	3,761,178
	106,270	--	1,459,462
	2,212,891	1,154,635	17,109,792
	365,202	229,263	1,185,936
	--	--	(403,690)
	6,202	599	68,089
	1,635	--	402,156
	7,837	599	66,555
	373,039	229,862	1,252,491
	--	(50,000)	(650,000)
	--	(50,000)	(650,000)
	373,039	179,862	602,491
	2,106,135	2,929,524	34,070,209
	$ 2,479,174	$ 3,109,386	$ 34,672,700

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 4,539,167	$ 9,837,310
Cash received for administrative expense reimbursement	--	116,300
Cash paid to suppliers for goods and services	(1,631,465)	(8,141,027)
Cash received from other funds for meter readers	103,620	--
Cash paid to other funds for meter readers	--	(103,620)
Cash paid to employees for services	(1,172,882)	(560,868)
Cash paid for employee taxes and benefits	(471,315)	(210,419)
Cash paid for administrative expense reimbursements	(520,700)	--
Other non-operating revenue	391,131	9,390
Net cash provided by operating activities	1,237,556	947,066
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out	--	(600,000)
Net cash used by noncapital financing activities	--	(600,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(581,231)	(85,681)
Interest income on note receivable from water and sewerage system fund	--	28,275
Proceeds from principal reduction on note receivable from water and sewerage system fund	--	37,627
Principal paid on note payable - natural gas system fund	(37,627)	--
Principal paid on GEFA loan	(61,934)	--
Interest and fees paid on revenue bonds, notes and capital lease payables	(564,865)	--
Principal paid on revenue bond maturities	(350,000)	--
Net cash used for capital and related financing activities	(1,595,657)	(19,779)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income on investments	21,405	7,970
Purchase of certificates of deposits	(777,976)	(372,823)
Net cash provided (used) by investing activities	(756,571)	(364,853)
NET INCREASE (DECREASE) IN CASH	(1,114,672)	(37,566)
CASH, Beginning	4,080,537	3,747,385
CASH, Ending	$ 2,965,865	$ 3,709,819

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
$	2,572,308	$ 1,739,563	$ 18,688,348
	--	--	116,300
	(821,914)	(598,798)	(11,193,204)
	--	--	103,620
	--	--	(103,620)
	(753,150)	(250,479)	(2,737,379)
	(365,064)	(75,669)	(1,122,467)
	(106,270)	--	(626,970)
	1,635	--	402,156
	527,545	814,617	3,526,784
	--	(50,000)	(650,000)
	--	(50,000)	(650,000)
	(253,271)	(192,700)	(1,112,883)
	--	--	28,275
	--	--	37,627
	--	--	(37,627)
	--	--	(61,934)
	--	--	(564,865)
	--	--	(350,000)
	(253,271)	(192,700)	(2,061,407)
	6,473	599	36,447
	--	--	(1,150,799)
	6,473	599	(1,114,352)
	280,747	572,516	(298,975)
	1,706,136	186,803	9,720,861
$	1,986,883	$ 759,319	$ 9,421,886

(continued on the following page)

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:		
Cash, beginning		
Current	$ 1,858,612	$ 3,541,337
Restricted	2,221,925	206,048
Total	4,080,537	3,747,385
Net increase (decrease)		
Current	(561,664)	168,482
Restricted	(553,008)	(206,048)
Total	(1,114,672)	(37,566)
Cash, ending		
Current	1,296,948	3,709,819
Restricted	1,668,917	--
Total	$ 2,965,865	$ 3,709,819
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net operating income (loss)	$ (102,834)	$ 694,305
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	942,842	433,306
Amortization of bond issue cost	12,449	--
Other non-operating revenue	391,131	9,390
Decrease (increase) in assets:		
Accounts receivable - trade	(94,291)	332,130
Accounts receivable - miscellaneous	--	--
Inventory	--	(163,809)
Prepaid expenses	(407)	415
(Decrease) increase in liabilities:		
Accounts payable	70,919	(363,049)
Due to other funds	--	--
Accrued expenses	7,456	(8,879)
Customer deposits	15,523	9,298
Compensated absences payable	(5,232)	3,959
Total adjustments	1,340,390	252,761
Net cash provided by operating activities	$ 1,237,556	$ 947,066

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
$	1,706,136	$ 186,803	$ 7,292,888
	--	--	2,427,973
	1,706,136	186,803	9,720,861
	280,747	572,516	460,081
	--	--	(759,056)
	280,747	572,516	(298,975)
	1,986,883	759,319	7,752,969
	--	--	1,668,917
$	1,986,883	$ 759,319	$ 9,421,886
$	365,202	$ 229,263	$ 1,185,936
	100,650	221,437	1,698,235
	--	--	12,449
	1,635	--	402,156
	(5,842)	355,665	587,662
	57	--	57
	--	627	(163,182)
	(432)	(56)	(480)
	55,926	12,198	(224,006)
	--	--	--
	5,943	1,835	6,355
	--	--	24,821
	4,406	(6,352)	(3,219)
	162,343	585,354	2,340,848
$	527,545	$ 814,617	$ 3,526,784

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF DUBLIN, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DUBLIN BOARD OF EDUCATION AGENCY FUND
JUNE 30, 2009

ASSET		
Equity in pooled cash	$	376,465
Total assets	$	376,465
LIABILITY		
Due to Dublin Board of Education	$	376,465
Total liabilities	$	376,465

The accompanying Notes to Financial Statements are an integral part of these statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Dublin, Georgia (City) was incorporated in 1812 under the provisions of an act of the General Assembly of Georgia. 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, sanitation, public infrastructure improvements, planning and zoning, general administrative services, water and sewer systems, a natural gas system and parks and recreation services.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board ("FASB") issued after November 30, 1989 are not applied in the preparation of the financial statements of the business-type activities and enterprise funds in accordance with an election made by the City under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.* The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

A. Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. The component units are discretely presented.

Brief descriptions of discretely presented component units follow:

Dublin-Laurens County Recreation Authority - This Authority provides parks and recreation services, parkways, athletic areas and recreation facilities to the Dublin-Laurens County area. The governing board consists of seven members, three appointed by the City, three appointed by Laurens County and one jointly. The Authority is fiscally dependent upon the City because the City provides the majority of the General Fund revenues as well as the governing board members. These members approve the Authority's budget and their approval is required for the Authority to issue debt.

Main Street Dublin-Downtown Development Authority - The combination of this Authority and the organization established under the Georgia Main Street Program is to provide the financial mechanism necessary to promote the improvement and revitalization of the downtown development area. The governing board is appointed by the City Council. The Authority is fiscally dependent upon the City because the City provides the majority of the General Fund revenues.

Component Unit Financial Statements - A complete financial statement of the Dublin-Laurens Recreation Authority can be obtained from its administrative office at the following address:

Dublin Parks and Recreation Board
930 Academy Avenue
Dublin, Georgia 31021

The Main Street Dublin-Downtown Development Authority does not issue separate component unit financial Statements.

Related Organizations - The City's officials are also responsible for appointing the members of the Dublin Housing Authority board, but the City's accountability for this organization does not extend beyond making the appointments. The City is also involved with the Laurens County Public Facilities Authority through an Intergovernmental Contract agreement regarding the 2007 Revenue Bond Issuance; however, the seven members of the Authority are not appointed by the City of Dublin, Georgia, and the City's accountability does not extend beyond those issues relating to the bond.

Governmental accounting standards require reasonable separation between the Primary Government and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

B. Joint Ventures

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

Altamaha Regional Development Center – Under Georgia law, the City, in conjunction with other cities and counties in the region, is a member of the Heart of Georgia, Altamaha Regional Development Center (RDC) and is required to pay annual dues thereto. During its year ended June 30, 2009, the City paid $16,924 in such dues. Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC of Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from:

Altamaha Regional Development Center
501 Oak Street
Eastman, Georgia 31023

C. Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. Fiduciary funds and component units that are fiduciary in nature are not included in the government-wide financial statements. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, etc.), which are otherwise being supported by general government revenues (property and other taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program revenues include revenues from fines and forfeitures, licenses and permits fees, service assessments, and charges for services. The operating grants include operating - specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property or other taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the substantiality of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The fund financial statements are, in substance, very similar to the financial statements presented in the pre GASB-34 model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column.

The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following the statement which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The City's fiduciary fund is presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (Dublin Board of Education) and cannot be used to finance activities or obligations of the City, these funds are not incorporated into the government-wide statements.

D. Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The City reports the following major governmental funds:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST Capital Projects - 2006 Fund accounts for 1% sales tax proceeds required to be used for capital outlay for infrastructure enhancement purposes as authorized by local referendum.

The City reports the following major proprietary funds:

Water and Sewerage System Fund was established for the control of the operating revenue and expenses of the water distribution system and sewerage processing plants.

Natural Gas System Fund was established for control of the operating revenue and expenses of the natural gas distribution and transmission system. During FY 2009, sales to two major customers represented approximately 40.02% of total sales by the gas fund.

Sanitation System Fund was established for control of the operating revenues and expenses relating to garbage pickup and disposal.

Additionally, the City reports the following nonmajor governmental funds:

SPLOST Capital Projects - 2003 Fund accounts for 1% sales tax proceeds required to be used for capital outlay for infrastructure enhancement purposes as authorized by local referendum.

Hotel-Motel Tax Fund accounts for the revenues and expenditures relating to the 8% hotel/motel tax levied by the City. This 8% tax provides funds for the promotion of tourism, theater facilities, and recreational purposes as required by O.C.G.A. 48-13-51.

Additionally, the City reports the following nonmajor proprietary funds:

Riverview Golf Course was established for control of the operating revenues and expenses of the City's 18-hole golf course and pro shop.

Telecommunications Fund was established for control of the operating revenues and expenses relating to the City's fiber optic network. The Georgia Public Service Commission (the Commission) granted the City an interim certificate of authority to provide competitive local exchange telecommunications services in the State of Georgia. This interim certificate is subject to the rules, regulations and conditions established by the Commission. As of June 30, 2009, the City has not begun performing such services.

Fiduciary Funds –

Agency funds are used to report resources held by the City in a purely custodial capacity (assets equal liabilities). Agency funds typically involve the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations or other governments. The **Dublin Board of Education Agency Fund** is used to account for the collection of property tax revenues for the Dublin Board of Education.

Non-Current Governmental Assets/Liabilities:

GASB Statement No. 34 *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments,* eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Assets.

Internal Activity

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 functions, gas functions, and telecommunications functions with various other functions of the government. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements, the proprietary fund financial statements, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 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, including accrued interest on general long-term debt is recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become available when cash is received by the City and are recognized as revenue at that time.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other requirements have been met.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions,* the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and as deferred revenue by the recipient.

Propriety funds employ the economic resources measurement focus. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and service. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. Assets, Liabilities, and Net Assets

1. ***Cash and Cash Equivalents*** - include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Additionally, in accordance with GASB Statement No. 9 *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds,* each fund's equity in the City's investment pool is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

   State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the City's investment pool.

   Investments are reflected following the guidance for investment valuations provided by GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in non-negotiable certificates of deposit are stated using a cost-based measure. The City invests in "Georgia Fund 1" which was created by O.C.G.A. 36-83-8. The fund is a stable net asset value investment pool that follows Standard and Poor's criteria for AAAm 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. Accordingly, the City's investment in the pool has been determined based on the pool's share price. The pool is not registered with the SEC as an investment company. "Georgia Fund 1" is the combined state general fund and local government investment pool and is managed by the Office of Treasury and Fiscal Services. 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 ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Investments in "Georgia Fund 1" are directed toward short-term instruments such as U.S. Treasury obligations, securities issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities, banker's acceptances and repurchase agreements. The weighted average maturity of "Georgia Fund 1" may not exceed 60 days.

   The City also has certain investments in Certificates of Deposit. These investments carry a fixed interest rate and have maturities of 13 months or less.

2. ***Short-term Interfund Receivables/Payables*** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The purpose of the interfund balances is to account for those transactions that have not been settled as of the financial statement date. These receivables and payables are classified as "due from other funds" or "due to other funds" on the respective fund's balance sheet and as internal balances on the statement of net assets. All interfund balances shown are expected to be settled within one year.

3. ***Accounts Receivable and Taxes Receivable*** **-** Accounts receivable and taxes receivable, are shown net of an allowance for uncollectible accounts. The allowance for general government accounts receivable is derived from the age of the individual receivable with age categories ranging from 30 days past due to five years past due, and applicable uncollectible percentages ranging from 3% to 100% of the accounts receivable in that category.

   Utility service accounts receivable reported in the enterprise funds is reported net of an allowance for uncollectible amounts. The uncollectible amounts are based on collection experience and a review of the status of existing receivables.

4. ***Interfund Transactions*** - The City has two types of interfund transactions:

   - Services rendered transactions are accounted for as revenues and expenditures in the funds involved.

   - Operating appropriations/subsidies are accounted for as transfers in the funds involved.

   Intrafund transfers, except interfund services provided and used and reimbursements, are reported as transfers in or out in the funds involved as other financing sources. However, as a general rule recorded intrafund revenues and expenditures have been eliminated in the GAAP-basis government wide financial statements.

5. ***Prepaid Items*** - Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as prepaid items.

6. ***Unbilled Receivables*** - The City uses cyclical cut-off periods for utility services in the Enterprise Funds. Utility services consumed by customers between the fiscal year cut-off date and the billing date result in unbilled accounts receivable. These unbilled receivables are not recorded at June 30, 2009. Such treatment is consistent with industry practices.

7. ***Inventories*** - Inventories are valued at cost, which approximates market, using the first in/first out method. The consumption method is used to account for inventories of the City. Natural gas inventories are valued at the lower of weighted average costs or market.

