CITY OF DUBLIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2014

CITY OF DUBLIN, GEORGIA

COMPREHENSIVE

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FOR THE FISCAL YEAR ENDED

JUNE 30, 2014

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**

P.O. BOX 690 - DUBLIN, GEORGIA 31040 - 478-272-1620

December 3, 2014

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, 2014.

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, 2014, 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, 2014, 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 population of Dublin is approximately 16,000 people and this number has remained stable over the last few decades.

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 currently enjoys a favorable economic environment. With positive equity balances in all fund types, as well as stable property taxes, steady retail sales growth and investment grade bond ratings, 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 6.393 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 larger Kroger Store and shopping center. The 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 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 are 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 Wal-Mart Super Center, on Highway 80 near its intersection with the 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 Oconee Fall Line 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 Oconee Fall Line Technical College, which has completed construction of a new $13.7 million, 88000 square feet Allied Health Facility building. This 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. This allows the college to expand course offerings to include new programs such as surgical technology and additional LPN classes. 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 included the city's match. The program was designed to provide wireless broadband access to areas of Georgia. 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 by utilizing 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 and a recently completed Alzheimer's Wards. 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. Our Public Health Department has become more active in

community events and projects. A new Public Health Department facility is being constructed to better serve our citizens.

Dublin Internal Medicine completed their expansion of the Dublin Diagnostic Center, Dublin's first comprehensive diagnostic care center. This multimillion dollar building houses a full array of diagnostic services such as, magnetic resonance imaging, cardiac echo, and general nuclear medicine, all in one central location. Up to five (5) additional physicians have been added to the staff. Also included in this expansion is a gastroenterology and endoscopy center on an adjoining site.

A new multi-million dollar "lifestyle" community, Moore Station Village, has been completed. This new development offers single-family homes and a community activity clubhouse and many recreational facilities. Townhouses and apartments are also being constructed. An assisted living facility, The Benton House, is also nearby. 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 recently. 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 96 acres of land adjoining the airport to be utilized as an airport industrial park which is also along the new 441 perimeter road allowing for better transportation access along with the excellent access to the airport property.

Highway 80 West has benefitted from the 441 by-pass road, which the Department of Transportation completed in 2012. There has been increased development at the intersection of US 80 and the 441 by-pass areas. We are serving this development with water, sewer and natural gas in order to meet the anticipated demand since 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 Dublin Laurens County Recreation Authority has been operating a Tourist Welcome Center in this area to promote Dublin's industry and services to travelers. A full time Tourism Director has been hired to enhance the tourism promotion at the Center. Since opening, over 250,000 tourists have visited the center which 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 in the coming years which should add new employees and long term job possibilities. 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 new green initiative designed to increase energy efficiency and was awarded several honors for their efforts. This was a significant investment of time and capital by Flexsteel to make their plant more environmentally friendly and saving energy costs and waste. In addition, several new lines have been located in Dublin by the company, and the Dublin location is now the largest plant of the Flexsteel locations.

Farmers Furniture is headquartered in Dublin and has over 140 stores across the southeastern United States. The current warehouse located on US 441 South has over 200,000 feet of racked storage. They recently acquired the former Basset facility to further expand their operations and maintain the Dublin location. With this expansion, there are now more than 100 employees at the distribution center.

The Dublin-Laurens County Development Authority acquired 250 acres of industrial property adjacent to Highway 257 and Interstate 16 for use as an industrial park. The Authority has done site work, constructed an access road for industrial use and made other improvements to aide in marketing the site to manufacturing and distribution companies. All of this preparation has now resulted in the locating of Erdrich Unform Technik, LLC on a site within this industrial park. Erdrich, a German based automotive supplier has constructed a state of the art stamping facility and will create 178 jobs and has invested $39 million in the construction of the new plant. The new plant was completed in May of 2013 and hiring of employees continues at this time.

Best Buy, Inc. continues to be a great employer for the City of Dublin. 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. In addition, the facility now ships product to Puerto Rico. They currently have over two hundred employees. As a result of the Best Buy project, the Georgia Department of Transportation 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 and may increase to as many as 400. This center serves stores in Alabama, Georgia, Florida and North and South Carolina from its strategic location in Dublin. The facility 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. is located at the 257 interchange.

In March of 2012, Denmark-based Dinex Group announced plans to open a manufacturing plant in the former Eldorado Stone building in Dublin. The automotive emissions control and exhaust manufacturer will create 250 jobs and invest $15 million in this operation. The Dinex Dublin facility is its first in the United States.

Hi-Tek Rations, an international supplier of pet food, has expanded its facility in Dublin with the investment of nearly $2 million dollars and the creation of 35 new jobs. The company has been growing and has the opportunity for more expansion in the future.

A new building for our current Big Lots Store was constructed in order for a Home Depot Store to be constructed on Veterans Boulevard. The Home Depot Store is 133,000 square feet and cost approximately $10,000,000. This store and a new T.J. Max Store at the Dublin Mall, have added to our growing retail strength and help 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. Our downtown merchants participate in many events each year.

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.

A retail and residential revitalization in the downtown commercial district is taking place. A local entrepreneur purchased and remodeled several vacant buildings and opened new restaurants, shops and created loft apartments on floors above the retail spaces.

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, renovated the former Martin Theater building as a community and performing arts center renamed Theatre Dublin. Adjacent to this facility is the Fred Roberts Hotel Building, which has been been renovated as condominiums and retail space. As part of our Bicentennial Year activities, the City and the Downtown Development Authority has constructed a “Bicentennial Plaza” in front of the Fred Roberts building and Theater Dublin. It was completed in February 2014.

Because of all of the new development, the City and the Downtown Development Authority purchased a parcel of land on Madison Street for a parking lot. Two buildings were demolished, and after resurfacing was completed, a total of 54 new parking spaces were added to better serve downtown business customers.

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

The City continues the Southside Revitalization effort to bring new development and economic vitality to this area of Dublin. A Southside Police Precinct Sub-Station in the Katie Dudley Housing area improved police presence and community policing efforts in the south side neighborhood. The Housing Authority renovated 17 units in a section of the housing project this year and will renovate additional units in the near future. A Southside Revitalization Committee is operating, and more projects are forthcoming from their efforts.

The City received $500,000 Community Development Block Grants, which were used to improve fire protection and renovate water lines in the Scottsville and Ray Street areas of the City. These improvements serve a predominately low to moderate income neighborhood and are part of our continuing efforts to improve our entire city.

The City purchased the old Mindis Recycling site from the Downtown Development Authority and constructed a $2,700,000 Police Department and Courtroom facility on the property. The Police Department and City Court have moved from the City Hall. This move resulted in more efficient use of both buildings as well as increased parking facilities and easier citizen access to these buildings. The

relocation also enhances police presence in this area of the city and makes it more attractive to future development. A Dollar General Store is planned to be built across the street early next year.

The Special Purpose Local Option Sales Tax (SPLOST) has provided funding for a Farmers Market located directly behind the Theater Dublin. This continues our emphasis on 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 and a new Department of Drivers Services facility were constructed and funded with S.P.L.O.S.T. funds. Having these facilities in our community serves as a major destination point for people seeking these state services and brings more people to our community to shop and boost our local economy.

Dublin Safe Routes to School (SRTS) project in the amount of $328,000 is being used to improve bicycle and pedestrian safety in the Susie Dasher and Saxon Heights elementary school neighborhoods. New sidewalks and crosswalks will be added in 2014.

Two Street scape projects, both funded by Federal Grants in the amount of $399,951 each, have been completed. The Bellevue Streetscape Project provided ADA access improvements, sidewalk renovations and streetscape enhancements including minor tree plantings along Bellevue Avenue from Church Street to Lancaster Street. The Southside Gateway and Streetscape Project involved access improvements, sidewalk renovation, traffic signal installation and streetscape enhancements, including street tree plantings and pedestrian amenities at the intersection of U.S. 441 and U.S. 19 highways, extending southward along U.S. 19.

The Simmons Street Community Development Block Grant Project in the amount of $200,066 has improved fire protection and domestic water services on Simmons Street and Cullens Street. This project involved installation of new fire hydrants, water lines and service meter connections.

In addition, two large sewer projects are being funded through the Georgia Environmental Facilities Authority, Clean Water Revolving Loan Program. The downtown sewer rehabilitation project in the amount of $1,154,300, involves the rehabilitation and/or repair of manhole structures and gravity sewer main in the downtown area. The Dublin Branch sewer relocation project in the amount of $880,421, involves the rehabilitation and/or relocation of existing parallel sanitary sewer lines along the Dublin Branch Corridor. The total economic impact of these mostly grant and loan funded projects is in excess of $3,300,000 and provides much needed improvements to the infrastructure of Dublin. These projects will be completed by late 2014.

The Laurens County Board of Commissioners purchased most of a city block of land on the north side of the Courthouse and built a Courthouse Annex at a cost of $2,000,000. The 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 in 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 downtown 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 that continues to look for ways to improve the neighborhoods.

The City, at the request of the Georgia Department of Transportation, has extended water and sewer lines to the rest areas on I-16. The Department of Transportation reimbursed the City for 100 percent of construction and engineering costs of the project which extended the water distribution and wastewater collection system to serve the rest areas along Interstate 16 west of Dublin. This expansion allowed the City to extend utility services south of Interstate 16 at the Highway 257 Interchange, which opened both sides of the interchange for commercial development.

Southern Pines Regional Recreation Complex was expanded to include a new Agricultural Expo Center. This million dollar open air multiuse arena is a venue for a variety of events, including animal and livestock shows, rodeos, car shows and concerts. In addition, a "Splash Pad" was constructed at a cost of over $240,000 on the complex site. This water park facility attracts more visitors to the Dublin area.

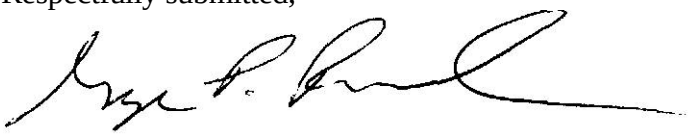
RELEVANT FINANCIAL POLICIES. The City of Dublin financial policy concerning the budgeting of one time revenue resources such as grants and S.P.L.O.S.T. revenues is to not budget them for reoccurring operating purposes. These funds must be spent only for capital items and capital improvements. In March 2011, voters approved a continuation of the current S.P.L.O.S.T. to be used for one-time 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.

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, 2013. This was the twenty-sixth 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

Government Finance Officers Association

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, 2013

Executive Director/CEO

CITY OF DUBLIN, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2014

MAYOR

Phil Best, Sr.

CITY COUNCIL

Julie Driger

Gary Johnson

Bill Brown III (Mayor Pro-Tem)

Ed Touchberry

Jerry Davis (Chairman of Council)

Gerald Smith

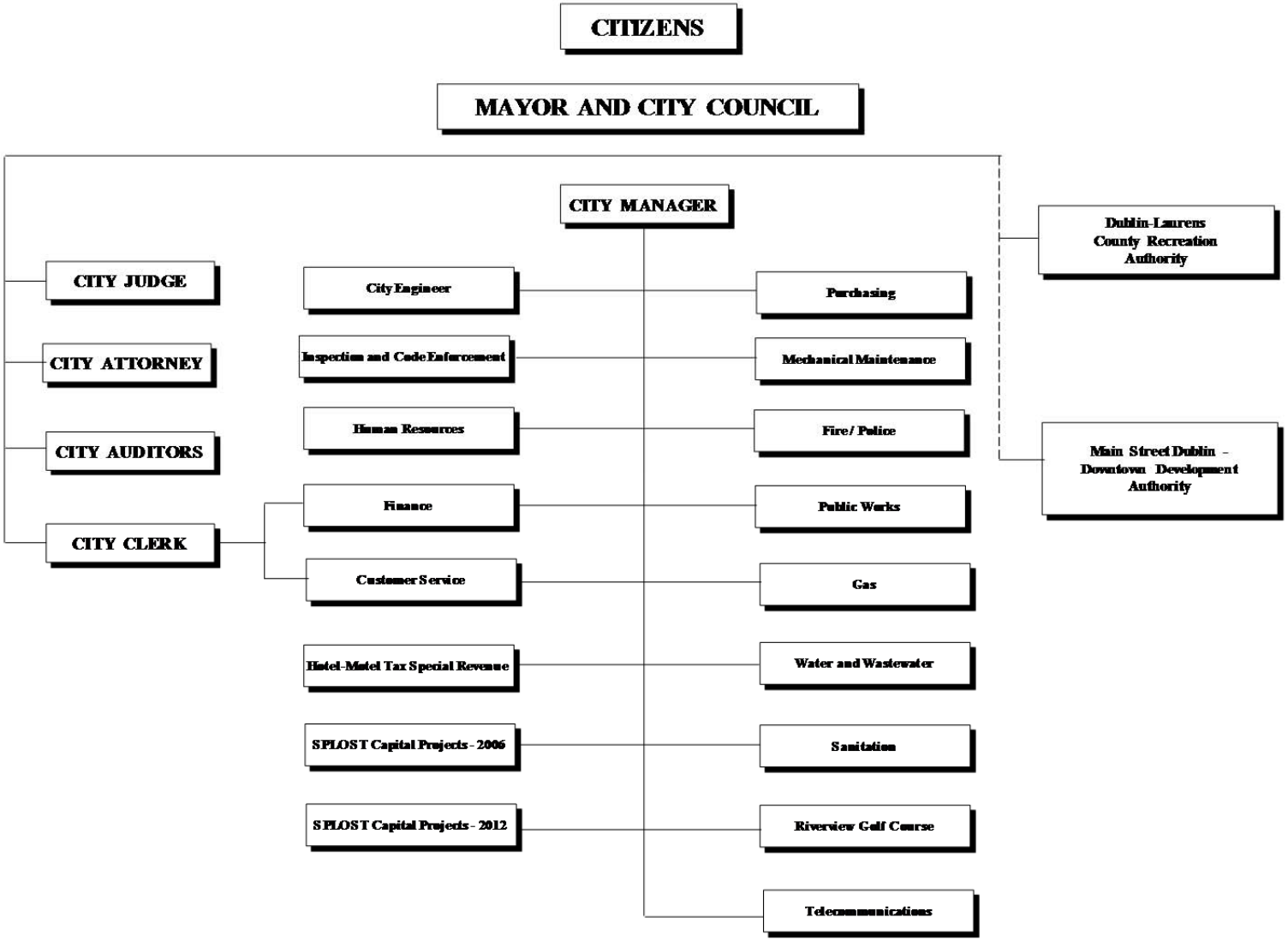
Curtis Edwards

CITY MANAGER

George P. Roussel

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

CITY OF DUBLIN, GEORGIA
ORGANIZATION CHART



II. FINANCIAL SECTION

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

NICHOLS, CAULEY & ASSOCIATES, LLC

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Certified Public Accountants
Certified Internal Auditors
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Dublin, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 85 percent, 86 percent, and 82 percent, respectively, of the assets, net position, and revenues of the component units. Those 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit report 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 27, the schedule of funding progress for the Georgia Municipal Employees Benefit System on page 70, the budgetary comparison information on pages 71 through 72, and the notes to required supplementary information on page 73, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dublin, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules of expenditures of special purpose local option sales tax proceeds, statistical section, and the 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund statements, the schedules of expenditures of special purpose local option sales tax proceeds, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund statements, the schedules of expenditures of special purpose local option sales tax proceeds and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2014, 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 internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering City of Dublin, Georgia's internal control over financial reporting and compliance.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
December 29, 2014

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, 2014. 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 position - The assets of the City exceeded its liabilities at fiscal year ending June 30, 2014 by $76,595,960 (presented as "net position"). Of this amount, $22,741,285 was reported as "unrestricted net position". Unrestricted net position represent the amount available to be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net position -The City's total net position increased by $1,091,001 (a 1.4% increase) in fiscal year 2014. Net position of governmental activities decreased by $268,293 (a 0.9% decrease) while net position of the business-type activities showed an increase of $1,359,294 (a 3.1% increase).

Fund Highlights:

Governmental Funds - Fund Balances - As of the close of fiscal year 2014, the City's governmental funds reported a combined ending fund balance of $9,877,155, a decrease of $1,200,615 in comparison with the prior year. Of this total amount, $5,802,703 represents the "unassigned fund balances". This $5,802,703 is approximately 34.7% of the total governmental fund expenditures for the year. The primary difference in the $268,293 decrease in net position of governmental activities compared to the $1,200,615 decrease in fund balance of governmental funds primarily relates to the capitalization of assets partially offset by depreciation expense, resulting in difference of $735,858.

Long-term Obligations:

The City's total long-term obligations decreased by $548,126 (5.8%) during the current fiscal year. The key factor in this decrease was the repayment of the revenue bonds of $420,000.

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 Position** presents all of the government's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the City's net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 – 2012 Fund. The City's nonmajor governmental funds are the SPLOST Capital Projects – 2006 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 position and in the proprietary funds statement of revenues, expenditures, and changes in fund net position. The City's major proprietary funds are - the Water and Sewerage System Fund and the Natural Gas System Fund. The City's nonmajor proprietary funds are the Sanitation Fund, 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 position and the statement of changes in net position.

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 the special purpose local option sales tax proceeds - 2006 and special purpose local option sales tax proceeds - 2012.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's combined net position (government and business-type activities) totaled $76,595,960 at the end of 2014, compared to $75,504,959 at the end of the previous year.

The largest portion of the City's net position (63.0%) 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 position (7.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net position of the City's (governmental and business-type) activities decreased $1,020,421 or 4.3% from the prior year. Internally imposed designations of resources are not presented as restricted net position.

