

CITY OF DUBLIN, GEORGIA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED

JUNE 30, 2013

CITY OF DUBLIN, GEORGIA

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

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JUNE 30, 2013

**Prepared by:
Department of Finance**

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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I. INTRODUCTORY SECTION (Unaudited)

o LETTER OF TRANSMITTAL

**o CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE
IN FINANCIAL REPORTING**

o LIST OF ELECTED AND APPOINTED OFFICIALS

o ORGANIZATIONAL CHART



December 20, 2013

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, 2013.

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, 2013, 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, 2013, are fairly presented in conformity with GAAP.

The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Government

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

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

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

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

Factors Affecting Financial Condition

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

LOCAL ECONOMY. The City of Dublin, Georgia 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 6.40 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, 88,000 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. The Medical Center has added to its existing medical office building. A cancer treatment center provides the latest technological advances in the treatment of various forms of cancer. Fairview Park Hospital has an Angio Suite to house the state-of-the-art technology for diagnosis and therapy of vascular disease. The VA Center recently completed an Alzheimer's Ward. Our Public Health Department has become more active in community events and projects.

A new Public Health Department facility is being planned to better serve our citizens.

Dublin Internal Medicine has completed their expansion of the Dublin Diagnostic Center, which is Dublin's first comprehensive diagnostic care center. This 10,000 square foot, 2 story 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 are being added to the staff. The second phase of 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 planned. An assisted living facility has also been built 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 and 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 benefited from the 441 by-pass road, which the Department of Transportation began work on in 2007 and completed last year. There has been increased development at the five-lane US 80 and four lane 441 by-pass areas. We are serving this development with water, sewer and natural gas in order to meet the anticipated demand. 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 successfully promote Dublin's industry and services to travelers. 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 Umformtechnik, 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.

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 has begun shipping product to Puerto Rico. They currently have over 200 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 which 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. It can be expanded as growth dictates to about 1 million square feet. The City has extended water and sewer infrastructure to accommodate the new facility and the Highway 257/I-16 interchange. In addition, Georgia Highways 257 and 19 have been annexed by the City to the south side of the I-16 interchange. Love's Travel Stops and Country Stores, Inc. is located at the 257 interchange.

MAGE SOLAR, a leading producer of solar panels, announced their North American location in the City of Dublin. The company is investing \$30,000,000 and will create 350 jobs over the next 5 years. The facility in Dublin is home to its North American Headquarters, Training Center, and Manufacturing location. This new plant has relocated 10-15 new residents from out of Georgia to Dublin.

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. Modification was completed in the latter part of 2012.

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 constantly growing and has 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. Maxx Store at the Dublin Mall, have added to our constantly 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 renovated as condominiums and retail space.

As part of our Bicentennial Year activities, the City and the Downtown Development Authority are constructing a "Bicentennial Plaza" in front of the Fred Roberts building and Theater Dublin. It will be completed in December 2013.

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 Southside neighborhood. The Housing Authority renovated 17 units in a section of the housing project this year. A Southside Revitalization Committee is operating, and more projects are forthcoming from their efforts.

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

The Special Purpose Local Option Sales Tax (SPLOST) has provided funding for a Farmers Market directly behind the Theater Dublin which continues our downtown and Southside development. Various resurfacing and road and intersection improvements are also being completed with the SPLOST funds. A new \$1.3 million dollar Georgia State Patrol headquarters building on Southern Pines Road beside the Law Enforcement Center was built and funded with SPLOST. A new Department of Drivers Services facility was constructed to replace the old drivers license issuing facility. Having these facilities in our community serves as a destination point for people seeking these state services and brings more people to our community to shop and boost our local economy.

Dublin Safe Routes to School (SRTS) project in the amount of \$328,000 will be 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 Streetscape projects, both funded by Federal Grants in the amount of \$399,951 each, have been completed this year. 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. The City has received another CDBG to continue the same type improvements in the Ray Street area to be completed in 2014.

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 2013.

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.

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 SPLOST 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 SPLOST 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, 2012. This was the twenty-fifth 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, 2012

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan', is written in a cursive style.

Executive Director/CEO

CITY OF DUBLIN, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2013

MAYOR

Phil Best, Sr.

CITY COUNCIL

Julie Driger

Gary Johnson (Mayor Pro-Tem)

Bill Brown III

Ed Touchberry (Chairman of Council)

Jerry Davis

Gerald Smith

Phil Thacker

CITY MANAGER

George P. Roussel

CITY CLERK

Joe M. Kinard III

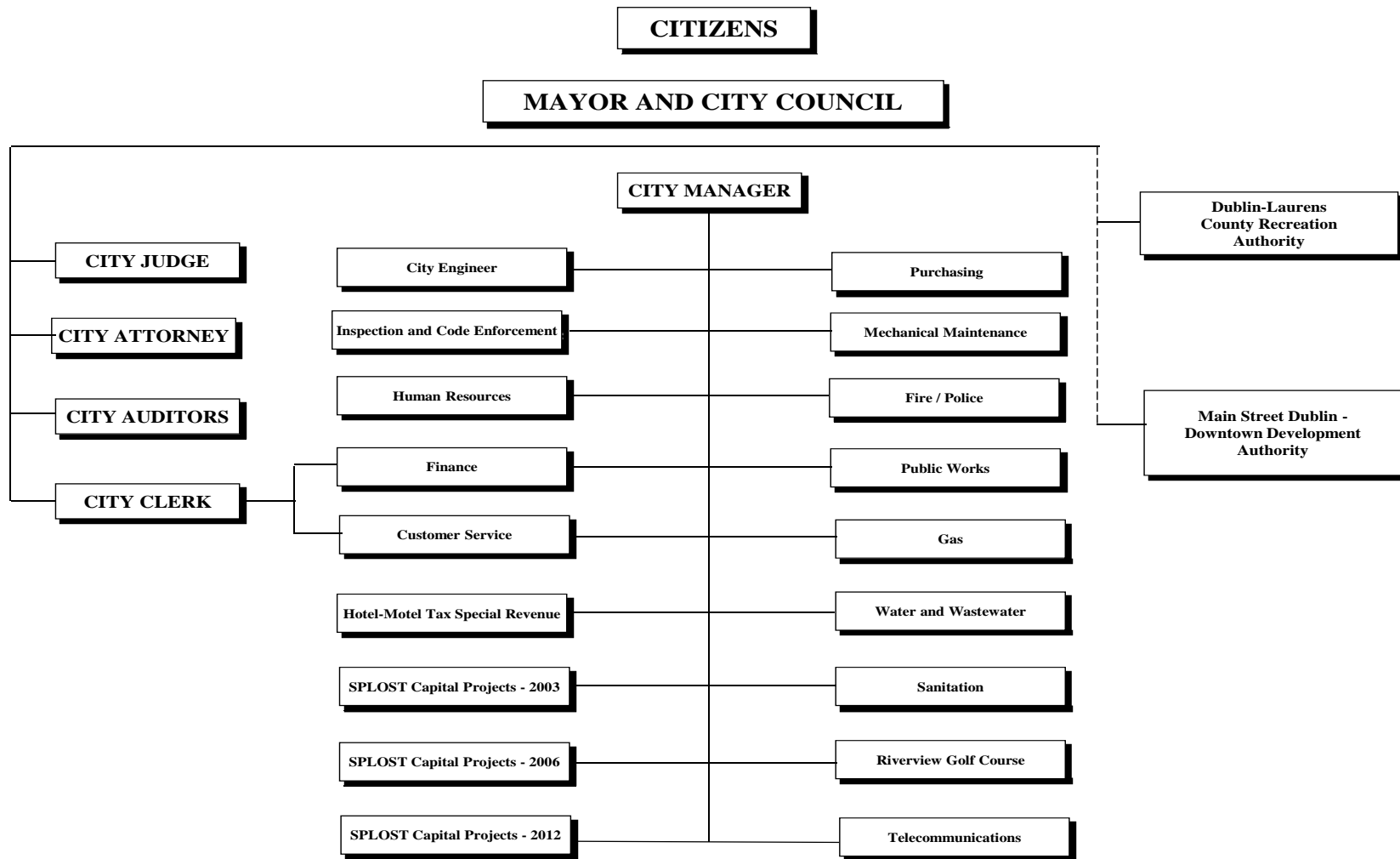
CITY JUDGE

Harold D. McLendon

CITY ATTORNEY

Lance Jones

**CITY OF DUBLIN, GEORGIA
ORGANIZATION CHART**



II. FINANCIAL SECTION

o INDEPENDENT AUDITOR'S REPORT

**o MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)**

o BASIC FINANCIAL STATEMENTS



NICHOLS, CAULEY & ASSOCIATES, LLC

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REPLY TO:
1300 Bellevue Avenue
Dublin, Georgia 31021-4152
478-275-1163
FAX 478-275-1178
dublin@nicholscauley.com

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, 2013, 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 86 percent, 87 percent, and 87 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, 2013, 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 71, the budgetary comparison information on pages 72 through 73, and the notes to required supplementary information on page 74, 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 financial statements as a whole. The introductory section, combining and individual nonmajor fund statements and schedules of expenditures of special purpose local option sales tax proceeds, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund statements and the schedules of expenditures of special purpose local option sales tax proceeds 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 and the schedules of expenditures of special purpose local option sales tax proceeds 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 20, 2013, 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 20, 2013

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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, 2013. 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, 2013 by \$75,641,903 (presented as "net position"). Of this amount, \$23,761,706 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 \$2,510,561 (a 3.4% increase) in fiscal year 2013. Net position of governmental activities decreased by \$3,462,481 (a 10.0% decrease) while net position of the business-type activities showed an increase of \$5,973,042 (a 15.5% increase).

Fund Highlights:

Governmental Funds - Fund Balances - As of the close of fiscal year 2013, the City's governmental funds reported a combined ending fund balance of \$11,077,770, a decrease of \$2,027,819 in comparison with the prior year. Of this total amount, \$6,415,899 represents the "unassigned fund balances". This \$6,415,899 is approximately 34.6% of the total governmental fund expenditures for the year. The primary difference in the \$3,733,445 decrease in net position of governmental activities compared to the \$2,027,819 decrease in fund balance of governmental funds relates to the transfer of capital assets to the enterprise funds of \$4,819,659 partially offset by the repayment of the SPLOST revenue bonds of \$3,199,832.

Long-term Obligations:

The City's total long-term obligations decreased by \$3,502,823 (27.6%) during the current fiscal year. The key factor in this decrease was the repayment of the SPLOST revenue bonds of \$3,000,000.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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

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

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

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

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

Fund Financial Statements and Major Component Unit Financial Statements

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

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

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

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

The City has four governmental funds. The major funds are presented in a separate column, while the nonmajor funds are combined in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The City's major governmental funds are - the General Fund and the SPLOST Capital Projects - 2006 Fund. The City's nonmajor governmental funds are the SPLOST Capital Projects - 2012, SPLOST Capital Projects - 2003 and Hotel/Motel Tax Fund.

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

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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, Natural Gas System Fund and Sanitation Fund. The City's nonmajor proprietary funds are the Riverview Golf Course Fund and Telecommunications Fund.

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

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

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

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

Component Units Financial Statements - As mentioned above, these are operations for which the City has financial accountability but they have certain independent qualities as well, and they operate similar to private-sector businesses. The government-wide financial statements present information for the component units in separate columns in the statement of net 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 special purpose local option sales tax proceeds – 2003, special purpose local option sales tax proceeds - 2006 and special purpose local option sales tax proceeds - 2012.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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 \$75,641,903 at the end of 2013, compared to \$73,131,342 at the end of the previous year.

The largest portion of the City's net position (60.4%) 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 (8.2%) 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 increased \$4,927,416 or 26.2% 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	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 12,729,003	\$ 14,084,623	\$ 20,342,848	\$ 17,799,936	\$ 33,071,851	\$ 31,884,559
Capital assets	20,494,501	25,111,505	33,733,678	30,553,352	54,228,179	55,664,857
Total assets	<u>33,223,504</u>	<u>39,196,128</u>	<u>54,076,526</u>	<u>48,353,288</u>	<u>87,300,030</u>	<u>87,549,416</u>
Noncurrent liabilities	748,435	922,271	8,031,627	8,375,474	8,780,062	9,297,745
Other liabilities	1,447,209	3,783,516	1,430,856	1,336,813	2,878,065	5,120,329
Total liabilities	<u>2,195,644</u>	<u>4,705,787</u>	<u>9,462,483</u>	<u>9,712,287</u>	<u>11,658,127</u>	<u>14,418,074</u>
Invested in capital assets, net of related debt	20,178,580	21,595,752	25,497,333	21,977,097	45,675,913	43,572,849
Restricted	4,168,780	8,685,348	2,035,504	2,038,855	6,204,284	10,724,203
Unrestricted	6,680,500	4,209,241	17,081,206	14,625,049	23,761,706	18,834,290
Total net position	<u>\$ 31,027,860</u>	<u>\$ 34,490,341</u>	<u>\$ 44,614,043</u>	<u>\$ 38,641,001</u>	<u>\$ 75,641,903</u>	<u>\$ 73,131,342</u>

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.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Changes in Net Position

The City's net position increased by \$2,510,561 or 3.4%. Governmental activities decreased \$3,462,481 while business activities increased \$5,973,042. Historically, and in fiscal year 2013, 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 2013 were \$3,979,659 which included \$700,000 from the Natural Gas Fund and \$140,000 from the Telecommunications Fund to the General Fund and \$4,819,659 from the governmental activities to the business-type activities. During 2013, The City's governmental activities transferred \$4,819,659 in capital assets purchased with SPLOST proceeds to the following business-type activities: \$2,577,504 to the Water Fund, \$2,066,280 to the Gas Fund, \$9,928 to the Sanitation Fund and \$165,947 to the Golf Fund. Approximately 20.2 percent of the City's total revenue came from taxes, while 7.7 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and intragovernmental items provided 72.1 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 2013, governmental activity program expenses exceeded revenues, resulting in the use of \$8,417,970 in general revenues which were comprised of \$8,907,973 (taxes), \$840,000 (transfers in), and \$27,175 (unrestricted investment earnings). Total program and general revenues from business-type activities exceeded net expenses, excluding transfers out, in 2013 by \$1,953,549.

Governmental activities decreased the City's net position by \$3,462,481. The key elements in this change were a large transfer of capital assets from the governmental activities to the business-type activities, partially offset by a transfer from the Gas Fund to the General Fund and continued collection in the local option sales tax and the special purpose local option sales tax proceeds, and capital grants. Business-type activities increased the City's net position by \$5,973,042. The key elements in this change were the large transfer from the governmental activities of capital assets and increased revenue produced from gas services. Other key elements of these changes are as follows:

CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

City of Dublin, Georgia - Changes in Net Position

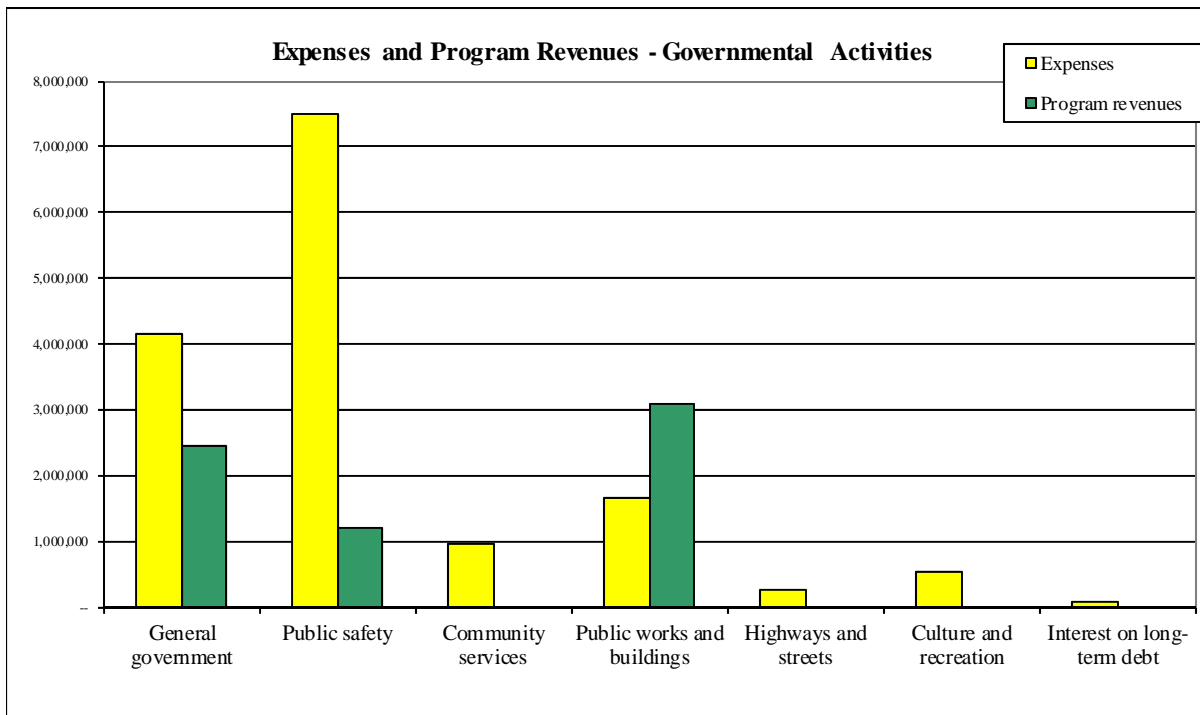
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 3,373,194	\$ 3,437,805	\$ 28,321,781	\$ 18,552,111	\$ 31,694,975	\$ 21,989,916
Operating grants and contributions	281,703	194,631	--	--	281,703	194,631
Capital grants and contributions	3,087,111	3,423,999	22,306	387,328	3,109,417	3,811,327
General revenues:						
Property taxes	2,854,896	2,678,293	--	--	2,854,896	2,678,293
Local option sales tax	2,936,546	2,965,459	--	--	2,936,546	2,965,459
Franchise taxes	1,371,855	1,445,071	--	--	1,371,855	1,445,071
Other taxes	1,744,676	1,694,591	--	--	1,744,676	1,694,591
Investment earnings	27,175	16,950	39,834	63,280	67,009	80,230
Total revenues	<u>15,677,156</u>	<u>15,856,799</u>	<u>28,383,921</u>	<u>19,002,719</u>	<u>44,061,077</u>	<u>34,859,518</u>
Expenses:						
General government	4,166,428	4,526,939	--	--	4,166,428	4,526,939
Public safety	7,495,673	6,383,386	--	--	7,495,673	6,383,386
Community services	962,537	1,063,213	--	--	962,537	1,063,213
Public works and buildings	1,653,736	1,617,064	--	--	1,653,736	1,617,064
Highways and streets	260,406	308,513	--	--	260,406	308,513
Culture and recreation	534,183	519,263	--	--	534,183	519,263
Interest on long-term debt	87,015	84,243	--	--	87,015	84,243
Water and sewer	--	--	5,859,363	5,548,753	5,859,363	5,548,753
Gas	--	--	16,932,878	8,528,329	16,932,878	8,528,329
Sanitation	--	--	2,502,288	2,494,970	2,502,288	2,494,970
Riverview Golf Course	--	--	390,012	468,869	390,012	468,869
Telecommunications	--	--	705,997	657,183	705,997	657,183
Total expenses	<u>15,159,978</u>	<u>14,502,621</u>	<u>26,390,538</u>	<u>17,698,104</u>	<u>41,550,516</u>	<u>32,200,725</u>
Increase in net assets before transfers	517,178	1,354,178	1,993,383	1,304,615	2,510,561	2,658,793
Transfers	(3,979,659)	735,554	3,979,659	(735,554)	--	--
Change in net assets	(3,462,481)	2,089,732	5,973,042	569,061	2,510,561	2,658,793
Net position, beginning	<u>34,490,341</u>	<u>32,400,609</u>	<u>38,641,001</u>	<u>38,071,940</u>	<u>73,131,342</u>	<u>70,472,549</u>
Net position, ending	<u>\$ 31,027,860</u>	<u>\$ 34,490,341</u>	<u>\$ 44,614,043</u>	<u>\$ 38,641,001</u>	<u>\$ 75,641,903</u>	<u>\$ 73,131,342</u>

