

CITY OF DUBLIN, GEORGIA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

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**Prepared by:
Department of Finance**

**CITY OF DUBLIN, GEORGIA
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 TABLE OF CONTENTS
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Page(s)</u>
<u>I. INTRODUCTORY SECTION (Unaudited)</u>	
LETTER OF TRANSMITTAL.....	1-10
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	11
LIST OF ELECTED AND APPOINTED OFFICIALS	12
ORGANIZATIONAL CHART	13
<u>II. FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR'S REPORT	14-16
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited).....	17-25
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position.....	26
Statement of Activities	27
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet - Governmental Funds	28
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	29
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	31
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budget Basis) - General Fund	32-33
Proprietary Funds:	
Statement of Net Position - Proprietary Funds.....	34-35
Reconciliation of the Statement of Net Position - Proprietary Funds to the Statement of Net Position.....	36
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	37
Statement of Cash Flows - Proprietary Funds.....	38-39
Fiduciary Fund:	
Statement of Fiduciary Assets and Liabilities – Dublin Board of Education Agency Fund.....	40
Notes to the Financial Statements	41-79

**CITY OF DUBLIN, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 TABLE OF CONTENTS
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Page(s)</u>
REQUIRED SUPPLEMENTARY SCHEDULES:	
Schedule of Changes in the City’s Net Pension Liability and Related Ratios.....	80
Schedule of City Contributions	81
Schedule of Funding Progress	82
Schedule of Changes in the Authority’s Net Pension Liability and Related Ratios.....	83
Schedule of Authority Contributions.....	84
 COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:	
Schedule of Expenditures by Function - Budget and Actual - General Fund.....	85-96
Combining Balance Sheet - Nonmajor Governmental Funds	97
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	98
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Hotel/Motel Tax	99
Statement of Changes in Fiduciary Assets and Liabilities – Dublin Board of Education Agency Fund	100
Combining Statement of Net Position - Nonmajor Proprietary Funds.....	101
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Proprietary Funds	102
Combining Statement of Cash Flows - Nonmajor Proprietary Funds.....	103-104
Balance Sheet - Main Street Dublin Downtown Development Authority.....	105
Reconciliation of the Balance Sheet - Main Street Dublin Downtown Development Authority to the Statement of Net Position	106
Statement of Revenues, Expenditures and Changes in Fund Balances - Main Street Dublin Downtown Development Authority.....	107
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Main Street Dublin Downtown Development Authority to the Statement of Activities	108
 SUPPLEMENTARY SCHEDULES:	
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds - 2006	109
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds - 2012	110
 III. STATISTICAL SECTION (Unaudited)	
Net Position by Component.....	111
Changes in Net Position	112-114
Fund Balances, Governmental Funds.....	115
Changes in Fund Balances of Governmental Funds.....	116
Governmental Activities Tax Revenues by Source	117
Computation of Direct and Overlapping Sales Tax Rates.....	118
Assessed and Estimated Actual Value of Taxable Property.....	119
Property Tax Rates – Direct and Overlapping.....	120
Principle Property Taxpayers	121
Property Tax Levies and Collections.....	122

**CITY OF DUBLIN, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Page(s)</u>
Principle Gas Customers	123
Ratios of Outstanding Debt by Type	124
Computation of Direct and Overlapping Governmental Activities Debt	125
Legal Debt Margin Information	126
Pledged Revenue Coverage	127-128
Demographic and Economic Statistics	129
Principle Employers	130
Full-time Equivalent City Government Employees by Function	131
Operating Indicators by Function	132
Capital Asset Statistics by Function	133

IV. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	134-135
Schedule of Findings and Responses	136

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

December 28, 2017

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 (GAAS) 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, 2017.

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, 2017, 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 unmodified opinion that the City of Dublin, Georgia's financial statements for the fiscal year ended June 30, 2017, 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 the 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 financial reporting entity (The City of Dublin, Georgia) includes all the funds of the primary government, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are reported as separate columns in the combined financial statements to emphasize they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from the primary government. The Dublin-Laurens County Recreation Authority and the Main Street Dublin Downtown Development Authority are reported as discretely presented component units.

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 6.540 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 \$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 \$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 licensed practical nurse (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 service 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 has been constructed to better serve our citizens.

Prior to being acquired by Meadows Medical Center, Dublin Internal Medicine completed their expansion of the Dublin Diagnostic Center, Dublin's first comprehensive diagnostic care center. This multimillion dollar facility 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 offers single-family homes and a community activity clubhouse and many recreational facilities. Townhouses and apartments will also be constructed. An assisted living facility, The Benton House, is nearby. Because of the excellent medical facilities and medical care available, Dublin has become a desirable retirement community. New assisted living and long term care centers have been 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 near the new 441 bypass, allowing for better transportation with the excellent access to the airport property.

Highway 80 West has benefitted from the 441 bypass highway, which the Department of Transportation completed in 2012. 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 other new residential and commercial developments being constructed in these areas.

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 City of Dublin is a continuously expanding regional shopping center. There are new restaurants, motels and retail developments.

The Department of Transportation has realigned the I-16 and 441 South interchange to enhance its use. New lighting has been installed which entices 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 tourism promotion at the Center. Since opening, over 275,000 tourists have visited the center which is open Monday through Saturday. New development in this area includes two 3-story motels, national restaurants Cracker Barrel and Longhorn, 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 extended aluminum doors, windows, and curtain wall systems, which are shipped worldwide.

Flexsteel Industries, a manufacturer of recliners and motion furniture, completed a new green initiative program designed to increase energy efficiency and was awarded several honors for their efforts. This required significant investment of time and capital by Flexsteel to make their plant more environmentally friendly and reduced 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. The acquisition of the former Basset facility further expands their operations at the Dublin location and 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 created 178 jobs and has invested \$39 million in the construction of the new plant. Additionally, in February 2015 the Dublin-Laurens County Development Authority acquired 333 acres of industrial property adjacent to Highway 257 and Highway 441 By-Pass for additional sites for industrial use. These sites are considered prime location properties, and are being marketed as such, for prospective industry and distribution center opportunities.

The Heart of Georgia Mega Site is located on Interstate 16 (Exit 58) with river and rail access on the site. The site is primarily in timber production which offers great flexibility in establishing this site as Laurens County's next major industrial development. The 2,000-acre industrial park in Laurens County, became the first Georgia Ready for Accelerated Development (GRAD) site in the county in June 2015. Just five months later, the Heart of Georgia Mega Site received a dual certification as the first Mega Site/Super Park that McCallum Sweeney Consulting (MSC), a nationally recognized expert in site selection, has ever certified. It is also the only MSC Certified Site in Georgia. This certification means the location was rigorously analyzed for several factors that ensure the land is shovel-ready and that there is a low level of risk so companies can begin development immediately. The site is between 14 to 17 million square feet of development.

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 products 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 Carolina 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 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 provided 150 new jobs and was 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. Additionally, plans are currently underway to construct an additional facility (phase 2) as an expansion to the existing campus. This expansion will be built adjacent to the existing facility on an additional 40-acre site. At present, the new facility is slated to begin production in November 2017. When completed, this expansion will bring 450 new jobs and a \$90 million capital investment to our community.

German die maker AWEBA Group has opened its first North American Headquarters in Dublin creating 52 jobs and will invest \$6 million over the next five years. The company has leased a 30,000 square foot building where they will produce tools and dies for the Orth American Free Trade Agreement (NAFTA) region. Germany-based 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 operates Hi-Tek Rations' manufacturing and distribution center securing 120 jobs at the Dublin location and the opportunity for expansion in the future.

In May 2016, Polymer Logistics Company, an Israeli-owned company, announced its decision to locate to the Dublin-Laurens community. Construction started in 2016 on the 73,500 sq. ft. facility. When completed, this distribution center will sit on approximately 7.5 acres on Highway 257 and will serve as the neighbor to Best Buy and will create approximately 110 jobs with an initial capital investment of \$4 million. Polymer Logistics offers eco-friendly packaging to major retailers such as Walmart, Coke, Kraft, Cargill, Tesco, Sainsbury's, Carrefour, etc. As an integral part of the logistics cycle, crates, totes and other packaging materials are picked up from the major retail outlets, sent to their logistics centers to be washed and wrapped

and then forwarded back out to the growers and retail distribution centers throughout the U.S. The recycled materials provide a very positive impact to the environment by replacing corrugated boxes and lengthening the life of municipal landfills.

The 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 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 Transportation Enhancement Activity (TEA) grant received from the Department of Transportation 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.

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 branch 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 Bank of Dudley is in the process of a major renovation of several buildings further solidifying the revitalization of Downtown Dublin. Construction was completed in December of 2017.

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 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, which has 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. As a result, a Dollar General Store was built across the street early this year. A new Police Precinct Sub-Station in the Vinson Village Housing area improves police presence and community policing efforts in the neighborhood.

The six (6) story old First National Bank Building downtown, known as the “Skyscraper” has been sold and federal and state historic preservation tax credits were used to accomplish the \$4,000,000 complete restoration for it to be used as the Georgia Military College Dublin Campus as well as other business offices and a restaurant.

The “Skyscraper” is a seven story building, which was built in 1913 and had been dormant for 30 years. It is known as the tallest building between Macon and Savannah. A grand opening ceremony was held on September 18, 2015, which was attended by Georgia Governor Nathan Deal and several hundred local citizens.

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 SPLOST 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 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, have been completed. The Bellevue Streetscape Project provided Americans with Disabilities Act (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 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 involves the rehabilitation and/or repair of manhole structures and gravity sewer main in the downtown area. The Dublin Branch sewer relocation project 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.

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 Commissioner's, 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 neighborhoods have 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 plans to purchase four run-down houses and renovate one to house Bicycle Police Precinct.

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

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

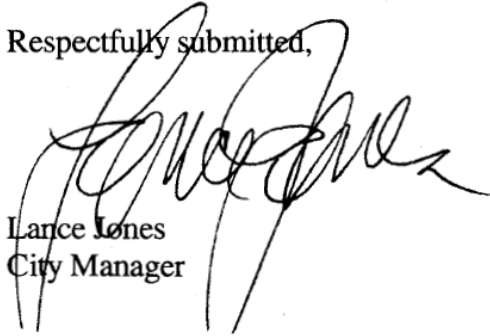
RELEVANT FINANCIAL POLICIES. The City of Dublin financial policy concerning the budgeting of one time revenue resources such as grants and SPLOST revenues is to not budget them for reoccurring operating purposes. These funds must be spent only for capital items and capital improvements. In March 2011,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

AWARDS AND ACKNOWLEDGEMENTS. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dublin, Georgia for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2016. This was the thirtieth 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.

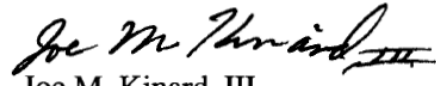
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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
for Excellence
in Financial
Reporting**

Presented to

**City of Dublin
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive style.

Executive Director/CEO

CITY OF DUBLIN, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2017

MAYOR

Phil Best, Sr.

CITY COUNCIL

Bennie Jones

Gary Johnson

Bill Brown III

Paul Griggs

Jerry Davis (Mayor Pro Tem)

Gerald Smith (Chairman of Council)

Curtis Edwards

CITY MANAGER

Lance Jones

CITY CLERK

Joe M. Kinard III

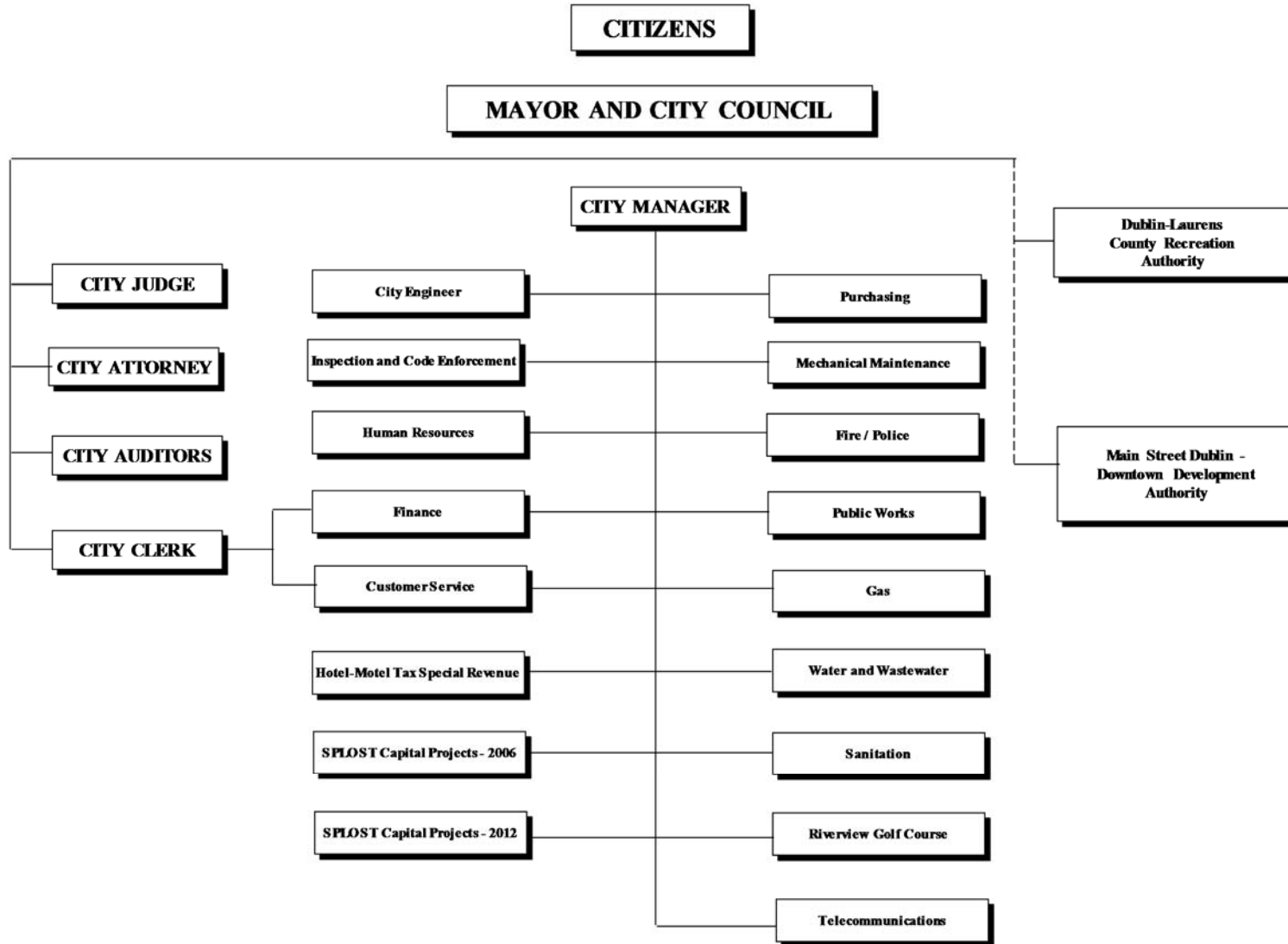
CITY JUDGE

Harold D. McLendon

CITY ATTORNEY

Joshua Powell

**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

o REQUIRED SUPPLEMENTARY SCHEDULES

**o COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

o SUPPLEMENTARY SCHEDULES



NICHOLS, CAULEY & ASSOCIATES, LLC

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Dublin, Georgia 31021
478-275-1163 FAX 478-275-1178
dublin@nicholscauley.com

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Dublin, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of City of Dublin, Georgia, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Dublin-Laurens County Recreation Authority, which represents 85 percent, 85 percent, and 81 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.

Atlanta | Calhoun | Canton | Dalton | Dublin
Kennesaw | Marietta | Rome | Warner Robins

Honorable Mayor and Council
City of Dublin, Georgia

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, 2017, 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.

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 17 through 25), The Schedule of Changes in the City's Net Pension Liability and Related Ratios (on page 80), the Schedule of City Contributions (on page 81) and the Schedule of Funding Progress (page 82), the Schedule of Changes in the Authority's Net Pension Liability and Related Ratios (on page 83) and the Schedule of Authority Contributions (on page 84) 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.

Honorable Mayor and Council
City of Dublin, Georgia

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 fund statements and schedules, schedules of expenditures of special purpose local option sales tax proceeds and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2017, 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, Caulley + Associates, LLC

Dublin, Georgia
December 28, 2017

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

Management of the City of Dublin, Georgia (City) provides this Management's Discussion and Analysis of the City's Comprehensive Annual Financial Report (CAFR) for readers of the City's financial statements. This narrative overview and analysis of the financial activities of the City of Dublin, Georgia is for the fiscal year ended June 30, 2017. 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 \$76,783,680 (*net position*). Of this amount \$18,559,231 (*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 \$1,631,276 during the year; governmental activities increased net position by \$285,347 and business-type activities increased net position by \$1,345,929.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$10,268,260, a decrease of \$143,999 in comparison with the prior year. Approximately thirty-five percent (34.8%) of this total amount, or \$3,573,503, is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, fund balance for the General Fund was \$4,250,332 or 29.1% of the total General Fund expenditures.
- The City's revenues for the year ended June 30, 2017 total \$38,812,413. Of this amount, \$25,660,375, or 66.1%, was generated from charges for services. Additionally, \$3,285,064, or 8.5%, was generated from operating or capital grants. The balance of \$9,866,974, or 25.4%, was generated from general revenues.
- The City's expenses for the year ended June 30, 2017 was \$37,181,137. Of this amount, \$16,066,020, or 43.2%, was consumed by governmental activities. The balance of \$21,115,117, or 56.8%, was consumed by business-type activities.

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).

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

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, golf course operations and telecommunications.

The government-wide financial statements can be found on pages 26 and 27 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 Fund and Hotel/Motel Tax Fund and T-SPLOST 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 28 through 33 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, Riverview Golf Course Fund and Telecommunications 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, the Natural Gas System Fund and the Sanitation 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.

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

The basic proprietary fund financial statements can be found on pages 34 – 39 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.