City of Dublin, Georgia - Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current assets	$ 11,385,439	$ 12,729,003	$ 19,893,753	$ 20,342,848	$ 31,279,192	$ 33,071,851
Capital assets	21,230,359	20,494,501	35,034,596	33,733,678	56,264,955	54,228,179
Total assets	32,615,798	33,223,504	54,928,349	54,076,526	87,544,147	87,300,030
Noncurrent liabilities	543,992	748,435	7,648,109	8,168,571	8,192,101	8,917,006
Other liabilities	1,312,239	1,447,209	1,443,847	1,430,856	2,756,086	2,878,065
Total liabilities	1,856,231	2,195,644	9,091,956	9,599,427	10,948,187	11,795,071
Net investment in capital assets	21,119,506	20,178,580	27,158,233	25,360,389	48,277,739	45,538,969
Restricted	3,549,624	4,168,780	2,027,312	2,035,504	5,576,936	6,204,284
Unrestricted	6,090,437	6,680,500	16,650,848	17,081,206	22,741,285	23,761,706
Total net position	$ 30,759,567	$ 31,027,860	$ 45,836,393	$ 44,477,099	$ 76,595,960	$ 75,504,959

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, 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 Position

The City's net position increased by $1,091,001 or 1.4%. Governmental activities decreased $268,293 while business activities increased $1,359,294. Historically, and in fiscal year 2014, 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 2014 were $319,634 which included $700,000 from the Natural Gas Fund to the general fund and $380,366 from governmental activities to the business-type activities. During 2014, The City's governmental activities transferred $380,366 in capital assets purchased with SPLOST proceeds to the following business-type activities: $225,651 to the Water and Sewerage System Fund and $154,715 to the Natural Gas System Fund. Approximately 18.9 percent of the City's total revenue came from taxes, while 7.6 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and intragovernmental items provided 73.5 percent of the total revenues.

The City's expenses cover a range of services. The largest expenses were for gas services, public safety, water and sewer services, general government, and sanitation services. In 2014, governmental activity program expenses exceeded revenues, resulting in the use of $9,685,161 in general revenues which were comprised of $9,079,399 (taxes), $700,000 (transfers in), and $17,835 (unrestricted investment earnings). Total program and general revenues from business-type activities exceeded net expenses, excluding transfers out, in 2014 by $216,848.

Governmental activities decreased the City's net position by $268,293 compared to a decrease of $3,462,481 in the prior year. The key elements in this difference were a large transfer of capital assets from the governmental activities to the business-type activities in the prior year compared to $380,366 in the current year. Business-type activities increased the City's net position by $1,359,294. The key element was increased revenue produced from gas services. Other key elements of these changes are as follows:

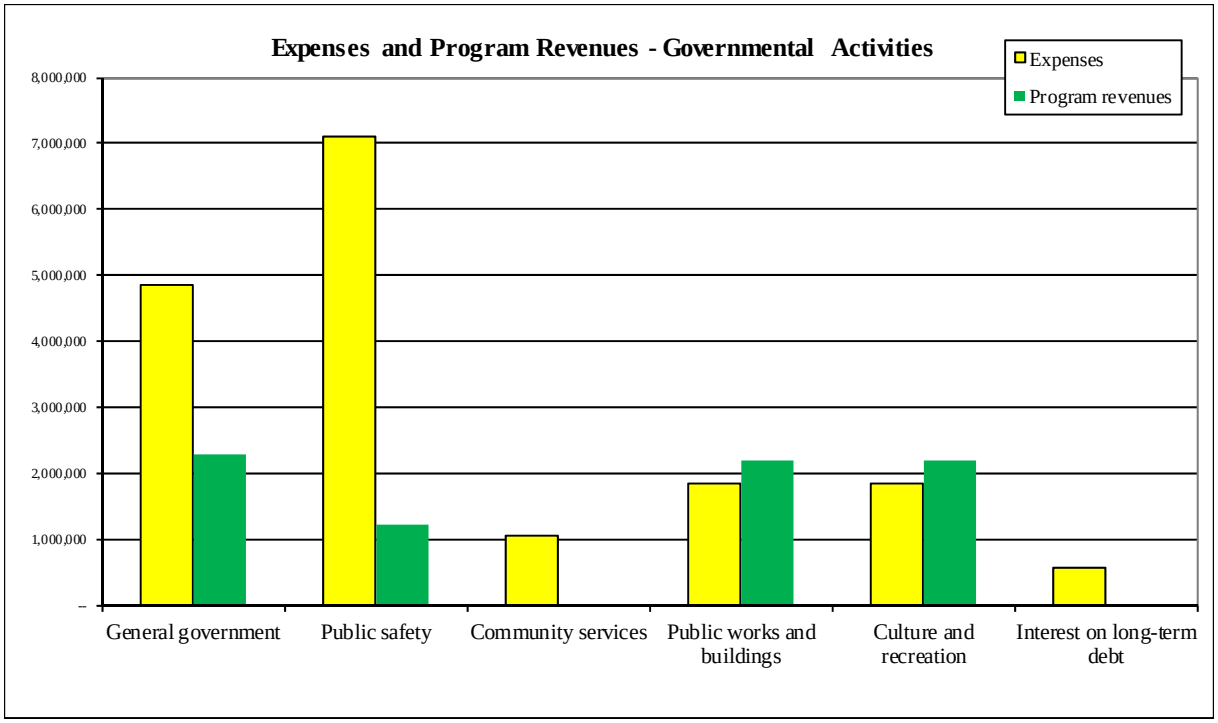
City of Dublin, Georgia - Changes in Net Position

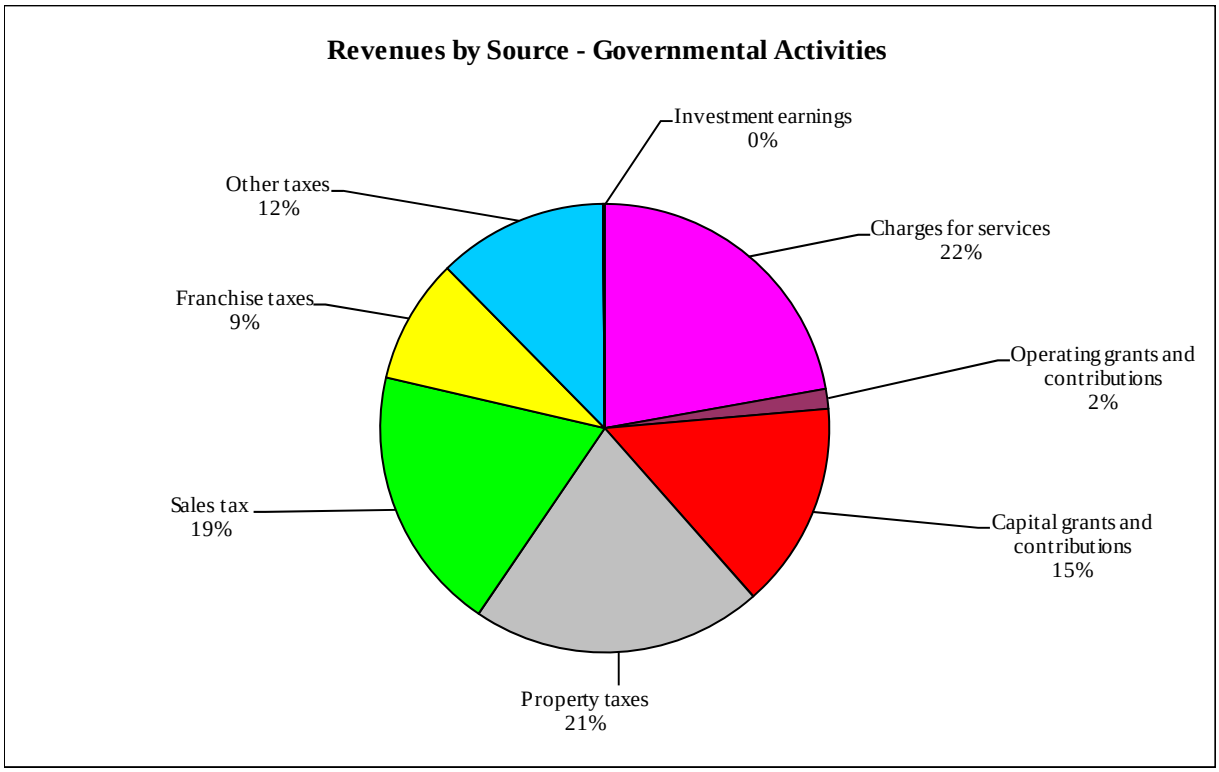
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$ 3,281,398	$ 3,373,194	$ 31,829,261	$ 28,321,781	$ 35,110,659	$ 31,694,975
Operating grants and contributions	212,227	281,703	--	--	212,227	281,703
Capital grants and contributions	2,199,791	3,087,111	1,243,739	22,306	3,443,530	3,109,417
General revenues:						
Property taxes	3,106,231	2,854,896	--	--	3,106,231	2,854,896
Sales taxes	2,831,081	2,936,546	--	--	2,831,081	2,936,546
Franchise taxes	1,330,271	1,371,855	--	--	1,330,271	1,371,855
Other taxes	1,811,816	1,744,676	--	--	1,811,816	1,744,676
Investment earnings	17,835	27,175	49,288	39,834	67,123	67,009
Total revenues	14,790,650	15,677,156	33,122,288	28,383,921	47,912,938	44,061,077
Expenses:						
General government	4,843,246	4,166,428	--	--	4,843,246	4,166,428
Public safety	7,088,105	7,495,673	--	--	7,088,105	7,495,673
Community services	1,034,752	962,537	--	--	1,034,752	962,537
Public works and buildings	1,828,819	1,914,142	--	--	1,828,819	1,914,142
Culture and recreation	576,877	534,183	--	--	576,877	534,183
Interest on long-term debt	6,778	87,015	--	--	6,778	87,015
Water and sewer	--	--	5,807,794	5,846,914	5,807,794	5,846,914
Gas	--	--	22,058,010	16,932,878	22,058,010	16,932,878
Sanitation	--	--	2,543,124	2,502,288	2,543,124	2,502,288
Riverview Golf Course	--	--	421,421	390,012	421,421	390,012
Telecommunications	--	--	613,011	705,997	613,011	705,997
Total expenses	15,378,577	15,159,978	31,443,360	26,378,089	46,821,937	41,538,067
Increase in net assets before transfers	(587,927)	517,178	1,678,928	2,005,832	1,091,001	2,523,010
Transfers	319,634	(3,979,659)	(319,634)	3,979,659	--	--
Change in net assets	(268,293)	(3,462,481)	1,359,294	5,985,491	1,091,001	2,523,010
Net position, beginning	31,027,860	34,490,341	44,477,099	38,491,608	75,504,959	72,981,949
Net position, ending	$ 30,759,567	$ 31,027,860	$ 45,836,393	$ 44,477,099	$ 76,595,960	$ 75,504,959

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 $15,378,577.
- However, the amount that our taxpayers paid for these activities through City taxes was $9,079,399. Some of the cost was paid by:
  - Those who directly benefited from the programs $3,281,398.
  - Other governments and organizations that subsidized certain programs with grants and contributions $2,412,018.
  - Net transfers to the General Fund of $700,000 from the Proprietary Funds.
- Public safety required the largest net amount of public funds after subtracting program revenue and grants and contributions. The total subsidy was $5,870,039 in fiscal year 2014. Public safety comprised 46.09% of total expenses in 2014.
- Community services comprised 6.73% of total expenses in fiscal year 2014.
- Public works and buildings comprised 11.89% of total expenses in fiscal year 2014.
- Culture and recreation comprised 3.75% of total expenses in fiscal year 2014.
- Interest on long-term debt comprised 0.04% of total expenses in fiscal year 2014.
- General government comprised 31.50% of total expenses and reflected an increase of $676,818 from the prior year. For every one dollar of general government expenses in fiscal year 2014, 47 cents came from charges for services to pay for the expenses and interest.

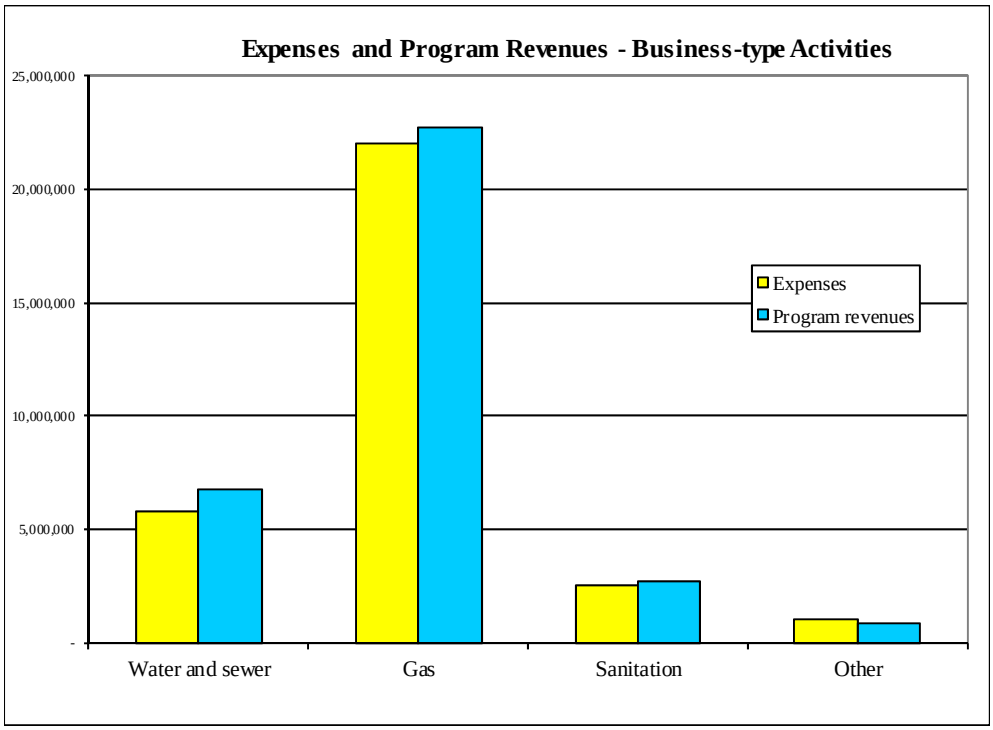


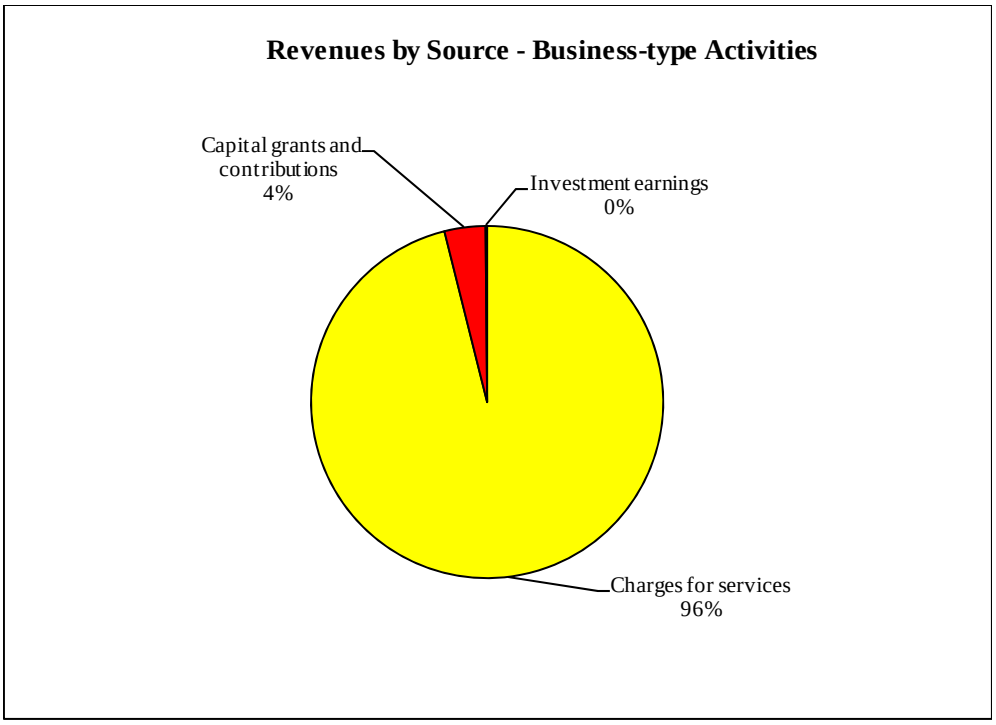


Business-Type Activities

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 $31,443,360.
- Revenues generated by the gas function comprised 68.8% of program revenues for business-type activities. Water and sewer, sanitation and other comprised 20.6%, 8.2%, and 2.4%, respectively.
- Investment earnings increased by approximately $9,454 from the prior year.


Expenses and Program Revenues - Business-type Activities
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
-
Expenses
Program revenues
Water and sewer
Gas
Sanitation
Other


Revenues by Source - Business-type Activities
Capital grants and contributions 4%
Investment earnings 0%
Charges for services 96%

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 $9,877,155 a decrease of $1,200,615 in comparison with the prior year. $5,802,703 or 58.7% of this total amount constitutes unassigned fund balance, which is available for spending in the coming year. A portion of the fund balance is termed nonspendable to indicate that it is not available for new spending because it is reserved for inventory and prepaid items. A portion of the fund balance is termed restricted for it is to be used for debt service and capital projects. The remainder of fund balances are reserved to indicate that they are not available for new spending because they have already been committed or assigned for a variety of purposes.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $5,802,703 while the total fund balance reached $6,327,531. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 43.6% of total general fund expenditures, while total fund balance represents 47.6% of that same amount.

The fund balance of the City's General Fund decreased by $581,459 during the current fiscal year. This is a 8.4% decrease from the prior year. This decrease is primarily attributable to a decrease in intergovernmental revenues and an increase in capital expenditures offset by a decrease in debt service. At June 30, 2014, the fund balance of the City's General Fund represented 64.1% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2012 fund decreased by $495,990 during the current fiscal year. This is an 42.8% decrease from the prior year. This decrease is attributable to the City beginning capital projects approved in the 2012 SPLOST referendum. At June 30, 2014, the fund balance of the City's SPLOST Capital Projects - 2012 fund represented 6.7% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2006 fund decreased by $123,166, during the current fiscal year. This is a 4.1% decrease from the prior year. This decrease is primarily due to the City has completed collecting tax revenues and continuing to complete the projects under the 2006 SPLOST referendum. At June 30, 2014, the fund balance of the City's SPLOST Capital Projects - 2006 fund represented 29.2% 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 position increased by $1,359,294 primarily as a result of capital contributions of capital assets from the governmental activities and an increase in demand for gas services. This resulted primarily from a $1,228,281 increase in net position by the Water and Sewerage System Fund due to the City receiving approximately $1.2 Million in grant revenue for infrastructure construction projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted expenditures decreased by 0.2 % from the prior year. Actual expenditures increased approximately 2.3% from prior year. The actual excess of expenditures over revenues 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, general property taxes were 15.9% over budget due to the new title ad valorem tax revenues which were higher than anticipated. Inspection permits were 43.6% under budget due to less construction projects as anticipated during the year. Intergovernmental other was 24.8% over budget due to receiving grants that were higher than expected. For expenditures, Community Development expenditures were 303.1% over budget due to capital expenditures for sidewalk improvements and other downtown improvements which were higher than first anticipated but were determined to continue the improvements to the downtown area.