8. ***Restricted Assets*** - Restricted assets are amounts in governmental funds as provided for by special revenue bond resolutions and in enterprise funds as provided for by water and sewer bond resolutions.

9. ***Capital Assets*** - Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized in the government-wide financial statements to the extent the City's capitalization threshold of $5,000 is met. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the estimated useful lives of the respective assets as follows:

Buildings and plant	15 - 50 years
Improvements other than buildings	30 - 50 years
Machinery and equipment	5 - 10 years
Infrastructure	30 years

10. ***Compensated Absences*** - It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-side and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

11. ***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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

12. ***Net Assets:*** - The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

    - **Investment in Capital Assets (net of related debt)** - is intended to reflect the portion of net assets which are associated with non-liquid capital assets less outstanding capital asset related debt.

    - **Restricted Net Assets** - represent funds for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

    - **Unrestricted Net Assets -** represent unrestricted liquid assets. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

    When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City's policy is to apply restricted net assets first.

13. ***Management 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between *net changes in fund balances - total governmental fund* and *changes in net assets of governmental activities*. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation in the current period." The details of this difference are as follows:

Capital outlay	$ 4,608,750
Depreciation expense	(1,519,305)
Intra-governmental expense relating to capital asset transfer	(309,931)
Net adjustment to decrease *net changes in fund balance – total governmental funds*, to arrive at changes in *net assets of governmental activities*	$ 2,779,514

B. Explanation of certain differences between the governmental fund balance sheet, and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $9,028,744 difference are as follows:

Bonds payable	$ 8,000,000
Plus: charge for bond premium (to be amortized over life of debt)	210,142
Capital leases payable	452,246
Compensated absences	366,356
Net adjustment to reduce *fund balance – total governmental funds* to arrive at changes in *net assets of governmental activities*	$ 9,028,744

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Policy

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the SPLOST Capital Projects -2003 fund and the SPLOST Capital Projects - 2006 fund, which adopt a project-length budget. On or before the last Friday in February of each year, the departments of the City's General Fund submit requests for appropriation to the City's manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 15, the proposed budget is presented to the City's council for review. The City's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City's manager or the revenue estimates must be changed by an affirmative vote of a majority of the City's council. The original appropriations were not amended during the year ended June 30, 2009.

B. Component Units

The Dublin Parks and Recreation Board is required by the City's code to prepare an annual operating budget for all governmental fund types. The budget is prepared and submitted by the Administrator to the Board for approval. The approved budget is then submitted to the Mayor and Council for their consideration prior to the commencement of the ensuing fiscal year.

The budget of the Dublin Parks and Recreation Board is prepared on a generally accepted accounting principles basis. Budgets for the year ended June 30, 2009 were not prepared for the Main Street Dublin-Downtown Development Authority.

C. Excess of Expenditures Over Appropriations in Individual Funds

The individual departments which had expenditures in excess of appropriations are as follows:

	Expenditures	Appropriations	Variance
GENERAL FUND:			
General government - Main Street Program	$ 52,503	$ 52,500	$ (3)
General government - City Judge	$ 272,044	$ 186,870	$ (85,174)
General government - Police Department Administrative	$ 539,562	$ 510,455	$ (29,107)
General government - Police Department Crossing Guards	$ 11,615	$ 10,460	$ (1,155)
General government - Debt Service	$ 93,431	$ --	$ (93,431)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel – Culture and Recreation	$ 492,536	$ 480,000	$ (12,536)

The City incurred no material excess of expenditures over appropriations in individual funds.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

A summary of the City's deposits and investments at June 30, 2009 follows:

	Account Balances
Petty Cash	$ 2,150
Demand deposits	15,950,665
Certificates of deposit	6,252,080
Investments	5,423,225
	$ 27,628,120

	Ownership of Funds
Primary Government	
Governmental funds:	
Equity in pooled cash	$ 848,014
Equity in investment pool	4,832,639
Cash	4,880,498
Certificates of deposit	5,101,281
Restricted cash	185,635
	15,848,067
Proprietary funds:	
Equity in pooled cash	7,148,399
Equity in investment pool	198,296
Cash	406,274
Certificates of deposit	157,477
Restricted equity in investment pool	392,290
Restricted cash	1,276,627
Restricted certificates of deposit	993,322
	10,572,685
Component Units	
Cash and cash equivalents	1,207,368
Total reporting entity	$ 27,628,120

At June 30, 2009, the City had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1 (investment pool)	28 days	$ 5,423,225
Certificate of Deposit – SPLOST 2006	12 months	5,101,281
Certificate of Deposit – Gas Fund	13 months	372,823
Certificate of Deposit water reserve account	12 months	777,976

***Deposits**:*

The City's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the City's custodial banks in the City's name.

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits (in excess of FDIC insurance) may not be returned to us.

Investments:

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. 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.

Credit Risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices from those authorized and listed in Note A. As of June 30, 2009 the City's investments in Georgia Fund 1 were rated AAA by Standard and Poor's.

B. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The City and City School System taxes are levied on July 1 and payable in two installments on August 15 and December 15. The City bills and collects its own property taxes and also taxes for the City School system. City property tax revenues are recognized when received unless collection is made within 60 days of year-end, in which case the subsequent collections are recognized at year-end. For calendar year 2008, the City levied a tax of five and 20/100 (5.20) mills on the value of all taxable property in the City. The City School System levied a tax of sixteen and 27/100 (16.27) mills. The net digest assessed value for 2008 was $502,474,688 on property in the City including mobile homes and vehicles.

Sources of the calendar year 2008 tax levy are as follows:

	Digest Assessed Value	Tax Levy, net of exemptions and allowances	City School System's Portion	City's Portion
General property	$ 453,603,039	$ 9,738,857	$ 7,380,121	$ 2,358,736
Public utilities	10,584,589	227,251	172,211	55,040
Motor vehicles	38,287,060	822,023	622,930	199,093
Total	$ 502,474,688	$ 10,788,131	$ 8,175,262	$ 2,612,869

C. Receivables

As of June 30, 2009 receivables consisted of taxes and charges for City services. These receivables are trade related and no specific collateral is provided for them.

Receivables consisted of the following at June 30, 2009:

	General	Proprietary	Total
Receivables:			
Taxes	$ 147,279	$ --	$ 147,279
Less allowance for uncollectible accounts	20,000	--	20,000
Net taxes receivable	$ 127,279	$ --	$ 127,279
Accounts and other	$ 141,997	$ 1,015,382	$ 1,157,379
Less allowance for uncollectible accounts	--	113,178	113,178
Net accounts receivable	$ 141,997	$ 902,204	$ 1,044,201

D. Receivables from other Governments

General Fund receivables from other governments as of June 30, 2009, are as follows:

State of Georgia - local option sales tax	$ 218,208

E. Local Option Sales Tax

On January 9, 1978, the citizens of Laurens County approved, by referendum vote, a 1% local option sales tax to be effective on April 1, 1978, and to be collected by the State of Georgia and remitted to the local government divisions. Under the laws of the State of Georgia, any jurisdiction imposing the 1% local option sales tax is required to roll back advalorem taxes each year by an amount equal to the actual sales tax received over a 12-month period. Local option sales tax for the year ended June 30, 2009, was $2,943,746.

F. Interfund Receivables, Payables, Transfers, and Equity Contributions

A summary of individual interfund receivable and payable balances at June 30, 2009, and a summary of fund transfers for the year then ended follows:

	Payable to		
Payable from:	General Fund	SPLOST Capital Projects 2006	SPLOST Capital Projects 2003
Governmental funds:			
General	$ --	$ 93,431	$ 93,431
Hotel-Motel Tax Fund	28,822	--	--
SPLOST Capital Projects 2003	52	--	--
SPLOST Capital Projects 2006	65,899	--	44,497
Total Primary Government	$ 94,773	$ 93,431	$ 137,928

Amounts payable from the General Fund to the SPLOST Capital Projects 2006 and SPLOST Capital Projects 2003 Funds relate to amounts paid by the funds for capital lease principal and interest payments that should have been paid by the General Fund. The amount payable from the Hotel -Motel Tax Fund to the General Fund represents the General Fund's receivable for its portion of the Hotel-Motel tax receipts collected as of June 30, 2009, but not yet disbursed. Amounts payable from the SPLOST Capital Projects 2006 and SPLOST Capital Projects 2003 funds to the General Fund relate to overdrawn cash balances in the City's pooled cash assumed by the General Fund's portion of cash in the pool. The amount payable from the SPLOST Capital Projects 2006 fund to the SPLOST Capital Projects 2003 fund relates to amounts spent which were classified as SPLOST Capital Projects 2006 expenditures that were expenditures approved by the SPLOST 2003 referendum. All interfund receivables and payables are expected to be repaid within one year.

	Transfers in
Transfers out:	General Fund
Proprietary Funds:	
Natural Gas System Fund	$ 600,000
Telecommunications Fund	50,000
Total Primary Government	$ 650,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other fund in accordance with budgetary authorizations; and to segregate money for anticipated capital projects.

G. Restricted Assets

Restricted assets reported in the governmental funds are comprised of the following:

Revenue bonds contingency	$ 185,635

Restricted assets reported in the enterprise funds are comprised of the following:

Customer deposits	$ 582,869
Revenue bonds debt service	2,054,603
Revenue bonds contingency (renewal and extension)	24,767
	$ 2,662,239

H. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

Primary Government

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Governmental activities:				
Capital assets, not being depreciated -				
Land	$ 1,380,911	$ --	$ --	$ 1,380,911
Construction in progress	--	2,980,793	--	2,980,793
Total capital assets not being depreciated	1,380,911	2,980,793	--	4,361,704
Capital assets, being depreciated:				
Buildings and plant	7,106,376	83,457	351,144	6,838,689
Improvements other than buildings	9,641,149	95,000	--	9,736,149
Machinery and equipment	7,360,445	36,869	--	7,397,314
Infrastructure	24,745,824	1,412,631	--	26,158,455
Total capital assets being depreciated	48,853,794	1,627,957	351,144	50,130,607
Less accumulated depreciation for:				
Buildings and plant	4,991,017	139,683	41,213	5,089,487
Improvements other than buildings	7,453,757	205,896	--	7,659,653
Machinery and equipment	5,483,437	374,398	--	5,857,835
Infrastructure	13,342,964	799,328	--	14,142,292
Total accumulated depreciation	31,271,175	1,519,305	41,213	32,749,267
Total capital assets, being depreciated, net	17,582,619	108,652	309,931	17,381,340
Governmental activities capital assets, net	$ 18,963,530	$ 3,089,445	$ 309,931	$ 21,743,044

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Business-type activities::				
Capital assets, not being depreciated -				
Land	$ 558,257	$ 7,500	$ --	$ 565,757
Total capital assets not being depreciated	558,257	7,500	--	565,757
Capital assets, being depreciated:				
Buildings and plant	53,740,833	735,232	--	54,476,065
Improvements other than buildings	197,027	--	--	197,027
Machinery and equipment	6,488,592	370,151	--	6,858,743
Total capital assets being depreciated	60,426,452	1,105,383	--	61,531,835
Less accumulated depreciation for:				
Buildings and plant	21,975,680	1,382,608	--	23,358,288
Improvements other than buildings	189,114	3,027	--	192,141
Machinery and equipment	5,526,107	312,600	--	5,838,707
Total accumulated depreciation	27,690,901	1,698,235	--	29,389,136
Total capital assets, being depreciated, net	32,735,551	(592,852)	--	32,142,699
Business-type activities capital assets, net	$ 33,293,808	$ (585,352)	$ --	$ 32,708,456

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 945,717
Public safety	158,043
Public works and buildings	186,822
Highways and streets	225,693
Culture and recreation	3,030
Total depreciation expense – governmental activities	$ 1,519,305
Business-type activities:	
Water and sewer	$ 942,842
Gas	433,306
Sanitation	100,650
Riverview Golf Course	19,245
Telecommunications	202,192
Total depreciation expense – business-type activities	$ 1,698,235

During FY 2009, the City transferred buildings and plant with an original cost of $351,144 and accumulated depreciation of $41,213 from the SPLOST 2003 Capital Projects Fund, to its component unit, Main Street Dublin Downtown Development Authority. In accordance with GASB 34, the transaction was shown net as an expense and revenue for the primary government and the component unit, respectively on the Statement of Activities as an Intra-governmental activity.

Discretely Presented Component Units

Activity for Dublin-Laurens County Recreation Authority for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Capital assets, being depreciated:				
Buildings and plant	$ 6,158,084	$ 340,210	$ --	$ 6,498,294
Improvements other than buildings	438,617	23,935	--	462,552
Machinery and equipment	832,222	8,164	--	840,386
Total capital assets being depreciated	7,428,923	372,309	--	7,801,232
Less accumulated depreciation for:				
Buildings and plant	715,087	235,469	--	950,556
Improvements other than buildings	182,002	44,690	--	226,692
Machinery and equipment	444,109	57,419	--	501,528
Total accumulated depreciation	1,341,198	337,578	--	1,678,776
Total capital assets, being depreciated, net	$ 6,087,725	$ 34,731	$ --	$ 6,122,456
Dublin-Laurens County Recreation Authority, capital assets, net	$ 6,087,725	$ 34,731	$ --	$ 6,122,456

Activity for Main Street Dublin-Downtown Development Authority for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Capital assets, being depreciated:				
Machinery and equipment	$ 1,957	$ --	$ --	$ 1,957
Buildings and plant	--	351,144	--	351,144
Total capital assets being depreciated	1,957	351,144	--	353,101
Less accumulated depreciation for:				
Machinery and equipment	1,957	--	--	1,957
Buildings and plant	--	43,218	--	43,218
Total accumulated depreciation	1,957	43,218	--	45,175
Total capital assets, being depreciated, net	$ --	$ 307,926	$ --	$ 307,926
Main Street Dublin – Downtown Development Authority capital assets, net	$ --	$ 307,926	$ --	$ 307,926

I. Capital Leases

Capital Lease Payable – Ford Motor Credit

During fiscal year 2007, the City entered into a capital lease agreement with Ford Motor Credit for the purchase of eleven police cars with an original amount of $264,487. Annual payments are $93,431, including interest at 6.10%, which began in September of 2006 and ended in September of 2008 at which time the lease was fully paid.