The basic fiduciary fund's financial statement can be found on page 40 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 41-79 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 85 – 108 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 \$76,783,680 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (65.7%) 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 related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

City of Dublin, Georgia - Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 10,930,040	\$ 11,018,964	\$ 23,498,412	\$ 22,087,633	\$ 34,428,452	\$ 33,106,597
Capital assets	21,578,429	21,334,894	35,392,209	35,978,523	56,970,638	57,313,417
Total assets	<u>32,508,469</u>	<u>32,353,858</u>	<u>58,890,621</u>	<u>58,066,156</u>	<u>91,399,090</u>	<u>90,420,014</u>
Deferred outflows of resources	1,461,245	1,320,005	678,516	519,724	2,139,761	1,839,729
Noncurrent liabilities	5,848,452	5,734,387	8,729,830	8,952,477	14,578,282	14,686,864
Other liabilities	636,674	600,382	1,127,550	1,232,408	1,764,224	1,832,790
Total liabilities	<u>6,485,126</u>	<u>6,334,769</u>	<u>9,857,380</u>	<u>10,184,885</u>	<u>16,342,506</u>	<u>16,519,654</u>
Deferred inflows of resources	281,810	421,663	130,855	166,022	412,665	587,685
Net position:						
Net investment in capital assets	21,339,965	20,963,602	29,118,697	28,919,431	50,458,662	49,883,033
Restricted	6,017,928	5,479,527	1,747,859	1,518,593	7,765,787	6,998,120
Unrestricted	<u>(155,115)</u>	<u>474,302</u>	<u>18,714,346</u>	<u>17,796,949</u>	<u>18,559,231</u>	<u>18,271,251</u>
Total net position	<u>\$ 27,202,778</u>	<u>\$ 26,917,431</u>	<u>\$ 49,580,902</u>	<u>\$ 48,234,973</u>	<u>\$ 76,783,680</u>	<u>\$ 75,152,404</u>

A portion of the City's net position (10.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$18,559,231) 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 (\$234,916) 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 \$1,631,276 or 2.2%. Governmental activities increased \$285,347 and business activities increased \$1,345,929. Historically, and in fiscal year 2017, 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 2017 were \$815,120 which included \$1,602,974 from the Natural Gas Fund to the general fund and \$787,854 from governmental activities to the business-type activities. Approximately 24.9 percent of the City's total revenue came from taxes, while 8.5 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and intragovernmental items provided 66.6 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

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

sewer services, general government, and sanitation services. In 2017, governmental activity program expenses exceeded revenues, resulting in the use of \$10,327,945 in general revenues which were comprised of \$9,648,301 (taxes), \$815,120 (transfers in), \$87,138 (unrestricted investment earnings) and \$62,733 (miscellaneous). Total program revenues from business-type activities exceeded net program expenses, in 2017 by \$2,092,247.

Governmental activities increased the City's net position by \$285,347 compared to an decrease of \$1,594,601 in the prior year. The key elements in this difference were the transfer of capital assets purchased with SPLOST proceeds to the Water and Sewerage System Fund of approximately \$1.3 million in the prior year and did not occur in the current year. Business-type activities increased the City's net position by \$1,345,929. The key element was increase in natural gas demand as compared to the prior year in addition to the transfers from the SPLOST governmental fund and other intergovernmental revenues in the Water and Sewerage Fund used capital improvements. Other key elements of these changes are outlined on the following page.

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

City of Dublin, Georgia - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 3,009,444	\$ 3,183,581	\$ 22,650,931	\$ 19,442,585	\$ 25,660,375	\$ 22,626,166
Operating grants and contributions	59,738	224,779	--	--	59,738	224,779
Capital grants and contributions	2,668,893	2,417,437	556,433	26,020	3,225,326	2,443,457
General revenues:						
Property taxes	3,312,451	3,305,442	--	--	3,312,451	3,305,442
Sales taxes	2,693,950	2,710,623	--	--	2,693,950	2,710,623
Franchise taxes	1,402,561	1,477,687	--	--	1,402,561	1,477,687
Other taxes	2,239,339	2,014,137	--	--	2,239,339	2,014,137
Investment earnings	87,138	32,897	68,802	48,882	155,940	81,779
Miscellaneous	62,733	69,567	--	--	62,733	69,567
Total revenues	<u>15,536,247</u>	<u>15,436,150</u>	<u>23,276,166</u>	<u>19,517,487</u>	<u>38,812,413</u>	<u>34,953,637</u>
Expenses:						
General government	4,709,547	4,899,664	--	--	4,709,547	4,899,664
Public safety	7,853,745	8,317,381	--	--	7,853,745	8,317,381
Community services	1,150,275	1,059,369	--	--	1,150,275	1,059,369
Public works and buildings	1,852,113	1,702,857	--	--	1,852,113	1,702,857
Culture and recreation	494,357	407,342	--	--	494,357	407,342
Interest on long-term debt	5,983	1,879	--	--	5,983	1,879
Water and sewer	--	--	6,129,670	5,763,076	6,129,670	5,763,076
Gas	--	--	11,125,416	8,428,556	11,125,416	8,428,556
Sanitation	--	--	2,616,944	2,557,459	2,616,944	2,557,459
Riverview Golf Course	--	--	591,846	536,417	591,846	536,417
Telecommunications	--	--	651,241	613,728	651,241	613,728
Total expenses	<u>16,066,020</u>	<u>16,388,492</u>	<u>21,115,117</u>	<u>17,899,236</u>	<u>37,181,137</u>	<u>34,287,728</u>
Increase (decrease) in net position before transfers	(529,773)	(952,342)	2,161,049	1,618,251	1,631,276	665,909
Transfers	815,120	(642,259)	(815,120)	642,259	--	--
Change in position	285,347	(1,594,601)	1,345,929	2,260,510	1,631,276	665,909
Net position, beginning	26,917,431	28,512,032	48,234,973	45,974,463	75,152,404	74,486,495
Net position, ending	<u>\$ 27,202,778</u>	<u>\$ 26,917,431</u>	<u>\$ 49,580,902</u>	<u>\$ 48,234,973</u>	<u>\$ 76,783,680</u>	<u>\$ 75,152,404</u>

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

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 \$10,268,260 a decrease of \$143,999 in comparison with the prior year. \$3,573,503 or 34.8% 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 \$3,573,503 while the total fund balance reached \$4,250,332. 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 24.5% of total general fund expenditures, while total fund balance represents 29.1% of that same amount.

The fund balance of the City's General Fund decreased by \$682,400 during the current fiscal year. This is a 13.8% decrease from the prior year. This decrease is primarily attributable to transfers out to the Riverview Golf Course of \$305,625. At June 30, 2017, the fund balance of the City's General Fund represented 41.4% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2012 fund increased by \$972,055 during the current fiscal year. This is an 37.4% 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, 2017, the fund balance of the City's SPLOST Capital Projects - 2012 fund represented 34.8% of the total governmental fund balance.

Proprietary Funds

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

The City's net position increased by \$1,345,929 primarily due to an increase in grant funding in the Water and Sewerage System Fund. The City also saw increased demand in the Natural Gas System fund which increased its operating income during the current fiscal year.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted expenditures increased by 7.7% from the prior year. Actual expenditures decreased approximately 2.2% 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 versus budget amounts are as follows. For revenues, inspection permits were approximately 26.9% over budget due to more construction projects than were anticipated during the year. Police recorders court were approximately 30.4% under budget due to less violations and citations written during the year. Interest on investments were approximately 320.6% over budget due to this income being more than was anticipated during the year. Intergovernmental revenues from the Federal Housing Authority which were 29.4% under budget due to receipts being lower than anticipated. Intergovernmental revenues were also 68.4% over budget due to an increase in DOT funding. For expenditures, City Clerk expenditures were 19.3% under budget primarily due to a decrease in salaries and benefits. Human resources expenditures were 26.0% under budget due to a decrease in salaries and benefits. The finance department expenditures were 22.3% under budget primarily due to salaries being lower than expected. City judge expenditures were 17.1% under budget due savings in other expenses. Engineering expenditures were 19.0% under budget due to salaries and benefits being lower than expenses. Non-departmental expenditures were 15.6% under budget primarily due to a lower than expected use of contingency expenses. Police department expenditures were under budget due to salaries and benefits being lower than expected.

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, 2017, amounts to \$142,621,252, net of accumulated depreciation of \$85,650,614 leaving a net book value of \$56,970,638. This investment in capital assets includes land, construction in progress, buildings and plant, improvements other than buildings, machinery and equipment, and infrastructure.

The City's investment in capital assets for the current fiscal year decreased about 0.6% in terms of net book value. However, actual expenditures to purchase or construct capital assets were \$2,837,012 for the year. The total increase in capital assets was mostly due to various construction projects in the SPLOST and Water and Sewerage. Depreciation charges for the year totaled \$3,179,791. 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 \$3,835,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by \$740,000 as a result of current year principal payments. The City also had \$2,438,512 of debt from notes payable, excluding interfund notes payable.

This is a \$45,580 decrease over the prior year as a result of payments being more than additional borrowings made during the year. 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)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City is currently 6.3%, which is a decrease from a rate of 6.8% 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 except the Riverview Golf Course Fund, 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 6.540 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, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
ASSETS:					
Cash and cash equivalents	\$ 21,085,138	\$ 3,690,024	\$ 24,775,162	\$ 641,836	\$ 95,942
Investments	1,531,733	3,207,139	4,738,872	--	--
Taxes receivable, net	177,670	--	177,670	--	--
Accounts receivable, net	--	1,362,698	1,362,698	30,879	--
Other receivables, net	39,503	100,500	140,003	--	--
Accrued interest receivable	11,659	26,147	37,806	--	--
Due from other governments	232,814	--	232,814	--	--
Internal balances	(12,600,000)	12,600,000	--	--	--
Inventories, at cost	236,969	12,280	249,249	--	--
Prepaid items	214,554	57,582	272,136	21,189	--
Restricted assets:					
Cash and cash equivalents	--	417,248	417,248	--	--
Investments	--	2,024,794	2,024,794	--	--
Capital assets not being depreciated:					
Land	1,890,624	565,757	2,456,381	--	126,150
Construction in progress	1,573,931	873,146	2,447,077	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	3,213,447	32,641,521	35,854,968	4,814,177	457,460
Improvements other than buildings	841,428	139,791	981,219	--	293,432
Machinery and equipment	1,272,626	1,171,994	2,444,620	75,341	1,896
Infrastructure	12,786,373	--	12,786,373	--	--
 Total assets	 32,508,469	 58,890,621	 91,399,090	 5,583,422	 974,880
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred outflows related to pensions	1,461,245	678,516	2,139,761	78,176	--

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
LIABILITIES:					
Accounts payable and accrued costs	444,111	269,478	713,589	27,645	3,534
Accrued interest payable	--	5,203	5,203	--	--
Deposits and bonds	20,000	--	20,000	--	--
Payables from restricted assets-					
Customer deposits	--	694,183	694,183	--	--
Noncurrent liabilities:					
Due within one year:					
Compensated absences	37,260	18,346	55,606	--	--
Capital leases	135,303	--	135,303		
Note payable - other	--	140,340	140,340	94,468	4,748
Due in more than one year:					
Compensated absences	426,173	209,824	635,997	42,434	--
Net pension liability	5,140,237	2,386,834	7,527,071	182,002	--
Net OPEB obligation	178,881	--	178,881	--	--
Capital leases	103,161	--	103,161	--	
Note payable - other	--	2,298,172	2,298,172	178,825	39,526
Revenue bonds payable	--	3,835,000	3,835,000	--	--
Total liabilities	<u>6,485,126</u>	<u>9,857,380</u>	<u>16,342,506</u>	<u>525,374</u>	<u>47,808</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	<u>281,810</u>	<u>130,855</u>	<u>412,665</u>	<u>6,188</u>	<u>--</u>
NET POSITION					
Net investment in capital assets	21,339,965	29,118,697	50,458,662	4,616,225	834,664
Restricted:					
Restricted for debt service	--	1,747,859	1,747,859	--	--
Restricted for capital projects	6,017,928	--	6,017,928	50,680	--
Unrestricted					
	<u>(155,115)</u>	<u>18,714,346</u>	<u>18,559,231</u>	<u>463,131</u>	<u>92,408</u>
Total net position	<u>\$ 27,202,778</u>	<u>\$ 49,580,902</u>	<u>\$ 76,783,680</u>	<u>\$ 5,130,036</u>	<u>\$ 927,072</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, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 4,709,547	\$ 2,266,024	\$ --	\$ --
Public safety	7,853,745	741,920	59,738	4,125
Community services	1,150,275	1,500	--	--
Public works and buildings	1,852,113	--	--	2,664,768
Culture and recreation	494,357	--	--	--
Interest on long-term debt	5,983	--	--	--
Total governmental activities	<u>16,066,020</u>	<u>3,009,444</u>	<u>59,738</u>	<u>2,668,893</u>
Business-type activities:				
Water and sewer	6,129,670	6,367,958	--	556,433
Gas	11,125,416	12,556,897	--	--
Sanitation	2,616,944	2,877,653	--	--
Riverview Golf Course	591,846	278,750	--	--
Telecommunications	651,241	569,673	--	--
Total business-type activities	<u>21,115,117</u>	<u>22,650,931</u>	<u>--</u>	<u>556,433</u>
Total primary government	<u>\$ 37,181,137</u>	<u>\$ 25,660,375</u>	<u>\$ 59,738</u>	<u>\$ 3,225,326</u>
Component units:				
Dublin-Laurens County Recreation Authority	\$ 1,770,909	\$ 183,566	\$ 1,250,000	\$ 74,093
Main Street Dublin Downtown Development Authority	336,015	93,870	229,577	72,999
Total component units	<u>\$ 2,106,924</u>	<u>\$ 277,436</u>	<u>\$ 1,479,577</u>	<u>\$ 147,092</u>
General revenues:				
Property taxes				
Sales taxes				
Hotel/motel tax				
Alcoholic beverage taxes				
Franchise taxes				
Insurance premium tax				
Unrestricted investment earnings				
Miscellaneous				
Transfers				
Total general revenues 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
\$ (2,443,523)	\$ --	\$ (2,443,523)		
(7,047,962)	--	(7,047,962)		
(1,148,775)	--	(1,148,775)		
812,655	--	812,655		
(494,357)	--	(494,357)		
(5,983)	--	(5,983)		
<u>(10,327,945)</u>	<u>--</u>	<u>(10,327,945)</u>		
--	794,721	794,721		
--	1,431,481	1,431,481		
--	260,709	260,709		
--	(313,096)	(313,096)		
--	(81,568)	(81,568)		
--	2,092,247	2,092,247		
<u>(10,327,945)</u>	<u>2,092,247</u>	<u>(8,235,698)</u>		
			\$ (263,250)	\$ --
			<u>--</u>	<u>60,431</u>
			<u>(263,250)</u>	<u>60,431</u>
3,312,451	--	3,312,451	--	--
2,693,950	--	2,693,950	--	--
790,404	--	790,404	205,161	--
438,802	--	438,802	--	--
1,402,561	--	1,402,561	--	--
1,010,133	--	1,010,133	--	--
87,138	68,802	155,940	8,000	102
62,733	--	62,733	1,817	4,304
815,120	(815,120)	--	--	--
<u>10,613,292</u>	<u>(746,318)</u>	<u>9,866,974</u>	<u>214,978</u>	<u>4,406</u>
285,347	1,345,929	1,631,276	(48,272)	64,837
26,917,431	48,234,973	75,152,404	5,178,308	862,235
<u>\$ 27,202,778</u>	<u>\$ 49,580,902</u>	<u>\$ 76,783,680</u>	<u>\$ 5,130,036</u>	<u>\$ 927,072</u>

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

**CITY OF DUBLIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 16,328,843	\$ 3,623,070	\$ 1,133,225	\$ 21,085,138
Investments	--	--	1,531,733	1,531,733
Taxes receivable, net	177,670	--	--	177,670
Other receivables, net	39,503	--	--	39,503
Accrued interest receivable	11,659	--	--	11,659
Due from other governments	232,814	--	--	232,814
Due from other funds	28,581	--	--	28,581
Inventories, at cost	236,969	--	--	236,969
Prepaid items	214,554	--	--	214,554
Total assets	<u>\$ 17,270,593</u>	<u>\$ 3,623,070</u>	<u>\$ 2,664,958</u>	<u>\$ 23,558,621</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable and accrued costs	302,592	\$ 50,287	\$ 91,232	\$ 444,111
Due to other funds	12,500,000	--	128,581	12,628,581
Customer deposits	20,000	--	--	20,000
Total liabilities	<u>12,822,592</u>	<u>50,287</u>	<u>219,813</u>	<u>13,092,692</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	197,669	--	--	197,669
FUND BALANCES				
Nonspendable	451,523	--	--	451,523
Restricted	--	3,572,783	2,445,145	6,017,928
Committed	225,306	--	--	225,306
Assigned	--	--	--	--
Unassigned	3,573,503	--	--	3,573,503
Total fund balances	<u>4,250,332</u>	<u>3,572,783</u>	<u>2,445,145</u>	<u>10,268,260</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,270,593</u>	<u>\$ 3,623,070</u>	<u>\$ 2,664,958</u>	<u>\$ 23,558,621</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, 2017

Total governmental fund balance		\$ 10,268,260
<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	63,014,410	
Less accumulated depreciation	<u>(41,435,981)</u>	21,578,429
<p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.</p>		
		197,669
<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>		
		1,461,245
<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>		
		(281,810)
<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	(463,433)	
Capital leases	(238,464)	
Net OPEB obligation	(178,881)	
Net pension liability	<u>(5,140,237)</u>	<u>(6,021,015)</u>
Net position of governmental activities		<u>\$ 27,202,778</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, 2017

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
REVENUES:				
General property taxes	\$ 3,289,130	\$ --	\$ --	\$ 3,289,130
Other taxes	5,545,446	--	790,404	6,335,850
Licenses and permits	628,512	--	--	628,512
Fines and forfeitures	614,277	--	--	614,277
Intergovernmental	693,353	2,196,277	180,162	3,069,792
Interest on investments	84,123	4,724	19,860	108,707
Miscellaneous income	1,466,058	600	--	1,466,658
Total revenues	<u>12,320,899</u>	<u>2,201,601</u>	<u>990,426</u>	<u>15,512,926</u>
EXPENDITURES:				
Current:				
General government	4,399,252	--	--	4,399,252
Public safety	7,476,332	--	--	7,476,332
Community services	1,144,210	--	--	1,144,210
Public works and buildings	1,577,256	--	--	1,577,256
Culture and recreation	--	--	494,002	494,002
Capital outlay	--	627,608	614,574	1,242,182
Debt service:				
Principal	--	132,828	--	132,828
Interest	--	5,983	--	5,983
Total expenditures	<u>14,597,050</u>	<u>766,419</u>	<u>1,108,576</u>	<u>16,472,045</u>
Excess of revenues over (under) expenditures	<u>(2,276,151)</u>	<u>1,435,182</u>	<u>(118,150)</u>	<u>(959,119)</u>
OTHER FINANCING SOURCES (USES)-				
Transfers in	1,899,376	--	--	1,899,376
Transfers out	<u>(305,625)</u>	<u>(463,127)</u>	<u>(315,504)</u>	<u>(1,084,256)</u>
Total other financing sources (uses)	<u>1,593,751</u>	<u>(463,127)</u>	<u>(315,504)</u>	<u>815,120</u>
Net change in fund balances	(682,400)	972,055	(433,654)	(143,999)
Fund balances-beginning	<u>4,932,732</u>	<u>2,600,728</u>	<u>2,878,799</u>	<u>10,412,259</u>
Fund balances-ending	<u>\$ 4,250,332</u>	<u>\$ 3,572,783</u>	<u>\$ 2,445,145</u>	<u>\$ 10,268,260</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, 2017