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, 2014, amounts to $133,235,795, net of accumulated depreciation of $76,970,840 leaving a net book value of $56,264,955. This investment in capital assets includes land, construction in progress, buildings and plant, improvements other than buildings, machinery and equipment, and infrastructure.

The City's investment in capital assets for the current fiscal year increased about 3.8% in terms of net book value. However, actual expenditures to purchase or construct capital assets were $5,051,214 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, purchase capital equipment as well as road and other capital improvements designated by the SPLOST 2006 and 2012 funds. Depreciation charges for the year totaled $3,032,242 Additional information on the City's capital assets can be found in Note III. 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 $5,305,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by $420,000 as a result of current year principal payments. The City also had $2,682,216 of debt from capital leases and notes payable, excluding interfund notes payable. This is a $281,94 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 III.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 10.1%, which is an increase from a rate of 12.1% a year ago.
- Inflationary trends in the region compare favorably to national indices.
- The City is expecting the national economy, the Patient and Affordable Care Act, the Health Care and Education Reconciliation Act of 2010 and potential reductions in Federal spending 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 6.4 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 POSITION
FOR THE YEAR ENDED JUNE 30, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
ASSETS:					
Cash and cash equivalents	$ 17,918,209	$ 4,583,520	$ 22,501,729	$ 933,504	$ 113,211
Investments	--	3,195,244	3,195,244	--	--
Taxes receivable, net	170,718	--	170,718	--	--
Accounts receivable, net	--	1,480,424	1,480,424	26,473	--
Other receivables, net	79,934	74,970	154,904	--	--
Accrued interest receivable	1,279	2,397	3,676	--	--
Due from other governments	224,771	--	224,771	--	--
Internal balances	(7,406,627)	7,406,627	--	--	--
Inventories, at cost	197,169	12,280	209,449	--	--
Prepaid items	199,986	48,079	248,065	24,986	--
Restricted assets:					
Cash and cash equivalents	--	398,407	398,407	--	--
Investments	--	2,691,805	2,691,805	--	--
Capital assets not being depreciated:					
Land	1,460,998	565,757	2,026,755	--	126,150
Construction in progress	1,048,076	2,098,765	3,146,841	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	3,577,621	31,267,047	34,844,668	4,941,841	437,679
Improvements other than buildings	1,264,051	146,070	1,410,121	11,914	351,785
Machinery and equipment	1,174,517	956,957	2,131,474	136,368	6,813
Infrastructure	12,705,096	--	12,705,096	--	--
Total assets	$ 32,615,798	$ 54,928,349	$ 87,544,147	$ 6,075,086	$ 1,035,638

	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	$ 1,288,739	$ 370,060	$ 1,658,799	$ 63,059	$ --
Accrued interest payable	--	10,887	10,887	--	--
Deposits and bonds	23,500	--	23,500	--	--
Payables from restricted assets:					
Customer deposits	--	622,900	622,900	--	--
Revenue bonds payable - current	--	440,000	440,000	--	--
Noncurrent liabilities:					
Due within one year:					
Capital leases payable	110,853	--	110,853	--	--
Compensated absences	34,824	17,204	52,028	--	--
Note payable - other	--	80,336	80,336	556,843	28,798
Due in more than one year:					
Compensated absences	398,315	194,542	592,857	31,114	--
Note payable - other	--	2,491,027	2,491,027	--	158,312
Revenue bonds payable	--	4,865,000	4,865,000	--	--
Total liabilities	1,856,231	9,091,956	10,948,187	651,016	187,110
NET POSITION					
Net investment in capital assets	21,119,506	27,158,233	48,277,739	4,533,280	735,317
Restricted assets:					
Restricted for debt service	--	2,027,312	2,027,312	--	--
Restricted for capital projects	3,549,624	--	3,549,624	112,499	--
Unrestricted	6,090,437	16,650,848	22,741,285	778,291	113,211
Total net position	30,759,567	45,836,393	76,595,960	5,424,070	848,528
Total liabilities and net position	$ 32,615,798	$ 54,928,349	$ 87,544,147	$ 6,075,086	$ 1,035,638

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 4,843,246	$ 2,275,559	$ --	$ --
Public safety	7,088,105	1,005,839	212,227	--
Community services	1,034,752	--	--	--
Public works and buildings	1,828,819	--	--	2,199,791
Culture and recreation	576,877	--	--	--
Interest on long-term debt	6,778	--	--	--
Total governmental activities	15,378,577	3,281,398	212,227	2,199,791
Business-type activities:				
Water and sewer	5,807,794	5,558,274	--	1,243,739
Gas	22,058,010	22,749,451	--	--
Sanitation	2,543,124	2,696,551	--	--
Riverview Golf Course	421,421	306,091	--	--
Telecommunications	613,011	518,894	--	--
Total business-type activities	31,443,360	31,829,261	--	1,243,739
Total primary government	$ 46,821,937	$ 35,110,659	$ 212,227	$ 3,443,530
Component units:				
Dublin-Laurens County Recreation Authority	$ 1,793,151	$ 132,667	$ 1,200,000	$ 74,032
Main Street Dublin Downtown Development Authority	327,495	--	--	--
Total component units	$ 2,120,646	$ 132,667	$ 1,200,000	$ 74,032
General revenues:				
Property taxes				
Sales taxes				
Hotel/Motel tax				
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 position				
Net position - beginning - as restated				
Net position - ending				

Net (Expense) Revenue and Changes in Net Assets					
Primary Government				Component Units	
Governmental Activities	Business-type Activities	Total		Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
$ (2,567,687)	$ --	$ (2,567,687)			
(5,870,039)	--	(5,870,039)			
(1,034,752)	--	(1,034,752)			
370,972	--	370,972			
(576,877)	--	(576,877)			
(6,778)	--	(6,778)			
(9,685,161)	--	(9,685,161)			
--	994,219	994,219			
--	691,441	691,441			
--	153,427	153,427			
--	(115,330)	(115,330)			
--	(94,117)	(94,117)			
--	1,629,640	1,629,640			
(9,685,161)	1,629,640	(8,055,521)			
				$ (386,452)	$ --
				--	(327,495)
				(386,452)	(327,495)
3,106,231	--	3,106,231		--	--
2,831,081	--	2,831,081		--	--
576,522	--	576,522		153,300	--
396,995	--	396,995		--	--
1,330,271	--	1,330,271		--	--
838,299	--	838,299		--	--
--	--	--		28,091	154,517
17,835	49,288	67,123		20,152	--
--	--	--		--	198,511
319,634	(319,634)	--		--	--
9,416,868	(270,346)	9,146,522		201,543	353,028
(268,293)	1,359,294	1,091,001		(184,909)	25,533
31,027,860	44,477,099	75,504,959		5,608,979	822,995
$ 30,759,567	$ 45,836,393	$ 76,595,960		$ 5,424,070	$ 848,528

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

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 14,143,679	$ 812,584	$ 2,961,946	$ 17,918,209
Investments	--	--	--	--
Taxes receivable, net	170,718	--	--	170,718
Other receivables, net	79,934	--	--	79,934
Accrued interest receivable	1,279	--	--	1,279
Due from other governments - State of Georgia - local option sales tax	224,771	--	--	224,771
Due from other funds	28,581	--	--	28,581
Inventories, at cost	197,169	--	--	197,169
Prepaid items	199,986	--	--	199,986
Total assets	$ 15,046,117	$ 812,584	$ 2,961,946	$ 18,820,647
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued costs	$ 1,092,414	$ 150,302	$ 46,023	$ 1,288,739
Due to other funds	7,406,627	--	28,581	7,435,208
Customer deposits	23,500	--	--	23,500
Total liabilities	8,522,541	150,302	74,604	8,747,447
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	196,045	--	--	196,045
FUND BALANCES				
Nonspendable	397,155	--	--	397,155
Restricted	--	662,282	2,887,342	3,549,624
Committed	127,673	--	--	127,673
Assigned	--	--	--	--
Unassigned	5,802,703	--	--	5,802,703
Total fund balances	6,327,531	662,282	2,887,342	9,877,155
Total liabilities, deferred inflows of resources and fund balances	$ 15,046,117	$ 812,584	$ 2,961,946	$ 18,820,647

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 POSITION
JUNE 30, 2014

Total governmental fund balance (page 30)		$ 9,877,155
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the funds.		
Cost of capital assets	59,684,544	
Less accumulated depreciation	(38,454,185)	21,230,359
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		196,045
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets are reported on the government-wide statement of net position.		
Capital leases payable	(110,853)	
Compensated absences	(433,139)	(543,992)
Net position of governmental activities (page 28)		$ 30,759,567

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, 2014

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
REVENUES:				
General property taxes	$ 3,114,210	$ --	$ --	$ 3,114,210
Other taxes	5,612,842	--	576,522	6,189,364
Licenses and permits	547,619	--	--	547,619
Fines and forfeitures	901,335	--	--	901,335
Intergovernmental	485,717	2,188,463	--	2,674,180
Interest on investments	17,835	3,850	7,478	29,163
Miscellaneous income	1,342,758	--	--	1,342,758
Total revenues	12,022,316	2,192,313	584,000	14,798,629
EXPENDITURES:				
Current:				
General government	4,131,923	--	--	4,131,923
Public safety	6,765,030	--	--	6,765,030
Community services	1,028,046	--	--	1,028,046
Public works and buildings	1,378,776	--	--	1,378,776
Culture and recreation	--	--	576,522	576,522
Capital outlay	--	2,576,054	31,047	2,607,101
Debt service:				
Principal	--	108,652	96,416	205,068
Interest	--	3,597	3,181	6,778
Total expenditures	13,303,775	2,688,303	707,166	16,699,244
Excess of revenues under expenditures	(1,281,459)	(495,990)	(123,166)	(1,900,615)
OTHER FINANCING SOURCES (USES)-				
Transfers in	700,000	--	--	700,000
Total other financing sources	700,000	--	--	700,000
Net change in fund balances	(581,459)	(495,990)	(123,166)	(1,200,615)
Fund balances-beginning	6,908,990	1,158,272	3,010,508	11,077,770
Fund balances-ending	$ 6,327,531	$ 662,282	$ 2,887,342	$ 9,877,155

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, 2014

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

Net change in fund balances - total governmental funds (page 32)		$ (1,200,615)
Governmental funds report capital outlays as expenditures on the government fund type operating statement. However, in the government-wide 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.		
Depreciation expense	$ (1,074,895)	
Capital outlay	1,810,753	735,858
Revenues reported in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the fund financial reporting level.		
Deferred at 06/30/14	$ 196,045	
Deferred at 06/30/13	(204,024)	(7,979)
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.		205,068
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 $625.		(625)
Change in net position of governmental activities (page 29)		$ (268,293)

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business-type Activities - Enterprise Funds			
	Water and Sewerage System Fund	Natural Gas System Fund	Nonmajor Funds	Total
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 1,441,376	$ 1,022,986	$ 2,119,158	$ 4,583,520
Investments	--	3,195,244	--	3,195,244
Notes receivable from Water and Sewerage System Fund - current	--	50,760	--	50,760
Accounts receivable, net	147,293	906,915	426,216	1,480,424
Other receivables, net	74,970	--	--	74,970
Accrued interest receivable	--	2,377	20	2,397
Due from other funds	290,866	6,000,000	1,406,627	7,697,493
Inventories, at cost	--	--	12,280	12,280
Prepaid items	12,715	20,146	15,218	48,079
Restricted assets:				
Cash and cash equivalents	398,407	--	--	398,407
Investments	2,467,312	224,493	--	2,691,805
Total current assets	4,832,939	11,422,921	3,979,519	20,235,379
NONCURRENT ASSETS:				
CAPITAL ASSETS:				
Land	151,381	324,914	89,462	565,757
Construction in progress	2,098,765	--	--	2,098,765
Buildings and plant	41,122,825	17,159,715	3,839,750	62,122,290
Improvements other than buildings	--	--	354,947	354,947
Machinery and equipment	2,432,636	923,077	5,053,778	8,409,491
Less - accumulated depreciation	(21,563,488)	(10,037,419)	(6,915,747)	(38,516,654)
Capital assets - net	24,242,119	8,370,287	2,422,190	35,034,596
OTHER ASSETS:				
Note receivable - Water and Sewerage System Fund - long-term portion	--	275,143	--	275,143
Total other assets	--	275,143	--	275,143
Total non-current assets	24,242,119	8,645,430	2,422,190	35,309,739
Total assets	$ 29,075,058	$ 20,068,351	$ 6,401,709	$ 55,545,118

	Business-type Activities - Enterprise Funds			
	Water and Sewerage System Fund	Natural Gas System Fund	Nonmajor Funds	Total
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES:				
Accounts payable	$ 112,681	$ 1,517	$ 172,747	$ 286,945
Accrued expenses	28,717	35,518	18,880	83,115
Note payable to Natural Gas System Fund - current portion	50,760	--	--	50,760
Note payable GEFA - current portion	80,336	--	--	80,336
Due to other funds	--	--	290,866	290,866
Accrued interest payable	10,887	--	--	10,887
Compensated absences payable	8,972	2,207	6,025	17,204
Payable from restricted assets:				
Customer deposits	398,407	224,493	--	622,900
Revenue bonds payable- current portion	440,000	--	--	440,000
Total current liabilities	1,130,760	263,735	488,518	1,883,013
LONG TERM LIABILITIES:				
Compensated absences payable	100,387	25,243	68,912	194,542
Note payable - Natural Gas System Fund - long-term portion	275,143	--	--	275,143
Note payable - GEFA - long-term portion	2,491,027	--	--	2,491,027
Revenue bonds payable - long-term portion	4,865,000	--	--	4,865,000
Total long-term liabilities	7,731,557	25,243	68,912	7,825,712
Total liabilities	8,862,317	288,978	557,430	9,708,725
NET POSITION:				
Net investment in capital assets	16,365,756	8,370,287	2,422,190	27,158,233
Restricted assets - Restricted for debt service	2,027,312	--	--	2,027,312
Unrestricted	1,819,673	11,409,086	3,422,089	16,650,848
Total net position	20,212,741	19,779,373	5,844,279	45,836,393
Total liabilities and net position	$ 29,075,058	$ 20,068,351	$ 6,401,709	$ 55,545,118

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

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE STATEMENT OF NET POSITION – PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total assets reported for business-type activities in the statement of net position are different because:

Total assets for statement of net position - proprietary funds (page 34)	$	55,545,118
Elimination of interfund receivables relating to cash overdrafts reflected as due from other funds		(290,866)
Elimination of interfund note receivable - water and sewerage system fund		(325,903)
Total assets for statement of net position - business-type activities (page 28)	$	54,928,349

Total liabilities reported for business-type activities in the statement of net position are different because:

Total liabilities for statement of net position - proprietary funds (page 34)	$	9,708,725
Elimination of interfund payables relating to cash overdrafts reflected as due to other funds		(290,866)
Elimination of interfund note payable - natural gas system fund		(325,903)
Total liabilities for statement of net position - business-type activities (page 28)	$	9,091,956

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 POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds			
	Water and Sewerage System Fund	Natural Gas System Fund	Nonmajor Funds	Total
OPERATING REVENUES:				
Sales/charges for services	$ 4,678,619	$ 21,714,644	$ 3,331,880	$ 29,725,143
Administrative expense reimbursement	139,426	127,930	--	267,356
Connection and installation	20,980	178	--	21,158
Penalties and cut-on fees	148,105	68,092	48,418	264,615
Other revenue	--	--	138,197	138,197
Total operating revenues	4,987,130	21,910,844	3,518,495	30,416,469
OPERATING EXPENSES:				
Purchases	--	19,133,593	--	19,133,593
Personnel services	1,452,293	612,290	1,014,846	3,079,429
Employee benefits	290,937	119,808	205,486	616,231
Repairs and maintenance	230,064	97,912	130,634	458,610
Depreciation	1,007,896	516,116	433,335	1,957,347
Other operating	1,544,229	934,759	1,650,282	4,129,270
General and administrative	977,114	643,532	142,973	1,763,619
Total operating expenses	5,502,533	22,058,010	3,577,556	31,138,099
Operating loss	(515,403)	(147,166)	(59,061)	(721,630)
NON-OPERATING REVENUES (EXPENSES):				
Interest expense	(305,261)	--	--	(305,261)
Interest income	8,411	40,660	217	49,288
Intergovernmental	1,243,739	--	--	1,243,739
Miscellaneous	571,144	838,607	3,041	1,412,792
Total non-operating revenues, net	1,518,033	879,267	3,258	2,400,558
Net income (loss) before contributions and transfers	1,002,630	732,101	(55,803)	1,678,928
Capital contributions	225,651	154,715	--	380,366
Transfers out	--	(700,000)	--	(700,000)
Total contributions and transfers	225,651	(545,285)	--	(319,634)
Change in net position	1,228,281	186,816	(55,803)	1,359,294
Net postion - beginning - as restated	18,984,460	19,592,557	5,900,082	44,477,099
Net position - ending	$ 20,212,741	$ 19,779,373	$ 5,844,279	$ 45,836,393