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

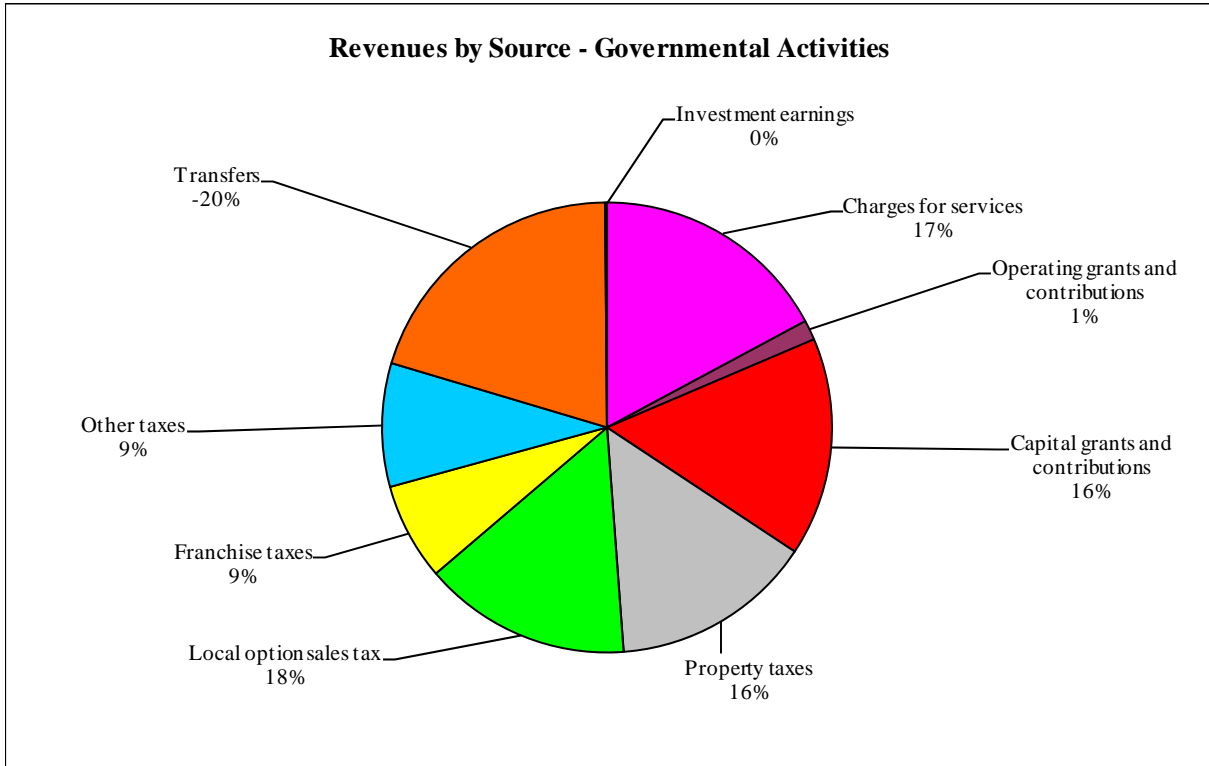
Governmental Activities

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 \$15,159,978.
- However, the amount that our taxpayers paid for these activities through City taxes was \$8,907,973. Some of the cost was paid by:
 - Those who directly benefited from the programs \$3,373,194.
 - Other governments and organizations that subsidized certain programs with grants and contributions \$3,368,814.
 - Net transfers to the General Fund of \$840,000 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 \$6,295,588 in fiscal year 2013. Public safety comprised 49.4% of total expenses in 2013.
- Community services comprised 6.3% of total expenses in fiscal year 2013.
- Public works and buildings comprised 10.9% of total expenses in fiscal year 2013.
- Highways and streets comprised 1.7% of total expenses in fiscal year 2013.
- Culture and recreation comprised 3.5% of total expenses in fiscal year 2013.
- Interest on long-term debt comprised 0.6% of total expenses in fiscal year 2013.
- General government comprised 27.5% of total expenses and reflected an decrease of \$360,511 from the prior year. For every one dollar of general government expenses in fiscal year 2013, 59 cents came from charges for services to pay for the expenses and increases in interest rates.



**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

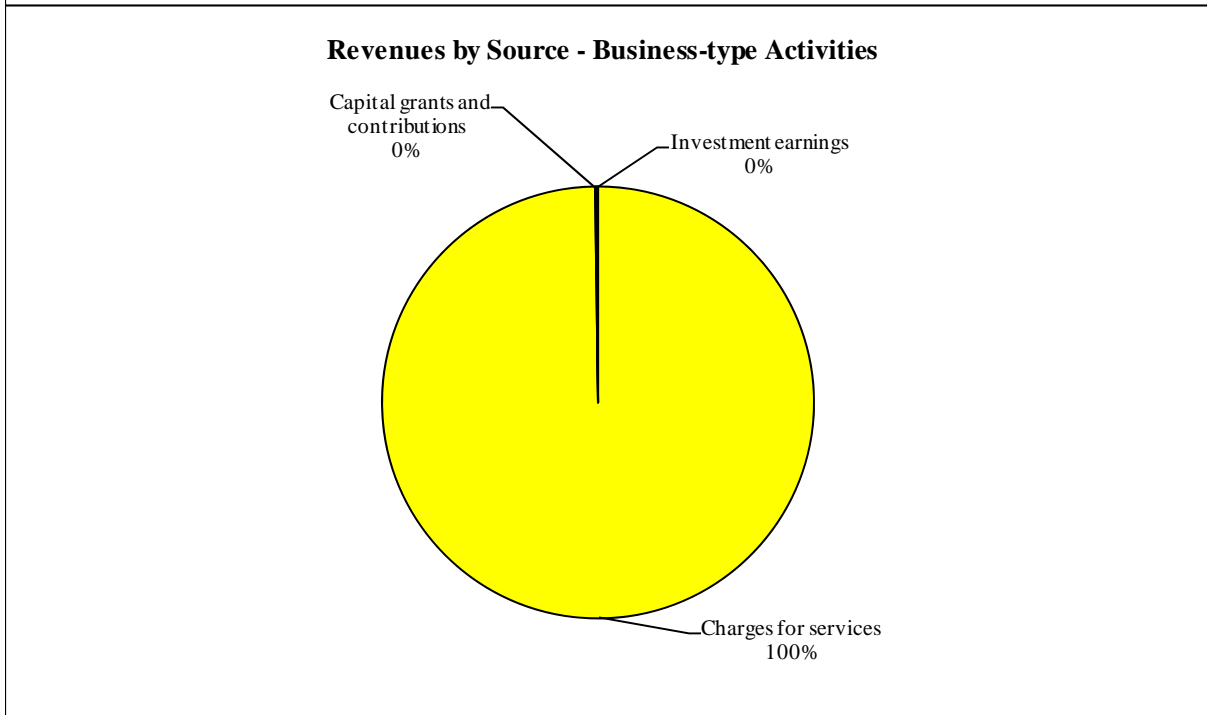
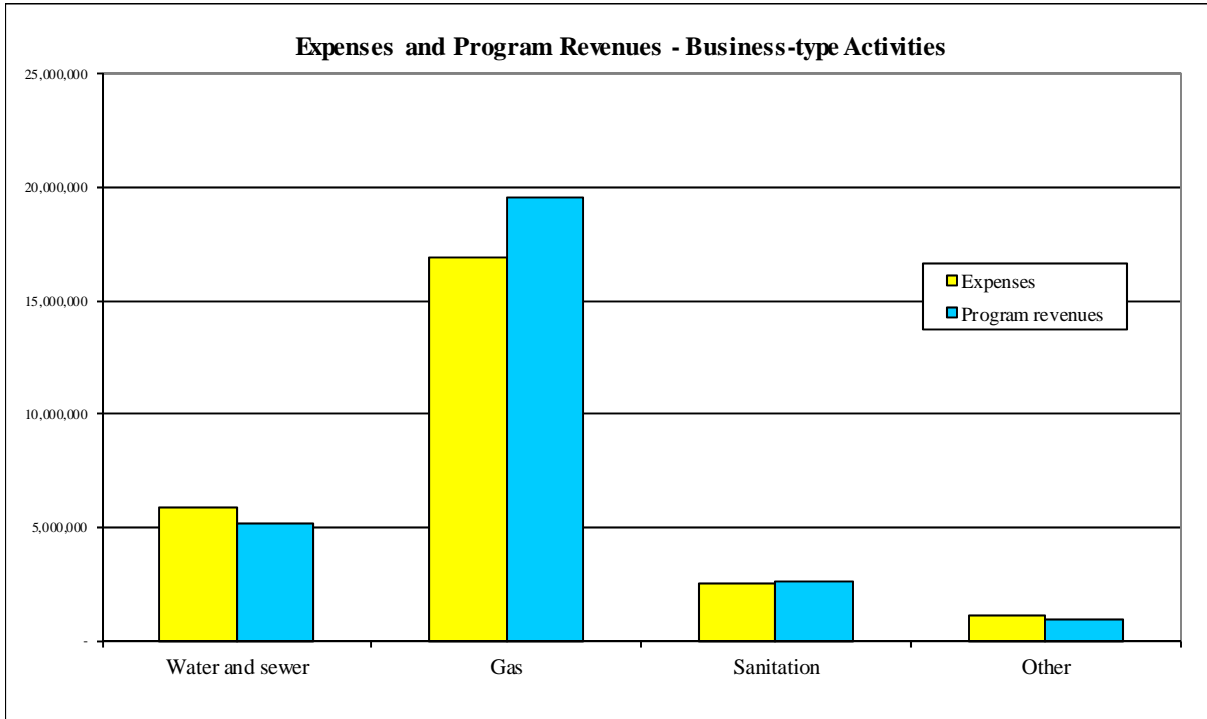


Business-Type Activities

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 \$26,390,538.
- Revenues generated by the gas function comprised 69.1% of program revenues for business-type activities. Water and sewer, sanitation and other comprised 18.2%, 9.3%, and 3.4%, respectively.
- Investment earnings decreased by approximately \$23,446 from the prior year due to an overall lower average yield in the interest rates earned on investments.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**



**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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 \$11,077,770 a decrease of \$2,027,819 in comparison with the prior year. \$6,415,899 or 57.9% 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 \$6,415,899 while the total fund balance reached \$6,908,990. 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 34.6% of total general fund expenditures, while total fund balance represents 59.8% of that same amount.

The fund balance of the City's General Fund decreased by \$586,534 during the current fiscal year. This is a 7.8% decrease from the prior year. This decrease is primarily attributable to an increase in general government expenditures. At June 30, 2013, the fund balance of the City's General Fund represented 62.4% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2006 fund decreased by \$2,579,562, during the current fiscal year. This is a 46.1% decrease from the prior year. This decrease is primarily to the repayment of principal and interest relating to the special assessment bonds issued in FY 2008. At June 30, 2013, the fund balance of the City's SPLOST Capital Projects - 2006 fund represented 27.2% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2012 fund increased by \$1,158,272 during the current fiscal year. This is an 100% increase from the prior year. This increase is attributable to the establishment of the SPLOST 2012 fund. At June 30, 2013, the fund balance of the City's SPLOST Capital Projects - 2012 fund represented 10.4% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2003 fund decreased by \$19,995 during the current fiscal year. This is an 100% decrease from the prior year. This decrease is attributable to the closing out of the SPLOST 2003 fund. At June 30, 2013, the fund balance of the City's SPLOST Capital Projects - 2003 fund represented 0.0% of the total governmental fund balance.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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 \$5,973,042 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 \$4,017,802 increase in net position by the Natural Gas System Fund after transferring \$700,00 to the City's General Fund, a \$1,904,579 increase in net position of the Water and Sewerage System Fund and a \$155,584 increase in net position of the Sanitation System Fund partially offset by a \$104,923 decrease in the Nonmajor Funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted expenditures decreased by 1.4 % from the prior year. Actual expenditures increased approximately 8.1% 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, intergovernmental other was 182.0% over budget due to receiving Georgia Department of Transportation grants that were budgeted for in the prior year. Interest income was 81.2% over budget due to an increase in the City's cash and investments accounts throughout the year. For expenditures, many departments were over budget primarily due to the addition of employee disability insurance. Those departments were; city manager 22.6%, city clerk 17.9% and city attorney 19.8%. The tax department was over budget 22.5% due primarily to collection expenses that were outsourced and not budgeted. Non-departmental expenditures were 23.5% under budget because of capital outlays that were budgeted for but not purchased in the current fiscal year.

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, 2013, amounts to \$128,184,581, net of accumulated depreciation of \$73,956,402 leaving a net book value of \$54,228,179. 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 decreased about 2.6% in terms of net book value. However, actual expenditures to purchase or construct capital assets were \$1,632,567 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 \$3,069,245. Additional information on the City's capital assets can be found in Note IV. H. of the notes to the financial statements of this report.

Debt Administration

At the end of the current fiscal year, the City had total bonded debt outstanding of \$5,725,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by \$3,405,000 as a result of current year principal payments. The City also had \$2,964,210 of debt from capital leases and notes payable, excluding interfund notes payable. This is a \$147,191 decrease over the prior year as a result of current year principal payments. Additional information relating to the City's long-term debt can be found in Note IV.K. of the notes to financial statements of this report.

**CITY OF DUBLIN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City is currently 12.1%, which is an increase from a rate of 12.8% 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
JUNE 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
ASSETS:					
Equity in pooled cash	\$ 71,650	\$ 1,700,707	\$ 1,772,357	\$ --	\$ --
Equity in investment pool	17,740,684	199,773	17,940,457	--	--
Cash	5,009,048	1,179,479	6,188,527	928,575	127,931
Certificates of deposit	--	173,014	173,014	--	--
Taxes receivable, net	178,179	--	178,179	--	--
Accounts receivable, net	--	2,969,147	2,969,147	26,290	--
Other receivables, net	30,334	76,916	107,250	--	--
Accrued interest receivable	1,493	2,397	3,890	--	--
Due from other governments	224,554	--	224,554	--	--
Internal balances	(10,902,819)	10,902,819	--	--	--
Inventories, at cost	205,987	12,280	218,267	--	--
Prepaid items	169,893	47,530	217,423	5,696	--
Restricted assets:					
Equity in investment pool	--	399,601	399,601	--	--
Certificates of deposits	--	2,679,185	2,679,185	--	--
Capital assets not being depreciated:					
Land	1,460,998	565,757	2,026,755	--	126,150
Construction in progress	692,220	--	692,220	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	3,597,985	32,096,839	35,694,824	5,136,576	456,277
Improvements other than buildings	1,412,866	153,105	1,565,971	46,636	277,306
Machinery and equipment	1,363,194	917,977	2,281,171	194,646	8,942
Infrastructure	11,967,238	--	11,967,238	--	--
Total assets	<u>\$ 33,223,504</u>	<u>\$ 54,076,526</u>	<u>\$ 87,300,030</u>	<u>\$ 6,338,419</u>	<u>\$ 996,606</u>

	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	\$ 1,423,709	\$ 250,468	\$ 1,674,177	\$ 57,063	\$ --
Accrued interest payable	--	137,106	137,106	--	--
Deposits and bonds	23,500	--	23,500	--	--
Payables from restricted assets:					
Customer deposits	--	623,282	623,282	--	--
Revenue bonds payable - current	--	420,000	420,000	--	--
Noncurrent liabilities:					
Due within one year:					
Capital leases payable	205,068	--	205,068	--	--
Compensated absences	34,774	12,207	46,981	--	--
Note payable - other	--	76,926	76,926	81,875	6,547
Due in more than one year:					
Capital leases payable	110,853	--	110,853	--	--
Compensated absences	397,740	203,075	600,815	33,688	--
Note payable - other	--	2,571,363	2,571,363	556,814	167,064
Revenue bonds payable	--	5,168,056	5,168,056	--	--
Total liabilities	<u>2,195,644</u>	<u>9,462,483</u>	<u>11,658,127</u>	<u>729,440</u>	<u>173,611</u>
NET POSITION					
Invested in capital assets, net of related debt	20,178,580	25,497,333	45,675,913	4,739,169	695,064
Restricted assets:					
Restricted for debt service	--	2,035,504	2,035,504	--	--
Restricted for capital projects	4,168,780	--	4,168,780	112,499	--
Unrestricted	<u>6,680,500</u>	<u>17,081,206</u>	<u>23,761,706</u>	<u>757,311</u>	<u>127,931</u>
Total net position	<u>31,027,860</u>	<u>44,614,043</u>	<u>75,641,903</u>	<u>5,608,979</u>	<u>822,995</u>
 Total liabilities and net position	<u>\$ 33,223,504</u>	<u>\$ 54,076,526</u>	<u>\$ 87,300,030</u>	<u>\$ 6,338,419</u>	<u>\$ 996,606</u>