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

Net change in fund balances - total governmental funds \$ (143,999)

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. 243,535

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. 23,321

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. 29,662

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. 132,828

Change in net position of governmental activities \$ 285,347

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES:			
General property taxes - Current year's levy	\$ 3,117,100	3,289,130	\$ 172,030
Other taxes:			
Local option sales	2,800,000	2,693,950	(106,050)
Alcoholic beverage	406,000	438,802	32,802
Franchise	1,505,000	1,402,561	(102,439)
Insurance premium	970,000	1,010,133	40,133
Total	5,681,000	5,545,446	(135,554)
Licenses and permits:			
General business licenses	521,500	514,305	(7,195)
Inspection permits	90,000	114,207	24,207
Total	611,500	628,512	17,012
Fines and forfeitures - Police recorders court	883,000	614,277	(268,723)
Intergovernmental:			
Reimbursement from other governments	283,000	313,310	30,310
Federal Housing Authority - payment in lieu of taxes	70,000	49,420	(20,580)
Other	196,300	330,623	134,323
Total	549,300	693,353	144,053
Interest on investments	20,000	84,123	64,123
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	671,787	671,787	--
Miscellaneous	743,905	794,271	50,366
	1,415,692	1,466,058	50,366
Total general fund revenues	\$ 12,277,592	\$ 12,320,899	\$ 43,307

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 -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual Non-GAAP Budget Basis	Variance with Final Budget
EXPENDITURES:			
General government:			
Legislative	\$ 265,802	\$ 260,132	\$ 5,670
City manager	275,412	262,848	12,564
Main Street program	76,500	76,500	-
City clerk	271,030	218,712	52,318
Human resources	203,381	150,506	52,875
Tax department	161,707	140,650	21,057
Finance department	235,466	182,962	52,504
Community development	136,331	132,762	3,569
City attorney	122,324	122,446	(122)
City judge	264,253	219,157	45,096
Engineering	483,859	391,775	92,084
Purchasing	201,608	195,109	6,499
Inspections	526,710	481,990	44,720
Non-departmental	1,730,719	1,461,437	269,282
Risk management and assistant city manager	114,351	113,648	703
Total general government	<u>5,069,453</u>	<u>4,410,634</u>	<u>658,819</u>
Public safety:			
Police department - administrative	1,099,060	963,226	135,834
Police department - patrol	3,691,409	3,103,666	587,743
Police department - C.I.D.	1,040,658	838,191	202,467
Police department - crossing guards	4,738	4,660	78
Fire department - administrative	208,972	175,186	33,786
Fire department - combat	2,381,962	2,402,156	(20,194)
Total public safety	<u>8,426,799</u>	<u>7,487,085</u>	<u>939,714</u>
Community services:			
Cemetery	126,140	121,248	4,892
Appropriations	1,024,113	1,024,814	(701)
Total community services	<u>1,150,253</u>	<u>1,146,062</u>	<u>4,191</u>
Public works and buildings:			
Public works	1,345,960	1,223,170	122,790
Mechanical maintenance	372,311	349,270	23,041
Total public works and buildings	<u>1,718,271</u>	<u>1,572,440</u>	<u>145,831</u>
Total expenditures	<u>16,364,776</u>	<u>14,616,221</u>	<u>1,748,555</u>
Excess of revenues over (under) expenditures	<u>(4,087,184)</u>	<u>(2,295,322)</u>	<u>1,791,862</u>
OTHER FINANCING SOURCES (USES)-			
Transfers in	1,851,974	1,899,376	47,402
Transfers out	(305,625)	(305,625)	-
Total other financing sources (uses)	<u>1,546,349</u>	<u>1,593,751</u>	<u>47,402</u>
Net change in fund balances	<u>\$ (2,540,835)</u>	<u>(701,571)</u>	<u>\$ 1,839,264</u>
Fund balance - beginning		4,726,597	
Fund balance - ending		<u>\$ 4,025,026</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, 2017

	Business-type Activities -	
	Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,665,414	\$ 393,393
Investments	--	3,207,139
Accounts receivable, net	163,005	1,051,851
Other receivables, net	100,500	--
Accrued interest receivable	--	26,147
Due from other funds	1,100,000	9,000,000
Inventories, at cost	--	--
Prepaid items	15,341	24,232
Restricted assets:		
Cash and cash equivalents	417,248	--
Investments	1,749,189	275,605
Total current assets	5,210,697	13,978,367
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Nondepreciable	921,645	427,796
Depreciable, net	24,865,882	7,221,180
Total non-current assets	25,787,527	7,648,976
Total assets	30,998,224	21,627,343
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred outflows related to pensions	315,828	133,093

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 506,500	\$ 1,124,717	\$ 3,690,024
--	--	3,207,139
132,113	15,729	1,362,698
--	--	100,500
--	--	26,147
2,815,000	--	12,915,000
--	12,280	12,280
16,008	2,001	57,582
--	--	417,248
--	--	2,024,794
3,469,621	1,154,727	23,813,412
89,462	--	1,438,903
509,683	1,356,561	33,953,306
599,145	1,356,561	35,392,209
4,068,766	2,511,288	59,205,621
184,661	44,934	678,516

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, 2017

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
<u>LIABILITIES</u>		
CURRENT LIABILITIES:		
Accounts payable	25,190	92,643
Accrued expenses	57,961	39,415
Note payable GEFA - current portion	140,340	--
Due to other funds	--	--
Accrued interest payable	5,203	--
Compensated absences payable	8,924	3,018
Payable from restricted assets-		
Customer deposits	418,578	275,605
Total current liabilities	656,196	410,681
LONG TERM LIABILITIES:		
Compensated absences payable	102,065	34,521
Net pension liability	1,110,996	468,184
Note payable - GEFA - long-term portion	2,298,172	--
Revenue bonds payable - long-term portion	3,835,000	--
Total long-term liabilities	7,346,233	502,705
Total liabilities	8,002,429	913,386
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred inflows related to pensions	60,909	25,667
<u>NET POSITION</u>		
Net investment in capital assets	19,514,015	7,648,976
Restricted -		
Restricted for debt service	1,747,859	--
Unrestricted	1,988,840	13,172,407
Total net position	\$ 23,250,714	\$ 20,821,383

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
3,292	2,821	123,946
36,847	11,309	145,532
--	--	140,340
--	315,000	315,000
--	--	5,203
5,614	790	18,346
--	--	694,183
45,753	329,920	1,442,550
64,207	9,031	209,824
649,586	158,068	2,386,834
--	--	2,298,172
--	--	3,835,000
713,793	167,099	8,729,830
759,546	497,019	10,172,380
35,613	8,666	130,855
599,145	1,356,561	29,118,697
--	--	1,747,859
2,859,123	693,976	18,714,346
\$ 3,458,268	\$ 2,050,537	\$ 49,580,902

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, 2017

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	\$ 59,205,621
Elimination of interfund receivables relating to cash overdrafts reflected as due from other funds	<u>(315,000)</u>
Total assets for statement of net position - business-type activities	<u>\$ 58,890,621</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	\$ 10,172,380
Elimination of interfund payables relating to cash overdrafts reflected as due to other funds	<u>(315,000)</u>
Total liabilities for statement of net position - business-type activities	<u>\$ 9,857,380</u>

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
OPERATING REVENUES:		
Sales/charges for services	\$ 5,924,543	\$ 11,874,050
Administrative expense reimbursement	164,326	127,930
Connection and installation	41,710	9,328
Penalties and cut-on fees	180,659	40,822
Other revenue	--	--
Total operating revenues	<u>6,311,238</u>	<u>12,052,130</u>
OPERATING EXPENSES:		
Purchases	--	7,973,345
Personnel services	1,615,484	675,764
Employee benefits	387,853	138,891
Repairs and maintenance	278,858	39,236
Depreciation	1,039,577	546,087
Other operating	1,704,707	1,075,361
General and administrative	943,458	676,732
Total operating expenses	<u>5,969,937</u>	<u>11,125,416</u>
Operating income	<u>341,301</u>	<u>926,714</u>
NON-OPERATING REVENUES (EXPENSES):		
Interest expense	(159,733)	--
Interest income	19,527	48,306
Intergovernmental	556,433	--
Miscellaneous	56,720	504,767
Total non-operating revenues, net	<u>472,947</u>	<u>553,073</u>
Net income before transfers	814,248	1,479,787
Transfers in	459,309	1,520
Transfers out	--	(1,602,974)
Total transfers	<u>459,309</u>	<u>(1,601,454)</u>
Change in net position	1,273,557	(121,667)
Net position - beginning	<u>21,977,157</u>	<u>20,943,050</u>
Net position - ending	<u>\$ 23,250,714</u>	<u>\$ 20,821,383</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,776,100	\$ 814,980	\$ 21,389,673
--	--	292,256
--	--	51,038
50,451	1,073	273,005
--	32,370	32,370
<u>2,826,551</u>	<u>848,423</u>	<u>22,038,342</u>
--	--	7,973,345
912,035	259,046	3,462,329
220,846	69,436	817,026
109,547	58,507	486,148
193,055	259,851	2,038,570
1,038,488	596,247	4,414,803
142,973	--	1,763,163
<u>2,616,944</u>	<u>1,243,087</u>	<u>20,955,384</u>
209,607	(394,664)	1,082,958
--	--	(159,733)
969	--	68,802
--	--	556,433
51,102	--	612,589
<u>52,071</u>	<u>--</u>	<u>1,078,091</u>
261,678	(394,664)	2,161,049
--	327,025	787,854
--	--	(1,602,974)
<u>--</u>	<u>327,025</u>	<u>(815,120)</u>
261,678	(67,639)	1,345,929
<u>3,196,590</u>	<u>2,118,176</u>	<u>48,234,973</u>
<u>\$ 3,458,268</u>	<u>\$ 2,050,537</u>	<u>\$ 49,580,902</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, 2017**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 6,152,994	\$ 11,418,897
Cash received for administrative expense reimbursements	--	127,930
Cash paid to suppliers for goods and services	(1,906,089)	(8,927,070)
Cash received from other funds for meter readers	164,326	--
Cash paid to other funds for meter readers	--	(164,325)
Cash paid to other governments	(1,015)	(1,248)
Cash paid to employees for services	(1,617,771)	(680,923)
Cash paid for employee taxes and benefits	(669,607)	(281,925)
Cash paid for administrative expense reimbursements	(626,770)	(446,280)
Cash received from (paid to) other funds	(1,100,000)	(1,410,000)
Other non-operating revenue	56,720	504,767
Net cash provided (used) by operating activities	<u>452,788</u>	<u>139,823</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in	459,309	1,520
Transfers out	--	(1,602,974)
Net cash provided (used) by noncapital financing activities	<u>459,309</u>	<u>(1,601,454)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(978,900)	(188,115)
Interest income on note receivable from water and sewerage system fund	--	34,704
Proceeds (payments) on note receivable/payable	(275,143)	275,143
Intergovernmental grant	556,433	--
Principal received on GEFA loans	81,807	--
Principal paid on GEFA loans	(127,387)	--
Interest and fees paid on revenue bonds, notes and capital lease payables	(216,163)	--
Principal paid on revenue bond maturities	(740,000)	--
Net cash provided (used) for capital and related financing activities	<u>(1,699,353)</u>	<u>121,732</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income on investments	19,527	--
Redemption of certificates of deposit	1,664,012	3,470,401
Purchase of certificates of deposit	(1,749,189)	(3,482,744)
Net cash provided (used) by investing activities	<u>(65,650)</u>	<u>(12,343)</u>
Net increase (decrease) in cash and cash equivalents	(852,906)	(1,352,242)
Cash and cash equivalents beginning of year	2,935,568	1,745,635
Cash and cash equivalents end of year	<u>\$ 2,082,662</u>	<u>\$ 393,393</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,821,290	\$ 889,491	\$ 21,282,672
--	--	127,930
(891,309)	(604,055)	(12,328,523)
--	--	164,326
--	--	(164,325)
--	--	(2,263)
(910,163)	(269,999)	(3,478,856)
(431,614)	(102,425)	(1,485,571)
(142,973)	--	(1,216,023)
(2,510,000)	10,000	(5,010,000)
51,102	--	612,589
<u>(2,013,667)</u>	<u>(76,988)</u>	<u>(1,498,044)</u>
--	327,025	787,854
--	--	(1,602,974)
<u>--</u>	<u>327,025</u>	<u>(815,120)</u>
(149,559)	(135,682)	(1,452,256)
--	--	34,704
--	--	--
--	--	556,433
--	--	81,807
--	--	(127,387)
--	--	(216,163)
--	--	(740,000)
<u>(149,559)</u>	<u>(135,682)</u>	<u>(1,862,862)</u>
969	--	20,496
--	--	5,134,413
--	--	(5,231,933)
<u>969</u>	<u>--</u>	<u>(77,024)</u>
(2,162,257)	114,355	(4,253,050)
2,668,757	1,010,362	8,360,322
<u>\$ 506,500</u>	<u>\$ 1,124,717</u>	<u>\$ 4,107,272</u>

(continued on the following page)

**CITY OF DUBLIN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:		
Cash, beginning		
Current	\$ 2,530,539	\$ 1,745,635
Restricted	405,029	--
Total	<u>2,935,568</u>	<u>1,745,635</u>
Net increase (decrease)		
Current	(865,125)	(1,352,242)
Restricted	12,219	--
Total	<u>(852,906)</u>	<u>(1,352,242)</u>
Cash, ending		
Current	1,665,414	393,393
Restricted	417,248	--
Total	<u>\$ 2,082,662</u>	<u>\$ 393,393</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net operating income (loss)	<u>\$ 341,301</u>	<u>\$ 926,714</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	1,039,577	546,087
Other non-operating revenue	56,720	504,767
Decrease (increase) in assets:		
Accounts receivable - trade	(6,515)	(521,427)
Due from other funds	(1,100,000)	(1,410,000)
Prepaid expenses	(15,341)	(17,222)
Decrease (increase) in deferred outflows of resources	(76,295)	(24,917)
(Decrease) increase in liabilities:		
Accounts payable	16,613	81,579
Accrued expenses	(8,496)	(17,397)
Due to other funds	--	--
Customer deposits	12,597	16,124
Compensated absences payable	(2,287)	2,886
Net pension liability	210,522	61,518
(Decrease) increase in deferred inflows of resources	(15,608)	(8,889)
Total adjustments	<u>111,487</u>	<u>(786,891)</u>
Net cash provided (used) by operating activities	<u>\$ 452,788</u>	<u>\$ 139,823</u>

Business-type Activities -
Enterprise Funds

Sanitation System Fund	Nonmajor Funds	Total
\$ 2,668,757	\$ 1,010,362	\$ 7,955,293
--	--	405,029
<u>2,668,757</u>	<u>1,010,362</u>	<u>8,360,322</u>
(2,162,257)	114,355	(4,265,269)
--	--	12,219
<u>(2,162,257)</u>	<u>114,355</u>	<u>(4,253,050)</u>
506,500	1,124,717	3,690,024
--	--	417,248
<u>\$ 506,500</u>	<u>\$ 1,124,717</u>	<u>\$ 4,107,272</u>
\$ 209,607	\$ (394,664)	\$ 1,082,958
193,055	259,851	2,038,570
51,102	--	612,589
(5,261)	41,068	(492,135)
(2,510,000)	--	(5,020,000)
(16,008)	(2,001)	(50,572)
(43,002)	(14,578)	(158,792)
3,292	(7,439)	94,045
(5,733)	(7,335)	(38,961)
--	10,000	10,000
--	--	28,721
1,872	(4,812)	(2,341)
117,048	43,953	433,041
(9,639)	(1,031)	(35,167)
<u>(2,223,274)</u>	<u>317,676</u>	<u>(2,581,002)</u>
<u>\$ (2,013,667)</u>	<u>\$ (76,988)</u>	<u>\$ (1,498,044)</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 AGENCY FUND
JUNE 30, 2017

<u>ASSET</u>	<u>Agency Funds</u>
Cash and cash equivalents	\$ 982,975
Total assets	<u>\$ 982,975</u>
<u>LIABILITY</u>	
Due to Dublin Board of Education	\$ 982,975
Total liabilities	<u>\$ 982,975</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, 2017**

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, 2017**

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

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

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

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

B. Joint Ventures

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

Altamaha Regional Commission – Under Georgia law, the City, in conjunction with other cities and counties in the region, is a member of the Heart of Georgia, Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2017, 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, 2017

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, 2017**

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.

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.

T-SPLOST Capital Projects accounts for 1% sales tax proceeds required to be used for capital outlay for transportation projects.

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
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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, 2017. 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 stated at acquisition value at the time of the donation and disposals are removed at recorded cost.

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, 2017, there was no interest capitalized by the City's business-type activities relating to the construction of capital assets.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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
FOR THE YEAR ENDED JUNE 30, 2017

- **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 two 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. 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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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 four types of items 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 items relate to the City's pension plan and is reported in the government-wide and proprietary fund Statements of Net Position. 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. 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, the SPLOST Capital Projects – 2012 Fund and the T-SPLOST Fund 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, 2017.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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

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

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

B. Budget/GAAP Reconciliation

Primary Government

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

2017 Expenditures	General Fund
Budget basis expenditures	\$ 14,616,221
Encumbrances, June 30, 2017	(225,306)
Encumbrances, June 30, 2016	206,135
GAAP basis expenditures	\$ 14,597,050
Fund Balances - End of Year	
Budgetary basis fund balance	\$ 4,025,026
Encumbrances, June 30, 2017	225,306
GAAP basis fund balance	\$ 4,250,332

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

C. Component Units

The Dublin-Laurens County Recreation Authority 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-Laurens County Recreation Authority is prepared on a generally accepted accounting principles basis. Budgets for the year ended June 30, 2017 were not prepared for the Main Street Dublin-Downtown Development Authority.

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 - City attorney	\$ 122,446	\$ 122,324	\$ (122)
Fire Department - Combat	2,402,156	2,381,962	(20,194)
Community services - Appropriations	1,024,814	1,024,113	(701)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel - Culture and recreation	494,002	415,000	(79,002)

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 \$234,916 as of June 30, 2017. The fund incurred more operating expense than anticipated. Should the budgeted revenue for the upcoming fiscal year fall short of anticipated expenses, the City plans to transfer funds from the general fund to cover the expenses.