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, 2014

	Business-type Activities - Enterprise Funds			
	Water and Sewerage System Fund	Natural Gas System Fund	Nonmajor Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	$ 4,867,664	$ 23,336,905	$ 3,434,831	$ 31,639,400
Cash received for administrative expense reimbursements	--	127,930	--	127,930
Cash paid to suppliers for goods and services	(1,676,763)	(20,051,121)	(1,461,747)	(23,189,631)
Cash received from other funds for meter readers	139,426	--	--	139,426
Cash paid to other funds for meter readers	--	(139,426)	--	(139,426)
Cash paid to employees for services	(1,458,169)	(609,284)	(1,015,512)	(3,082,965)
Cash paid for employee taxes and benefits	(648,606)	(289,656)	(498,938)	(1,437,200)
Cash paid for administrative expense reimbursements	(626,770)	(446,280)	(142,973)	(1,216,023)
Cash received from (paid to) other funds	288,431	2,000,000	1,207,761	3,496,192
Other non-operating revenue	571,144	838,607	3,041	1,412,792
Net cash provided by operating activities	1,456,357	4,767,675	1,526,463	7,750,495
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers out	--	(700,000)	--	(700,000)
Net cash used by noncapital financing activities	--	(700,000)	--	(700,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(2,538,389)	(332,263)	(387,613)	(3,258,265)
Interest income on note receivable from water and sewerage system fund	--	40,660	--	40,660
Proceeds from principal reduction on note receivable from water and sewerage system fund	--	48,289	--	48,289
Principal paid on note payable - natural gas system fund	(48,289)	--	--	(48,289)
Intergovernmental grant	1,469,390	154,715	--	1,624,105
Principal paid on GEFA loans	(76,926)	--	--	(76,926)
Interest and fees paid on revenue bonds, notes and capital lease payables	(431,480)	--	--	(431,480)
Principal paid on revenue bond maturities	(420,000)	--	--	(420,000)
Net cash used for capital and related financing activities	(2,045,694)	(88,599)	(387,613)	(2,521,906)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest income on investments	8,411	--	217	8,628
Purchase of investments	--	--	--	--
Redemption of certificates of deposit	2,459,891	396,695	--	2,856,586
Purchase of certificates of deposit	(2,467,312)	(3,419,737)	--	(5,887,049)
Net cash provided (used) by investing activities	990	(3,023,042)	217	(3,021,835)
Net increase (decrease) in cash and cash equivalents	(588,347)	956,034	1,139,067	1,506,754
Cash and cash equivalents beginning of year	2,428,130	66,952	980,091	3,475,173
Cash and cash equivalents end of year	$ 1,839,783	$ 1,022,986	$ 2,119,158	$ 4,981,927

(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, 2014

	Business-type Activities - Enterprise Funds			
	Water and Sewerage System Fund	Natural Gas System Fund	Nonmajor Funds	Total
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:				
Cash, beginning				
Current	$ 2,028,529	$ 66,952	$ 980,091	$ 3,075,572
Restricted	399,601	--	--	399,601
Total	2,428,130	66,952	980,091	3,475,173
Net increase (decrease)				
Current	(587,153)	956,034	1,139,067	1,507,948
Restricted	(1,194)	--	--	(1,194)
Total	(588,347)	956,034	1,139,067	1,506,754
Cash, ending				
Current	1,441,376	1,022,986	2,119,158	4,583,520
Restricted	398,407	--	--	398,407
Total	$ 1,839,783	$ 1,022,986	$ 2,119,158	$ 4,981,927
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Net operating loss	$ (515,403)	$ (147,166)	$ (59,061)	$ (721,630)
Adjustments to reconcile net operating loss to net cash provided (used) by operating activities:				
Depreciation	1,007,896	516,116	433,335	1,957,347
Other non-operating revenue	571,144	838,607	3,041	1,412,792
Decrease (increase) in assets:				
Accounts receivable - trade	21,154	1,553,179	(83,664)	1,490,669
Due from other funds	288,431	2,000,000	1,093,373	3,381,804
Prepaid expenses	--	(549)	--	(549)
(Decrease) increase in liabilities:				
Accounts payable	90,205	1,517	25,942	117,664
Accrued expenses	--	2,153	(225)	1,928
Due to other funds	--	--	114,388	114,388
Customer deposits	(1,194)	812	--	(382)
Compensated absences payable	(5,876)	3,006	(666)	(3,536)
Total adjustments	1,971,760	4,914,841	1,585,524	8,472,125
Net cash provided by operating activities	$ 1,456,357	$ 4,767,675	$ 1,526,463	$ 7,750,495

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 FUND
JUNE 30, 2014

	Agency Funds
ASSET	
Cash and cash equivalents	$ 48,506
Total assets	$ 48,506
LIABILITY	
Due to Dublin Board of Education	$ 48,506
Total liabilities	$ 48,506

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.

The most significant of the City's 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. It was agreed upon by the City and Laurens County that the City would include the Dublin-Laurens County Recreation Authority as a component unit since the City continues to share in more of the financial burden than Laurens County.

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 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 Commission – 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 Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2014, the City paid $16,201 in such dues. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC of Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from the Altamaha Regional Commission at 5045 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 position, 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 - 2012 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 2014, sales to ten major customers represented approximately 64.1% of total sales by the gas fund.

Additionally, the City reports the following nonmajor governmental funds:

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.

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:

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

Riverview Golf Course Fund 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, 2014, the City has not begun performing such services.

The City also reports the following fiduciary fund-

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 position.

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 determines when transactions are recorded in the financial records on the financial statements. 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 unearned 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 Position

1. ***Cash and Investments***– The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. 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 the State Treasurer. 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 position. 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, 2014, 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, 2014. 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, which include property, plant and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

   In the case of the initial capitalization of general infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital items at the estimated fair value of the item as the date of its donation.

   Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. During the fiscal year ended June 30, 2014, there was no interest capitalized by the City's business-type activities relating to the construction of capital assets.

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 position. Bond premiums and discounts, 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 recognized as an outflow of resources in the reporting period in which they are incurred.

    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. ***Fund Equity***

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

    Fund Balance- Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

    - **Nonspendable-** Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e. items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
    - **Restricted-** Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- **Committed-** Fund balances are reported as committed when they can be sued only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- **Assigned-** Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's Chief Financial Officer to assign fund balances.
- **Unassigned-** Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions- When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, 3) unassigned.

Net Position- Net position represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e. the amount that the City has spent) for the acquisition, construction, or improvement of those assets. Net position are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

13. ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has no items that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

14. ***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. 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 - 2006 Fund and the SPLOST Capital Projects - 2012 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, 2014.

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, 2014 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	$ 53,546	$ 52,500	$ (1,046)
General government - Tax department	133,175	129,804	(3,371)
General government - Community development	386,362	95,843	(290,519)
General government - City judge	254,344	252,694	(1,650)
Public safety - Fire department - combat	2,159,906	2,142,671	(17,235)
Community services - Cemetary	108,568	102,438	(6,130)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel - Culture and recreation	576,522	530,000	(46,522)

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

D. Deficit Fund Equity

The Riverview Golf Course Fund had a deficit fund balance of $146,985 as of June 30, 2014. The fund incurred more other operating expense than anticipated. Should the budgeted revenue for the upcoming fiscal year fall short of anticipated expenses, the City plans to transfer funds from the general fund to cover the expenses.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits – State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. 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 may not be recovered. The City’s cash and investment policies do not specifically address custodial credit risk.

Investments – The City invests excess cash in the Local Government Investment Pool of the State of Georgia (Georgia Fund 1) as well as certificates of deposits which do not qualify as cash equivalents under the City’s policy.

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, 2014 the City’s investments in Georgia Fund 1 were rated AAA by Standard and Poor’s.

Primary government cash and cash equivalents reconciliation at June 30, 2014:

	Cash and Cash Equivalents
Primary government - fund reporting level:	
Governmental funds - balance sheet	$ 17,918,209
Proprietary funds - statement of net position	4,583,520
Proprietary funds - statement of net position - restricted	398,407
Statement of fiduciary assets and liabilities	48,506
	$ 22,948,642

Investment cash equivalents comprised $14,019,320 or about 61.1% of the total cash and cash equivalents balance of $22,948,642 at year end. These cash equivalents, which are shown in the table below, represented monies deposited into the State Investment Pool which is essentially a money market account with one day's liquidity. With the ability to quickly access these funds should the need arise, the City feels that it has sufficient flexibility to address interest rate risk should the rates suddenly rise since there would be no real exigency to sell any of the longer term investments prior to their actual maturities.

	Fair Value	Maturities
Cash Equivalents:		
Georgia Fund 1 Investment Pool	$ 14,019,320	62 Day Weighted Average

The City's reporting entity had the following investments as of June 30, 2014:

Type of Investment	Fair Value	Investment Maturity Less than 1 yr
Primary government:		
Certificates of deposit	$ 5,887,049	$ 5,887,049

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 2013, the City levied a tax of six and 393/1000 (6.393) mills on the value of all taxable property in the City. The City School System levied a tax of nineteen and 705/100 (19.705) mills. The net digest assessed value for 2013 was $431,146,574 on property in the City including mobile homes and vehicles.

Sources of the calendar year 2014 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	$ 386,364,873	$ 10,086,055	$ 7,613,320	$ 2,472,735
Public utilities	10,155,784	265,117	200,120	64,997
Motor vehicles	34,625,917	903,910	682,304	221,606
Total	$ 431,146,574	$ 11,255,082	$ 8,495,744	$ 2,759,338

C. Receivables

As of June 30, 2014 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, 2014:

	General	Proprietary	Total
Receivables:			
Taxes	$ 190,718	$ --	$ 190,718
Less allowance for uncollectible accounts	(20,000)	--	(20,000)
Net taxes receivable	$ 170,718	$ --	$ 170,718
Accounts and other	$ 79,934	$ 1,764,394	$ 1,844,328
Less allowance for uncollectible accounts	--	(209,000)	(209,000)
Net accounts receivable	$ 79,934	$ 1,555,394	$ 1,635,328

D. Receivables from Other Governments

General fund receivables from other governments as of June 30, 2014, are as follows:

State of Georgia - local option sales tax	$ 224,771

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 ad valorem 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, 2014, was $2,689,086.

F. Interfund Receivables, Payables, and Transfers

A summary of individual interfund receivable and payable balances at June 30, 2014, and a summary of fund transfers for the year then ended follows:

	Payable to			
Payable from:	General Fund	Water and Sewer System Fund	Natural Gas System Fund	Nonmajor Proprietary Funds
Governmental funds:				
General	$ --	$ --	$ 6,000,000	$ 1,406,627
Nonmajor governmental funds	28,581	--	--	--
Nonmajor proprietary funds	--	290,866	--	--
	$ 28,581	$ 290,866	$ 6,000,000	$ 1,406,627

The outstanding balance between fund results mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. 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, 2014, but not yet disbursed. All interfund receivables and payables are expected to be repaid within one year.

Transfers out:	General Fund
Proprietary funds:	
Natural Gas System Fund	$ 700,000

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.

In addition, the City transferred $380,366 in capital assets purchased with SPLOST proceeds in governmental activities to the following enterprise funds recorded in business-type activities: $225,651 to the Water and Sewerage Fund and $154,715 to the Natural Gas System Fund.

G. Restricted Assets

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

Customer deposits	$ 398,407
Revenue bond debt service	2,691,805
	$ 3,090,212

H. Capital Assets

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

Primary Government

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,460,998	$ --	$ --	$ 1,460,998
Construction in progress	692,220	614,325	(258,469)	1,048,076
Total capital assets not being depreciated	2,153,218	614,325	(258,469)	2,509,074
Capital assets, being depreciated:				
Buildings and plants	8,955,988	183,072	(2,950)	9,136,110
Improvements other than buildings	9,612,976	--	(94)	9,612,882
Machinery and equipment	8,404,258	172,443	(14,760)	8,561,941
Infrastructure	28,765,155	1,099,382	--	29,864,537
Total capital assets being depreciated	55,738,377	1,454,897	(17,804)	57,175,470
Less accumulated depreciation for:				
Buildings and plants	5,358,003	203,436	(2,950)	5,558,489
Improvements other than buildings	8,200,110	148,815	(94)	8,348,831
Machinery and equipment	7,041,064	361,120	(14,760)	7,387,424
Infrastructure	16,797,917	361,524	--	17,159,441
Total accumulated depreciation	37,397,094	1,074,895	(17,804)	38,454,185
Total capital assets being depreciated, net	18,341,283	380,002	--	18,721,285
Governmental activities capital assets, net	$ 20,494,501	$ 994,327	$ (258,469)	$ 21,230,359

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 565,757	$ --	$ --	$ 565,757
Construction in progress	--	2,098,765	--	2,098,765
Total capital assets not being depreciated	565,757	2,098,765	--	2,664,522
Capital assets, being depreciated:				
Buildings and plants	61,309,400	812,891	--	62,122,291
Improvements other than buildings	354,947	--	--	354,947
Machinery and equipment	8,062,882	346,609	--	8,409,491
Total capital assets being depreciated	69,727,229	1,159,500	--	70,886,729
Less accumulated depreciation for:				
Buildings and plants	29,212,561	1,642,683	--	30,855,244
Improvements other than buildings	201,842	7,035	--	208,877
Machinery and equipment	7,144,905	307,629	--	7,452,534
Total accumulated depreciation	36,559,308	1,957,347	--	38,516,655
Total capital assets being depreciated, net	33,167,921	(797,847)	--	32,370,074
Business-type activities capital assets, net	$ 33,733,678	$ 1,300,918	$ --	$ 35,034,596

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

Governmental activities:	
General government	$ 294,716
Public safety	323,075
Community services	6,706
Public works and buildings	450,043
Culture and recreation	355
Total depreciation expense-governmental activities	$ 1,074,895
Business-type activities:	
Water and sewer	$ 1,007,896
Gas	516,116
Sanitation	189,640
Riverview Golf Course	8,066
Telecommunications	235,629
Total depreciation expense-business-type activities	$ 1,957,347

Discretely Presented Component Units

Activity for **Dublin-Laurens County Recreation Authority** for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets, being depreciated:				
Buildings and plants	$ 7,112,776	$ --	$ --	$ 7,112,776
Improvements other than buildings	348,108	--	--	348,108
Machinery and equipment	886,421	59,842	(14,811)	931,452
Total capital assets being depreciated	8,347,305	59,842	(14,811)	8,392,336
Less accumulated depreciation for:				
Buildings and plants	1,976,200	194,735	--	2,170,935
Improvements other than buildings	301,472	34,722	--	336,194
Machinery and equipment	691,775	118,120	(14,811)	795,084
Total accumulated depreciation	2,969,447	347,577	(14,811)	3,302,213
Dublin-Laurens County Recreation Authority capital assets, net	$ 5,377,858	$ (287,735)	$ --	$ 5,090,123

Activity for **Main Street Dublin-Downtown Development Authority** for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets, not being depreciated:				
Land	$ 126,150	$ --	$ --	$ 126,150
Capital assets, being depreciated:				
Buildings and plants	$ 559,876	$ --	$ --	$ 559,876
Improvements other than buildings	370,581	100,934	--	471,515
Machinery and equipment	12,605	--	--	12,605
Total capital assets being depreciated	943,062	100,934	--	1,043,996
Less accumulated depreciation for:				
Buildings and plants	103,599	18,598	--	122,197
Improvements other than buildings	93,275	26,455	--	119,730
Machinery and equipment	3,663	2,129	--	5,792
Total accumulated depreciation	200,537	47,182	--	247,719
Total capital assets being depreciated, net	742,525	53,752	--	796,277
Main Street Dublin-Downtown Development Authority, net	$ 868,675	$ 53,752	$ --	$ 922,427

I. Capital Leases

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 final lease payment was made in fiscal year 2014.

During fiscal year 2012, the City entered into a capital lease agreement with the Georgia Municipal Association, Inc. for the purchase of ten 2012 Chevrolet Caprice Police Cars with an original amount of $326,001. Shortly after the initial agreement, the lease was assigned and transferred to Branch Bank & Trust. Annual payments are $112,249 beginning September 4, 2012 and ending June 4, 2015 at an interest rate of 2.01%. The current portion of the lease due in FY 2015 is $110,853.

The remaining annual requirement to amortize the remaining balance of $110,853 as of June 30, 2014, including interest payments of $1,396 is as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 110,853	$ 1,396	$ 112,249

The assets acquired through these capital leases are as follows:

	Governmental Activities	Business Type Activities
Machinery and equipment	$ 956,001	$ --
Less accumulated depreciation	(329,900)	--
Total	$ 626,101	$ --

The depreciation related with the above capital leases has been included in the depreciation expense reported in Note III. H.

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, 2014. The annual requirements to amortize the remaining balance of $325,903 to maturity, including interest of $49,247 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 50,760	$ 15,142	$ 65,902
2016	53,357	12,545	65,902
2017	56,086	9,816	65,902
2018	58,956	6,946	65,902
2019	61,972	3,930	65,902
2020	44,772	868	45,640
Total	$ 325,903	$ 49,247	$ 375,150

K. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2014:

Primary Government

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Governmental activities:						
Capital leases payable	$ 315,921	$ --	$ (205,068)	$ 110,853	$ 110,853	$ --
Compensated absences payable	432,514	356,910	(356,285)	433,139	34,824	398,315
Governmental activity-long-term liabilities	$ 432,514	$ 356,910	$ (356,285)	$ 433,139	$ 34,824	$ 398,315

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Business-type activities:						
Revenue bonds payable	$5,725,000	$ --	$ (420,000)	$5,305,000	$ 440,000	$4,865,000
Compensated absences payable	215,282	148,308	(151,844)	211,746	17,204	194,542
Notes payable-Natural Gas System	374,192	--	(48,289)	325,903	50,760	275,143
Notes payable-GEFA	1,078,574	--	(76,926)	1,001,648	80,336	921,312
Notes payable-GEFA construction period loan	1,569,715	--	--	1,569,715	--	1,569,715
Business-type activity-long-term liabilities	$8,962,763	$ 148,308	$ (697,059)	$8,414,012	$ 588,300	$7,825,712

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

The notes payable – natural gas system loan is an internal loan between two business-type-funds and is eliminated on the statement of net position.

Revenue Bonds Payable

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, 2014, 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 5.7%.

Outstanding balance at June 30, 2014	$	5,305,000
Current portion		440,000
Long-term portion	$	4,865,000

The annual requirements to amortize outstanding revenue bonds as of June 30, 2014, including interest payments of $1,403,534 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 440,000	$ 234,187	$ 674,187
2016	455,000	216,588	671,588
2017	470,000	197,932	667,932
2018	495,000	178,193	673,193
2019	510,000	156,907	666,907
2020-2024	2,935,000	419,727	3,354,727
Total	$ 5,305,000	$ 1,403,534	$ 6,708,534

Notes 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 $30,678 on the first day of each quarter thereafter through July 1, 2024. The current portion of the loan due in FY 2015 is $80,336 with the long-term portion making up the remaining balance of $921,312.

