

**CITY OF DUBLIN, GEORGIA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2015**

**CITY OF DUBLIN, GEORGIA**

**COMPREHENSIVE**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2015**

**Prepared by:  
Department of Finance**

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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**



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

January 27, 2016

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, 2015.

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, 2015, 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, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

### **Profile of the Government**

The City of Dublin, Georgia was incorporated in 1812 under provisions of an act of the General Assembly of Georgia. The City operates under a mayor-council form of government and provides the full range of services contemplated by statute or charter. Policy-making and legislative authority are vested in the governing council consisting of the mayor and seven other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with an election held every two years. The mayor is also elected to serve a four-year term. Four of the council members are elected by district. The mayor and the three remaining council members are elected at large. The City Clerk is appointed by the mayor and council, and is also the Finance Director and Election Superintendent. The mayor and council also appoint the City Judge and City Attorney. The population of Dublin is approximately 16,500 people and this number has remained stable over the last few decades.

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

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

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



## **Factors Affecting Financial Condition**

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

**LOCAL ECONOMY.** The City of Dublin, Georgia currently enjoys a favorable economic environment. With positive equity balances in all fund types, as well as stable property taxes, steady retail sales growth and investment grade bond ratings, the City of Dublin remains financially sound, well run and efficient.

The level of services provided by the City of Dublin in the community is among the highest in the State of Georgia. The millage rate at 6.407 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 1,000 people at tables and up to 1,400 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 and a recently completed Alzheimer's Wards. The Medical Center has added to its existing medical office building. A cancer treatment center provides the latest technological advances in the treatment of various forms of cancer. Fairview Park Hospital has an Angio Suite to house the state-of-the-art technology for diagnosis and therapy of vascular disease. Our Public Health Department has become more active in community events and projects. A new Public Health Department facility is being constructed to better serve our citizens.

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

A new multi-million dollar "lifestyle" community, Moore Station Village, has been completed. This new development offers single-family homes and a community activity clubhouse and many recreational facilities. Townhouses and apartments are also being constructed. An assisted living facility, The Benton House, is also nearby. Because of the excellent medical facilities and medical care available, Dublin has become a desirable retirement community. There have been new assisted living and long term care centers planned and completed recently. These new residents and their support groups further enhance our growing retail, commercial and residential growth.

***LONG-TERM FINANCIAL PLANNING.*** Highway 80 (Veteran's Blvd), our western gateway, has been expanded to five-lanes to the Old Macon Road. Annexation and growth along this corridor have created a demand for the extension of city utilities. The City has extended water and sewer infrastructure west to the airport. Our Development Authority has acquired 96 acres of land adjoining the airport to be utilized as an airport industrial park which is also along the new 441 perimeter road allowing for better transportation access along with the excellent access to the airport property.

Highway 80 West has benefitted from the 441 by-pass road, which the Department of Transportation completed in 2012. There has been increased development at the intersection of US 80 and the 441 by-pass areas. We are serving this development with water, sewer and natural gas in order to meet the anticipated demand since there are new residential and commercial developments being constructed in these areas.

The Department of Transportation has realigned the I-16 and 441 South interchange to enhance its use. New lighting has been installed to entice more travelers to visit Dublin. The Dublin Laurens County Recreation Authority has been operating a Tourist Welcome Center in this area to promote Dublin's industry and services to travelers. A full time Tourism Director has been hired to enhance the tourism

promotion at the Center. Since opening, over 250,000 tourists have visited the center which is open Monday through Saturday. New development in this area includes a 3-story motel, a national steak house restaurant and other retail businesses.

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

Flexsteel Industries, a manufacturer of recliners and motion furniture, completed a new green initiative designed to increase energy efficiency and was awarded several honors for their efforts. This was a significant investment of time and capital by Flexsteel to make their plant more environmentally friendly and saving energy costs and waste. In addition, several new lines have been located in Dublin by the company, and the Dublin location is now the largest plant of the Flexsteel locations.

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

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

Best Buy, Inc. continues to be a great employer for the City of Dublin. Best Buy, a leading retailer of home electronics and appliances, built a 700,000 square foot distribution center at a cost of over \$40,000,000. This center distributes to sixty Best Buy stores in Georgia, Florida, North Carolina, South Carolina, and Tennessee. In addition, the facility now ships product to Puerto Rico. They currently have over two hundred employees. As a result of the Best Buy project, the Georgia Department of Transportation widened Highway 257 from Interstate Highway 16 to Industrial Boulevard from a two-lane to a five-lane highway to facilitate even more growth in this corridor. The second phase of this project was the construction of a new interchange at I-16 and Highway 257 including wider ramps and a new bridge over the interstate. This \$14 million new construction created another major business corridor. The expansion of Highway 257 allows the roadway to accommodate the increased traffic along the highway as new industries are attracted to the Dublin area.

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

annexed by the City to the south side of the I-16 interchange. Love's Travel Stops and Country Stores, Inc. is located at the 257 interchange.

In March 2015, Valmiera Glass USA Corporation opened a new 80,000 square foot manufacturing facility in Dublin as their North American headquarters. It will provide 150 new jobs and is a capital investment of \$20 million. Valmiera Glass is a major producer of glass fiber fabrics for many technical applications including computers, thermal insulation and construction industries.

In October 2014, a German die maker AWEBA Group announced that it will open its first North American Headquarters in Dublin creating 52 jobs and investing \$6 million over the next five years. The company will lease a 30,000 square foot building where they will produce tools and dies for the NAFTA region. Germany-based the AWEBA Group is one of the largest and most advanced die-making enterprises in Europe.

Denmark-based Dinex Group has opened a manufacturing plant in the former Eldorado Stone building in Dublin. The automotive emissions control and exhaust manufacturer will create 250 jobs and invest \$15 million in this operation. The Dinex Dublin facility is its first in the United States.

Hi-Tek Rations, an international supplier of pet food, has expanded its facility in Dublin with the investment of nearly \$2 million dollars and the creation of 35 new jobs. The company has been growing and merged with Sunshine Mills to form Sun Tek Pet, LLC. The newly formed corporation will operate Hi-Tek Rations' manufacturing and distribution center securing 120 jobs at the Dublin location and has the opportunity for more expansion in the future.

The new Big Lots Store was constructed in order for a Home Depot Store to be constructed on Veterans Boulevard. The Home Depot Store is 133,000 square feet and cost approximately \$10,000,000. This store and a new T.J. Max Store at the Dublin Mall, have added to our growing retail strength and help to maintain our reputation as a regional retail center.

The City of Dublin and Laurens County continue to sponsor the Main Street Dublin-Downtown Development Authority, under the guidance of a full time director. The Main Street Program has proven of great benefit to our downtown business and professional district. Our downtown merchants participate in many events each year.

An \$871,362 Transportation Enhancement Activity (TEA) grant received from the Department of Transportation has funded the Emerald Pathways project, which integrates aesthetic and safety improvements for the downtown area and encourages and accommodates pedestrian and non-vehicular traffic. This project enhances the appeal of downtown to the local citizens, business owners and tourists. Improvements include the construction of improved sidewalks and crosswalks, extensive landscaping, benches, trash receptacles, bicycle racks, a beautiful fountain, a street clock, and the installation of appropriate signage. The construction and designation of bicycle and pedestrian pathways and a downtown streetscape along Jackson and Jefferson Streets which included the relocating of overhead electric wires to underground completed this project. These improvements have sparked a new interest in downtown improvements by both the public and private sectors.

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

The City of Dublin has implemented the renovation of the major portion of one block in the downtown area for various public purposes. The City, with public funds and private contributions, renovated the

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

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 in this area of Dublin. The Housing Authority renovated 17 units in a section of the housing project last year and will renovate additional units in the near future. A Southside Revitalization Committee is operating, and more projects are forthcoming from their efforts.

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

The City purchased the old Mindis Recycling site from the Downtown Development Authority and constructed a \$2,700,000 Police Department and Courtroom facility on the property. The Police Department and City Court have moved from the City Hall. This move resulted in more efficient use of both buildings as well as increased parking facilities and easier citizen access to these buildings. The relocation also enhances police presence in this area of the city and makes it more attractive to future development. A Dollar General Store was built across the street earlier this year. A new Police Precinct Sub-Station in the Vinson Village Housing area will improve police presence and community policing efforts in the neighborhood.

Plans are underway for renovation of the six (6) story old First National Bank Building downtown, known as the “Skyscraper”. This building has been sold and tax credits will be used to accomplish the \$4,000,000 complete restoration for use as the Georgia Military College Dublin Campus as well as other business offices.

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

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

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

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

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

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

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

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

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

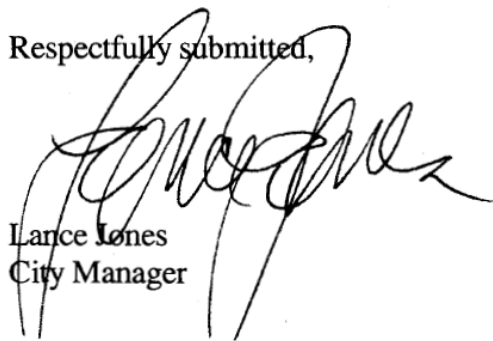
**RELEVANT FINANCIAL POLICIES.** The City of Dublin financial policy concerning the budgeting of one time revenue resources such as grants and S.P.L.O.S.T. revenues is to not budget them for reoccurring operating purposes. These funds must be spent only for capital items and capital improvements. In March 2011, voters approved a continuation of the current S.P.L.O.S.T. to be used for one-time capital improvement projects. These projects include areas of transportation and drainage, the water and sewer system, city facilities, capital equipment purchases, and gas system improvements. Approximately \$16 million of estimated revenue will be collected over the six-year period.

**AWARDS AND ACKNOWLEDGEMENTS.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dublin, Georgia for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. This was the twenty-seventh 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,



Lance Jones  
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  
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**City of Dublin  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director/CEO



**CITY OF DUBLIN, GEORGIA**

**LIST OF ELECTED AND APPOINTED OFFICIALS**

**June 30, 2015**

**MAYOR**

**Phil Best, Sr.**

**CITY COUNCIL**

**Julie Driger**

**Gary Johnson**

**Bill Brown III (Mayor Pro-Tem)**

**Ed Touchberry**

**Jerry Davis (Chairman of Council)**

**Gerald Smith**

**Curtis Edwards**

**CITY MANAGER**

**Lance Jones**

**CITY CLERK**

**Joe M. Kinard III**

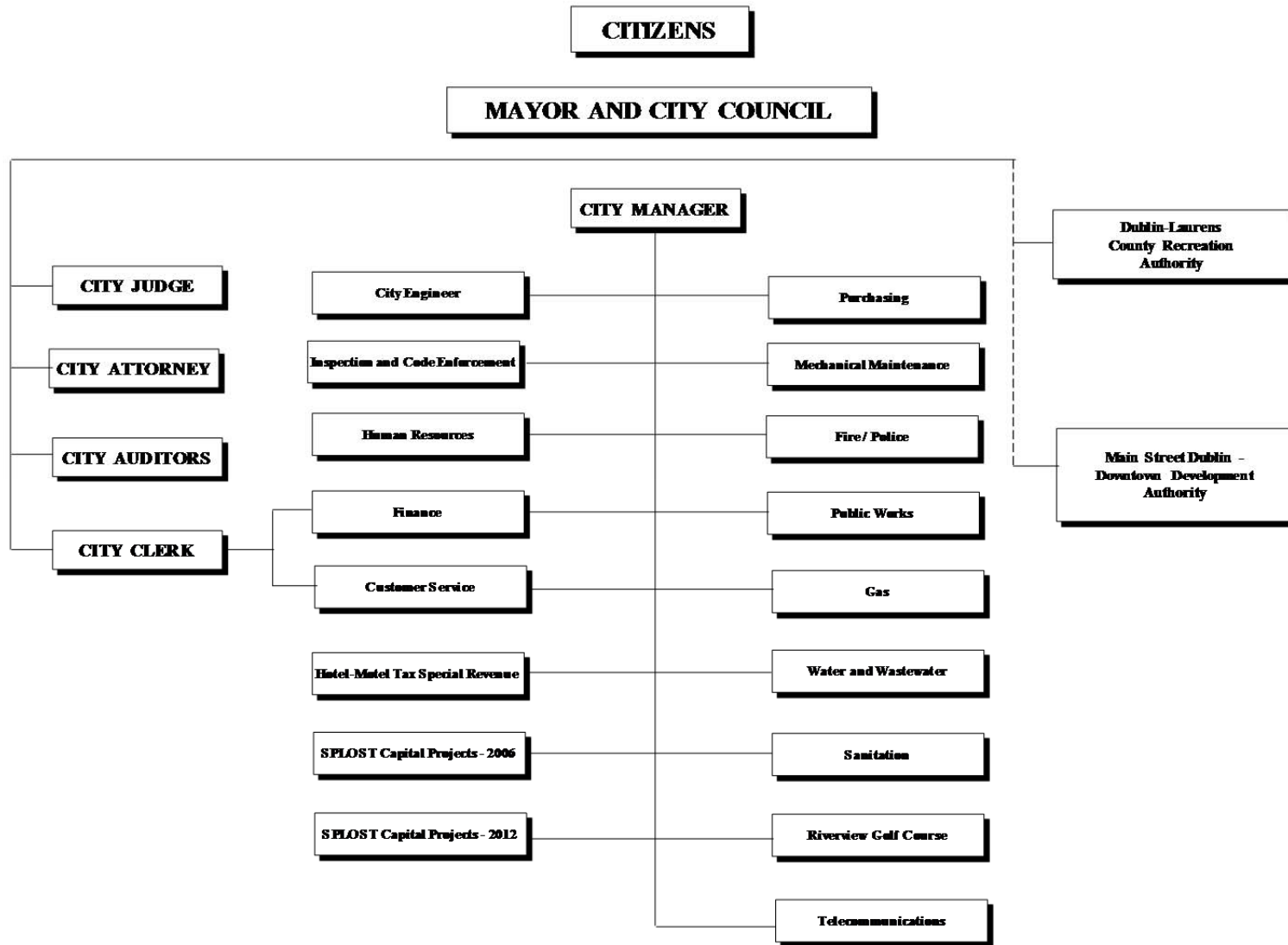
**CITY JUDGE**

**Harold D. McLendon**

**CITY ATTORNEY**

**Joshua E. Kight**

**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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## 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Dublin-Laurens County Recreation Authority, which represents 86 percent, 85 percent, and 80 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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison schedules for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As described in Note IV.G, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014. These standards significantly changed the accounting for the City's net pension liability and the related disclosures. Our opinion is not modified with respect to this matter.

### **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 16 through 23), The Schedule of Changes in the City's Net Pension Liability and Related Ratios (on page 75), the Schedule of City Contributions (on page 76) and the Schedule of Funding Progress (page 77) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dublin, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules of expenditures of special purpose local option sales tax proceeds, statistical section, and the schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2016, 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.

*Richards, Cauley + Associates, LLC*

Dublin, Georgia  
January 27, 2016

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

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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, 2015. 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**

- The assets of the City including deferred outflows exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$74,486,495 (*net position*). Of this amount \$18,886,121 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$5,562,110 during the year. However due to the implementation of GASB 68 and 71, which requires the City to record their portion of the net pension liability, beginning net position was restated to reflect a decrease of \$7,671,575.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$10,795,035, an increase of \$917,880 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was \$6,648,008 or 47.6% of the total General Fund expenditures.
- The City's total long term liabilities decreased by \$1,749,985 during the current fiscal year. This was mainly due to the decrease in the City's net pension liability of \$1,636,121.

**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:

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

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community services, public works and buildings, and culture and recreation. The business-type activities of the City include water and sewerage, natural gas, sanitation, telecommunications and golf course operations.

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

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The government-wide financial statements can be found on pages 24 and 25 of this report.

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other city and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds** – *Governmental funds* are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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*.

The major funds are presented in a separate column, while the nonmajor funds are combined in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The City's major governmental funds are - the General Fund and the SPLOST Capital Projects – 2012 Fund. The City's nonmajor governmental funds are the SPLOST Capital Projects – 2006 and Hotel/Motel Tax Fund. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 26 through 29 of this report.

**Proprietary Funds** – The City maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented in the *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewerage System Fund, Natural Gas System Fund, Sanitation System Fund, Telecommunications Fund and the Riverview Golf Course Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewerage System Fund and the Natural Gas System Fund, all of which are considered to be major funds of the City. Conversely, the nonmajor enterprise funds are combined into a single aggregated presentation in the proprietary fund financial statement. Individual fund data for the nonmajor enterprise funds is provided in the form of *combining statements* elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 32 – 37 of this report.

**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.



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

The basic fiduciary fund's financial statement can be found on page 38 of this report.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provide on pages 39-74 of this report.

**Other Information** – The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 75 – 101 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$74,486,495 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (66.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of relate debt, ti 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.

**City of Dublin, Georgia - Net Position**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 11,393,337	\$ 11,385,439	\$ 21,724,643	\$ 19,893,753	\$ 33,117,980	\$ 31,279,192
Capital assets	21,727,434	21,230,359	35,488,030	35,034,596	57,215,464	56,264,955
Total assets	<u>33,120,771</u>	<u>32,615,798</u>	<u>57,212,673</u>	<u>54,928,349</u>	<u>90,333,444</u>	<u>87,544,147</u>
Deferred outflows of resources	<u>674,224</u>	<u>710,877</u>	<u>379,253</u>	<u>399,869</u>	<u>1,053,477</u>	<u>1,110,746</u>
Noncurrent liabilities	4,003,324	5,128,677	9,371,886	10,226,995	13,375,210	15,355,672
Other liabilities	450,839	1,312,239	1,779,377	1,443,847	2,230,216	2,756,086
Total liabilities	<u>4,454,163</u>	<u>6,440,916</u>	<u>11,151,263</u>	<u>11,670,842</u>	<u>15,605,426</u>	<u>18,111,758</u>
Deferred inflows of resources	<u>828,800</u>	<u>1,036,000</u>	<u>466,200</u>	<u>582,750</u>	<u>1,295,000</u>	<u>1,618,750</u>
Net position:						
Net investment in capital assets	21,727,434	21,119,506	27,686,667	27,158,233	49,414,101	48,277,739
Restricted	4,147,027	3,549,624	2,039,246	2,027,312	6,186,273	5,576,936
Unrestricted	<u>2,637,571</u>	<u>1,180,629</u>	<u>16,248,550</u>	<u>13,889,081</u>	<u>18,886,121</u>	<u>15,069,710</u>
Total net position, as restated	<u>\$ 28,512,032</u>	<u>\$ 25,849,759</u>	<u>\$ 45,974,463</u>	<u>\$ 43,074,626</u>	<u>\$ 74,486,495</u>	<u>\$ 68,924,385</u>

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

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A portion of the City's net position (8.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$18,886,121) may be used to meet the city's ongoing obligations to citizens and creditors.

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 City as a whole, as well as for its separate governmental and business-type activities, with the exception of the Riverview Golf Course Fund. The deficit net position (\$479,518) is the result of prior year operating deficits and will be reduced through charges for services and transfers from the general fund.

**Changes in Net Position** - The City's net position increased by \$5,562,110 or 8.1%. Governmental activities increased \$2,662,273 and business activities increased \$2,899,837. Historically, and in fiscal year 2015, 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 2015 were \$924,749 which included \$1,000,000 from the Natural Gas Fund to the general fund and \$75,251 from governmental activities to the business-type activities. During 2015, The City's governmental activities transferred \$75,251 in capital assets purchased with SPLOST proceeds to the Water and Sewerage System Fund. Approximately 27.5 percent of the City's total revenue came from taxes, while 2.4 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and intragovernmental items provided 70.1 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 2015, governmental activity program expenses exceeded revenues, resulting in the use of \$9,789,859 in general revenues which were comprised of \$11,554,106 (taxes), \$924,749 (transfers in), \$21,423 (unrestricted investment earnings) and \$11,503 (gain on sale of capital assets). Total program and general revenues from business-type activities exceeded net expenses, excluding transfers out, in 2015 by \$3,824,586.