Capital Lease Payable – Branch Bank & Trust

During fiscal year 2008, the City entered into a capital lease agreement with the Georgia Municipal Association, Inc. for the purchase of a 2007 Crimson Gladiator Ladder Truck with an original amount of $630,000. Shortly after the initial agreement, the lease was assigned and transferred to Branch Bank & Trust. Annual payments are $99,597 beginning June 1, 2008 and ending June 1, 2014 at an interest rate of 3.30%. The current portion of the lease due in FY 2009 is $84,673.

The annual requirements to amortize the remaining balance of $452,246 as of June 30, 2009, including interest payments of $45,739 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ 84,673	$ 14,924	$ 99,597
2011	87,467	12,130	99,597
2012	90,354	9,243	99,597
2013	93,336	6,261	99,597
2014	96,416	3,181	99,597
Total	$ 452,246	$ 45,739	$ 497,582

The assets acquired through these capital leases are as follows:

	Governmental Activities	Business-Type Activities
Machinery and equipment	$ 894,487	$ --
Less accumulated depreciation	187,468	--
Total	$ 707,019	$ --

J. Note Payable (Receivable) - Other Fund

Pursuant to a resolution adopted during the year ended June 30, 1985, Council authorized the City's Natural Gas System Fund to loan up to $800,000 to the City's Water and Sewerage System Fund for improvements to the City's water and sewerage system. The loan agreement, which was renewed in February 2005 calls for amortization of the loan to begin in July 2005, and to continue through February 2020 with monthly payments of $5,492, including interest at the rate of 5%.

As of June 30, 1989, the authorized amount of $800,000 had been loaned to the Water and Sewerage Fund. There was no interest accrued as of June 30, 2009. The annual requirements to amortize the remaining balance of $544,962 to maturity, including interest of $159,698 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ 39,552	$ 26,350	$ 65,902
2011	41,576	24,326	65,902
2012	43,703	22,199	65,902
2013	45,939	19,963	65,902
2014	48,289	17,613	65,902
2015-2019	281,131	48,379	329,510
2020	44,772	868	45,640
Total	$ 544,962	$ 159,698	$ 704,660

K. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2009:

Primary Government

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Governmental activities:						
Compensated absences payable	$ 347,035	$ 303,445	$ (284,124)	$ 366,356	$ 28,000	$ 338,356
Capital Lease Payable Ford Motor Credit	88,059	--	(88,059)	--	--	--
Capital Lease Payable Ladder Truck – BBT	534,214	--	(81,968)	452,246	84,673	367,573
Revenue bonds payable	12,000,000	--	(4,000,000)	8,000,000	--	8,000,000
Governmental activity - long-term liabilities	$ 12,969,308	$ 303,445	$ (4,454,151)	$ 8,818,602	$ 112,673	$ 8,705,929

Business-type activities:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated absences payable	$ 200,235	$ 143,880	$ (147,099)	$ 197,016	$ 18,000	$ 179,016
Revenue bonds payable	7,610,000	--	(350,000)	7,260,000	365,000	6,895,000
Note Payable – GEFA	1,416,994	--	(61,934)	1,355,060	64,678	1,290,382
Notes payable - Natural Gas System	582,589	--	(37,627)	544,962	39,552	505,410
Business-type activity - long-term liabilities	$ 9,809,818	$ 143,880	$ (596,660)	$ 9,357,038	$ 487,230	$8,869,808

Compensated absences for governmental activities are generally liquidated by the General Fund.

Revenue Bonds Payable

Laurens County Public Facilities Authority Revenue Bonds (City of Dublin Projects), Series 2007 - On July 1, 2007, the Laurens County Public Facilities Authority under authority of an Intergovernmental Contract with the City of Dublin, Georgia issued $12,000,000 in variable rate revenue bonds to provide funds to pay the costs of acquiring, constructing, and equipping capital outlay projects for the City and pay the necessary costs of issuing the bonds. Repayment of the Bonds will be made by the City through the use of special purpose local option sales tax proceeds. The promise of the City to make such payments pursuant to the contract constitutes a general obligation for which its full faith, credit, and taxing power are pledged.

The bonds will bear interest at the rates per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, and mature on July 1 in the years and principal amounts, set forth below. Interest shall be payable on January 1 and July 1 of each years, beginning January 1, 2008. Principle is payable each year on July 1 beginning on July 1, 2009.

Series 2007 revenue bonds payable at June 30, 2009, are comprised of the following individual issue:

$12,000,000 bonds due in annual installments of $2,000,000 to $3,000,000 through December 31, 2012; interest at 4.25% to 5.00%.

Outstanding balance at June 30, 2009	$ 8,000,000
Current portion	--
Long-term portion	$ 8,000,000

The FY 2010 principle and interest payment due on July 1, 2009 was made by the City on June 30, 2009; therefore no amount is shown as current portion due in FY 2010 as the payment was reflected as being paid in FY 2009.

The annual requirements to amortize outstanding revenue bonds as of June 30, 2009, including interest payments of $837,500 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ --	$ --	$ --
2011	2,250,000	400,000	2,650,000
2012	2,750,000	287,500	3,037,500
2013	3,000,000	150,000	3,150,000
Total	$ 8,000,000	$ 837,500	$ 8,837,500

Water and Sewer Revenue Refunding and Improvement Bonds, Series 2004 - On June 1, 2004, the City issued $8,760,000 in fixed rate revenue bonds to provide funds to currently refund and redeem all outstanding water and sewer revenue bonds of the City to acquire, construct, and equip extensions of and additions and improvements to the City's water and sewer system, fully fund the Debt Service Reserve Account, and pay the necessary costs of issuing the bonds. The revenues of the Water and Sewerage System Fund are pledged to secure these outstanding bonds

Provisions of the revenue bonds require:

(1) monthly sinking fund contributions of the prorata share of principal and interest
(2) a reserve account which has on deposit the highest debt service requirement in any current or future sinking fund year
(3) a renewal and extension fund in which on January 1 of each year all but enough cash to fund two months of operating expenses will be transferred from the operating fund to the renewal and extension fund.

Series 2004 revenue bonds payable at June 30, 2009, are comprised of the following individual issue:

$8,760,000 water and sewer bonds due in annual installments of $315,000 to $640,000 through January 1, 2024; interest at 4.00% to 4.7%.

Outstanding balance at June 30, 2009	$ 7,260,000
Current portion	365,000
Long-term portion	$ 6,895,000

The annual requirements to amortize outstanding revenue bonds as of June 30, 2009, including interest payments of $2,810,972 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ 365,000	$ 309,625	$ 674,625
2011	375,000	296,850	671,850
2012	390,000	282,788	672,788
2013	405,000	267,187	672,187
2014	420,000	250,988	670,988
2015-2019	2,370,000	983,807	3,353,807
2020-2024	2,935,000	419,727	3,354,727
Total	$ 7,260,000	$ 2,810,972	$ 10,070,972

Note Payable – Georgia Environmental Facilities Authority (GEFA)

During fiscal year 2003 the City was awarded a "construction period loan" from the Georgia Environmental Facilities Authority (GEFA) for the purpose of making water and wastewater system improvements. Under the terms of the loan the City can draw a total of $1,500,000. On June 29, 2007, the City drew down $839,222, which was the remaining principal portion of the loan. At that time, the interest rate, which had been 4.0% per annum, was changed to 4.36% per annum and the "construction period loan" was converted to a permanent loan. Under the permanent loan, the repayment schedule will have the City pay $13,010 on July 1, 2007 and equal installments of $30,978 on the first day of each quarter thereafter through July 1, 2024. The current portion of the loan due in FY 2009 is $64,678 with the long-term portion making up the remaining balance of $1,290,382.

The annual requirements to amortize the remaining balance of $1,355,060 as of June 30, 2009, including interest payments of $503,414 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ 64,678	$ 58,033	$ 122,711
2011	67,545	55,166	122,711
2012	70,538	52,173	122,711
2013	73,664	49,047	122,711
2014	76,929	45,782	122,711
2015-2019	438,910	174,645	613,555
2020-2024	545,179	68,376	613,555
2025	17,617	192	17,809
Total	$ 1,355,060	$ 503,414	$ 1,858,474

Discretely Presented Component Units

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Governmental activities:						
Compensated absences payable	$ 46,738	$ 3,442	$ --	$ 50,180	$ --	$ 50,180
Note payable – Farmers State Bank	--	736,150	--	736,150	62,945	673,205
Note payable – Capital City Bank	828,242	--	(828,242)	--	--	--
Component units - long-term liabilities	$ 874,980	$ 739,592	$ (828,242)	$ 786,330	$ 62,945	$ 723,385

Note payable to Capital City Bank was for the construction at Southern Pines Recreation Complex. The note originated on September 9, 2003 and was refinanced with Farmers State Bank on December 19, 2008 with maturity on December 16, 2013. The interest rate is 3.50%. The note is being repaid with collections from a Special Purpose Local Option Sales Tax and calls for annual payments of $88,499 beginning on December 16, 2009 with a balloon payment of the remaining principle on December 16, 2013.

The annual requirements to amortize the remaining balance of $736,150 as of June 30, 2009, including interest payments of $105,844 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2010	$ 62,945	$ 25,554	$ 88,499
2011	64,937	23,562	88,499
2012	67,209	21,290	88,499
2013	69,562	18,937	88,499
2014	471,497	16,501	487,997
Total	$ 736,150	$ 105,844	$ 841,993

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and worker injuries. The government has joined together with other municipalities in the State as part of the Georgia Interlocal Risk Management Agency and the Georgia Municipal Association Workers Compensation Self Insurance 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 pools agents and attorneys, to follow loss reductions procedures established by the funds, and to report as promptly as possible and in 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 of any claim made against the City within the scope of loss protections 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.

The commercial insurance provides for the transfer of risk from the City for all major programs. The City's risk is constituted by a $1,000 deductible for each occurrence, except for worker compensation which is constituted by a $50,000 deductible. For insured programs, there have been no significant reductions in insurance coverage nor did settlements exceed insurance coverage for any of the past three fiscal years.

Changes to the workers compensation claims liability amount for fiscal year 2009 are as follows:

	Year Ended June 30, 2009
Unpaid claims, beginning of fiscal year	$ 150,000
Current year claims, premiums and changes in estimates	36,873
Claims payments	(36,873)
Unpaid claims, end of fiscal year	$ 150,000

B. Contingencies and Other

Grant contingencies - The City has received Federal and state grant monies for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based upon prior experience, City management believes such disallowances, if any, will not be significant.

Insurance claim contingencies - The City is exposed to various risks of loss related to illnesses or injuries to employees. Self-insured employee medical benefit claims are accrued in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues.* The liability for reported claims and claims incurred but not reported an estimate of which is based on historical experience and management projections, is grouped with accounts payable and accrued costs in the financial statements.

Other contingencies and pending litigation - Certain claims, suits, and complaints arising in the ordinary course of operations have been filed or are pending against the City. In the opinion of the City's management, all such matters are adequately covered by insurance, or if not so covered are without merit or are of such kind, or involve such amounts, as would not have a significant effect on the financial position or results of operations of the City if disposed of unfavorably.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and worker injuries for which the government carries commercial insurance. The commercial insurance provides for the transfer of risk from the City for all major programs. The City's risk is constituted by a $1,000 deductible for each occurrence with the exception of worker's compensation claims whereby the City's risk is constituted by a $50,000 deductible for each occurrence. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts did not exceed insurance coverage for the years ended June 30, 2009, June 30, 2008, or June 30, 2007.

C. 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 City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The City has complied with changes in the laws which govern the City's deferred compensation plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts which had been deferred by the plan participants were required to be reported as assets of the City. In accordance with GASB Statement No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City's deferred compensation plan is no longer reported within the City's Agency Fund.

D. Hotel / Motel Lodging Tax

The City has levied an 8% hotel / motel tax for fiscal year end June 30, 2009. A summary of the transactions for the year ending June 30, 2009 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	$ 492,536	
Expended under contract with the Dublin – Laurens County Chamber of Commerce for promotion of tourism	(123,133)	25.0%
Expended under contract with Theatre Dublin to market and operate theater facilities	(61,567)	12.5%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(123,134)	25.0%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(184,702)	37.5%
Balance of lodging tax funds on hand at end of year	$ --	

The City has received audit reports covering the lodging tax monies. The expenditures were for promotion of tourism, theater facilities, and recreational purposes as required by O.C.G.A. 48-13-51.

E. Pension Plan

1. Plan Description

The City and its component units contribute to the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as an investment and administrative agent for cities and municipalities in Georgia. The City has the right to establish and amend the benefit provisions of the plan. These amendments become effective once approved by the Board of Trustees of GMEBS. The plan is a defined benefit plan.