The annual requirements to amortize the remaining balance of $1,001,648 as of June 30, 2014, including interest payments of $243,266 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 80,336	$ 42,375	$ 122,711
2016	83,819	38,892	122,711
2017	87,685	35,026	122,711
2018	91,497	31,214	122,711
2019	95,551	27,160	122,711
2020-2024	562,760	68,599	631,359
Total	$ 1,001,648	$ 243,266	$ 1,244,914

During fiscal year 2011 the City was awarded a "construction period loan" from the Georgia Environmental Facilities Authority (GEFA) for the purpose of making improvements to the sewer collection and treatment infrastructure. Under the terms of the agreement the City can draw a total of $2,400,000. As of June 30, 2014 the City had drawn $1,846,723 on this loan. The agreement has a 15% debt forgiveness portion that is recorded as a capital grant which totaled $277,008 as of June 30, 2014. The unpaid principal balance shall bear interest at a rate of 3% per annum. Accrued interest is payable monthly until the earlier of the completion date, January 1, 2012, or date loan is fully disbursed. As of June 30, 2014 the loan was not fully disbursed. When the loan is fully disbursed, principal and interest becomes payable in 239 consecutive monthly payments.

Discretely Presented Component Units

Dublin-Laurens County Recreation Authority:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated absences payable	$ 33,688	$ --	$ (2,574)	$ 31,114	$ --	$ 31,114
Notes payable-Farmers State Bank	638,689	--	(81,846)	556,843	556,843	--
Dublin-Laurens County Recreation Authority long-term liabilities	$ 672,377	$ --	$ (84,420)	$ 587,957	$ 556,843	$ 31,114

Note payable to Farmers State Bank is for construction at the Southern Pines Recreation Complex, interest rate is 3.5% and maturity is December 30, 2014. The note is being repaid with collections from a special purpose local option sales tax.

The annual requirements to amortize the remaining balance of $556,843 as of June 30, 2014, are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 556,843	$ --	$ 556,843

Main Street Dublin-Downtown Development Authority:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Notes payable-Bank of Dudley Bank	$ --	$ 21,870	$ --	$ 21,870	$ 21,870	$ --
Notes payable-Morris Bank	173,611	--	(8,371)	165,240	6,928	158,312
Main Street Dublin-Downtown Development Authority long term liabilities	$ 173,611	$ 21,870	$ (8,371)	$ 187,110	$ 28,798	$ 158,312

Note payable to Morris Bank is line of credit to renovate the Carnegie library. Interest rate is 3.00%, and maturity is May 27, 2015. The note calls for 11 consecutive payments of interest only beginning June 27, 2014 and continuing on the same day for each month, with one balloon payment of $50,293.71 due at maturity.

Note payable to Morris Bank is a loan to purchase and renovate 114 West Jackson Street, interest rate is 3.0% and maturity is March 21, 2033. The note calls for 239 consecutive payments of principal and interest in the amount of $972.29 beginning on April 21, 2013 and one payment of principal and interest of $972.31 on March 21, 2033.

The annual requirements to amortize the balance of $165,240 as of June 30, 2014, including interest payments of $49,998 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2015	$ 6,928	$ 4,739	$ 11,667
2016	6,999	4,668	11,667
2017	7,228	4,439	11,667
2018	7,447	4,220	11,667
2019	7,673	3,994	11,667
2020-2024	41,991	16,345	58,336
2025-2029	48,793	9,544	58,337
2030-2033	38,181	2,049	40,230
Total	$ 165,240	$ 49,998	$ 215,238

L. Fund Balance

The composition of the City's fund balances as of June 30, 2014 is as follows:

	General	SPLOST Capital Projects - 2006	Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Inventory	$ 197,169	$ --	$ --	$ 197,169
Prepaids	199,986	--	--	199,986
Restricted for:				
Capital projects	--	662,282	2,887,342	3,549,624
Committed for:				
General government	100,653	--	--	100,653
Public safety	25,161	--	--	25,161
Public works and buildings	1,859	--	--	1,859
Assigned	--	--	--	--
Unassigned	5,802,703	--	--	5,802,703
	$ 6,327,531	$ 662,282	$ 2,887,342	$ 9,877,155

M. Non-Major Funds with Deficit Fund Balances or Net Position

The following shows the fund balances or net position of all non-major funds which had a deficit fund or net position balance at June 30, 2014.

Business type activities-	Net Position
Riverview Golf Course Fund	$ (146,985)

IV. 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 $10,000 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 2014 are as follows:

	Fiscal Year Ended	
	June 30, 2014	June 30, 2013
Unpaid claims, beginning of fiscal year	$ 59,193	$ 20,000
Current year claims, premiums and changes in estimates	139,382	100,358
Claims payments	(33,906)	(61,165)
Unpaid claims, end of fiscal year	$ 164,669	$ 59,193

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 $10,000 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, 2014, June 30, 2013, or June 30, 2012.

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, 2014. A summary of the transactions for the year ending June 30, 2014 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	$ 576,522	
Expended under contract with the Dublin – Laurens County Chamber of Commerce and the Tourism Resource Enhancement and Events Organization for promotion of tourism	(144,131)	25.00%
Expended under contract with Theatre Dublin to market and operate theater facilities	(72,065)	12.50%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(144,131)	25.00%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(216,195)	37.50%
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, 2014
Retirees and beneficiaries currently receiving benefits	109
Vested terminated employees	54
Active employees:	
Vested	153
Nonvested	67
Total membership in the plan	383

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, 2014, was $1,099,196, which was 12.9% of the covered payroll. This percentage was 13.3% and 12.8% of the covered payroll at December 31, 2012 and December 31, 2011, respectively. Employees are not required to contribute to the fund.

3. Annual Pension Cost

For 2014, the City's annual pension cost of $1,099,196, for GMEBS was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2014 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 7.75% per year
- projected salary increases 3.50% per year
- inflation rate 3.50% 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 7.75%. 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
6/30/2012	$ 1,043,747	100%	$ --
6/30/2013	$ 1,161,293	100%	$ --
6/30/2014	$ 1,099,196	100%	$ --

5. Funded Status and Funding Progress

The funded status of the plan as of January 1, 2014, was as follows:

Actuarial accrued liability (AAL)	$ 22,269,542
Actuarial value of plan assets	18,791,690
Unfunded actuarial accrued liability (UAAL)	$ 3,477,852
Funded ratio (actuarial value of plan assets/AAL)	84.4%
Covered payroll (active plan members)	$ 8,396,044
UAAL as a percentage of covered payroll	41.4%

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.

6. Prior Period Adjustments

The City has implemented Governmental Accounting Standards Board (GASB) No. 65. With the implementation of GASB No. 65, the City determined the bond issuance costs should be expensed in accordance with the statement. The restatement resulted in changes to the beginning net position of the Water and Sewerage Fund as follows:

Net position, as previously reported	$ 19,121,404
Recognition of bond issuance costs in accordance with GASB No. 65	(136,944)
Net position, as restated	$ 18,984,460

In addition, the Business-Type Activities net position as of June 30, 2014 has been restated in the government-wide financial statements as follows:

Net position, as previously reported	$ 44,614,043
Recognition of bond issuance costs in accordance with GASB No. 65	(136,944)
Net position, as restated	$ 44,477,099

The effect on the change in net position reported in business-type activities and the Water and Sewer Fund for the fiscal year ended June 30, 2013 was a increase of $12,449.

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

	Actuarial Valuation Date		
	1/1/2012	1/1/2013	1/1/2014
Actuarial Accrued Liability (AAL) Entry Age (b)	$ 19,800,848	$ 21,390,125	$ 22,269,542
Actuarial Value of Assets (a)	16,608,608	17,584,215	18,791,690
Unfunded AAL (Funding excess) (UAAL) (b-a)	$ 3,192,240	$ 3,805,910	$ 3,477,852
Funded Ratio (a/b)	83.9%	82.2%	84.4%
Covered Payroll (c)	$ 8,182,278	$ 8,596,507	$ 8,396,044
UAAL as a Percentage of covered Payroll ((b-a)/c)	39.0%	44.3%	41.4%

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, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES:			
General property taxes -			
Current year's levy	$ 2,686,275	$ 3,114,210	$ 427,935
Other taxes:			
Local option sales	3,053,000	2,831,081	(221,919)
Hotel-Motel	198,750	216,196	17,446
Alcoholic beverage	414,000	396,995	(17,005)
Franchise	1,470,000	1,330,271	(139,729)
Insurance premium	815,000	838,299	23,299
Total	5,950,750	5,612,842	(337,908)
Licenses and permits:			
General business licenses	492,500	499,675	7,175
Inspection permits	85,000	47,944	(37,056)
Total	577,500	547,619	(29,881)
Fines and forfeitures -			
Police recorders court	816,000	901,335	85,335
Intergovernmental:			
Reimbursement from other governments	273,036	273,490	454
Federal Housing Authority - payment in lieu of taxes	40,000	--	(40,000)
Other	170,000	212,227	42,227
Total	483,036	485,717	2,681
Interest on investments	20,000	17,835	(2,165)
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	671,787	671,788	1
Miscellaneous	705,905	670,970	(34,935)
	1,377,692	1,342,758	(34,934)
Total general fund revenues	$ 11,911,253	$ 12,022,316	$ 111,063

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, 2014

	Original and Final Budgeted Amounts	Actual Non-GAAP Budget Basis	Variance with Final Budget - (Over) Under
EXPENDITURES:			
General government:			
Legislative	$ 258,927	$ 238,448	$ 20,479
City manager	250,360	248,351	2,009
Main Street program	52,500	53,546	(1,046)
City clerk	194,788	189,877	4,911
Human resources	219,050	195,664	23,386
Tax department	129,804	133,175	(3,371)
Finance department	186,611	184,226	2,385
Community development	95,843	386,362	(290,519)
City attorney	149,733	149,341	392
City judge	252,694	254,344	(1,650)
Engineering	381,397	365,598	15,799
Purchasing	225,383	200,054	25,329
Inspections	366,120	365,170	950
Non-departmental	1,315,599	1,190,187	125,412
Total general government	4,078,809	4,154,343	(75,534)
Public safety:			
Police department - administrative	656,381	653,055	3,326
Police department - patrol	3,360,787	3,128,990	231,797
Police department - C.I.D.	664,945	662,883	2,062
Police department - crossing guards	4,538	3,774	764
Fire department - administrative	149,595	144,415	5,180
Fire department - combat	2,142,671	2,159,906	(17,235)
Total public safety	6,978,917	6,753,023	225,894
Community services:			
Cemetery	102,438	108,568	(6,130)
Appropriations	921,613	919,314	2,299
Total community services	1,024,051	1,027,882	(3,831)
Public works and buildings:			
Public works	1,056,330	1,056,131	199
Mechanical maintenance	329,659	322,858	6,801
Total public works and buildings	1,385,989	1,378,989	7,000
Total expenditures	13,467,766	13,314,237	153,529
Excess of revenues over (under) expenditures	(1,556,513)	(1,291,921)	264,592
OTHER FINANCING SOURCES (USES)-			
Transfers in	700,000	700,000	--
Total other financing sources (uses)	700,000	700,000	--
Net change in fund balances	$ (856,513)	(591,921)	$ 264,592
Fund balance - beginning		6,791,779	
Fund balance - ending		$ 6,199,858	

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 and the Hotel/Motel Tax Fund. All annual appropriations lapse at fiscal year end.

Each fund's appropriated budget is prepared on a department level. Revenues are budgeted by source. Expenditures are budgeted by department which constitutes the legal level of control. Expenditures may not exceed appropriations at the department 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 (a major fund) on the budget basis to the generally accepted accounting principles (GAAP) basis are as follows:

2014 Expenditures	General Fund
Budget basis expenditures	$ 13,314,237
Encumbrances, June 30, 2014	(127,673)
Encumbrances, June 30, 2013	117,211
GAAP basis expenditures	$ 13,303,775

Fund Balances - End of Year	
Budgetary basis fund balance	$ 6,199,858
Encumbrances, June 30, 2014	127,673
GAAP basis fund balance	$ 6,327,531

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 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	65,736	--	--	65,736	74,186	8,450
Services	90,412	2,337	--	88,075	101,337	13,262
Utilities	5,647	--	--	5,647	6,000	353
Supplies	6,383	54	3,061	9,390	7,804	(1,586)
Total	237,778	2,391	3,061	238,448	258,927	20,479
City manager:						
Salaries	162,851	--	--	162,851	159,339	(3,512)
Employee benefits	70,142	--	--	70,142	71,391	1,249
Services	3,218	--	--	3,218	7,200	3,982
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	2,045	--	--	2,045	2,380	335
Supplies	815	--	--	815	1,250	435
Capital outlay	1,480	--	--	1,480	1,000	(480)
Total	248,351	--	--	248,351	250,360	2,009
Main Street program:						
Utilities	1,034	--	--	1,034	--	(1,034)
Supplies	52,512	--	--	52,512	52,500	(12)
Total	53,546	--	--	53,546	52,500	(1,046)
Subtotal	$ 539,675	$ 2,391	$ 3,061	$ 540,345	$ 561,787	$ 21,442

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 539,675	$ 2,391	$ 3,061	$ 540,345	$ 561,787	$ 21,442
City clerk:						
Salaries	131,575	--	--	131,575	129,800	(1,775)
Employee benefits	42,981	--	--	42,981	42,924	(57)
Services	9,381	3,614	--	5,767	11,364	5,597
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	655	--	--	655	700	45
Supplies	990	--	109	1,099	1,600	501
Capital outlay	--	--	--	--	600	600
Total	193,382	3,614	109	189,877	194,788	4,911
Human resources:						
Salaries	120,916	--	--	120,916	131,969	11,053
Employee benefits	44,585	--	--	44,585	48,259	3,674
Services	3,343	--	451	3,794	2,965	(829)
Repairs & maintenance	165	--	--	165	200	35
Utilities	367	--	--	367	227	(140)
Supplies	2,903	30	--	2,873	2,330	(543)
Energy	163	--	--	163	200	37
Other	21,535	--	--	21,535	27,300	5,765
Capital outlay	1,266	--	--	1,266	5,600	4,334
Total	195,243	30	451	195,664	219,050	23,386
Subtotal	$ 928,300	$ 6,035	$ 3,621	$ 925,886	$ 975,625	$ 49,739

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 928,300	$ 6,035	$ 3,621	$ 925,886	$ 975,625	$ 49,739
Tax department:						
Salaries	69,723	--	--	69,723	69,838	115
Employee benefits	29,280	--	--	29,280	29,450	170
Services	37	--	--	37	900	863
Supplies	5,901	16	2	5,887	10,016	4,129
Other	28,080	--	--	28,080	19,000	(9,080)
Capital outlay	168	--	--	168	600	432
Total	133,189	16	2	133,175	129,804	(3,371)
Finance department:						
Salaries	126,926	--	--	126,926	125,735	(1,191)
Employee benefits	54,902	--	--	54,902	55,533	631
Services	37	--	--	37	700	663
Repairs & maintenance	--	--	--	--	200	200
Supplies	3,304	943	--	2,361	3,943	1,582
Capital outlay	--	--	--	--	500	500
Total	185,169	943	--	184,226	186,611	2,385
Subtotal	$ 1,246,658	$ 6,994	$ 3,623	$ 1,243,287	$ 1,292,040	$ 48,753

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,246,658	$ 6,994	$ 3,623	$ 1,243,287	$ 1,292,040	$ 48,753
Community development:						
Salaries	46,743	--	--	46,743	43,281	(3,462)
Employee benefits	17,812	--	--	17,812	16,813	(999)
Services	1,028	--	11	1,039	1,770	731
Repairs & maintenance	94	--	--	94	200	106
Utilities	912	--	--	912	1,140	228
Supplies	291	--	--	291	550	259
Other	--	--	--	--	1,320	1,320
Capital outlay	319,471	--	--	319,471	30,769	(288,702)
Total	386,351	--	11	386,362	95,843	(290,519)
City attorney:						
Salaries	105,585	--	--	105,585	105,587	2
Employee benefits	36,305	--	--	36,305	35,487	(818)
Services	5,369	--	--	5,369	5,501	132
Utilities	1,512	--	--	1,512	1,680	168
Supplies	570	--	--	570	728	158
Capital outlay	--	--	--	--	750	750
Total	149,341	--	--	149,341	149,733	392
Subtotal	$ 1,782,350	$ 6,994	$ 3,634	$ 1,778,990	$ 1,537,616	$ (241,374)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,782,350	$ 6,994	$ 3,634	$ 1,778,990	$ 1,537,616	$ (241,374)
City judge:						
Salaries	36,492	--	--	36,492	36,504	12
Employee benefits	13,565	--	--	13,565	13,390	(175)
Services	11,101	--	--	11,101	13,400	2,299
Utilities	199	--	--	199	200	1
Supplies	716	--	--	716	3,300	2,584
Other	192,271	--	--	192,271	185,900	(6,371)
Total	254,344	--	--	254,344	252,694	(1,650)
Engineering:						
Salaries	229,224	--	--	229,224	229,331	107
Employee benefits	93,588	--	584	94,172	100,548	6,376
Services	4,988	--	--	4,988	10,004	5,016
Repairs & maintenance	3,287	--	--	3,287	3,000	(287)
Utilities	4,391	--	--	4,391	5,611	1,220
Supplies	4,655	476	28	4,207	5,782	1,575
Energy	9,488	--	--	9,488	8,000	(1,488)
Other	1,141	--	--	1,141	1,225	84
Capital outlay	14,700	--	--	14,700	17,896	3,196
Total	365,462	476	612	365,598	381,397	15,799
Subtotal	$ 2,402,156	$ 7,470	$ 4,246	$ 2,398,932	$ 2,171,707	$ (227,225)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 2,402,156	$ 7,470	$ 4,246	$ 2,398,932	$ 2,171,707	$ (227,225)
Purchasing:						
Salaries	129,731	--	--	129,731	135,989	6,258
Employee benefits	48,224	76	91	48,239	49,876	1,637
Services	2,184	--	--	2,184	2,765	581
Repairs & maintenance	2,598	--	--	2,598	2,980	382
Utilities	10,998	--	--	10,998	10,470	(528)
Supplies	1,925	76	--	1,849	2,591	742
Energy	993	--	--	993	1,300	307
Inventory over/short	(62)	--	--	(62)	--	62
Capital outlay	13,936	10,412	--	3,524	19,412	15,888
Total	210,527	10,564	91	200,054	225,383	25,329
Inspections:						
Salaries	236,549	--	--	236,549	224,557	(11,992)
Employee benefits	103,807	--	--	103,807	100,944	(2,863)
Services	3,301	--	159	3,460	7,561	4,101
Repairs & maintenance	1,439	--	--	1,439	1,892	453
Utilities	1,528	--	--	1,528	1,200	(328)
Supplies	1,772	156	62	1,678	2,556	878
Energy	8,726	--	--	8,726	9,500	774
Other	6,979	--	--	6,979	12,385	5,406
Capital outlay	2,019	1,015	--	1,004	5,525	4,521
Total	366,120	1,171	221	365,170	366,120	950
Subtotal	$ 2,978,803	$ 19,205	$ 4,558	$ 2,964,156	$ 2,763,210	$ (200,946)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 2,978,803	$ 19,205	$ 4,558	$ 2,964,156	$ 2,763,210	$ (200,946)
Non-departmental:						
Insurance	74,626	--	--	74,626	82,000	7,374
Contingency	167,522	--	36,963	204,485	211,882	7,397
Services	73,029	--	16,000	89,029	106,600	17,571
Repairs & maintenance	133,713	162	5,130	138,681	134,462	(4,219)
Utilities	212,285	--	49	212,334	196,500	(15,834)
Energy	304,214	8,680	--	295,534	308,680	13,146
Other	152,883	11,533	--	141,350	208,791	67,441
Capital outlay	34,848	38,653	37,953	34,148	66,684	32,536
	1,153,120	59,028	96,095	1,190,187	1,315,599	125,412
Total general government	$ 4,131,923	$ 78,233	$ 100,653	$ 4,154,343	$ 4,078,809	$ (75,534)
PUBLIC SAFETY						
Police department - administrative:						
Salaries	$ 334,170	$ --	$ --	$ 334,170	$ 320,776	$ (13,394)
Employee benefits	134,256	--	155	134,411	133,242	(1,169)
Services	5,085	--	--	5,085	10,310	5,225
Repairs & maintenance	5,642	--	--	5,642	9,710	4,068
Utilities	32,111	--	--	32,111	34,420	2,309
Rent	2,850	--	--	2,850	3,200	350
Supplies	6,143	318	32	5,857	8,518	2,661
Energy	4,950	--	--	4,950	--	(4,950)
Other	133,424	5,445	--	127,979	136,205	8,226
Total	658,631	5,763	187	653,055	656,381	3,326
Subtotal	$ 658,631	$ 5,763	$ 187	$ 653,055	$ 656,381	$ 3,326