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, 2013**

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 4,166,428	\$ 2,454,812	\$ --	\$ --
Public safety	7,495,673	918,382	281,703	--
Community services	962,537	--	--	--
Public works and buildings	1,653,736	--	--	3,087,111
Highways and streets	260,406	--	--	--
Culture and recreation	534,183	--	--	--
Interest on long-term debt	87,015	--	--	--
Total governmental activities	15,159,978	3,373,194	281,703	3,087,111
Business-type activities:				
Water and Sewer	5,859,363	5,148,229	--	22,306
Gas	16,932,878	19,560,761	--	--
Sanitation	2,502,288	2,647,652	--	--
Riverview Golf Course	390,012	375,853	--	--
Telecommunications	705,997	589,286	--	--
Total business-type activities	26,390,538	28,321,781	--	22,306
Total primary government	\$ 41,550,516	\$ 31,694,975	\$ 281,703	\$ 3,109,417
Component units:				
Dublin-Laurens County Recreation Authority	\$ 1,842,413	\$ 154,988	\$ 1,200,000	\$ 79,387
Main Street Dublin Downtown Development Authority	288,809	--	--	--
Total component units	\$ 2,131,222	\$ 154,988	\$ 1,200,000	\$ 79,387
General revenues:				
Property taxes				
Local option sales tax				
Hotel/Motel tax				
Alcoholic beverage taxes				
Franchise taxes				
Insurance premium tax				
Miscellaneous				
Unrestricted investment earnings				
Intra-governmental				
Transfers				
Total general revenues, capital contribution revenues, intra-governmental, and transfers				
Change in net position				
Net position - beginning				
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
\$ (1,711,616)	\$ --	\$ (1,711,616)		
(6,295,588)	--	(6,295,588)		
(962,537)	--	(962,537)		
1,433,375	--	1,433,375		
(260,406)	--	(260,406)		
(534,183)	--	(534,183)		
(87,015)	--	(87,015)		
<u>(8,417,970)</u>	<u>--</u>	<u>(8,417,970)</u>		
	(688,828)	(688,828)		
	2,627,883	2,627,883		
	145,364	145,364		
	(14,159)	(14,159)		
	(116,711)	(116,711)		
	<u>1,953,549</u>	<u>1,953,549</u>		
<u>(8,417,970)</u>	<u>1,953,549</u>	<u>(6,464,421)</u>		
			\$ (408,038)	\$ --
			<u>--</u>	<u>(288,809)</u>
			<u>(408,038)</u>	<u>(288,809)</u>
2,854,896	--	2,854,896	--	--
2,936,546	--	2,936,546	--	--
533,828	--	533,828	138,433	--
401,462	--	401,462	--	--
1,371,855	--	1,371,855	--	--
809,386	--	809,386	--	--
--	--	--	2,680	108,323
27,175	39,834	67,009	20,236	--
--	--	--	--	129,726
<u>(3,979,659)</u>	<u>3,979,659</u>	<u>--</u>	<u>--</u>	<u>--</u>
4,955,489	4,019,493	8,974,982	161,349	238,049
<u>(3,462,481)</u>	<u>5,973,042</u>	<u>2,510,561</u>	<u>(246,689)</u>	<u>(50,760)</u>
34,490,341	38,641,001	73,131,342	5,855,668	873,755
<u>\$ 31,027,860</u>	<u>\$ 44,614,043</u>	<u>\$ 75,641,903</u>	<u>\$ 5,608,979</u>	<u>\$ 822,995</u>

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

**CITY OF DUBLIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

	General	SPLOST Capital Projects 2006	Nonmajor Funds	Total Governmental Funds
<u>ASSETS</u>				
Equity in pooled cash	\$ --	\$ --	\$ 71,650	\$ 71,650
Equity in investment pool	17,740,684	--	--	17,740,684
Cash	696,852	3,012,081	1,300,115	5,009,048
Taxes receivable, net	178,179	--	--	178,179
Other receivables, net	30,334	--	--	30,334
Accrued interest receivable	1,493	--	--	1,493
Due from other governments - State of Georgia - local option sales tax	224,554	--	--	224,554
Due from other funds	28,583	--	--	28,583
Inventories, at cost	205,987	--	--	205,987
Prepaid items	169,893	--	--	169,893
Total assets	<u>\$ 19,276,559</u>	<u>\$ 3,012,081</u>	<u>\$ 1,371,765</u>	<u>\$ 23,660,405</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable and accrued costs	\$ 1,237,226	\$ 1,573	\$ 184,910	\$ 1,423,709
Deferred revenue	204,024	--	--	204,024
Due to other funds	10,902,819	--	28,583	10,931,402
Distilled spirits bond deposits	23,500	--	--	23,500
Total liabilities	<u>12,367,569</u>	<u>1,573</u>	<u>213,493</u>	<u>12,582,635</u>
FUND BALANCES				
Nonspendable	375,880	--	--	375,880
Restricted	--	3,010,508	1,158,272	4,168,780
Committed	117,211	--	--	117,211
Assigned	--	--	--	--
Unassigned	6,415,899	--	--	6,415,899
Total fund balances	<u>6,908,990</u>	<u>3,010,508</u>	<u>1,158,272</u>	<u>11,077,770</u>
Total liabilities and fund balances	<u>\$ 19,276,559</u>	<u>\$ 3,012,081</u>	<u>\$ 1,371,765</u>	<u>\$ 23,660,405</u>

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, 2013

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

Total governmental fund balance (page 30)	\$ 11,077,770
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	20,494,501
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	204,024
Long-term liabilities, such as compensated absences, capital leases, and bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(748,435)</u>
Net position of governmental activities (page 28)	<u><u>\$ 31,027,860</u></u>

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	General	SPLOST Capital Projects 2006	Nonmajor Funds	Total Governmental Funds
REVENUES:				
General property taxes	\$ 2,846,390	\$ --	\$ --	\$ 2,846,390
Other taxes	5,719,435	--	533,828	6,253,263
Licenses and permits	600,186	--	--	600,186
Fines and forfeitures	809,933	--	--	809,933
Intergovernmental	930,827	776,728	1,967,006	3,674,561
Interest on investments	27,175	8,506	1,685	37,366
Miscellaneous income	1,446,951	--	--	1,446,951
Total revenues	<u>12,380,897</u>	<u>785,234</u>	<u>2,502,519</u>	<u>15,668,650</u>
EXPENDITURES:				
Current:				
General government	4,222,919	--	--	4,222,919
Public safety	7,169,731	--	--	7,169,731
Community services	955,831	--	--	955,831
Public works and buildings	1,458,950	--	--	1,458,950
Culture and recreation	--	--	533,828	533,828
Capital outlay	--	210,193	698,170	908,363
Debt service:				
Principal	--	3,093,336	106,496	3,199,832
Interest	--	81,262	5,753	87,015
Total expenditures	<u>13,807,431</u>	<u>3,384,791</u>	<u>1,344,247</u>	<u>18,536,469</u>
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	<u>(1,426,534)</u>	<u>(2,599,557)</u>	<u>1,158,272</u>	<u>(2,867,819)</u>
OTHER FINANCING SOURCES (USES)-				
Transfers in (out)	840,000	19,995	(19,995)	840,000
Total other financing sources	<u>840,000</u>	<u>19,995</u>	<u>(19,995)</u>	<u>840,000</u>
NET CHANGE IN FUND BALANCES	(586,534)	(2,579,562)	1,138,277	(2,027,819)
FUND BALANCES, Beginning	<u>7,495,524</u>	<u>5,590,070</u>	<u>19,995</u>	<u>13,105,589</u>
FUND BALANCES, Ending	<u>\$ 6,908,990</u>	<u>\$ 3,010,508</u>	<u>\$ 1,158,272</u>	<u>\$ 11,077,770</u>

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, 2013

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)	\$ (2,027,819)
--	----------------

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.	202,655
---	---------

The net effect to decrease capital assets consisted of various transactions including project completion, transfers, sales, trade-ins, and donations.	(4,819,659)
---	-------------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	8,506
--	-------

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.	3,199,832
--	-----------

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 \$25,996.	<u>(25,996)</u>
--	-----------------

Change in net position of governmental activities (page 29)	<u><u>\$ (3,462,481)</u></u>
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CITY OF DUBLIN, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<u>ASSETS</u>		
CURRENT ASSETS:		
Equity in pooled cash	\$ 1,598,276	\$ 50,745
Equity in investment pool	--	15,907
Cash	434,640	300
Certificate of deposit	--	173,014
Notes receivable from Water and Sewerage System Fund - current	--	48,289
Accounts receivable, net	166,501	2,460,094
Other receivables, net	76,916	--
Accrued interest receivable	--	2,377
Due from other funds	579,297	8,000,000
Inventories, at cost	--	--
Prepaid items	12,715	19,597
Restricted assets:		
Customer deposits - certificate of deposit	--	223,681
Customer deposits - equity in investment pool	399,601	--
Cash - reserve account - certificate of deposit	2,455,504	--
Revenue bond contingency (renewal and extension):		
Total current assets	<u>5,723,450</u>	<u>10,994,004</u>
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land	151,381	324,914
Buildings and plant	40,826,446	16,898,070
Improvements other than buildings	--	--
Machinery and equipment	2,289,391	852,459
Less - accumulated depreciation	(20,555,592)	(9,521,303)
Capital assets - net	<u>22,711,626</u>	<u>8,554,140</u>
OTHER ASSETS:		
Note receivable - Water and Sewerage System Fund - long-term portion	--	325,903
Total other assets	--	325,903
Total non-current assets	<u>22,711,626</u>	<u>8,880,043</u>
Total assets	<u>\$ 28,435,076</u>	<u>\$ 19,874,047</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 51,686	\$ --	\$ 1,700,707
183,866	--	199,773
300	744,239	1,179,479
--	--	173,014
--	--	48,289
132,992	209,560	2,969,147
--	--	76,916
20	--	2,397
2,500,000	--	11,079,297
--	12,280	12,280
13,476	1,742	47,530
--	--	223,681
--	--	399,601
--	--	2,455,504
<u>2,882,340</u>	<u>967,821</u>	<u>20,567,615</u>
89,462	--	565,757
--	3,584,883	61,309,399
--	354,947	354,947
3,597,059	1,323,973	8,062,882
(3,040,591)	(3,441,821)	(36,559,307)
<u>645,930</u>	<u>1,821,982</u>	<u>33,733,678</u>
--	--	325,903
--	--	325,903
<u>645,930</u>	<u>1,821,982</u>	<u>34,059,581</u>
<u>\$ 3,528,270</u>	<u>\$ 2,789,803</u>	<u>\$ 54,627,196</u>

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, 2013

	Business-type Activities -	
	Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 22,476	\$ --
Accrued expenses	28,717	33,365
Note payable to Natural Gas System Fund - current portion	48,289	--
Note payable GEFA - current portion	76,926	--
Due to other funds	--	--
Accrued interest payable	137,106	--
Compensated absences payable	6,534	1,386
Payable from restricted assets:		
Customer deposits	399,601	223,681
Revenue bonds payable- current portion	420,000	--
Total current liabilities	1,139,649	258,432
LONG TERM LIABILITIES:		
Compensated absences payable	108,701	23,058
Note payable - Natural Gas System Fund - long-term portion	325,903	--
Note payable - GEFA - long-term portion	2,571,363	--
Revenue bonds payable - long-term portion	5,168,056	--
Total long-term liabilities	8,174,023	23,058
Total liabilities	9,313,672	281,490
NET POSITION:		
Invested in capital assets, net of related debt	14,475,281	8,554,140
Restricted assets -		
Restricted for debt service	2,035,504	--
Unrestricted	2,610,619	11,038,417
Total net position	19,121,404	19,592,557
Total liabilities and net position	\$ 28,435,076	\$ 19,874,047

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 55,931	\$ 90,874	\$ 169,281
15,050	4,055	81,187
--	--	48,289
--	--	76,926
--	176,478	176,478
--	--	137,106
3,838	449	12,207
--	--	623,282
--	--	420,000
<u>74,819</u>	<u>271,856</u>	<u>1,744,756</u>
63,848	7,468	203,075
--	--	325,903
--	--	2,571,363
--	--	5,168,056
<u>63,848</u>	<u>7,468</u>	<u>8,268,397</u>
<u>138,667</u>	<u>279,324</u>	<u>10,013,153</u>
645,930	1,821,982	25,497,333
--	--	2,035,504
2,743,673	688,497	17,081,206
<u>3,389,603</u>	<u>2,510,479</u>	<u>44,614,043</u>
<u>\$ 3,528,270</u>	<u>\$ 2,789,803</u>	<u>\$ 54,627,196</u>

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, 2013

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)	\$ 54,627,196
Elimination of interfund receivables relating to cash overdrafts reflected as due from other funds	(176,478)
Elimination of interfund note receivable - Water and Sewerage System Fund	<u>(374,192)</u>
Total assets for Statement of Net Position - Business-type Activities (page 28)	<u><u>\$ 54,076,526</u></u>

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 35)	\$ 10,013,153
Elimination of interfund payables relating to cash overdrafts reflected as due to other funds	(176,478)
Elimination of interfund note payable - Natural Gas System Fund	<u>(374,192)</u>
Total liabilities for Statement of Net Position - Business-type Activities (page 28)	<u><u>\$ 9,462,483</u></u>

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
OPERATING REVENUES:		
Sales / charges for services	\$ 4,749,909	\$ 18,901,184
Administrative expense reimbursement	131,803	127,930
Connection and installation	29,539	446
Penalties and cut-on fees	146,795	49,764
Other revenue	--	--
Total operating revenues	<u>5,058,046</u>	<u>19,079,324</u>
OPERATING EXPENSES:		
Purchases	--	14,374,870
Personnel services	1,413,695	546,469
Employee benefits	262,336	101,834
Repairs and maintenance	203,645	54,178
Amortization of bond issue cost	12,449	--
Depreciation	1,052,637	514,896
Other operating	1,646,791	715,155
General and administrative	940,577	625,476
Total operating expenses	<u>5,532,130</u>	<u>16,932,878</u>
OPERATING INCOME (LOSS)	<u>(474,084)</u>	<u>2,146,446</u>
NON-OPERATING REVENUES (EXPENSES):		
Interest expense	(327,233)	--
Interest income	15,903	23,639
Miscellaneous	90,183	481,437
Total non-operating revenues, net	<u>(221,147)</u>	<u>505,076</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(695,231)</u>	<u>2,651,522</u>
CAPITAL CONTRIBUTIONS	2,599,810	2,066,280
TRANSFERS OUT	--	(700,000)
Total transfers and contributions	<u>2,599,810</u>	<u>1,366,280</u>
CHANGE IN NET POSITION	1,904,579	4,017,802
NET POSITION, Beginning	<u>17,216,825</u>	<u>15,574,755</u>
NET POSITION, Ending	<u>\$ 19,121,404</u>	<u>\$ 19,592,557</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,596,220	\$ 809,304	\$ 27,056,617
--	--	259,733
--	--	29,985
45,395	1,043	242,997
--	154,792	154,792
<u>2,641,615</u>	<u>965,139</u>	<u>27,744,124</u>
--	--	14,374,870
817,792	175,869	2,953,825
157,813	27,905	549,888
120,855	26,187	404,865
--	--	12,449
200,219	274,121	2,041,873
1,062,636	591,927	4,016,509
142,973	--	1,709,026
<u>2,502,288</u>	<u>1,096,009</u>	<u>26,063,305</u>
139,327	(130,870)	1,680,819
--	--	(327,233)
292	--	39,834
6,037	--	577,657
<u>6,329</u>	<u>--</u>	<u>290,258</u>
145,656	(130,870)	1,971,077
9,928	165,947	4,841,965
--	(140,000)	(840,000)
<u>9,928</u>	<u>25,947</u>	<u>4,001,965</u>
155,584	(104,923)	5,973,042
<u>3,234,019</u>	<u>2,615,402</u>	<u>38,641,001</u>
<u>\$ 3,389,603</u>	<u>\$ 2,510,479</u>	<u>\$ 44,614,043</u>

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, 2013

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 4,911,047	\$ 17,796,627
Cash received for administrative expense reimbursement	--	127,930
Cash paid to suppliers for goods and services	(1,819,305)	(15,071,959)
Cash received from other funds for meter readers	131,803	--
Cash paid to other funds for meter readers	--	(131,803)
Cash paid to employees for services	(1,404,135)	(545,328)
Cash paid for employee taxes and benefits	(579,950)	(237,793)
Cash paid for administrative expense reimbursements	(626,770)	(446,280)
Cash received from (paid to) other funds	(579,297)	(1,300,000)
Other non-operating revenue	90,183	481,437
Net cash provided (used) by operating activities	<u>123,576</u>	<u>672,831</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out	--	(700,000)
Net cash used by noncapital financing activities	<u>--</u>	<u>(700,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(2,680,792)	(2,102,280)
Interest income on note receivable from water and sewerage system fund	--	21,382
Proceeds from principal reduction on note receivable from water and sewerage system fund	--	45,939
Principal paid on note payable - natural gas system fund	(45,939)	--
Intergovernmental grant	2,599,810	2,066,280
Principal received on GEFA loans	148,708	--
Principal paid on GEFA loans	(96,067)	--
Interest and fees paid on revenue bonds, notes and capital lease payables	(336,100)	--
Principal paid on revenue bond maturities	(405,000)	--
Net cash used for capital and related financing activities	<u>(815,380)</u>	<u>31,321</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income on investments	23,027	--
Purchase of investments	(3,648)	--
Redemption of certificates of deposit	2,030,040	(396,695)
Purchase of certificates of deposit	(2,038,041)	393,036
Net cash used by investing activities	<u>11,378</u>	<u>(3,659)</u>
NET INCREASE (DECREASE) IN CASH	(680,426)	493
CASH, Beginning	3,112,943	66,459
CASH, Ending	<u>\$ 2,432,517</u>	<u>\$ 66,952</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,643,266	\$ 974,039	\$ 26,324,979
--	--	127,930
(917,386)	(529,698)	(18,338,348)
--	--	131,803
--	--	(131,803)
(816,088)	(177,211)	(2,942,762)
(405,922)	(54,067)	(1,277,732)
(142,973)	--	(1,216,023)
(659,060)	(16,546)	(2,554,903)
6,037	--	577,657
<u>(292,126)</u>	<u>196,517</u>	<u>700,798</u>
--	(140,000)	(840,000)
<u>--</u>	<u>(140,000)</u>	<u>(840,000)</u>
(166,264)	(272,863)	(5,222,199)
--	--	21,382
--	--	45,939
--	--	(45,939)
9,928	165,947	4,841,965
--	--	148,708
--	--	(96,067)
--	--	(336,100)
--	--	(405,000)
<u>(156,336)</u>	<u>(106,916)</u>	<u>(1,047,311)</u>
292	--	23,319
--	--	(3,648)
--	--	1,633,345
--	--	(1,645,005)
<u>292</u>	<u>--</u>	<u>8,011</u>
(448,170)	(50,399)	(1,178,502)
684,022	794,638	4,658,062
<u>\$ 235,852</u>	<u>\$ 744,239</u>	<u>\$ 3,479,560</u>

(continued on the following page)

**CITY OF DUBLIN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:		
Cash, beginning		
Current	\$ 2,713,831	\$ 62,194
Restricted	399,112	4,265
Total	<u>3,112,943</u>	<u>66,459</u>
Net increase (decrease)		
Current	(680,915)	4,758
Restricted	489	(4,265)
Total	<u>(680,426)</u>	<u>493</u>
Cash, ending		
Current	\$ 2,032,916	66,952
Restricted	399,601	--
Total	<u>\$ 2,432,517</u>	<u>\$ 66,952</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net operating income (loss)	\$ (474,084)	\$ 2,146,446
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	1,052,637	514,896
Amortization of bond issue cost	12,449	--
Other non-operating revenue	90,183	481,437
Decrease (increase) in assets:		
Accounts receivable - trade	(15,685)	(1,153,881)
Due from other funds	(579,297)	(1,300,000)
Prepaid expenses	--	2,945
(Decrease) increase in liabilities:		
Accounts payable	22,476	(36,000)
Accrued expenses	4,848	16,733
Due to other funds	--	--
Customer deposits	489	(886)
Compensated absences payable	9,560	1,141
Total adjustments	<u>597,660</u>	<u>(1,473,615)</u>
Net cash provided (used) by operating activities	<u>\$ 123,576</u>	<u>\$ 672,831</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 684,022	\$ 794,638	\$ 4,254,685
--	--	403,377
<u>684,022</u>	<u>794,638</u>	<u>4,658,062</u>
(448,170)	(50,399)	(1,174,726)
--	--	(3,776)
<u>(448,170)</u>	<u>(50,399)</u>	<u>(1,178,502)</u>
235,852	744,239	3,079,959
--	--	399,601
<u>\$ 235,852</u>	<u>\$ 744,239</u>	<u>\$ 3,479,560</u>
\$ 139,327	\$ (130,870)	\$ 1,680,819
200,219	274,121	2,041,873
--	--	12,449
6,037	--	577,657
1,651	8,900	(1,159,015)
(659,060)	--	(2,538,357)
--	--	2,945
17,996	61,983	66,455
--	271	21,852
--	(16,546)	(16,546)
--	--	(397)
1,704	(1,342)	11,063
<u>(431,453)</u>	<u>327,387</u>	<u>(980,021)</u>
<u>\$ (292,126)</u>	<u>\$ 196,517</u>	<u>\$ 700,798</u>

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, 2013

ASSET

Equity in pooled cash	\$ 41,348
	<u>41,348</u>
Total assets	<u>\$ 41,348</u>

LIABILITY

Due to Dublin Board of Education	\$ 41,348
	<u>41,348</u>
Total liabilities	<u>\$ 41,348</u>

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

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Dublin, Georgia (City) was incorporated in 1812 under the provisions of an act of the General Assembly of Georgia. The City operates under a mayor-council form of government and provides the following services as authorized by its charter; public safety (police and fire), highways and streets, sanitation, public infrastructure improvements, planning and zoning, general administrative services, water and sewer systems, a natural gas system and parks and recreation services.