All full-time employees of the City, Dublin-Laurens County Recreation Authority and Main Street Dublin-Downtown Development Authority (30 hours per week) are eligible to participate in GMEBS after one (1) year of service. Benefits fully vest after ten (10) years of service. Employees who retire at or after age sixty-two (62) with five (5) years of credited service or after age fifty-five (55) with ten (10) years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 to 1.75 percent of their average monthly earnings as defined in the plan for each year of credit service. The system also provides death and disability benefits. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street-SW, Atlanta, Georgia 30303-3606.

Current membership in the GMEBS is comprised of the following:

Group	January 1, 2009
Retirees and beneficiaries currently receiving benefits	85
Vested terminated employees	44
Active employees:	
Vested	150
Nonvested	65
Total membership in the plan	344

2. Funding Policy

The City is required to contribute based on actuarial funding policy. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability (initial unfunded actuarial accrued liability over 30 years from 1982 and changes in the unfunded actuarial 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). Plan provisions and contribution requirements are established by state stature and may be amended by the State. The contribution requirement for the year ended December 31, 2008, was $1,016,510, which was 13.4% of the covered payroll. This percentage was 8.6% and 7.7% of the covered payroll at December 31, 2008 and December 31, 2007, respectively. Employees are not required to contribute to the fund.

Due to the recent unprecedented decline in the investment market and the volatility it creates for funding governmental pension plan, the Board of Trustees of GMEBS adopted an alternative recommended contribution for plans which experienced an increase in their contribution rate of more than 2% of payroll due to the recent market downswing. This alternative recommended contribution will also be the Actuarial Required Contribution for GASB purposes.

The Alternative Required Contribution will be the greater of:

- The prior year's recommended contribution plus 20% of the difference between the prior year's recommended contribution and the current year's recommendation,
- The prior year's recommended contribution plus 2% and
- The normal cost of the unfunded actuarial accrued liability.

According to GMEBS, both the recommended contribution and the alternative recommended contribution meet all state minimum and GASB funding requirements. The alternative allows cities to adopt a gradual increase to the higher contribution caused by the investment downturn. Per direction from the GMEBS, the City adopted the alternative recommended contribution method.

3. Annual Pension Cost

For 2009, the City's annual pension cost of $1,016,510, for GMEBS was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2009 actuarial valuation using the entry age normal actuarial cost method. The significant actuarial assumptions used to compute the actuarial accrued liability and the annual recommended contribution of the plan meet the Actuarial Standard of Practice No. 4, *Measuring Pension Obligations*, establishing generally accepted actuarial principles and practices. The actuarial value of assets is computed by taking the sum of actuarial value at the beginning of the 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 year end. The actuarial value is adjusted, if necessary, to be within 20% of market value.

The significant actuarial assumptions used in the current valuation are:

- rate of return on investment 8.00% per year
- projected salary increases 5.50% per year
- cost of living adjustments 0.00% per year

The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1982 and current 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 as a level dollar amount. These amortization periods, if applicable, are closed for this plan year. The inflation rate assumption for the City of Dublin, Georgia is assumed to be the same rate as the current year cost of living adjustments.

To minimize the effect of random variations in financial market values on the recommended contribution, the GMEBS Board of Trustees adopted an asset valuation method for use in the calculation. The method for determining the actuarial value of assets is part of the GMEBS actuarial funding policy. It produces an adjusted actuarial value of assets. The smoothing technique gradually incorporates investment performance that exceeds or falls short of the expected return of 8%. The market value of assets is based on current values as of two months preceding the valuation date and is assumed to be current through that date.

4. Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/07	$ 519,521	100%	$ -0-
6/30/08	$ 609,761	100%	$ -0-
6/30/09	$ 1,016,510	100%	$ -0-

5. Funded Status and Funding Progress

The funded status of the plan as of January 1, 2009, was as follows:

Actuarial accrued liability (AAL)	$	16,413,085
Actuarial value of plan assets		11,729,253
Unfunded actuarial accrued liability (UAAL)	$	4,683,832
Funded ratio (actuarial value of plan assets/AAL)		71.5%
Covered payroll (active plan members)	$	7,596,910
UAAL as a percentage of covered payroll		61.6%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amount determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress for the postemployment defined benefit plan, presented as required supplementary information immediately following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

CITY OF DUBLIN, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM

	Actuarial Valuation Date		
	1/1/2007	1/1/2008	1/1/2009
Actuarial Accrued Liability (AAL) Entry Age (b)	$ 13,692,876	$ 15,229,449	$ 16,413,085
Actuarial Value of Assets (a)	12,798,769	13,801,770	11,729,253
Unfunded AAL (funding excess) (UAAL) (b-a)	$ 894,107	$ 1,427,679	$ 4,683,832
Funded Ratio (a/b)	93.5%	90.6%	71.5%
Covered Payroll (c)	$ 6,749,935	$ 7,094,890	$ 7,596,910
UAAL as a Percentage of Covered Payroll ((b-a)/c)	13.2%	20.1 %	61.6%

CITY OF DUBLIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES:			
General property taxes -			
Current year's levy	$ 2,789,401	$ 2,622,330	$ (167,071)
Other taxes:			
Local option sales	3,100,000	2,943,746	(156,254)
Hotel-Motel	180,000	185,081	5,081
Alcoholic beverage	408,000	424,484	16,484
Franchise	1,275,000	1,391,186	116,186
Insurance premium	890,000	887,488	(2,512)
Total	5,853,000	5,831,985	(21,015)
Licenses and permits:			
General business licenses	476,000	486,151	10,151
Inspection permits	100,100	87,029	(13,071)
Total	576,100	573,180	(2,920)
Fines and forfeitures -			
Police recorders court	651,000	925,128	274,128
Intergovernmental:			
Reimbursement from other governments	253,036	253,795	759
Federal Housing Authority - payment in lieu of taxes	20,000	21,916	1,916
Other	74,765	48,457	(26,308)
Total	347,801	324,168	(23,633)
Interest on investments	125,000	82,762	(42,238)
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	546,075	546,075	--
Miscellaneous	946,145	1,055,654	109,509
	1,492,220	1,601,729	109,509
Total General Fund Revenues	$ 11,834,522	$ 11,961,282	$ 126,760

See Notes to Required Supplementary Information.

CITY OF DUBLIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - (Over) Under
EXPENDITURES:			
General government:			
Legislative	$ 239,089	$ 183,176	$ 55,913
City manager	219,821	218,755	1,066
Main Street program	52,500	52,503	(3)
City clerk	175,982	164,014	11,968
Human resources	161,296	144,493	16,803
Tax department	105,291	96,748	8,543
Finance department	160,582	136,442	24,140
City attorney	128,707	126,232	2,475
City judge	186,870	272,044	(85,174)
Engineering	487,402	473,529	13,873
Purchasing	187,563	180,899	6,664
Inspections	363,974	349,458	14,516
Non-departmental	1,645,067	1,542,116	102,951
Total general government	4,114,144	3,940,409	173,735
Public safety:			
Police department - administrative	510,455	539,562	(29,107)
Police department - patrol	2,770,725	2,700,424	70,301
Police department - C.I.D.	528,244	388,475	139,769
Police department - crossing guards	10,460	11,615	(1,155)
Fire department - administrative	142,418	138,422	3,996
Fire department - combat	1,977,331	1,849,796	127,535
Total public safety	5,939,633	5,628,294	311,339
Community services:			
Cemetery	112,413	94,677	17,736
Appropriations	1,024,053	910,430	113,623
Total community services	1,136,466	1,005,107	131,359
Public works and buildings:			
Public works	944,364	888,677	55,687
Mechanical maintenance	299,915	268,211	31,704
Total public works and buildings	1,244,279	1,156,888	87,391
Debt service -			
Principal	--	88,059	(88,059)
Interest	--	5,372	(5,372)
Total debt service	--	93,431	(93,431)
Total expenditures	12,434,522	11,824,129	610,393
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(600,000)	137,153	737,153
OTHER FINANCING SOURCES (USES):			
Transfer in	600,000	650,000	(50,000)
Transfer out	--	--	--
Total other financing sources (uses)	600,000	650,000	(50,000)
NET CHANGE IN FUND BALANCES	--	787,153	787,153
FUND BALANCE, Beginning	1,620,310	5,701,607	--
FUND BALANCE, Ending	$ 1,620,310	$ 6,488,760	$ 787,153

See Notes to Required Supplementary Information.

A. Budget Data

Budgets are adopted on a basis consistent with generally accepted accounting principles except that the encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. An annual appropriated budget is adopted for the General Fund. All annual appropriations lapse at fiscal year end.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department at the salary and other expenditures level, which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations (except for salaries) without City Council approval. No revisions to the budget were made during the year.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized in the governmental funds. Encumbrances outstanding at year-end are reappropriated by the City Council. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Budgets are adopted in the Proprietary Funds strictly for management purposes.

B. Budget/GAAP Reconciliation

Primary Government

Adjustments necessary to convert expenditures and the fund balances of the General Fund on the budget basis to the generally accepted accounting principles (GAAP) basis are as follows:

2009 Expenditures	General
Budget Basis Expenditures	$ 11,824,129
Encumbrances, June 30, 2009	(111,100)
Encumbrances, June 30, 2008	141,007
GAAP Basis Expenditures	$ 11,854,036

Fund Balances - End of Year	General
Budgetary Basis	$ 6,488,760
Encumbrances, June 30, 2009	111,100
GAAP Basis	$ 6,599,860

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
GENERAL GOVERNMENT						
Legislative:						
Salaries	$ 69,600	$ --	$ --	$ 69,600	$ 69,600	$ --
Employee Benefits	70,276	--	--	70,276	73,859	3,583
Services	39,330	1,905	383	37,808	83,405	45,597
Utilities	1,616	--	--	1,616	3,000	1,384
Supplies	4,384	1,225	717	3,876	9,225	5,349
Total	185,206	3,130	1,100	183,176	239,089	55,913
City Manager						
Salaries	146,350	--	--	146,350	139,820	(6,530)
Employee Benefits	57,664	--	--	57,664	57,951	287
Services	3,808	--	--	3,808	8,400	4,592
Repairs & Maintenance	7,800	--	--	7,800	7,800	--
Utilities	1,566	--	--	1,566	1,900	334
Supplies	1,399	--	168	1,567	1,950	383
Capital Outlay	--	--	--	--	2,000	2,000
Total	218,587	--	168	218,755	219,821	1,066
Main Street Program:						
Supplies	52,503	--	--	52,503	52,500	(3)
Total	52,503	--	--	52,503	52,500	(3)
Subtotal	$ 456,296	$ 3,130	$ 1,268	$ 454,434	$ 511,410	$ 56,976

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 456,296	$ 3,130	$ 1,268	$ 454,434	$ 511,410	$ 56,976
City Clerk:						
Salaries	118,932	--	--	118,932	119,121	189
Employee Benefits	32,480	--	20	32,500	34,786	2,286
Services	4,020	664	--	3,356	10,239	6,883
Repairs & Maintenance	7,800	--	--	7,800	7,800	--
Utilities	209	--	--	209	250	41
Supplies	1,303	86	--	1,217	1,786	569
Capital Outlay	--	--	--	--	2,000	2,000
Total	164,744	750	20	164,014	175,982	11,968
Human Resources:						
Salaries	86,888	--	--	86,888	86,547	(341)
Employee Benefits	28,685	--	--	28,685	30,781	2,096
Services	2,059	--	422	2,481	3,382	901
Repairs & Maintenance	--	--	--	--	500	500
Utilities	227	--	--	227	300	73
Supplies	1,001	42	370	1,329	2,142	813
Energy	14	--	--	14	100	86
Other	25,624	2,154	1,399	24,869	36,775	11,906
Capital Outlay	269	269	--	--	769	769
Total	144,767	2,465	2,191	144,493	161,296	16,803
Subtotal	$ 765,807	$ 6,345	$ 3,479	$ 762,941	$ 848,688	$ 85,747

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 765,807	$ 6,345	$ 3,479	$ 762,941	$ 848,688	$ 85,747
Tax Department:						
Salaries	59,268	--	--	59,268	59,178	(90)
Employee Benefits	23,201	--	--	23,201	24,781	1,580
Services	--	--	--	--	1,325	1,325
Supplies	8,309	--	--	8,309	12,507	4,198
Other	5,970	--	--	5,970	6,000	30
Capital Outlay	--	--	--	--	1,500	1,500
Total	96,748	--	--	96,748	105,291	8,543
Finance Department:						
Salaries	100,014	--	--	100,014	113,392	13,378
Employee Benefits	33,307	--	--	33,307	42,776	9,469
Services	--	--	--	--	200	200
Repairs and Maintenance	--	--	--	--	200	200
Supplies	3,225	214	--	3,011	3,214	203
Capital Outlay	110	--	--	110	800	690
Total	136,656	214	--	136,442	160,582	24,140
Subtotal	$ 999,211	$ 6,559	$ 3,479	$ 996,131	$ 1,114,561	$ 118,430

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 999,211	$ 6,559	$ 3,479	$ 996,131	$ 1,114,561	$ 118,430
City Attorney:						
Salaries	96,607	--	--	96,607	92,916	(3,691)
Employee Benefits	25,778	--	--	25,778	28,656	2,878
Services	2,226	--	19	2,245	5,450	3,205
Utilities	749	--	--	749	600	(149)
Supplies	672	--	181	853	1,085	232
Total	126,032	--	200	126,232	128,707	2,475
City Judge:						
Salaries	30,118	--	--	30,118	29,467	(651)
Employee Benefits	13,779	--	--	13,779	14,303	524
Services	6,500	--	--	6,500	14,900	8,400
Utilities	209	--	--	209	500	291
Supplies	1,091	--	--	1,091	1,500	409
Other	220,347	--	--	220,347	126,200	(94,147)
Total	272,044	--	--	272,044	186,870	(85,174)
Subtotal	$ 1,397,287	$ 6,559	$ 3,679	$ 1,394,407	$ 1,430,138	$ 35,731