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 658,631	$ 5,763	$ 187	$ 653,055	$ 656,381	$ 3,326
Police department - patrol:						
Salaries	1,949,829	--	--	1,949,829	2,084,460	134,631
Employee benefits	854,070	958	18,488	871,600	969,888	98,288
Services	12,022	429	--	11,593	20,709	9,116
Repairs & maintenance	40,873	--	--	40,873	30,000	(10,873)
Utilities	3,957	--	--	3,957	4,000	43
Supplies	33,224	1,005	4,533	36,752	39,135	2,383
Energy	140,890	--	--	140,890	155,000	14,110
Other	27,245	--	--	27,245	10,000	(17,245)
Capital outlay	46,826	575	--	46,251	47,595	1,344
Total	3,108,936	2,967	23,021	3,128,990	3,360,787	231,797
Police department - C.I.D.:						
Salaries	418,177	--	--	418,177	420,686	2,509
Employee benefits	184,679	--	--	184,679	178,732	(5,947)
Services	35	--	7	42	3,935	3,893
Repairs & maintenance	11,611	--	--	11,611	6,000	(5,611)
Utilities	2,632	--	--	2,632	3,200	568
Supplies	10,785	58	--	10,727	12,558	1,831
Energy	23,980	--	--	23,980	28,500	4,520
Capital outlay	11,035	--	--	11,035	11,334	299
Total	662,934	58	7	662,883	664,945	2,062
Subtotal	$ 4,430,501	$ 8,788	$ 23,215	$ 4,444,928	$ 4,682,113	$ 237,185

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 4,430,501	$ 8,788	$ 23,215	$ 4,444,928	$ 4,682,113	$ 237,185
Police department - crossing guards:						
Salaries	3,335	--	--	3,335	3,770	435
Employee benefits	439	--	--	439	468	29
Supplies	--	--	--	--	300	300
Total	3,774	--	--	3,774	4,538	764
Fire department - administrative:						
Salaries	99,270	--	--	99,270	99,270	--
Employee benefits	38,372	--	--	38,372	38,307	(65)
Services	85	--	--	85	1,930	1,845
Repairs & maintenance	266	--	--	266	1,000	734
Utilities	2,772	--	--	2,772	4,850	2,078
Supplies	1,373	--	--	1,373	1,508	135
Energy	2,047	--	--	2,047	2,500	453
Capital outlay	230	--	--	230	230	--
Total	144,415	--	--	144,415	149,595	5,180
Subtotal	$ 4,578,690	$ 8,788	$ 23,215	$ 4,593,117	$ 4,836,246	$ 243,129

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 4,578,690	$ 8,788	$ 23,215	$ 4,593,117	$ 4,836,246	$ 243,129
Fire department - combat:						
Salaries	1,433,555	--	--	1,433,555	1,382,068	(51,487)
Employee benefits	626,999	3,744	1,210	624,465	621,922	(2,543)
Services	367	--	--	367	670	303
Repairs & maintenance	36,337	9,897	736	27,176	41,172	13,996
Utilities	24,137	--	--	24,137	28,000	3,863
Supplies	16,124	--	--	16,124	15,000	(1,124)
Energy	21,647	--	--	21,647	24,000	2,353
Capital outlay	27,174	14,739	--	12,435	29,839	17,404
Total	2,186,340	28,380	1,946	2,159,906	2,142,671	(17,235)
Total public safety	$ 6,765,030	$ 37,168	$ 25,161	$ 6,753,023	$ 6,978,917	$ 225,894
COMMUNITY SERVICES						
Cemetery:						
Salaries	$ 62,566	$ --	$ --	$ 62,566	$ 62,567	$ 1
Employee benefits	31,878	164	--	31,714	30,771	(943)
Repairs & maintenance	4,640	--	--	4,640	550	(4,090)
Utilities	1,598	--	--	1,598	1,300	(298)
Supplies	2,986	--	--	2,986	2,000	(986)
Energy	2,214	--	--	2,214	1,750	(464)
Capital outlay	2,850	--	--	2,850	3,500	650
Total	108,732	164	--	108,568	102,438	(6,130)
Subtotal	$ 108,732	$ 164	$ --	$ 108,568	$ 102,438	$ (6,130)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 108,732	$ 164	$ --	$ 108,568	$ 102,438	$ (6,130)
Appropriations:						
Dublin-Laurens County Recreation Authority	600,000	--	--	600,000	600,000	--
Library	188,663	--	--	188,663	188,663	--
Dublin-Laurens Museum	7,500	--	--	7,500	7,500	--
Dublin-Laurens Development Authority	65,000	--	--	65,000	65,000	--
Regional Development Center	16,201	--	--	16,201	17,000	799
Humane Society	40,950	--	--	40,950	40,950	--
Women's Shelter	--	--	--	--	1,500	1,500
MLK Committee	1,000	--	--	1,000	1,000	--
Total	919,314	--	--	919,314	921,613	2,299
Total community services	$ 1,028,046	$ 164	$ --	$ 1,027,882	$ 1,024,051	$ (3,831)
PUBLIC WORKS AND BUILDINGS						
Public works:						
Salaries	$ 438,564	$ --	$ --	$ 438,564	$ 458,348	$ 19,784
Employee benefits	235,954	974	--	234,980	257,339	22,359
Services	958	--	--	958	1,300	342
Repairs & maintenance	267,052	117	929	267,864	233,592	(34,272)
Utilities	8,885	--	--	8,885	8,800	(85)
Supplies	31,264	951	930	31,243	21,951	(9,292)
Energy	53,627	--	--	53,627	55,000	1,373
Capital outlay	20,010	--	--	20,010	20,000	(10)
Total	1,056,314	2,042	1,859	1,056,131	1,056,330	199
Subtotal	$ 1,056,314	$ 2,042	$ 1,859	$ 1,056,131	$ 1,056,330	$ 199

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	GAAP Expenditures	2013 Encumbrances	2014 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,056,314	$ 2,042	$ 1,859	$ 1,056,131	$ 1,056,330	$ 199
Mechanical maintenance:						
Salaries	202,323	--	--	202,323	200,297	(2,026)
Employee benefits	85,955	--	--	85,955	86,413	458
Services	4,108	--	--	4,108	6,865	2,757
Repairs & maintenance	1,512	--	--	1,512	2,630	1,118
Utilities	9,842	--	--	9,842	10,700	858
Supplies	8,177	(396)	--	8,573	12,454	3,881
Energy	4,313	--	--	4,313	4,500	187
Capital outlay	6,232	--	--	6,232	5,800	(432)
Total	322,462	(396)	--	322,858	329,659	6,801
Total public works and buildings	$ 1,378,776	$ 1,646	$ 1,859	$ 1,378,989	$ 1,385,989	$ 7,000
Total expenditures	$ 13,303,775	$ 117,211	$ 127,673	$ 13,314,237	$ 13,467,766	$ 153,529

CITY OF DUBLIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	SPLOST Capital Projects 2006	Hotel/Motel Tax	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 2,888,916	$ 73,030	$ 2,961,946
Total assets	$ 2,888,916	$ 73,030	$ 2,961,946
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued costs	$ 1,574	$ 44,449	$ 46,023
Due to other funds	--	28,581	28,581
Total liabilities	1,574	73,030	74,604
FUND BALANCES			
Restricted	2,887,342	--	2,887,342
Total fund balances	2,887,342	--	2,887,342
Total liabilities and fund balances	$ 2,888,916	$ 73,030	$ 2,961,946

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	SPLOST Capital Projects 2006	Hotel-Motel Tax	Total Nonmajor Governmental Funds
REVENUES:			
Other taxes	$ --	$ 576,522	$ 576,522
Interest on investments	7,478	--	7,478
Total revenues	7,478	576,522	584,000
EXPENDITURES:			
Current -			
Culture and recreation	--	576,522	576,522
Capital outlay	31,047	--	31,047
Debt service:			
Principal	96,416	--	96,416
Interest	3,181	--	3,181
Total expenditures	130,644	576,522	707,166
Excess of revenues under expenditures	(123,166)	--	(123,166)
Fund balances-beginning	3,010,508	--	3,010,508
Fund balances-ending	$ 2,887,342	$ --	$ 2,887,342

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – HOTEL/MOTEL TAX
FOR THE YEAR ENDED JUNE 30, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES -			
Other taxes	$ 530,000	$ 576,522	$ 46,522
EXPENDITURES -			
Culture and recreation:			
General fund 3%	198,750	216,195	(17,445)
Chamber of Commerce and Tourism Resource Enhancements and Events Organization 2%	132,500	144,131	(11,631)
Dublin-Laurens County Recreation Authority 2%	132,500	144,131	(11,631)
Theatre Dublin 1%	66,250	72,065	(5,815)
Total	530,000	576,522	(46,522)
Excess of revenues over 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, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
ASSET				
Equity in pooled cash	$ 41,348	$ 7,816,920	$ 7,809,762	$ 48,506
Total assets	$ 41,348	$ 7,816,920	$ 7,809,762	$ 48,506
LIABILITY				
Due to Dublin Board of Education	$ 41,348	$ 7,816,920	$ 7,809,762	$ 48,506
Total liabilities	$ 41,348	$ 7,816,920	$ 7,809,762	$ 48,506

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Sanitation System Fund	Riverview Golf Course Fund	Telecommunications Fund	Total
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 1,571,160	$ 1,300	$ 546,698	$ 2,119,158
Accounts receivable, net	132,703	--	293,513	426,216
Accrued interest receivable	20	--	--	20
Due from other funds	1,406,627	--	--	1,406,627
Inventories, at cost	--	12,280	--	12,280
Prepaid items	13,476	1,742	--	15,218
Total current assets	3,123,986	15,322	840,211	3,979,519
NONCURRENT ASSETS -				
CAPITAL ASSETS:				
Land	89,462	--	--	89,462
Buildings and plant	--	273,767	3,565,983	3,839,750
Improvements other than buildings	--	354,947	--	354,947
Machinery and equipment	3,729,805	691,276	632,697	5,053,778
Less - accumulated depreciation	(3,230,231)	(1,173,744)	(2,511,772)	(6,915,747)
Capital assets, net	589,036	146,246	1,686,908	2,422,190
Total assets	$ 3,713,022	$ 161,568	$ 2,527,119	$ 6,401,709
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES:				
Accounts payable	$ 88,436	$ 10,038	$ 74,273	$ 172,747
Accrued expenses	15,050	3,830	--	18,880
Due to other funds	--	290,866	--	290,866
Compensated absences payable	5,330	307	388	6,025
Total current liabilities	108,816	305,041	74,661	488,518
LONG TERM LIABILITIES -				
Compensated absences payable	60,959	3,512	4,441	68,912
Total long-term liabilities	60,959	3,512	4,441	68,912
Total liabilities	169,775	308,553	79,102	557,430
NET POSITION:				
Net investment in capital assets	589,036	146,246	1,686,908	2,422,190
Unrestricted	2,954,211	(293,231)	761,109	3,422,089
Total net position	3,543,247	(146,985)	2,448,017	5,844,279
Total liabilities and net position	$ 3,713,022	$ 161,568	$ 2,527,119	$ 6,401,709

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Sanitation System Fund	Riverview Golf Course Fund	Telecommunications Fund	Total
OPERATING REVENUES:				
Sales/charges for services	$ 2,646,626	$ 167,894	$ 517,360	$ 3,331,880
Penalties and cut-on fees	46,884	--	1,534	48,418
Other revenue	--	138,197	--	138,197
Total operating revenues	2,693,510	306,091	518,894	3,518,495
OPERATING EXPENSES:				
Personnel services	826,440	132,517	55,889	1,014,846
Employee benefits	173,240	20,353	11,893	205,486
Repairs and maintenance	96,109	30,929	3,596	130,634
Depreciation	189,640	8,066	235,629	433,335
Other operating	1,114,722	229,556	306,004	1,650,282
General and administrative	142,973	--	--	142,973
Total operating expenses	2,543,124	421,421	613,011	3,577,556
Operating income (loss)	150,386	(115,330)	(94,117)	(59,061)
NON-OPERATING REVENUES (EXPENSES):				
Interest income	217	--	--	217
Miscellaneous	3,041	--	--	3,041
Total non-operating revenues, net	3,258	--	--	3,258
Change in net position	153,644	(115,330)	(94,117)	(55,803)
Net position-beginning	3,389,603	(31,655)	2,542,134	5,900,082
Net position-ending	$ 3,543,247	$ (146,985)	$ 2,448,017	$ 5,844,279

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Sanitation System Fund	Riverview Golf Course Fund	Telecommunications Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	$ 2,693,799	$ 306,091	$ 434,941	$ 3,434,831
Cash paid to suppliers for goods and services	(917,894)	(241,823)	(302,030)	(1,461,747)
Cash paid to employees for services	(827,837)	(132,853)	(54,822)	(1,015,512)
Cash paid for employee taxes and benefits	(433,672)	(45,803)	(19,463)	(498,938)
Cash paid for administrative expense reimbursements	(142,973)	--	--	(142,973)
Cash received from and (paid to) other funds	1,093,373	114,388	--	1,207,761
Other non-operating revenue	3,041	--	--	3,041
Net cash provided by operating activities	1,467,837	--	58,626	1,526,463
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers out	--	--	--	--
Net cash used by noncapital financing activities	--	--	--	--
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -				
Acquisition and construction of capital assets	(132,746)	--	(254,867)	(387,613)
Net cash used for capital and related financing activities	(132,746)	--	(254,867)	(387,613)
CASH FLOWS FROM INVESTING ACTIVITIES -				
Interest income on investments	217	--	--	217
Net cash provided by investing activities	217	--	--	217
Net change in cash and cash equivalents	1,335,308	--	(196,241)	1,139,067
Cash and cash equivalents beginning of year	235,852	1,300	742,939	980,091
Cash and cash equivalents end of year	$ 1,571,160	$ 1,300	$ 546,698	$ 2,119,158

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Sanitation System Fund	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Net operating income (loss)	$ 150,386	$ (115,330)	$ (94,117)	$ (59,061)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	189,640	8,066	235,629	433,335
Other non-operating revenue	3,041	--	--	3,041
Decrease (increase) in assets-				
Accounts receivable - trade	289	--	(83,953)	(83,664)
Due to other funds	1,093,373	--	--	1,093,373
Inventory	--	--	--	--
Prepaid expenses	--	--	--	--
Increase (decrease) in liabilities:				
Accounts payable	32,505	(6,563)	--	25,942
Accrued expenses	--	(225)	--	(225)
Due to other funds	--	114,388	--	114,388
Compensated absences payable	(1,397)	(336)	1,067	(666)
Total adjustments	1,317,451	115,330	152,743	1,585,524
Net cash provided by operating activities	$ 1,467,837	$ --	$ 58,626	$ 1,526,463

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2014

ASSETS		
Cash	$	113,211
Total assets	$	113,211
LIABILITIES AND FUND BALANCES		
LIABILITIES	$	--
FUND BALANCES		
Committed		113,211
Total fund balances		113,211
Total liabilities and fund balances	$	113,211

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balance - Main Street Dublin Downtown Development Authority (page 94)	$	113,211
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		922,427
Long-term liabilities, such as compensated absences, capital leases, and notes payable are not due and payable in the current period and, therefore, are not reported in the funds.		(187,110)
Net position of Main Street Dublin Downtown Development Authority (page 28)	$	848,528

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, 2014

REVENUES:		
Program income	$	198,511
Miscellaneous income		154,517
Total revenues		353,028
EXPENDITURES -		
Current -		
Downtown development		376,030
Debt Service:		
Principal		8,371
Interest		5,217
Total expenditures		389,618
Excess of revenues under expenditures		(36,590)
OTHER FINANCING SOURCES-		
Proceeds from issuance of long term debt		21,870
		21,870
Net change in fund balances		(14,720)
Fund balances-beginning		127,931
Fund balances-ending	$	113,211

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, 2014

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

Net change in fund balance - Main Street Dublin Downtown Development Authority (page 96)		$ (14,720)
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.		
Depreciation expense	$ (47,182)	
Capital outlay	100,934	53,752
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.		(13,499)
Change in net position of Main Street Dublin Downtown Development Authority (page 29)		$ 25,533

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2006
FOR THE YEAR ENDED JUNE 30, 2014

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and drainage	$ 7,190,000	$ 7,190,000	$ 2,223,237	$ 8,170	$ 2,231,407
Water and sewer system	4,750,000	4,750,000	2,649,862	480	2,650,342
City facilities	2,037,870	2,037,870	4,579,731	--	4,579,731
Capital equipment	1,062,870	1,062,870	1,990,239	--	1,990,239
Gas system improvements	1,500,000	1,500,000	2,276,442	22,397	2,298,839
	16,540,740	16,540,740	13,719,511	31,047	13,750,558
Debt service *					
Principal	--	12,630,000	12,533,584	96,416	12,630,000
Interest	--	1,959,682	1,956,499	3,181	1,959,680
Bond issuance costs	--	192,406	194,406	--	194,406
	--	14,782,088	14,684,489	99,597	14,784,086
TOTAL	$ 16,540,740	$ 31,322,828	$ 28,404,000	$ 130,644	$ 28,534,644

*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 bond was paid-off on July 1, 2012. During fiscal year 2008, the City entered into a capital lease agreement for the purchase of a ladder truck. Repayment of the capital lease will be made through the use of special purpose local option sales tax proceeds.