Governmental activities increased the City's net position by \$2,662,273 compared to a decrease of \$268,393 in the prior year. The key elements in this difference were the implementation of GASB 68 which resulted in an increase in current year net position of approximately \$1.9 million and an increase in transfers of approximately \$600,000. Business-type activities increased the City's net position by \$2,899,837. The key element was the reduction in gas costs as compared to the prior year. 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	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 4,330,126	\$ 3,281,398	\$ 25,046,486	\$ 31,829,261	\$ 29,376,612	\$ 35,110,659
Operating grants and contributions	230,494	212,227	--	--	230,494	212,227
Capital grants and contributions	13,902	11,328	841,366	1,243,739	855,268	1,255,067
General revenues:						
Property taxes	3,094,852	3,106,231	--	--	3,094,852	3,106,231
Sales taxes	5,031,038	5,019,544	--	--	5,031,038	5,019,544
Franchise taxes	1,483,928	1,330,271	--	--	1,483,928	1,330,271
Other taxes	1,944,288	1,811,816	--	--	1,944,288	1,811,816
Investment earnings	21,423	17,835	76,295	49,288	97,718	67,123
Miscellaneous	11,503	--	--	--	11,503	--
Total revenues	16,161,554	14,790,650	25,964,147	33,122,288	42,125,701	47,912,938
<b>Expenses:</b>						
General government	4,348,528	4,843,246	--	--	4,348,528	4,843,246
Public safety	6,813,911	7,088,105	--	--	6,813,911	7,088,105
Community services	1,048,236	1,034,752	--	--	1,048,236	1,034,752
Public works and buildings	1,624,652	1,828,819	--	--	1,624,652	1,828,819
Culture and recreation	662,558	576,877	--	--	662,558	576,877
Interest on long-term debt	1,396	6,778	--	--	1,396	6,778
Water and sewer	--	--	5,573,272	5,807,794	5,573,272	5,807,794
Gas	--	--	13,239,086	22,058,010	13,239,086	22,058,010
Sanitation	--	--	2,385,778	2,543,124	2,385,778	2,543,124
Riverview Golf Course	--	--	321,882	421,421	321,882	421,421
Telecommunications	--	--	544,292	613,011	544,292	613,011
Total expenses	14,499,281	15,378,577	22,064,310	31,443,360	36,563,591	46,821,937
Increase in net assets						
before transfers	1,662,273	(587,927)	3,899,837	1,678,928	5,562,110	1,091,001
Transfers	1,000,000	319,634	(1,000,000)	(319,634)	--	--
Change in position	2,662,273	(268,293)	2,899,837	1,359,294	5,562,110	1,091,001
Prior period adjustment	--	(4,909,808)	--	(2,761,767)	--	(7,671,575)
Net position, beginning	25,849,759	31,027,860	43,074,626	44,477,099	68,924,385	75,504,959
Net position, ending	\$ 28,512,032	\$ 25,849,759	\$ 45,974,463	\$ 43,074,626	\$ 74,486,495	\$ 68,924,385

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

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**Financial Analysis of the City's 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. This 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 \$10,795,035 an increase of \$917,880 in comparison with the prior year. \$5,936,474 or 55.0% of this total amount constitutes unassigned fund balance, which is available for spending in the coming year. A portion of the fund balance is termed nonspendable to indicate that it is not available for new spending because it is reserved for inventory and prepaid items. A portion of the fund balance is termed restricted for it is to be used for debt service and capital projects. The remainder of fund balances are reserved to indicate that they are not available for new spending because they have already been committed or assigned for a variety of purposes.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,936,474 while the total fund balance reached \$6,648,008. 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 42.5% of total general fund expenditures, while total fund balance represents 47.6% of that same amount.

The fund balance of the City's General Fund increased by \$320,477 during the current fiscal year. This is a 5.1% increase from the prior year. This increase is primarily attributable to an increase in other taxes and a reduction in current expenditures. At June 30, 2015, the fund balance of the City's General Fund represented 61.6% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2012 fund increased by \$895,275 during the current fiscal year. This is an 135.2% increase from the prior year. This increase is attributable a reduction in capital outlay expenditures related to capital projects approved in the 2012 SPLOST referendum. At June 30, 2015, the fund balance of the City's SPLOST Capital Projects - 2012 fund represented 14.4% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2006 fund decreased by \$298,138, during the current fiscal year. This is a 10.3% decrease from the prior year. This decrease is primarily due to the City has completed collecting tax revenues and continuing to complete the projects under the 2006 SPLOST referendum. At June 30, 2015, the fund balance of the City's SPLOST Capital Projects - 2006 fund represented 24.0% of the total governmental fund balance.

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

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**Proprietary Funds**

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

The City's net position increased by \$2,899,837 primarily due to the implementation of GASB 68 which resulted in a positive effect on the current year net position. The City also saw reduced costs of natural gas and increased water sales resulting in positive operating income results for the current year.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Total budgeted expenditures increased by 8.7 % from the prior year. Actual expenditures increased approximately 6.3% from prior year. The actual excess of expenditures over revenues was funded through transfers in from the Natural Gas System Fund.

Large variances in the General Fund's revenues and expenditures verses budget amounts are as follows. For revenues, hotel-motel taxes were 20.0% over budget due to hotel-motel revenues which were higher than anticipated. Inspection permits were 106% over budget due to more construction projects than were anticipated during the year. Intergovernmental revenues from the Federal Housing Authority which were 77.5% over budget due to receipts being higher than anticipated. For expenditures, Community Development expenditures were 25.3% under budget due to capital expenditures for sidewalk improvements and other downtown improvements which were higher than first anticipated but were determined to continue the improvements to the downtown area.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$137,255,752, net of accumulated depreciation of \$80,040,288 leaving a net book value of \$57,215,464. This investment in capital assets includes land, construction in progress, buildings and plant, improvements other than buildings, machinery and equipment, and infrastructure.

The City's investment in capital assets for the current fiscal year increased about 1.7% in terms of net book value. However, actual expenditures to purchase or construct capital assets were \$4,019,957 for the year. The total increase in capital assets was mostly due to various construction projects in the SPOST and Natural Gas System funds. Depreciation charges for the year totaled \$3,069,448. Additional information on the City's capital assets can be found in Note III. H. of the notes to the financial statements of this report.

**Debt Administration**

At the end of the current fiscal year, the City had total bonded debt outstanding of \$4,865,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by \$440,000 as a result of current year principal payments. The City also had \$2,936,363 of debt from notes payable, excluding interfund notes payable. This is a \$365,000 increase over the prior year as a result of advances on the GEFA construction period loan in the Water and Sewerage System Fund partially offset by current year principal payments. Additional information relating to the City's long-term debt can be found in Note III.K. of the notes to financial statements of this report.

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

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- The unemployment rate for the City is currently 7.0%, which is a decrease from a rate of 10.1% a year ago.
- Inflationary trends in the region compare favorably to national indices.

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 6.41 mills and has remained low even though the demands for services continue to grow.

**REQUESTS FOR INFORMATION**

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

**CITY OF DUBLIN, GEORGIA**  
**STATEMENT OF NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 18,115,590	\$ 6,731,849	\$ 24,847,439	\$ 982,750	\$ 176,719
Investments	--	3,179,413	3,179,413	--	--
Taxes receivable, net	146,860	--	146,860	--	--
Accounts receivable, net	--	986,269	986,269	27,580	--
Other receivables, net	5,679	83,968	89,647	--	--
Accrued interest receivable	1,279	35,162	36,441	--	--
Due from other governments	224,771	--	224,771	18,582	--
Internal balances	(7,505,514)	7,505,514	--	--	--
Inventories, at cost	191,981	12,280	204,261	--	--
Prepaid items	212,691	41,326	254,017	25,858	--
Restricted assets:					
Cash and cash equivalents	--	399,133	399,133	--	--
Investments	--	2,749,729	2,749,729	--	--
Capital assets not being depreciated:					
Land	1,890,624	565,757	2,456,381	--	126,150
Construction in progress	1,422,382	3,501,391	4,923,773	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	3,613,093	30,195,904	33,808,997	4,769,815	390,219
Improvements other than buildings	1,119,828	139,169	1,258,997	--	250,451
Machinery and equipment	1,157,077	1,085,809	2,242,886	82,561	7,149
Infrastructure	12,524,430	--	12,524,430	--	--
 Total assets	 33,120,771	 57,212,673	 90,333,444	 5,907,146	 950,688
 <b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred outflows related to pensions	674,224	379,253	1,053,477	--	--

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
<b>LIABILITIES:</b>					
Accounts payable and accrued costs	385,333	355,242	740,575	57,390	--
Accrued interest payable	--	134,548	134,548	--	--
Deposits and bonds	30,000	--	30,000	--	--
Payables from restricted assets:					
Customer deposits	--	654,616	654,616	--	--
Revenue bonds payable - current	--	455,000	455,000	--	--
Noncurrent liabilities:					
Due within one year:					
Compensated absences	35,506	19,794	55,300	--	--
Note payable - other	--	160,177	160,177	104,200	--
Due in more than one year:					
Compensated absences	406,108	195,817	601,925	35,771	--
Net pension liability	3,537,567	1,989,883	5,527,450	--	--
Net OPEB obligation	59,649	--	59,649	--	--
Note payable - other	--	2,776,186	2,776,186	348,437	--
Revenue bonds payable	--	4,410,000	4,410,000	--	--
Total liabilities	<u>4,454,163</u>	<u>11,151,263</u>	<u>15,605,426</u>	<u>545,798</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	<u>828,800</u>	<u>466,200</u>	<u>1,295,000</u>	<u>--</u>	<u>--</u>
<b>NET POSITION</b>					
Net investment in capital assets	21,727,434	27,686,667	49,414,101	4,399,739	773,969
Restricted assets:					
Restricted for debt service	--	2,039,246	2,039,246	--	--
Restricted for capital projects	4,147,027	--	4,147,027	82,525	--
Unrestricted	<u>2,637,571</u>	<u>16,248,550</u>	<u>18,886,121</u>	<u>879,084</u>	<u>176,720</u>
Total net position	<u>\$ 28,512,032</u>	<u>\$ 45,974,463</u>	<u>\$ 74,486,495</u>	<u>\$ 5,361,348</u>	<u>\$ 950,689</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, 2015**

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 4,348,528	\$ 3,332,256	\$ --	\$ --
Public safety	6,813,911	991,870	230,494	--
Community services	1,048,236	6,000	--	--
Public works and buildings	1,624,652	--	--	13,902
Culture and recreation	662,558	--	--	--
Interest on long-term debt	1,396	--	--	--
Total governmental activities	14,499,281	4,330,126	230,494	13,902
Business-type activities:				
Water and sewer	5,573,272	5,830,450	--	841,366
Gas	13,239,086	15,630,828	--	--
Sanitation	2,385,778	2,693,529	--	--
Riverview Golf Course	321,882	372,929	--	--
Telecommunications	544,292	518,750	--	--
Total business-type activities	22,064,310	25,046,486	--	841,366
Total primary government	\$ 36,563,591	\$ 29,376,612	\$ 230,494	\$ 855,268
Component units:				
Dublin-Laurens County Recreation Authority	\$ 1,735,211	\$ 152,096	\$ 1,200,000	\$ 123,976
Main Street Dublin Downtown Development Authority	305,082	--	--	--
Total component units	\$ 2,040,293	\$ 152,096	\$ 1,200,000	\$ 123,976
General revenues:				
Property taxes				
Sales taxes				
Hotel/motel tax				
Alcoholic beverage taxes				
Franchise taxes				
Insurance premium tax				
Miscellaneous				
Unrestricted investment earnings				
Intra-governmental				
Transfers				
Total general revenues, intra-governmental, and transfers				
Change in net position				
Net position - beginning - as restated				
Net position - ending				

Net (Expense) Revenue and  
Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
\$ (1,016,272)	\$ --	\$ (1,016,272)		
(5,591,547)	--	(5,591,547)		
(1,042,236)	--	(1,042,236)		
(1,610,750)	--	(1,610,750)		
(662,558)	--	(662,558)		
(1,396)	--	(1,396)		
<u>(9,924,759)</u>	<u>--</u>	<u>(9,924,759)</u>		
--	1,098,544	1,098,544		
--	2,391,742	2,391,742		
--	307,751	307,751		
--	51,047	51,047		
--	(25,542)	(25,542)		
--	3,823,542	3,823,542		
<u>(9,924,759)</u>	<u>3,823,542</u>	<u>(6,101,217)</u>		
			\$ (259,139)	\$ --
			<u>--</u>	<u>(305,082)</u>
			<u>(259,139)</u>	<u>(305,082)</u>
3,094,852	--	3,094,852	--	--
5,031,038	--	5,031,038	--	--
662,203	--	662,203	172,252	--
406,481	--	406,481	--	--
1,483,928	--	1,483,928	--	--
875,604	--	875,604	--	--
11,503	--	11,503	3,521	54,816
21,423	76,295	97,718	20,642	12,673
--	--	--	--	339,754
1,000,000	(1,000,000)	--	--	--
<u>12,587,032</u>	<u>(923,705)</u>	<u>11,663,327</u>	<u>196,415</u>	<u>407,243</u>
2,662,273	2,899,837	5,562,110	(62,724)	102,161
25,849,759	43,074,626	68,924,385	5,424,072	848,528
<u>\$ 28,512,032</u>	<u>\$ 45,974,463</u>	<u>\$ 74,486,495</u>	<u>\$ 5,361,348</u>	<u>\$ 950,689</u>

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

**CITY OF DUBLIN, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 13,885,846	\$ 1,563,557	\$ 2,666,187	\$ 18,115,590
Taxes receivable, net	146,860	--	--	146,860
Other receivables, net	5,679	--	--	5,679
Accrued interest receivable	1,279	--	--	1,279
Due from other governments - State of Georgia - local option sales tax	224,771	--	--	224,771
Due from other funds	28,581	--	--	28,581
Inventories, at cost	191,981	--	--	191,981
Prepaid items	212,691	--	--	212,691
Total assets	<u>\$ 14,697,688</u>	<u>\$ 1,563,557</u>	<u>\$ 2,666,187</u>	<u>\$ 18,927,432</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued costs	\$ 331,197	\$ 6,000	\$ 48,136	\$ 385,333
Due to other funds	7,505,514	--	28,581	7,534,095
Customer deposits	30,000	--	--	30,000
Total liabilities	<u>7,866,711</u>	<u>6,000</u>	<u>76,717</u>	<u>7,949,428</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	<u>182,969</u>	<u>--</u>	<u>--</u>	<u>182,969</u>
<b>FUND BALANCES</b>				
Nonspendable	404,672	--	--	404,672
Restricted	--	1,557,557	2,589,470	4,147,027
Committed	306,862	--	--	306,862
Assigned	--	--	--	--
Unassigned	5,936,474	--	--	5,936,474
Total fund balances	<u>6,648,008</u>	<u>1,557,557</u>	<u>2,589,470</u>	<u>10,795,035</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,697,688</u>	<u>\$ 1,563,557</u>	<u>\$ 2,666,187</u>	<u>\$ 18,927,432</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, 2015**

Total governmental fund balance (page 26)		\$ 10,795,035
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the funds.</p>		
Cost of capital assets	61,285,252	
Less accumulated depreciation	<u>(39,557,818)</u>	21,727,434
<p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.</p>		
		182,969
<p>Deferred outflows of resources are not due and payable in the current period and are not reported in the funds. These deferred outflows consist of pension related experience differences, assumption changes and contributions.</p>		
		674,224
<p>Deferred inflows of resources are not available to pay for current expenditures and therefore are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan benefits.</p>		
		(828,800)
<p>Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets are reported on the government-wide statement of net position.</p>		
Compensated absences	(441,614)	
Net OPEB obligation	(59,649)	
Net pension liability	<u>(3,537,567)</u>	<u>(4,038,830)</u>
Net position of governmental activities (page 24)		<u>\$ 28,512,032</u>

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

**CITY OF DUBLIN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
<b>REVENUES:</b>				
General property taxes	\$ 3,107,928	\$ --	\$ --	\$ 3,107,928
Other taxes	5,858,551	--	662,203	6,520,754
Licenses and permits	609,245	--	--	609,245
Fines and forfeitures	892,077	--	--	892,077
Intergovernmental	542,798	2,186,826	--	2,729,624
Interest on investments	21,423	3,194	10,708	35,325
Miscellaneous income	2,257,839	--	266	2,258,105
Total revenues	<u>13,289,861</u>	<u>2,190,020</u>	<u>673,177</u>	<u>16,153,058</u>
<b>EXPENDITURES:</b>				
Current:				
General government	4,407,982	--	--	4,407,982
Public safety	7,222,326	--	--	7,222,326
Community services	1,053,932	--	--	1,053,932
Public works and buildings	1,285,144	--	--	1,285,144
Culture and recreation	--	--	662,203	662,203
Capital outlay	--	1,182,496	308,846	1,491,342
Debt service:				
Principal	--	110,853	--	110,853
Interest	--	1,396	--	1,396
Total expenditures	<u>13,969,384</u>	<u>1,294,745</u>	<u>971,049</u>	<u>16,235,178</u>
Excess of revenues over (under) expenditures	<u>(679,523)</u>	<u>895,275</u>	<u>(297,872)</u>	<u>(82,120)</u>
<b>OTHER FINANCING SOURCES (USES)-</b>				
Transfers in	<u>1,000,000</u>	<u>--</u>	<u>--</u>	<u>1,000,000</u>
Total other financing sources	<u>1,000,000</u>	<u>--</u>	<u>--</u>	<u>1,000,000</u>
Net change in fund balances	320,477	895,275	(297,872)	917,880
Fund balances-beginning	<u>6,327,531</u>	<u>662,282</u>	<u>2,887,342</u>	<u>9,877,155</u>
Fund balances-ending	<u>\$ 6,648,008</u>	<u>\$ 1,557,557</u>	<u>\$ 2,589,470</u>	<u>\$ 10,795,035</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, 2015**

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Amounts reported for governmental activities in the statement of activities (page 25) are different because:

Net change in fund balances - total governmental funds (page 28) \$ 917,880

Governmental funds report capital outlays as expenditures on the government fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (1,103,633)	
Capital outlay	<u>1,600,708</u>	497,075

Revenues reported in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the fund financial reporting level. (13,076)

Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in the governmental funds. These expenses are:

Change in compensated absences	(8,475)	
Change in net pension liability	1,217,665	
Change in net OPEB obligation	<u>(59,649)</u>	1,149,541

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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items. 110,853

Change in net position of governmental activities (page 25) \$ 2,662,273

**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, 2015**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
<b>REVENUES:</b>			
General property taxes -			
Current year's levy	\$ 3,031,300	\$ 3,107,928	\$ 76,628
Other taxes:			
Local option sales	2,840,000	2,844,212	4,212
Hotel-motel	207,000	248,326	41,326
Alcoholic beverage	410,000	406,481	(3,519)
Franchise	1,466,000	1,483,928	17,928
Insurance premium	830,000	875,604	45,604
Total	<u>5,753,000</u>	<u>5,858,551</u>	<u>105,551</u>
Licenses and permits:			
General business licenses	496,000	506,265	10,265
Inspection permits	50,000	102,980	52,980
Total	<u>546,000</u>	<u>609,245</u>	<u>63,245</u>
Fines and forfeitures -			
Police recorders court	833,000	892,077	59,077
Intergovernmental:			
Reimbursement from other governments	273,036	264,635	(8,401)
Federal Housing Authority - payment in lieu of taxes	39,000	69,241	30,241
Other	188,770	208,922	20,152
Total	<u>500,806</u>	<u>542,798</u>	<u>41,992</u>
Interest on investments	28,000	21,423	(6,577)
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	671,787	671,788	1
Miscellaneous	680,505	1,586,051	905,546
	<u>1,352,292</u>	<u>2,257,839</u>	<u>905,547</u>
<b>Total general fund revenues</b>	<b>\$ 12,044,398</b>	<b>\$ 13,289,861</b>	<b>\$ 1,245,463</b>