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,397,287	$ 6,559	$ 3,679	$ 1,394,407	$ 1,430,138	$ 35,731
Engineering:						
Salaries	327,836	--	--	327,836	327,558	(278)
Employee Benefits	123,397	--	--	123,397	121,072	(2,325)
Services	3,223	165	--	3,058	9,555	6,497
Repairs & Maintenance	748	--	--	748	1,240	492
Utilities	3,270	--	--	3,270	4,250	980
Supplies	4,251	781	39	3,509	5,645	2,136
Energy	7,543	--	--	7,543	11,350	3,807
Other	750	--	72	822	1,800	978
Capital Outlay	3,653	307	--	3,346	4,932	1,586
Total	474,671	1,253	111	473,529	487,402	13,873
Purchasing:						
Salaries	122,317	--	--	122,317	122,861	544
Employee Benefits	39,477	68	--	39,409	42,378	2,969
Services	2,521	165	--	2,356	2,538	182
Repairs & Maintenance	4,765	--	170	4,935	5,600	665
Utilities	6,903	--	--	6,903	7,660	757
Supplies	1,766	341	1,149	2,574	3,941	1,367
Energy	1,049	--	--	1,049	1,250	201
Other	(619)	--	--	(619)	300	919
Capital Outlay	1,884	285	376	1,975	1,035	(940)
Total	180,063	859	1,695	180,899	187,563	6,664
Subtotal	$ 2,052,021	$ 8,671	$ 5,485	$ 2,048,835	$ 2,105,103	$ 56,268

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 2,052,021	$ 8,671	$ 5,485	$ 2,048,835	$ 2,105,103	$ 56,268
Inspections:						
Salaries	232,712	--	--	232,712	231,793	(919)
Employee Benefits	92,961	--	77	93,038	93,949	911
Services	3,591	--	258	3,849	6,435	2,586
Repairs & Maintenance	818	--	--	818	1,892	1,074
Utilities	1,238	--	--	1,238	2,000	762
Supplies	2,482	565	369	2,286	3,594	1,308
Energy	5,281	--	--	5,281	8,450	3,169
Other	10,712	476	--	10,236	15,861	5,625
Total	349,795	1,041	704	349,458	363,974	14,516
Non-Departmental:						
Services	53,743	--	--	53,743	99,500	45,757
Repairs & Maintenance	125,633	5,095	--	120,538	167,095	46,557
Utilities	205,014	--	--	205,014	237,000	31,986
Supplies	573	--	--	573	--	(573)
Insurance	64,056	--	--	64,056	79,500	15,444
Energy	252,974	--	--	252,974	244,000	(8,974)
Contingency	95,243	--	--	95,243	384,560	289,317
Other	199,879	6,080	6,000	199,799	256,260	56,461
Capital Outlay	580,419	92,954	62,711	550,176	177,152	(373,024)
	1,577,534	104,129	68,711	1,542,116	1,645,067	102,951
Total General Government	$ 3,979,350	$ 113,841	$ 74,900	$ 3,940,409	$ 4,114,144	$ 173,735

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
PUBLIC SAFETY						
Police Department - Administrative:						
Salaries	$ 291,935	$ --	$ --	$ 291,935	$ 292,189	$ 254
Employee Benefits	92,572	196	101	92,477	110,797	18,320
Services	5,339	--	--	5,339	7,770	2,431
Repairs & Maintenance	7,593	1,305	--	6,288	8,005	1,717
Rent	4,110	--	--	4,110	4,500	390
Utilities	15,229	--	--	15,229	13,300	(1,929)
Supplies	6,101	180	--	5,921	7,394	1,473
Other	115,893	--	--	115,893	65,500	(50,393)
Capital Outlay	2,370	--	--	2,370	1,000	(1,370)
Total	541,142	1,681	101	539,562	510,455	(29,107)
Police Department - Patrol:						
Salaries	1,783,778	--	--	1,783,778	1,719,477	(64,301)
Employee Benefits	683,642	3,776	418	680,284	747,623	67,339
Services	4,429	329	1,081	5,181	13,744	8,563
Repairs & Maintenance	38,098	--	276	38,374	30,000	(8,374)
Utilities	2,470	--	--	2,470	4,320	1,850
Supplies	14,420	179	5,960	20,201	27,041	6,840
Energy	110,254	--	124	110,378	145,000	34,622
Other	16,204	--	--	16,204	5,000	(11,204)
Capital Outlay	36,869	5,520	12,205	43,554	78,520	34,966
Total	2,690,164	9,804	20,064	2,700,424	2,770,725	70,301
Subtotal	$ 3,231,306	$ 11,485	$ 20,165	$ 3,239,986	$ 3,281,180	$ 41,194

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 3,231,306	$ 11,485	$ 20,165	$ 3,239,986	$ 3,281,180	$ 41,194
Police Department - C.I.D.:						
Salaries	259,851	--	--	259,851	353,279	93,428
Employee Benefits	101,096	--	--	101,096	132,355	31,259
Services	874	--	--	874	3,715	2,841
Repairs & Maintenance	2,865	--	--	2,865	3,000	135
Utilities	3,353	--	--	3,353	3,600	247
Supplies	6,642	260	334	6,716	11,295	4,579
Energy	13,720	--	--	13,720	21,000	7,280
Total	388,401	260	334	388,475	528,244	139,769
Police Department - Crossing Guards:						
Salaries	10,298	--	--	10,298	9,111	(1,187)
Employee Benefits	1,171	--	146	1,317	1,049	(268)
Supplies	--	--	--	--	300	300
Total	11,469	--	146	11,615	10,460	(1,155)
Subtotal	$ 3,631,176	$ 11,745	$ 20,645	$ 3,640,076	$ 3,819,884	$ 179,808

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 3,631,176	$ 11,745	$ 20,645	$ 3,640,076	$ 3,819,884	$ 179,808
Fire Department - Administrative:						
Salaries	93,842	--	--	93,842	94,579	737
Employee Benefits	30,384	217	--	30,167	32,788	2,621
Services	1,503	--	--	1,503	2,771	1,268
Repairs & Maintenance	2,439	--	--	2,439	800	(1,639)
Utilities	5,047	--	--	5,047	5,200	153
Supplies	925	--	--	925	1,200	275
Energy	4,209	--	--	4,209	4,000	(209)
Capital Outlay	290	--	--	290	1,080	790
Total	138,639	217	--	138,422	142,418	3,996
Fire Department - Combat:						
Salaries	1,259,823	--	--	1,259,823	1,259,270	(553)
Employee Benefits	499,579	5,654	859	494,784	523,131	28,347
Services	588	304	--	284	2,274	1,990
Repairs & Maintenance	18,596	--	--	18,596	23,660	5,064
Utilities	22,166	--	--	22,166	25,000	2,834
Supplies	20,560	996	894	20,458	20,996	538
Energy	14,615	--	--	14,615	16,000	1,385
Capital Outlay	12,200	--	6,870	19,070	107,000	87,930
Total	1,848,127	6,954	8,623	1,849,796	1,977,331	127,535
Total Public Safety	$ 5,617,942	$ 18,916	$ 29,268	$ 5,628,294	$ 5,939,633	$ 311,339

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
COMMUNITY SERVICES						
Cemetery:						
Salaries	$ 62,013	$ --	$ --	$ 62,013	$ 61,767	$ (246)
Employee Benefits	27,562	--	--	27,562	28,846	1,284
Repairs & Maintenance	82	--	--	82	700	618
Utilities	883	--	--	883	1,000	117
Supplies	1,067	--	--	1,067	1,700	633
Energy	1,470	--	--	1,470	1,500	30
Capital Outlay	1,600	--	--	1,600	16,900	15,300
Total	94,677	--	--	94,677	112,413	17,736
Appropriations:						
Dublin-Laurens County Recreation Authority	650,000	--	--	650,000	650,000	--
Senior Citizens Center	--	--	--	--	2,500	2,500
Library	133,985	--	--	133,985	237,403	103,418
Dublin-Laurens Museum	7,500	--	--	7,500	7,500	--
Dublin-Laurens Development Authority	50,000	--	--	50,000	50,000	--
Regional Development Center	16,924	--	--	16,924	18,000	1,076
Humane Society	31,500	--	--	31,500	31,500	--
Black Festival Committee	--	--	--	--	450	450
Battered Women's Shelter	4,500	--	--	4,500	4,500	--
MLK Committee	450	--	--	450	450	--
Boys & Girls Club	--	--	--	--	5,000	5,000
Department of Family and Children Services	14,821	--	--	14,821	16,000	1,179
4H Club	750	--	--	750	750	--
Total	910,430	--	--	910,430	1,024,053	113,623
Total Community Services	$ 1,005,107	$ --	$ --	$ 1,005,107	$ 1,136,466	$ 131,359

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
PUBLIC WORKS AND BUILDINGS						
Public Works:						
Salaries	$ 417,095	$ --	$ --	$ 417,095	$ 424,316	$ 7,221
Employee Benefits	178,214	--	304	178,518	208,248	29,730
Services	1,733	--	--	1,733	1,100	(633)
Repairs & Maintenance	232,527	5,558	3,636	230,605	234,908	4,303
Utilities	7,626	--	--	7,626	6,800	(826)
Supplies	11,124	492	193	10,825	20,992	10,167
Energy	42,152	--	123	42,275	48,000	5,725
Total	890,471	6,050	4,256	888,677	944,364	55,687
Mechanical Maintenance:						
Salaries	170,657	--	--	170,657	170,250	(407)
Employee Benefits	67,481	129	13	67,365	74,709	7,344
Services	954	--	232	1,186	7,100	5,914
Repairs & Maintenance	1,319	--	59	1,378	2,125	747
Utilities	13,365	--	--	13,365	11,500	(1,865)
Supplies	6,871	2,071	2,372	7,172	15,986	8,814
Energy	3,634	--	--	3,634	7,045	3,411
Capital Outlay	3,454	--	--	3,454	11,200	7,746
Total	267,735	2,200	2,676	268,211	299,915	31,704
Total Public Works and Buildings	$ 1,158,206	$ 8,250	$ 6,932	$ 1,156,888	$ 1,244,279	$ 87,391

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	GAAP Expenditures	2008 Encumbrances	2009 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
DEBT SERVICE						
Principal	$ 88,059	$ --	$ --	$ 88,059	$ --	$ (88,059)
Interest	5,372	--	--	5,372	--	(5,372)
	93,431	--	--	93,431	$ --	(93,431)
TOTAL EXPENDITURES	$ 11,854,036	$ 141,007	$ 111,100	$ 11,824,129	$ 12,434,522	$ 610,393

CITY OF DUBLIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	SPLOST Capital Projects - 2003	Hotel-Motel Tax	Total Nonmajor Governmental Funds
ASSETS			
Equity in pooled cash	$ --	$ 64,508	$ 64,508
Cash	639,471	--	639,471
Due from other funds	137,928	--	137,928
Total assets	$ 777,399	$ 64,508	$ 841,907
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued costs	$ 23,657	$ 35,686	$ 59,343
Due to other funds	52	28,822	28,874
Total liabilities	23,709	64,508	88,217
FUND BALANCES			
Reserved for encumbrances	--	--	--
Unreserved, undesignated	753,690	--	753,690
Total fund balances	753,690	--	753,690
Total liabilities and fund balances	$ 777,399	$ 64,508	$ 841,907

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	SPLOST Capital Projects - 2003	Hotel-Motel Tax	Total Nonmajor Governmental Funds
REVENUES:			
Other taxes	$ --	$ 492,536	$ 492,536
Interest on investments	4,111	--	4,111
Miscellaneous income	76,306	--	76,306
Total revenues	80,417	492,536	572,953
EXPENDITURES:			
Current -			
Culture and recreation	--	492,536	492,536
Capital outlay -			
Highways and streets	512,631	--	512,631
Total expenditures	512,631	492,536	1,005,167
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	(432,214)	--	(432,214)
NET CHANGE IN FUND BALANCES	(432,214)	--	(432,214)
NET ASSETS, Beginning	1,185,904	--	1,185,904
NET ASSETS, Ending	$ 753,690	$ --	$ 753,690

CITY OF DUBLIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - HOTEL/MOTEL TAX
FOR THE YEAR ENDED JUNE 30, 2009

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES -			
Other taxes	$ 480,000	$ 492,536	$ 12,536
EXPENDITURES -			
Culture and recreation:			
General fund 3%	180,000	184,702	4,702
Chamber of Commerce 2%	120,000	123,133	3,133
Dublin-Laurens County Recreation Authority 2%	120,000	123,134	3,134
Theatre Dublin 1%	60,000	61,567	1,567
Total	480,000	492,536	12,536
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ --	$ --	$ --

CITY OF DUBLIN, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
DUBLIN BOARD OF EDUCATION AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
ASSET				
Equity in pooled cash	$ 11,330	$ 7,393,957	$ 7,028,822	$ 376,465
Total assets	$ 11,330	$ 7,393,957	$ 7,028,822	$ 376,465
LIABILITY				
Due to Dublin Board of Education	$ 11,330	$ 7,393,957	$ 7,028,822	$ 376,465
Total liabilities	$ 11,330	$ 7,393,957	$ 7,028,822	$ 376,465