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2012
FOR THE YEAR ENDED JUNE 30, 2014

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Road, street, bridge and drainage improvements	$ 4,300,000	$ 4,300,000	$ 447,943	$ 1,398,902	$ 1,846,845
Water and sewer improvements	5,218,000	5,218,000	74,154	893,813	967,967
Gas system improvements	1,840,000	1,840,000	13,000	117,487	130,487
Public works facilities and equipment	2,195,000	2,195,000	46,453	50,509	96,962
Public safety facilities and equipment	1,022,000	1,022,000	442,621	77,925	520,546
City hall and associated buildings improvements	100,000	100,000	--	37,418	37,418
	14,675,000	14,675,000	1,024,171	2,576,054	3,600,225
Debt service *					
Principal	326,001	326,001	106,496	108,652	215,148
Interest	10,746	10,746	5,753	3,597	9,350
	336,747	336,747	112,249	112,249	224,498
TOTAL	$ 15,011,747	$ 15,011,747	$ 1,136,420	$ 2,688,303	$ 3,824,723

*At the end of fiscal year 2012, the City entered into a capital lease agreement for the purchase of ten police cars. Repayment of the capital lease will be made through the use of special purpose local option sales tax proceeds.

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. 100

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 106

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. 114

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. 120

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. 122

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net investment in capital assets	$ 6,924,027	$ 8,136,094	$ 16,827,378	$ 6,341,257	$ 13,297,712	$ 18,451,166	$ 14,649,028	$ 21,595,752	$ 20,178,580	$ 21,119,506
Restricted	2,050,650	2,173,934	1,470,803	14,749,184	9,136,553	5,221,507	10,216,238	8,685,348	4,168,780	3,549,624
Unrestricted	2,358,786	3,993,161	5,301,902	5,626,382	6,390,633	7,583,296	7,535,343	4,209,241	6,680,500	6,090,437
Total governmental activities net position	$ 11,333,463	$ 14,303,189	$ 23,600,083	$ 26,716,823	$ 28,824,898	$ 31,255,969	$ 32,400,609	$ 34,490,341	$ 31,027,860	$ 30,759,567
Business-type activities:										
Net investment in capital assets	$ 24,157,988	$ 24,737,655	$ 23,698,064	$ 24,266,814	$ 23,548,434	$ 23,594,788	$ 23,549,022	$ 21,977,097	$ 25,497,333	$ 27,158,233
Restricted	557,594	1,107,107	1,317,260	1,519,925	1,714,370	1,803,160	2,143,488	2,038,855	2,035,504	2,027,312
Unrestricted	4,155,818	2,152,369	6,104,794	8,283,470	9,409,896	11,303,355	12,379,430	14,625,049	17,081,206	16,650,848
Total business-type activities net position	$ 28,871,400	$ 27,997,131	$ 31,120,118	$ 34,070,209	$ 34,672,700	$ 36,701,303	$ 38,071,940	$ 38,641,001	$ 44,614,043	$ 45,836,393
Primary government:										
Net investment in capital assets	$ 31,082,015	$ 32,873,749	$ 40,525,442	$ 30,608,071	$ 36,846,146	$ 42,045,954	$ 38,198,050	$ 43,572,849	$ 45,675,913	$ 48,277,739
Restricted	2,608,244	3,281,041	2,788,063	16,269,109	10,850,923	7,024,667	12,359,726	10,724,203	6,204,284	5,576,936
Unrestricted	6,514,604	6,145,530	11,406,696	13,909,852	15,800,529	18,886,651	19,914,773	18,834,290	23,761,706	22,741,285
Total primary government net position	$ 40,204,863	$ 42,300,320	$ 54,720,201	$ 60,787,032	$ 63,497,598	$ 67,957,272	$ 70,472,549	$ 73,131,342	$ 75,641,903	$ 76,595,960

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	$ 4,104,634	$ 3,551,691	$ 3,708,790	$ 4,647,568	$ 4,541,634	$ 4,442,311	$ 4,555,414	$ 4,526,939	$ 4,166,428	$ 4,843,246
Public safety	4,834,722	4,818,699	5,073,465	5,332,339	5,739,116	5,919,997	6,156,895	6,383,386	7,495,673	7,088,105
Community services	1,069,409	1,122,951	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	962,537	1,034,752
Public works and buildings	601,886	1,271,960	1,920,894	1,441,781	1,882,695	1,889,643	1,823,752	1,925,577	1,914,142	1,828,819
Culture and recreation	440,447	437,527	468,633	472,161	495,566	475,326	505,632	519,263	534,183	576,877
Interest on long-term debt	--	--	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778
Total governmental activities expenses	11,051,098	11,202,828	12,238,416	13,649,043	14,172,119	14,211,179	14,348,403	14,502,621	15,159,978	15,378,577
Business-type activities:										
Water and sewer	4,207,508	4,406,902	4,559,227	4,792,029	5,228,079	5,087,924	5,508,811	5,548,753	5,859,363	5,807,794
Gas	8,099,232	11,193,397	8,979,544	9,461,385	8,917,877	6,344,200	6,634,411	8,528,329	16,932,878	22,058,010
Sanitation	2,165,801	2,088,985	2,149,556	2,161,577	2,212,891	2,216,536	2,365,998	2,494,970	2,502,288	2,543,124
Riverview Golf Course	493,561	521,626	542,731	548,692	450,072	391,218	435,045	468,869	390,012	421,421
Telecommunications	580,905	689,960	609,786	647,050	704,563	600,070	636,577	657,183	705,997	613,011
Total business-type activities expenses	15,547,007	18,900,870	16,840,844	17,610,733	17,513,482	14,639,948	15,580,842	17,698,104	26,390,538	31,443,360
Total primary government expenses	$ 26,598,105	$ 30,103,698	$ 29,079,260	$ 31,259,776	$ 31,685,601	$ 28,851,127	$ 29,929,245	$ 32,200,725	$ 41,550,516	$ 46,821,937

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 2,610,867	$ 2,170,233	$ 2,350,379	$ 2,373,187	$ 2,349,550	$ 2,757,271	$ 2,525,597	$ 2,479,460	$ 2,454,812	$ 2,275,559
Public safety	701,022	724,580	791,470	896,570	1,046,221	925,861	935,672	958,345	918,382	1,005,839
Public works and buildings	--	--	35,650	--	--	25,000	--	--	--	--
Operating grants and contributions	--	--	--	3,000	--	214,015	196,933	194,631	281,703	212,227
Capital grants and contributions	2,306,536	1,937,163	2,457,667	4,271,341	3,363,565	3,093,592	2,865,718	3,423,999	3,087,111	2,199,791
Total governmental activities program revenue	5,618,425	4,831,976	5,635,166	7,544,098	6,759,336	7,015,739	6,523,920	7,056,435	6,742,008	5,693,416
Business-type activities:										
Charges for services:										
Water and sewer	3,945,785	4,605,503	5,098,515	5,216,774	4,799,364	5,066,965	5,353,002	5,450,764	5,148,229	5,558,274
Gas	8,445,530	11,045,701	11,015,183	10,862,955	9,621,572	8,331,392	8,466,675	9,586,776	19,560,761	22,749,451
Sanitation	2,152,630	2,184,531	2,576,198	2,589,009	2,579,728	2,553,242	2,641,594	2,637,296	2,647,652	2,696,551
Riverview Golf Course	380,812	417,551	503,524	469,745	455,885	337,981	351,009	371,405	375,853	306,091
Telecommunications	544,423	628,559	836,451	809,855	928,013	695,527	711,114	638,496	589,286	518,894
Operating grants and contributions	--	--	--		--	--	--	--	--	--
Capital grants and contributions	349,606	274,394	353,875	662,984	313,322	173,715	--	254,702	22,306	1,243,739
Total business-type activities program revenue	15,818,786	19,156,239	20,383,746	20,611,322	18,697,884	17,158,822	17,523,394	18,939,439	28,344,087	33,073,000
Total primary government program revenue	$ 21,437,211	$ 23,988,215	$ 26,018,912	$ 28,155,420	$ 25,457,220	$ 24,174,561	$ 24,047,314	$ 25,995,874	$ 35,086,095	$ 38,766,416
Net (expense)/revenue:										
Governmental activities	$ (5,432,673)	$ (6,370,852)	$ (6,603,250)	$ (6,104,945)	$ (7,412,783)	$ (7,195,440)	$ (7,824,483)	$ (7,446,186)	$ (8,417,970)	$ (9,685,161)
Business-type activities	271,779	255,369	3,542,902	3,000,589	1,184,402	2,518,874	1,942,552	1,241,335	1,953,549	1,629,640
Total primary government net expense	$ (5,160,894)	$ (6,115,483)	$ (3,060,348)	$ (3,104,356)	$ (6,228,381)	$ (4,676,566)	$ (5,881,931)	$ (6,204,851)	$ (6,464,421)	$ (8,055,521)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property	$ 1,888,058	$ 2,375,757	$ 2,498,816	$ 2,565,732	$ 2,648,656	$ 3,023,125	$ 2,410,680	$ 2,678,293	$ 2,854,896	$ 3,106,231
Sales	2,502,673	2,753,385	2,983,399	3,094,809	2,943,746	2,880,391	2,762,450	2,965,459	2,936,546	2,831,081
Hotel/Motel	436,433	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522
Alcoholic beverage	395,110	405,798	402,233	414,985	424,484	403,398	398,524	410,108	401,462	396,995
Franchise	1,042,766	1,127,005	1,192,566	1,258,013	1,391,186	1,327,766	1,388,433	1,445,071	1,371,855	1,330,271
Insurance premium	738,170	794,174	830,905	866,726	887,488	879,162	853,611	759,895	809,386	838,299
Unrestricted investment earnings	68,386	150,283	221,748	241,508	82,762	18,258	20,144	16,950	27,175	17,835
Gain on sale of capital assets	--	--	--	--	--	59,616	--	--	--	--
Transfers	988,000	1,300,000	650,000	238,843	650,000	562,499	637,499	735,554	(3,979,659)	319,634
Total governmental activities	8,059,596	9,340,578	9,245,270	9,221,685	9,520,858	9,626,511	8,969,123	9,535,918	4,955,489	9,416,868
Business-type activities:										
Unrestricted investment earnings	106,753	170,362	230,085	188,345	68,089	72,228	65,584	63,280	39,834	49,288
Transfers	(988,000)	(1,300,000)	(650,000)	(238,843)	(650,000)	(562,499)	(637,499)	(735,554)	3,979,659	(319,634)
Total business-type activities	(881,247)	(1,129,638)	(419,915)	(50,498)	(581,911)	(490,271)	(571,915)	(672,274)	4,019,493	(270,346)
Total primary government	$ 7,178,349	$ 8,210,940	$ 8,825,355	$ 9,171,187	$ 8,938,947	$ 9,136,240	$ 8,397,208	$ 8,863,644	$ 8,974,982	$ 9,146,522
Change in Net Position										
Governmental activities	$ 2,626,923	$ 2,969,726	$ 2,642,020	$ 3,116,740	$ 2,108,075	$ 2,431,071	$ 1,144,640	$ 2,089,732	$ (3,462,481)	$ (268,293)
Business-type activities	(609,468)	(874,269)	3,122,987	2,950,091	602,491	2,028,603	1,370,637	569,061	5,973,042	1,359,294
Total primary government	$ 2,017,455	$ 2,095,457	$ 5,765,007	$ 6,066,831	$ 2,710,566	$ 4,459,674	$ 2,515,277	$ 2,658,793	$ 2,510,561	$ 1,091,001

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General fund:										
Nonspendable	$ 248,658	$ 264,008	$ 256,756	$ 250,432	$ 375,325	$ 322,069	$ 349,373	$ 342,749	$ 375,880	$ 397,155
Restricted	265,138	503,491	916,502	391,439	486,425	413,228	--	--	--	--
Committed	193,391	239,482	67,611	141,007	111,100	91,159	983,256	291,968	117,211	127,673
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	1,834,304	3,162,910	4,251,887	5,059,736	5,627,010	6,553,955	6,409,961	6,860,807	6,415,899	5,802,703
Total general fund	$ 2,541,491	$ 4,169,891	$ 5,492,756	$ 5,842,614	$ 6,599,860	$ 7,380,411	$ 7,742,590	$ 7,495,524	$ 6,908,990	$ 6,327,531
All other governmental funds -										
Capital projects funds:										
Nonspendable	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Restricted	2,050,650	2,173,934	1,470,803	14,875,449	9,238,165	6,500,620	4,811,277	5,610,065	4,168,780	3,549,624
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total all other governmental funds	$ 2,050,650	$ 2,173,934	$ 1,470,803	$14,875,449	$ 9,238,165	$ 6,500,620	$ 4,811,277	$ 5,610,065	$ 4,168,780	$ 3,549,624

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
General property taxes	$ 1,870,599	$ 2,352,088	$ 2,506,886	$ 2,570,947	$ 2,622,330	$ 2,580,602	$ 2,820,812	$ 2,672,295	$ 2,846,390	$ 3,114,210
Other taxes	7,531,028	7,481,398	8,333,833	9,623,282	9,005,832	6,139,714	6,086,872	6,301,842	6,253,263	6,189,364
Licenses and permits	537,428	518,562	635,953	578,685	573,180	556,122	590,957	561,865	600,186	547,619
Fines and forfeitures	579,451	591,683	658,664	749,175	925,128	813,986	804,640	843,393	809,933	901,335
Intergovernmental	272,990	371,152	380,252	648,739	324,168	3,501,948	3,513,723	3,913,856	3,674,561	2,674,180
Interest on investments	108,927	246,701	343,488	867,788	404,947	96,244	68,244	34,647	37,366	29,163
Miscellaneous income	1,772,139	1,287,301	1,379,430	1,423,491	1,678,235	1,818,948	1,310,380	1,452,858	1,446,951	1,342,758
Total revenues	12,672,562	12,848,885	14,238,506	16,462,107	15,533,820	15,507,564	15,195,628	15,780,756	15,668,650	14,798,629
Expenditures										
General government	3,488,821	2,953,768	3,430,699	3,460,719	3,539,658	3,599,455	3,542,885	3,485,033	4,222,919	4,131,923
Public safety	4,690,404	4,864,068	5,218,565	5,171,826	5,581,073	5,784,622	6,065,314	6,301,367	7,169,731	6,765,030
Community services	1,069,409	1,122,951	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	955,831	1,028,046
Public works and buildings	2,356,923	3,022,238	4,258,327	1,209,145	1,158,206	1,181,967	1,183,321	1,330,980	1,458,950	1,378,776
Culture and recreation	436,433	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522
Debt service:										
Principal	--	--	93,431	178,783	4,170,027	2,334,673	2,837,467	90,354	3,199,832	205,068
Interest	--	--	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778
Bond issuance costs	--	--	--	192,406	500	500	500	500	--	--
Capital outlay	--	--	--	3,417,542	4,608,750	3,419,642	1,726,312	3,410,311	908,363	2,607,101
Total expenditures	12,041,990	12,397,201	14,533,259	15,926,684	21,063,858	18,277,057	17,160,291	16,290,589	18,536,469	16,699,244
Excess of revenues over(under) expenditures	630,572	451,684	(294,753)	535,423	(5,530,038)	(2,769,493)	(1,964,663)	(509,833)	(2,867,819)	(1,900,615)
Other financing sources(uses)										
Sale of capital assets	--	--	--	--	--	250,000	--	--	--	--
Transfers in	1,000,000	1,300,000	650,000	650,000	650,000	562,499	637,499	735,554	840,000	700,000
Transfers out	(12,000)	--	--	(411,157)	--	--	--	--	--	--
Capital leases	--	--	264,487	630,000	--	--	--	326,001	--	--
Bonds issued	--	--	--	12,000,000	--	--	--	--	--	--
Premium on bonds issued	--	--	--	350,238	--	--	--	--	--	--
Total other financing sources(uses)	988,000	1,300,000	914,487	13,219,081	650,000	812,499	637,499	1,061,555	840,000	700,000
Change in fund balance	$ 1,618,572	$ 1,751,684	$ 619,734	$ 13,754,504	$ (4,880,038)	$ (1,956,994)	$ (1,327,164)	$ 551,722	$ (2,027,819)	$ (1,200,615)
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	27.90%	18.51%	20.33%	1.36%	18.99%	1.50%

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

Fiscal Year	Property Tax	Sales Tax	Hotel/Motel Tax	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2006	Special Purpose Local Option Sales Tax 2012	Alcoholic Beverages Tax	Franchise Tax	Insurance Premium Tax	Total
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
2010	3,023,125	2,880,391	472,296	--	2,742,771	--	403,398	1,327,766	879,162	11,728,909
2011	2,410,680	2,762,450	497,782	--	2,642,650	--	398,524	1,388,433	853,611	10,954,130
2012	2,678,293	2,965,459	524,588	--	2,868,936	--	410,108	1,445,071	759,895	11,652,350
2013	2,854,896	2,936,546	533,828	--	776,728	1,967,006 (1)	401,462	1,371,855	809,386	11,651,707
2014	3,106,231	2,831,081	576,522	--	--	2,188,463	396,995	1,330,271	838,299	11,267,862