**CITY OF DUBLIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2017**

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

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

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

Credit Risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices from those authorized and listed in Note A. As of June 30, 2017 the City's investments in Georgia Fund 1 were rated AAAs by Standard and Poor's.

Primary government cash and cash equivalents reconciliation at June 30, 2017:

	<u>Cash and Cash Equivalents</u>
Primary government - fund reporting level:	
Governmental funds - balance sheet	\$ 21,085,138
Proprietary funds - statement of net position	3,690,024
Proprietary funds - statement of net position - restricted	417,248
Statement of fiduciary assets and liabilities	982,975
	<u>\$ 26,175,385</u>

Investment cash equivalents comprised \$16,523,964 or about 63.1% of the total cash and cash equivalents balance of \$26,175,385 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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

	Fair Value	Maturities
Cash Equivalents:		
Georgia Fund 1 Investment Pool	\$ 16,523,964	26 Day Weighted Average

The City's reporting entity had the following investments as of June 30, 2017:

Type of Investment	Fair Value	Investment Maturity Less than 1 yr
Primary government:		
Certificates of deposit	\$ 6,763,666	\$ 6,763,666

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City's recurring financial measurements at June 30, 2017, which include certificates of deposits that totaled \$6,763,666, are classified in Level 1 of the fair value hierarchy and are valued using prices quoted in active markets for those investments.

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 2016, the City levied a tax of six and 54/1000 (6.540) mills on the value of all taxable property in the City. The City School System levied a tax of twenty one and 955/100 (21.955) mills. The net digest assessed value for 2016 was \$447,844,499 on property in the City including mobile homes and vehicles.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Sources of the calendar year 2016 tax levy are as follows:

	Digest Assessed Value	Tax Levy, net of exemptions and allowances	City School System's Portion	City's Portion
General property	\$ 421,776,110	\$ 11,069,514	\$ 8,311,098	\$ 2,758,416
Public utilities	10,242,506	268,815	201,829	66,986
Motor vehicles	15,825,883	415,350	311,849	103,501
Total	<u>\$ 447,844,499</u>	<u>\$ 11,753,679</u>	<u>\$ 8,824,776</u>	<u>\$ 2,928,903</u>

C. Receivables

As of June 30, 2017 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, 2017:

	Governmental	Proprietary	Total
Receivables:			
Taxes	\$ 197,670	\$ --	\$ 197,670
Less allowance for uncollectible accounts	(20,000)	--	(20,000)
Net taxes receivable	<u>\$ 177,670</u>	<u>\$ --</u>	<u>\$ 177,670</u>
Accounts and other	\$ 41,807	\$ 1,858,321	\$ 1,900,128
Less allowance for uncollectible accounts	(2,304)	(395,123)	(397,427)
Net accounts receivable	<u>\$ 39,503</u>	<u>\$ 1,463,198</u>	<u>\$ 1,502,701</u>

D. Receivables from Other Governments

General fund receivables from other governments as of June 30, 2017, are as follows:

State of Georgia - local option sales tax	<u>\$ 232,814</u>
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E. Local Option Sales Tax

On January 9, 1978, the citizens of Laurens County approved, by referendum vote, a 1% local option sales tax to be effective on April 1, 1978, and to be collected by the State of Georgia and remitted to the local government divisions. Under the laws of the State of Georgia, any jurisdiction imposing the 1% local option sales tax is required to roll back ad valorem taxes each year by an amount equal to the actual sales tax received over a 12-month period. Local option sales tax for the year ended June 30, 2017, was \$2,693,950.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

F. Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2017 consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

<u>Payable from:</u>	<u>Payable to</u>				<u>Total</u>
	<u>General Fund</u>	<u>Water and Sewerage System Fund</u>	<u>Natural Gas System Fund</u>	<u>Sanitation System Fund</u>	
General Fund	\$ --	\$ 1,000,000	\$ 9,000,000	\$ 2,500,000	\$ 12,500,000
Nonmajor Governmental Funds	28,581	100,000	--	--	128,581
Nonmajor Proprietary Funds	--	--	--	315,000	315,000
	<u>\$ 28,581</u>	<u>\$ 1,100,000</u>	<u>\$ 9,000,000</u>	<u>\$ 2,815,000</u>	<u>\$ 12,943,581</u>

Interfund transfers for the year ended June 30, 2017 consisted of the following:

<u>Transfers from</u>	<u>Transfer to</u>				<u>Total</u>
	<u>General Fund</u>	<u>Water and Sewerage System Fund</u>	<u>Natural Gas System Fund</u>	<u>Nonmajor Proprietary Funds</u>	
General Fund	\$ --	\$ --	\$ --	\$ 305,625	\$ 305,625
SPLOST Capital Projects 2012	--	440,207	1,520	21,400	463,127
Nonmajor Governmental Funds	296,402	19,102	--	--	315,504
Natural Gas System Fund	1,602,974	--	--	--	1,602,974
	<u>\$ 1,899,376</u>	<u>\$ 459,309</u>	<u>\$ 1,520</u>	<u>\$ 327,025</u>	<u>\$ 2,687,230</u>

Interfund transfers are utilized to (1) report revenues in the fund required by statute or budget to collect such revenue, or to expend such revenue, (2) account for revenues collected in the general fund which are to be used by other funds in accordance with budgetary authorizations or anticipated capital projects, and (3) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due. All transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

G. Restricted Assets

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

Customer deposits	\$ 417,248
Revenue bond debt service	<u>2,024,794</u>
	<u><u>\$ 2,442,042</u></u>

H. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

Primary Government

	Balance July 1, 2016	Increases	Decreases/ Transfers	Balance June 30, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,890,624	\$ --	\$ --	\$ 1,890,624
Construction in progress	<u>762,378</u>	<u>1,056,661</u>	<u>(245,108)</u>	<u>1,573,931</u>
Total capital assets not being depreciated	<u>2,653,002</u>	<u>1,056,661</u>	<u>(245,108)</u>	<u>3,464,555</u>
Capital assets, being depreciated:				
Buildings and plants	9,386,172	--	--	9,386,172
Improvements other than buildings	9,603,698	--	--	9,603,698
Machinery and equipment	9,209,597	227,926	--	9,437,523
Infrastructure	<u>30,777,185</u>	<u>345,277</u>	<u>--</u>	<u>31,122,462</u>
Total capital assets being depreciated	<u>58,976,652</u>	<u>573,203</u>	<u>--</u>	<u>59,549,855</u>
Less accumulated depreciation for:				
Buildings and plants	5,992,444	180,281	--	6,172,725
Improvements other than buildings	8,624,704	137,566	--	8,762,270
Machinery and equipment	7,747,668	417,229	--	8,164,897
Infrastructure	<u>17,929,944</u>	<u>406,145</u>	<u>--</u>	<u>18,336,089</u>
Total accumulated depreciation	<u>40,294,760</u>	<u>1,141,221</u>	<u>--</u>	<u>41,435,981</u>
Total capital assets being depreciated, net	<u>18,681,892</u>	<u>(568,018)</u>	<u>--</u>	<u>18,113,874</u>
Governmental activities capital assets, net	<u><u>\$ 21,334,894</u></u>	<u><u>\$ 488,643</u></u>	<u><u>\$(245,108)</u></u>	<u><u>\$ 21,578,429</u></u>

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Increases	Decreases/ Transfers	Balance June 30, 2017
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 565,757	\$ --	\$ --	565,757
Construction in progress	4,953,242	955,633	(5,035,729)	873,146
Total capital assets not being depreciated	<u>5,518,999</u>	<u>955,633</u>	<u>(5,035,729)</u>	<u>1,438,903</u>
Capital assets, being depreciated:				
Buildings and plants	63,362,318	5,081,321	--	68,443,639
Improvements other than buildings	354,705	15,000	--	369,705
Machinery and equipment	8,918,564	436,031	--	9,354,595
Total capital assets being depreciated	<u>72,635,587</u>	<u>5,532,352</u>	<u>--</u>	<u>78,167,939</u>
Less accumulated depreciation for:				
Buildings and plants	34,142,312	1,659,806	--	35,802,118
Improvements other than buildings	222,438	7,476	--	229,914
Machinery and equipment	7,811,313	371,288	--	8,182,601
Total accumulated depreciation	<u>42,176,063</u>	<u>2,038,570</u>	<u>--</u>	<u>44,214,633</u>
Total capital assets being depreciated, net	<u>30,459,524</u>	<u>3,493,782</u>	<u>--</u>	<u>33,953,306</u>
Business-type activities capital assets, net	<u>\$ 35,978,523</u>	<u>\$ 4,449,415</u>	<u>\$ (5,035,729)</u>	<u>\$ 35,392,209</u>

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

Governmental activities:	
General government	\$ 294,907
Public safety	416,439
Community services	6,706
Public works and buildings	422,814
Culture and recreation	355
Total depreciation expense-governmental activities	<u>\$ 1,141,221</u>
Business-type activities:	
Water and sewer	\$ 1,039,577
Gas	546,087
Sanitation	193,055
Riverview Golf Course	12,847
Telecommunications	247,004
Total depreciation expense-business-type activities	<u>\$ 2,038,570</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Discretely Presented Component Units

Activity for **Dublin-Laurens County Recreation Authority** for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Increases	Decreases/ Transfers	Balance June 30, 2017
Capital assets, being depreciated:				
Buildings and plants	\$ 7,577,493	\$ --	\$ --	\$ 7,577,493
Machinery and equipment	1,345,080	--	--	1,345,080
Total capital assets being depreciated	<u>8,922,573</u>	<u>--</u>	<u>--</u>	<u>8,922,573</u>
Less accumulated depreciation for:				
Buildings and plants	2,558,749	204,567	--	2,763,316
Machinery and equipment	1,246,345	23,394	--	1,269,739
Total accumulated depreciation	<u>3,805,094</u>	<u>227,961</u>	<u>--</u>	<u>4,033,055</u>
Dublin-Laurens County Recreation Authority capital assets, net	<u>\$ 5,117,479</u>	<u>\$ (227,961)</u>	<u>\$ --</u>	<u>\$ 4,889,518</u>

Activity for **Main Street Dublin-Downtown Development Authority** for the year ended June 30, 2017 was as follows:

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017
Capital assets, not being depreciated:				
Land	\$ 126,150	\$ --	\$ --	\$ 126,150
Capital assets, being depreciated:				
Buildings and plants	\$ 630,705	\$ --	\$ --	\$ 630,705
Improvements other than buildings	372,476	94,099	--	466,575
Machinery and equipment	35,310	--	(1,632)	33,678
Total capital assets being depreciated	<u>1,038,491</u>	<u>94,099</u>	<u>(1,632)</u>	<u>1,130,958</u>
Less accumulated depreciation for:				
Buildings and plants	151,536	21,709	--	173,245
Improvements other than buildings	148,742	24,401	--	173,143
Machinery and equipment	30,630	2,784	(1,632)	31,782
Total accumulated depreciation	<u>330,908</u>	<u>48,894</u>	<u>(1,632)</u>	<u>378,170</u>
Total capital assets being depreciated, net	<u>707,583</u>	<u>45,205</u>	<u>--</u>	<u>752,788</u>
Main Street Dublin-Downtown Development Authority, net	<u>\$ 833,733</u>	<u>\$ 45,205</u>	<u>\$ --</u>	<u>\$ 878,938</u>

I. Capital Leases

Capital Lease Payable – Branch Bank & Trust

During fiscal year 2016, the City entered into a capital lease agreement with Branch Bank & Trust for the purpose of twelve police vehicles with an original amount of \$404,116. Quarterly payments of \$32,824 beginning April 14, 2016 and ending on January 14, 2019 at an interest rate of 1.86%.

Year Ending June 30,	Principal	Interest	Total Payment
2018	\$ 135,303	\$ 3,419	\$ 138,722
2019	103,161	940	104,101
	<u>\$ 238,464</u>	<u>\$ 4,359</u>	<u>\$ 242,823</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

The assets acquired through these capital leases are as follows:

	Governmental Activities	Business-Type Activities
	_____	_____
Machinery and equipment	\$ 404,116	\$ --
Less accumulated depreciation	(119,769)	--
	_____	_____
Total	<u>\$ 284,347</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, 2017 was \$12,545. During 2017, the City re-paid the remaining principal and interest in full.

K. Long-term Obligations

Primary Government

Revenue Bonds Payable

As certain construction needs arise that cannot be paid for out of existing cash reserves, the City issues revenue bonds to raise the necessary monies to fund those capital projects. With revenue bonds, the government pledges income derived from the acquired asset to pay debt service. The various bond indentures may contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in sinking funds, and minimum revenue bond coverages. Management believes the City is in compliance with all such significant financial limitations and restrictions.

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$4,575,000 in revenue bonds. Proceeds from the outstanding bonds provided financing for various construction projects and refunding of prior bonds. These bonds are payable solely from the Water and Sewerage System Fund's customer net revenues and have maturity dates through 2023. During the current year, principal and interest paid and total net pledged revenues were \$682,128 and \$1,380,878, respectively. The total principal and interest remaining to be paid on the bonds as of June 30, 2017 was \$3,838,000 and \$265,690, respectively.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Water and Sewer Revenue Refunding and Improvement Bonds, Series 2015 - On December 31, 2015, the City issued \$4,575,000 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, refund a loan with the Georgia Environmental Finance Authority, and pay the necessary costs of issuing the bonds. These bonds carry an interest rate of 1.95% and are due on July 1, 2023.

The following includes a summary of revenue bond transactions for the fiscal year ended June 30, 2017.

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Revenue Bond Issues						
Series 2015	\$ 4,575,000	\$ --	\$ (740,000)	\$ 3,835,000	\$ -	\$ 3,835,000
Total revenue bonds	<u>\$ 4,575,000</u>	<u>\$ --</u>	<u>\$ (740,000)</u>	<u>\$ 3,835,000</u>	<u>\$ --</u>	<u>\$ 3,835,000</u>

Revenue bond debt service requirements to maturities, including interest, are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2018	\$ --	\$ 37,391	\$ 37,391
2019	615,000	68,786	683,786
2020	615,000	56,794	671,794
2021	635,000	44,607	679,607
2022	645,000	32,127	677,127
2023-2024	<u>1,325,000</u>	<u>25,985</u>	<u>1,350,985</u>
Total	<u>\$ 3,835,000</u>	<u>\$ 265,690</u>	<u>\$ 4,100,690</u>

Notes Payable – Georgia Environmental Facilities Authority (GEFA)

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. 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 2018 is \$81,074 with the long-term portion making up the remaining balance of \$1,778,938.

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. During fiscal year 2017, the City had drawdowns of \$81,806 and financed the total amount of \$627,205 over ten years at 1.52% per annum. The current portion of the loan due in FY 2017 is \$59,266 with the long-term portion making up the remaining balance of \$519,234.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

The following includes a summary of notes payable transactions for the fiscal year ended June 30, 2017.

	<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:						
2011 GEFA loan	\$ 1,938,694	\$ --	\$ (78,682)	\$ 1,860,012	\$ 81,074	\$ 1,778,938
2015 GEFA loan	545,398	81,807	(48,705)	578,500	59,266	519,234
Total notes payable	<u>\$ 2,484,092</u>	<u>\$ 81,807</u>	<u>\$ (127,387)</u>	<u>\$ 2,438,512</u>	<u>\$ 140,340</u>	<u>\$ 2,298,172</u>

The City's notes payable debt service requirements to maturity, including interest are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2018	\$ 140,340	\$ 63,074	\$ 203,414
2019	143,713	59,699	203,412
2020	147,173	56,239	203,412
2021	150,729	52,683	203,412
2022	154,377	49,037	203,414
2023-2035	<u>1,702,180</u>	<u>299,382</u>	<u>2,001,562</u>
Total	<u>\$ 2,438,512</u>	<u>\$ 580,114</u>	<u>\$ 3,018,626</u>

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments/ Retirements</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Governmental activities:						
Compensated absences	\$ 434,974	\$ 28,459	\$ --	\$ 463,433	\$ 37,260	\$ 426,173
Net pension liability	4,962,287	868,511	(690,561)	5,140,237	--	5,140,237
Net OPEB Obligation	133,859	83,895	(38,873)	178,881	--	178,881
Capital leases	371,292	--	(132,828)	238,464	135,303	103,161
Governmental activity- long-term liabilities	<u>\$ 5,902,412</u>	<u>\$ 980,865</u>	<u>\$ (862,262)</u>	<u>\$ 6,021,015</u>	<u>\$ 172,563</u>	<u>\$ 5,848,452</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Business-type activities:						
Revenue bonds payable	\$ 4,575,000	\$ --	\$ (740,000)	\$ 3,835,000	\$ --	\$ 3,835,000
Compensated absences payable	230,511	175,518	(177,859)	228,170	18,346	209,824
Net pension liability	1,953,793	433,041	--	2,386,834	--	2,386,834
Notes payable - other	2,484,092	81,807	(127,387)	2,438,512	140,340	2,298,172
Business-type activity- long-term liabilities	<u>\$ 9,243,396</u>	<u>\$ 690,366</u>	<u>\$ (1,045,246)</u>	<u>\$ 8,888,516</u>	<u>\$ 158,686</u>	<u>\$ 8,729,830</u>

For governmental activities, compensated absences are generally liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Water and Sewerage System Fund, the Natural Gas System Fund, the Sanitation System Fund, the Riverview Golf Course Fund and the Telecommunications Fund.

Discretely Presented Component Units

Dublin-Laurens County Recreation Authority:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated absences payable	\$ 38,639	\$ 3,795	\$ --	\$ 42,434	\$ --	\$ 42,434
Net pension liability	199,600	22,116	(39,714)	182,002	--	182,002
Notes payable-Farmers State Bank	365,235	--	(91,942)	273,293	94,468	178,825
Dublin-Laurens County Recreation Authority long-term liabilities	<u>\$ 603,474</u>	<u>\$ 25,911</u>	<u>\$ (131,656)</u>	<u>\$ 497,729</u>	<u>\$ 94,468</u>	<u>\$ 403,261</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, 2017

The annual requirements to amortize the remaining balance of \$273,293 as of June 30, 2017, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2018	\$ 94,468	\$ 9,732	\$ 104,200
2019	97,828	6,372	104,200
2020	<u>80,997</u>	<u>2,893</u>	<u>83,890</u>
Total	<u>\$ 273,293</u>	<u>\$ 18,997</u>	<u>\$ 292,290</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	\$ 48,885	\$ --	\$ (4,611)	\$ 44,274	\$ 4,748	\$ 39,526
Main Street Dublin- Downtown Development Authority long term liabilities	<u>\$ 48,885</u>	<u>\$ --</u>	<u>\$ (4,611)</u>	<u>\$ 44,274</u>	<u>\$ 4,748</u>	<u>\$ 39,526</u>

Note payable to Bank of Dudley to purchase a building at 317 Telfair Street, Dublin, Georgia. The interest rate is 3.0% and the note calls for 120 consecutive payments of principal and interest in the amount of \$501.03 beginning on November 20, 2015. The loan will mature on October 20, 2025.