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

**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, 2015**

	Original and Final Budgeted Amounts	Actual Non-GAAP Budget Basis	Variance with Final Budget
<b>EXPENDITURES:</b>			
General government:			
Legislative	\$ 256,567	\$ 222,672	\$ 33,895
City manager	261,163	252,596	8,567
Main Street program	52,500	53,342	(842)
City clerk	200,954	201,768	(814)
Human resources	162,814	170,024	(7,210)
Tax department	139,142	144,844	(5,702)
Finance department	197,482	197,752	(270)
Community development	93,776	70,024	23,752
City attorney	155,862	165,456	(9,594)
City judge	260,240	206,310	53,930
Engineering	428,303	386,343	41,960
Purchasing	207,690	205,759	1,931
Inspections	418,428	412,261	6,167
Non-departmental	1,459,970	1,784,834	(324,864)
Risk management and assistant city manager	85,507	83,288	2,219
Total general government	<u>4,380,398</u>	<u>4,557,273</u>	<u>(176,875)</u>
Public safety:			
Police department - administrative	650,142	661,950	(11,808)
Police department - patrol	3,839,485	3,511,160	328,325
Police department - C.I.D.	679,305	685,013	(5,708)
Police department - crossing guards	4,538	4,335	203
Fire department - administrative	156,844	156,309	535
Fire department - combat	2,381,971	2,219,165	162,806
Total public safety	<u>7,712,285</u>	<u>7,237,932</u>	<u>474,353</u>
Community services:			
Cemetery	108,923	113,577	(4,654)
Appropriations	921,613	940,587	(18,974)
Total community services	<u>1,030,536</u>	<u>1,054,164</u>	<u>(23,628)</u>
Public works and buildings:			
Public works	1,125,160	964,469	160,691
Mechanical maintenance	387,678	334,735	52,943
Total public works and buildings	<u>1,512,838</u>	<u>1,299,204</u>	<u>213,634</u>
Total expenditures	<u>14,636,057</u>	<u>14,148,573</u>	<u>487,484</u>
Excess of revenues over (under) expenditures	<u>(2,591,659)</u>	<u>(858,712)</u>	<u>1,732,947</u>
<b>OTHER FINANCING SOURCES (USES)-</b>			
Transfers in	1,000,000	1,000,000	--
Total other financing sources (uses)	<u>1,000,000</u>	<u>1,000,000</u>	<u>--</u>
Net change in fund balances	<u>\$ (1,591,659)</u>	141,288	<u>\$ 1,732,947</u>
Fund balance - beginning		6,199,858	
Fund balance - ending		<u>\$ 6,341,146</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, 2015**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,555,120	\$ 2,712,989
Investments	--	3,179,413
Notes receivable from Water and Sewerage		
System Fund - current	--	104,117
Accounts receivable, net	215,419	634,854
Other receivables, net	83,968	--
Accrued interest receivable	--	35,162
Due from other funds	343,664	6,000,000
Inventories, at cost	--	--
Prepaid items	12,715	21,492
Restricted assets:		
Cash and cash equivalents	399,133	--
Investments	2,494,246	255,483
Total current assets	5,104,265	12,943,510
<b>NONCURRENT ASSETS:</b>		
<b>CAPITAL ASSETS:</b>		
Land	151,381	324,914
Construction in progress	3,114,780	386,611
Buildings and plant	41,655,639	17,204,471
Improvements other than buildings	--	--
Machinery and equipment	2,503,283	923,077
Less - accumulated depreciation	(22,568,145)	(10,560,959)
Capital assets - net	24,856,938	8,278,114
<b>OTHER ASSETS:</b>		
Note receivable - Water and Sewerage		
System Fund - long-term portion	--	221,786
Total other assets	--	221,786
Total non-current assets	24,856,938	8,499,900
Total assets	29,961,203	21,443,410
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Deferred outflows related to pensions	147,487	73,744

Business-type Activities -  
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 1,567,863	\$ 895,877	\$ 6,731,849
--	--	3,179,413
--	--	104,117
127,926	8,070	986,269
--	--	83,968
--	--	35,162
1,505,514	--	7,849,178
--	12,280	12,280
5,377	1,742	41,326
--	--	399,133
--	--	2,749,729
<u>3,206,680</u>	<u>917,969</u>	<u>22,172,424</u>
89,462	--	565,757
--	--	3,501,391
--	3,839,750	62,699,860
--	354,947	354,947
4,011,804	1,410,381	8,848,545
(3,423,189)	(3,930,177)	(40,482,470)
<u>678,077</u>	<u>1,674,901</u>	<u>35,488,030</u>
--	--	221,786
--	--	221,786
<u>678,077</u>	<u>1,674,901</u>	<u>35,709,816</u>
<u>3,884,757</u>	<u>2,592,870</u>	<u>57,882,240</u>
<u>105,348</u>	<u>52,674</u>	<u>379,253</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, 2015**

	Business-type Activities -	
	Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<u>LIABILITIES</u>		
CURRENT LIABILITIES:		
Accounts payable	78,499	33,317
Accrued expenses	47,627	32,152
Note payable to Natural Gas System		
Fund - current portion	104,117	--
Note payable GEFA - current portion	160,177	--
Due to other funds	--	--
Accrued interest payable	134,548	--
Compensated absences payable	10,111	3,658
Payable from restricted assets:		
Customer deposits	399,133	255,483
Revenue bonds payable- current portion	455,000	--
Total current liabilities	1,389,212	324,610
LONG TERM LIABILITIES:		
Compensated absences payable	91,000	32,924
Net pension liability	773,843	386,922
Note payable - Natural Gas System Fund - long-term portion	221,786	--
Note payable - GEFA - long-term portion	2,776,186	--
Revenue bonds payable - long-term portion	4,410,000	--
Total long-term liabilities	8,272,815	419,846
Total liabilities	9,662,027	744,456
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred inflows related to pensions	181,300	90,650
<u>NET POSITION</u>		
Net investment in capital assets	17,055,575	8,278,114
Restricted -		
Restricted for debt service	2,039,246	--
Unrestricted	1,170,542	12,403,934
Total net position	\$ 20,265,363	\$ 20,682,048

Business-type Activities -  
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
128,959	1,593	242,368
29,035	4,060	112,874
--	--	104,117
--	--	160,177
--	343,664	343,664
--	--	134,548
5,330	695	19,794
--	--	654,616
--	--	455,000
<u>163,324</u>	<u>350,012</u>	<u>2,227,158</u>
60,441	11,452	195,817
552,745	276,373	1,989,883
--	--	221,786
--	--	2,776,186
--	--	4,410,000
<u>613,186</u>	<u>287,825</u>	<u>9,593,672</u>
<u>776,510</u>	<u>637,837</u>	<u>11,820,830</u>
<u>129,500</u>	<u>64,750</u>	<u>466,200</u>
678,077	1,674,901	27,686,667
--	--	2,039,246
2,406,018	268,056	16,248,550
<u>\$ 3,084,095</u>	<u>\$ 1,942,957</u>	<u>\$ 45,974,463</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, 2015**

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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 32)	\$ 57,882,240
Elimination of interfund receivables relating to cash overdrafts reflected as due from other funds	(343,664)
Elimination of interfund note receivable - water and sewerage system fund	<u>(325,903)</u>
Total assets for statement of net position - business-type activities (page 24)	<u><u>\$ 57,212,673</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 32)	\$ 11,820,830
Elimination of interfund payables relating to cash overdrafts reflected as due to other funds	(343,664)
Elimination of interfund note payable - natural gas system fund	<u>(325,903)</u>
Total liabilities for statement of net position - business-type activities (page 24)	<u><u>\$ 11,151,263</u></u>

**CITY OF DUBLIN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
OPERATING REVENUES:		
Sales/charges for services	\$ 5,445,818	\$ 14,366,599
Administrative expense reimbursement	146,120	127,930
Connection and installation	19,639	25,235
Penalties and cut-on fees	164,095	63,563
Other revenue	--	--
Total operating revenues	<u>5,775,672</u>	<u>14,583,327</u>
OPERATING EXPENSES:		
Purchases	--	10,401,720
Personnel services	1,465,213	672,114
Employee benefits	22,349	(2,263)
Repairs and maintenance	262,670	64,729
Depreciation	1,004,657	523,540
Other operating	1,628,118	912,887
General and administrative	1,057,805	666,359
Total operating expenses	<u>5,440,812</u>	<u>13,239,086</u>
Operating income	<u>334,860</u>	<u>1,344,241</u>
NON-OPERATING REVENUES (EXPENSES):		
Interest expense	(132,460)	--
Interest income	28,098	47,943
Intergovernmental	766,115	--
Miscellaneous	54,778	1,047,501
Total non-operating revenues, net	<u>716,531</u>	<u>1,095,444</u>
Net income before contributions and transfers	1,051,391	2,439,685
Capital contributions	75,251	--
Transfers out	--	(1,000,000)
Total contributions and transfers	<u>75,251</u>	<u>(1,000,000)</u>
Change in net position	1,126,642	1,439,685
Net position - beginning - as restated	<u>19,138,721</u>	<u>19,242,363</u>
Net position - ending	<u>\$ 20,265,363</u>	<u>\$ 20,682,048</u>

Business-type Activities -  
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,615,648	\$ 694,185	\$ 23,122,250
--	--	274,050
--	--	44,874
45,548	1,156	274,362
--	196,338	196,338
<u>2,661,196</u>	<u>891,679</u>	<u>23,911,874</u>
--	--	10,401,720
867,604	210,682	3,215,613
(12,909)	(61,005)	(53,828)
108,411	35,628	471,438
192,958	244,660	1,965,815
1,086,741	436,209	4,063,955
142,973	--	1,867,137
<u>2,385,778</u>	<u>866,174</u>	<u>21,931,850</u>
<u>275,418</u>	<u>25,505</u>	<u>1,980,024</u>
--	--	(132,460)
254	--	76,295
--	--	766,115
32,333	--	1,134,612
<u>32,587</u>	<u>--</u>	<u>1,844,562</u>
308,005	25,505	3,824,586
--	--	75,251
--	--	(1,000,000)
--	--	(924,749)
308,005	25,505	2,899,837
<u>2,776,090</u>	<u>1,917,452</u>	<u>43,074,626</u>
<u>\$ 3,084,095</u>	<u>\$ 1,942,957</u>	<u>\$ 45,974,463</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, 2015**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 5,553,154	\$ 14,758,448
Cash received for administrative expense reimbursements	--	127,930
Cash paid to suppliers for goods and services	(1,982,191)	(11,238,455)
Cash received from other funds for meter readers	146,120	--
Cash paid to other funds for meter readers	--	(146,120)
Cash paid to employees for services	(1,453,662)	(662,982)
Cash paid for employee taxes and benefits	(663,416)	(318,671)
Cash paid for administrative expense reimbursements	(626,770)	(446,280)
Cash received from (paid to) other funds	(52,798)	--
Other non-operating revenue	54,778	1,047,501
Net cash provided by operating activities	<u>975,215</u>	<u>3,121,371</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers out	--	(1,000,000)
Net cash used by noncapital financing activities	<u>--</u>	<u>(1,000,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(1,619,476)	(431,367)
Interest income on note receivable from water and sewerage system fund	--	15,158
Intergovernmental grant	841,366	--
Principal received on GEFA loans	553,278	--
Principal paid on GEFA loans	(188,278)	--
Interest and fees paid on revenue bonds, notes and capital lease payables	(8,799)	--
Principal paid on revenue bond maturities	(440,000)	--
Net cash used for capital and related financing activities	<u>(861,909)</u>	<u>(416,209)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income on investments	28,098	--
Redemption of certificates of deposit	2,467,312	3,419,737
Purchase of certificates of deposit	(2,494,246)	(3,434,896)
Net cash provided (used) by investing activities	<u>1,164</u>	<u>(15,159)</u>
Net increase (decrease) in cash and cash equivalents	114,470	1,690,003
Cash and cash equivalents beginning of year	1,839,783	1,022,986
Cash and cash equivalents end of year	<u>\$ 1,954,253</u>	<u>\$ 2,712,989</u>



Business-type Activities -  
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,665,973	\$ 1,177,122	\$ 24,154,697
--	--	127,930
(878,251)	(523,297)	(14,622,194)
--	--	146,120
--	--	(146,120)
(854,137)	(207,183)	(3,177,964)
(445,630)	(65,154)	(1,492,871)
(142,973)	--	(1,216,023)
(98,887)	52,798	(98,887)
32,333	--	1,134,612
<u>278,428</u>	<u>434,286</u>	<u>4,809,300</u>
--	--	(1,000,000)
--	--	<u>(1,000,000)</u>
(281,999)	(86,407)	(2,419,249)
--	--	15,158
--	--	841,366
--	--	553,278
--	--	(188,278)
--	--	(8,799)
--	--	(440,000)
<u>(281,999)</u>	<u>(86,407)</u>	<u>(1,646,524)</u>
274	--	28,372
--	--	5,887,049
--	--	(5,929,142)
<u>274</u>	<u>--</u>	<u>(13,721)</u>
(3,297)	347,879	2,149,055
1,571,160	547,998	4,981,927
<u>\$ 1,567,863</u>	<u>\$ 895,877</u>	<u>\$ 7,130,982</u>

(continued on the following page)

**CITY OF DUBLIN, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<b>RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:</b>		
Cash, beginning		
Current	\$ 1,441,376	\$ 1,022,986
Restricted	398,407	--
Total	<u>1,839,783</u>	<u>1,022,986</u>
Net increase (decrease)		
Current	113,744	1,690,003
Restricted	726	--
Total	<u>114,470</u>	<u>1,690,003</u>
Cash, ending		
Current	1,555,120	2,712,989
Restricted	399,133	--
Total	<u>\$ 1,954,253</u>	<u>\$ 2,712,989</u>
<b>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Net operating income	<u>\$ 334,860</u>	<u>\$ 1,344,241</u>
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:		
Depreciation	1,004,657	523,540
Other non-operating revenue	54,778	1,047,501
Decrease (increase) in assets:		
Accounts receivable - trade	(77,124)	272,061
Due from other funds	(52,798)	--
Prepaid expenses	--	(1,346)
Decrease (increase) in deferred outflows of resources	8,018	4,008
(Decrease) increase in liabilities:		
Accounts payable	(34,182)	31,800
Accrued expenses	18,910	(3,366)
Due to other funds	--	--
Customer deposits	726	30,990
Compensated absences payable	(8,248)	9,132
Net pension liability	(229,057)	(114,528)
Increase (decrease) in deferred inflows of resources	(45,325)	(22,662)
Total adjustments	<u>640,355</u>	<u>1,777,130</u>
Net cash provided by operating activities	<u>\$ 975,215</u>	<u>\$ 3,121,371</u>

Business-type Activities -  
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 1,571,160	\$ 547,998	\$ 4,583,520
--	--	398,407
<u>1,571,160</u>	<u>547,998</u>	<u>4,981,927</u>
(3,297)	347,879	2,148,329
--	--	726
<u>(3,297)</u>	<u>347,879</u>	<u>2,149,055</u>
1,567,863	895,877	6,731,849
--	--	399,133
<u>\$ 1,567,863</u>	<u>\$ 895,877</u>	<u>\$ 7,130,982</u>
\$ 275,418	\$ 25,505	\$ 1,980,024
192,958	244,660	1,965,815
32,333	--	1,134,612
4,777	285,443	485,157
(98,887)	--	(151,685)
8,099	--	6,753
5,727	2,863	20,616
40,523	(82,718)	(44,577)
13,985	230	29,759
--	52,798	52,798
--	--	31,716
(518)	3,499	3,865
(163,612)	(81,806)	(589,003)
<u>(32,375)</u>	<u>(16,188)</u>	<u>(116,550)</u>
<u>3,010</u>	<u>408,781</u>	<u>2,829,276</u>
<u>\$ 278,428</u>	<u>\$ 434,286</u>	<u>\$ 4,809,300</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, 2015**

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<u>ASSET</u>	<u>Agency Funds</u>
Cash and cash equivalents	\$ 26,522
Total assets	<u>\$ 26,522</u>
<u>LIABILITY</u>	
Due to Dublin Board of Education	\$ 26,522
Total liabilities	<u>\$ 26,522</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, 2015**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for governmental accounting and financial reporting.

The most significant of the City’s accounting policies are described below.

**A. Reporting Entity**

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

Brief descriptions of discretely presented component units follow:

**Dublin-Laurens County Recreation Authority** - This Authority provides parks and recreation services, parkways, athletic areas and recreation facilities to the Dublin-Laurens County area. The governing board consists of seven members, three appointed by the City, three appointed by Laurens County and one jointly. The Authority is fiscally dependent upon the City because the City provides the majority of the General Fund revenues as well as the governing board members. These members approve the Authority’s budget and their approval is required for the Authority to issue debt. It was agreed upon by the City and Laurens County that the City would include the Dublin-Laurens County Recreation Authority as a component unit since the City continues to share in more of the financial burden than Laurens County.

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

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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**Component Unit Financial Statements** - A complete financial statement of the Dublin-Laurens Recreation Authority can be obtained from its administrative office at 930 Academy Avenue, Dublin, Georgia 31021

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

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

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

**B. Joint Ventures**

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing 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, 2015, the City paid \$16,201 in such dues. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC of Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from the Altamaha Regional Commission at 5045 Oak Street, Eastman, Georgia 31023.

**C. Basic Financial Statements**

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

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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

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

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

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

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

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

**D. Basis of Presentation**

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

The City reports the following major governmental funds:

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

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

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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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 2015, 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 - 2006 Fund** accounts for 1% sales tax proceeds required to be used for capital outlay for infrastructure enhancement purposes as authorized by local referendum.

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

Additionally, the City reports the following nonmajor proprietary funds:

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

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

The City also reports the following fiduciary fund-

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**  
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**Internal Activity**

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

**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records on the financial statements. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

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

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

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

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

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

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**  
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**F. Assets, Liabilities, and Net Position**

- 1. *Cash and Investments***– The City’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Additionally, in accordance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds*, each fund's equity in the City's investment pool is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

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

Investments are reflected following the guidance for investment valuations provided by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in non-negotiable certificates of deposit are stated using a cost-based measure. The City invests in “Georgia Fund 1” which was created by O.C.G.A. 36-83-8. The fund is a stable net asset value investment pool that follows Standard and Poor’s criteria for AAAM rated money market funds. However, “Georgia Fund 1” operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. Accordingly, the City’s investment in the pool has been determined based on the pool’s share price. The pool is not registered with the SEC as an investment company. “Georgia Fund 1” is the combined state general fund and local government investment pool and is managed by the Office of the State Treasurer. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant’s shares sold and redeemed based on \$1.00 per share. Investments in “Georgia Fund 1” are directed toward short-term instruments such as U.S. Treasury obligations, securities issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities, banker’s acceptances and repurchase agreements. The weighted average maturity of “Georgia Fund 1” may not exceed 60 days.

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

- 2. *Short-term Interfund Receivables/Payables*** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The purpose of the interfund balances is to account for those transactions that have not been settled as of the financial statement date. These receivables and payables are classified as "due from other funds" or "due to other funds" on the respective fund’s balance sheet and as internal balances on the statement of net position. All interfund balances shown are expected to be settled within one year.
- 3. *Accounts Receivable and Taxes Receivable*** - Accounts receivable and taxes receivable, are shown net of an allowance for uncollectible accounts. The allowance for general government accounts receivable is derived from the age of the individual receivable with age categories ranging from 30 days past due to five years past due, and applicable uncollectible percentages ranging from 3% to 100% of the accounts receivable in that category.

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

**CITY OF DUBLIN, GEORGIA**  
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**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*** – Prepaid expenses are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of June 30.
- 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, 2015. 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, 2015, there was no interest capitalized by the City's business-type activities relating to the construction of capital assets.

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Depreciation on capital assets is calculated on the straight-line basis over the estimated useful lives of the respective assets as follows:

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

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

**11. *Long-term Obligations*** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other 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***

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**  
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- **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, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e. the amount that the City has spent) for the acquisition, construction, or improvement of those assets. Net position are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position are reported as unrestricted.