(1) First year of tax

CITY OF DUBLIN, GEORGIA
TAXABLE SALES BY CATEGORY
LAURENS COUNTY
LAST TEN CALENDAR YEARS

	2005	2006	2007	2008	2009*	2010	2011	2012	2013	2014
Accomodations	$ --	$ --	$ --	$ --	$ --	$ 54,345	$ 79,381	$ 72,073	$ 61,181	$ 66,047
Apparel	129,068	122,228	125,894	127,103	119,254	49,576	--	--	--	--
Auto	1,191,666	1,200,614	1,509,548	1,265,927	1,922,964	1,067,824	737,069	777,512	666,179	256,108
Construction	--	--	--	--	--	18,979	29,074	33,213	23,516	24,357
Food/bars	1,852,665	2,005,958	2,515,121	2,734,905	1,887,285	1,417,551	1,209,201	1,190,070	1,029,916	1,060,615
General Merchandise	1,010,383	1,020,642	1,027,463	1,070,849	1,279,957	1,300,483	1,233,122	1,234,528	1,011,125	1,077,986
Home Furnishings	273,137	361,562	317,745	399,218	346,079	398,968	517,755	319,610	248,644	265,585
Lumber	421,802	572,114	615,062	658,152	441,414	113,542	--	--	--	--
Manufacturing	685,229	669,242	773,931	706,689	754,044	706,695	405,192	672,145	531,243	478,656
Miscellaneous	588,451	543,357	726,443	794,673	960,706	312,457	--	--	--	--
Miscellaneous Services	310,943	303,534	293,730	314,826	488,734	472,279	571,266	571,033	471,660	490,112
Other Retail	--	--	--	--	--	596,287	1,049,921	1,313,752	1,120,136	1,097,217
Other Services	--	--	--	--	--	76,845	110,445	107,414	169,325	150,413
Utility	684,237	776,594	739,221	693,705	808,385	761,131	674,619	712,258	535,401	532,594
Wholesale	--	--	--	--	--	661,244	1,672,494	1,507,918	1,275,905	1,226,832
Total	$ 7,147,581	$ 7,575,845	$ 8,644,158	$ 8,766,047	$ 9,008,822	$ 8,008,206	$ 8,289,539	$ 8,511,526	$ 7,144,231	$ 6,726,522
City of Dublin Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

* As of May 2009 there was a change to the categories tracked

Source: Georgia Department of Revenue

CITY OF DUBLIN, GEORGIA
COMPUTATION OF DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	City of Dublin Direct Rate	Laurens County Rate	State Rate
2005	1.00%	3.00%	4.00%
2006	1.00%	3.00%	4.00%
2007	1.00%	3.00%	4.00%
2008	1.00%	3.00%	4.00%
2009	1.00%	3.00%	4.00%
2010	1.00%	3.00%	4.00%
2011	1.00%	3.00%	4.00%
2012	1.00%	3.00%	4.00%
2013	1.00%	3.00%	4.00%
2014	1.00%	3.00%	4.00%

Source: City of Dublin, Georgia financial records.

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			
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%
2010	461,076,778	10,869,399	39,985,081	511,931,258	5.327	1,089,215,442	47.00%
2011	379,728,371	9,250,552	28,591,704	417,570,627	6.360	1,043,926,619	40.00%
2012	374,521,777	9,255,595	30,336,380	414,113,752	6.400	1,035,284,380	40.00%
2013	388,489,638	9,596,131	33,122,081	431,207,850	6.393	1,078,019,625	40.00%
2014	386,364,873	10,155,784	34,625,917	431,146,574	6.393	1,077,866,435	40.00%

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 assessed property at approximately 47% of actual value until 2011 when this rate was lowered to 40%. 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 FISCAL YEARS

Tax Levy Period Calendar Year	Maintenance and Operations	Sales Tax Rollback	Total City	School District	State and County	Total Direct & Overlapping Rates
2004	9.250	(5.060)	4.190	16.371	6.940	27.501
2005	10.550	(5.350)	5.200	16.277	6.940	28.417
2006	10.600	(5.400)	5.200	16.277	6.560	28.037
2007	11.240	(6.040)	5.200	16.270	6.550	28.020
2008	11.010	(5.810)	5.200	16.270	6.550	28.020
2009	10.587	(5.260)	5.327	16.770	6.550	28.647
*2010	12.280	(5.920)	6.360	19.705	6.550	32.615
2011	12.940	(6.540)	6.400	19.705	6.520	32.625
2012	13.145	(6.752)	6.393	19.705	6.310	32.408
2013	13.145	(6.752)	6.393	19.705	6.310	32.408

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

Assessment rate changed from 47% to 40% of Digest in 2010

CITY OF DUBLIN, GEORGIA
PRINCIPLE PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO

	December 31, 2013			December 31, 2004		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
YKK Corporation	$ 15,028,675	1	3.49%	$ 16,937,305	1	3.83%
Best Buy Loc. #77	13,718,541	2	3.18%	12,599,846	2	2.85%
Fairview Park Hospital	12,957,281	3	3.01%	9,357,378	3	2.12%
Fred's Distribution	8,520,165	4	1.98%			
Wal-Mart	7,127,695	5	1.65%	4,734,426	6	1.07%
Warehouse Home Furnishings	7,110,631	6	1.65%	3,851,508	8	0.87%
Home Depot	3,587,714	7	0.83%			
Bright-Meyers	2,604,656	8	0.60%			
Parko Hannifin Controls	2,582,843	9	0.60%	4,011,558	7	0.91%
Flexsteel Industries	2,567,173	10	0.60%	3,806,577	9	0.86%
Rockwell Automation-Allen Bradley				8,064,105	4	1.82%
Dublin Community Hospital				6,437,163	5	1.46%
Dublin Mall				3,079,286	10	0.70%
	$ 75,805,374		17.59%	$ 72,879,152		16.49%

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			Collected in Subsequent Years	Total Collections to Date	
	Taxes Levied for the Fiscal Year (1)	Collection Amount	Percentage of Levy		Amount	Percentage Levy
2005	$ 8,249,453	$ 8,000,132	97.0%	$ 213,887	$ 8,214,019	99.6%
2006	8,919,795	8,605,271	96.5%	277,650	8,882,921	99.6%
2007	9,375,826	8,995,981	95.9%	355,735	9,351,716	99.7%
2008	9,616,757	9,261,965	96.3%	321,254	9,583,219	99.7%
2009	9,966,108	9,522,636	95.6%	384,646	9,907,282	99.4%
2010	10,428,595	9,417,695	90.3%	970,481	10,388,176	99.6%
2011	10,138,736	9,714,722	95.8%	368,224	10,082,946	99.4%
2012	10,018,508	9,518,592	95.0%	422,829	9,941,421	99.2%
2013	10,392,029	9,870,456	95.0%	339,316	10,209,772	98.2%
2014	10,351,172	9,838,724	95.0%	--	9,838,724	95.0%

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

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
PRINCIPAL GAS CUSTOMERS
CURRENT YEAR

	Fiscal Year 2014		
Taxpayer	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales
SP Newsprint	$ 15,324,668	1	70.57%
Griffin Industries	1,982,481	2	9.13%
YKK Corporation	838,891	3	3.86%
Carl Vinson Medical Center	591,290	4	2.72%
Dublin Housing Authority	237,685	5	1.09%
Fairview Park Hospital	201,601	6	0.93%
Hi-tek Rations	180,124	7	0.83%
Reeves	80,897	8	0.37%
Best Buy	79,526	9	0.37%
Roche	52,052	10	0.24%
	$ 19,569,215		90.11%

Source: City of Dublin, Georgia gas records.

The City has not presented the principle gas customers from nine years ago as generally required, because the City did not report these customers in its FY 2005 CAFR so the data is no longer available to obtain.

CITY OF DUBLIN, GEORGIA
RATIO 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 (1)
2005	$ --	$ --	$ --	$ 8,353,464	$ 675,578	$ --	$ 9,029,042	8.14%	$ 566
2006	--	--	--	8,050,913	652,622	53,121	8,756,656	7.41%	548
2007	--	--	171,056	7,738,362	1,467,871	27,073	9,404,362	7.70%	588
2008	12,126,265	--	622,273	7,410,811	1,416,994	--	21,576,343	17.16%	1,348
2009	8,094,698	--	452,246	7,073,260	1,355,060	--	16,975,264	12.16%	1,060
2010	5,813,132	--	367,572	6,720,709	1,290,382	--	14,191,795	9.96%	885
2011	3,031,565	--	280,105	6,358,158	1,279,165	--	10,948,993	7.76%	676
2012	3,000,000	--	515,753	5,980,607	2,595,648	--	12,092,008	8.53%	745
2013	--	--	315,921	5,588,056	2,648,289	--	8,552,266	5.75%	526
2014	--	--	110,853	5,305,000	2,571,363	--	7,987,216	5.25%	490

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 120 for personal income and population data.

CITY OF DUBLIN, GEORGIA
RATIO 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 (2)	Per Capita (3)
2005	$ --		$ --	$ --	N/A	N/A
2006	--		--	--	N/A	N/A
2007	--		--	--	N/A	N/A
2008	12,126,265	(1)	2,053,637	10,072,628	0.02%	629
2009	8,094,698		185,635	7,909,063	0.02%	494
2010	5,813,132		5,549	5,807,583	0.01%	362
2011	3,031,565		26,514	3,005,051	0.01%	185
2012	3,000,000		--	3,000,000	0.01%	185
2013	--		--	--	N/A	N/A
2014	--		--	--	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.

(2) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 109 for property value data.

(3) See Schedule of Demographics and Economic Statistics on page 120 for population data.

CITY OF DUBLIN, GEORGIA
COMPUTATION OF DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2014

Jurisdiction	Net General Debt Outstanding	Percentage Applicable to City of Dublin	City of Dublin's Share of Debt
Direct -			
City of Dublin	$ 110,853	100.00%	$ 110,853
Overlapping -	--	100.00%	--
Total	$ 110,853		$ 110,853

Source: City of Dublin, Georgia financial records.

CITY OF DUBLIN, GEORGIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$44,188,243	$45,590,258	$47,576,730	$48,787,439	$50,247,469	$51,193,126	$41,757,063	$41,411,375	$43,120,785	$ 43,114,657
Total net debt applicable to limit	--	--	--	12,126,265	8,094,698	5,813,132	3,031,565	3,000,000	--	--
Legal debt margin	$44,188,243	$45,590,258	$47,576,730	$36,661,174	$42,152,771	$45,379,994	$38,725,498	$38,411,375	$43,120,785	$ 43,114,657
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	24.86%	16.11%	11.36%	7.26%	7.24%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year:	
Assessed value	$431,146,574
Debt limit (10% of total assessed value)	43,114,657
Debt applicable to limit:	
General obligation bonds	--
Less: amount set aside for repayment of general obligation debt	--
Total net debt applicable to limit	--
Legal debt margin	$ 43,114,657

Source: City of Dublin, Georgia Finance Department

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

	SPLOST Revenue Bonds			
	Special	Debt Service		
Fiscal Year	Assessment Collections	Principle	Interest	Coverage
2005	$ --	$ --	$ --	--
2006	--	--	--	--
2007	--	--	--	--
2008	3,244,746	-- (1)	275,000	11.8
2009	2,681,311	4,000,000	480,000	0.6
2010	2,742,771	2,250,000	400,000	1.0
2011	2,642,650	2,750,000	287,500	0.9
2012	2,868,936	3,000,000	75,283	0.9
2013	776,728	--	--	--
2014	--	--	--	--

(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	
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
2010	5,283,815	3,757,429	1,526,386	375,000	296,850	2.3
2011	5,390,807	4,192,056	1,198,751	390,000	282,788	1.8
2012	5,746,319	4,270,944	1,475,375	405,000	267,187	2.2
2013	5,164,132	4,479,493	684,639	420,000	250,988	1.0
2014	6,810,424	4,494,637	2,315,787	440,000	234,187	3.4

(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
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	1,396,362	29,099	36.10	2,818	7.1%
2009	16,031	1,425,188	29,510	36.10	2,697	10.9%
2010	16,201	1,410,323	29,124	36.50	2,660	12.3%
2011	16,234	1,417,755	29,245	37.90	2,683	12.8%
2012	16,267	1,486,944	30,968	38.60	2,857	12.1%
2013	16,300	1,520,526	31,678	38.60	2,609	10.1%

Sources:

(1) Extrapolated from 2010 census at an average annual growth, etc. Population for 2010 is based on the 2010 Census.
(2) City Board of Education.
(3) State Department of Labor.

** County Wide Data

CITY OF DUBLIN, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR

	Fiscal Year 2014		
Employer	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	1,200	1	6.08%
Laurens County Board of Education	813	2	4.12%
Fairview Park Hospital	628	3	3.18%
Oconee Fall Line Technical College	435	4	2.20%
City of Dublin Board of Education	376	5	1.91%
Laurens County Board of Commissioners	357	6	1.81%
YKK AP America, Inc.	350	7	1.77%
Flexsteel Industries, Inc.	280	8	1.42%
SP Fiber Technologies, LLC	267	9	1.35%
City of Dublin	248	10	1.26%
	4,954		25.10%

Source: Dublin-Laurens County Chamber of Commerce

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function										
General Government										
Management-City Mgr & City Attorney	3	3	3	3	3	3	3	3	3	3
Finance	5	5	5	5	5	5	5	5	5	5
Building Inspections	5	5	5	5	6	6	6	6	6	6
Other	11	11	11	10	13	11	11	11	12	12
Public Safety										
Police										
Officers and personnel	60	61	57	60	59	64	63	62	63	64
Fire										
Firefighters and officers	32	32	32	32	35	35	35	35	35	35
Public Works										
Engineering	5	5	7	7	7	7	6	6	6	6
Other	13	13	13	13	15	15	15	15	15	15
Sanitation	24	24	24	24	24	24	24	25	25	25
Gas	14	14	14	14	15	17	17	17	17	13
Golf Course	13	13	13	12	5	3	3	3	3	3
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	33	33	33	32	30	31	35	34	35
Total	219	220	218	219	220	221	220	224	225	223

Source: City of Dublin, Georgia Finance Department

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function										
Police										
Physical arrests	2,143	1,737	1,783	1,765	1,921	2,183	2,500	1,465	1,130	2,680
Parking violations	68	14	10	10	9	16	18	6	42	49
Traffic violations	5,017	3,810	3,621	4,560	4,730	6,064	5,884	4,656	5,249	6,448
Fire										
Number of calls answered	902	823	892	942	919	904	959	909	837	1,023
Highways and streets										
Street resurfacing (miles)	5.8	7.2	1.7	N/A	1.1	1.0	2.0	3.3	3.6	2.8
Potholes repaired	1,158	1,205	1,226	1,127	1,150	1,250	1,235	1,276	1,176	1,184
Sanitation										
Refuse collected (tons/day)	58	57	58	60	55	56	57	58	60	59
Water										
New connections	130	150	82	98	82	101	156	61	15	18
Water mains breaks	426	436	425	420	430	436	426	114	120	135
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,200	3,200	3,200

Source: Various government departments.

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	38	38	50	50	50	50	53	53	53
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	20	20	20	24	20	20	20	20	20	20
Highways and streets										
Streets (miles)	100	100	100	101	101	102	103	103	103	103
Streetlights	1,670	1,702	1,702	1,710	1,715	1,720	1,739	1,742	1,750	1,755
Traffic signals	34	34	34	34	34	40	41	41	41	42
Water										
Water mains (miles)	185	186	186	186	187	193	194	194	194	196
Fire hydrants	914	928	928	928	928	935	975	982	1,056	1,028
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)	155	157	159	159	165	170	171	171	171	171
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)	228	229	229	230	232	232	233	233	233	245

Source: Various government departments.

IV. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

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

To the Honorable Mayor and Council
City of Dublin, Georgia

We have audited, 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 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 City of Dublin, Georgia, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise City of Dublin, Georgia's basic financial statements, and have issued our report thereon dated December 29, 2014. Our report includes a reference to other auditors who audited the financial statements of the Dublin-Laurens County Recreation Authority, as described in our report on City of Dublin, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Dublin, Georgia
December 29, 2014

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Mayor and Council
City of Dublin, Georgia

Compliance

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the City as of and for the year ended June 30, 2014, and have issued our report thereon dated December 29, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Restricted Use

The report is intended solely for the use of management, the City Council, others within the City, and federal awarding agencies and pass-through entities. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance. Accordingly, this report is not suitable for any other purpose.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
December 29, 2014

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Commerce			
Investments for Public Works and Economic Development Facilities	11.300	04-01-06717	$ 689,652
Total U.S. Department of Justice			689,652
U.S. Department of Housing and Urban Development			
Pass through Georgia Department of Community Affairs:			
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.218	12p-x-087-2-5523	372,671
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.218	12p-x-087-2-5491	261,417
Total U.S. Department of Housing and Urban Development			634,088
U.S. Department of Justice			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX0470	5,278
Total U.S. Department of Justice			5,278
U.S. Department of Transportation			
Pass through Governor's Office of Highway Safety State and Community Highway Safety	20.600	GA-2014-395-00287	15,477
Total U.S. Department of Transporation			15,477
Total Expenditures of Federal Awards			$ 1,344,495

CITY OF DUBLIN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

A. General

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Dublin, Georgia under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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.

B. Basis of Accounting

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for States, Local, and Indian Tribal Governments. Expenditures represent only the federally funded portions of the program. City records should be consulted to determine amounts expended from non-federal sources.

CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

SECTION I – SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued:	unmodified	
Internal control over financial reporting:		
Material weakness identified?	_____ yes	__X__ no
Significant deficiency identified not considered to be material weaknesses?	_____ yes	__X__ none reported
Noncompliance material to financial statements noted?	_____ yes	__X__ no

Federal Awards

Internal Control over major programs:		
Material weakness identified?	_____ yes	__X__ no
Significant deficiency identified not considered to be material weaknesses?	_____ yes	__X__ none reported
Type of auditor's report issued on compliance For major programs:	unmodified	
Any audit findings disclosed that are required To be reported in accordance with Circular A-133, Section .510(a)?	_____ yes	__X__ no

Identification of major programs:

CFDA Number	Name of Federal Programs
11.300	Investments for Public Works and Economic Development Facilities
14.218	Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii

Dollar threshold used to distinguish Between Type A and Type B programs:	$300,000	
Auditee qualified as low-risk auditee?	_____ yes	__X__ no

CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings

None Reported

Section III – Federal Award Findings

None Reported

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