The Authority's notes payable debt service requirements to maturity, including interest are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 4,748	\$ 1,263	\$ 6,011
2019	4,893	1,119	6,012
2020	5,042	970	6,012
2021	5,195	817	6,012
2022	5,354	657	6,011
2023-2025	<u>19,042</u>	<u>2,403</u>	<u>21,445</u>
Total	<u>\$ 44,274</u>	<u>\$ 7,229</u>	<u>\$ 51,503</u>

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Fund Balance

The composition of the City's fund balances as of June 30, 2017 is as follows:

	<u>General</u>	<u>SPLOST Capital Projects - 2012</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventory	\$ 236,969	\$ --	\$ --	\$ 236,969
Prepays	214,554	--	--	214,554
Restricted for:				
Tourism	--	--	266	266
Capital projects	--	3,572,783	2,444,879	6,017,662
Committed for:				
Administration	4,121	--	--	4,121
Legislative	9,850	--	--	9,850
Human resources	10,940	--	--	10,940
Engineering	18,223	--	--	18,223
Police services	40,982	--	--	40,982
Fire services	14,915	--	--	14,915
Public works projects	26,303	--	--	26,303
Capital projects	17,976	--	--	17,976
Other	81,996	--	--	81,996
Assigned	--	--	--	--
Unassigned	3,573,503	--	--	3,573,503
	<u>\$ 4,250,332</u>	<u>\$ 3,572,783</u>	<u>\$ 2,445,145</u>	<u>\$ 10,268,260</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.

CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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 2017 are as follows:

	Fiscal Year Ended	
	June 30, 2017	June 30, 2016
Unpaid claims payable, beginning of fiscal year	\$ --	\$ 50,000
Current year claims, premiums and changes in estimates	65,838	437,147
Claims payments	(45,312)	(487,147)
Unpaid claims payable, end of fiscal year	\$ 20,526	\$ -

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, 2017 are as follows:

General Fund	<u>\$ 225,306</u>
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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, 2017, June 30, 2016, or June 30, 2015.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2017. A summary of the transactions for the year ending June 30, 2017 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	\$ 790,404	
Expended under contract with the Dublin – Laurens County Chamber of Commerce and the Tourism Resource Enhancement and Events Organization for promotion of tourism	(197,601)	25.00%
Expended under contract with Theatre Dublin to market and operate theater facilities	(98,800)	12.50%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(197,601)	25.00%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(296,402)	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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

E. Pension Plans

1. Primary Government

a. Plan Description

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

As of January 1, 2017, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	140
Vested terminated employees	52
Active employees:	225
Total membership in the plan	417

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 \$1,012,079 for the year ended June 30, 2017.

b. Net Pension Liability

The City's net pension liability was measured as of September 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Actuarial assumptions - The total pension liability in the January 1, 2017 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%

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, 2017 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	45%	6.75%
International equity	20%	7.45%
Real estate	10%	4.55%
Global fixed income	5%	3.30%
Domestic fixed income	20%	1.75%
Cash	--	--
	100%	

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, 2017

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, 2017, 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, 2015	\$ 26,660,503	\$ 19,744,423	\$ 6,916,080
Changes for the year:			
Service cost	306,219	--	306,219
Interest	2,008,464	--	2,008,464
Differences between expected and actual experience	1,455,027	--	1,455,027
Contributions-employer	--	1,011,219	(1,011,219)
Contributions-employee	--	--	--
Net investment income	--	2,183,266	(2,183,266)
Benefit payments, including refunds of employee contributions	(1,489,667)	(1,489,667)	--
Administrative expense	--	(35,766)	35,766
Other	--	--	--
Net changes	<u>2,280,043</u>	<u>1,669,052</u>	<u>610,991</u>
Balance September 30, 2016	<u>\$ 28,940,546</u>	<u>\$ 21,413,475</u>	<u>\$ 7,527,071</u>

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	\$ 10,807,985	\$ 7,527,071

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2016 and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2017, the City recognized pension expense of \$135,939. As of June 30, 2017 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	\$ 1,380,639	\$ --
Changes of assumptions	--	(391,790)
Net difference between projected and actual earnings on pension plan investments	--	(20,875)
Contributions made subsequent to measurement date	<u>759,122</u>	<u>\$ --</u>
Total	<u>\$ 2,139,761</u>	<u>\$ (412,665)</u>

City contributions subsequent to the measurement date of \$759,122 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, 2018.

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>
2018	\$ 307,836
2019	307,836
2020	486,902
2021	(134,600)

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

2. *Dublin-Laurens County Recreation Authority – Discretely Presented Component Unit*

a. Plan Description

The Authority has a defined benefit pension plan under the Georgia Municipal Employee's Benefit System (GMEBS) covering substantially all full time employees. The Authority's defined benefit plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by state statute. Benefits are paid in relation to the participants final average earnings for the five years of service preceding retirement. Employees are eligible to participate in the plan after one year. Participants begin vesting after seven years and are fully vested after ten years.

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, 2017, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	8
Vested terminated employees	6
Active employees:	12
Total membership in the plan	26

Contributions - The Authority 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, and 3) interest on these amounts from the valuation date to the date contributions are paid. Plan provisions and contribution requirements are established by state statute and may be amended by the State. Authority contributions to the plan were \$43,385 for the year ended June 30, 2017.

b. Net Pension Liability

The Authority's net pension liability was measured as of September 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

Actuarial assumptions - The total pension liability in the January 1, 2017 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%	

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.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

The actuarial assumptions used in the January 1, 2017 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	45%	6.75%
International equity	20%	7.45%
Real estate	10%	4.55%
Global fixed income	5%	3.30%
Domestic fixed income	20%	1.75%
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, 2017

Changes in the Net Pension Liability of the Authority – The changes in the components of the net pension liability of the Authority for the year ended June 30, 2017, were as follows:

	Schedule of Changes in Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance September 30, 2015	\$ 1,291,450	\$ 1,091,850	\$ 199,600
Changes for the year:			
Service cost	15,529	--	15,529
Interest	97,968	--	97,968
Differences between expected and actual experience	23,757	--	23,757
Contributions-employer	--	39,714	(39,714)
Contributions-employee	--	--	--
Net investment income	--	120,929	(120,929)
Benefit payments, including refunds of employee contributions	(54,684)	(54,684)	--
Administrative expense	--	(5,791)	5,791
Other	--	--	--
Net changes	<u>82,570</u>	<u>100,168</u>	<u>(17,598)</u>
Balance September 30, 2016	<u>\$ 1,374,020</u>	<u>\$ 1,192,018</u>	<u>\$ 182,002</u>

The required schedule of changes in the Authority'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 Authority, calculated using the discount rate of 7.75 percent, as well as what the Authority'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%
Authority's Net Pension Liability	\$ 344,613	\$ 182,002	\$ 43,518

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2016 and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2017, the Authority recognized pension expense of \$44,409. As of June 30, 2017 the Authority 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	\$ 34,791	\$ (828)
Changes of assumptions	--	(4,517)
Net difference between projected and actual earnings on pension plan investments	--	(843)
Contributions made subsequent to measurement date	<u>43,385</u>	<u>\$ --</u>
Total	<u>\$ 78,176</u>	<u>\$ (6,188)</u>

Authority contributions subsequent to the measurement date of \$43,385 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, 2018. 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>
2018	\$ 8,937
2019	14,279
2020	12,813
2021	(7,426)

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

F. Other Pension Plans

1. 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 (POAB). The POAB was established by the Georgia General Assembly in 1950 for the purpose of providing retirement benefits to peace officers. The POAB 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*.

Members of the POAB are employed by units of government throughout the state of Georgia. The employers of the POAB'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 POAB, management has determined the related impact on the financial statements to be immaterial. POAB issues a publicly available financial report that can be obtained at <http://poab.georgia.gov/boardcommissioners-updates>.

2. Georgia Firefighters' Pension Fund

Certain employees of the Fire Department are covered by The Georgia Firefighters' Pension Fund (GFPP). The GFPP was established by the Georgia General Assembly in 1995 for the purpose of providing retirement benefits for qualified firefighters. The GFPP 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*.

Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the GFPP is eligible for membership in the GFPP. The various fire departments located within the State of Georgia, as employers of the members of GFPP, do not make contributions to the fund. The State of Georgia provides nonemployer contributions to the GFPP through the collection of insurance premiums tax. Since the City does not contribute directly to GFPP, management has determined the related impact on the financial statements to be immaterial. GJRS issues a publicly available financial report that can be obtained at <http://gfpf.org/about/annual-reports/>.

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 2017, the City contributed \$38,873 to the plan.

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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	\$ 87,204
Interest on net OPEB obligation	5,354
Adjustment to annual required contribution	<u>(8,663)</u>
Annual OPEB cost	83,895
Contributions made	<u>(38,873)</u>
Increase in net OPEB obligation	45,022
Net OPEB obligation, beginning of year	<u>133,859</u>
Net OPEB obligation, end of year	<u><u>\$ 178,881</u></u>

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	\$ 85,323	\$ 25,676	30.09%	\$ 59,649
June 30, 2016	87,711	13,501	15.39%	133,859
June 30, 2017	83,895	(38,873)	-46.34%	178,881

Funded Status and Funding Progress

As of the most recent valuation date, January 1, 2017, the funded status of the Plan was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>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>Percentage of Covered Payroll ((b-a)/c)</u>
01/01/15	\$ --	\$ 712,380	\$ 712,380	0.00%	\$ 9,142,854	7.79%
01/01/17	--	700,398	700,398	0.00%	9,528,769	7.35%

**CITY OF DUBLIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2017.

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.

The City's actuarial valuation information is as follows:

Valuation date	January 1, 2017
Actuarial Cost Method	Projected Unit Credit
Amortization method	Level dollar, closed, 25 years
Remaining amortization period	23 years as of July 1, 2016
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	6.50% graded to 4.50% over 4 years
Plan membership:	
Current retirees, beneficiaries, and dependents	6
Current active participants	<u>225</u>
Total	<u><u>231</u></u>

CITY OF DUBLIN, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability			
Service cost	\$ 306,219	\$ 349,021	\$ 298,239
Interest	2,008,464	1,897,721	1,870,841
Changes of benefit terms	--	--	--
Differences between expected and actual experience	1,455,027	349,655	286,349
Changes of assumptions	--	186,525	(979,474)
Benefit payments	(1,489,667)	(1,218,287)	(1,039,947)
Net change in total pension liability	<u>2,280,043</u>	<u>1,564,635</u>	<u>436,008</u>
Total pension liability-beginning	<u>26,660,503</u>	<u>25,095,868</u>	<u>24,659,860</u>
Total pension liability-ending (a)	<u>\$ 28,940,546</u>	<u>\$ 26,660,503</u>	<u>\$ 25,095,868</u>
Plan fiduciary net position			
Contributions-employer	\$ 1,011,219	\$ 1,208,651	\$ 1,145,769
Contributions-employee	--	--	--
Net investment income	2,183,266	225,894	1,998,107
Benefit payments, including refunds of employee contributions	(1,489,667)	(1,218,287)	(1,039,947)
Administrative expense	(35,766)	(40,253)	(31,800)
Other	--	--	--
Net change in plan fiduciary net position	<u>1,669,052</u>	<u>176,005</u>	<u>2,072,129</u>
Plan fiduciary net position-beginning	<u>19,744,423</u>	<u>19,568,418</u>	<u>17,496,289</u>
Plan fiduciary net position-ending (b)	<u>\$ 21,413,475</u>	<u>\$ 19,744,423</u>	<u>\$ 19,568,418</u>
City's net pension liability (assets) - ending (a) - (b)	<u>\$ 7,527,071</u>	<u>\$ 6,916,080</u>	<u>\$ 5,527,450</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	73.99%	74.06%	77.97%
Covered-employee payroll	\$ 9,686,169	\$ 8,691,845	\$ 9,370,345
City's net pension liability (asset) as a percentage of covered- employee payroll	77.71%	79.57%	58.99%

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, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,012,079	\$ 1,099,196	\$ 782,992
Contributions in relation to the actuarially determined contribution	<u>1,012,079</u>	<u>1,100,996</u>	<u>1,099,196</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ (1,800)</u>	<u>\$ (316,204)</u>
Covered-employee payroll	\$ 9,686,169	\$ 9,370,345	\$ 8,396,044
Contributions as a percentage of covered- employee payroll	10.45%	11.75%	13.09%

Notes to Schedule

Valuation Date:	January 1, 2017
Actuarial cost method	Projected Unit Credit
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.75%
Projected Salary Increases	3.25%, plus service based merit increases
Cost of Living Adjustments	0.00%
Amortization Method	Closed level dollar for unfunded
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
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, 2017, 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, 2017.

**CITY OF DUBLIN, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Dublin OPEB Plan

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%
01/01/17	--	700,398	700,398	0.00%	9,528,769	7.35%

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

**DUBLIN-LAURENS COUNTY RECREATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY AND RELATED
RATIOS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>2017</u>	<u>2016</u>
Total pension liability		
Service cost	\$ 15,529	\$ 12,984
Interest	97,968	91,467
Changes of benefit terms	--	--
Differences between expected and actual experience	23,757	33,949
Changes of assumptions	--	--
Benefit payments	(54,684)	(54,336)
Net change in total pension liability	82,570	84,064
Total pension liability-beginning	1,291,450	1,207,386
Total pension liability-ending (a)	<u>\$ 1,374,020</u>	<u>\$ 1,291,450</u>
Plan fiduciary net position		
Contributions-employer	\$ 39,714	\$ 53,080
Contributions-employee	--	--
Net investment income	120,929	12,467
Benefit payments, including refunds of employee contributions	(54,684)	(54,336)
Administrative expense	(5,791)	(6,524)
Other	--	--
Net change in plan fiduciary net position	100,168	4,687
Plan fiduciary net position-beginning	1,091,850	1,087,163
Plan fiduciary net position-ending (b)	<u>\$ 1,192,018</u>	<u>\$ 1,091,850</u>
City's net pension liability (assets) - ending (a) - (b)	<u>\$ 182,002</u>	<u>\$ 199,600</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	86.75%	84.54%
Covered-employee payroll	\$ 475,138	\$ 436,064
City's net pension liability (asset) as a percentage of covered- employee payroll	38.31%	45.77%

Notes to the Schedule:

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

**DUBLIN-LAURENS COUNTY RECREATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF AUTHORITY CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

	2017	2016
Actuarially determined contribution	\$ 43,385	\$ 38,491
Contributions in relation to the actuarially determined contribution	43,385	38,491
Contribution deficiency (excess)	\$ --	\$ --
Covered-employee payroll	\$ 475,138	\$ 436,064
Contributions as a percentage of covered-employee payroll	9.13%	8.83%

Notes to Schedule

Valuation Date:	January 1, 2017
Actuarial cost method	Projected Unit Credit
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.75%
Projected Salary Increases	3.25%, plus service based merit increases
Cost of Living Adjustments	0.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
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, 2017.

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 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	81,120	--	--	81,120	79,370	(1,750)
Services	86,863	--	8,245	95,108	102,500	7,392
Utilities	4,826	--	--	4,826	6,000	1,174
Supplies	8,005	132	1,605	9,478	8,332	(1,146)
Total	<u>250,414</u>	<u>132</u>	<u>9,850</u>	<u>260,132</u>	<u>265,802</u>	<u>5,670</u>
City manager:						
Salaries	178,057	--	--	178,057	178,059	2
Employee benefits	68,525	--	265	68,790	77,663	8,873
Services	4,718	--	645	5,363	7,260	1,897
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	1,867	--	--	1,867	2,380	513
Supplies	971	--	--	971	1,250	279
Capital outlay	--	--	--	--	1,000	1,000
Total	<u>261,938</u>	<u>--</u>	<u>910</u>	<u>262,848</u>	<u>275,412</u>	<u>12,564</u>
Main Street program:						
Supplies	76,500	--	--	76,500	76,500	--
Total	<u>76,500</u>	<u>--</u>	<u>--</u>	<u>76,500</u>	<u>76,500</u>	<u>--</u>
Subtotal	<u>\$ 588,852</u>	<u>\$ 132</u>	<u>\$ 10,760</u>	<u>\$ 599,480</u>	<u>\$ 617,714</u>	<u>\$ 18,234</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 588,852	\$ 132	\$ 10,760	\$ 599,480	\$ 617,714	\$ 18,234
City clerk:						
Salaries	157,031	--	--	157,031	182,750	25,719
Employee benefits	43,900	--	21	43,921	66,240	22,319
Services	5,200	--	1,200	6,400	9,500	3,100
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	621	--	--	621	710	89
Supplies	640	--	198	838	1,700	862
Capital outlay	617	330	1,814	2,101	2,330	229
Total	<u>215,809</u>	<u>330</u>	<u>3,233</u>	<u>218,712</u>	<u>271,030</u>	<u>52,318</u>
Human resources:						
Salaries	77,536	--	--	77,536	109,916	32,380
Employee benefits	29,116	--	--	29,116	42,242	13,126
Services	2,867	493	510	2,884	3,256	372
Utilities	221	--	--	221	227	6
Supplies	3,912	--	614	4,526	6,225	1,699
Other	33,214	6,840	9,816	36,190	41,015	4,825
Capital outlay	33	--	--	33	500	467
Total	<u>146,899</u>	<u>7,333</u>	<u>10,940</u>	<u>150,506</u>	<u>203,381</u>	<u>52,875</u>
Subtotal	<u>\$ 951,560</u>	<u>\$ 7,795</u>	<u>\$ 24,933</u>	<u>\$ 968,698</u>	<u>\$ 1,092,125</u>	<u>\$ 123,427</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 951,560	\$ 7,795	\$ 24,933	\$ 968,698	\$ 1,092,125	\$ 123,427
Tax department:						
Salaries	80,079	--	--	80,079	80,629	550
Employee benefits	30,191	66	42	30,167	33,978	3,811
Services	394	--	--	394	1,200	806
Supplies	7,236	--	90	7,326	8,000	674
Other	21,900	--	784	22,684	37,900	15,216
Total	<u>139,800</u>	<u>66</u>	<u>916</u>	<u>140,650</u>	<u>161,707</u>	<u>21,057</u>
Finance department:						
Salaries	125,350	--	--	125,350	168,622	43,272
Employee benefits	52,905	--	63	52,968	61,626	8,658
Services	--	--	--	--	700	700
Repairs & maintenance	18	--	--	18	--	(18)
Supplies	2,982	18	868	3,832	3,518	(314)
Capital outlay	794	--	--	794	1,000	206
Total	<u>182,049</u>	<u>18</u>	<u>931</u>	<u>182,962</u>	<u>235,466</u>	<u>52,504</u>
Subtotal	<u>\$ 1,273,409</u>	<u>\$ 7,879</u>	<u>\$ 26,780</u>	<u>\$ 1,292,310</u>	<u>\$ 1,489,298</u>	<u>\$ 196,988</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,273,409	\$ 7,879	\$ 26,780	\$ 1,292,310	\$ 1,489,298	\$ 196,988
Community development:						
Salaries	93,549	--	--	93,549	91,191	(2,358)
Employee benefits	32,566	--	--	32,566	36,273	3,707
Services	3,038	--	589	3,627	4,220	593
Repairs & maintenance	136	--	--	136	500	364
Utilities	998	--	--	998	1,404	406
Supplies	470	23	--	447	523	76
Other	461	--	--	461	1,320	859
Capital outlay	978	--	--	978	900	(78)
Total	<u>132,196</u>	<u>23</u>	<u>589</u>	<u>132,762</u>	<u>136,331</u>	<u>3,569</u>
City attorney:						
Salaries	87,857	--	--	87,857	82,895	(4,962)
Employee benefits	23,269	--	--	23,269	26,328	3,059
Services	6,064	--	1,215	7,279	7,742	463
Utilities	720	--	--	720	1,680	960
Supplies	2,496	5	--	2,491	2,679	188
Capital outlay	330	--	500	830	1,000	170
Total	<u>120,736</u>	<u>5</u>	<u>1,715</u>	<u>122,446</u>	<u>122,324</u>	<u>(122)</u>
Subtotal	\$ 1,526,341	\$ 7,907	\$ 29,084	\$ 1,547,518	\$ 1,747,953	\$ 200,435