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

A. Reporting Entity

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

Brief descriptions of discretely presented component units follow:

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

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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

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

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

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

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

B. Joint Ventures

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

Altamaha Regional 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, 2013, 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:

Altamaha Regional Commission
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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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

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

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

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

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

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

D. Basis of Presentation

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

The City reports the following major governmental funds:

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

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

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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 2013, sales to ten major customers represented approximately 64.1% of total sales by the gas fund.

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

Additionally, the City reports the following nonmajor governmental funds:

SPLOST Capital Projects - 2012 Fund accounts for 1% sales tax proceeds required to be used for capital outlay for infrastructure enhancement purposes as authorized by local referendum.

SPLOST Capital Projects - 2003 Fund accounts for 1% sales tax proceeds required to be used for capital outlay for infrastructure enhancement purposes as authorized by local referendum. This fund was closed out in FY 2013.

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

Additionally, the City reports the following nonmajor proprietary funds:

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

Telecommunications Fund was established for control of the operating revenues and expenses relating to the City's fiber optic network. The Georgia Public Service Commission (the Commission) granted the City an interim certificate of authority to provide competitive local exchange telecommunications services in the State of Georgia. This interim certificate is subject to the rules, regulations and conditions established by the Commission. As of June 30, 2013, 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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Internal Activity

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

E. Basis of Accounting

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including accrued interest on general long-term debt is recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

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

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

Proprietary 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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

F. Assets, Liabilities, and Net position

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

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

Investments are reflected following the guidance for investment valuations provided by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in non-negotiable certificates of deposit are stated using a cost-based measure. The City invests in "Georgia Fund 1" which was created by O.C.G.A. 36-83-8. The fund is a stable net asset value investment pool that follows Standard and Poor's criteria for AAAM rated money market funds. However, "Georgia Fund 1" operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. Accordingly, the City's investment in the pool has been determined based on the pool's share price. The pool is not registered with the SEC as an investment company. "Georgia Fund 1" is the combined state general fund and local government investment pool and is managed by the Office of 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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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, 2013, 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, 2013. 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, 2013, there was no interest capitalized by the City's business-type activities relating to the construction of capital assets.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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

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

12. *Fund Equity*

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of July 1, 2010. This new standard changed the overall definitions and classifications of governmental fund balances.

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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

- **Committed-** Fund balances are reported as committed when they can be used 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, net of related debt, 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. 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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Capital outlay	\$ 537,807
Depreciation expense	(1,027,372)
Increases in construction in progress accounts	<u>692,220</u>
 Net adjustment to decrease <i>net changes in fund balance - total governmental funds</i> , to arrive at changes in <i>net position of governmental activities</i>	 <u><u>\$ 202,655</u></u>

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$748,435 difference are as follows:

Capital leases payable	\$ 315,921
Compensated absences	<u>432,514</u>
 Net adjustment to reduce <i>fund balance - total governmental funds</i> , to arrive at changes in <i>net position of governmental activities</i>	 <u><u>\$ 748,435</u></u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Policy

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the SPLOST Capital Projects -2003 Fund, 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, 2013.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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, 2013 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:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Variance</u>
GENERAL FUND:			
General government - City manager	\$ 299,266	\$ 244,011	\$ (55,255)
General government - Main Street program	53,756	52,500	(1,256)
General government - City clerk	220,076	186,682	(33,394)
General government - Human resources	178,118	169,126	(8,992)
General government - Tax	145,717	118,989	(26,728)
General government - Finance	188,701	177,325	(11,376)
General government - City attorney	174,843	145,898	(28,945)
General government - Engineering	385,612	369,344	(16,268)
General government - Purchasing	215,077	210,333	(4,744)
General government - Police department - administrative	680,454	618,744	(61,710)
General government - Police - department patrol	3,289,799	3,264,319	(25,480)
General government - Police department - C.I.D.	691,653	638,131	(53,522)
General government - Fire department - administrative	161,816	154,825	(6,991)
General government - Fire department combat	2,363,694	2,186,366	(177,328)
General government - Community services-cemetery	111,131	103,743	(7,388)
General government - Public works	1,113,047	1,034,145	(78,902)
General government - Mechanical maintenance	345,886	319,638	(26,248)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel - Culture and recreation	533,828	504,000	(29,828)

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 \$31,655 as of June 30, 2013. 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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

A summary of the City's deposits and investments at June 30, 2013 follows:

Account Balances	
Petty Cash	\$ 2,400
Demand deposits	9,014,990
Certificates of deposit	2,852,199
Investments	18,340,058
	\$ 30,209,647
Ownership of Funds	
<u>Primary Government</u>	
Governmental funds:	
Equity in pooled cash	\$ 71,650
Equity in investment pool	17,740,684
Cash	5,009,048
	22,821,382
Proprietary funds:	
Equity in pooled cash	\$ 1,700,707
Equity in investment pool	199,773
Cash	1,179,479
Certificates of deposit	173,014
Restricted equity in investment pool	399,601
Restricted certificates of deposit	2,679,185
	6,331,759
<u>Component Units</u>	
Cash and cash equivalents	1,056,506
Total reporting entity	\$ 30,209,647

At June 30, 2013, the City has the following investments:

Investment	Maturity Date	Fair Value
Georgia Fund 1 (investment pool)	07/28/2013	\$ 18,340,058
Certificate of Deposit - Gas Fund	11/18/2013	396,695
Certificate of Deposit - Water Fund	02/21/2015	1,210,528
Certificate of Deposit - Water Fund	12/14/2013	413,849
Certificate of Deposit - Water Fund	02/09/2014	831,127

Deposits:

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

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits (in excess of FDIC insurance) may not be returned to us. The City has no custodial credit risk policy.

Investments:

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices from those authorized and listed in Note A. As of June 30, 2013 the City's investments in Georgia Fund 1 were rated AAA by Standard and Poor's.

B. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The City and City School System taxes are levied on July 1 and payable in two installments on August 15 and December 15. The City bills and collects its own property taxes and also taxes for the City School system. City property tax revenues are recognized when received unless collection is made within 60 days of year-end, in which case the subsequent collections are recognized at year-end. For calendar year 2012, 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 2012 was \$431,207,850 on property in the City including mobile homes and vehicles.

Sources of the calendar year 2012 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	\$ 388,489,638	\$ 10,141,522	\$ 7,655,188	\$ 2,486,334
Public utilities	9,596,131	250,507	189,092	61,415
Motor vehicles	33,122,081	864,652	652,671	211,981
Total	\$ 431,207,850	\$ 11,256,681	\$ 8,496,951	\$ 2,759,730

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

C. Receivables

As of June 30, 2013 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, 2013:

	<u>General</u>	<u>Proprietary</u>	<u>Total</u>
Receivables:			
Taxes	\$ 198,179	\$ --	\$ 198,179
Less allowance for uncollectible accounts	<u>(20,000)</u>	<u>--</u>	<u>(20,000)</u>
Net taxes receivable	<u>\$ 178,179</u>	<u>\$ --</u>	<u>\$ 178,179</u>
Accounts and other	\$ 30,334	\$ 3,148,751	\$ 3,179,085
Less allowance for uncollectible accounts	<u>--</u>	<u>(102,688)</u>	<u>(102,688)</u>
Net accounts receivable	<u>\$ 30,334</u>	<u>\$ 3,046,063</u>	<u>\$ 3,076,397</u>

D. Receivables from Other Governments

General fund receivables from other governments as of June 30, 2013, are as follows:

State of Georgia - local option sales tax	<u>\$ 224,554</u>
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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, 2013, was \$2,936,546.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

F. Interfund Receivables, Payables, and Transfers

A summary of individual interfund receivable and payable balances at June 30, 2013, and a summary of fund transfers for the year then ended follows:

Payable from:	Payable to			
	General Fund	Water and Sewer System Fund	Natural Gas System Fund	Sanitation System Fund
Governmental funds:				
General	\$ --	\$ 579,297	\$ 8,000,000	\$ 2,323,522
Hotel/Motel	28,583	--	--	--
Riverview Golf Course	--	--	--	176,478
	<u>\$ 28,583</u>	<u>\$ 579,297</u>	<u>\$ 8,000,000</u>	<u>\$ 2,500,000</u>

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, 2013, but not yet disbursed. All interfund receivables and payables are expected to be repaid within one year.

Transfers out:	General Fund	SPLOST
Governmental funds-		
SPLOST 2003	\$ --	\$ 19,995
Proprietary funds:		
Natural Gas System Fund	\$ 700,000	\$ --
Telecommunications Fund	140,000	--
	<u>\$ 840,000</u>	<u>\$ --</u>

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 \$4,819,659 in capital assets purchased with SPLOST proceeds in governmental activities to the following enterprise funds recorded in business-type activities: \$2,577,504 to the Water Fund, \$2,066,280 to the Gas Fund, \$9,928 to the Sanitation Fund and \$165,947 to the Golf Fund.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

G. Restricted Assets

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

Customer deposits	\$ 623,282
Revenue bond debt service	<u>2,455,504</u>
	<u><u>\$ 3,078,786</u></u>

H. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

Primary Government

	<u>Balance July 1, 2012</u>	<u>Increases</u>	<u>Decreases & Transfers</u>	<u>Balance June 30, 2103</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,336,192	\$ 124,806	\$ --	\$ 1,460,998
Construction in progress	<u>--</u>	<u>692,220</u>	<u>--</u>	<u>692,220</u>
Total capital assets not being depreciated	<u>1,336,192</u>	<u>817,026</u>	<u>--</u>	<u>2,153,218</u>
Capital assets, being depreciated:				
Buildings and plants	10,259,969	--	(1,303,981)	8,955,988
Improvements other than buildings	9,612,976	--	--	9,612,976
Machinery and equipment	8,367,992	142,037	(105,771)	8,404,258
Infrastructure	<u>32,518,444</u>	<u>270,964</u>	<u>(4,024,253)</u>	<u>28,765,155</u>
Total capital assets being depreciated	<u>60,759,381</u>	<u>413,001</u>	<u>(5,434,005)</u>	<u>55,738,377</u>
Less accumulated depreciation for:				
Buildings and plants	5,407,330	182,655	(231,982)	5,358,003
Improvements other than buildings	8,053,565	146,545	--	8,200,110
Machinery and equipment	6,733,658	371,317	(63,911)	7,041,064
Infrastructure	<u>16,789,515</u>	<u>326,855</u>	<u>(318,453)</u>	<u>16,797,917</u>
Total accumulated depreciation	<u>36,984,068</u>	<u>1,027,372</u>	<u>(614,346)</u>	<u>37,397,094</u>
Total capital assets being depreciated, net	<u>23,775,313</u>	<u>(614,371)</u>	<u>(4,819,659)</u>	<u>18,341,283</u>
Governmental activities capital assets, net	<u><u>\$25,111,505</u></u>	<u><u>\$ 202,655</u></u>	<u><u>\$ (4,819,659)</u></u>	<u><u>\$20,494,501</u></u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

	Balance July 1, 2012	Increases	Decreases & Transfers	Balance June 30, 2103
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 565,757	\$ --	\$ --	\$ 565,757
Construction in progress	50,151	--	(50,151)	--
Total capital assets not being depreciated	<u>615,908</u>	<u>--</u>	<u>(50,151)</u>	<u>565,757</u>
Capital assets, being depreciated:				
Buildings and plants	56,639,371	--	4,670,029	61,309,400
Improvements other than buildings	197,027	--	157,920	354,947
Machinery and equipment	7,618,481	402,540	41,861	8,062,882
Total capital assets being depreciated	<u>64,454,879</u>	<u>402,540</u>	<u>4,869,810</u>	<u>69,727,229</u>
Less accumulated depreciation for:				
Buildings and plants	27,603,973	1,608,588	--	29,212,561
Improvements other than buildings	194,622	7,220	--	201,842
Machinery and equipment	6,718,840	426,065	--	7,144,905
Total accumulated depreciation	<u>34,517,435</u>	<u>2,041,873</u>	<u>--</u>	<u>36,559,308</u>
Total capital assets being depreciated, net	<u>29,937,444</u>	<u>(1,639,333)</u>	<u>4,869,810</u>	<u>33,167,921</u>
Business-type activities capital assets, net	<u>\$30,553,352</u>	<u>\$ (1,639,333)</u>	<u>\$ 4,819,659</u>	<u>\$33,733,678</u>

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

Governmental activities:	
General government	\$ 245,883
Public safety	325,942
Public works and buildings	194,786
Highways and streets	260,406
Culture and recreation	355
Total depreciation expense-governmental activities	<u>\$ 1,027,372</u>
Business-type activities:	
Water and sewer	\$ 1,052,637
Gas	514,896
Sanitation	200,219
Riverview Golf Course	16,736
Telecommunications	257,385
Total depreciation expense-business-type activities	<u>\$ 2,041,873</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Discretely Presented Component Units

Activity for **Dublin-Laurens County Recreation Authority** for the year ended June 30, 2013 was as follows:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets, being depreciated:				
Buildings and plants	\$ 7,112,776	\$ --	\$ --	\$ 7,112,776
Improvements other than buildings	348,108	--	--	348,108
Machinery and equipment	871,463	14,958	--	886,421
Total capital assets being depreciated	<u>8,332,347</u>	<u>14,958</u>	<u>--</u>	<u>8,347,305</u>
Less accumulated depreciation for:				
Buildings and plants	1,741,919	234,281	--	1,976,200
Improvements other than buildings	300,749	723	--	301,472
Machinery and equipment	649,156	42,619	--	691,775
Total accumulated depreciation	<u>2,691,824</u>	<u>277,623</u>	<u>--</u>	<u>2,969,447</u>
Dublin-Laurens County Recreation Authority capital assets, net	<u>\$ 5,640,523</u>	<u>\$ (262,665)</u>	<u>\$ --</u>	<u>\$ 5,377,858</u>

Activity for **Main Street Dublin-Downtown Development Authority** for the year ended June 30, 2013 was as follows:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
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	195,334	175,247	--	370,581
Machinery and equipment	3,589	9,016	--	12,605
Total capital assets being depreciated	<u>758,799</u>	<u>184,263</u>	<u>--</u>	<u>943,062</u>
Less accumulated depreciation for:				
Buildings and plants	85,001	18,598	--	103,599
Improvements other than buildings	72,143	21,132	--	93,275
Machinery and equipment	1,984	1,679	--	3,663
Total accumulated depreciation	<u>159,128</u>	<u>41,409</u>	<u>--</u>	<u>200,537</u>
Total capital assets being depreciated, net	<u>599,671</u>	<u>142,854</u>	<u>--</u>	<u>742,525</u>
Main Street Dublin-Downtown Development Authority, net	<u>\$ 725,821</u>	<u>\$ 142,854</u>	<u>\$ --</u>	<u>\$ 868,675</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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 current portion of the lease due in FY 2014 is \$96,416.

The annual requirements to amortize the remaining balance of \$96,416 as of June 30, 2013, including interest payments of \$3,182 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 96,416	\$ 3,182	\$ 99,598

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 2014 is \$108,653.

The annual requirements to amortize the remaining balance of \$219,505 as of June 30, 2013, including interest payments of \$4,993 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 108,652	\$ 3,597	\$ 112,249
2015	110,853	1,396	112,249
Total	\$ 219,505	\$ 4,993	\$ 224,498

The assets acquired through these capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Machinery and equipment	\$ 956,001	\$ --
Less accumulated depreciation	(233,200)	--
Total	\$ 722,801	\$ --

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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, 2013. The annual requirements to amortize the remaining balance of \$374,192 to maturity, including interest of \$66,860 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 48,289	\$ 17,613	\$ 65,902
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
2019-2020	<u>106,744</u>	<u>4,798</u>	<u>111,542</u>
Total	<u>\$ 374,192</u>	<u>\$ 66,860</u>	<u>\$ 441,052</u>

K. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2013:

Primary Government

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments/ Retirements</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Governmental activities:						
Revenue bonds payable	\$ 3,000,000	\$ --	\$ (3,000,000)	\$ --	\$ --	\$ --
Less deferred amounts for:						
Bond premiums	--	--	--	--	--	--
Issuance discounts	--	--	--	--	--	--
Total bonds payable	<u>3,000,000</u>	<u>--</u>	<u>(3,000,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Compensated absences payable	406,518	334,140	(308,144)	432,514	34,774	397,740
Capital leases payable	515,753	--	(199,832)	315,921	205,068	110,853
Governmental activity-long-term liabilities	<u>\$ 3,922,271</u>	<u>\$ 334,140</u>	<u>\$ (3,507,976)</u>	<u>\$ 748,435</u>	<u>\$ 239,842</u>	<u>\$ 508,593</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Business-type activities:						
Revenue bonds payable	\$ 6,130,000	\$ --	\$ (405,000)	\$ 5,725,000	\$ 420,000	\$ 5,305,000
Less deferred amounts for- Issuance discounts	(149,393)	--	12,449	(136,944)	--	(136,944)
Total bonds payable	5,980,607	--	(392,551)	5,588,056	420,000	5,168,056
Compensated absences payable	204,219	148,308	(137,245)	215,282	12,207	203,075
Notes payable-GEFA	1,152,335	--	(73,761)	1,078,574	76,926	1,001,648
Notes payable-GEFA construction period loan	1,443,313	148,708	(22,306)	1,569,715	--	1,569,715
Notes payable-Natural Gas System	420,131	--	(45,939)	374,192	48,289	325,903
Business-type activity- long-term liabilities	<u>\$ 9,200,605</u>	<u>\$ 297,016</u>	<u>\$ (671,802)</u>	<u>\$ 8,825,819</u>	<u>\$ 557,422</u>	<u>\$ 8,268,397</u>

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

Laurens County Public Facilities Authority Revenue Bonds (City of Dublin Projects), Series 2007 -

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

The bonds will bear interest at the rates per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, and mature on July 1 in the years and principal amounts, set forth below. Interest shall be payable on January 1 and July 1 of each years, beginning January 1, 2008. Principal is payable each year on July 1 beginning on July 1, 2009. The bond was paid off on July 1, 2012.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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, 2013, 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, 2013	\$ 5,725,000
Current portion	420,000
Long-term portion	<u>\$ 5,305,000</u>

The annual requirements to amortize outstanding revenue bonds as of June 30, 2013, including interest payments of \$1,654,522 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2014	\$ 420,000	\$ 250,988	\$ 670,988
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
2019-2023	2,805,000	546,554	3,351,554
2024	<u>640,000</u>	<u>30,080</u>	<u>670,080</u>
Total	<u>\$ 5,725,000</u>	<u>\$ 1,654,522</u>	<u>\$ 7,379,522</u>

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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 2013 is \$76,926 with the long-term portion making up the remaining balance of \$1,001,648.