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2009

	Riverview Golf Course Fund	Telecommunications Fund	Total
ASSETS			
CURRENT ASSETS:			
Equity in pooled cash	$ 14,417	$ 744,202	$ 758,619
Cash	700	--	700
Accounts receivable, net	--	20,531	20,531
Inventories, at cost	14,267	--	14,267
Prepaid items	8,946	--	8,946
Total current assets	38,330	764,733	803,063
NONCURRENT ASSETS -			
CAPITAL ASSETS:			
Buildings and plant	273,767	3,229,705	3,503,472
Improvements other than buildings	197,027	--	197,027
Machinery and equipment	689,149	407,594	1,096,743
Less - accumulated depreciation	(1,127,888)	(1,310,241)	(2,438,129)
Capital assets, net	32,055	2,327,058	2,359,113
Total assets	$ 70,385	$ 3,091,791	$ 3,162,176
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	$ 43	$ 31,755	$ 31,798
Accrued expenses	4,195	--	4,195
Total current liabilities	4,238	31,755	35,993
LONG TERM LIABILITIES -			
Compensated absences payable	14,853	1,944	16,797
Total long-term liabilities	14,853	1,944	16,797
Total liabilities	19,091	33,699	52,790
NET ASSETS:			
Invested in capital assets, net of related debt	32,055	2,327,058	2,359,113
Unrestricted	19,239	731,034	750,273
Total net assets	51,294	3,058,092	3,109,386
Total liabilities and net assets	$ 70,385	$ 3,091,791	$ 3,162,176

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Riverview Golf Course Fund	Telecommunications Fund	Total
OPERATING REVENUES:			
Sales / Charges for services	$ 296,602	$ 813,095	$ 1,109,697
Penalties and cut-on fees	--	1,277	1,277
Other revenue	159,283	113,641	272,924
Total operating revenues	455,885	928,013	1,383,898
OPERATING EXPENSES:			
Personnel services	197,051	48,911	245,962
Employee benefits	25,468	7,480	32,948
Repairs and maintenance	11,857	538	12,395
Depreciation	19,245	202,192	221,437
Other operating	196,451	445,442	641,893
Total operating expenses	450,072	704,563	1,154,635
OPERATING INCOME	5,813	223,450	229,263
NON-OPERATING REVENUES (EXPENSES) -			
Interest income	--	599	599
Total non-operating revenues, net	--	599	599
NET INCOME BEFORE TRANSFERS	5,813	224,049	229,862
TRANSFERS OUT	--	(50,000)	(50,000)
Total transfers and contributions	--	(50,000)	(50,000)
CHANGE IN NET ASSETS	5,813	174,049	179,862
NET ASSETS, Beginning	45,481	2,884,043	2,929,524
NET ASSETS, Ending	$ 51,294	$ 3,058,092	$ 3,109,386

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Riverview Golf Course Fund	Telecommunications Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 455,885	$ 1,283,678	$ 1,739,563
Cash paid to suppliers for goods and services	(172,168)	(426,630)	(598,798)
Cash paid to employees for services	(201,568)	(48,911)	(250,479)
Cash paid for employee taxes and benefits	(60,874)	(14,795)	(75,669)
Net cash provided by operating activities	21,275	793,342	814,617
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers out	--	(50,000)	(50,000)
Net cash used by noncapital financing activities	--	(50,000)	(50,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -			
Acquisition and construction of capital assets	(6,858)	(185,842)	(192,700)
Net cash (used) for capital and related financing activities	(6,858)	(185,842)	(192,700)
CASH FLOWS FROM INVESTING ACTIVITIES -			
Interest income on investments	--	599	599
Net cash provided by investing activities	--	599	599
NET INCREASE (DECREASE) IN CASH	14,417	558,099	572,516
CASH, Beginning	700	186,103	186,803
CASH, Ending	$ 15,117	$ 744,202	$ 759,319

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:			
Cash, beginning			
Current	$ 700	$ 186,103	$ 186,803
Restricted	--	--	--
Total	700	186,103	186,803
Net increase			
Current	14,417	558,099	572,516
Restricted	--	--	--
Total	14,417	558,099	572,516
Cash, ending			
Current	15,117	744,202	759,319
Restricted	--	--	--
Total	$ 15,117	$ 744,202	$ 759,319
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Net operating income	$ 5,813	$ 223,450	$ 229,263
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	19,245	202,192	221,437
Decrease (increase) in assets:			
Accounts receivable - trade	--	355,665	355,665
Inventory	627	--	627
Prepaid expenses	(56)	--	(56)
Increase (decrease) in liabilities:			
Accounts payable	163	12,035	12,198
Compensated absences payable	(6,352)	--	(6,352)
Accrued expenses	1,835	--	1,835
Total adjustments	15,462	569,892	585,354
Net cash provided by operating activities	$ 21,275	$ 793,342	$ 814,617

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2009

ASSETS		
Cash	$	140,103
Receivables		52,500
Total assets	$	192,603
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Due to City of Dublin general fund	$	47,354
Total liabilities		47,354
FUND BALANCES		
Reserved for encumbrances		--
Unreserved, undesignated		145,249
Total fund balances		145,249
Total liabilities and fund balances	$	192,603

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET -
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance - Main Street Dublin Downtown Development Authority (page 88)	$	145,249
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		307,926
Net assets of Main Street Dublin Downtown Development Authority (page 25)	$	453,175

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2009

REVENUES:		
Program income	$	96,047
Interest income		1,441
Miscellaneous income		8,160
Total revenues		105,648
EXPENDITURES -		
Current -		
Downtown development		86,804
Total expenditures		86,804
EXCESS OF REVENUES OVER EXPENDITURES		18,844
NET CHANGE IN FUND BALANCES		18,844
NET ASSETS, Beginning		126,405
NET ASSETS, Ending	$	145,249

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Amounts reported for governmental activities in the statement of activities (page 26) are different because:

Net change in fund balance - Main Street Dublin Downtown Development Authority (page 90)	$	18,844
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		(2,005)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		309,931
Change in net assets of Main Street Dublin Downtown Development Authority (page 26)	$	326,770

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2003
FOR THE YEAR ENDED JUNE 30, 2009

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, Streets and Bridges	$ 4,812,000	$ 4,812,000	$ 4,430,773	$ 512,631	$ 4,943,404
Farmers Market Facility *	250,000	350,000	351,144	--	351,144
TOTAL	$ 5,062,000	$ 5,162,000	$ 4,781,917	$ 512,631	$ 5,294,548

* The Farmers Market Facility was transferred to the Main Street Downtown Development Authority in fiscal year 2009.

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2006
FOR THE YEAR ENDED JUNE 30, 2009

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and Drainage	$ 7,190,000	$ 7,190,000	$ 422,345	$ 13,798	$ 436,143
Water and Sewer System	4,750,000	4,750,000	1,319,827	232,783	1,552,610
City Facilities	2,037,870	2,037,870	664,639	2,980,793	3,645,432
Capital Equipment	1,062,870	1,062,870	1,260,247	--	1,260,247
Gas System Improvements	1,500,000	1,500,000	708,512	392,184	1,100,696
TOTAL	$ 16,540,740	$ 16,540,740	$ 4,375,570	$ 3,619,558	$ 7,995,128

III. STATISTICAL SECTION

(Unaudited)

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

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. 94

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax, and the sale of gas 100

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. 106

Demographic and Economic Information

These schedules of demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. 111

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. 113

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

CITY OF DUBLIN, GEORGIA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS*
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Governmental activities:							
Invested in capital assets, net of related debt	$ 6,303,868	$ 5,903,193	$ 6,924,027	$ 8,136,094	$ 16,827,378	$ 6,341,257	$ 13,297,712
Restricted	--	--	--	--	--	2,503,637	185,635
Unrestricted	3,073,163	2,803,347	4,409,436	6,167,095	6,772,705	17,871,929	15,341,551
Total governmental activities net assets	$ 9,377,031	$ 8,706,540	$ 11,333,463	$ 14,303,189	$ 23,600,083	$ 26,716,823	$ 28,824,898
Business-type activities:							
Invested in capital assets, net of related debt	$ 26,279,668	$ 23,279,426	$ 24,157,988	$ 24,737,655	$ 23,698,064	$ 24,266,814	$ 23,548,434
Restricted -							
Restricted for debt service	973,780	619,536	557,594	1,107,107	1,317,260	1,519,925	1,714,370
Unrestricted	2,477,884	5,581,906	4,155,818	2,152,369	6,104,794	8,283,470	9,409,896
Total business-type activities net assets	$ 29,731,332	$ 29,480,868	$ 28,871,400	$ 27,997,131	$ 31,120,118	$ 34,070,209	$ 34,672,700
Primary government:							
Invested in capital assets, net of related debt	$ 32,583,536	$ 29,182,619	$ 31,082,015	$ 32,873,749	$ 40,525,442	$ 30,608,071	$ 36,846,146
Restricted -							
Restricted for debt service	973,780	619,536	557,594	1,107,107	1,317,260	4,023,562	1,900,005
Unrestricted	5,551,047	8,385,253	8,565,254	8,319,464	12,877,499	26,155,399	24,751,447
Total primary government net assets	$ 39,108,363	$ 38,187,408	$ 40,204,863	$ 42,300,320	$ 54,720,201	$ 60,787,032	$ 63,497,598

* The City began to report accrual information upon implementation of GASB Statement No. 34 in fiscal year 2002, therefore prior three years are not reported.

CITY OF DUBLIN, GEORGIA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS*
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
General government	$ 3,332,331	$ 3,419,352	$ 4,104,634	$ 3,551,691	$ 3,708,790	$ 4,647,568	$ 4,541,634
Public Safety	4,614,935	4,653,001	4,834,722	4,818,699	5,073,465	5,332,339	5,739,116
Community services	1,181,879	1,147,376	1,069,409	1,122,951	1,066,634	1,170,949	1,005,107
Public works and buildings	916,930	1,016,363	579,928	1,200,045	163,003	1,187,688	1,347,070
Highways and streets	--	--	21,958	71,915	1,757,891	254,093	225,694
Culture and recreation	414,826	433,240	440,447	437,527	468,633	472,161	495,566
Interest on long-term debt	--	--	--	--	--	584,245	508,001
Total governmental activities expenses	10,460,901	10,669,332	11,051,098	11,202,828	12,238,416	13,649,043	13,862,188
Business type activities:							
Water and sewer	3,826,042	4,149,223	4,207,508	4,406,902	4,559,227	4,792,029	5,228,079
Gas	6,337,948	7,289,345	8,099,232	11,193,397	8,979,544	9,461,385	8,917,877
Sanitation	2,263,608	2,178,987	2,165,801	2,088,985	2,149,556	2,161,577	2,212,891
Riverview Golf Course	535,184	523,238	493,561	521,626	542,731	548,692	450,072
Telecommunications	527,451	494,629	580,905	689,960	609,786	647,050	704,563
Total business-type activities	13,490,233	14,635,422	15,547,007	18,900,870	16,840,844	17,610,733	17,513,482
Total primary government expenses	$ 23,951,134	$ 25,304,754	$ 26,598,105	$ 30,103,698	$ 29,079,260	$ 31,259,776	$ 31,375,670

* The City began to report accrual information upon implementation of GASB Statement No. 34 in fiscal year 2002, therefore prior three years are not reported.

CITY OF DUBLIN, GEORGIA
CHANGES IN NET ASSETS - CONTINUED
LAST TEN FISCAL YEARS*
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Program Revenues							
Governmental activities:							
Charges for services:							
General government	$ 1,364,168	$ 1,534,242	$ 2,610,867	$ 2,170,233	$ 2,350,379	$ 2,373,187	$ 2,349,550
Public safety	567,206	569,389	701,022	724,580	791,470	896,570	1,046,221
Public works and buildings	--	--	--	--	35,650	--	--
Operating grants and contributions	20,000	23,350	--	--	--	3,000	--
Capital grants and contributions	316,586	71,461	13,782	36,701	51,402	400,315	360,069
Total governmental activities program revenue	2,267,960	2,198,442	3,325,671	2,931,514	3,228,901	3,673,072	3,755,840
Business type activities:							
Charges for services:							
Water and sewer	3,253,993	3,225,078	3,945,785	4,605,503	5,098,515	5,216,774	4,799,364
Gas	6,993,576	8,317,559	8,445,530	11,045,701	11,015,183	10,862,955	9,621,572
Sanitation	2,092,193	2,139,276	2,152,630	2,184,531	2,576,198	2,589,009	2,579,728
Riverview golf course	377,366	406,155	380,812	417,551	503,524	469,745	455,885
Telecommunications	316,843	337,934	544,423	583,559	836,451	809,855	928,013
Capital grants and contributions	688,921	365,514	349,606	274,394	353,875	662,984	313,322
Total business-type activities program revenues	13,722,892	14,791,516	15,818,786	19,111,239	20,383,746	20,611,322	18,697,884
Total primary government program revenues	$ 15,990,852	$ 16,989,958	$ 19,144,457	$ 22,042,753	$ 23,612,647	$ 24,284,394	$ 22,453,724
Net (expense)/revenue:							
Governmental activities	$ (8,192,941)	$ (8,470,890)	$ (7,725,427)	$ (8,271,314)	$ (9,009,515)	$ (9,975,971)	$ (10,106,348)
Business type activities	232,659	156,094	271,779	210,369	3,542,902	3,000,589	1,184,402
Total primary government net expense	$ (7,960,282)	$ (8,314,796)	$ (7,453,648)	$ (8,060,945)	$ (5,466,613)	$ (6,975,382)	$ (8,921,946)