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 1,526,341	\$ 7,907	\$ 29,084	\$ 1,547,518	\$ 1,747,953	\$ 200,435
City judge:						
Salaries	37,896	--	--	37,896	37,896	--
Employee benefits	15,306	--	--	15,306	15,257	(49)
Services	11,756	--	860	12,616	13,900	1,284
Utilities	169	--	--	169	200	31
Supplies	2,129	--	--	2,129	1,800	(329)
Other	151,041	--	--	151,041	195,200	44,159
Total	<u>218,297</u>	<u>--</u>	<u>860</u>	<u>219,157</u>	<u>264,253</u>	<u>45,096</u>
Engineering:						
Salaries	256,039	--	--	256,039	283,343	27,304
Employee benefits	90,816	976	868	90,708	115,307	24,599
Services	5,325	--	--	5,325	13,384	8,059
Repairs & maintenance	2,374	--	--	2,374	4,500	2,126
Utilities	3,895	--	--	3,895	5,460	1,565
Supplies	4,664	--	344	5,008	6,700	1,692
Energy	5,423	--	--	5,423	12,000	6,577
Other	738	--	--	738	1,225	487
Capital outlay	25,194	19,940	17,011	22,265	41,940	19,675
Total	<u>394,468</u>	<u>20,916</u>	<u>18,223</u>	<u>391,775</u>	<u>483,859</u>	<u>92,084</u>
Subtotal	<u>\$ 2,139,106</u>	<u>\$ 28,823</u>	<u>\$ 48,167</u>	<u>\$ 2,158,450</u>	<u>\$ 2,496,065</u>	<u>\$ 337,615</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 2,139,106	\$ 28,823	\$ 48,167	\$ 2,158,450	\$ 2,496,065	\$ 337,615
Purchasing:						
Salaries	125,472	--	--	125,472	125,652	180
Employee benefits	45,754	102	45	45,697	53,655	7,958
Services	1,724	35	--	1,689	2,840	1,151
Repairs & maintenance	5,892	--	962	6,854	3,560	(3,294)
Utilities	10,627	--	--	10,627	12,450	1,823
Supplies	2,075	36	--	2,039	2,451	412
Energy	821	--	--	821	1,000	179
Other	1,910	--	--	1,910	--	(1,910)
Total	<u>194,275</u>	<u>173</u>	<u>1,007</u>	<u>195,109</u>	<u>201,608</u>	<u>6,499</u>
Inspections:						
Salaries	318,609	--	--	318,609	312,169	(6,440)
Employee benefits	126,533	456	--	126,077	149,099	23,022
Services	6,843	420	--	6,423	8,596	2,173
Repairs & maintenance	1,148	--	--	1,148	1,892	744
Utilities	1,581	--	--	1,581	1,600	19
Supplies	2,549	56	--	2,493	2,734	241
Energy	5,237	--	--	5,237	9,000	3,763
Other	20,496	235	161	20,422	41,620	21,198
Total	<u>482,996</u>	<u>1,167</u>	<u>161</u>	<u>481,990</u>	<u>526,710</u>	<u>44,720</u>
Subtotal	<u>\$ 2,816,377</u>	<u>\$ 30,163</u>	<u>\$ 49,335</u>	<u>\$ 2,835,549</u>	<u>\$ 3,224,383</u>	<u>\$ 388,834</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 2,816,377	\$ 30,163	\$ 49,335	\$ 2,835,549	\$ 3,224,383	\$ 388,834
Non-departmental:						
Employee benefits	40,721	--	--	40,721	23,000	(17,721)
Insurance	67,635	--	--	67,635	77,000	9,365
Contingency	164,193	304	32,325	196,214	278,795	82,581
Services	112,936	16,000	--	96,936	144,500	47,564
Repairs & maintenance	163,365	55	--	163,310	168,055	4,745
Utilities	234,205	283	--	233,922	244,283	10,361
Energy	357,142	2,096	--	355,046	377,096	22,050
Other	85,369	80,000	40,482	45,851	203,810	157,959
Capital outlay	243,826	--	17,976	261,802	214,180	(47,622)
	<u>1,469,392</u>	<u>98,738</u>	<u>90,783</u>	<u>1,461,437</u>	<u>1,730,719</u>	<u>269,282</u>
Risk management and assistant city manager						
Salaries	71,653	--	--	71,653	72,500	847
Employee benefits	23,884	--	28	23,912	23,408	(504)
Services	7,851	723	860	7,988	7,543	(445)
Utilities	1,894	--	--	1,894	1,400	(494)
Supplies	7,282	--	--	7,282	7,800	518
Capital outlay	919	--	--	919	1,700	781
Total	<u>113,483</u>	<u>723</u>	<u>888</u>	<u>113,648</u>	<u>114,351</u>	<u>703</u>
Total general government	<u>\$ 4,399,252</u>	<u>\$ 129,624</u>	<u>\$ 141,006</u>	<u>\$ 4,410,634</u>	<u>\$ 5,069,453</u>	<u>\$ 658,819</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<u>PUBLIC SAFETY</u>						
Police department - administrative:						
Salaries	\$ 598,838	\$ --	\$ --	\$ 598,838	\$ 604,858	\$ 6,020
Employee benefits	231,726	281	45	231,490	267,603	36,113
Services	14,267	491	1,782	15,558	21,221	5,663
Repairs & maintenance	15,909	1,984	4,685	18,610	20,130	1,520
Utilities	33,579	--	--	33,579	37,380	3,801
Rent	2,955	160	137	2,932	4,160	1,228
Supplies	8,605	8	16	8,613	10,008	1,395
Other	53,580	--	26	53,606	133,700	80,094
Total	<u>959,459</u>	<u>2,924</u>	<u>6,691</u>	<u>963,226</u>	<u>1,099,060</u>	<u>135,834</u>
Police department - patrol:						
Salaries	2,010,288	--	--	2,010,288	2,278,446	268,158
Employee benefits	843,865	13,804	9,217	839,278	1,091,978	252,700
Services	11,404	--	1,194	12,598	19,033	6,435
Repairs & maintenance	60,669	--	124	60,793	43,843	(16,950)
Utilities	7,172	--	10	7,182	6,012	(1,170)
Supplies	34,442	6,441	7,866	35,867	44,667	8,800
Energy	88,069	--	--	88,069	120,000	31,931
Other	10,323	614	--	9,709	29,214	19,505
Capital outlay	38,591	10,821	12,112	39,882	58,216	18,334
Total	<u>3,104,823</u>	<u>31,680</u>	<u>30,523</u>	<u>3,103,666</u>	<u>3,691,409</u>	<u>587,743</u>
Subtotal	<u>\$ 4,064,282</u>	<u>\$ 34,604</u>	<u>\$ 37,214</u>	<u>\$ 4,066,892</u>	<u>\$ 4,790,469</u>	<u>\$ 723,577</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,064,282	\$ 34,604	\$ 37,214	\$ 4,066,892	\$ 4,790,469	\$ 723,577
Police department - C.I.D.:						
Salaries	559,210	--	--	559,210	672,724	113,514
Employee benefits	219,295	--	--	219,295	298,674	79,379
Services	5,326	669	2,812	7,469	13,090	5,621
Repairs & maintenance	9,847	--	625	10,472	7,625	(2,847)
Utilities	5,630	745	13	4,898	4,921	23
Supplies	14,411	66	--	14,345	14,666	321
Energy	15,809	--	--	15,809	20,000	4,191
Capital outlay	8,111	1,538	120	6,693	8,958	2,265
Total	<u>837,639</u>	<u>3,018</u>	<u>3,570</u>	<u>838,191</u>	<u>1,040,658</u>	<u>202,467</u>
Police department - crossing guards:						
Salaries	3,915	--	--	3,915	3,915	--
Employee benefits	514	--	--	514	523	9
Supplies	33	--	198	231	300	69
Total	<u>4,462</u>	<u>--</u>	<u>198</u>	<u>4,660</u>	<u>4,738</u>	<u>78</u>
Subtotal	<u>\$ 4,906,383</u>	<u>\$ 37,622</u>	<u>\$ 40,982</u>	<u>\$ 4,909,743</u>	<u>\$ 5,835,865</u>	<u>\$ 926,122</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	\$ 4,906,383	\$ 37,622	\$ 40,982	\$ 4,909,743	\$ 5,835,865	\$ 926,122
Fire department - administrative:						
Salaries	135,853	--	--	135,853	148,698	12,845
Employee benefits	28,768	35	191	28,924	44,651	15,727
Services	1,978	--	--	1,978	5,070	3,092
Repairs & maintenance	491	--	--	491	500	9
Utilities	5,459	--	--	5,459	6,053	594
Supplies	1,122	--	--	1,122	1,500	378
Energy	1,319	--	40	1,359	2,500	1,141
Total	<u>174,990</u>	<u>35</u>	<u>231</u>	<u>175,186</u>	<u>208,972</u>	<u>33,786</u>
Fire department - combat:						
Salaries	1,618,370	--	--	1,618,370	1,529,508	(88,862)
Employee benefits	646,404	5,596	7,494	648,302	705,021	56,719
Services	1,145	75	--	1,070	1,215	145
Repairs & maintenance	29,117	1,041	6,928	35,004	43,066	8,062
Utilities	22,056	--	--	22,056	25,000	2,944
Supplies	19,197	471	262	18,988	19,471	483
Energy	14,267	--	--	14,267	20,000	5,733
Capital outlay	44,403	304	--	44,099	38,681	(5,418)
Total	<u>2,394,959</u>	<u>7,487</u>	<u>14,684</u>	<u>2,402,156</u>	<u>2,381,962</u>	<u>(20,194)</u>
Total public safety	<u>\$ 7,476,332</u>	<u>\$ 45,144</u>	<u>\$ 55,897</u>	<u>\$ 7,487,085</u>	<u>\$ 8,426,799</u>	<u>\$ 939,714</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<u>COMMUNITY SERVICES</u>						
Cemetery:						
Salaries	\$ 76,613	\$ --	\$ --	\$ 76,613	\$ 76,592	\$ (21)
Employee benefits	35,227	199	--	35,028	38,599	3,571
Repairs & maintenance	1,081	--	2,100	3,181	2,500	(681)
Utilities	3,028	--	--	3,028	2,300	(728)
Supplies	2,545	49	--	2,496	2,649	153
Energy	902	--	--	902	3,500	2,598
Total	<u>119,396</u>	<u>248</u>	<u>2,100</u>	<u>121,248</u>	<u>126,140</u>	<u>4,892</u>
Appropriations:						
Dublin-Laurens County Recreation Authority	625,000	--	--	625,000	625,000	--
Library	188,663	--	--	188,663	188,663	--
Dublin-Laurens Museum	7,500	--	--	7,500	7,500	--
Dublin-Laurens Development Authority	111,000	--	--	111,000	111,000	--
Regional Development Center	16,201	--	--	16,201	17,000	799
Humane Society	40,950	--	--	40,950	40,950	--
Black Festival Committee	4,500	--	--	4,500	3,000	(1,500)
MLK Committee	1,000	--	--	1,000	1,000	--
Teen Court	30,000	--	--	30,000	30,000	--
Total	<u>1,024,814</u>	<u>--</u>	<u>--</u>	<u>1,024,814</u>	<u>1,024,113</u>	<u>(701)</u>
Total community services	<u>\$ 1,144,210</u>	<u>\$ 248</u>	<u>\$ 2,100</u>	<u>\$ 1,146,062</u>	<u>\$ 1,150,253</u>	<u>\$ 4,191</u>

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	GAAP Expenditures	2016 Encumbrances	2017 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
<u>PUBLIC WORKS AND BUILDINGS</u>						
Public works:						
Salaries	\$ 579,309	\$ --	\$ 2,885	\$ 582,194	\$ 611,656	\$ 29,462
Employee benefits	296,411	1,119	--	295,292	369,423	74,131
Services	4,428	--	--	4,428	4,275	(153)
Repairs & maintenance	275,185	28,641	20,933	267,477	285,279	17,802
Utilities	11,706	--	--	11,706	10,710	(996)
Supplies	17,320	617	2,301	19,004	19,617	613
Energy	43,069	--	--	43,069	45,000	1,931
Total	<u>1,227,428</u>	<u>30,377</u>	<u>26,119</u>	<u>1,223,170</u>	<u>1,345,960</u>	<u>122,790</u>
Mechanical maintenance:						
Salaries	235,611	--	--	235,611	234,843	(768)
Employee benefits	90,390	598	--	89,792	101,858	12,066
Services	3,983	--	114	4,097	9,470	5,373
Repairs & maintenance	1,090	--	--	1,090	1,600	510
Utilities	9,126	--	--	9,126	10,700	1,574
Supplies	6,988	144	70	6,914	9,814	2,900
Energy	2,640	--	--	2,640	4,026	1,386
Total	<u>349,828</u>	<u>742</u>	<u>184</u>	<u>349,270</u>	<u>372,311</u>	<u>23,041</u>
Total public works and buildings	<u>\$ 1,577,256</u>	<u>\$ 31,119</u>	<u>\$ 26,303</u>	<u>\$ 1,572,440</u>	<u>\$ 1,718,271</u>	<u>\$ 145,831</u>
Total expenditures	<u>\$ 14,597,050</u>	<u>\$ 206,135</u>	<u>\$ 225,306</u>	<u>\$ 14,616,221</u>	<u>\$ 16,364,776</u>	<u>\$ 1,748,555</u>

**CITY OF DUBLIN, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017**

	SPLOST Capital Projects 2006	T-SPLOST	Hotel/Motel Tax	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 370,449	\$ 679,688	\$ 83,088	\$ 1,133,225
Investments	1,531,733	--	--	1,531,733
Total assets	<u>\$ 1,902,182</u>	<u>\$ 679,688</u>	<u>\$ 83,088</u>	<u>\$ 2,664,958</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts payable and accrued costs	\$ 19,162	\$ 17,829	\$ 54,241	\$ 91,232
Due to other funds	--	100,000	28,581	128,581
Total liabilities	<u>19,162</u>	<u>117,829</u>	<u>82,822</u>	<u>219,813</u>
<u>FUND BALANCES</u>				
Restricted	<u>1,883,020</u>	<u>561,859</u>	<u>266</u>	<u>2,445,145</u>
Total fund balances	<u>1,883,020</u>	<u>561,859</u>	<u>266</u>	<u>2,445,145</u>
Total liabilities and fund balances	<u>\$ 1,902,182</u>	<u>\$ 679,688</u>	<u>\$ 83,088</u>	<u>\$ 2,664,958</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	SPLOST		Hotel-Motel Tax	Total Nonmajor Governmental Funds
	Capital Projects 2006	T-SPLOST		
REVENUES:				
Other taxes	\$ --	\$ --	\$ 790,404	\$ 790,404
Intergovernmental	--	180,162	--	180,162
Investment earnings	16,845	3,015	--	19,860
Total revenues	<u>16,845</u>	<u>183,177</u>	<u>790,404</u>	<u>990,426</u>
EXPENDITURES:				
Current -				
Culture and recreation	--	--	494,002	494,002
Capital outlay	576,148	38,426	--	614,574
Total expenditures	<u>576,148</u>	<u>38,426</u>	<u>494,002</u>	<u>1,108,576</u>
Excess of revenues over (under) expenditures	<u>(559,303)</u>	<u>144,751</u>	<u>296,402</u>	<u>(118,150)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	--	(19,102)	(296,402)	(315,504)
Total other financing sources (uses)	<u>--</u>	<u>(19,102)</u>	<u>(296,402)</u>	<u>(315,504)</u>
Net change in fund balance	(559,303)	125,649	--	(433,654)
Fund balances-beginning	<u>2,442,323</u>	<u>436,210</u>	<u>266</u>	<u>2,878,799</u>
Fund balances-ending	<u>\$ 1,883,020</u>	<u>\$ 561,859</u>	<u>\$ 266</u>	<u>\$ 2,445,145</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, 2017

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES -			
Other taxes	\$ 664,000	\$ 790,404	\$ 126,404
EXPENDITURES -			
Culture and recreation:			
Chamber of Commerce and Tourism Resource Enhancements and Events Organization 2%	166,000	197,601	(31,601)
Dublin-Laurens County Recreation Authority 2%	166,000	197,601	(31,601)
Theatre Dublin 1%	83,000	98,800	(15,800)
Total expenditures	<u>415,000</u>	<u>494,002</u>	<u>(79,002)</u>
Excess of revenues over expenditures	249,000	296,402	47,402
OTHER FINANCING USES -			
Transfers out	<u>(249,000)</u>	<u>(296,402)</u>	<u>(47,402)</u>
Net change in fund balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