The annual requirements to amortize the remaining balance of \$1,078,574 as of June 30, 2013, including interest payments of \$289,051 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 76,926	\$ 45,785	\$ 122,711
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
2019-2023	522,019	91,538	613,557
2024-2025	136,292	4,221	140,513
Total	<u>\$ 1,078,574</u>	<u>\$ 289,051</u>	<u>\$ 1,367,625</u>

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, 2013 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. 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, 2013 the loan was not fully disbursed. When the loan is fully disbursed, principal and interest becomes payable in 239 consecutive monthly payments.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Discretely Presented Component Units

Dublin-Laurens County Recreation Authority:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments/ Retirements</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Compensated absences payable	\$ 37,934	\$ 6,070	\$ (10,316)	\$ 33,688	\$ --	\$ 33,688
Notes payable-Farmers State Bank	<u>716,970</u>	<u>--</u>	<u>(78,281)</u>	<u>638,689</u>	<u>81,875</u>	<u>556,814</u>
Dublin-Laurens County Recreation Authority long-term liabilities	<u>\$ 754,904</u>	<u>\$ 6,070</u>	<u>\$ (88,597)</u>	<u>\$ 672,377</u>	<u>\$ 81,875</u>	<u>\$ 590,502</u>

Note payable to Farmers State Bank is a loan combining 2 other loans used for the construction at Southern Pines Recreation Complex and for the Splash Pad, 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 note calls for annual payments of \$104,000 beginning on December 30, 2010 with a balloon payment of the remaining balance on December 30, 2016.

The annual requirements to amortize the remaining balance of \$638,689 as of June 30, 2013, including interest payments of \$57,879 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 81,875	\$ 22,125	\$ 104,000
2015	84,740	19,260	104,000
2016	<u>472,074</u>	<u>16,494</u>	<u>488,568</u>
Total	<u>\$ 638,689</u>	<u>\$ 57,879</u>	<u>\$ 696,568</u>

Main Street Dublin-Downtown Development Authority:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments/ Retirements</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Notes payable-Morris Bank	<u>\$ 85,367</u>	<u>\$ 89,918</u>	<u>\$ (1,674)</u>	<u>\$ 173,611</u>	<u>\$ 6,547</u>	<u>\$ 167,064</u>

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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

The annual requirements to amortize the balance of \$173,611 as of June 30, 2013, including interest payments of \$56,757 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2014	\$ 6,547	\$ 5,120	\$ 11,667
2015	6,746	4,921	11,667
2016	6,951	4,716	11,667
2017	7,163	4,504	11,667
2018	7,380	4,287	11,667
2019-2023	40,409	17,928	58,337
2024-2028	46,940	11,397	58,337
2029-2033	51,475	3,884	55,359
Total	<u>\$ 173,611</u>	<u>\$ 56,757</u>	<u>\$ 230,368</u>

L. Fund Balance

The composition of the City's fund balances as of June 30, 2013 is as follows:

	<u>General</u>	<u>SPLOST Capital Projects - 2006</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventory	\$ 205,987	\$ --	\$ --	\$ 205,987
Prepays	169,893	--	--	169,893
Restricted for:				
Debt service	--	--	--	--
Capital projects	--	3,010,508	1,158,272	4,168,780
Committed for:				
General government	78,233	--	--	78,233
Public safety	37,168	--	--	37,168
Community services	164	--	--	164
Public works and buildings	1,646	--	--	1,646
Assigned	--	--	--	--
Unassigned	6,415,899	--	--	6,415,899
	<u>\$ 6,908,990</u>	<u>\$ 3,010,508</u>	<u>\$ 1,158,272</u>	<u>\$ 11,077,770</u>

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, 2013.

Business type activities-	<u>Net Assets</u>
Riverview Golf Course	<u>\$ (31,655)</u>

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and worker injuries. The government has joined together with other municipalities in the State as part of the Georgia Interlocal Risk Management Agency and the Georgia Municipal Association Workers Compensation Self Insurance Fund public entity risk pools currently operating as common risk management and insurance programs for member local governments. As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools agents and attorneys, to follow loss reductions procedures established by the funds, and to report as promptly as possible and in being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protections furnished by the funds.

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

The commercial insurance provides for the transfer of risk from the City for all major programs. The City's risk is constituted by a \$1,000 deductible for each occurrence, except for worker compensation which is constituted by a \$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 2013 are as follows:

	Fiscal Year Ended	
	June 30, 2013	June 30, 2012
Unpaid claims, beginning of fiscal year	\$ 20,000	\$ 20,000
Current year claims, premiums and changes in estimates	100,358	56,241
Claims payments	(61,165)	(56,241)
Unpaid claims, end of fiscal year	\$ 59,193	\$ 20,000

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

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, 2013, June 30, 2012, or June 30, 2011.

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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

D. Hotel / Motel Lodging Tax

The City has levied an 8% hotel / motel tax for fiscal year end June 30, 2013. A summary of the transactions for the year ending June 30, 2013 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	\$ 533,828	
Expended under contract with the Dublin – Laurens County Chamber of Commerce and the Tourism Resource Enhancement and Events Organization for promotion of tourism	(133,457)	25.00%
Expended under contract with Theatre Dublin to market and operate theater facilities	(66,728)	12.50%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(133,457)	25.00%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(200,186)	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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

Current membership in the GMEBS is comprised of the following:

<u>Group</u>	<u>January 1, 2013</u>
Retirees and beneficiaries currently receiving benefits	105
Vested terminated employees	51
Active employees:	
Vested	148
Nonvested	75
	75
Total membership in the plan	379

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 statute and may be amended by the State. The contribution requirement for the year ended December 31, 2013, was \$1,161,293, which was 13.3% of the covered payroll. This percentage was 12.8% and 11.7% 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 2013, the City's annual pension cost of \$1,161,293, for GMEBS was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2013 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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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
6/30/2011	\$ 938,307	100%	\$ --
6/30/2012	\$ 1,043,747	100%	\$ --
6/30/2013	\$ 1,161,293	100%	\$ --

5. Funded Status and Funding Progress

The funded status of the plan as of January 1, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 21,390,125
Actuarial value of plan assets	17,584,215
Unfunded actuarial accrued liability (UAAL)	<u>3,805,910</u>
Funded ratio (actuarial value of plan assets/AAL)	82.2%
Covered payroll (active plan members)	\$ 8,596,507
UAAL as a percentage of covered payroll	44.3%

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.

F. Subsequent Events

The City of Dublin assessed events that have occurred subsequent to June 30, 2013 through December 20, 2013 for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements which were issued on December 20, 2013.

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

	Actuarial Valuation Date		
	1/1/2011	1/1/2012	1/1/2013
Actuarial Accrued Liability (AAL) Entry Age (b)	\$ 18,598,183	\$ 19,800,848	\$ 21,390,125
Actuarial Value of Assets (a)	<u>15,855,337</u>	<u>16,608,608</u>	<u>17,584,215</u>
Unfunded AAL (Funding excess) (UAAL) (b-a)	<u>\$ 2,742,846</u>	<u>\$ 3,192,240</u>	<u>\$ 3,805,910</u>
Funded Ratio (a/b)	<u>85.3%</u>	<u>83.9%</u>	<u>82.2%</u>
Covered Payroll (c)	<u>\$ 7,855,490</u>	<u>\$ 8,182,278</u>	<u>\$ 8,596,507</u>
UAAL as a Percentage of covered Payroll ((b-a)/c)	<u>34.9%</u>	<u>39.0%</u>	<u>44.3%</u>

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, 2013

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES:			
General property taxes -			
Current year's levy	\$ 2,690,300	\$ 2,846,390	\$ 156,090
Other taxes:			
Local option sales	2,950,000	2,936,546	(13,454)
Hotel-Motel	189,000	200,186	11,186
Alcoholic beverage	414,000	401,462	(12,538)
Franchise	1,484,000	1,371,855	(112,145)
Insurance premium	850,000	809,386	(40,614)
Total	<u>5,887,000</u>	<u>5,719,435</u>	<u>(167,565)</u>
Licenses and permits:			
General business licenses	493,500	514,270	20,770
Inspection permits	85,000	85,916	916
Total	<u>578,500</u>	<u>600,186</u>	<u>21,686</u>
Fines and forfeitures -			
Police recorders court	841,200	809,933	(31,267)
Intergovernmental:			
Reimbursement from other governments	189,500	276,802	87,302
Federal Housing Authority - payment in lieu of taxes	20,000	38,781	18,781
Other	120,536	615,244	494,708
Total	<u>330,036</u>	<u>930,827</u>	<u>600,791</u>
Interest on investments	15,000	27,175	12,175
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	671,787	671,788	1
Miscellaneous	677,505	775,163	97,658
	<u>1,349,292</u>	<u>1,446,951</u>	<u>97,659</u>
 Total General Fund Revenues	 <u>\$ 11,691,328</u>	 <u>\$ 12,380,897</u>	 <u>\$ 689,569</u>

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, 2013

	Original and Final Budgeted Amounts	Actual Non-GAAP Budget Basis	Variance with Final Budget - (Over) Under
EXPENDITURES:			
General government:			
Legislative	\$ 222,355	\$ 214,552	\$ 7,803
City manager	244,011	299,266	(55,255)
Main Street program	52,500	53,756	(1,256)
City clerk	186,682	220,076	(33,394)
Human resources	169,126	178,118	(8,992)
Tax department	118,989	145,717	(26,728)
Finance department	177,325	188,701	(11,376)
Community development	65,970	63,285	2,685
City attorney	145,898	174,843	(28,945)
City judge	245,860	237,414	8,446
Engineering	369,344	385,612	(16,268)
Purchasing	210,333	215,077	(4,744)
Inspections	393,240	381,569	11,671
Non-departmental	1,658,292	1,268,118	390,174
Total general government	<u>4,259,925</u>	<u>4,026,104</u>	<u>233,821</u>
Public safety:			
Police department - administrative	618,744	680,454	(61,710)
Police department - patrol	3,264,319	3,289,799	(25,480)
Police department - C.I.D.	638,131	691,653	(53,522)
Police department - crossing guards	4,538	4,226	312
Fire department - administrative	154,825	161,816	(6,991)
Fire department - combat	2,186,366	2,363,694	(177,328)
Total public safety	<u>6,866,923</u>	<u>7,191,642</u>	<u>(324,719)</u>
Community services:			
Cemetery	103,743	111,131	(7,388)
Appropriations	907,763	844,864	62,899
Total community services	<u>1,011,506</u>	<u>955,995</u>	<u>55,511</u>
Public works and buildings:			
Public works	1,034,145	1,113,047	(78,902)
Mechanical maintenance	319,638	345,886	(26,248)
Total public works and buildings	<u>1,353,783</u>	<u>1,458,933</u>	<u>(105,150)</u>
Total expenditures	<u>13,492,137</u>	<u>13,632,674</u>	<u>(140,537)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,800,809)</u>	<u>(1,251,777)</u>	<u>549,032</u>
OTHER FINANCING SOURCES (USES)-			
Transfers in	840,000	840,000	--
Total other financing sources (uses)	<u>840,000</u>	<u>840,000</u>	<u>--</u>
NET CHANGE IN FUND BALANCES		(411,777)	
FUND BALANCE, Beginning		7,203,556	
FUND BALANCE, Ending		<u>\$ 6,791,779</u>	

See Notes to Required Supplementary Information.

CITY OF DUBLIN, GEORGIA
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:

2013 Expenditures	General Fund
Budget Basis Expenditures	\$ 13,632,674
Encumbrances, June 30, 2013	(117,211)
Encumbrances, June 30, 2012	291,968
	\$ 13,807,431
Fund Balances - End of Year	
Budgetary Basis	\$ 6,791,779
Encumbrances, June 30, 2013	117,211
	\$ 6,908,990