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

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has three items related to the City's pension plan that qualify for reporting in this category and are reported in the government-wide and proprietary fund Statements of Position. Experience gains or losses result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Changes in actuarial assumptions, which adjust the net pension liability, are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining services lives of plan members. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

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In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of times that qualify for reporting in this category, one of which arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds reported unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other item relates to the City's pension plan and is reported in the government-wide and proprietary fund Statements of Net Position. The differences between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five year period, resulting in recognition as a deferred inflow of resources.

14. **Pension Plan** – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) and additions to/deductions from the GMEBS fiduciary net position have been determined on the same basis as they are reported to GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
15. **Management Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

## **II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budget Policy**

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. The SPLOST Capital Projects - 2006 Fund and the SPLOST Capital Projects - 2012 Fund both adopt project-length budgets. 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, 2015.

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

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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:

2015 Expenditures	General Fund
Budget basis expenditures	\$ 14,148,573
Encumbrances, June 30, 2015	(306,862)
Encumbrances, June 30, 2014	127,673
GAAP basis expenditures	\$ 13,969,384
<hr style="border: 0.5px solid black;"/>	
Fund Balances - End of Year	
Budgetary basis fund balance	\$ 6,341,146
Encumbrances, June 30, 2015	306,862
GAAP basis fund balance	\$ 6,648,008

**C. 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, 2015 were not prepared for the Main Street Dublin-Downtown Development Authority.

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**D. 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 - Main Street program	\$ 53,342	\$ 52,500	\$ (842)
General government - City clerk	201,768	200,954	(814)
General government - Human resources	170,024	162,814	(7,210)
General government - Tax department	144,844	139,142	(5,702)
General government - Finance department	197,752	197,482	(270)
General government - City attorney	165,456	155,862	(9,594)
General government - Non-departmental	1,784,834	1,459,970	(324,864)
Public safety - Police department - administrative	661,950	650,142	(11,808)
Public safety - Police department - C.I.D.	685,013	679,305	(5,708)
Community services - Cemetary	113,577	108,923	(4,654)
Community services - Appropriations	940,587	921,613	(18,974)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel - Culture and recreation	662,203	552,000	(110,203)

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

**E. Deficit Fund Equity**

The Riverview Golf Course Fund had a deficit net position of \$479,518 as of June 30, 2015. The fund incurred more other operating expense than anticipated. Should the budgeted revenue for the upcoming fiscal year fall short of anticipated expenses, the City plans to transfer funds from the general fund to cover the expenses.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**Deposits** – State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. The City's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the City's custodial banks in the City's name.

**Custodial Credit Risk** is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's cash and investment policies do not specifically address custodial credit risk.

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

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



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**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, 2015 the City's investments in Georgia Fund 1 were rated AA+ by Standard and Poor's.

Primary government cash and cash equivalents reconciliation at June 30, 2015:

	Cash and Cash Equivalents
Primary government - fund reporting level:	
Governmental funds - balance sheet	\$ 18,115,590
Proprietary funds - statement of net position	6,731,849
Proprietary funds - statement of net position - restricted	399,133
Statement of fiduciary assets and liabilities	26,522
	\$ 25,273,094

Investment cash equivalents comprised \$13,772,486 or about 54.5% of the total cash and cash equivalents balance of \$25,273,094 at year end. These cash equivalents, which are shown in the table below, represented monies deposited into the State Investment Pool which is essentially a money market account with one day's liquidity. With the ability to quickly access these funds should the need arise, the City feels that it has sufficient flexibility to address interest rate risk should the rates suddenly rise since there would be no real exigency to sell any of the longer term investments prior to their actual maturities.

	Fair Value	Maturities
Cash Equivalents:		
Georgia Fund 1 Investment Pool	\$ 13,772,486	56 Day Weighted Average

The City's reporting entity had the following investments as of June 30, 2015:

Type of Investment	Fair Value	Investment Maturity Less than 1 yr
Primary government:		
Certificates of deposit	\$ 5,929,142	\$ 5,929,142

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**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 2014, 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 2014 was \$428,902,138 on property in the City including mobile homes and vehicles.

Sources of the calendar year 2015 tax levy are as follows:

	<u>Digest Assessed Value</u>	<u>Tax Levy, net of exemptions and allowances</u>	<u>City School System's Portion</u>	<u>City's Portion</u>
General property	\$ 388,801,930	\$ 10,152,396	\$ 7,661,342	\$ 2,491,054
Public utilities	10,187,257	266,010	200,740	65,270
Motor vehicles	<u>29,912,951</u>	<u>781,087</u>	<u>589,435</u>	<u>191,652</u>
Total	<u>\$ 428,902,138</u>	<u>\$ 11,199,493</u>	<u>\$ 8,451,517</u>	<u>\$ 2,747,976</u>

**C. Receivables**

As of June 30, 2015 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, 2015:

	<u>General</u>	<u>Proprietary</u>	<u>Total</u>
Receivables:			
Taxes	\$ 166,860	\$ --	\$ 166,860
Less allowance for uncollectible accounts	<u>(20,000)</u>	<u>--</u>	<u>(20,000)</u>
Net taxes receivable	<u>\$ 146,860</u>	<u>\$ --</u>	<u>\$ 146,860</u>
Accounts and other	\$ 7,983	\$ 1,347,510	\$ 1,355,493
Less allowance for uncollectible accounts	<u>(2,304)</u>	<u>(277,273)</u>	<u>(279,577)</u>
Net accounts receivable	<u>\$ 5,679</u>	<u>\$ 1,070,237</u>	<u>\$ 1,075,916</u>

**CITY OF DUBLIN, GEORGIA  
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**D. Receivables from Other Governments**

General fund receivables from other governments as of June 30, 2015, are as follows:

State of Georgia - local option sales tax	\$ 224,771
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**D. 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, 2015, was \$2,692,074.

**F. Interfund Receivables, Payables, and Transfers**

A summary of individual interfund receivable and payable balances at June 30, 2015, and a summary of fund transfers for the year then ended follows:

	Payable to			
Payable from:	General Fund	Water and Sewer System Fund	Natural Gas System Fund	Nonmajor Proprietary Funds
Governmental funds:				
General	\$ --	\$ --	\$ 6,000,000	\$ 1,505,514
Nonmajor governmental funds	28,581	--	--	--
Nonmajor proprietary funds	--	343,664	--	--
	\$ 28,581	\$ 343,664	\$ 6,000,000	\$ 1,505,514

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, 2015, but not yet disbursed. All interfund receivables and payables are expected to be repaid within one year.

Transfers out:	<u>General Fund</u>
Proprietary funds:	
Natural Gas System Fund	\$ 1,000,000

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

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In addition, the City transferred \$75,251 in capital assets purchased with SPLOST proceeds in governmental activities to the Water and Sewerage enterprise fund recorded in business-type activities.

**G. Restricted Assets**

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

Customer deposits	\$ 399,133
Revenue bond debt service	<u>2,749,729</u>
	<u><u>\$ 3,148,862</u></u>

**H. Capital Assets**

Capital asset activity for the year ended June 30, 2015 was as follows:

***Primary Government***

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,460,998	\$ 429,626	\$ --	\$ 1,890,624
Construction in progress	<u>1,048,076</u>	<u>416,747</u>	<u>(42,441)</u>	<u>1,422,382</u>
Total capital assets not being depreciated	<u>2,509,074</u>	<u>846,373</u>	<u>(42,441)</u>	<u>3,313,006</u>
Capital assets, being depreciated:				
Buildings and plants	9,136,110	261,832	--	9,397,942
Improvements other than buildings	9,612,882	--	--	9,612,882
Machinery and equipment	8,561,941	331,414	--	8,893,355
Infrastructure	<u>29,864,537</u>	<u>203,530</u>	<u>--</u>	<u>30,068,067</u>
Total capital assets being depreciated	<u>57,175,470</u>	<u>796,776</u>	<u>--</u>	<u>57,972,246</u>
Less accumulated depreciation for:				
Buildings and plants	5,558,489	226,360	--	5,784,849
Improvements other than buildings	8,348,831	144,223	--	8,493,054
Machinery and equipment	7,387,424	348,854	--	7,736,278
Infrastructure	<u>17,159,441</u>	<u>384,196</u>	<u>--</u>	<u>17,543,637</u>
Total accumulated depreciation	<u>38,454,185</u>	<u>1,103,633</u>	<u>--</u>	<u>39,557,818</u>
Total capital assets being depreciated, net	<u>18,721,285</u>	<u>(306,857)</u>	<u>--</u>	<u>18,414,428</u>
Governmental activities capital assets, net	<u><u>\$ 21,230,359</u></u>	<u><u>\$ 539,516</u></u>	<u><u>\$ (42,441)</u></u>	<u><u>\$ 21,727,434</u></u>

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 565,757	\$ --	\$ --	\$ 565,757
Construction in progress	2,098,765	1,664,044	(261,418)	3,501,391
Total capital assets not being depreciated	2,664,522	1,664,044	(261,418)	4,067,148
Capital assets, being depreciated:				
Buildings and plants	62,122,291	577,569	--	62,699,860
Improvements other than buildings	354,947	--	--	354,947
Machinery and equipment	8,409,491	439,054	--	8,848,545
Total capital assets being depreciated	70,886,729	1,016,623	--	71,903,352
Less accumulated depreciation for:				
Buildings and plants	30,855,244	1,648,712	--	32,503,956
Improvements other than buildings	208,877	6,901	--	215,778
Machinery and equipment	7,452,534	310,202	--	7,762,736
Total accumulated depreciation	38,516,655	1,965,815	--	40,482,470
Total capital assets being depreciated, net	32,370,074	(949,192)	--	31,420,882
Business-type activities capital assets, net	\$ 35,034,596	\$ 714,852	\$ (261,418)	\$ 35,488,030

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

Governmental activities:	
General government	\$ 318,625
Public safety	330,319
Community services	6,706
Public works and buildings	447,628
Culture and recreation	355
Total depreciation expense-governmental activities	\$ 1,103,633
Business-type activities:	
Water and sewer	\$ 1,004,657
Gas	523,540
Sanitation	192,958
Riverview Golf Course	8,960
Telecommunications	235,700
Total depreciation expense-business-type activities	\$ 1,965,815

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

*Discretely Presented Component Units*

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

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets, being depreciated:				
Buildings and plants	\$ 7,112,776	\$ 20,542	\$ --	\$ 7,133,318
Machinery and equipment	1,279,560	27,958	--	1,307,518
Total capital assets being depreciated	<u>8,392,336</u>	<u>48,500</u>	<u>--</u>	<u>8,440,836</u>
Less accumulated depreciation for:				
Buildings and plants	2,170,935	192,568	--	2,363,503
Machinery and equipment	1,131,278	93,679	--	1,224,957
Total accumulated depreciation	<u>3,302,213</u>	<u>286,247</u>	<u>--</u>	<u>3,588,460</u>
Dublin-Laurens County Recreation Authority capital assets, net	<u>\$ 5,090,123</u>	<u>\$ (237,747)</u>	<u>\$ --</u>	<u>\$ 4,852,376</u>

Activity for **Main Street Dublin-Downtown Development Authority** for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets, not being depreciated:				
Land	\$ 126,150	\$ --	\$ --	\$ 126,150
Capital assets, being depreciated:				
Buildings and plants	\$ 559,876	\$ 47,888	\$ (87,030)	\$ 520,734
Improvements other than buildings	471,515	9,350	(88,234)	392,631
Machinery and equipment	12,605	2,550	--	15,155
Total capital assets being depreciated	<u>1,043,996</u>	<u>59,788</u>	<u>(175,264)</u>	<u>928,520</u>
Less accumulated depreciation for:				
Buildings and plants	122,197	19,662	(11,344)	130,515
Improvements other than buildings	119,730	30,292	(7,842)	142,180
Machinery and equipment	5,792	2,214	--	8,006
Total accumulated depreciation	<u>247,719</u>	<u>52,168</u>	<u>(19,186)</u>	<u>280,701</u>
Total capital assets being depreciated, net	<u>796,277</u>	<u>7,620</u>	<u>(156,078)</u>	<u>647,819</u>
Main Street Dublin-Downtown Development Authority, net	<u>\$ 922,427</u>	<u>\$ 7,620</u>	<u>\$ (156,078)</u>	<u>\$ 773,969</u>

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**I. Capital Leases**

**Capital Lease Payable – Branch Bank & Trust**

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 final lease payment was made in fiscal year 2015.

The assets acquired through these capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Machinery and equipment	\$ 326,001	\$ --
Less accumulated depreciation	<u>(201,034)</u>	<u>--</u>
Total	<u>\$ 124,967</u>	<u>\$ --</u>

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

**J. Note Payable (Receivable) - Other Fund**

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

As of June 30, 1989, the authorized amount of \$800,000 had been loaned to the Water and Sewerage Fund. Interest accrued as of June 30, 2015 was \$15,142. The annual requirements to amortize the remaining balance of \$325,903 to maturity, including interest of \$49,247 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2016	\$ 104,117	\$ 27,687	\$ 131,804
2017	56,086	9,816	65,902
2018	58,956	6,946	65,902
2019	61,972	3,930	65,902
2020	<u>44,772</u>	<u>868</u>	<u>45,640</u>
Total	<u>\$ 325,903</u>	<u>\$ 49,247</u>	<u>\$ 375,150</u>

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**K. Long-term Obligations**

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2015:

***Primary Government***

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
<b>Governmental activities:</b>						
Capital leases payable	\$ 110,853	\$ --	\$ (110,853)	\$ --	\$ --	\$ --
Net pension liability	4,584,685	--	(1,047,118)	3,537,567	--	3,537,567
Compensated absences payable	433,139	356,910	(348,435)	441,614	35,506	406,108
Governmental activity- long-term liabilities	<u>\$ 5,128,677</u>	<u>\$ 356,910</u>	<u>\$ (1,506,406)</u>	<u>\$ 3,979,181</u>	<u>\$ 35,506</u>	<u>\$ 3,943,675</u>
	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
<b>Business-type activities:</b>						
Revenue bonds payable	\$ 5,305,000	\$ --	\$ (440,000)	\$ 4,865,000	\$ 455,000	\$ 4,410,000
Compensated absences payable	211,746	148,308	(144,443)	215,611	19,794	195,817
Net pension liability	2,578,886	--	(589,003)	1,989,883	--	1,989,883
Notes payable-Natural Gas System	325,903	--	--	325,903	104,117	221,786
Notes payable-GEFA	1,001,648	--	(80,336)	921,312	83,819	837,493
Notes payable-GEFA construction period loan	1,569,715	553,278	(107,942)	2,015,051	76,358	1,938,693
Business-type activity- long-term liabilities	<u>\$ 10,992,898</u>	<u>\$ 701,586</u>	<u>\$ (1,361,724)</u>	<u>\$ 10,332,760</u>	<u>\$ 739,088</u>	<u>\$ 9,593,672</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.



**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Revenue Bonds Payable**

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

Provisions of the revenue bonds require:

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

Series 2004 revenue bonds payable at June 30, 2015, are comprised of the following individual issue:

\$8,760,000 water and sewer bonds due in annual installments of \$315,000 to \$640,000 through January 1, 2024; interest at 4.00% to 5.7%.

Outstanding balance at June 30, 2014	\$	4,865,000
Current portion		455,000
Long-term portion	\$	<u>4,410,000</u>

The annual requirements to amortize outstanding revenue bonds as of June 30, 2015, including interest payments of \$1,169,347 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2016	\$ 455,000	\$ 216,588	\$ 671,588
2017	470,000	197,932	667,932
2018	495,000	178,193	673,193
2019	510,000	156,907	666,907
2020	535,000	134,595	669,595
2021-2024	<u>2,400,000</u>	<u>285,132</u>	<u>2,685,132</u>
Total	<u>\$ 4,865,000</u>	<u>\$ 1,169,347</u>	<u>\$ 6,034,347</u>

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
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**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 2016 is \$83,819 with the long-term portion making up the remaining balance of \$837,493.

The annual requirements to amortize the remaining balance of \$921,312 as of June 30, 2015, including interest payments of \$200,892 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2016	\$ 83,819	\$ 38,892	\$ 122,711
2017	87,685	35,026	122,711
2018	91,497	31,214	122,711
2019	95,551	27,160	122,711
2020	99,742	22,969	122,711
2021-2024	<u>463,018</u>	<u>45,631</u>	<u>508,649</u>
Total	<u>\$ 921,312</u>	<u>\$ 200,892</u>	<u>\$ 1,122,204</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, 2015 the City had drawn \$2,400,00 on this loan. The agreement has a 15% debt forgiveness portion that is recorded as a capital grant which totaled \$360,000 as of June 30, 2015. 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. On February 1, 2015, the loan was converted from construction status to a fixed principal amount of \$2,040,000 with an interest rate of 3.0%. Monthly payments are due beginning March 1, 2015 until maturity at February 1, 2035. The current portion of the loan due in FY 2016 is \$76,358 with the long-term portion making up the remaining balance of \$1,938,693.

The annual requirements to amortize the remaining balance of \$2,015,051 as of June 30, 2015, including interest payments of \$658,991 are as follows:

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

Year Ending June 30,	Principal	Interest	Total Payment
2016	\$ 76,358	\$ 59,406	\$ 135,764
2017	78,680	57,085	135,765
2018	81,072	54,693	135,765
2019	83,540	52,225	135,765
2020	86,079	49,686	135,765
2021-2035	1,609,322	385,896	1,995,218
Total	<u>\$ 2,015,051</u>	<u>\$ 658,991</u>	<u>\$ 2,674,042</u>

During fiscal year 2015, the City entered into a loan agreement from the Georgia Environmental Facilities Authority (GEFA) for the purpose of constructing and making improvements to a new well. Under the terms of the agreement, the City can draw a total of \$654,210. The unpaid principal balance shall bear interest at a rate of 1.52% per annum. Accrued interest is payable monthly until the earlier of the completion date or date the loan is fully disbursed. When the loan is fully disbursed, principal and interest become payable in 119 consecutive monthly payments. As of June 30, 2015, no funds under the agreement had been disbursed.

***Discretely Presented Component Units***

**Dublin-Laurens County Recreation Authority:**

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated absences payable	\$ 31,114	\$ 4,657	\$ --	\$ 35,771	\$ --	\$ 35,771
Notes payable-Farmers State Bank	556,843	--	(104,206)	452,637	104,200	348,437
Dublin-Laurens County Recreation Authority long-term liabilities	<u>\$ 587,957</u>	<u>\$ 4,657</u>	<u>\$ (104,206)</u>	<u>\$ 488,408</u>	<u>\$ 104,200</u>	<u>\$ 384,208</u>

Note payable to Farmers State Bank is for construction at the Southern Pines Recreation Complex, interest rate is 3.5% and maturity is December 30, 2019. The note is being repaid with collections from a special purpose local option sales tax.

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

The annual requirements to amortize the remaining balance of \$452,637 as of June 30, 2015, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2016	87,786	16,414	\$ 104,200
2017	91,223	12,977	104,200
2018	94,468	9,732	104,200
2019	97,828	6,372	104,200
2020	81,332	2,893	84,225
Total	<u>\$ 452,637</u>	<u>\$ 48,388</u>	<u>\$ 501,025</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-Bank of Dudley Bank	\$ 21,870	\$ --	\$ (21,870)	\$ --	\$ --	\$ --
Notes payable-Morris Bank	<u>165,240</u>	<u>--</u>	<u>(165,240)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Main Street Dublin- Downtown Development Authority long term liabilities	<u>\$ 187,110</u>	<u>\$ --</u>	<u>\$ (187,110)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

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

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. This loan was paid off during 2015.