CITY OF DUBLIN, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
DUBLIN BOARD OF EDUCATION AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<u>ASSET</u>				
Equity in pooled cash	\$ 70,087	\$ 9,393,344	\$ (8,480,456)	\$ 982,975
Total assets	\$ 70,087	\$ 9,393,344	\$ (8,480,456)	\$ 982,975
 <u>LIABILITY</u>				
Due to Dublin Board of Education	\$ 70,087	\$ 9,393,344	\$ (8,480,456)	\$ 982,975
Total liabilities	\$ 70,087	\$ 9,393,344	\$ (8,480,456)	\$ 982,975

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Riverview Golf Course Fund	Telecommunications Fund	Total
<u>ASSETS</u>			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 5,296	\$ 1,119,421	\$ 1,124,717
Accounts receivable, net	--	15,729	15,729
Inventories, at cost	12,280	--	12,280
Prepaid expenses	2,001	--	2,001
Total current assets	<u>19,577</u>	<u>1,135,150</u>	<u>1,154,727</u>
NONCURRENT ASSETS -			
CAPITAL ASSETS:			
Depreciable, net	<u>171,995</u>	<u>1,184,566</u>	<u>1,356,561</u>
Total assets	<u>191,572</u>	<u>2,319,716</u>	<u>2,511,288</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	<u>33,594</u>	<u>11,340</u>	<u>44,934</u>
<u>LIABILITIES</u>			
CURRENT LIABILITIES:			
Accounts payable	2,821	--	2,821
Accrued expenses	9,386	1,923	11,309
Due to other funds	315,000	--	315,000
Compensated absences payable	661	129	790
Total current liabilities	<u>327,868</u>	<u>2,052</u>	<u>329,920</u>
LONG TERM LIABILITIES -			
Compensated absences payable	7,560	1,471	9,031
Net pension liability	118,175	39,893	158,068
Total long-term liabilities	<u>125,735</u>	<u>41,364</u>	<u>167,099</u>
Total liabilities	<u>453,603</u>	<u>43,416</u>	<u>497,019</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	<u>6,479</u>	<u>2,187</u>	<u>8,666</u>
<u>NET POSITION:</u>			
Net investment in capital assets	171,995	1,184,566	1,356,561
Unrestricted	(406,911)	1,100,887	693,976
Total net position	<u>\$ (234,916)</u>	<u>\$ 2,285,453</u>	<u>\$ 2,050,537</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Riverview		Total
	Golf Course Fund	Telecommunications Fund	
OPERATING REVENUES:			
Sales/charges for services	\$ 257,130	\$ 557,850	\$ 814,980
Penalties and cut-on fees	--	1,073	1,073
Other revenue	21,620	10,750	32,370
Total operating revenues	<u>278,750</u>	<u>569,673</u>	<u>848,423</u>
OPERATING EXPENSES:			
Personnel services	215,902	43,144	259,046
Employee benefits	60,756	8,680	69,436
Repairs and maintenance	50,415	8,092	58,507
Depreciation	12,847	247,004	259,851
Other operating	251,926	344,321	596,247
General and administrative	--	--	--
Total operating expenses	<u>591,846</u>	<u>651,241</u>	<u>1,243,087</u>
Net operating income (loss)	(313,096)	(81,568)	(394,664)
Transfers in	305,625	21,400	327,025
Transfers out	<u>--</u>	<u>--</u>	<u>--</u>
Change in net position	(7,471)	(60,168)	(67,639)
Net position-beginning	<u>(227,445)</u>	<u>2,345,621</u>	<u>2,118,176</u>
Net position-ending	<u>\$ (234,916)</u>	<u>\$ 2,285,453</u>	<u>\$ 2,050,537</u>

**CITY OF DUBLIN, GEORGIA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017**

	Riverview Golf Course Fund	Telecommunications Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 278,750	\$ 610,741	\$ 889,491
Cash paid to suppliers for goods and services	(258,479)	(345,576)	(604,055)
Cash paid to employees for services	(215,511)	(54,488)	(269,999)
Cash paid for employee taxes and benefits	(85,930)	(16,495)	(102,425)
Cash received from and (paid to) other funds	10,000	--	10,000
Net cash provided (used) by operating activities	<u>(271,170)</u>	<u>194,182</u>	<u>(76,988)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	<u>305,625</u>	<u>21,400</u>	<u>327,025</u>
Net cash provided by noncapital financing activities	<u>305,625</u>	<u>21,400</u>	<u>327,025</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -			
Acquisition and construction of capital assets	<u>(35,000)</u>	<u>(100,682)</u>	<u>(135,682)</u>
Net cash used for capital and related financing activities	<u>(35,000)</u>	<u>(100,682)</u>	<u>(135,682)</u>
Net change in cash and cash equivalents	(545)	114,900	114,355
Cash and cash equivalents beginning of year	<u>5,841</u>	<u>1,004,521</u>	<u>1,010,362</u>
Cash and cash equivalents end of year	<u>\$ 5,296</u>	<u>\$ 1,119,421</u>	<u>\$ 1,124,717</u>

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net operating income (loss)	\$ (313,096)	\$ (81,568)	\$ (394,664)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	12,847	247,004	259,851
Decrease (increase) in assets-			
Accounts receivable - trade	--	41,068	41,068
Prepaid expenses	(2,001)	--	(2,001)
Decrease (increase) in deferred outflows of resources	(13,541)	(1,037)	(14,578)
Increase (decrease) in liabilities:			
Accounts payable	(7,439)	--	(7,439)
Accrued expenses	(1,194)	(6,141)	(7,335)
Due to other funds	10,000	--	10,000
Compensated absences payable	391	(5,203)	(4,812)
Net pension liability	42,790	1,163	43,953
Increase (decrease) in deferred inflows of resources	73	(1,104)	(1,031)
Total adjustments	41,926	275,750	317,676
Net cash provided (used) by operating activities	\$ (271,170)	\$ 194,182	\$ (76,988)

**CITY OF DUBLIN, GEORGIA
BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2017**

ASSETS

Cash	\$ 95,942
Total assets	<u>\$ 95,942</u>

LIABILITIES AND FUND BALANCES

Accrued costs	\$ 3,534
Total liabilities	<u>3,534</u>

FUND BALANCES

Committed	<u>92,408</u>
Total fund balances	<u>92,408</u>
Total liabilities and fund balances	<u>\$ 95,942</u>

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

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

Total fund balance - Main Street Dublin Downtown Development Authority	\$ 92,408
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	878,938
Long-term liabilities, such as compensated absences, capital leases, and notes payable are not due and payable in the current period and, therefore, are not reported in the funds	<u>(44,274)</u>
Net position of Main Street Dublin Downtown Development Authority	<u>\$ 927,072</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, 2017

REVENUES:	
Program income	\$ 93,870
Intergovernmental	229,577
Investment earnings	102
Miscellaneous income	4,304
Total revenues	<u>327,853</u>
EXPENDITURES -	
Current -	
Downtown development	306,820
Debt Service:	
Principal	4,611
Interest	1,401
Total expenditures	<u>312,832</u>
Net change in fund balances	15,021
Fund balances-beginning	<u>77,387</u>
Fund balances-ending	<u><u>\$ 92,408</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, 2017

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

Net change in fund balance - Main Street Dublin Downtown Development Authority	\$ 15,021
--	-----------

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	\$ (48,894)	
Capital outlay	21,100	(27,794)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	72,999
--	--------

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.

	4,611
--	-------

Change in net position of Main Street Dublin Downtown Development Authority	\$ 64,837
---	-----------

**CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2006
FOR THE YEAR ENDED JUNE 30, 2017**

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and drainage	\$ 7,190,000	\$ 7,190,000	\$ 2,690,991	\$ 576,148	\$ 3,267,139
Water and sewer system	4,750,000	4,750,000	2,662,393	--	2,662,393
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>14,222,193</u>	<u>576,148</u>	<u>14,798,341</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>
TOTAL	<u>\$ 16,540,740</u>	<u>\$ 31,322,828</u>	<u>\$ 29,006,279</u>	<u>\$ 576,148</u>	<u>\$ 29,582,427</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, 2017**

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	\$ 2,983,006	\$ 237,254	\$ 3,220,260
Water and sewer improvements	5,218,000	5,218,000	1,340,350	--	1,340,350
Gas system improvements	1,840,000	1,840,000	130,487	--	130,487
Public works facilities and equipment	2,195,000	2,195,000	395,417	97,619	493,036
Public safety facilities and equipment	1,022,000	1,022,000	888,587	285,162	1,173,749
City hall and associated buildings improvements	100,000	100,000	191,023	7,573	198,596
	<u>14,675,000</u>	<u>14,675,000</u>	<u>5,928,870</u>	<u>627,608</u>	<u>6,556,478</u>
Debt service *					
Principal	326,001	326,001	358,825	132,828	491,653
Interest	10,746	10,746	12,625	5,983	18,608
	<u>336,747</u>	<u>336,747</u>	<u>371,450</u>	<u>138,811</u>	<u>510,261</u>
TOTAL	<u>\$ 15,011,747</u>	<u>\$ 15,011,747</u>	<u>\$ 6,300,320</u>	<u>\$ 766,419</u>	<u>\$ 7,066,739</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. 111

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 117

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. 124

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. 129

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. 131

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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities:										
Net investment in										
capital assets	\$ 6,341,257	\$ 13,297,712	\$ 18,451,166	\$ 14,649,028	\$ 21,595,752	\$ 20,178,580	\$ 21,119,506	\$ 21,727,434	\$ 20,963,602	\$ 21,339,965
Restricted	14,749,184	9,136,553	5,221,507	10,216,238	8,685,348	4,168,780	3,549,624	4,147,027	5,479,527	6,017,928
Unrestricted	<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>	<u>474,302</u>	<u>(155,115)</u>
Total governmental activities										
net position	<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>	<u>\$ 26,917,431</u>	<u>\$ 27,202,778</u>
Business-type activities:										
Net investment in										
capital assets	\$ 24,266,814	\$ 23,548,434	\$ 23,594,788	\$ 23,549,022	\$ 21,977,097	\$ 25,497,333	\$ 27,158,233	\$ 27,686,667	\$ 28,919,431	\$ 29,118,697
Restricted	1,519,925	1,714,370	1,803,160	2,143,488	2,038,855	2,035,504	2,027,312	2,039,246	1,518,593	1,747,859
Unrestricted	<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>	<u>17,796,949</u>	<u>18,714,346</u>
Total business-type activities										
net position	<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>	<u>\$ 48,234,973</u>	<u>\$ 49,580,902</u>
Primary government:										
Net investment in										
capital assets	\$ 30,608,071	\$ 36,846,146	\$ 42,045,954	\$ 38,198,050	\$ 43,572,849	\$ 45,675,913	\$ 48,277,739	\$ 49,414,101	\$ 49,883,033	\$ 50,458,662
Restricted	16,269,109	10,850,923	7,024,667	12,359,726	10,724,203	6,204,284	5,576,936	6,186,273	6,998,120	7,765,787
Unrestricted	<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>	<u>18,271,251</u>	<u>18,559,231</u>
Total primary government										
net position	<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>	<u>\$ 75,152,404</u>	<u>\$ 76,783,680</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses										
Governmental activities:										
General government	\$ 4,647,568	\$ 4,541,634	\$ 4,442,311	\$ 4,555,414	\$ 4,526,939	\$ 4,166,428	\$ 4,843,246	\$ 4,273,277	\$ 4,899,664	\$ 4,709,547
Public safety	5,332,339	5,739,116	5,919,997	6,156,895	6,383,386	7,495,673	7,088,105	6,813,911	8,317,381	7,853,745
Community services	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	962,537	1,034,752	1,048,236	1,059,369	1,150,275
Public works and buildings	1,441,781	1,882,695	1,889,643	1,823,752	1,925,577	1,914,142	1,828,819	1,624,652	1,702,857	1,852,113
Culture and recreation	472,161	495,566	475,326	505,632	519,263	534,183	576,877	662,558	407,342	494,357
Interest on long-term debt	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396	1,879	5,983
Total governmental activities expenses	<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>	<u>16,388,492</u>	<u>16,066,020</u>
Business-type activities:										
Water and sewer	4,792,029	5,228,079	5,087,924	5,508,811	5,548,753	5,859,363	5,807,794	5,573,272	5,763,076	6,129,670
Gas	9,461,385	8,917,877	6,344,200	6,634,411	8,528,329	16,932,878	22,058,010	13,239,086	8,428,556	11,125,416
Sanitation	2,161,577	2,212,891	2,216,536	2,365,998	2,494,970	2,502,288	2,543,124	2,385,778	2,557,459	2,616,944
Riverview Golf Course	548,692	450,072	391,218	435,045	468,869	390,012	421,421	321,882	536,417	591,846
Telecommunications	647,050	704,563	600,070	636,577	657,183	705,997	613,011	544,292	613,728	651,241
Total business-type activities expenses	<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>	<u>17,899,236</u>	<u>21,115,117</u>
Total primary government expenses	<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>	<u>\$ 34,287,728</u>	<u>\$ 37,181,137</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,373,187	\$ 2,349,550	\$ 2,757,271	\$ 2,525,597	\$ 2,479,460	\$ 2,454,812	\$ 2,275,559	\$ 3,332,256	\$ 2,385,047	\$ 2,266,024
Public safety	896,570	1,046,221	925,861	935,672	958,345	918,382	1,005,839	991,870	793,284	741,920
Community services	--	--	--	--	--	--	--	6,000	5,250	1,500
Public works and buildings	--	--	25,000	--	--	--	--	--	--	--
Operating grants and contributions	3,000	--	214,015	196,933	194,631	281,703	212,227	230,494	224,779	59,738
Capital grants and contributions	4,271,341	3,363,565	3,093,592	2,865,718	3,423,999	3,087,111	2,199,791	2,352,866	2,417,437	2,668,893
Total governmental activities program revenue	<u>7,544,098</u>	<u>6,759,336</u>	<u>7,015,739</u>	<u>6,523,920</u>	<u>7,056,435</u>	<u>6,742,008</u>	<u>5,693,416</u>	<u>6,913,486</u>	<u>5,825,797</u>	<u>5,738,075</u>
Business-type activities:										
Charges for services:										
Water and sewer	5,216,774	4,799,364	5,066,965	5,353,002	5,450,764	5,148,229	5,558,274	5,830,450	6,089,159	6,367,958
Gas	10,862,955	9,621,572	8,331,392	8,466,675	9,586,776	19,560,761	22,749,451	15,630,828	9,661,527	12,556,897
Sanitation	2,589,009	2,579,728	2,553,242	2,641,594	2,637,296	2,647,652	2,696,551	2,693,529	2,669,487	2,877,653
Riverview Golf Course	469,745	455,885	337,981	351,009	371,405	375,853	306,091	372,929	445,538	278,750
Telecommunications	809,855	928,013	695,527	711,114	638,496	589,286	518,894	518,750	576,874	569,673
Operating grants and contributions	--	--	--	--	--	--	--	--	--	--
Capital grants and contributions	662,984	313,322	173,715	--	254,702	22,306	1,243,739	766,115	26,020	556,433
Total business-type activities program revenue	<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>	<u>19,468,605</u>	<u>23,207,364</u>
Total primary government program revenue	<u>\$ 28,155,420</u>	<u>\$ 25,457,220</u>	<u>\$ 24,174,561</u>	<u>\$ 24,047,314</u>	<u>\$ 25,995,874</u>	<u>\$ 35,086,095</u>	<u>\$ 38,766,416</u>	<u>\$ 32,726,087</u>	<u>\$ 25,294,402</u>	<u>\$ 28,945,439</u>
Net (expense)/revenue:										
Governmental activities	\$ (6,104,945)	\$ (7,412,783)	\$ (7,195,440)	\$ (7,824,483)	\$ (7,446,186)	\$ (8,417,970)	\$ (9,685,161)	\$ (7,510,544)	\$(10,562,695)	\$(10,327,945)
Business-type activities	3,000,589	1,184,402	2,518,874	1,942,552	1,241,335	1,953,549	1,629,640	3,748,291	1,569,369	2,092,247
Total primary government net expense	<u>\$ (3,104,356)</u>	<u>\$ (6,228,381)</u>	<u>\$ (4,676,566)</u>	<u>\$ (5,881,931)</u>	<u>\$ (6,204,851)</u>	<u>\$ (6,464,421)</u>	<u>\$ (8,055,521)</u>	<u>\$ (3,762,253)</u>	<u>\$ (8,993,326)</u>	<u>\$ (8,235,698)</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property	\$ 2,565,732	\$ 2,648,656	\$ 3,023,125	\$ 2,410,680	\$ 2,678,293	\$ 2,854,896	\$ 3,106,231	\$ 3,094,852	\$ 3,305,442	\$ 3,312,451
Sales	3,094,809	2,943,746	2,880,391	2,762,450	2,965,459	2,936,546	2,831,081	2,692,074	2,710,623	2,693,950
Hotel/Motel	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203	651,179	790,404
Alcoholic beverage	414,985	424,484	403,398	398,524	410,108	401,462	396,995	406,481	431,224	438,802
Franchise	1,258,013	1,391,186	1,327,766	1,388,433	1,445,071	1,371,855	1,330,271	1,483,928	1,477,687	1,402,561
Insurance premium	866,726	887,488	879,162	853,611	759,895	809,386	838,299	875,604	931,734	1,010,133
Unrestricted investment earnings	241,508	82,762	18,258	20,144	16,950	27,175	17,835	21,423	32,897	87,138
Miscellaneous	--	--	--	--	--	--	--	11,503	69,567	62,733
Gain on sale of capital assets	--	--	59,616	--	--	--	--	--	--	--
Transfers	238,843	650,000	562,499	637,499	735,554	(3,979,659)	319,634	924,749	(642,259)	815,120
Total governmental activities	<u>9,221,685</u>	<u>9,520,858</u>	<u>9,626,511</u>	<u>8,969,123</u>	<u>9,535,918</u>	<u>4,955,489</u>	<u>9,416,868</u>	<u>10,172,817</u>	<u>8,968,094</u>	<u>10,613,292</u>
Business-type activities:										
Unrestricted investment earnings	188,345	68,089	72,228	65,584	63,280	39,834	49,288	76,295	48,882	68,802
Transfers	(238,843)	(650,000)	(562,499)	(637,499)	(735,554)	3,979,659	(319,634)	(924,749)	642,259	(815,120)
Total business-type activities	<u>(50,498)</u>	<u>(581,911)</u>	<u>(490,271)</u>	<u>(571,915)</u>	<u>(672,274)</u>	<u>4,019,493</u>	<u>(270,346)</u>	<u>(848,454)</u>	<u>691,141</u>	<u>(746,318)</u>
Total primary government	<u>\$ 9,171,187</u>	<u>\$ 8,938,947</u>	<u>\$ 9,136,240</u>	<u>\$ 8,397,208</u>	<u>\$ 8,863,644</u>	<u>\$ 8,974,982</u>	<u>\$ 9,146,522</u>	<u>\$ 9,324,363</u>	<u>\$ 9,659,235</u>	<u>\$ 9,866,974</u>
Change in Net Position										
Governmental activities	\$ 3,116,740	\$ 2,108,075	\$ 2,431,071	\$ 1,144,640	\$ 2,089,732	\$ (3,462,481)	\$ (268,293)	\$ 2,662,273	\$ (1,594,601)	\$ 285,347
Business-type activities	2,950,091	602,491	2,028,603	1,370,637	569,061	5,973,042	1,359,294	2,899,837	2,260,510	1,345,929
Total primary government	<u>\$ 6,066,831</u>	<u>\$ 2,710,566</u>	<u>\$ 4,459,674</u>	<u>\$ 2,515,277</u>	<u>\$ 2,658,793</u>	<u>\$ 2,510,561</u>	<u>\$ 1,091,001</u>	<u>\$ 5,562,110</u>	<u>\$ 665,909</u>	<u>\$ 1,631,276</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund:										
Nonspendable	\$ 250,432	\$ 375,325	\$ 322,069	\$ 349,373	\$ 342,749	\$ 375,880	\$ 397,155	\$ 404,672	\$ 397,157	\$ 451,523
Restricted	391,439	486,425	413,228	--	--	--	--	--	--	--
Committed	141,007	111,100	91,159	983,256	291,968	117,211	127,673	306,862	206,135	225,306
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	5,059,736	5,627,010	6,553,955	6,409,961	6,860,807	6,415,899	5,802,703	5,936,474	4,329,440	3,573,503
Total general fund	<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>	<u>\$ 4,932,732</u>	<u>\$ 4,250,332</u>
All other governmental funds -										
Capital projects funds:										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Restricted	14,875,449	9,238,165	6,500,620	4,811,277	5,610,065	4,168,780	3,549,624	4,147,027	5,479,527	6,017,928
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total all other governmental funds	<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>	<u>\$ 5,479,527</u>	<u>\$ 6,017,928</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
General property taxes	\$ 2,570,947	\$ 2,622,330	\$ 2,580,602	\$ 2,820,812	\$ 2,672,295	\$ 2,846,390	\$ 3,114,210	\$ 3,107,928	\$ 3,314,063	\$ 3,289,130
Other taxes	9,623,282	9,005,832	6,139,714	6,086,872	6,301,842	6,253,263	6,189,364	6,520,754	6,202,447	6,335,850
Licenses and permits	578,685	573,180	556,122	590,957	561,865	600,186	547,619	609,245	628,296	628,512
Fines and forfeitures	749,175	925,128	813,986	804,640	843,393	809,933	901,335	892,077	678,933	614,277
Intergovernmental	648,739	324,168	3,501,948	3,513,723	3,913,856	3,674,561	2,674,180	2,729,624	2,944,396	3,069,792
Interest on investments	867,788	404,947	96,244	68,244	34,647	37,366	29,163	35,325	54,730	108,707
Miscellaneous income	1,423,491	1,678,235	1,818,948	1,310,380	1,452,858	1,446,951	1,342,758	2,258,105	1,621,906	1,466,658
Total revenues	<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>	<u>15,444,771</u>	<u>15,512,926</u>
Expenditures										
General government	3,460,719	3,539,658	3,599,455	3,542,885	3,485,033	4,222,919	4,131,923	4,407,982	4,707,005	4,399,252
Public safety	5,171,826	5,581,073	5,784,622	6,065,314	6,301,367	7,169,731	6,765,030	7,222,326	7,770,856	7,476,332
Community services	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	955,831	1,028,046	1,053,932	1,048,655	1,144,210
Public works and buildings	1,209,145	1,158,206	1,181,967	1,183,321	1,330,980	1,458,950	1,378,776	1,285,144	1,522,323	1,577,256
Culture and recreation	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203	406,987	494,002
Debt service:										
Principal	178,783	4,170,027	2,334,673	2,837,467	90,354	3,199,832	205,068	110,853	32,824	132,828
Interest	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396	1,879	5,983
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	1,438,182	1,242,182
Total expenditures	<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>	<u>16,928,711</u>	<u>16,472,045</u>
Excess of revenues over(under) expenditures	<u>535,423</u>	<u>(5,530,038)</u>	<u>(2,769,493)</u>	<u>(1,964,663)</u>	<u>(509,833)</u>	<u>(2,867,819)</u>	<u>(1,900,615)</u>	<u>(82,120)</u>	<u>(1,483,940)</u>	<u>(959,119)</u>
Other financing sources(uses)										
Sale of capital assets	--	--	250,000	--	--	--	--	--	--	--
Transfers in	650,000	650,000	562,499	637,499	735,554	840,000	700,000	1,000,000	1,625,664	1,899,376
Transfers out	(411,157)	--	--	--	--	--	--	--	(928,616)	(1,084,256)
Capital leases	630,000	--	--	--	326,001	--	--	--	404,116	--
Bonds issued	12,000,000	--	--	--	--	--	--	--	--	--
Premium on bonds issued	350,238	--	--	--	--	--	--	--	--	--
Total other financing sources(uses)	<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>	<u>1,101,164</u>	<u>815,120</u>
Change in fund balance	<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>	<u>\$ (382,776)</u>	<u>\$ (143,999)</u>
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	24.39%	1.36%	19.55%	1.59%	0.75%	0.21%	0.92%