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<u>GENERAL GOVERNMENT</u>						
Legislative:						
Salaries	\$ 69,600	\$ --	\$ --	\$ 69,600	\$ 69,600	\$ --
Employee Benefits	57,634	--	--	57,634	60,090	2,456
Services	77,739	2,165	2,337	77,911	78,665	754
Utilities	5,093	--	--	5,093	6,000	907
Supplies	4,260	--	54	4,314	8,000	3,686
Total	<u>214,326</u>	<u>2,165</u>	<u>2,391</u>	<u>214,552</u>	<u>222,355</u>	<u>7,803</u>
City Manager:						
Salaries	156,213	--	--	156,213	156,215	2
Employee Benefits	122,626	--	--	122,626	68,166	(54,460)
Services	9,005	--	--	9,005	7,200	(1,805)
Repairs & Maintenance	7,800	--	--	7,800	7,800	--
Utilities	2,001	--	--	2,001	2,380	379
Supplies	705	--	--	705	1,250	545
Capital Outlay	916	--	--	916	1,000	84
Total	<u>299,266</u>	<u>--</u>	<u>--</u>	<u>299,266</u>	<u>244,011</u>	<u>(55,255)</u>
Main Street Program:						
Utilities	1,256	--	--	1,256	--	(1,256)
Supplies	52,500	--	--	52,500	52,500	--
Total	<u>53,756</u>	<u>--</u>	<u>--</u>	<u>53,756</u>	<u>52,500</u>	<u>(1,256)</u>
Subtotal	<u>\$ 567,348</u>	<u>\$ 2,165</u>	<u>\$ 2,391</u>	<u>\$ 567,574</u>	<u>\$ 518,866</u>	<u>\$ (48,708)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 567,348	\$ 2,165	\$ 2,391	\$ 567,574	\$ 518,866	\$ (48,708)
City Clerk:						
Salaries	127,140	--	--	127,140	127,262	122
Employee Benefits	75,363	60	--	75,303	40,350	(34,953)
Services	6,078	1,120	3,614	8,572	8,370	(202)
Repairs & Maintenance	7,800	--	--	7,800	7,800	--
Utilities	654	--	--	654	700	46
Supplies	607	--	--	607	1,600	993
Capital Outlay	--	--	--	--	600	600
Total	<u>217,642</u>	<u>1,180</u>	<u>3,614</u>	<u>220,076</u>	<u>186,682</u>	<u>(33,394)</u>
Human Resources:						
Salaries	99,852	--	--	99,852	99,014	(838)
Employee Benefits	49,194	--	--	49,194	36,034	(13,160)
Services	2,713	449	--	2,264	3,414	1,150
Repairs & Maintenance	166	--	--	166	200	34
Utilities	216	--	--	216	227	11
Supplies	2,410	--	30	2,440	1,900	(540)
Energy	92	--	--	92	200	108
Other	22,955	237	--	22,718	27,237	4,519
Capital Outlay	1,176	--	--	1,176	900	(276)
Total	<u>178,774</u>	<u>686</u>	<u>30</u>	<u>178,118</u>	<u>169,126</u>	<u>(8,992)</u>
Subtotal	<u>\$ 963,764</u>	<u>\$ 4,031</u>	<u>\$ 6,035</u>	<u>\$ 965,768</u>	<u>\$ 874,674</u>	<u>\$ (91,094)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 963,764	\$ 4,031	\$ 6,035	\$ 965,768	\$ 874,674	\$ (91,094)
Tax Department:						
Salaries	68,478	--	--	68,478	67,910	(568)
Employee Benefits	43,117	--	--	43,117	34,469	(8,648)
Services	41	--	--	41	900	859
Supplies	5,860	--	16	5,876	11,100	5,224
Other	28,020	10	--	28,010	4,010	(24,000)
Capital Outlay	195	--	--	195	600	405
Total	<u>145,711</u>	<u>10</u>	<u>16</u>	<u>145,717</u>	<u>118,989</u>	<u>(26,728)</u>
Finance Department:						
Salaries	120,019	--	--	120,019	118,513	(1,506)
Employee Benefits	66,323	--	--	66,323	53,489	(12,834)
Services	--	--	--	--	700	700
Repairs & Maintenance	--	--	--	--	200	200
Supplies	2,338	922	943	2,359	3,923	1,564
Capital Outlay	--	--	--	--	500	500
Total	<u>188,680</u>	<u>922</u>	<u>943</u>	<u>188,701</u>	<u>177,325</u>	<u>(11,376)</u>
Subtotal	<u>\$ 1,298,155</u>	<u>\$ 4,963</u>	<u>\$ 6,994</u>	<u>\$ 1,300,186</u>	<u>\$ 1,170,988</u>	<u>\$ (129,198)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,298,155	\$ 4,963	\$ 6,994	\$ 1,300,186	\$ 1,170,988	\$ (129,198)
Community Development:						
Salaries	42,432	--	--	42,432	42,432	--
Employee Benefits	15,704	--	--	15,704	15,896	192
Services	471	--	--	471	2,400	1,929
Repairs & Maintenance	19	--	--	19	200	181
Utilities	683	--	--	683	--	(683)
Supplies	406	--	--	406	1,000	594
Other	1,391	--	--	1,391	3,000	1,609
Capital Outlay	2,179	--	--	2,179	1,042	(1,137)
Total	<u>63,285</u>	<u>--</u>	<u>--</u>	<u>63,285</u>	<u>65,970</u>	<u>2,685</u>
City Attorney:						
Salaries	103,515	--	--	103,515	103,516	1
Employee Benefits	62,895	--	--	62,895	34,832	(28,063)
Services	5,376	--	--	5,376	4,420	(956)
Utilities	1,741	--	--	1,741	1,180	(561)
Supplies	152	--	--	152	450	298
Capital Outlay	1,164	--	--	1,164	1,500	336
Total	<u>174,843</u>	<u>--</u>	<u>--</u>	<u>174,843</u>	<u>145,898</u>	<u>(28,945)</u>
Subtotal	\$ 1,536,283	\$ 4,963	\$ 6,994	\$ 1,538,314	\$ 1,382,856	\$ (155,458)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,536,283	\$ 4,963	\$ 6,994	\$ 1,538,314	\$ 1,382,856	\$ (155,458)
City Judge:						
Salaries	36,491	--	--	36,491	30,000	(6,491)
Employee Benefits	26,766	--	--	26,766	13,360	(13,406)
Services	11,625	--	--	11,625	13,400	1,775
Utilities	198	--	--	198	200	2
Supplies	1,775	--	--	1,775	3,000	1,225
Other	160,559	--	--	160,559	185,900	25,341
Total	<u>237,414</u>	<u>--</u>	<u>--</u>	<u>237,414</u>	<u>245,860</u>	<u>8,446</u>
Engineering:						
Salaries	221,524	--	--	221,524	221,598	74
Employee Benefits	120,828	--	--	120,828	88,613	(32,215)
Services	4,164	--	--	4,164	10,929	6,765
Repairs & Maintenance	1,381	--	--	1,381	4,000	2,619
Utilities	3,076	--	--	3,076	4,049	973
Supplies	4,688	--	476	5,164	6,765	1,601
Energy	7,956	--	--	7,956	10,000	2,044
Other	1,258	--	--	1,258	1,225	(33)
Capital Outlay	20,261	--	--	20,261	22,165	1,904
Total	<u>385,136</u>	<u>--</u>	<u>476</u>	<u>385,612</u>	<u>369,344</u>	<u>(16,268)</u>
Subtotal	<u>\$ 2,158,833</u>	<u>\$ 4,963</u>	<u>\$ 7,470</u>	<u>\$ 2,161,340</u>	<u>\$ 1,998,060</u>	<u>\$ (163,280)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 2,158,833	\$ 4,963	\$ 7,470	\$ 2,161,340	\$ 1,998,060	\$ (163,280)
Purchasing:						
Salaries	127,545	--	--	127,545	130,330	2,785
Employee Benefits	66,073	162	76	65,987	47,616	(18,371)
Services	1,674	--	--	1,674	2,696	1,022
Repairs & Maintenance	3,436	--	--	3,436	2,890	(546)
Utilities	10,458	--	--	10,458	8,970	(1,488)
Supplies	1,557	65	76	1,568	2,584	1,016
Energy	1,326	--	--	1,326	1,300	(26)
Inventory Over/Short	(7,694)	--	--	(7,694)	--	7,694
Capital Outlay	812	447	10,412	10,777	13,947	3,170
Total	<u>205,187</u>	<u>674</u>	<u>10,564</u>	<u>215,077</u>	<u>210,333</u>	<u>(4,744)</u>
Inspections:						
Salaries	219,339	--	--	219,339	248,398	29,059
Employee Benefits	134,441	80	--	134,361	108,773	(25,588)
Services	4,954	--	--	4,954	7,561	2,607
Repairs & Maintenance	1,492	--	--	1,492	1,892	400
Utilities	1,111	--	--	1,111	1,200	89
Supplies	1,410	--	156	1,566	2,728	1,162
Energy	9,044	--	--	9,044	8,000	(1,044)
Other	8,775	88	--	8,687	13,473	4,786
Capital Outlay	215	215	1,015	1,015	1,215	200
Total	<u>380,781</u>	<u>383</u>	<u>1,171</u>	<u>381,569</u>	<u>393,240</u>	<u>11,671</u>
Subtotal	<u>\$ 2,744,801</u>	<u>\$ 6,020</u>	<u>\$ 19,205</u>	<u>\$ 2,757,986</u>	<u>\$ 2,601,633</u>	<u>\$ (156,353)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 2,744,801	\$ 6,020	\$ 19,205	\$ 2,757,986	\$ 2,601,633	\$ (156,353)
Non-Departmental:						
Insurance	74,535	--	--	74,535	80,000	5,465
Contingency	175,646	--	--	175,646	208,088	32,442
Services	55,248	--	--	55,248	52,300	(2,948)
Repairs & Maintenance	126,141	--	162	126,303	127,500	1,197
Utilities	173,293	--	--	173,293	210,000	36,707
Energy	335,381	--	8,680	344,061	300,000	(44,061)
Other	219,530	3,139	11,533	227,924	252,514	24,590
Capital Outlay	318,344	265,889	38,653	91,108	427,890	336,782
	<u>1,478,118</u>	<u>269,028</u>	<u>59,028</u>	<u>1,268,118</u>	<u>1,658,292</u>	<u>390,174</u>
Total General Government	<u>\$ 4,222,919</u>	<u>\$ 275,048</u>	<u>\$ 78,233</u>	<u>\$ 4,026,104</u>	<u>\$ 4,259,925</u>	<u>\$ 233,821</u>
<u>PUBLIC SAFETY</u>						
Police Department - Administrative:						
Salaries	\$ 300,265	\$ --	\$ --	\$ 300,265	\$ 309,889	\$ 9,624
Employee Benefits	188,684	--	--	188,684	123,883	(64,801)
Services	7,803	--	--	7,803	9,860	2,057
Repairs & Maintenance	6,124	--	--	6,124	10,000	3,876
Utilities	34,941	--	--	34,941	36,352	1,411
Rent	2,971	--	--	2,971	4,000	1,029
Supplies	5,881	--	318	6,199	8,500	2,301
Energy	40	--	--	40	--	(40)
Other	127,982	--	5,445	133,427	116,260	(17,167)
Total	<u>674,691</u>	<u>--</u>	<u>5,763</u>	<u>680,454</u>	<u>618,744</u>	<u>(61,710)</u>
Subtotal	<u>\$ 674,691</u>	<u>\$ --</u>	<u>\$ 5,763</u>	<u>\$ 680,454</u>	<u>\$ 618,744</u>	<u>\$ (61,710)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 674,691	\$ --	\$ 5,763	\$ 680,454	\$ 618,744	\$ (61,710)
Police Department - Patrol:						
Salaries	1,913,773	--	--	1,913,773	2,071,547	157,774
Employee Benefits	1,121,062	2,981	958	1,119,039	914,346	(204,693)
Services	12,644	--	429	13,073	16,680	3,607
Repairs & Maintenance	35,027	--	--	35,027	30,000	(5,027)
Utilities	3,772	--	--	3,772	4,956	1,184
Supplies	29,600	2,347	1,005	28,258	33,276	5,018
Energy	151,322	--	--	151,322	155,000	3,678
Other	11,240	--	--	11,240	7,500	(3,740)
Capital Outlay	15,644	1,924	575	14,295	31,014	16,719
Total	<u>3,294,084</u>	<u>7,252</u>	<u>2,967</u>	<u>3,289,799</u>	<u>3,264,319</u>	<u>(25,480)</u>
Police Department - C.I.D.:						
Salaries	410,877	--	--	410,877	412,516	1,639
Employee Benefits	239,715	--	--	239,715	170,404	(69,311)
Services	124	70	--	54	4,693	4,639
Repairs & Maintenance	5,154	--	--	5,154	5,700	546
Utilities	2,615	--	--	2,615	4,034	1,419
Supplies	6,473	62	58	6,469	12,884	6,415
Energy	26,902	--	--	26,902	25,000	(1,902)
Capital Outlay	(133)	--	--	(133)	2,900	3,033
Total	<u>691,727</u>	<u>132</u>	<u>58</u>	<u>691,653</u>	<u>638,131</u>	<u>(53,522)</u>
Subtotal	<u>\$ 4,660,502</u>	<u>\$ 7,384</u>	<u>\$ 8,788</u>	<u>\$ 4,661,906</u>	<u>\$ 4,521,194</u>	<u>\$ (140,712)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,660,502	\$ 7,384	\$ 8,788	\$ 4,661,906	\$ 4,521,194	\$ (140,712)
Police Department - Crossing Guards:						
Salaries	3,770	--	--	3,770	3,770	--
Employee Benefits	456	--	--	456	468	12
Services	--	--	--	--	--	--
Repairs & Maintenance	--	--	--	--	--	--
Utilities	--	--	--	--	--	--
Supplies	--	--	--	--	300	300
Energy	--	--	--	--	--	--
Other	--	--	--	--	--	--
Capital Outlay	--	--	--	--	--	--
Total	<u>4,226</u>	<u>--</u>	<u>--</u>	<u>4,226</u>	<u>4,538</u>	<u>312</u>
Fire Department - Administrative:						
Salaries	97,323	--	--	97,323	98,929	1,606
Employee Benefits	49,862	--	--	49,862	36,477	(13,385)
Services	1,331	--	--	1,331	2,257	926
Repairs & Maintenance	1,773	--	--	1,773	900	(873)
Utilities	4,687	--	--	4,687	6,114	1,427
Supplies	1,518	--	--	1,518	1,148	(370)
Energy	2,389	--	--	2,389	4,000	1,611
Other	--	--	--	--	--	--
Capital Outlay	2,933	--	--	2,933	5,000	2,067
Total	<u>161,816</u>	<u>--</u>	<u>--</u>	<u>161,816</u>	<u>154,825</u>	<u>(6,991)</u>
Subtotal	<u>\$ 4,826,544</u>	<u>\$ 7,384</u>	<u>\$ 8,788</u>	<u>\$ 4,827,948</u>	<u>\$ 4,680,557</u>	<u>\$ (147,391)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,826,544	\$ 7,384	\$ 8,788	\$ 4,827,948	\$ 4,680,557	\$ (147,391)
Fire Department - Combat:						
Salaries	1,387,948	--	--	1,387,948	1,407,815	19,867
Employee Benefits	825,738	--	3,744	829,482	612,167	(217,315)
Services	318	--	--	318	1,170	852
Repairs & Maintenance	35,005	1,779	9,897	43,123	60,289	17,166
Utilities	25,966	--	--	25,966	25,000	(966)
Supplies	16,919	1,284	--	15,635	21,325	5,690
Energy	23,365	--	--	23,365	17,000	(6,365)
Capital Outlay	27,928	4,810	14,739	37,857	41,600	3,743
Total	<u>2,343,187</u>	<u>7,873</u>	<u>28,380</u>	<u>2,363,694</u>	<u>2,186,366</u>	<u>(177,328)</u>
Total Public Safety	<u>\$ 7,169,731</u>	<u>\$ 15,257</u>	<u>\$ 37,168</u>	<u>\$ 7,191,642</u>	<u>\$ 6,866,923</u>	<u>\$ (324,719)</u>
<u>COMMUNITY SERVICES</u>						
Cemetery:						
Salaries	\$ 59,834	\$ --	\$ --	\$ 59,834	\$ 66,221	\$ 6,387
Employee Benefits	43,337	--	164	43,501	30,722	(12,779)
Repairs & Maintenance	667	--	--	667	550	(117)
Utilities	1,473	--	--	1,473	1,000	(473)
Supplies	1,948	--	--	1,948	1,700	(248)
Energy	1,608	--	--	1,608	1,750	142
Capital Outlay	2,100	--	--	2,100	1,800	(300)
Total	<u>110,967</u>	<u>--</u>	<u>164</u>	<u>111,131</u>	<u>103,743</u>	<u>(7,388)</u>
Subtotal	<u>\$ 110,967</u>	<u>\$ --</u>	<u>\$ 164</u>	<u>\$ 111,131</u>	<u>\$ 103,743</u>	<u>\$ (7,388)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	GAAP Expenditures	2012 Encumbrances	2013 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 110,967	\$ -	\$ 164	\$ 111,131	\$ 103,743	\$ (7,388)
Appropriations:						
Dublin-Laurens County Recreation Authority	550,000	--	--	550,000	600,000	50,000
Library	188,663	--	--	188,663	188,663	--
Dublin-Laurens Museum	7,500	--	--	7,500	7,500	--
Dublin-Laurens Development Authority	50,000	--	--	50,000	60,000	10,000
Regional Development Center	16,201	--	--	16,201	17,600	1,399
Humane Society	31,500	--	--	31,500	31,500	--
Battered Women's Shelter	--	--	--	--	1,500	1,500
MLK Committee	1,000	--	--	1,000	1,000	--
Total	<u>844,864</u>	<u>--</u>	<u>--</u>	<u>844,864</u>	<u>907,763</u>	<u>62,899</u>
Total Community Services	<u>\$ 955,831</u>	<u>\$ --</u>	<u>\$ 164</u>	<u>\$ 955,995</u>	<u>\$ 1,011,506</u>	<u>\$ 55,511</u>
<u>PUBLIC WORKS AND BUILDINGS</u>						
Public Works:						
Salaries	\$ 441,738	\$ --	\$ --	\$ 441,738	\$ 457,244	\$ 15,506
Employee Benefits	305,468	96	974	306,346	245,701	(60,645)
Services	2,383	--	--	2,383	1,100	(1,283)
Repairs & Maintenance	275,120	182	117	275,055	242,432	(32,623)
Utilities	8,954	--	--	8,954	8,800	(154)
Supplies	17,170	868	951	17,253	18,868	1,615
Energy	54,038	--	--	54,038	60,000	5,962
Capital Outlay	7,280	--	--	7,280	--	(7,280)
Total	<u>1,112,151</u>	<u>1,146</u>	<u>2,042</u>	<u>1,113,047</u>	<u>1,034,145</u>	<u>(78,902)</u>
Subtotal	<u>\$ 1,112,151</u>	<u>\$ 1,146</u>	<u>\$ 2,042</u>	<u>\$ 1,113,047</u>	<u>\$ 1,034,145</u>	<u>\$ (78,902)</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	<u>GAAP</u> <u>Expenditures</u>	<u>2012</u> <u>Encumbrances</u>	<u>2013</u> <u>Encumbrances</u>	<u>Budget Basis</u> <u>Expenditures</u>	<u>Original and</u> <u>Final Budgeted</u> <u>Amounts</u>	<u>Variance</u> <u>(Over)/Under</u> <u>Budget</u>
Subtotal brought forward	\$ 1,112,151	\$ 1,146	\$ 2,042	\$ 1,113,047	\$ 1,034,145	\$ (78,902)
Mechanical Maintenance:						
Salaries	195,826	--	--	195,826	195,327	(499)
Employee Benefits	120,754	304	--	120,450	82,367	(38,083)
Services	3,834	--	--	3,834	6,080	2,246
Repairs & Maintenance	1,354	--	--	1,354	2,125	771
Utilities	10,262	--	--	10,262	9,700	(562)
Supplies	8,490	23	(396)	8,071	12,873	4,802
Energy	4,612	--	--	4,612	4,476	(136)
Capital Outlay	1,667	190	--	1,477	6,690	5,213
Total	<u>346,799</u>	<u>517</u>	<u>(396)</u>	<u>345,886</u>	<u>319,638</u>	<u>(26,248)</u>
Total Public Works and Buildings	<u>\$ 1,458,950</u>	<u>\$ 1,663</u>	<u>\$ 1,646</u>	<u>\$ 1,458,933</u>	<u>\$ 1,353,783</u>	<u>\$ (105,150)</u>
TOTAL EXPENDITURES	<u>\$ 13,807,431</u>	<u>\$ 291,968</u>	<u>\$ 117,211</u>	<u>\$ 13,632,674</u>	<u>\$ 13,492,137</u>	<u>\$ (140,537)</u>

**CITY OF DUBLIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013**

	SPLOST Capital Projects 2012	SPLOST Capital Projects 2003	Hotel/Motel Tax	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Equity in pooled cash	\$ --	\$ --	\$ 71,650	\$ 71,650
Cash	1,300,115	--	--	1,300,115
Total assets	<u>\$ 1,300,115</u>	<u>--</u>	<u>\$ 71,650</u>	<u>\$ 1,371,765</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable and accrued costs	\$ 141,843	\$ --	\$ 43,067	\$ 184,910
Due to other funds	--	--	28,583	28,583
Total liabilities	<u>141,843</u>	<u>--</u>	<u>71,650</u>	<u>213,493</u>
FUND BALANCES				
Restricted	1,158,272	--	--	1,158,272
Total fund balances	<u>1,158,272</u>	<u>--</u>	<u>--</u>	<u>1,158,272</u>
Total liabilities and fund balances	<u>\$ 1,300,115</u>	<u>\$ --</u>	<u>\$ 71,650</u>	<u>\$ 1,371,765</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	SPLOST Capital Projects 2012	SPLOST Capital Projects 2003	Hotel-Motel Tax	Total Nonmajor Governmental Funds
REVENUES:				
Other taxes	\$ --	\$ --	\$ 533,828	\$ 533,828
Intergovernmental	1,967,006	--	--	1,967,006
Interest on investments	1,685	--	--	1,685
Miscellaneous income	--	--	--	--
Total revenues	<u>1,968,691</u>	<u>--</u>	<u>533,828</u>	<u>2,502,519</u>
EXPENDITURES:				
Current -				
Public works and buildings	--	--	--	--
Highways and streets	--	--	--	--
Culture and recreation	--	--	533,828	533,828
Capital outlay	698,170	--	--	698,170
Debt service:				
Principal	106,496	--	--	106,496
Interest	5,753	--	--	5,753
Bond issuance costs	--	--	--	--
Total expenditures	<u>810,419</u>	<u>--</u>	<u>533,828</u>	<u>1,344,247</u>
EXCESS OF REVENUES OVER/(UNDER)				
EXPENDITURES	<u>1,158,272</u>	<u>--</u>	<u>--</u>	<u>1,158,272</u>
OTHER FINANCING USES-				
Transfers out	--	(19,995)	--	(19,995)
Excess of revenues over (under) expenditures and other financing uses	<u>1,158,272</u>	<u>(19,995)</u>	<u>--</u>	<u>1,138,277</u>
NET CHANGE IN FUND BALANCES	1,158,272	(19,995)	--	1,138,277
Fund Balances Beginning	--	19,995	--	19,995
Fund Balances, Ending	<u>\$ 1,158,272</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,158,272</u>

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, 2013

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES -			
Other taxes	\$ 504,000	\$ 533,828	\$ 29,828
EXPENDITURES -			
Culture and recreation:			
General fund 3%	189,000	200,186	(11,186)
Chamber of Commerce and Tourism Resource Enhancements and Events Organization 2%	126,000	133,457	(7,457)
Dublin-Laurens County Recreation Authority 2%	126,000	133,457	(7,457)
Theatre Dublin 1%	63,000	66,728	(3,728)
Total	<u>504,000</u>	<u>533,828</u>	<u>(29,828)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