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
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**L. Fund Balance**

The composition of the City's fund balances as of June 30, 2015 is as follows:

	General	SPLOST Capital Projects - 2006	Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Inventory	\$ 191,981	\$ --	\$ --	\$ 191,981
Prepays	212,691	--	--	212,691
Restricted for:				
Capital projects	--	1,557,557	2,589,470	4,147,027
Committed for:				
Court services	2,871	--	--	2,871
Administration	8,084	--	--	8,084
Engineering	4,943	--	--	4,943
Capital projects	109,791	--	--	109,791
Police services	27,755	--	--	27,755
Fire services	13,012	--	--	13,012
Public works projects	15,919	--	--	15,919
Other	124,487	--	--	124,487
Assigned	--	--	--	--
Unassigned	5,936,474	--	--	5,936,474
	<u>\$ 6,648,008</u>	<u>\$ 1,557,557</u>	<u>\$ 2,589,470</u>	<u>\$ 10,795,035</u>

**IV. OTHER INFORMATION**

**A. Risk Management**

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

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

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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 2015 are as follows:

	Fiscal Year Ended	
	June 30, 2015	June 30, 2014
Unpaid claims, beginning of fiscal year	\$ 164,669	\$ 59,193
Current year claims, premiums and changes in estimates	(56,115)	139,382
Claims payments	(58,554)	(33,906)
Unpaid claims, end of fiscal year	\$ 50,000	\$ 164,669

**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.

Encumbrances – Encumbrances outstanding as of June 30, 2015 are as follows:

General Fund	\$ 306,862
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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, 2015, June 30, 2014, or June 30, 2013.

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**C. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

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

**D. Hotel/Motel Lodging Tax**

The City has levied an 8% hotel/motel tax for fiscal year end June 30, 2015. A summary of the transactions for the year ending June 30, 2015 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	\$ 662,203	
Expended under contract with the Dublin – Laurens County Chamber of Commerce and the Tourism Resource Enhancement and Events Organization for promotion of tourism	(165,551)	25.00%
Expended under contract with Theatre Dublin to market and operate theater facilities	(82,775)	12.50%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(165,551)	25.00%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(248,326)	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

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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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.

As of January 1, 2015, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	118
Vested terminated employees	51
Active employees:	239
Total membership in the plan	408

*Contributions* - 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. City contributions to the Plan were \$1,099,196 for the year ended June 30, 2015.

**2. Net Pension Liability**

Effective July 1, 2014, the City implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the City’s accounting for pension amounts. The information disclosed below is presented in accordance with these new standards.

The City’s net pension liability was measured as of September 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015.

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

Inflation	3.25%	
Salary increases	3.25%	plus service based merit increases
Investment rate of return	7.75%	



**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

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

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50%	5.95%
International equity	15%	6.45%
Fixed income	25%	1.55%
Real estate	10%	3.75%
Cash	--	--
	<u>100%</u>	

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

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

*Changes in the Net Pension Liability of the City* – The changes in the components of the net pension liability of the City for the year ended June 30, 2015, were as follows:

	Schedule of Changes in Net Pension Liability		
	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balance September 30, 2013	\$ 24,659,860	\$ 17,496,289	\$ 7,163,571
Changes for the year:			
Service cost	298,239	--	298,239
Interest	1,870,841	--	1,870,841
Differences between expected and actual experience	286,349	--	286,349
Contributions-employer	--	1,145,769	(1,145,769)
Contributions-employee	--		--
Net investment income	--	1,998,107	(1,998,107)
Benefit payments, including refunds of employee contributions	(1,039,947)	(1,039,947)	--
Administrative expense	--	(31,800)	31,800
Other	(979,474)	--	(979,474)
Net changes	436,008	2,072,129	(1,636,121)
Balance September 30, 2014	\$ 25,095,868	\$ 19,568,418	\$ 5,527,450

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate* - The following presents the net pension liability of the City, calculated using the discount rate of 7.75 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
	City's Net Pension Liability	\$ 8,462,506	\$ 5,527,450

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2014 and the current sharing pattern of costs between employer and employee.

**3. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2015, the City recognized pension expense of \$575,568. As of June 30, 2015 the City reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 229,080	\$ --
Contributions made subsequent to measurement date	824,397	
Changes of assumptions	--	(783,580)
Net difference between projected and actual earnings on pension plan investments	<u>--</u>	<u>(511,420)</u>
Total	<u>\$ 1,053,477</u>	<u>\$ (1,295,000)</u>

City contributions subsequent to the measurement date of \$824,397 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2016	\$ (266,480)
2017	(266,480)
2018	(266,480)
2019	(266,480)

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**F. Other Pension Plans**

*Peace Officers' Annuity and Benefit Fund of Georgia*

Certain employees of the Police Department are covered by The Peace Officers' Annuity and Benefit Fund of Georgia (POABF). The POABF was established by the Georgia General Assembly in 1950 for the purpose of providing retirement benefits to peace officers. The POABF is a costsharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*. POABF issues a publicly available financial report that can be obtained at <http://poab.georgia.gov/boardcommissioners-updates>.

Members of the POABF are employed by units of government throughout the state of Georgia. The employers of the POABF's members do not make contributions to the Fund. The State of Georgia provides nonemployer contributions to the fund through the collection of court fines and forfeitures. Since the City does not contribute directly to POABF, there is no net pension liability (asset) or deferred inflows or outflows to recognize in the financial statements of the City. The City recognized the pension expense associated with the City as well as revenue in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the City.

The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The City's proportion of the net pension liability was based on contributions to POABF during the fiscal year ended June 30, 2014. At June 30 2014, the City's proportion was 0.1239445%. The City's proportionate share of the net pension liability (asset) as of June 30, 2015 was \$(31,272). For the year ended June 30, 2015, the City recognized pension expense of \$1,158 in the government-wide financial statements.

*Georgia Firefighters' Pension Fund*

Certain employees of the Fire Department are covered by The Georgia Firefighters' Pension Fund (GFPF). The GFPF was established by the Georgia General Assembly in 1995 for the purpose of providing retirement benefits for qualified firefighters. The GFPF is a cost-sharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*. GJRS issues a publicly available financial report that can be obtained at <http://gfpf.org/about/annual-reports/>.

Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the GFPF is eligible for membership in the GFPF. The various fire departments located within the State of Georgia, as employers of the members of GFPF, do not make contributions to the fund. The State of Georgia provides nonemployer contributions to the GFPF through the collection of insurance premiums tax. Since the City does not contribute directly to GFPF, there is no net pension liability (asset) or deferred inflows or outflows to recognize in the financial statements of the City. In addition, the City recognized the pension expense associated with the City as well as revenue in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the City.

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The City's proportion of the net pension liability was based on contributions to GFPF during the fiscal year ended June 30, 2014. At June 30 2014, the City's proportion was 0.197104%. The City's proportionate share of the net pension liability (asset) as of June 30, 2015 was \$171,873. For the year ended June 30, 2015, the City recognized pension expense of \$20,414 in the government wide financial statements

**G. Post Employment Health Care Plan**

The City of Dublin OPEB Plan (the "OPEB Plan") is a single-employer defined benefit healthcare plan administered by the Georgia Municipal Association. The OPEB Plan provides medical insurance benefits to eligible retirees and their spouses. Benefit provisions and contributions are established and may be amended by the City Council. The relevant information about the OPEB Plan is provided below. No other financial reports are issued by this sole employer plan.

**Funding Policy**

The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year 2015, the City contributed \$25,676 to the plan.

**Plan Provisions**

Eligible participants are assumed to be employees, and former employees of the City of Dublin who retired at or after age 62. To be eligible for retiree health benefits, retirees must be receiving a pension from the Georgia Municipal Association. The City shall pay one half of the continued health insurance costs until the employee reaches 65 years of age or until eligible for Medicare, whichever comes first.

**Annual OPEB Cost and Net OPEB Obligation**

The City's annual other post employee benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the OPEB Plan:

Annual required contribution	\$ 85,325
Interest on net OPEB obligation	--
Adjustment to annual required contribution	--
Annual OPEB cost	<u>85,325</u>
Contributions made	<u>25,676</u>
Increase in net OPEB obligation	59,649
Net OPEB obligation, beginning of year	--
Net OPEB obligation, end of year	<u><u>\$ 59,649</u></u>

**CITY OF DUBLIN, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Plan and the net OPEB obligation beginning in 2015 (the initial year of the OPEB Plan) were as follows:

<u>Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Actual City Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2015	\$ 85,325	\$ 25,676	30.09%	\$ 59,649

**Funded Status and Funding Progress**

As of the most recent valuation date, January 1, 2015, the funded status of the Plan was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (b-a)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
01/01/15	\$ --	\$ 712,380	\$ 712,380	0.00%	\$ 9,142,854	7.79%

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. Amounts 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 presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Calculations are based on the substantive plan in effect as of July 1, 2014.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

The City's actuarial valuation information is as follows:

Valuation date	January 1, 2015
Actuarial Cost Method	Projected Unit Credit
Amortization method	Level dollar, closed, 25 years
Remaining amortization period	25 years as of July 1, 2014
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	4.00%
Inflation rate	3.25%
Projected salary increases	N/A
Medical and drug cost trend rate	8.50% graded to 5.00% over 7 years
Plan membership:	
Current retirees, beneficiaries, and dependents	4
Current active participants	<u>238</u>
Total	<u><u>242</u></u>

**H. Change in Accounting Principle**

The City has determined that a restatement to the July 1, 2014 beginning net position was required to recognize the change in accounting principle for implementation of Government Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014, through which accounting for pension plans and the related disclosure requirements were modified. This adjustment resulted in a change of the beginning net position of the City as follows:

	Governmental Activities	Business-type Activities
Beginning Net Position, as previously reported	\$ 30,759,567	\$ 45,836,393
Change in accounting principle due to the implementation of GASB Statement No. 68	<u>(4,909,808)</u>	<u>(2,761,767)</u>
Beginning Net Position, as restated	<u><u>\$ 25,849,759</u></u>	<u><u>\$ 43,074,626</u></u>

	Water and Sewerage System Fund	Natural Gas System Fund	Sanitation System Fund	Nonmajor Enterprise Funds
Beginning Net Position, as previously reported	\$ 20,212,741	\$ 19,779,373	\$ 3,543,247	\$ 2,301,032
Change in accounting principle due to the implementation of GASB Statement No. 68	<u>(1,074,020)</u>	<u>(537,010)</u>	<u>(767,157)</u>	<u>(383,580)</u>
Beginning Net Position, as restated	<u><u>\$ 19,138,721</u></u>	<u><u>\$ 19,242,363</u></u>	<u><u>\$ 2,776,090</u></u>	<u><u>\$ 1,917,452</u></u>

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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**I. Subsequent Events**

In January 2016, the City issued \$4,575,000 in Series 2015 Refunding Revenue Bonds. The purpose of the bond issue was to refund the Water and Sewer Refunding and Improvement Bonds, Series 2004 and the 2003 Note Payable from the Georgia Environmental Facilities Agency. The City determined that refunding the prior bonds and note payable would reduce the total debt service payments by approximately \$736,000.



**CITY OF DUBLIN, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<b>2015</b>
<b>Total pension liability</b>	
Service cost	\$ 298,239
Interest	1,870,841
Changes of benefit terms	--
Differences between expected and actual experience	286,349
Changes of assumptions	(979,474)
Benefit payments	(1,039,947)
<b>Net change in total pension liability</b>	<b>436,008</b>
<b>Total pension liability-beginning</b>	<b>24,659,860</b>
<b>Total pension liability-ending (a)</b>	<b>\$ 25,095,868</b>
 <b>Plan fiduciary net position</b>	
Contributions-employer	\$ 1,145,769
Contributions-employee	--
Net investment income	1,998,107
Benefit payments, including refunds of employee contributions	(1,039,947)
Administrative expense	(31,800)
Other	--
<b>Net change in plan fiduciary net position</b>	<b>2,072,129</b>
 <b>Plan fiduciary net position-beginning</b>	<b>17,496,289</b>
<b>Plan fiduciary net position-ending (b)</b>	<b>\$ 19,568,418</b>
 <b>City's net pension liability (assets) - ending (a) - (b)</b>	<b>\$ 5,527,450</b>
 <b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	<b>77.97%</b>
 <b>Covered-employee payroll</b>	<b>\$ 9,370,345</b>
<b>City's net pension liability (asset) as a percentage of covered- employee payroll</b>	<b>58.99%</b>

**Notes to the Schedule:**

This schedule will present 10 years of information once its accumulated.

**CITY OF DUBLIN, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2015**

	<b>2015</b>
Actuarially determined contribution	\$ 782,992
Contributions in relation to the actuarially determined contribution	1,099,196
Contribution deficiency (excess)	\$ (316,204)
Covered-employee payroll	\$ 29,389,328
Contributions as a percentage of covered-employee payroll	3.74%

**Notes to Schedule**

Valuation Date:	January 1, 2015
Actuarial cost method	Entry Age Normal
Asset valuation method	Smoothed market value with a 5-year smoothing period
Inflation	3.00%
Salary increases	3.00% per year with an age based scale
Investment rate of return	7.50% net pension plan investment expense, including inflation
Retirement age	65
Mortality	Mortality rates were based on RP-2000 Combined Mortality Table
Other Information:	This schedule is presented to illustrate the requirement to show information for 10 years. However, a full 10-year trend is not available. The Actuarially determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2016.

**CITY OF DUBLIN, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**The City of Dublin OPEB Plan**

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (b-a)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/15	\$ --	\$ 712,380	\$ 712,380	0.00%	\$ 9,142,854	7.79%

The assumptions used in the preparation of the above schedule are disclosed in Note IV-G to the financial statements.

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 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	70,259	--	--	70,259	70,706	447
Services	65,722	--	2,598	68,320	99,000	30,680
Utilities	5,119	--	--	5,119	6,000	881
Supplies	12,420	3,061	15	9,374	11,261	1,887
Total	<u>223,120</u>	<u>3,061</u>	<u>2,613</u>	<u>222,672</u>	<u>256,567</u>	<u>33,895</u>
City manager:						
Salaries	167,736	--	--	167,736	167,738	2
Employee benefits	74,691	--	--	74,691	73,795	(896)
Services	909	--	--	909	7,200	6,291
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	1,076	--	--	1,076	2,380	1,304
Supplies	384	--	--	384	1,250	866
Capital outlay	--	--	--	--	1,000	1,000
Total	<u>252,596</u>	<u>--</u>	<u>--</u>	<u>252,596</u>	<u>261,163</u>	<u>8,567</u>
Main Street program:						
Utilities	842	--	--	842	--	(842)
Supplies	52,500	--	--	52,500	52,500	--
Total	<u>53,342</u>	<u>--</u>	<u>--</u>	<u>53,342</u>	<u>52,500</u>	<u>(842)</u>
Subtotal	<u>\$ 529,058</u>	<u>\$ 3,061</u>	<u>\$ 2,613</u>	<u>\$ 528,610</u>	<u>\$ 570,230</u>	<u>\$ 41,620</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 529,058	\$ 3,061	\$ 2,613	\$ 528,610	\$ 570,230	\$ 41,620
City clerk:						
Salaries	135,853	--	--	135,853	135,549	(304)
Employee benefits	45,466	--	--	45,466	43,996	(1,470)
Services	8,938	--	354	9,292	8,050	(1,242)
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	658	--	--	658	750	92
Supplies	728	109	230	849	1,509	660
Capital outlay	1,626	--	224	1,850	3,300	1,450
Total	<u>201,069</u>	<u>109</u>	<u>808</u>	<u>201,768</u>	<u>200,954</u>	<u>(814)</u>
Human resources:						
Salaries	99,044	--	--	99,044	88,419	(10,625)
Employee benefits	38,794	--	--	38,794	37,787	(1,007)
Services	2,677	451	474	2,700	3,381	681
Repairs & maintenance	--	--	--	--	200	200
Utilities	220	--	--	220	227	7
Supplies	2,236	--	--	2,236	2,700	464
Energy	--	--	--	--	200	200
Other	19,975	--	6,004	25,979	27,900	1,921
Capital outlay	900	--	151	1,051	2,000	949
Total	<u>163,846</u>	<u>451</u>	<u>6,629</u>	<u>170,024</u>	<u>162,814</u>	<u>(7,210)</u>
Subtotal	<u>\$ 893,973</u>	<u>\$ 3,621</u>	<u>\$ 10,050</u>	<u>\$ 900,402</u>	<u>\$ 933,998</u>	<u>\$ 33,596</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 893,973	\$ 3,621	\$ 10,050	\$ 900,402	\$ 933,998	\$ 33,596
Tax department:						
Salaries	71,907	--	--	71,907	71,882	(25)
Employee benefits	31,423	--	--	31,423	30,758	(665)
Services	--	--	--	--	900	900
Supplies	9,493	2	179	9,670	10,002	332
Other	31,844	--	--	31,844	25,000	(6,844)
Capital outlay	--	--	--	--	600	600
Total	<u>144,667</u>	<u>2</u>	<u>179</u>	<u>144,844</u>	<u>139,142</u>	<u>(5,702)</u>
Finance department:						
Salaries	136,297	--	--	136,297	134,230	(2,067)
Employee benefits	58,232	--	--	58,232	58,952	720
Services	--	--	--	--	700	700
Supplies	2,246	--	449	2,695	3,100	405
Capital outlay	528	--	--	528	500	(28)
Total	<u>197,303</u>	<u>--</u>	<u>449</u>	<u>197,752</u>	<u>197,482</u>	<u>(270)</u>
Subtotal	<u>\$ 1,235,943</u>	<u>\$ 3,623</u>	<u>\$ 10,678</u>	<u>\$ 1,242,998</u>	<u>\$ 1,270,622</u>	<u>\$ 27,624</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,235,943	\$ 3,623	\$ 10,678	\$ 1,242,998	\$ 1,270,622	\$ 27,624
Community development:						
Salaries	48,147	--	--	48,147	48,146	(1)
Employee benefits	18,547	--	--	18,547	18,093	(454)
Services	1,396	11	123	1,508	1,781	273
Repairs & maintenance	43	--	50	93	200	107
Utilities	915	--	--	915	1,140	225
Supplies	398	--	--	398	550	152
Other	178	--	--	178	1,320	1,142
Capital outlay	238	--	--	238	22,546	22,308
Total	<u>69,862</u>	<u>11</u>	<u>173</u>	<u>70,024</u>	<u>93,776</u>	<u>23,752</u>
City attorney:						
Salaries	118,262	--	--	118,262	108,755	(9,507)
Employee benefits	40,665	--	--	40,665	37,747	(2,918)
Services	4,927	--	14	4,941	5,880	939
Utilities	1,516	--	--	1,516	1,680	164
Supplies	72	--	--	72	800	728
Capital outlay	--	--	--	--	1,000	1,000
Total	<u>165,442</u>	<u>--</u>	<u>14</u>	<u>165,456</u>	<u>155,862</u>	<u>(9,594)</u>
Subtotal	<u>\$ 1,471,247</u>	<u>\$ 3,634</u>	<u>\$ 10,865</u>	<u>\$ 1,478,478</u>	<u>\$ 1,520,260</u>	<u>\$ 41,782</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,471,247	\$ 3,634	\$ 10,865	\$ 1,478,478	\$ 1,520,260	\$ 41,782
City judge:						
Salaries	36,492	--	--	36,492	36,504	12
Employee benefits	15,136	--	--	15,136	15,136	--
Services	11,198	--	244	11,442	13,400	1,958
Utilities	202	--	--	202	200	(2)
Supplies	1,384	--	--	1,384	1,800	416
Other	141,654	--	--	141,654	193,200	51,546
Total	<u>206,066</u>	<u>--</u>	<u>244</u>	<u>206,310</u>	<u>260,240</u>	<u>53,930</u>
Engineering:						
Salaries	239,659	--	--	239,659	248,980	9,321
Employee benefits	101,164	584	--	100,580	111,693	11,113
Services	5,247	--	--	5,247	12,204	6,957
Repairs & maintenance	2,586	--	--	2,586	3,000	414
Utilities	3,824	--	--	3,824	6,285	2,461
Supplies	5,350	28	227	5,549	6,316	767
Energy	7,914	--	--	7,914	11,000	3,086
Other	1,316	--	--	1,316	1,225	(91)
Capital outlay	14,952	--	4,716	19,668	27,600	7,932
Total	<u>382,012</u>	<u>612</u>	<u>4,943</u>	<u>386,343</u>	<u>428,303</u>	<u>41,960</u>
Subtotal	\$ 2,059,325	\$ 4,246	\$ 16,052	\$ 2,071,131	\$ 2,208,803	\$ 137,672