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	Transportation Special Purpose Local Option Sales Tax	Alcoholic Beverages Tax	Franchise Tax	Insurance Premium Tax	Total
2008	\$ 2,565,732	\$ 3,094,809	\$ 541,069	\$ 3,244,746	\$ --	\$ 414,985	\$ 1,258,013	\$ 866,726	\$ 11,986,080
2009	2,648,656	2,943,746	492,536	2,681,311	--	424,484	1,391,186	887,488	11,469,407
2010	3,023,125	2,880,391	472,296	2,742,771	--	403,398	1,327,766	879,162	11,728,909
2011	2,410,680	2,762,450	497,782	2,642,650	--	398,524	1,388,433	853,611	10,954,130
2012	2,678,293	2,965,459	524,588	2,868,936	--	410,108	1,445,071	759,895	11,652,350
2013	2,854,896	2,936,546	533,828	2,743,734	--	401,462	1,371,855	809,386	11,651,707
2014	3,106,231	2,831,081	576,522	2,188,463	--	396,995	1,330,271	838,299	11,267,862
2015	3,094,852	2,692,074	662,203	2,186,826	152,138	406,481	1,483,928	875,604	11,554,106
2016	3,305,442	2,710,623	651,179	2,171,622	223,982	431,224	1,477,687	931,734	11,903,493
2017	3,312,451	2,693,950	790,404	2,196,277	223,982	438,802	1,402,561	1,010,133	12,068,560

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

<u>Fiscal Year</u>	<u>City of Dublin Direct Rate</u>	<u>Laurens County Rate</u>	<u>State Rate</u>
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%
2016	1.00%	3.00%	4.00%
2017	1.00%	3.00%	4.00%

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			
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%
2016	425,198,552	10,166,507	20,429,570	455,794,629	6.407	1,139,486,573	40.00%
2017	433,778,951	10,242,506	15,614,430	459,635,887	6.540	1,149,089,718	40.00%

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

Note: Property in Laurens County, Georgia is reassessed once every five years on average. The City assessed property at approximately 47% of actual value until 2011 when this rate was lowered to 40%. Estimated actual taxable value is calculated by dividing taxable assessed value by this percentage. Tax rates are per \$1,000 of assessed value.

* Excludes tax-exempt property

CITY OF DUBLIN, GEORGIA
PROPERTY TAX RATES- DIRECT AND OVERLAPPING
(per \$1,000 of Assessed value)
LAST TEN FISCAL YEARS

<u>Tax Levy Period Calendar Year</u>	<u>Maintenance and Operations</u>	<u>Sales Tax Rollback</u>	<u>Total City</u>	<u>School District</u>	<u>State and County</u>	<u>Total Direct & Overlapping Rates</u>
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
2015	12.117	(5.710)	6.407	19.705	7.150	33.262
2016	13.080	(6.540)	6.540	21.955	7.191	35.686

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

Taxpayer	June 30, 2017			June 30, 2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Best Buy	\$ 22,966,034	1	5.00%	\$ 12,569,589	2	2.58%
YKK AP America, Inc.	18,558,098	2	4.04%	13,490,308	1	2.77%
Fairview Park Hospital	14,506,217	3	3.16%	9,361,016	3	1.92%
Fred's Distribution	12,463,101	4	2.71%	4,051,367	8	0.83%
Wal-Mart	7,801,310	5	1.70%	5,126,440	6	1.05%
Warehouse Home Furnishings/ Farmers Furniture	6,163,478	6	1.34%	4,576,654	7	0.94%
Home Depot	3,597,290	7	0.78%			
D Mall, LLC	2,861,158	8	0.62%			
Sun Tek Pet, LLC	2,771,742	9	0.60%			
Bre Tarpon Dublin Village, LLC	2,642,104	10	0.57%			
Rockwell Automation - Allen Bradley				6,924,442	4	1.42%
Dublin Community Hospital				6,324,556	5	1.30%
Parko Servo Controls				3,861,577	9	0.83%
Flexstell Industries				3,488,089	10	0.71%
	<u>\$ 94,330,532</u>		<u>20.52%</u>	<u>\$ 69,774,038</u>		<u>14.35%</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	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	
	(1)						
2008	9,616,757	9,261,965	96.3%	353,204	9,615,169	100.0%	1,588
2009	9,966,108	9,522,636	95.6%	441,222	9,963,858	100.0%	2,250
2010	10,428,595	9,417,695	90.3%	1,006,321	10,424,016	100.0%	4,579
2011	10,138,736	9,714,722	95.8%	418,317	10,133,039	99.9%	5,697
2012	10,018,508	9,518,592	95.0%	494,344	10,012,936	99.9%	5,572
2013	10,392,029	9,870,456	95.0%	513,645	10,384,101	99.9%	7,928
2014	10,351,172	9,838,724	95.0%	503,208	10,341,932	99.9%	9,240
2015	10,418,406	10,008,682	96.1%	389,269	10,397,951	99.8%	20,455
2016	11,362,887	10,842,361	95.4%	476,734	11,319,095	99.6%	43,792
2017	11,338,329	11,243,807	99.2%	--	11,243,807	99.2%	94,522

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

Source: City of Dublin, Georgia financial records.

**CITY OF DUBLIN, GEORGIA
PRINCIPAL GAS CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year 2017			Fiscal Year 2008		
	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales
Westrock (SP Newsprint-2008)	\$ 5,287,476	1	44.53%	\$ 64,921	7	0.61%
Griffin Industries	1,638,846	2	13.80%			
YKK Corporation	777,189	3	6.55%	2,238,690	2	20.97%
Carl Vinson Medical Center	543,141	4	4.57%	704,807	3	6.60%
Suntek (Hi-tek Rations 2008)	314,489	5	2.65%	651,588	4	6.10%
Dublin Housing Authority	164,211	6	1.38%	326,648	6	3.06%
Fairview Park Hospital	138,308	7	1.16%	407,940	5	3.82%
Dublin City Schools	81,492	8	0.69%			
Best Buy	29,488	9	0.25%			
Applebees	28,806	10	0.24%	57,003	9	0.53%
Mohawk Industries				2,411,052	1	22.58%
Flexsteel				58,253	8	0.55%
Golden Corral				56,170	10	0.53%
	<u>\$ 9,003,446</u>		<u>75.82%</u>	<u>\$ 6,977,072</u>		<u>65.35%</u>

Source: City of Dublin, Georgia gas records.

**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	Capital Leases	Water & Sewer Bonds	Term Loans	Note Payable Natural Gas System	Capital Leases			
2008	12,126,265	622,273	7,410,811	1,999,583	618,385	--	22,777,317	48.86%	1,422
2009	8,094,698	452,246	7,073,260	1,900,022	544,962	--	18,065,188	38.19%	1,127
2010	5,813,132	367,572	6,720,709	1,795,792	505,410	--	15,202,615	32.22%	938
2011	3,031,565	280,105	6,358,158	1,742,999	463,834	--	11,876,661	25.02%	732
2012	3,000,000	515,753	5,980,607	3,015,779	420,131	--	12,932,270	25.67%	795
2013	--	315,921	5,588,056	3,022,481	374,192	--	9,300,650	18.01%	571
2014	--	110,853	5,305,000	2,897,266	325,903	--	8,639,022	16.76%	534
2015	--	--	4,865,000	2,936,363	325,903	--	8,127,266	15.29%	502
2016	--	371,292	4,575,000	2,484,092	275,143	--	7,705,527	14.07%	476
2017	--	238,464	3,835,000	2,438,512	--	--	6,511,976	11.73%	404

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
 COMPUTATION OF DIRECT AND OVERLAPPING
 GOVERNMENTAL ACTIVITIES DEBT
 JUNE 30, 2017**

<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 - Capital Leases	\$ 238,464	100.00%	\$ 238,464
Overlapping -	<u> --</u>	100.00%	<u> --</u>
Total	<u><u>\$ 238,464</u></u>		<u><u>\$ 238,464</u></u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$48,787,439	\$50,247,469	\$51,193,126	\$41,757,063	\$41,411,375	\$43,120,785	\$43,114,657	\$43,961,536	\$45,579,463	\$ 45,963,589
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>\$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>	<u>\$45,579,463</u>	<u>\$ 45,963,589</u>
Total net debt applicable to the limit as a percentage of debt limit	24.86%	16.11%	11.36%	7.26%	7.24%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year:

Assessed value	\$459,635,887
Debt limit (10% of total assessed value)	45,963,589
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>\$ 45,963,589</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
		Principal	Interest	
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	--	--	--	--
2016	--	--	--	--
2017	--	--	--	--

(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
				Principal	Interest	
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
2016	6,135,563	4,476,782	1,658,781	145,000	88,047	7.1
2017	6,943,918	4,930,360	2,013,558	--	37,391	53.9

(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
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%
2015	16,197	531,518	32,816	38.30	2,758	6.8%
2016	16,197	547,463	33,800	38.30	2,681	6.8%
2017	16,104	555,206	34,476	37.20	2,604	6.3%

Sources:

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

** County Wide Data

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

Employer	Fiscal Year 2017			Fiscal Year 2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	1,470	1	7.63%	780	2	3.55%
Laurens County Board of Education	869	2	4.51%			
Fairview Park Hospital	750	3	3.89%	560	4	2.56%
YKK AP America, Inc.	350	4	1.82%	575	3	2.62%
Westrock	350	5	1.82%			
Flexsteel Industries, Inc.	330	6	1.71%	343	5	1.56%
Laurens County Board of Commisioners	321	7	1.67%			
Walmart	291	8	1.51%			
City of Dublin	255	9	1.32%			
Warehouse Home Furnishings Distribution	251	10	1.30%	300	6	1.37%
Mohawk				800	1	3.65%
SP Newsprint Co.				275	7	1.25%
Fred's Distribution				253	8	1.15%
Parker Aerospace				240	9	1.09%
Rockwell Automation				157	10	0.72%
	5,237		27.18%	4,283		19.52%

Source: Dublin-Laurens County Chamber of Commerce

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function										
General Government										
Management-City Mgr & City Attorney	3	3	3	3	3	3	3	4	4	4
Finance	5	5	5	5	5	5	5	5	5	5
Building Inspections	5	6	6	6	6	6	6	5	5	5
Other	10	13	11	11	11	12	12	16	17	16
Public Safety										
Police										
Officers and personnel	60	59	64	63	62	63	64	66	65	69
Fire										
Firefighters and officers	32	35	35	35	35	35	35	34	34	34
Public Works										
Engineering	7	7	7	6	6	6	6	5	5	6
Other	13	15	15	15	15	15	15	15	23	24
Sanitation	24	24	24	24	25	25	25	26	23	24
Gas	14	15	17	17	17	17	13	12	12	13
Golf Course	12	5	3	3	3	3	3	5	4	4
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	32	30	31	35	34	35	31	29	28
Total	<u>219</u>	<u>220</u>	<u>221</u>	<u>220</u>	<u>224</u>	<u>225</u>	<u>223</u>	<u>225</u>	<u>227</u>	<u>233</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
Police										
Physical arrests	1,765	1,921	2,183	2,500	1,465	1,130	2,680	1,722	1,140	1,421
Parking violations	10	9	16	18	6	42	49	100	127	80
Traffic violations	4,560	4,730	6,064	5,884	4,656	5,249	6,448	5,516	6,260	4,246
Fire										
Number of calls answered	942	919	904	959	909	837	1,023	1,066	1,078	1,243
Highways and streets										
Street resurfacing (miles)	N/A	1.1	1.0	2.0	3.3	3.6	2.8	2.3	1.9	1.9
Potholes repaired	1,127	1,150	1,250	1,235	1,276	1,176	1,184	1,157	349	435
Sanitation										
Refuse collected (tons/day)	60	55	56	57	58	60	59	56	57	50
Water										
New connections	98	82	101	156	61	15	18	11	64	18
Water mains breaks	420	430	436	426	114	120	135	92	110	126
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,200	3,200	3,200	3,200	3,300	3,240

Source: Various government departments.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	50	50	50	50	53	53	53	53	54	59
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	24	20	20	20	20	20	20	20	20	21
Highways and streets										
Streets (miles)	101	101	102	103	103	103	103	103	103	103
Streetlights	1,710	1,715	1,720	1,739	1,742	1,750	1,755	1,759	1,762	1,772
Traffic signals	34	34	40	41	41	41	42	43	43	48
Water										
Water mains (miles)	186	187	193	194	194	194	196	224	224	224
Fire hydrants	928	928	935	975	982	1,056	1,028	1,058	1,059	1,064
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)	159	165	170	171	171	171	171	201	202	202
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)	230	232	232	233	233	233	245	269	269	271

Source: Various government departments.

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



NICHOLS, CAULEY & ASSOCIATES, LLC

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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, 2017, and the related notes to the financial statements, which collectively comprise City of Dublin, Georgia's basic financial statements, and have issued our report thereon dated December 28, 2017. 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.

Richels, Cauley + Associates, LLC

Dublin, Georgia
December 28, 2017

**CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

SUMMARY OF AUDIT RESULTS:

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

PRIOR YEAR SIGNIFICANT DEFICIENCIES AND FINDINGS:

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

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

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