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, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>ASSET</u>				
Equity in pooled cash	\$ 38,983	\$ 7,815,609	\$ 7,813,244	\$ 41,348
Total assets	<u>\$ 38,983</u>	<u>\$ 7,815,609</u>	<u>\$ 7,813,244</u>	<u>\$ 41,348</u>
 <u>LIABILITY</u>				
Due to Dublin Board of Education	\$ 38,983	\$ 7,815,609	\$ 7,813,244	\$ 41,348
Total liabilities	<u>\$ 38,983</u>	<u>\$ 7,815,609</u>	<u>\$ 7,813,244</u>	<u>\$ 41,348</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Riverview Golf Course Fund	Telecommunications Fund	Total
ASSETS			
CURRENT ASSETS:			
Cash	\$ 1,300	\$ 742,939	\$ 744,239
Accounts receivable, net	--	209,560	209,560
Inventories, at cost	12,280	--	12,280
Prepaid items	1,742	--	1,742
Total current assets	<u>15,322</u>	<u>952,499</u>	<u>967,821</u>
NONCURRENT ASSETS -			
CAPITAL ASSETS:			
Buildings and plant	273,767	3,311,116	3,584,883
Improvements other than buildings	354,947	--	354,947
Machinery and equipment	691,276	632,697	1,323,973
Less - accumulated depreciation	<u>(1,165,678)</u>	<u>(2,276,143)</u>	<u>(3,441,821)</u>
Capital assets, net	<u>154,312</u>	<u>1,667,670</u>	<u>1,821,982</u>
Total assets	<u>\$ 169,634</u>	<u>\$ 2,620,169</u>	<u>\$ 2,789,803</u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts payable	\$ 16,601	\$ 74,273	\$ 90,874
Accrued expenses	4,055	--	4,055
Due to other funds	176,478	--	176,478
Compensated absences payable	236	213	449
Total current liabilities	<u>197,370</u>	<u>74,486</u>	<u>271,856</u>
LONG TERM LIABILITIES -			
Compensated absences payable	<u>3,919</u>	<u>3,549</u>	<u>7,468</u>
Total long-term liabilities	<u>3,919</u>	<u>3,549</u>	<u>7,468</u>
Total liabilities	<u>201,289</u>	<u>78,035</u>	<u>279,324</u>
NET POSITION:			
Invested in capital assets, net of related debt	154,312	1,667,670	1,821,982
Unrestricted	<u>(185,967)</u>	<u>874,464</u>	<u>688,497</u>
Total net position	<u>(31,655)</u>	<u>2,542,134</u>	<u>2,510,479</u>
Total liabilities and net position	<u>\$ 169,634</u>	<u>\$ 2,620,169</u>	<u>\$ 2,789,803</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Riverview Golf Course Fund	Telecommunications Fund	Total
OPERATING REVENUES:			
Sales / charges for services	\$ 224,224	\$ 585,080	\$ 809,304
Penalties and cut-on fees	--	1,043	1,043
Other revenue	151,629	3,163	154,792
Total operating revenues	<u>375,853</u>	<u>589,286</u>	<u>965,139</u>
OPERATING EXPENSES:			
Personnel services	121,616	54,253	175,869
Employee benefits	17,334	10,571	27,905
Repairs and maintenance	22,193	3,994	26,187
Depreciation	16,736	257,385	274,121
Other operating	212,133	379,794	591,927
Total operating expenses	<u>390,012</u>	<u>705,997</u>	<u>1,096,009</u>
OPERATING INCOME (LOSS)	<u>(14,159)</u>	<u>(116,711)</u>	<u>(130,870)</u>
NON-OPERATING REVENUES (EXPENSES) -			
Interest income	--	--	--
Total non-operating revenues, net	--	--	--
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(14,159)</u>	<u>(116,711)</u>	<u>(130,870)</u>
CAPITAL CONTRIBUTIONS	165,947	--	165,947
TRANSFERS OUT	--	(140,000)	(140,000)
Total capital contributions and transfers	<u>165,947</u>	<u>(140,000)</u>	<u>25,947</u>
CHANGE IN NET POSITION	151,788	(256,711)	(104,923)
NET POSITION, Beginning	<u>(183,443)</u>	<u>2,798,845</u>	<u>2,615,402</u>
NET POSITION, Ending	<u><u>\$ (31,655)</u></u>	<u><u>\$ 2,542,134</u></u>	<u><u>\$ 2,510,479</u></u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Riverview Golf Course Fund	Telecommunications Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 375,853	\$ 598,186	\$ 974,039
Cash paid to suppliers for goods and services	(198,351)	(331,347)	(529,698)
Cash paid to employees for services	(124,519)	(52,692)	(177,211)
Cash paid for employee taxes and benefits	(36,437)	(17,630)	(54,067)
Cash received from and (paid to) other funds	(16,546)	--	(16,546)
Net cash provided by operating activities	--	196,517	196,517
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers out	--	(140,000)	(140,000)
Net cash used by noncapital financing activities	--	(140,000)	(140,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -			
Acquisition and construction of capital assets	(165,947)	(106,916)	(272,863)
Intergovernmental grant	165,947	--	165,947
Net cash used for capital and related financing activities	--	(106,916)	(106,916)
CASH FLOWS FROM INVESTING ACTIVITIES -			
Interest income on investments	--	--	--
Net cash provided by investing activities	--	--	--
NET CHANGE IN CASH	--	(50,399)	(50,399)
CASH, Beginning	1,300	793,338	794,638
CASH, Ending	\$ 1,300	\$ 742,939	\$ 744,239

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:			
Cash, beginning			
Current	\$ 1,300	\$ 793,338	\$ 794,638
Restricted	--	--	--
Total	<u>1,300</u>	<u>793,338</u>	<u>794,638</u>
Net change			
Current	--	(50,399)	(50,399)
Restricted	--	--	--
Total	<u>--</u>	<u>(50,399)</u>	<u>(50,399)</u>
Cash, ending			
Current	1,300	742,939	744,239
Restricted	--	--	--
Total	<u>\$ 1,300</u>	<u>\$ 742,939</u>	<u>\$ 744,239</u>
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net operating income (loss)	<u>\$ (14,159)</u>	<u>\$ (116,711)</u>	<u>\$ (130,870)</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	16,736	257,385	274,121
Decrease (increase) in assets-			
Accounts receivable - trade	--	8,900	8,900
Increase (decrease) in liabilities:			
Accounts payable	16,601	45,382	61,983
Accrued expenses	271	--	271
Due to other funds	(16,546)	--	(16,546)
Compensated absences payable	(2,903)	1,561	(1,342)
Total adjustments	<u>14,159</u>	<u>313,228</u>	<u>327,387</u>
Net cash provided (used) by operating activities	<u>\$ --</u>	<u>\$ 196,517</u>	<u>\$ 196,517</u>

**CITY OF DUBLIN, GEORGIA
BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2013**

ASSETS

Cash	\$ 127,931
Total assets	<u>\$ 127,931</u>

LIABILITIES AND FUND BALANCES

LIABILITIES	<u>\$ --</u>
-------------	--------------

FUND BALANCES

Committed	127,931
Total fund balances	<u>127,931</u>
Total liabilities and fund balances	<u>\$ 127,931</u>

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2013

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

Total fund balance - Main Street Dublin Downtown Development Authority (page 95)	\$ 127,931
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	868,675
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.	<u>(173,611)</u>
Net position of Main Street Dublin Downtown Development Authority (page 28)	<u><u>\$ 822,995</u></u>

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, 2013

REVENUES:	
Program income	\$ 129,726
Miscellaneous income	108,323
Total revenues	<u>238,049</u>
EXPENDITURES -	
Current -	
Downtown development	427,808
Debt Service:	
Principal	1,674
Interest	3,855
Total expenditures	<u>433,337</u>
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	<u>(195,288)</u>
OTHER FINANCING SOURCES :	
Notes payable proceeds	89,918
	<u>89,918</u>
NET CHANGE IN FUND BALANCES	(105,370)
NET POSITION, Beginning	<u>233,301</u>
NET POSITION, Ending	<u>\$ 127,931</u>

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, 2013

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 97)	\$ (105,370)
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.	142,854
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.	<u>(88,244)</u>
Change in net position of Main Street Dublin Downtown Development Authority (page 29)	<u><u>\$ (50,760)</u></u>

**CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2003
FOR THE YEAR ENDED JUNE 30, 2013**

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, Streets and Bridges	\$4,812,000	\$4,812,000	\$6,278,455	\$ --	\$6,278,455
Farmers Market Facility	<u>250,000</u>	<u>350,000</u>	<u>351,144</u>	<u>--</u>	<u>351,144</u>
TOTAL	<u>\$5,062,000</u>	<u>\$5,162,000</u>	<u>\$6,629,599</u>	<u>\$ --</u>	<u>\$6,629,599</u>

**CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2006
FOR THE YEAR ENDED JUNE 30, 2013**

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and Drainage	\$ 7,190,000	\$ 7,190,000	\$ 2,057,008	\$ 166,229	\$ 2,223,237
Water and Sewer System	4,750,000	4,750,000	2,616,729	33,133	2,649,862
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	2,265,611	10,831	2,276,442
	<u>16,540,740</u>	<u>16,540,740</u>	<u>13,509,318</u>	<u>210,193</u>	<u>13,719,511</u>
Debt Service *					
Principal	--	12,630,000	9,440,248	3,093,336	12,533,584
Interest	--	1,959,682	1,875,237	81,262	1,956,499
Bond issuance costs	--	192,406	194,406	--	194,406
	<u>--</u>	<u>14,782,088</u>	<u>11,509,891</u>	<u>3,174,598</u>	<u>14,684,489</u>
TOTAL	<u><u>\$16,540,740</u></u>	<u><u>\$31,322,828</u></u>	<u><u>\$25,019,209</u></u>	<u><u>\$ 3,384,791</u></u>	<u><u>\$28,404,000</u></u>

** 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. 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, 2013**

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	\$ 447,943
Water and Sewer Improvements	5,218,000	5,218,000	--	74,154	74,154
Gas System Improvements	1,840,000	1,840,000	--	13,000	13,000
Public Works Facilities and Equipment	2,195,000	2,195,000	--	46,453	46,453
Public Safety Facilities and Equipment	1,022,000	1,022,000	326,001	116,620	442,621
City Hall and Associated Buildings Improvements	100,000	100,000	--	--	--
	<u>14,675,000</u>	<u>14,675,000</u>	<u>326,001</u>	<u>698,170</u>	<u>1,024,171</u>
Debt Service *					
Principal	326,001	326,001	--	106,496	106,496
Interest	10,746	10,746	--	5,753	5,753
	<u>336,747</u>	<u>336,747</u>	<u>--</u>	<u>112,249</u>	<u>112,249</u>
TOTAL	<u><u>\$15,011,747</u></u>	<u><u>\$15,011,747</u></u>	<u><u>\$ 326,001</u></u>	<u><u>\$ 810,419</u></u>	<u><u>\$1,136,420</u></u>

** 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. 102

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 108

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. 116

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. 122

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. 124

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)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities:										
Invested in capital assets,										
net of related debt	\$ 5,903,193	\$ 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
Restricted	860,468	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
Unrestricted	<u>1,942,879</u>	<u>2,358,786</u>	<u>3,993,161</u>	<u>5,301,902</u>	<u>5,626,382</u>	<u>6,390,633</u>	<u>7,583,296</u>	<u>7,535,343</u>	<u>4,209,241</u>	<u>6,680,500</u>
Total governmental activities										
net position	<u>\$ 8,706,540</u>	<u>\$ 11,333,463</u>	<u>\$ 14,303,189</u>	<u>\$ 23,600,083</u>	<u>\$ 26,716,823</u>	<u>\$ 28,824,898</u>	<u>\$ 31,255,969</u>	<u>\$ 32,400,609</u>	<u>\$ 34,490,341</u>	<u>\$ 31,027,860</u>
Business-type activities:										
Invested in capital assets,										
net of related debt	\$ 23,279,426	\$ 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
Restricted	619,536	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
Unrestricted	<u>5,581,906</u>	<u>4,155,818</u>	<u>2,152,369</u>	<u>6,104,794</u>	<u>8,283,470</u>	<u>9,409,896</u>	<u>11,303,355</u>	<u>12,379,430</u>	<u>14,625,049</u>	<u>17,081,206</u>
Total business-type activities										
net position	<u>\$ 29,480,868</u>	<u>\$ 28,871,400</u>	<u>\$ 27,997,131</u>	<u>\$ 31,120,118</u>	<u>\$ 34,070,209</u>	<u>\$ 34,672,700</u>	<u>\$ 36,701,303</u>	<u>\$ 38,071,940</u>	<u>\$ 38,641,001</u>	<u>\$ 44,614,043</u>
Primary government:										
Invested in capital assets,										
net of related debt	\$ 29,182,619	\$ 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
Restricted	1,480,004	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
Unrestricted	<u>7,524,785</u>	<u>6,514,604</u>	<u>6,145,530</u>	<u>11,406,696</u>	<u>13,909,852</u>	<u>15,800,529</u>	<u>18,886,651</u>	<u>19,914,773</u>	<u>18,834,290</u>	<u>23,761,706</u>
Total primary government										
net position	<u>\$ 38,187,408</u>	<u>\$ 40,204,863</u>	<u>\$ 42,300,320</u>	<u>\$ 54,720,201</u>	<u>\$ 60,787,032</u>	<u>\$ 63,497,598</u>	<u>\$ 67,957,272</u>	<u>\$ 70,472,549</u>	<u>\$ 73,131,342</u>	<u>\$ 75,641,903</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses										
Governmental activities:										
General government	\$ 3,419,352	\$ 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
Public Safety	4,653,001	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
Community services	1,147,376	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
Public works and buildings	1,016,363	579,928	1,200,045	163,003	1,187,688	1,657,001	1,271,004	994,660	1,617,064	1,653,736
Highways and streets	--	21,958	71,915	1,757,891	254,093	225,694	618,639	829,092	308,513	260,406
Culture and recreation	433,240	440,447	437,527	468,633	472,161	495,566	475,326	505,632	519,263	534,183
Interest on long-term debt	--	--	--	--	584,245	508,001	414,924	299,630	84,243	87,015
Total governmental activities expenses	<u>10,669,332</u>	<u>11,051,098</u>	<u>11,202,828</u>	<u>12,238,416</u>	<u>13,649,043</u>	<u>14,172,119</u>	<u>14,211,179</u>	<u>14,348,403</u>	<u>14,502,621</u>	<u>15,159,978</u>
Business-type activities:										
Water and sewer	4,149,223	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
Gas	7,289,345	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
Sanitation	2,178,987	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
Riverview Golf Course	523,238	493,561	521,626	542,731	548,692	450,072	391,218	435,045	468,869	390,012
Telecommunications	494,629	580,905	689,960	609,786	647,050	704,563	600,070	636,577	657,183	705,997
Total business-type activities expenses	<u>14,635,422</u>	<u>15,547,007</u>	<u>18,900,870</u>	<u>16,840,844</u>	<u>17,610,733</u>	<u>17,513,482</u>	<u>14,639,948</u>	<u>15,580,842</u>	<u>17,698,104</u>	<u>26,390,538</u>
Total primary government expenses	<u>\$ 25,304,754</u>	<u>\$ 26,598,105</u>	<u>\$ 30,103,698</u>	<u>\$ 29,079,260</u>	<u>\$ 31,259,776</u>	<u>\$ 31,685,601</u>	<u>\$ 28,851,127</u>	<u>\$ 29,929,245</u>	<u>\$ 32,200,725</u>	<u>\$ 41,550,516</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,534,242	\$ 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
Public safety	569,389	701,022	724,580	791,470	896,570	1,046,221	925,861	935,672	958,345	918,382
Public works and buildings	--	--	--	35,650	--	--	25,000	--	--	--
Operating grants and contributions	23,350	--	--	--	3,000	--	214,015	196,933	194,631	281,703
Capital grants and contributions	1,018,933	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
Total governmental activities program revenue	<u>3,145,914</u>	<u>5,618,425</u>	<u>4,831,976</u>	<u>5,635,166</u>	<u>7,544,098</u>	<u>6,759,336</u>	<u>7,015,739</u>	<u>6,523,920</u>	<u>7,056,435</u>	<u>6,742,008</u>
Business-type activities:										
Charges for services:										
Water and sewer	3,225,078	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
Gas	8,317,559	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
Sanitation	2,139,276	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
Riverview Golf Course	406,155	380,812	417,551	503,524	469,745	455,885	337,981	351,009	371,405	375,853
Telecommunications	337,934	544,423	628,559	836,451	809,855	928,013	695,527	711,114	638,496	589,286
Operating grants and contributions	--	--	--	--	--	--	--	--	--	--
Capital grants and contributions	365,514	349,606	274,394	353,875	662,984	313,322	173,715	--	254,702	22,306
Total business-type activities program revenue	<u>14,791,516</u>	<u>15,818,786</u>	<u>19,156,239</u>	<u>20,383,746</u>	<u>20,611,322</u>	<u>18,697,884</u>	<u>17,158,822</u>	<u>17,523,394</u>	<u>18,939,439</u>	<u>28,344,087</u>
Total primary government program revenue	<u>\$ 17,937,430</u>	<u>\$ 21,437,211</u>	<u>\$ 23,988,215</u>	<u>\$ 26,018,912</u>	<u>\$ 28,155,420</u>	<u>\$ 25,457,220</u>	<u>\$ 24,174,561</u>	<u>\$ 24,047,314</u>	<u>\$ 25,995,874</u>	<u>\$ 35,086,095</u>
Net (expense)/revenue:										
Governmental activities	\$ (7,523,418)	\$ (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)
Business-type activities	156,094	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
Total primary government net expense	<u>\$ (7,367,324)</u>	<u>\$ (5,160,894)</u>	<u>\$ (6,115,483)</u>	<u>\$ (3,060,348)</u>	<u>\$ (3,104,356)</u>	<u>\$ (6,228,381)</u>	<u>\$ (4,676,566)</u>	<u>\$ (5,881,931)</u>	<u>\$ (6,204,851)</u>	<u>\$ (6,464,421)</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property	\$ 1,421,364	\$ 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
Local option sales	2,431,926	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
Hotel/Motel	428,427	436,433	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828
Alcoholic beverage	386,541	395,110	405,798	402,233	414,985	424,484	403,398	398,524	410,108	401,462
Franchise	985,902	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
Insurance premium	681,139	738,170	794,174	830,905	866,726	887,488	879,162	853,611	759,895	809,386
Unrestricted investment earnings	28,803	68,386	150,283	221,748	241,508	82,762	18,258	20,144	16,950	27,175
Gain on sale of capital assets	--	--	--	--	--	--	59,616	--	--	--
Intragovernmental	--	--	--	--	--	--	--	--	--	--
Transfers	488,825	988,000	1,300,000	650,000	238,843	650,000	562,499	637,499	735,554	(3,979,659)
Total governmental activities	<u>6,852,927</u>	<u>8,059,596</u>	<u>9,340,578</u>	<u>9,245,270</u>	<u>9,221,685</u>	<u>9,520,858</u>	<u>9,626,511</u>	<u>8,969,123</u>	<u>9,535,918</u>	<u>4,955,489</u>
Business-type activities:										
Unrestricted investment earnings	82,267	106,753	170,362	230,085	188,345	68,089	72,228	65,584	63,280	39,834
Transfers	(488,825)	(988,000)	(1,300,000)	(650,000)	(238,843)	(650,000)	(562,499)	(637,499)	(735,554)	3,979,659
Total business-type activities	<u>(406,558)</u>	<u>(881,247)</u>	<u>(1,129,638)</u>	<u>(419,915)</u>	<u>(50,498)</u>	<u>(581,911)</u>	<u>(490,271)</u>	<u>(571,915)</u>	<u>(672,274)</u>	<u>4,019,493</u>
Total primary government	<u>\$ 6,446,369</u>	<u>\$ 7,178,349</u>	<u>\$ 8,210,940</u>	<u>\$ 8,825,355</u>	<u>\$ 9,171,187</u>	<u>\$ 8,938,947</u>	<u>\$ 9,136,240</u>	<u>\$ 8,397,208</u>	<u>\$ 8,863,644</u>	<u>\$ 8,974,982</u>
Change in Net Position										
Governmental activities	\$ (670,491)	\$ 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)
Business-type activities	(250,464)	(609,468)	(874,269)	3,122,987	2,950,091	602,491	2,028,603	1,370,637	569,061	5,973,042
Total primary government	<u>\$ (920,955)</u>	<u>\$ 2,017,455</u>	<u>\$ 2,095,457</u>	<u>\$ 5,765,007</u>	<u>\$ 6,066,831</u>	<u>\$ 2,710,566</u>	<u>\$ 4,459,674</u>	<u>\$ 2,515,277</u>	<u>\$ 2,658,793</u>	<u>\$ 2,510,561</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund:										
Nonspendable	\$ 69,341	\$ 248,658	\$ 264,008	\$ 256,756	\$ 250,432	\$ 375,325	\$ 322,069	\$ 349,373	\$ 342,749	\$ 375,880
Restricted	206,040	265,138	503,491	916,502	391,439	486,425	413,228	--	--	--
Committed	136,699	193,391	239,482	67,611	141,007	111,100	91,159	983,256	291,968	117,211
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	1,701,021	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
Total General Fund	<u>\$ 2,113,101</u>	<u>\$ 2,541,491</u>	<u>\$ 4,169,891</u>	<u>\$ 5,492,756</u>	<u>\$ 5,842,614</u>	<u>\$ 6,599,860</u>	<u>\$ 7,380,411</u>	<u>\$ 7,742,590</u>	<u>\$ 7,495,524</u>	<u>\$ 6,908,990</u>
All other governmental funds -										
Capital Projects Funds:										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Restricted	860,468	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
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total all other governmental funds	<u>\$ 860,468</u>	<u>\$ 2,050,650</u>	<u>\$ 2,173,934</u>	<u>\$ 1,470,803</u>	<u>\$14,875,449</u>	<u>\$ 9,238,165</u>	<u>\$ 6,500,620</u>	<u>\$ 4,811,277</u>	<u>\$ 5,610,065</u>	<u>\$ 4,168,780</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues										
General property taxes	\$ 1,411,618	\$ 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
Other taxes	6,022,836	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
Licenses and permits	504,871	537,428	518,562	635,953	578,685	573,180	556,122	590,957	561,865	600,186
Fines and forfeitures	450,469	579,451	591,683	658,664	749,175	925,128	813,986	804,640	843,393	809,933
Intergovernmental	330,490	272,990	371,152	380,252	648,739	324,168	3,501,948	3,513,723	3,913,856	3,674,561
Interest on investments	29,532	108,927	246,701	343,488	867,788	404,947	96,244	68,244	34,647	37,366
Miscellaneous income	750,454	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
Total revenues	<u>9,500,270</u>	<u>12,672,562</u>	<u>12,848,885</u>	<u>14,238,506</u>	<u>16,462,107</u>	<u>15,533,820</u>	<u>15,507,564</u>	<u>15,195,628</u>	<u>15,780,756</u>	<u>15,668,650</u>
Expenditures										
General government	2,907,441	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
Public safety	4,638,973	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
Community services	1,147,376	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
Public works and buildings	1,146,440	1,207,065	1,380,144	1,541,115	1,209,145	1,158,206	1,181,967	1,183,321	1,330,980	1,458,950
Highways and streets	--	1,149,858	1,642,094	2,717,212	--	--	--	--	--	--
Culture and recreation	428,427	436,433	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828
Debt service:										
Principal	--	--	--	93,431	178,783	4,170,027	2,334,673	2,837,467	90,354	3,199,832
Interest	--	--	--	--	584,245	508,001	414,924	299,630	84,243	87,015
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
Total expenditures	<u>10,268,657</u>	<u>12,041,990</u>	<u>12,397,201</u>	<u>14,533,259</u>	<u>15,926,684</u>	<u>21,063,858</u>	<u>18,277,057</u>	<u>17,160,291</u>	<u>16,290,589</u>	<u>18,536,469</u>
Excess of revenues over(under) expenditures	<u>(768,387)</u>	<u>630,572</u>	<u>451,684</u>	<u>(294,753)</u>	<u>535,423</u>	<u>(5,530,038)</u>	<u>(2,769,493)</u>	<u>(1,964,663)</u>	<u>(509,833)</u>	<u>(2,867,819)</u>
Other financing sources(uses)										
Sale of capital assets	--	--	--	--	--	--	250,000	--	--	--
Transfers in	591,586	1,000,000	1,300,000	650,000	650,000	650,000	562,499	637,499	735,554	840,000
Transfers out	(102,761)	(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)	<u>488,825</u>	<u>988,000</u>	<u>1,300,000</u>	<u>914,487</u>	<u>13,219,081</u>	<u>650,000</u>	<u>812,499</u>	<u>637,499</u>	<u>1,061,555</u>	<u>840,000</u>
Change in fund balance	<u>\$ (279,562)</u>	<u>\$ 1,618,572</u>	<u>\$ 1,751,684</u>	<u>\$ 619,734</u>	<u>\$13,754,504</u>	<u>\$ (4,880,038)</u>	<u>\$ (1,956,994)</u>	<u>\$ (1,327,164)</u>	<u>\$ 551,722</u>	<u>\$ (2,027,819)</u>
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	N/A	27.90%	18.51%	20.33%	1.36%	18.99%