**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 2,059,325	\$ 4,246	\$ 16,052	\$ 2,071,131	\$ 2,208,803	\$ 137,672
Purchasing:						
Salaries	131,154	--	--	131,154	135,593	4,439
Employee benefits	50,093	91	--	50,002	51,992	1,990
Services	1,324	--	--	1,324	2,655	1,331
Repairs & maintenance	4,012	--	--	4,012	2,850	(1,162)
Utilities	11,774	--	--	11,774	9,950	(1,824)
Supplies	1,785	--	19	1,804	2,000	196
Energy	1,012	--	--	1,012	1,150	138
Inventory over/short	3,349	--	--	3,349	--	(3,349)
Capital outlay	1,328	--	--	1,328	1,500	172
Total	<u>205,831</u>	<u>91</u>	<u>19</u>	<u>205,759</u>	<u>207,690</u>	<u>1,931</u>
Inspections:						
Salaries	257,729	--	--	257,729	257,783	54
Employee benefits	120,178	--	--	120,178	122,041	1,863
Services	6,027	159	100	5,968	8,065	2,097
Repairs & maintenance	822	--	--	822	1,892	1,070
Utilities	1,571	--	--	1,571	1,200	(371)
Supplies	1,277	62	278	1,493	2,462	969
Energy	7,080	--	--	7,080	9,500	2,420
Other	15,890	--	--	15,890	12,885	(3,005)
Capital outlay	1,530	--	--	1,530	2,600	1,070
Total	<u>412,104</u>	<u>221</u>	<u>378</u>	<u>412,261</u>	<u>418,428</u>	<u>6,167</u>
Subtotal	<u>\$ 2,677,260</u>	<u>\$ 4,558</u>	<u>\$ 16,449</u>	<u>\$ 2,689,151</u>	<u>\$ 2,834,921</u>	<u>\$ 145,770</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP	2014	2015	Budget Basis	Original and	Variance
	Expenditures	Encumbrances	Encumbrances	Expenditures	Final Budgeted	(Over)/Under
					Amounts	Budget
Subtotal brought forward	\$ 2,677,260	\$ 4,558	\$ 16,449	\$ 2,689,151	\$ 2,834,921	\$ 145,770
Non-departmental:						
Insurance	72,714	--	--	72,714	82,000	9,286
Contingency	182,562	36,963	--	145,599	250,031	104,432
Services	74,463	16,000	16,400	74,863	122,700	47,837
Repairs & maintenance	153,395	5,130	4,247	152,512	139,540	(12,972)
Utilities	202,479	49	94	202,524	196,049	(6,475)
Energy	368,415	--	--	368,415	310,000	(58,415)
Other	283,487	--	99,843	383,330	266,642	(116,688)
Capital outlay	313,039	37,953	109,791	384,877	93,008	(291,869)
	<u>1,650,554</u>	<u>96,095</u>	<u>230,375</u>	<u>1,784,834</u>	<u>1,459,970</u>	<u>(324,864)</u>
Risk management and assistant city manager						
Salaries	52,496	--	--	52,496	49,902	(2,594)
Employee benefits	19,292	--	--	19,292	18,350	(942)
Services	3,510	--	--	3,510	4,255	745
Utilities	787	--	--	787	900	113
Supplies	2,340	--	3,120	5,460	9,600	4,140
Capital outlay	1,743	--	--	1,743	2,500	757
Total	<u>80,168</u>	<u>--</u>	<u>3,120</u>	<u>83,288</u>	<u>85,507</u>	<u>2,219</u>
Total general government	<u>\$ 4,407,982</u>	<u>\$ 100,653</u>	<u>\$ 249,944</u>	<u>\$ 4,557,273</u>	<u>\$ 4,380,398</u>	<u>\$ (176,875)</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<b><u>PUBLIC SAFETY</u></b>						
Police department - administrative:						
Salaries	\$ 345,111	\$ --	\$ --	\$ 345,111	\$ 322,803	\$ (22,308)
Employee benefits	153,872	155	24	153,741	127,851	(25,890)
Services	11,047	--	--	11,047	11,436	389
Repairs & maintenance	12,941	--	2,230	15,171	10,500	(4,671)
Utilities	33,821	--	--	33,821	34,420	599
Rent	3,460	--	--	3,460	3,840	380
Supplies	6,104	32	33	6,105	8,532	2,427
Energy	1,736	--	--	1,736	--	(1,736)
Other	88,830	--	2,928	91,758	130,760	39,002
Total	<u>656,922</u>	<u>187</u>	<u>5,215</u>	<u>661,950</u>	<u>650,142</u>	<u>(11,808)</u>
Police department - patrol:						
Salaries	2,231,130	--	--	2,231,130	2,377,364	146,234
Employee benefits	991,519	18,488	12,409	985,440	1,121,543	136,103
Services	18,161	--	250	18,411	19,960	1,549
Repairs & maintenance	43,634	--	112	43,746	37,000	(6,746)
Utilities	5,125	--	--	5,125	4,956	(169)
Supplies	33,374	4,533	4,769	33,610	41,072	7,462
Energy	120,699	--	--	120,699	155,000	34,301
Other	13,911	--	--	13,911	12,570	(1,341)
Capital outlay	54,588	--	4,500	59,088	70,020	10,932
Total	<u>3,512,141</u>	<u>23,021</u>	<u>22,040</u>	<u>3,511,160</u>	<u>3,839,485</u>	<u>328,325</u>
Subtotal	<u>\$ 4,169,063</u>	<u>\$ 23,208</u>	<u>\$ 27,255</u>	<u>\$ 4,173,110</u>	<u>\$ 4,489,627</u>	<u>\$ 316,517</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,169,063	\$ 23,208	\$ 27,255	\$ 4,173,110	\$ 4,489,627	\$ 316,517
Police department - C.I.D.:						
Salaries	435,455	--	--	435,455	433,187	(2,268)
Employee benefits	197,793	--	--	197,793	187,876	(9,917)
Services	2,349	7	--	2,342	3,935	1,593
Repairs & maintenance	6,079	--	--	6,079	6,000	(79)
Utilities	2,735	--	--	2,735	3,200	465
Supplies	11,847	--	500	12,347	12,507	160
Energy	23,110	--	--	23,110	27,000	3,890
Capital outlay	5,152	--	--	5,152	5,600	448
Total	<u>684,520</u>	<u>7</u>	<u>500</u>	<u>685,013</u>	<u>679,305</u>	<u>(5,708)</u>
Police department - crossing guards:						
Salaries	3,625	--	--	3,625	3,770	145
Employee benefits	476	--	--	476	468	(8)
Supplies	234	--	--	234	300	66
Total	<u>4,335</u>	<u>--</u>	<u>--</u>	<u>4,335</u>	<u>4,538</u>	<u>203</u>
Subtotal	<u>\$ 4,857,918</u>	<u>\$ 23,215</u>	<u>\$ 27,755</u>	<u>\$ 4,862,458</u>	<u>\$ 5,173,470</u>	<u>\$ 311,012</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,857,918	\$ 23,215	\$ 27,755	\$ 4,862,458	\$ 5,173,470	\$ 311,012
Fire department - administrative:						
Salaries	102,248	--	--	102,248	102,248	--
Employee benefits	40,711	--	--	40,711	39,823	(888)
Services	1,676	--	--	1,676	2,730	1,054
Repairs & maintenance	11	--	--	11	500	489
Utilities	7,051	--	--	7,051	5,333	(1,718)
Supplies	865	--	--	865	1,200	335
Energy	1,563	--	--	1,563	2,500	937
Capital outlay	2,184	--	--	2,184	2,510	326
Total	<u>156,309</u>	<u>--</u>	<u>--</u>	<u>156,309</u>	<u>156,844</u>	<u>535</u>
Fire department - combat:						
Salaries	1,451,949	--	--	1,451,949	1,549,331	97,382
Employee benefits	634,760	1,210	12,158	645,708	685,822	40,114
Services	383	--	--	383	680	297
Repairs & maintenance	30,697	736	(154)	29,807	34,061	4,254
Utilities	25,163	--	--	25,163	28,000	2,837
Supplies	20,438	--	--	20,438	20,841	403
Energy	17,816	--	52	17,868	25,000	7,132
Capital outlay	26,893	--	956	27,849	38,236	10,387
Total	<u>2,208,099</u>	<u>1,946</u>	<u>13,012</u>	<u>2,219,165</u>	<u>2,381,971</u>	<u>162,806</u>
Total public safety	<u>\$ 7,222,326</u>	<u>\$ 25,161</u>	<u>\$ 40,767</u>	<u>\$ 7,237,932</u>	<u>\$ 7,712,285</u>	<u>\$ 474,353</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP	2014	2015	Budget Basis	Original and	Variance
	Expenditures	Encumbrances	Encumbrances	Expenditures	Final Budgeted	(Over)/Under
					Amounts	Budget
<u>COMMUNITY SERVICES</u>						
Cemetery:						
Salaries	\$ 66,099	\$ --	\$ --	\$ 66,099	\$ 66,107	\$ 8
Employee benefits	33,792	--	232	34,024	33,066	(958)
Repairs & maintenance	3,666	--	--	3,666	750	(2,916)
Utilities	2,187	--	--	2,187	1,500	(687)
Supplies	3,441	--	--	3,441	2,000	(1,441)
Energy	1,727	--	--	1,727	2,000	273
Capital outlay	2,433	--	--	2,433	3,500	1,067
Total	<u>113,345</u>	<u>--</u>	<u>232</u>	<u>113,577</u>	<u>108,923</u>	<u>(4,654)</u>
Appropriations:						
Dublin-Laurens County Recreation Authority	600,000	--	--	600,000	600,000	--
Library	188,662	--	--	188,662	188,663	1
Dublin-Laurens Museum	7,500	--	--	7,500	7,500	--
Dublin-Laurens Development Authority	65,000	--	--	65,000	65,000	--
Regional Development Center	16,201	--	--	16,201	17,000	799
Humane Society	40,950	--	--	40,950	40,950	--
Women's Shelter	--	--	--	--	1,500	1,500
MLK Committee	1,000	--	--	1,000	1,000	--
Teen Court	21,274	--	--	21,274	--	(21,274)
Total	<u>940,587</u>	<u>--</u>	<u>--</u>	<u>940,587</u>	<u>921,613</u>	<u>(18,974)</u>
Total community services	<u>\$ 1,053,932</u>	<u>\$ --</u>	<u>\$ 232</u>	<u>\$ 1,054,164</u>	<u>\$ 1,030,536</u>	<u>\$ (23,628)</u>

**CITY OF DUBLIN, GEORGIA**  
**SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	GAAP Expenditures	2014 Encumbrances	2015 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<u><b>PUBLIC WORKS AND BUILDINGS</b></u>						
Public works:						
Salaries	\$ 439,046	\$ --	\$ --	\$ 439,046	\$ 492,490	\$ 53,444
Employee benefits	245,980	--	2,703	248,683	292,386	43,703
Services	1,053	--	--	1,053	1,300	247
Repairs & maintenance	205,202	929	11,119	215,392	251,054	35,662
Utilities	9,790	--	--	9,790	9,000	(790)
Supplies	14,758	930	94	13,922	21,930	8,008
Energy	36,583	--	--	36,583	57,000	20,417
Total	<u>952,412</u>	<u>1,859</u>	<u>13,916</u>	<u>964,469</u>	<u>1,125,160</u>	<u>160,691</u>
Mechanical maintenance:						
Salaries	209,431	--	--	209,431	240,747	31,316
Employee benefits	93,673	--	389	94,062	106,376	12,314
Services	2,987	--	--	2,987	8,505	5,518
Repairs & maintenance	5,954	--	10	5,964	2,500	(3,464)
Utilities	9,740	--	--	9,740	10,700	960
Supplies	5,428	--	364	5,792	10,350	4,558
Energy	3,551	--	--	3,551	4,500	949
Capital outlay	1,968	--	1,240	3,208	4,000	792
Total	<u>332,732</u>	<u>--</u>	<u>2,003</u>	<u>334,735</u>	<u>387,678</u>	<u>52,943</u>
Total public works and buildings	<u>\$ 1,285,144</u>	<u>\$ 1,859</u>	<u>\$ 15,919</u>	<u>\$ 1,299,204</u>	<u>\$ 1,512,838</u>	<u>\$ 213,634</u>

**CITY OF DUBLIN, GEORGIA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2015**

	<u>SPLOST</u>	<u>Hotel/Motel</u>	<u>Total Nonmajor</u>
	<u>Capital Projects</u>	<u>Tax</u>	<u>Governmental</u>
	<u>2006</u>	<u></u>	<u>Funds</u>
<u>ASSETS</u>			
Cash	\$ 2,589,204	\$ 76,983	\$ 2,666,187
Total assets	<u>\$ 2,589,204</u>	<u>\$ 76,983</u>	<u>\$ 2,666,187</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts payable and accrued costs	\$ --	\$ 48,136	\$ 48,136
Due to other funds	--	28,581	28,581
Total liabilities	<u>--</u>	<u>76,717</u>	<u>76,717</u>
 <u>FUND BALANCES</u>			
Restricted	2,589,204	266	2,589,470
Total fund balances	<u>2,589,204</u>	<u>266</u>	<u>2,589,470</u>
Total liabilities and fund balances	<u>\$ 2,589,204</u>	<u>\$ 76,983</u>	<u>\$ 2,666,187</u>



**CITY OF DUBLIN, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	SPLOST Capital Projects 2006	Hotel-Motel Tax	Total Nonmajor Governmental Funds
REVENUES:			
Other taxes	\$       --	\$ 662,203	\$ 662,203
Interest on investments	10,708	--	10,708
Miscellaneous income	--	266	266
Total revenues	<u>10,708</u>	<u>662,469</u>	<u>673,177</u>
EXPENDITURES:			
Current -			
Culture and recreation	--	662,203	662,203
Capital outlay	<u>308,846</u>	<u>--</u>	<u>308,846</u>
Total expenditures	<u>308,846</u>	<u>662,203</u>	<u>971,049</u>
Excess of revenues over (under) expenditures	<u>(298,138)</u>	<u>266</u>	<u>(297,872)</u>
Fund balances-beginning	<u>2,887,342</u>	<u>--</u>	<u>2,887,342</u>
Fund balances-ending	<u>\$ 2,589,204</u>	<u>\$ 266</u>	<u>\$ 2,589,470</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, 2015**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES -			
Other taxes	\$ 552,000	\$ 662,203	\$ 110,203
Miscellaneous income	--	266	266
Total revenues	<u>552,000</u>	<u>662,469</u>	<u>110,469</u>
EXPENDITURES -			
Culture and recreation:			
General fund 3%	207,000	248,326	(41,326)
Chamber of Commerce and Tourism Resource Enhancements and Events Organization 2%	138,000	165,551	(27,551)
Dublin-Laurens County Recreation Authority 2%	138,000	165,551	(27,551)
Theatre Dublin 1%	69,000	82,775	(13,775)
Total expenditures	<u>552,000</u>	<u>662,203</u>	<u>(110,203)</u>
Excess of revenues over expenditures	<u>\$ --</u>	<u>\$ 266</u>	<u>\$ 266</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, 2015**

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>ASSET</u>				
Equity in pooled cash	\$ 48,506	\$ 7,934,483	\$ 7,956,467	\$ 26,522
Total assets	<u>\$ 48,506</u>	<u>\$ 7,934,483</u>	<u>\$ 7,956,467</u>	<u>\$ 26,522</u>
 <u>LIABILITY</u>				
Due to Dublin Board of Education	\$ 48,506	\$ 7,934,483	\$ 7,956,467	\$ 26,522
Total liabilities	<u>\$ 48,506</u>	<u>\$ 7,934,483</u>	<u>\$ 7,956,467</u>	<u>\$ 26,522</u>

**CITY OF DUBLIN, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Riverview Golf Course Fund	Telecommunications Fund	Total
<u>ASSETS</u>			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 1,300	\$ 894,577	\$ 895,877
Accounts receivable, net	--	8,070	8,070
Inventories, at cost	12,280	--	12,280
Prepaid items	1,742	--	1,742
Total current assets	15,322	902,647	917,969
NONCURRENT ASSETS -			
CAPITAL ASSETS:			
Buildings and plant	273,767	3,565,983	3,839,750
Improvements other than buildings	354,947	--	354,947
Machinery and equipment	702,924	707,457	1,410,381
Less - accumulated depreciation	(1,182,705)	(2,747,472)	(3,930,177)
Capital assets, net	148,933	1,525,968	1,674,901
Total assets	164,255	2,428,615	2,592,870
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	52,674	--	52,674
<u>LIABILITIES</u>			
CURRENT LIABILITIES:			
Accounts payable	1,568	25	1,593
Accrued expenses	4,060	--	4,060
Due to other funds	343,664	--	343,664
Compensated absences payable	307	388	695
Total current liabilities	349,599	413	350,012
LONG TERM LIABILITIES -			
Compensated absences payable	5,725	5,727	11,452
Net pension liability	276,373	--	276,373
Total long-term liabilities	282,098	5,727	287,825
Total liabilities	631,697	6,140	637,837
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	64,750	--	64,750
<u>NET POSITION:</u>			
Net investment in capital assets	148,933	1,525,968	1,674,901
Unrestricted	(628,451)	896,507	268,056
Total net position	\$ (479,518)	\$ 2,422,475	\$ 1,942,957

**CITY OF DUBLIN, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Riverview Golf Course Fund	Telecommunications Fund	Total
<b>OPERATING REVENUES:</b>			
Sales/charges for services	\$ 180,091	\$ 514,094	\$ 694,185
Penalties and cut-on fees	--	1,156	1,156
Other revenue	192,838	3,500	196,338
Total operating revenues	<u>372,929</u>	<u>518,750</u>	<u>891,679</u>
<b>OPERATING EXPENSES:</b>			
Personnel services	152,929	57,753	210,682
Employee benefits	(73,256)	12,251	(61,005)
Repairs and maintenance	31,930	3,698	35,628
Depreciation	8,960	235,700	244,660
Other operating	201,319	234,890	436,209
General and administrative	--	--	--
Total operating expenses	<u>321,882</u>	<u>544,292</u>	<u>866,174</u>
Change in net position	51,047	(25,542)	25,505
Net position-beginning - as restated	<u>(530,565)</u>	<u>2,448,017</u>	<u>1,917,452</u>
Net position-ending	<u>\$ (479,518)</u>	<u>\$ 2,422,475</u>	<u>\$ 1,942,957</u>

**CITY OF DUBLIN, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Riverview Golf Course Fund	Telecommunications Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 372,929	\$ 804,193	\$ 1,177,122
Cash paid to suppliers for goods and services	(218,480)	(304,817)	(523,297)
Cash paid to employees for services	(150,716)	(56,467)	(207,183)
Cash paid for employee taxes and benefits	(44,884)	(20,270)	(65,154)
Cash paid for administrative expense reimbursements	--	--	--
Cash received from and (paid to) other funds	52,798	--	52,798
Other non-operating revenue	--	--	--
Net cash provided by operating activities	<u>11,647</u>	<u>422,639</u>	<u>434,286</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers out	<u>--</u>	<u>--</u>	<u>--</u>
Net cash used by noncapital financing activities	<u>--</u>	<u>--</u>	<u>--</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -</b>			
Acquisition and construction of capital assets	<u>(11,647)</u>	<u>(74,760)</u>	<u>(86,407)</u>
Net cash used for capital and related financing activities	<u>(11,647)</u>	<u>(74,760)</u>	<u>(86,407)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES -</b>			
Interest income on investments	<u>--</u>	<u>--</u>	<u>--</u>
Net cash provided by investing activities	<u>--</u>	<u>--</u>	<u>--</u>
Net change in cash and cash equivalents	--	347,879	347,879
Cash and cash equivalents beginning of year	<u>1,300</u>	<u>546,698</u>	<u>547,998</u>
Cash and cash equivalents end of year	<u>\$ 1,300</u>	<u>\$ 894,577</u>	<u>\$ 895,877</u>