CITY OF DUBLIN, GEORGIA
CHANGES IN NET ASSETS - CONTINUED
LAST TEN FISCAL YEARS*
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Taxes							
Property taxes	$ 1,413,120	$ 1,421,364	$ 1,888,058	$ 2,375,757	$ 2,498,816	$ 2,565,732	$ 2,648,656
Local option sales tax	2,223,058	2,431,926	2,502,673	2,753,385	2,983,399	3,094,809	2,943,746
Hotel-Motel tax	405,958	428,427	436,433	434,176	465,603	541,069	492,536
Special purpose local option sales tax 2003	--	946,743	2,252,213	1,804,044	200,000	--	--
Special purpose local option sales tax 2006	--	--	--	--	2,084,525	3,244,746	2,681,311
Alcoholic beverage taxes	382,128	386,541	395,110	405,798	402,233	414,985	424,484
Franchise taxes	1,022,000	985,902	1,042,766	1,127,005	1,192,566	1,258,013	1,391,186
Insurance premium tax	631,993	681,139	738,170	794,174	830,905	866,726	887,488
Unrestricted investment earnings	50,370	29,532	108,927	246,701	343,488	867,788	404,947
Intragovernmental	--	--	--	--	--	--	(309,931)
Transfers	1,300,000	488,825	988,000	1,288,000	650,000	238,843	650,000
Total governmental activities	7,428,627	7,800,399	10,352,350	11,229,040	11,651,535	13,092,711	12,214,423
Business-type activities:							
Unrestricted investment earnings	136,896	82,267	106,753	170,362	230,085	188,345	68,089
Transfers	(1,300,000)	(488,825)	(988,000)	(1,288,000)	(650,000)	(238,843)	(650,000)
Total business-type activities	(1,163,104)	(406,558)	(881,247)	(1,117,638)	(419,915)	(50,498)	(581,911)
Total primary government	$ 6,265,523	$ 7,393,841	$ 9,471,103	$ 10,111,402	$ 11,231,620	$ 13,042,213	$ 11,632,512
Change in Net Assets							
Governmental activities	$ (764,314)	$ (670,491)	$ 2,626,923	$ 2,957,726	$ 2,642,020	$ 3,116,740	$ 2,108,075
Business-type activities	(930,445)	(250,464)	(609,468)	(907,269)	3,122,987	2,950,091	602,491
Total primary government	$ (1,694,759)	$ (920,955)	$ 2,017,455	$ 2,050,457	$ 5,765,007	$ 6,066,831	$ 2,710,566

* The City began to report accrual information upon implementation of GASB Statement No. 34 in fiscal year 2002, therefore prior three years are not reported.

CITY OF DUBLIN, GEORGIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund:										
Reserved	$ 649,042	$ 1,184,586	$ 406,124	$ 266,171	$ 206,040	$ 265,138	$ 503,491	$ 916,502	$ 391,439	$ 486,425
Unreserved	4,281,606	3,543,840	3,156,362	2,986,960	1,907,061	2,276,353	3,666,400	4,576,254	5,451,175	6,113,435
Total General Fund	$ 4,930,648	$ 4,728,426	$ 3,562,486	$ 3,253,131	$ 2,113,101	$ 2,541,491	$ 4,169,891	$ 5,492,756	$ 5,842,614	$ 6,599,860
All other governmental funds -										
Capital Projects Funds:										
Reserved	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 2,503,637	$ 185,635
Unreserved	--	--	--	--	860,468	2,050,650	2,173,934	1,470,803	12,371,812	9,052,530
Total all other governmental funds	$ --	$ --	$ --	$ --	$ 860,468	$ 2,050,650	$ 2,173,934	$ 1,470,803	$ 14,875,449	$ 9,238,165

CITY OF DUBLIN, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
General property taxes	$ 1,317,405	$ 1,375,064	$ 1,364,731	$ 1,390,112	$ 1,411,618	$ 1,870,599	$ 2,352,088	$ 2,506,886	$ 2,570,947	$ 2,622,330
Other taxes	3,356,188	3,706,648	4,582,765	4,817,939	6,022,836	7,531,028	7,481,398	8,333,833	9,623,282	9,005,832
Licenses and permits	1,393,763	1,403,309	452,154	508,110	504,871	537,428	518,562	635,953	578,685	573,180
Fines and forfeitures	411,158	445,611	524,944	447,777	450,469	579,451	591,683	658,664	749,175	925,128
Intergovernmental	484,692	389,078	1,010,921	538,346	330,490	272,990	371,152	380,252	648,739	324,168
Interest on investments	259,801	258,665	89,615	50,370	29,532	108,927	246,701	343,488	867,788	404,947
Miscellaneous income	1,165,697	503,889	621,523	620,925	750,454	1,772,139	1,287,301	1,379,430	1,423,491	1,678,235
Total revenues	8,388,704	8,082,264	8,646,653	8,373,579	9,500,270	12,672,562	12,848,885	14,238,506	16,462,107	15,533,820
Expenditures										
General government	2,340,101	2,357,673	4,168,098	2,869,537	2,907,441	3,488,821	2,941,768	3,430,699	4,141,204	3,979,350
Public safety	3,824,558	4,008,820	4,365,802	4,508,839	4,638,973	4,690,404	4,864,068	5,218,565	5,263,858	5,617,942
Community services	2,349,626	1,598,155	1,273,966	1,181,879	1,147,376	1,069,409	1,122,951	1,066,634	1,170,949	1,005,107
Public works and buildings	870,782	937,345	1,001,405	1,016,721	1,146,440	1,207,065	1,380,144	1,541,115	1,209,145	1,158,206
Highways and streets	--	--	--	--	--	1,149,858	1,642,094	2,717,212	--	--
Culture and recreation	--	--	333,494	409,006	428,427	436,433	434,176	465,603	541,069	492,536
Debt service -										
Principal	--	--	--	--	--	--	--	93,431	178,783	4,170,027
Interest	--	--	--	--	--	--	--	--	584,245	508,001
Bond issuance costs	--	--	--	--	--	--	--	--	192,406	500
Capital Outlay										
Highways and Streets	--	--	--	--	--	--	--	--	609,426	512,631
Special Assessments	--	--	--	--	--	--	--	--	2,035,599	3,619,558
Total expenditures	9,385,067	8,901,993	11,142,765	9,985,982	10,268,657	12,041,990	12,385,201	14,533,259	15,926,684	21,063,858
Excess of revenues over(under) expenditures	(996,363)	(819,729)	(2,496,112)	(1,612,403)	(768,387)	630,572	463,684	(294,753)	535,423	(5,530,038)
Other financing sources(uses)										
Transfers in	1,941,789	1,325,577	1,800,000	1,350,000	591,586	1,000,000	1,300,000	650,000	650,000	650,000
Transfers out	(1,701,272)	(708,070)	(466,750)	(50,000)	(102,761)	(12,000)	--	--	--	--
Capital leases	--	--	--	--	--	--	--	264,487	630,000	--
Bonds issued	--	--	--	--	--	--	--	--	12,000,000	--
Premium on bonds issued	--	--	--	--	--	--	--	--	350,238	--
Total other financing sources(uses)	240,517	617,507	1,333,250	1,300,000	488,825	988,000	1,300,000	914,487	13,630,238	650,000
Change in fund balance	$ (755,846)	$ (202,222)	$ (1,162,862)	$ (312,403)	$ (279,562)	$ 1,618,572	$ 1,763,684	$ 619,734	$ 14,165,661	$ (4,880,038)
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15.29%	15.94%	22.68%

CITY OF DUBLIN, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Local Option Sales Tax	Hotel-Motel Tax	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2006	Alcoholic Beverages Tax	Franchise Tax	Insurance Premium Tax	Total
2000	1,317,405	2,042,391	269,825	$ --	$ --	369,328	808,530	663,197	$5,470,676
2001	1,375,064	2,261,334	355,595	--	--	369,632	790,276	704,405	5,856,306
2002	1,374,848	2,144,487	336,542	--	--	379,556	1,020,135	575,991	5,831,559
2003	1,413,120	2,223,058	405,958	--	--	382,128	1,022,000	631,993	6,078,257
2004	1,421,364	2,431,926	428,427	946,743 (1)	--	386,541	985,902	681,139	7,282,042
2005	1,888,058	2,502,673	436,433	2,252,213	--	395,110	1,042,766	738,170	9,255,423
2006	2,375,757	2,753,385	434,176	1,804,044	--	405,798	1,127,005	794,174	9,694,339
2007	2,498,816	2,983,399	465,603	200,000	2,084,525 (1)	402,233	1,192,566	830,905	10,658,047
2008	2,565,732	3,094,809	541,069	--	3,244,746	414,985	1,258,013	866,726	11,986,080
2009	2,648,656	2,943,746	492,536	--	2,681,311	424,484	1,391,186	887,488	11,469,407

(1) First year of tax

CITY OF DUBLIN, GEORGIA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Taxable Assessed Value				Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value * as a Percentage of Actual Value
	General Property	Public Utilities	Motor Vehicles	Total Taxable Value			
2000	$ 312,253,400	$ 10,658,449	$ 39,390,870	$ 362,302,719	3.410	$ 770,856,849	47.00%
2001	$ 325,738,601	$ 10,485,276	$ 42,007,343	$ 378,231,220	3.410	$ 804,747,277	47.00%
2002	$ 345,317,518	$ 10,881,670	$ 42,850,614	$ 399,049,802	3.410	$ 849,042,132	47.00%
2003	$ 375,667,259	$ 10,880,958	$ 42,330,355	$ 428,878,572	3.410	$ 912,507,600	47.00%
2004	$ 380,473,387	$ 11,217,732	$ 40,711,510	$ 432,402,629	3.190	$ 920,005,594	47.00%
2005	$ 390,020,254	$ 11,217,732	$ 40,644,445	$ 441,882,431	4.190	$ 940,175,386	47.00%
2006	$ 404,544,010	$ 10,774,445	$ 40,584,121	$ 455,902,576	5.200	$ 970,045,480	47.00%
2007	$ 425,256,106	$ 11,234,875	$ 39,276,316	$ 475,767,297	5.200	$ 1,012,270,845	47.00%
2008	$ 436,146,910	$ 11,815,692	$ 39,911,784	$ 487,874,386	5.200	$ 1,038,030,609	47.00%
2009	$ 453,603,039	$ 10,584,589	$ 38,287,060	$ 502,474,688	5.200	$ 1,069,095,081	47.00%

Source: City of Dublin, Georgia and Laurens County, Georgia tax records.
Note: Property in Laurens County, Georgia is reassessed once every five years on average. The City assesses property at approximately 47% of actual value. Estimated actual taxable value is calculated by dividing taxable assessed value by this percentage. Tax rates are per $1,000 of assessed value.
* Excludes tax-exempt property

CITY OF DUBLIN, GEORGIA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING
(Per $1,000 of Assessed Value)
LAST TEN CALENDAR YEARS

Tax Levy Period Calendar Year	City	School District	State and County	Total Direct & Overlapping Rates
1999	3.41	15.06	6.75	25.22
2000	3.41	15.06	6.75	25.22
2001	3.41	15.06	6.75	25.22
2002	3.41	15.06	6.73	25.20
2003	3.19	14.87	6.72	24.78
2004	4.19	16.37	6.94	27.50
2005	5.20	16.28	6.94	28.42
2006	5.20	16.28	6.56	28.04
2007	5.20	16.27	6.55	28.02
2008	5.20	16.27	6.55	28.02

Source: City of Dublin, Georgia and Laurens County, Georgia tax records.

CITY OF DUBLIN, GEORGIA
PRINCIPLE PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2009			2000		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Fairview Park Hospital	$ 16,009,609	1	3.19%	$ 8,777,052	3	2.36%
Best Buy Loc. #77	15,376,082	2	3.06%			
YKK Corporation	12,692,319	3	2.53%	20,910,701	1	5.63%
Wal-Mart	9,837,180	4	1.96%	3,927,922	5	1.06%
Warehouse Home Furnishings	7,359,287	5	1.46%	3,175,410	7	0.85%
Rockwell Automation-Allen Bradley	6,029,613	6	1.20%	14,696,889	2	3.95%
Fred's	4,901,307	7	0.98%			
Parko Hannifin Controls	3,563,098	8	0.71%	2,389,032	10	0.64%
Dublin Mall	3,371,217	9	0.67%	2,858,627	8	0.77%
Flexsteel Industries	3,324,734	10	0.66%			
Basset Furniture				3,524,557	6	0.95%
Dublin Community Hospital				5,351,900	4	1.44%
Sherwin Glass				2,555,982	9	0.69%
	$ 82,464,446		16.41%	$ 68,168,072		18.34%

Source: City of Dublin, Georgia tax records.

CITY OF DUBLIN, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS

Fiscal Year Ended June 30,	Collected within the Fiscal Year of the Levy			Delinquent Tax Collections	Total Collections to Date	
	Taxes Levied for the Fiscal Year	Collection Amount	Percentage of Levy		Amount	Percentage Levy
	(1)					
2000	$ 5,641,270	$ 5,609,248	99.4%	$ 20,930	$ 5,630,178	99.8%
2001	$ 6,210,055	$ 6,174,030	99.4%	$ 25,194	$ 6,199,224	99.8%
2002	$ 6,578,999	$ 6,536,599	99.4%	$ 30,804	$ 6,567,403	99.8%
2003	$ 7,070,365	$ 7,024,389	99.3%	$ 26,126	$ 7,050,515	99.7%
2004	$ 7,073,550	$ 7,030,413	99.4%	$ 34,663	$ 7,065,076	99.9%
2005	$ 8,249,453	$ 8,206,816	99.5%	$ 53,031	$ 8,259,847	100.1%
2006	$ 8,919,795	$ 8,844,589	99.2%	$ 40,234	$ 8,884,823	99.6%
2007	$ 9,375,826	$ 9,332,875	99.5%	$ 61,225	$ 9,394,100	100.2%
2008	$ 9,616,757	$ 9,576,892	99.6%	$ 77,245	$ 9,654,137	100.4%
2009	$ 9,966,108	$ 9,808,387	98.4%	$ 68,697	$ 9,877,084	99.1%

Sources:

(1) Includes amounts levied and collected for city school system.