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

Fiscal Year	Property Tax	Local Option Sales Tax	Hotel/Motel Tax	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2006	Special Purpose Local Option Sales Tax 2012	Alcoholic Beverages Tax	Franchise Tax	Insurance Premium Tax	Total
2004	\$ 1,421,364	\$ 2,431,926	\$ 428,427	\$ 946,743	(1) \$ --	\$ --	\$ 386,541	\$ 985,902	\$ 681,139	\$ 7,282,042
2005	1,888,058	2,502,673	436,433	2,252,213	--	--	395,110	1,042,766	738,170	9,255,423
2006	2,375,757	2,753,385	434,176	1,804,044	--	--	405,798	1,127,005	794,174	9,694,339
2007	2,498,816	2,983,399	465,603	200,000	2,084,525	(1) --	402,233	1,192,566	830,905	10,658,047
2008	2,565,732	3,094,809	541,069	--	3,244,746	--	414,985	1,258,013	866,726	11,986,080
2009	2,648,656	2,943,746	492,536	--	2,681,311	--	424,484	1,391,186	887,488	11,469,407
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

(1) First year of tax

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Accommodations	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 54,345	\$ 79,381	\$ 72,073	\$ 61,181
Apparel	121,507	129,068	122,228	125,894	127,103	119,254	49,576	--	--	--
Auto	1,159,589	1,191,666	1,200,614	1,509,548	1,265,927	1,922,964	1,067,824	737,069	777,512	666,179
Construction	--	--	--	--	--	--	18,979	29,074	33,213	23,516
Food/bars	1,684,299	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
General Merchandise	1,039,827	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
Home Furnishings	328,545	273,137	361,562	317,745	399,218	346,079	398,968	517,755	319,610	248,644
Lumber	363,062	421,802	572,114	615,062	658,152	441,414	113,542	--	--	--
Manufacturing	518,580	685,229	669,242	773,931	706,689	754,044	706,695	405,192	672,145	531,243
Miscellaneous	614,701	588,451	543,357	726,443	794,673	960,706	312,457	--	--	--
Miscellaneous Services	298,539	310,943	303,534	293,730	314,826	488,734	472,279	571,266	571,033	471,660
Other Retail	--	--	--	--	--	--	596,287	1,049,921	1,313,752	1,120,136
Other Services	--	--	--	--	--	--	76,845	110,445	107,414	169,325
Utility	578,779	684,237	776,594	739,221	693,705	808,385	761,131	674,619	712,258	535,401
Wholesale	--	--	--	--	--	--	661,244	1,672,494	1,507,918	1,275,905
Total	\$ 6,707,428	\$ 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
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
2004	1.00%	3.00%	4.00%
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%

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			
2004	\$ 380,473,387	\$ 11,217,732	\$ 40,711,510	\$ 432,402,629	3.190	\$ 920,005,594	47.00%
2005	390,020,254	11,217,732	40,644,445	441,882,431	4.190	940,175,386	47.00%
2006	404,544,010	10,774,445	40,584,121	455,902,576	5.200	970,045,480	47.00%
2007	425,256,106	11,234,875	39,276,316	475,767,297	5.200	1,012,270,845	47.00%
2008	436,146,910	11,815,692	39,911,784	487,874,386	5.200	1,038,030,609	47.00%
2009	453,603,039	10,584,589	38,287,060	502,474,688	5.200	1,069,095,081	47.00%
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%

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

<u>Tax Levy Period Calendar Year</u>	<u>Maintenance and Operations</u>	<u>Sales Tax Rollback</u>	<u>Total City</u>	<u>School District</u>	<u>State and County</u>	<u>Total Direct & Overlapping Rates</u>
2003	8.210	(5.020)	3.190	14.870	6.722	24.782
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

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 YEAR AND NINE YEARS AGO**

Taxpayer	December 31, 2012			December 31, 2003		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
YKK Corporation	\$ 13,945,018	1	3.23%	\$ 18,346,820	1	4.24%
Best Buy Loc. #77	13,115,259	2	3.04%	12,349,572	2	2.86%
Fairview Park Hospital	12,158,482	3	2.82%	9,352,826	3	2.16%
CNH America/New Holland	10,054,177	4	2.33%			
Warehouse Home Furnishings	7,604,329	5	1.76%			
Wal-Mart	7,127,695	6	1.65%	4,444,565	6	1.03%
Fred's Distribution	7,096,690	7	1.65%			
Parko Hannifin Controls	2,771,560	8	0.64%	3,869,526	7	0.89%
Bright-Meyers (Old Wal-Mart Shopping Center)	2,604,656	9	0.60%			
Flexsteel Industries	2,576,704	10	0.60%	2,994,645	10	0.69%
Rockwell Automation-Allen Bradley				8,094,889	4	1.87%
Dublin Community Hospital				6,226,109	5	1.44%
Dublin Mall				3,730,936	8	0.86%
Bassett Furniture				3,054,247	9	0.71%
	<u>\$ 79,054,570</u>		<u>18.32%</u>	<u>\$ 72,464,135</u>		<u>16.75%</u>

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
2004	\$ 7,073,550	\$ 6,808,022	96.2%	\$ 253,773	\$ 7,061,795	99.8%
2005	8,249,453	8,000,132	97.0%	213,479	8,213,611	99.6%
2006	8,919,795	8,605,271	96.5%	276,945	8,882,216	99.6%
2007	9,375,826	8,995,981	95.9%	353,081	9,349,062	99.7%
2008	9,616,757	9,261,965	96.3%	319,420	9,581,385	99.6%
2009	9,966,108	9,522,636	95.6%	382,404	9,905,040	99.4%
2010	10,428,595	9,417,695	90.3%	961,712	10,379,407	99.5%
2011	10,138,736	9,714,722	95.8%	341,599	10,056,321	99.2%
2012	10,018,508	9,518,592	95.0%	278,085	9,796,677	97.8%
2013	10,392,029	9,870,456	95.0%	--	9,870,456	95.0%

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

Source: City of Dublin, Georgia financial records.

**CITY OF DUBLIN, GEORGIA
PRINCIPLE GAS CUSTOMERS
CURRENT YEAR**

Taxpayer	Fiscal Year 2013		
	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales
SP Newsprint	\$ 8,865,886	1	46.91%
Griffin Industries	1,335,088	2	7.06%
YKK Corporation	725,172	3	3.84%
Carl Vinson Medical Center	447,672	4	2.37%
Dublin Housing Authority	215,866	5	1.14%
Fairview Park Hospital	190,778	6	1.01%
Hi-tek Rations	161,805	7	0.86%
Best Buy	118,320	8	0.63%
Golden Corral	28,410	9	0.15%
Applebees	24,750	10	0.13%
	<u>\$ 12,113,747</u>		<u>64.10%</u>

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 2003 CAFR so the data is no longer available to obtain.

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

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Term Loans	Capital Leases	Water & Sewer Bonds	Term Loans	Capital Leases			
2004	\$ --	\$ --	\$ --	\$ 8,511,015	\$ 692,153	\$ --	\$ 9,203,168	8.78%	\$ 578
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	N/A	N/A

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

(1) See Schedule of Demographics and Economic Statistics on page 121 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)
2004	\$ --	\$ --	\$ --	N/A	N/A
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

(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 110 for property value data.

(3) See Schedule of Demographics and Economic Statistics on page 121 for population data.

**CITY OF DUBLIN, GEORGIA
 COMPUTATION OF DIRECT AND OVERLAPPING
 GOVERNMENTAL ACTIVITIES DEBT
 JUNE 30, 2013**

<u>Jurisdiction</u>	<u>Net General Debt Outstanding</u>	<u>Percentage Applicable to City of Dublin</u>	<u>City of Dublin's Share of Debt</u>
Direct - City of Dublin	\$ 315,921	100.00%	\$ 315,921
Overlapping -	<u> --</u>	100.00%	<u> --</u>
Total	<u><u>\$ 315,921</u></u>		<u><u>\$ 315,921</u></u>

Source: City of Dublin, Georgia financial records.

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit	\$43,240,263	\$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
Total net debt applicable to limit	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>12,126,265</u>	<u>8,094,698</u>	<u>5,813,132</u>	<u>3,031,565</u>	<u>3,000,000</u>	<u>--</u>
Legal debt margin	<u>\$43,240,263</u>	<u>\$44,188,243</u>	<u>\$45,590,258</u>	<u>\$47,576,730</u>	<u>\$36,661,174</u>	<u>\$42,152,771</u>	<u>\$45,379,994</u>	<u>\$38,725,498</u>	<u>\$38,411,375</u>	<u>\$ 43,120,785</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	24.86%	16.11%	11.36%	7.26%	7.24%	0.00%
Legal Debt Margin Calculation for Current Fiscal Year:										
Assessed value										\$431,207,850
Debt limit (10% of total assessed value)										43,120,785
Debt applicable to limit:										
General obligation bonds										--
Less: amount set aside for repayment of general obligation debt										<u>--</u>
Total net debt applicable to limit										<u>--</u>
Legal debt margin										<u>\$ 43,120,785</u>

Source: City of Dublin, Georgia Finance Department

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

SPLOST Revenue Bonds

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principle	Interest	
2004	\$ --	\$ --	\$ --	--
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	--	--	0.0

(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
PLEGDED 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	
2004	\$ 3,613,225	\$ 2,908,114	\$ 705,111	\$ 170,000	(2) \$ 210,117	1.9
2005	4,340,407	2,922,886	1,417,521	315,000	356,800	2.1
2006	4,992,566	3,148,775	1,843,791	325,000	344,200	2.8
2007	5,474,278	3,259,199	2,215,079	340,000	331,200	3.3
2008	5,812,944	3,399,629	2,413,315	350,000	321,000	3.6
2009	5,137,749	3,881,547	1,256,202	365,000	309,625	1.9
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

(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
2003	15,921	\$ 1,048,788	\$ 22,655	36.90	3,038	4.7%
2004	15,949	1,109,117	23,566	35.80	2,978	5.4%
2005	15,972	1,181,653	23,716	36.50	2,395	5.0%
2006	15,989	1,221,549	25,706	36.40	2,818	5.4%
2007	16,004	1,257,662	26,487	36.10	2,856	7.0%
2008	16,019	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	N/A	N/A	38.60	2,857	12.1%

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
PRINCIPLE EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	Fiscal Year 2013		
	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	1,143	1	5.96%
Fairview Park Hospital	628	2	3.28%
YKK AP America, Inc.	350	3	1.83%
Flexsteel Industries, Inc.	317	4	1.65%
SP Fiber Technologies, LLC	267	5	1.39%
Farmers Furniture Co.	235	6	1.23%
Best Buy Distribution	204	7	1.06%
Parker Aerospace	202	8	1.05%
Fred's Distribution	193	9	1.01%
Gilman Building Products	134	10	0.70%
	<u>3,673</u>		<u>19.16%</u>

Source: Dublin-Laurens County Chamber of Commerce

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Function										
General Government										
Management-City Mgr & City Attorney	2	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	5	6	6	6	6	6
Other	11	11	11	11	10	13	11	11	11	12
Public Safety										
Police										
Officers and personnel	63	60	61	57	60	59	64	63	62	63
Fire										
Firefighters and officers	32	32	32	32	32	35	35	35	35	35
Public Works										
Engineering	5	5	5	7	7	7	7	6	6	6
Other	13	13	13	13	13	15	15	15	15	15
Sanitation	28	24	24	24	24	24	24	24	25	25
Gas	14	14	14	14	14	15	17	17	17	17
Golf Course	13	13	13	13	12	5	3	3	3	3
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	33	33	33	33	32	30	31	35	34
Total	<u>225</u>	<u>219</u>	<u>220</u>	<u>218</u>	<u>219</u>	<u>220</u>	<u>221</u>	<u>220</u>	<u>224</u>	<u>225</u>

Source: City of Dublin, Georgia Finance Department

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

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Physical arrests	1,657	2,143	1,737	1,783	1,765	1,921	2,183	2,500	1,465	1,130
Parking violations	13	68	14	10	10	9	16	18	6	42
Traffic violations	2,947	5,017	3,810	3,621	4,560	4,730	6,064	5,884	4,656	5,249
Fire										
Number of calls answered	891	902	823	892	942	919	904	959	909	837
Highways and streets										
Street resurfacing (miles)	8.0	5.8	7.2	1.7	N/A	1.1	1.0	2.0	3.3	3.6
Potholes repaired	1,195	1,158	1,205	1,226	1,127	1,150	1,250	1,235	1,276	1,176
Sanitation										
Refuse collected (tons/day)	59	58	57	58	60	55	56	57	58	60
Water										
New connections	125	130	150	82	98	82	101	156	61	15
Water mains breaks	418	426	436	425	420	430	436	426	114	120
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,200	3,200

Source: Various government departments.

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	35	38	38	38	50	50	50	50	53	53
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	20	20	20	20	24	20	20	20	20	20
Highways and streets										
Streets (miles)	100	100	100	100	101	101	102	103	103	103
Streetlights	1,648	1,670	1,702	1,702	1,710	1,715	1,720	1,739	1,742	1,750
Traffic signals	33	34	34	34	34	34	40	41	41	41
Water										
Water mains (miles)	184	185	186	186	186	187	193	194	194	194
Fire hydrants	858	914	928	928	928	928	935	975	982	1,056
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)	154	155	157	159	159	165	170	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)	227	228	229	229	230	232	232	233	233	233

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, City Council, Management
and Federal Awarding Agencies and Pass-Through Entities
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, 2013, 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 20, 2013. 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.

To the Honorable Mayor, City Council, Management
and Federal Awarding Agencies and Pass-Through Entities
City of Dublin, Georgia
Page 2

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.

Richels, Cauley + Associates, LLC

Dublin, Georgia

December 20, 2013

**CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

SUMMARY OF AUDIT RESULTS:

1. The independent auditor's report expresses an unqualified opinion on the financial statements of the City of Dublin, Georgia.
2. There were no significant deficiencies or material weaknesses in internal control disclosed by the audit of the City of Dublin, Georgia's financial statements.
3. No instance of noncompliance material to the financial statements of the City of Dublin, Georgia were disclosed during the audit.
4. Our audit did not disclose any audit findings that we are required to report.

PRIOR YEAR SIGNIFICANT DEFICIENCIES AND FINDINGS:

Prior Year Significant Deficiencies – There were no significant deficiencies disclosed in the prior year.

Prior Year Findings – There were no findings reported in the prior year.

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