**CITY OF DUBLIN, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net operating income (loss)	\$ 51,047	\$ (25,542)	\$ 25,505
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	8,960	235,700	244,660
Other non-operating revenue	--	--	--
Decrease (increase) in assets-			
Accounts receivable - trade	--	285,443	285,443
Due to other funds	--	--	--
Prepaid expenses	--	--	--
Decrease (increase) in deferred outflows of resources	2,863	--	2,863
Increase (decrease) in liabilities:			
Accounts payable	(8,470)	(74,248)	(82,718)
Accrued expenses	230	--	230
Due to other funds	52,798	--	52,798
Compensated absences payable	2,213	1,286	3,499
Net pension liability	(81,806)	--	(81,806)
Increase (decrease) in deferred inflows of resources	(16,188)	--	(16,188)
Total adjustments	(39,400)	448,181	408,781
Net cash provided by operating activities	\$ 11,647	\$ 422,639	\$ 434,286

**CITY OF DUBLIN, GEORGIA  
BALANCE SHEET  
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY  
JUNE 30, 2015**

---

ASSETS

Cash	\$ 176,719
Total assets	<u>\$ 176,719</u>

LIABILITIES AND FUND BALANCES

LIABILITIES	<u>\$ --</u>
FUND BALANCES	
Committed	176,719
Total fund balances	<u>176,719</u>
Total liabilities and fund balances	<u>\$ 176,719</u>



**CITY OF DUBLIN, GEORGIA**  
**RECONCILIATION OF THE BALANCE SHEET**  
**MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

---

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

Total fund balance - Main Street Dublin Downtown Development Authority (page 93)	\$ 176,719
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	<u>773,969</u>
Net position of Main Street Dublin Downtown Development Authority (page 24)	<u><u>\$ 950,688</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, 2015**

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REVENUES:	
Program income	\$ 339,754
Miscellaneous income	54,816
Total revenues	<u>394,570</u>
EXPENDITURES -	
Current -	
Downtown development	307,904
Debt Service:	
Principal	187,110
Interest	4,798
Total expenditures	<u>499,812</u>
OTHER FINANCING SOURCES -	
Proceeds from sale of capital assets	<u>168,750</u>
Net change in fund balances	63,508
Fund balances-beginning	<u>113,211</u>
Fund balances-ending	<u><u>\$ 176,719</u></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, 2015**

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Amounts reported for governmental activities in the statement of activities (page 25) are different because:

Net change in fund balance - Main Street Dublin Downtown Development Authority (page 95)	\$ 63,508
--	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (52,168)	
Capital outlay	59,788	7,620

The net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins) is to decrease net position.	(156,077)
---	-----------

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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

187,110

Change in net position of Main Street Dublin Downtown Development Authority (page 23)	\$ <u>102,161</u>
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**CITY OF DUBLIN, GEORGIA  
SCHEDULE OF EXPENDITURES OF  
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2006  
FOR THE YEAR ENDED JUNE 30, 2015**

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and drainage	\$ 7,190,000	\$ 7,190,000	\$ 2,231,407	\$ 299,601	\$ 2,531,008
Water and sewer system	4,750,000	4,750,000	2,650,342	9,245	2,659,587
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	2,298,839	--	2,298,839
	<u>16,540,740</u>	<u>16,540,740</u>	<u>13,750,558</u>	<u>308,846</u>	<u>14,059,404</u>
Debt service *					
Principal	--	12,630,000	12,630,000	--	12,630,000
Interest	--	1,959,682	1,959,680	--	1,959,680
Bond issuance costs	--	192,406	194,406	--	194,406
	<u>--</u>	<u>14,782,088</u>	<u>14,784,086</u>	<u>--</u>	<u>14,784,086</u>
<b>TOTAL</b>	<u><u>\$ 16,540,740</u></u>	<u><u>\$ 31,322,828</u></u>	<u><u>\$ 28,534,644</u></u>	<u><u>\$ 308,846</u></u>	<u><u>\$ 28,843,490</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. The bond was paid-off on July 1, 2012. During fiscal year 2008, the City entered into a capital lease agreement for the purchase of a ladder truck. Repayment of the capital lease will be made through the use of special purpose local option sales tax proceeds.

**CITY OF DUBLIN, GEORGIA  
SCHEDULE OF EXPENDITURES OF  
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2012  
FOR THE YEAR ENDED JUNE 30, 2015**

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	\$ 1,846,845	\$ 620,551	\$ 2,467,396
Water and sewer improvements	5,218,000	5,218,000	967,967	86,704	1,054,671
Gas system improvements	1,840,000	1,840,000	130,487	--	130,487
Public works facilities and equipment	2,195,000	2,195,000	96,962	47,888	144,850
Public safety facilities and equipment	1,022,000	1,022,000	520,546	313,748	834,294
City hall and associated buildings improvements	100,000	100,000	37,418	113,605	151,023
	<u>14,675,000</u>	<u>14,675,000</u>	<u>3,600,225</u>	<u>1,182,496</u>	<u>4,782,721</u>
Debt service *					
Principal	326,001	326,001	215,148	110,853	326,001
Interest	10,746	10,746	9,350	1,396	10,746
	<u>336,747</u>	<u>336,747</u>	<u>224,498</u>	<u>112,249</u>	<u>336,747</u>
<b>TOTAL</b>	<u>\$ 15,011,747</u>	<u>\$ 15,011,747</u>	<u>\$ 3,824,723</u>	<u>\$ 1,294,745</u>	<u>\$ 5,119,468</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.* 104

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* 110

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.* 118

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.* 124

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.* 126

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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities:										
Net investment in										
capital assets	\$ 8,136,094	\$ 16,827,378	\$ 6,341,257	\$ 13,297,712	\$ 18,451,166	\$ 14,649,028	\$ 21,595,752	\$ 20,178,580	\$ 21,119,506	\$ 21,727,434
Restricted	2,173,934	1,470,803	14,749,184	9,136,553	5,221,507	10,216,238	8,685,348	4,168,780	3,549,624	4,147,027
Unrestricted	<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>	<u>6,090,437</u>	<u>2,637,571</u>
Total governmental activities										
net position	<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>	<u>\$ 30,759,567</u>	<u>\$ 28,512,032</u>
Business-type activities:										
Net investment in										
capital assets	\$ 24,737,655	\$ 23,698,064	\$ 24,266,814	\$ 23,548,434	\$ 23,594,788	\$ 23,549,022	\$ 21,977,097	\$ 25,497,333	\$ 27,158,233	\$ 27,686,667
Restricted	1,107,107	1,317,260	1,519,925	1,714,370	1,803,160	2,143,488	2,038,855	2,035,504	2,027,312	2,039,246
Unrestricted	<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>	<u>16,650,848</u>	<u>16,248,550</u>
Total business-type activities										
net position	<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>	<u>\$ 45,836,393</u>	<u>\$ 45,974,463</u>
Primary government:										
Net investment in										
capital assets	\$ 32,873,749	\$ 40,525,442	\$ 30,608,071	\$ 36,846,146	\$ 42,045,954	\$ 38,198,050	\$ 43,572,849	\$ 45,675,913	\$ 48,277,739	\$ 49,414,101
Restricted	3,281,041	2,788,063	16,269,109	10,850,923	7,024,667	12,359,726	10,724,203	6,204,284	5,576,936	6,186,273
Unrestricted	<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>	<u>22,741,285</u>	<u>18,886,121</u>
Total primary government										
net position	<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>	<u>\$ 76,595,960</u>	<u>\$ 74,486,495</u>

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

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 3,551,691	\$ 3,708,790	\$ 4,647,568	\$ 4,541,634	\$ 4,442,311	\$ 4,555,414	\$ 4,526,939	\$ 4,166,428	\$ 4,843,246	\$ 4,273,277
Public safety	4,818,699	5,073,465	5,332,339	5,739,116	5,919,997	6,156,895	6,383,386	7,495,673	7,088,105	6,813,911
Community services	1,122,951	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	962,537	1,034,752	1,048,236
Public works and buildings	1,271,960	1,920,894	1,441,781	1,882,695	1,889,643	1,823,752	1,925,577	1,914,142	1,828,819	1,624,652
Culture and recreation	437,527	468,633	472,161	495,566	475,326	505,632	519,263	534,183	576,877	662,558
Interest on long-term debt	--	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396
Total governmental activities expenses	<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>	<u>15,378,577</u>	<u>14,424,030</u>
Business-type activities:										
Water and sewer	4,406,902	4,559,227	4,792,029	5,228,079	5,087,924	5,508,811	5,548,753	5,859,363	5,807,794	5,573,272
Gas	11,193,397	8,979,544	9,461,385	8,917,877	6,344,200	6,634,411	8,528,329	16,932,878	22,058,010	13,239,086
Sanitation	2,088,985	2,149,556	2,161,577	2,212,891	2,216,536	2,365,998	2,494,970	2,502,288	2,543,124	2,385,778
Riverview Golf Course	521,626	542,731	548,692	450,072	391,218	435,045	468,869	390,012	421,421	321,882
Telecommunications	689,960	609,786	647,050	704,563	600,070	636,577	657,183	705,997	613,011	544,292
Total business-type activities expenses	<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>	<u>31,443,360</u>	<u>22,064,310</u>
Total primary government expenses	<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>	<u>\$ 46,821,937</u>	<u>\$ 36,488,340</u>



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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 2,170,233	\$ 2,350,379	\$ 2,373,187	\$ 2,349,550	\$ 2,757,271	\$ 2,525,597	\$ 2,479,460	\$ 2,454,812	\$ 2,275,559	\$ 3,332,256
Public safety	724,580	791,470	896,570	1,046,221	925,861	935,672	958,345	918,382	1,005,839	991,870
Community services	--	--	--	--	--	--	--	--	--	6,000
Public works and buildings	--	35,650	--	--	25,000	--	--	--	--	--
Operating grants and contributions	--	--	3,000	--	214,015	196,933	194,631	281,703	212,227	230,494
Capital grants and contributions	133,119	173,142	1,026,595	682,254	350,821	223,068	555,063	343,377	11,328	13,902
Total governmental activities program revenue	<u>3,027,932</u>	<u>3,350,641</u>	<u>4,299,352</u>	<u>4,078,025</u>	<u>4,272,968</u>	<u>3,881,270</u>	<u>4,187,499</u>	<u>3,998,274</u>	<u>3,504,953</u>	<u>4,574,522</u>
Business-type activities:										
Charges for services:										
Water and sewer	4,605,503	5,098,515	5,216,774	4,799,364	5,066,965	5,353,002	5,450,764	5,148,229	5,558,274	5,830,450
Gas	11,045,701	11,015,183	10,862,955	9,621,572	8,331,392	8,466,675	9,586,776	19,560,761	22,749,451	15,630,828
Sanitation	2,184,531	2,576,198	2,589,009	2,579,728	2,553,242	2,641,594	2,637,296	2,647,652	2,696,551	2,693,529
Riverview Golf Course	417,551	503,524	469,745	455,885	337,981	351,009	371,405	375,853	306,091	372,929
Telecommunications	628,559	836,451	809,855	928,013	695,527	711,114	638,496	589,286	518,894	518,750
Operating grants and contributions	--	--	--	--	--	--	--	--	--	--
Capital grants and contributions	274,394	353,875	662,984	313,322	173,715	--	254,702	22,306	1,243,739	766,115
Total business-type activities program revenue	<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>	<u>33,073,000</u>	<u>25,812,601</u>
Total primary government program revenue	<u>\$ 22,184,171</u>	<u>\$ 23,734,387</u>	<u>\$ 24,910,674</u>	<u>\$ 22,775,909</u>	<u>\$ 21,431,790</u>	<u>\$ 21,404,664</u>	<u>\$ 23,126,938</u>	<u>\$ 32,342,361</u>	<u>\$ 36,577,953</u>	<u>\$ 30,387,123</u>
Net (expense)/revenue:										
Governmental activities	\$ (8,174,896)	\$ (8,887,775)	\$ (9,349,691)	\$(10,094,094)	\$ (9,938,211)	\$(10,467,133)	\$(10,315,122)	\$(11,161,704)	\$(11,873,624)	\$ (9,849,508)
Business-type activities	255,369	3,542,902	3,000,589	1,184,402	2,518,874	1,942,552	1,241,335	1,953,549	1,629,640	3,748,291
Total primary government net expense	<u>\$ (7,919,527)</u>	<u>\$ (5,344,873)</u>	<u>\$ (6,349,102)</u>	<u>\$ (8,909,692)</u>	<u>\$ (7,419,337)</u>	<u>\$ (8,524,581)</u>	<u>\$ (9,073,787)</u>	<u>\$ (9,208,155)</u>	<u>\$ (10,243,984)</u>	<u>\$ (6,101,217)</u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes:										
Property	\$ 2,375,757	\$ 2,498,816	\$ 2,565,732	\$ 2,648,656	\$ 3,023,125	\$ 2,410,680	\$ 2,678,293	\$ 2,854,896	\$ 3,106,231	\$ 3,094,852
Sales	4,557,429	5,267,924	6,339,555	5,625,057	5,623,162	5,405,100	5,834,395	5,680,280	5,019,544	5,031,038
Hotel/Motel	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203
Alcoholic beverage	405,798	402,233	414,985	424,484	403,398	398,524	410,108	401,462	396,995	406,481
Franchise	1,127,005	1,192,566	1,258,013	1,391,186	1,327,766	1,388,433	1,445,071	1,371,855	1,330,271	1,483,928
Insurance premium	794,174	830,905	866,726	887,488	879,162	853,611	759,895	809,386	838,299	875,604
Unrestricted investment earnings	150,283	221,748	241,508	82,762	18,258	20,144	16,950	27,175	17,835	21,423
Miscellaneous	--	--	--	--	--	--	--	--	--	11,503
Gain on sale of capital assets	--	--	--	--	59,616	--	--	--	--	--
Transfers	1,300,000	650,000	238,843	650,000	562,499	637,499	735,554	(3,979,659)	319,634	924,749
<b>Total governmental activities</b>	<b>11,144,622</b>	<b>11,529,795</b>	<b>12,466,431</b>	<b>12,202,169</b>	<b>12,369,282</b>	<b>11,611,773</b>	<b>12,404,854</b>	<b>7,699,223</b>	<b>11,605,331</b>	<b>12,511,781</b>
Business-type activities:										
Unrestricted investment earnings										
	170,362	230,085	188,345	68,089	72,228	65,584	63,280	39,834	49,288	76,295
Transfers	(1,300,000)	(650,000)	(238,843)	(650,000)	(562,499)	(637,499)	(735,554)	3,979,659	(319,634)	(924,749)
<b>Total business-type activities</b>	<b>(1,129,638)</b>	<b>(419,915)</b>	<b>(50,498)</b>	<b>(581,911)</b>	<b>(490,271)</b>	<b>(571,915)</b>	<b>(672,274)</b>	<b>4,019,493</b>	<b>(270,346)</b>	<b>(848,454)</b>
<b>Total primary government</b>	<b>\$ 10,014,984</b>	<b>\$ 11,109,880</b>	<b>\$ 12,415,933</b>	<b>\$ 11,620,258</b>	<b>\$ 11,879,011</b>	<b>\$ 11,039,858</b>	<b>\$ 11,732,580</b>	<b>\$ 11,718,716</b>	<b>\$ 11,334,985</b>	<b>\$ 11,663,327</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 2,969,726	\$ 2,642,020	\$ 3,116,740	\$ 2,108,075	\$ 2,431,071	\$ 1,144,640	\$ 2,089,732	\$ (3,462,481)	\$ (268,293)	\$ 2,662,273
Business-type activities	(874,269)	3,122,987	2,950,091	602,491	2,028,603	1,370,637	569,061	5,973,042	1,359,294	2,899,837
<b>Total primary government</b>	<b>\$ 2,095,457</b>	<b>\$ 5,765,007</b>	<b>\$ 6,066,831</b>	<b>\$ 2,710,566</b>	<b>\$ 4,459,674</b>	<b>\$ 2,515,277</b>	<b>\$ 2,658,793</b>	<b>\$ 2,510,561</b>	<b>\$ 1,091,001</b>	<b>\$ 5,562,110</b>

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General fund:										
Nonspendable	\$ 264,008	\$ 256,756	\$ 250,432	\$ 375,325	\$ 322,069	\$ 349,373	\$ 342,749	\$ 375,880	\$ 397,155	\$ 404,672
Restricted	503,491	916,502	391,439	486,425	413,228	--	--	--	--	--
Committed	239,482	67,611	141,007	111,100	91,159	983,256	291,968	117,211	127,673	306,862
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	3,162,910	4,251,887	5,059,736	5,627,010	6,553,955	6,409,961	6,860,807	6,415,899	5,802,703	5,936,474
Total general fund	<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>	<u>\$ 6,327,531</u>	<u>\$ 6,648,008</u>
All other governmental funds -										
Capital projects funds:										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Restricted	2,173,934	1,470,803	14,875,449	9,238,165	6,500,620	4,811,277	5,610,065	4,168,780	3,549,624	4,147,027
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total all other governmental funds	<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>	<u>\$ 3,549,624</u>	<u>\$ 4,147,027</u>

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

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Revenues</b>										
General property taxes	\$ 2,352,088	\$ 2,506,886	\$ 2,570,947	\$ 2,622,330	\$ 2,580,602	\$ 2,820,812	\$ 2,672,295	\$ 2,846,390	\$ 3,114,210	\$ 3,107,928
Other taxes	7,481,398	8,333,833	9,623,282	9,005,832	6,139,714	6,086,872	6,301,842	6,253,263	6,189,364	6,520,754
Licenses and permits	518,562	635,953	578,685	573,180	556,122	590,957	561,865	600,186	547,619	609,245
Fines and forfeitures	591,683	658,664	749,175	925,128	813,986	804,640	843,393	809,933	901,335	892,077
Intergovernmental	371,152	380,252	648,739	324,168	3,501,948	3,513,723	3,913,856	3,674,561	2,674,180	2,729,624
Interest on investments	246,701	343,488	867,788	404,947	96,244	68,244	34,647	37,366	29,163	35,325
Miscellaneous income	1,287,301	1,379,430	1,423,491	1,678,235	1,818,948	1,310,380	1,452,858	1,446,951	1,342,758	2,258,105
Total revenues	<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>	<u>14,798,629</u>	<u>16,153,058</u>
<b>Expenditures</b>										
General government	2,953,768	3,430,699	3,460,719	3,539,658	3,599,455	3,542,885	3,485,033	4,222,919	4,131,923	4,407,982
Public safety	4,864,068	5,218,565	5,171,826	5,581,073	5,784,622	6,065,314	6,301,367	7,169,731	6,765,030	7,222,326
Community services	1,122,951	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	955,831	1,028,046	1,053,932
Public works and buildings	3,022,238	4,258,327	1,209,145	1,158,206	1,181,967	1,183,321	1,330,980	1,458,950	1,378,776	1,285,144
Culture and recreation	434,176	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203
Debt service:										
Principal	--	93,431	178,783	4,170,027	2,334,673	2,837,467	90,354	3,199,832	205,068	110,853
Interest	--	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396
Bond issuance costs	--	--	192,406	500	500	500	500	--	--	--
Capital outlay	--	--	3,417,542	4,608,750	3,419,642	1,726,312	3,410,311	908,363	2,607,101	1,491,342
Total expenditures	<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>	<u>16,699,244</u>	<u>16,235,178</u>
Excess of revenues over(under) expenditures	451,684	(294,753)	535,423	(5,530,038)	(2,769,493)	(1,964,663)	(509,833)	(2,867,819)	(1,900,615)	(82,120)
<b>Other financing sources(uses)</b>										
Sale of capital assets	--	--	--	--	250,000	--	--	--	--	--
Transfers in	1,300,000	650,000	650,000	650,000	562,499	637,499	735,554	840,000	700,000	1,000,000
Transfers out	--	--	(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>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>	<u>700,000</u>	<u>1,000,000</u>
<b>Change in fund balance</b>	<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>	<u>\$ (1,200,615)</u>	<u>\$ 917,880</u>
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	19.67%	22.83%	1.20%	21.73%	1.37%	0.82%