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
PRINCIPLE GAS CUSTOMERS
CURRENT YEAR

	2009		
Taxpayer	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales
Mohawk Industries	$ 1,902,871	1	20.22%
YKK Corporation	1,864,039	2	19.80%
Carl Vinson Medical Center	786,270	3	8.35%
Hi-tek Rations	676,471	4	7.19%
Dublin Housing Authority	383,965	5	4.08%
Fairview Park Hospital	363,878	6	3.87%
Flexsteel Industries	59,844	7	0.64%
SP Newsprint	49,929	8	0.53%
Golden Corral	29,851	9	0.32%
Applebee's	29,379	10	0.31%
	$ 6,146,497		65.30%

Source: City of Dublin, Georgia gas records.

CITY OF DUBLIN, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities			Business-Type Activities					
Fiscal Year	General Obligation Bonds	Term Loans	Capital Leases	Water & Sewer Bonds	Term Loans	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita
2000	$ --	$ 204,150	$ --	$7,355,000	$ --	$ --	$ 7,559,150	8.30%	477
2001	$ --	$ 156,737	$ --	$6,970,000	$ --	$ --	$ 7,126,737	7.35%	449
2002	$ --	$ 106,814	$ --	$6,570,000	$ --	$ --	$ 6,676,814	6.65%	420
2003	$ --	$ 54,249	$ --	$6,150,000	$ 602,685	$ --	$ 6,806,934	6.61%	390
2004	$ --	$ --	$ --	$8,760,000	$ 692,153	$ --	$ 9,452,153	9.01%	549
2005	$ --	$ --	$ --	$8,590,000	$ 675,578	$ --	$ 9,265,578	8.35%	538
2006	$ --	$ --	$ --	$8,275,000	$ 652,622	$ 53,121	$ 8,980,743	7.60%	562
2007	$ --	$ --	$ 171,056	$7,950,000	$1,467,871	$ 27,073	$ 9,616,000	7.87%	601
2008	$12,000,000	$ --	$ 622,273	$7,610,000	$1,416,994	$ --	$21,649,267	17.21%	1351
2009	$ 8,000,000	$ --	$ 452,246	$7,260,000	$1,355,060	$ --	$17,067,306	N/A	N/A

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

(1) See Schedule of Demographics and Economic Statistics on page 110 for personal income and population data.

CITY OF DUBLIN, GEORGIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Capital Projects Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2000	$ --	$ --	$ --	N/A	N/A
2001	--	--	--	N/A	N/A
2002	--	--	--	N/A	N/A
2003	--	--	--	N/A	N/A
2004	--	--	--	N/A	N/A
2005	--	--	--	N/A	N/A
2006	--	--	--	N/A	N/A
2007	--	--	--	N/A	N/A
2008	12,000,000	(1) 2,053,637	9,946,363	N/A	N/A
2009	8,000,000	185,635	7,814,365	N/A	N/A

(1) Bonds were issued in FY 2008 by the Laurens County Public Facilities Authority under authority of an Intergovernmental contract with the City of Dublin. The City of Dublin has the obligation to pay for the bond through the use of special purpose local option sale tax proceeds.

CITY OF DUBLIN, GEORGIA
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2009

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	City of Dublin's Share of Debt
Direct -			
City of Dublin	$ 8,000,000	100.00%	$ 8,000,000
Overlapping -	--	100.00%	--
Total	$ 8,000,000		$ 8,000,000

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

SPLOST Revenue Bonds

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principle	Interest	
2000	$ --	--	--	--
2001	--	--	--	--
2002	--	--	--	--
2003	--	--	--	--
2004	--	--	--	--
2005	--	--	--	--
2006	--	--	--	--
2007	--	--	--	--
2008	3,244,746	-- (1)	275,000	11.8
2009	2,681,311	4,000,000	480,000	0.6

(1) The City of Dublin issued these bonds in FY 2008. The first principle payment was not due until July 1, 2008.

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Water and Sewer Revenue Bonds

Fiscal Year	Water and Sewer Charges and Other	Less: Operating Expenses	(1) Net Available Revenue	Debt Service		Coverage
				Principle	Interest	
2000	3,452,124	2,107,313	1,344,811	385,000	350,146	1.8
2001	3,912,783	2,269,572	1,643,211	400,000	333,465	2.2
2002	3,646,371	2,469,660	1,176,711	420,000	315,830	1.6
2003	3,988,231	2,592,867	1,395,364	435,000	296,908	1.9
2004	3,613,225	2,908,114	705,111	170,000 (2)	210,117	1.9
2005	4,340,407	2,922,886	1,417,521	315,000	356,800	2.1
2006	4,992,566	3,148,775	1,843,791	325,000	344,200	2.8
2007	5,474,278	3,259,199	2,215,079	340,000	331,200	3.3
2008	5,812,944	3,399,629	2,413,315	350,000	321,000	3.6
2009	5,137,749	3,881,547	1,256,202	365,000	309,625	1.9

(1) This represents net operating income, including interest income and other non-operating revenues, and excluding depreciation and bond interest expense.

(2) The City of Dublin refinanced its bond issuance in FY 2004.

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	(1) Population	Personal Income (amounts expressed in thousands)	(3)** Per Capita Income	(4)** Median Age	(2) School Enrollment	(3)** Unemployment Rate
1999	16,432	$ 910,687	$ 20,920	32.90	3,218	7.6%
2000	15,857	$ 970,046	$ 21,597	35.80	3,029	4.8%
2001	15,871	$ 1,004,690	$ 21,993	36.90	3,265	6.6%
2002	15,897	$ 1,030,300	$ 23,238	36.90	3,224	5.1%
2003	15,921	$ 1,048,788	$ 22,655	36.90	3,038	4.7%
2004	15,949	$ 1,109,117	$ 23,566	35.80	2,978	5.4%
2005	15,972	$ 1,181,653	$ 23,716	36.50	2,395	5.0%
2006	15,989	$ 1,221,549	$ 25,706	36.40	2,818	5.4%
2007	16,004	$ 1,257,662	$ 26,487	36.10	2,856	7.0%
2008	16,019	N/A	N/A	36.10	2,818	7.1%

Sources:

(1) Extrapolated from 1990 and 2000 census at an average annual growth, etc. Population for 2000 is based on the 2000 Census.
(2) City Board of Education.
(3) State Department of Labor.
(4) Final 1990 calendar year census.
** County Wide Data

CITY OF DUBLIN, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2009			2000		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	910	1	4.23%	740	1	4.29%
Fairview Park Hospital	676	2	3.14%	535	3	3.10%
Mohawk Industries, Inc.	576	3	2.68%	730	2	4.23%
YKK AP America, Inc.	404	4	1.88%	205	8	1.19%
Flexsteel Industries, Inc.	335	5	1.56%	280	6	1.62%
SP Newsprint Co.	284	6	1.32%	400	5	2.32%
Farmers Furniture Co.	279	7	1.29%	235	7	1.36%
Best Buy Distribution	242	8	1.12%	--	--	0.00%
Fred's Distribution	210	9	0.98%	--	--	0.00%
Parker Aerospace	201	10	0.93%	200	9	1.16%
	4,117		19.13%	3,325		19.28%

Source: City of Dublin Chamber of Commerce

CITY OF DUBLIN, GEORGIA
FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Function										
General Government										
Management-City Mgr & City Attorney	23	23	23	23	23	23	23	23	23	2
Finance - City Clerk & Finance	5	5	5	5	5	5	5	5	5	5
Building Inspections	5	5	5	5	5	5	5	5	5	6
Other	11	11	11	11	11	11	11	11	10	13
Public Safety										
Police										
Officers and personnel	55	55	56	59	63	60	61	57	60	59
Fire										
Firefighters and officers	32	32	32	32	32	32	32	32	32	35
Public Works										
Engineering	5	5	5	5	5	5	5	7	7	7
Other	13	13	13	13	13	13	13	13	13	15
Sanitation	33	32	32	32	28	24	24	24	24	24
Gas	14	14	14	14	14	14	14	14	14	15
Golf Course	16	15	15	15	13	13	13	13	12	5
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	33	33	33	33	33	33	33	33	32
Total	246	244	245	248	246	239	240	238	239	219

Source: City of Dublin, Georgia Finance Department

CITY OF DUBLIN, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Physical arrests	1,962	2,134	N/A	N/A	1,657	2,143	1,737	1,783	1,765	1,921
Parking violations	29	22	N/A	N/A	13	68	14	10	10	9
Traffic violations	3,885	3,576	N/A	N/A	2,947	5,017	3,810	3,621	4,560	4,730
Fire										
Number of calls answered	766	968	869	801	891	902	823	892	942	919
Highways and streets										
Street resurfacing (miles)	1.3	1.7	1.2	1.3	8.0	5.8	7.2	1.7	N/A	1.1
Potholes repaired	1,154	1,188	1,211	1,198	1,195	1,158	1,205	1,226	1,127	1,150
Sanitation										
Refuse collected (tons/day)	49	51	54	55	59	58	57	58	60	55
Water										
New connections	101	105	110	120	125	130	150	82	98	82
Water mains breaks	408	422	434	442	418	426	436	425	420	430
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500

Source: Various government departments.

CITY OF DUBLIN, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	30	32	34	34	35	38	38	38	50	50
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	20	20	20	20	20	20	20	20	24	20
Highways and streets										
Streets (miles)	100	100	100	100	100	100	100	100	101	101
Streetlights	1,550	1,676	1,593	1,613	1,648	1,670	1,702	1,702	1,710	1,715
Traffic signals	31	31	32	32	33	34	34	34	34	34
Water										
Water mains (miles)	180	180	183	183	184	185	186	186	186	187
Fire hydrants	818	830	841	849	858	914	928	928	928	928
Maximum daily capacity (mgd)	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Sewer										
Sanitary sewers (miles)	150	150	153	153	154	155	157	159	159	165
Storm sewers (miles)	100	100	100	100	100	100	100	100	100	100
Maximum daily treatment capacity (mgd)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Gas										
Gas mains (miles)	220	223	224	226	227	228	229	229	230	232

Source: Various government departments.

IV. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

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

To the Honorable Mayor, City Council and Management
City of Dublin, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dublin, Georgia, as of and for the year ended June 30, 2009, which collectively comprise the City of Dublin, Georgia's basic financial statements and have issued our report thereon dated November 25, 2009. We did not audit the financial statements of the Dublin-Laurens County Recreation Authority, which represent 93 percent and 84 percent, respectively, of the assets and revenues and other sources of financial resources of the component units. Those basic financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Dublin-Laurens County Recreation Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The purpose of this report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financing reporting or on compliance.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Dublin, 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 the City of Dublin Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Dublin Georgia's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Dublin Georgia's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Dublin Georgia's financial statements that is more than inconsequential will not be prevented or detected by the City of Dublin, Georgia's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Dublin Georgia's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Dublin, 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of City of Dublin, Georgia in a separate letter dated November 25, 2009.

This report is intended solely for the information and use of the Mayor, City Council and management, and is not intended to be and should not be used by anyone other than these specified parties.

Nichols, Cauley & Associates, LLC

Dublin, Georgia

November 25, 2009

V. SINGLE AUDIT SECTION

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Program Expenditures
MAJOR PROGRAMS			
Department of Housing and Urban Development			
Community Development Block Grant:			
Entitlement Grant	14.218		$ 364,315
Total Major Programs			364,315
NON-MAJOR PROGRAMS			
U.S. Department of Transportation			
Governor's Office of Highway Safety	20.600	GA-2009-395-00823	66,637
U.S. Department of Transportation			
State and Highway Community Safety	20.205	CSSFT-0008-00(493)	293,432
Total Non-Major Programs			360,069
Total Federal Financial Assistance			$ 724,384

See Notes to Schedule of Expenditures of Federal Awards.

CITY OF DUBLIN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Dublin, Georgia. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. Basis of Accounting

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

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Mayor, City Council and Management
City of Dublin, Georgia

Compliance

We have audited the compliance of the City of Dublin, Georgia with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The City of Dublin, Georgia's major federal programs are identified in the summary of auditor's results sections of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Dublin, Georgia's management. Our responsibility is to express an opinion on the City of Dublin, Georgia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Dublin, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Dublin, Georgia's compliance with those requirements.

In our opinion, the City of Dublin, Georgia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the City of Dublin, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Dublin, Georgia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion of the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Dublin, Georgia's compliance with those requirements.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control

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

This report is intended solely for the information and use of the Mayor, City Council, management, others within the Organization, 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.

Nichols, Cauley & Associates, LLC

Dublin, Georgia

November 25, 2009

CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

SECTION I. SUMMARY OF AUDITOR'S RESULTS:

FINANCIAL STATEMENTS

Type of Auditor's Report issued:	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified not considered to be a material weakness?	No
Noncompliance material to financial statement noted?	No

FEDERAL AWARDS

Internal Control over major programs:	
Material weakness identified?	No
Significant deficiency identified not considered to be material weakness?	None Reported
Type of Auditor's report issued on compliance for major program:	Unqualified
Any audit finding disclosed that is required to be reported in Accordance with OMB Circular A-133, Section .510(A)?	No

Identification of major programs:	
CFDA Number:	14.218
Name of Federal Program:	Community Development Block Grant-Entitlement Grant

Dollar threshold used to distinguish between Type A and Type B programs?	$300,000
Auditee qualified as low risk auditee?	No

SECTION II. FINANCIAL STATEMENT FINDINGS

None Reported

SECTION III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None Reported

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