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

Fiscal Year	Property Tax	Sales Tax	Hotel/Motel Tax	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2006	Special Purpose Local Option Sales Tax 2012	Alcoholic Beverages Tax	Franchise Tax	Insurance Premium Tax	Total
2006	\$ 2,375,757	\$ 4,557,429	\$ 434,176	\$ 1,804,044	\$ --	\$ --	\$ 405,798	\$ 1,127,005	\$ 794,174	\$ 11,498,383
2007	2,498,816	5,267,924	465,603	200,000	2,084,525 (1)	--	402,233	1,192,566	830,905	12,942,572
2008	2,565,732	6,339,555	541,069	--	3,244,746	--	414,985	1,258,013	866,726	15,230,826
2009	2,648,656	5,625,057	492,536	--	2,681,311	--	424,484	1,391,186	887,488	14,150,718
2010	3,023,125	5,623,162	472,296	--	2,742,771	--	403,398	1,327,766	879,162	14,471,680
2011	2,410,680	5,405,100	497,782	--	2,642,650	--	398,524	1,388,433	853,611	13,596,780
2012	2,678,293	5,834,395	524,588	--	2,868,936	--	410,108	1,445,071	759,895	14,521,286
2013	2,854,896	5,680,280	533,828	--	776,728	1,967,006 (1)	401,462	1,371,855	809,386	14,395,441
2014	3,106,231	5,019,544	576,522	--	--	2,188,463	396,995	1,330,271	838,299	13,456,325
2015	3,094,852	2,844,212	662,203	--	--	2,186,826	406,481	1,483,928	875,604	11,554,106

(1) First year of tax

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009*</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Accommodations	\$ --	\$ --	\$ --	\$ --	\$ 54,345	\$ 79,381	\$ 72,073	\$ 61,181	\$ 74,960	\$ 81,275
Apparel	122,228	125,894	127,103	119,254	49,576	--	--	--	--	--
Auto	1,200,614	1,509,548	1,265,927	1,922,964	1,067,824	737,069	777,512	666,179	389,641	196,635
Construction	--	--	--	--	18,979	29,074	33,213	23,516	26,333	29,977
Food/bars	2,005,958	2,515,121	2,734,905	1,887,285	1,417,551	1,209,201	1,190,070	1,029,916	1,297,304	1,360,124
General Merchandise	1,020,642	1,027,463	1,070,849	1,279,957	1,300,483	1,233,122	1,234,528	1,011,125	1,273,128	1,260,736
Home Furnishings	361,562	317,745	399,218	346,079	398,968	517,755	319,610	248,644	314,148	311,508
Lumber	572,114	615,062	658,152	441,414	113,542	--	--	--	--	--
Manufacturing	669,242	773,931	706,689	754,044	706,695	405,192	672,145	531,243	599,940	355,267
Miscellaneous	543,357	726,443	794,673	960,706	312,457	--	--	--	--	--
Miscellaneous Services	303,534	293,730	314,826	488,734	472,279	571,266	571,033	471,660	580,797	593,305
Other Retail	--	--	--	--	596,287	1,049,921	1,313,752	1,120,136	1,321,755	1,358,403
Other Services	--	--	--	--	76,845	110,445	107,414	169,325	169,584	147,844
Utility	776,594	739,221	693,705	808,385	761,131	674,619	712,258	535,401	635,550	675,216
Wholesale	--	--	--	--	661,244	1,672,494	1,507,918	1,275,905	1,477,025	1,475,727
<b>Total</b>	<b>\$ 7,575,845</b>	<b>\$ 8,644,158</b>	<b>\$ 8,766,047</b>	<b>\$ 9,008,822</b>	<b>\$ 8,008,206</b>	<b>\$ 8,289,539</b>	<b>\$ 8,511,526</b>	<b>\$ 7,144,231</b>	<b>\$ 8,160,165</b>	<b>\$ 7,846,017</b>
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**

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<u>Fiscal Year</u>	<u>City of Dublin Direct Rate</u>	<u>Laurens County Rate</u>	<u>State Rate</u>
2006	1.00%	3.00%	4.00%
2007	1.00%	3.00%	4.00%
2008	1.00%	3.00%	4.00%
2009	1.00%	3.00%	4.00%
2010	1.00%	3.00%	4.00%
2011	1.00%	3.00%	4.00%
2012	1.00%	3.00%	4.00%
2013	1.00%	3.00%	4.00%
2014	1.00%	3.00%	4.00%
2015	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			
2006	404,544,010	10,774,445	40,584,121	455,902,576	5.200	970,045,480	47.00%
2007	425,256,106	11,234,875	39,276,316	475,767,297	5.200	1,012,270,845	47.00%
2008	436,146,910	11,815,692	39,911,784	487,874,386	5.200	1,038,030,609	47.00%
2009	453,603,039	10,584,589	38,287,060	502,474,688	5.200	1,069,095,081	47.00%
2010	461,076,778	10,869,399	39,985,081	511,931,258	5.327	1,089,215,442	47.00%
2011	379,728,371	9,250,552	28,591,704	417,570,627	6.360	1,043,926,619	40.00%
2012	374,521,777	9,255,595	30,336,380	414,113,752	6.400	1,035,284,380	40.00%
2013	388,489,638	9,596,131	33,122,081	431,207,850	6.393	1,078,019,625	40.00%
2014	386,364,873	10,155,784	34,625,917	431,146,574	6.393	1,077,866,435	40.00%
2015	399,729,715	10,187,257	29,698,390	439,615,362	6.407	1,099,038,405	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**

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<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 &amp; Overlapping Rates</u>
2005	10.550	(5.350)	5.200	16.277	6.940	28.417
2006	10.600	(5.400)	5.200	16.277	6.560	28.037
2007	11.240	(6.040)	5.200	16.270	6.550	28.020
2008	11.010	(5.810)	5.200	16.270	6.550	28.020
2009	10.587	(5.260)	5.327	16.770	6.550	28.647
*2010	12.280	(5.920)	6.360	19.705	6.550	32.615
2011	12.940	(6.540)	6.400	19.705	6.520	32.625
2012	13.145	(6.752)	6.393	19.705	6.310	32.408
2013	13.145	(6.752)	6.393	19.705	6.310	32.408
2014	12.741	(6.334)	6.407	19.705	6.310	32.422

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

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

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

Taxpayer	June 30, 2015			June 30, 2006		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
YKK Corporation	\$ 16,427,978	1	3.74%	\$ 15,715,265	1	3.45%
Best Buy Loc. #77	13,713,018	2	3.12%	10,416,777	2	2.28%
Fairview Park Hospital	12,765,328	3	2.90%	9,361,016	3	2.05%
Fred's Distribution	9,108,172	4	2.07%	3,553,281	10	0.78%
Warehouse Home Furnishings	8,493,481	5	1.93%	3,796,253	7	0.83%
Wal-Mart	7,433,616	6	1.69%	4,885,654	6	1.07%
Home Depot	3,535,983	7	0.80%			
Bright-Meyers	2,604,656	8	0.59%			
Hi-Tek Rations	2,571,838	9	0.59%			0.00%
Flexsteel Industries	2,554,790	10	0.58%	3,733,162	9	0.82%
Parko Hannifin Controls				3,778,865	7	0.83%
Rockwell Automation - Allen Bradley				7,813,548	4	1.71%
Dublin Community Hospital				6,321,634	5	1.39%
	<u>\$ 79,208,860</u>		<u>18.01%</u>	<u>\$ 69,375,455</u>		<u>15.21%</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,	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
		Collection Amount	Percentage of Levy		Amount	Percentage of Levy	
2006	\$ 8,919,795	\$ 8,605,271	96.5%	\$ 308,277	\$ 8,913,548	99.9%	6,247
2007	9,375,826	8,995,981	95.9%	374,700	9,370,681	99.9%	5,145
2008	9,616,757	9,261,965	96.3%	341,812	9,603,777	99.9%	12,980
2009	9,966,108	9,522,636	95.6%	428,913	9,951,549	99.9%	14,559
2010	10,428,595	9,417,695	90.3%	982,611	10,400,306	99.7%	28,289
2011	10,138,736	9,714,722	95.8%	395,725	10,110,447	99.7%	28,289
2012	10,018,508	9,518,592	95.0%	454,368	9,972,960	99.5%	45,548
2013	10,392,029	9,870,456	95.0%	452,756	10,323,212	99.3%	68,817
2014	10,351,172	9,838,724	95.0%	359,701	10,198,425	98.5%	152,747
2015	10,418,406	10,008,682	96.1%	--	10,008,682	96.1%	409,724

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

Taxpayer	<b>Fiscal Year 2015</b>		
	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales
SP Newsprint	\$ 8,533,848	1	59.40%
Griffin Industries	1,937,942	2	13.49%
YKK Corporation	964,437	3	6.71%
Carl Vinson Medical Center	621,751	4	4.33%
Dublin Housing Authority	238,110	5	1.66%
Fairview Park Hospital	200,189	6	1.39%
Best Buy	125,238	7	0.87%
Reeves	107,280	8	0.75%
Suntek	89,455	9	0.62%
Applebees	32,358	10	0.23%
	<u>\$ 12,850,608</u>		<u>89.45%</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 2006 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			
2006	--	--	--	8,050,913	1,307,500	53,121	9,411,534	24.85%	\$ 589
2007	--	--	171,056	7,738,362	2,086,256	27,073	10,022,747	24.39%	627
2008	12,126,265	--	622,273	7,410,811	1,999,583	--	22,158,932	52.27%	1,385
2009	8,094,698	--	452,246	7,073,260	1,900,022	--	17,520,226	37.59%	1,094
2010	5,813,132	--	367,572	6,720,709	1,795,792	--	14,697,205	31.07%	917
2011	3,031,565	--	280,105	6,358,158	1,742,999	--	11,412,827	24.19%	704
2012	3,000,000	--	515,753	5,980,607	3,015,779	--	12,512,139	26.35%	771
2013	--	--	315,921	5,588,056	3,022,481	--	8,926,458	17.72%	549
2014	--	--	110,853	5,305,000	2,897,266	--	8,313,119	16.10%	510
2015	--	--	--	4,865,000	2,936,363	--	7,801,363	15.13%	482

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

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

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Capital Projects Fund	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2006	--	--	--	N/A	N/A
2007	--	--	--	N/A	N/A
2008	12,126,265 (1)	2,053,637	10,072,628	0.02%	629
2009	8,094,698	185,635	7,909,063	0.02%	494
2010	5,813,132	5,549	5,807,583	0.01%	362
2011	3,031,565	26,514	3,005,051	0.01%	185
2012	3,000,000	--	3,000,000	0.01%	185
2013	--	--	--	N/A	N/A
2014	--	--	--	N/A	N/A
2015	--	--	--	N/A	N/A

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

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

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

**CITY OF DUBLIN, GEORGIA  
 COMPUTATION OF DIRECT AND OVERLAPPING  
 GOVERNMENTAL ACTIVITIES DEBT  
 JUNE 30, 2015**

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<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	\$           --	100.00%	\$           --
Overlapping -	<u>                  --</u>	100.00%	<u>                  --</u>
Total	<u><u>\$           --</u></u>		<u><u>\$           --</u></u>

Source: City of Dublin, Georgia financial records.

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$45,590,258	\$47,576,730	\$48,787,439	\$50,247,469	\$51,193,126	\$41,757,063	\$41,411,375	\$43,120,785	\$43,114,657	\$ 43,961,536
Total net debt applicable to limit	--	--	12,126,265	8,094,698	5,813,132	3,031,565	3,000,000	--	--	--
Legal debt margin	<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>	<u>\$43,114,657</u>	<u>\$ 43,961,536</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	24.86%	16.11%	11.36%	7.26%	7.24%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year:

Assessed value	\$439,615,362
Debt limit (10% of total assessed value)	43,961,536
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>\$ 43,961,536</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	
2006	--	--	--	--
2007	--	--	--	--
2008	3,244,746	-- (1)	275,000	11.8
2009	2,681,311	4,000,000	480,000	0.6
2010	2,742,771	2,250,000	400,000	1.0
2011	2,642,650	2,750,000	287,500	0.9
2012	2,868,936	3,000,000	75,283	0.9
2013	776,728	--	--	--
2014	--	--	--	--
2015	--	--	--	--

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

Source: City of Dublin, Georgia financial records.

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

Water and Sewer Revenue Bonds

Fiscal Year	Water and Sewer Charges and Other	Less: Operating Expenses	(1) Net Available Revenue	Debt Service		Coverage
				Principle	Interest	
2006	4,992,566	3,148,775	1,843,791	325,000	344,200	2.8
2007	5,474,278	3,259,199	2,215,079	340,000	331,200	3.3
2008	5,812,944	3,399,629	2,413,315	350,000	321,000	3.6
2009	5,137,749	3,881,547	1,256,202	365,000	309,625	1.9
2010	5,283,815	3,757,429	1,526,386	375,000	296,850	2.3
2011	5,390,807	4,192,056	1,198,751	390,000	282,788	1.8
2012	5,746,319	4,270,944	1,475,375	405,000	267,187	2.2
2013	5,164,132	4,479,493	684,639	420,000	250,988	1.0
2014	6,810,424	4,494,637	2,315,787	440,000	234,187	3.4
2015	6,624,663	4,436,155	2,188,508	455,000	216,588	3.3

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

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)	(2)** Per Capita Income	(1)** Median Age	(3) School Enrollment	(4)** Unemployment Rate
2005	15,972	378,792	23,716	36.50	2,395	5.0%
2006	15,989	411,013	25,706	36.40	2,818	5.4%
2007	16,004	423,898	26,487	36.10	2,856	7.0%
2008	16,019	466,137	29,099	36.10	2,818	7.1%
2009	16,031	473,075	29,510	36.10	2,697	10.9%
2010	16,201	471,838	29,124	36.50	2,660	12.3%
2011	16,234	474,763	29,245	37.90	2,683	12.8%
2012	16,267	503,756	30,968	38.60	2,857	12.1%
2013	16,300	516,351	31,678	38.60	2,609	10.1%
2014	16,182	515,559	31,860	38.30	2,610	7.0%

Sources:

- (1) U.S. Census Bureau
- (2) U.S. Bureau of Economic Analysis
- (3) City Board of Education.
- (4) State Department of Labor.

**CITY OF DUBLIN, GEORGIA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR**

Employer	Fiscal Year 2015			Fiscal Year 2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	1,470	1	7.22%	750	2	3.47%
Laurens County Board of Education	820	2	4.03%			0.00%
Fairview Park Hospital	640	3	3.14%	535	3	2.48%
Oconee Fall Line Technical College	442	4	2.17%			0.00%
City of Dublin Board of Education	361	5	1.77%			0.00%
YKK AP America, Inc.	350	6	1.72%	500	4	2.31%
Laurens County Board of Commissioners	348	7	1.71%			0.00%
Flexsteel Industries, Inc.	330	8	1.62%	391	5	1.81%
SP Fiber Technologies, LLC	320	9	1.57%			0.00%
City of Dublin	240	10	1.18%			0.00%
Mohawk				782	1	3.62%
Rockwell Automation Allen-Bradley				384	6	1.78%
Newsprint Co.				355	7	1.64%
Warehouse Home Furnishings Distributors, Inc.				313	8	1.45%
Fred's Distribution				250	9	1.16%
Parker Aerospace				247	10	1.14%
	<u>5,321</u>		<u>26.13%</u>	<u>4,507</u>		<u>20.86%</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Function</b>										
General Government										
Management-City Mgr & City Attorney	3	3	3	3	3	3	3	3	3	4
Finance	5	5	5	5	5	5	5	5	5	5
Building Inspections	5	5	5	6	6	6	6	6	6	5
Other	11	11	10	13	11	11	11	12	12	16
Public Safety										
Police										
Officers and personnel	61	57	60	59	64	63	62	63	64	66
Fire										
Firefighters and officers	32	32	32	35	35	35	35	35	35	34
Public Works										
Engineering	5	7	7	7	7	6	6	6	6	5
Other	13	13	13	15	15	15	15	15	15	15
Sanitation	24	24	24	24	24	24	25	25	25	26
Gas	14	14	14	15	17	17	17	17	13	12
Golf Course	13	13	12	5	3	3	3	3	3	5
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	33	33	32	30	31	35	34	35	31
<b>Total</b>	<u>220</u>	<u>218</u>	<u>219</u>	<u>220</u>	<u>221</u>	<u>220</u>	<u>224</u>	<u>225</u>	<u>223</u>	<u>225</u>

Source: City of Dublin, Georgia Finance Department

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

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Police										
Physical arrests	1,737	1,783	1,765	1,921	2,183	2,500	1,465	1,130	2,680	1,722
Parking violations	14	10	10	9	16	18	6	42	49	100
Traffic violations	3,810	3,621	4,560	4,730	6,064	5,884	4,656	5,249	6,448	5,516
Fire										
Number of calls answered	823	892	942	919	904	959	909	837	1,023	1,066
Highways and streets										
Street resurfacing (miles)	7.2	1.7	N/A	1.1	1.0	2.0	3.3	3.6	2.8	2.3
Potholes repaired	1,205	1,226	1,127	1,150	1,250	1,235	1,276	1,176	1,184	1,157
Sanitation										
Refuse collected (tons/day)	57	58	60	55	56	57	58	60	59	56
Water										
New connections	150	82	98	82	101	156	61	15	18	11
Water mains breaks	436	425	420	430	436	426	114	120	135	92
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	3,500	3,200	3,200	3,200	3,200

Source: Various government departments.

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Function</b>										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	38	50	50	50	50	53	53	53	53
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	20	20	24	20	20	20	20	20	20	20
Highways and streets										
Streets (miles)	100	100	101	101	102	103	103	103	103	103
Streetlights	1,702	1,702	1,710	1,715	1,720	1,739	1,742	1,750	1,755	1,759
Traffic signals	34	34	34	34	40	41	41	41	42	43
Water										
Water mains (miles)	186	186	186	187	193	194	194	194	196	224
Fire hydrants	928	928	928	928	935	975	982	1,056	1,028	1,058
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)	157	159	159	165	170	171	171	171	171	201
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)	229	229	230	232	232	233	233	233	245	269

Source: Various government departments.

**IV. REPORTS REQUIRED BY  
GOVERNMENTAL AUDITING STANDARDS**





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

To the Honorable Mayor and Council  
City of Dublin, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Dublin, Georgia, as of and for the year ended June 30, 2015, 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 January 27, 2016. 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 and Council  
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.

*Richards, Cauley + Associates, LLC*

Dublin, Georgia  
January 27, 2016



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

To the Honorable Mayor and Council  
City of Dublin, Georgia

#### **Report on Compliance for Each Major Federal Program**

We have audited the City of Dublin's (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

***Report on Internal Control Over Compliance***

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

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

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

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

*Nichols, Cauley + Associates, LLC*

Dublin, Georgia  
January 27, 2016

**CITY OF DUBLIN, GEORGIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b><u>U.S. Department of Commerce</u></b>			
Investments for Public Works and Economic Development Facilities	11.300	04-01-06717	<u>\$ 209,403</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Pass through Georgia Department of Community Affairs: Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.218	12p-x-087-2-5523	127,329
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.218	12p-x-087-2-5491	<u>85,439</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>212,768</u>
<b><u>U.S. Department of Justice</u></b>			
Juvenile Accountability Block Grants	16.523	JJ-15-006	21,274
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX0192	5,770
Bulletproof Vest Partnership Program	16.607	None	<u>7,880</u>
<b>Total U.S. Department of Justice</b>			<u>34,924</u>
<b><u>U.S. Department of Transportation</u></b>			
Pass through Governor's Office of Highway Safety State and Community Highway Safety	20.600	GA-2015-395-00294	<u>30,764</u>
<b><u>Environmental Protection Agency</u></b>			
Pass through Georgia Environmental Finance Authority Capitalization Grants for Clean Water State Revolving Funds	66.458	CWSRF-09-084	<u>553,253</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 1,041,112</u></u>

**CITY OF DUBLIN, GEORGIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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**A. General**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Dublin, Georgia under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

**B. Basis of Accounting**

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

**CITY OF DUBLIN, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**SECTION I – SUMMARY OF AUDIT RESULTS**

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds

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



**CITY OF DUBLIN, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Section II – Financial Statement Findings**

None Reported

**Section III – Federal Award Findings**

None Reported