CITY OF DUBLIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2016

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Prepared by:
Department of Finance

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I. INTRODUCTORY SECTION (Unaudited)

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

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

December 30, 2016

To the Citizens of the City of Dublin;
Honorable Phil Best, Mayor; and
Distinguished Members of City Council

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (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, 2016.

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, 2016, 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, 2016, 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 City of Dublin, Georgia was incorporated in 1812 under provisions of an act of the General Assembly of Georgia. The City operates under a mayor-council form of government and provides the full range of services contemplated by statute or charter. Policy-making and legislative authority are vested in the governing council consisting of the mayor and seven other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with an election held every two years. The mayor is also elected to serve a four-year term. Four of the council members are elected by district. The mayor and the three remaining council members are elected at large. The City Clerk is appointed by the mayor and council, and is also the Finance Director and Election Superintendent. The mayor and council also appoint the City Judge and City Attorney. The population of Dublin is approximately 16,500 people and this number has remained stable over the last few decades.

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

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

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

Factors Affecting Financial Condition

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

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

The level of services provided by the City of Dublin in the community is among the highest in the State of Georgia. The millage rate at 6.407 mills remains one of the lowest among municipalities in Georgia even as the demands for services continue to grow.

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

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

The $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 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 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 is slated to begin by August 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 $871,362 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 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 "Skycraper" 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 S.P.L.O.S.T. funds. Having these facilities in our community serves as a major destination point for people seeking these state services and brings more people to our community to shop and boost our local economy.

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

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

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

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

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, 2015. This was the twenty-ninth 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, 2015

Executive Director/CEO

CITY OF DUBLIN, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2016

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)

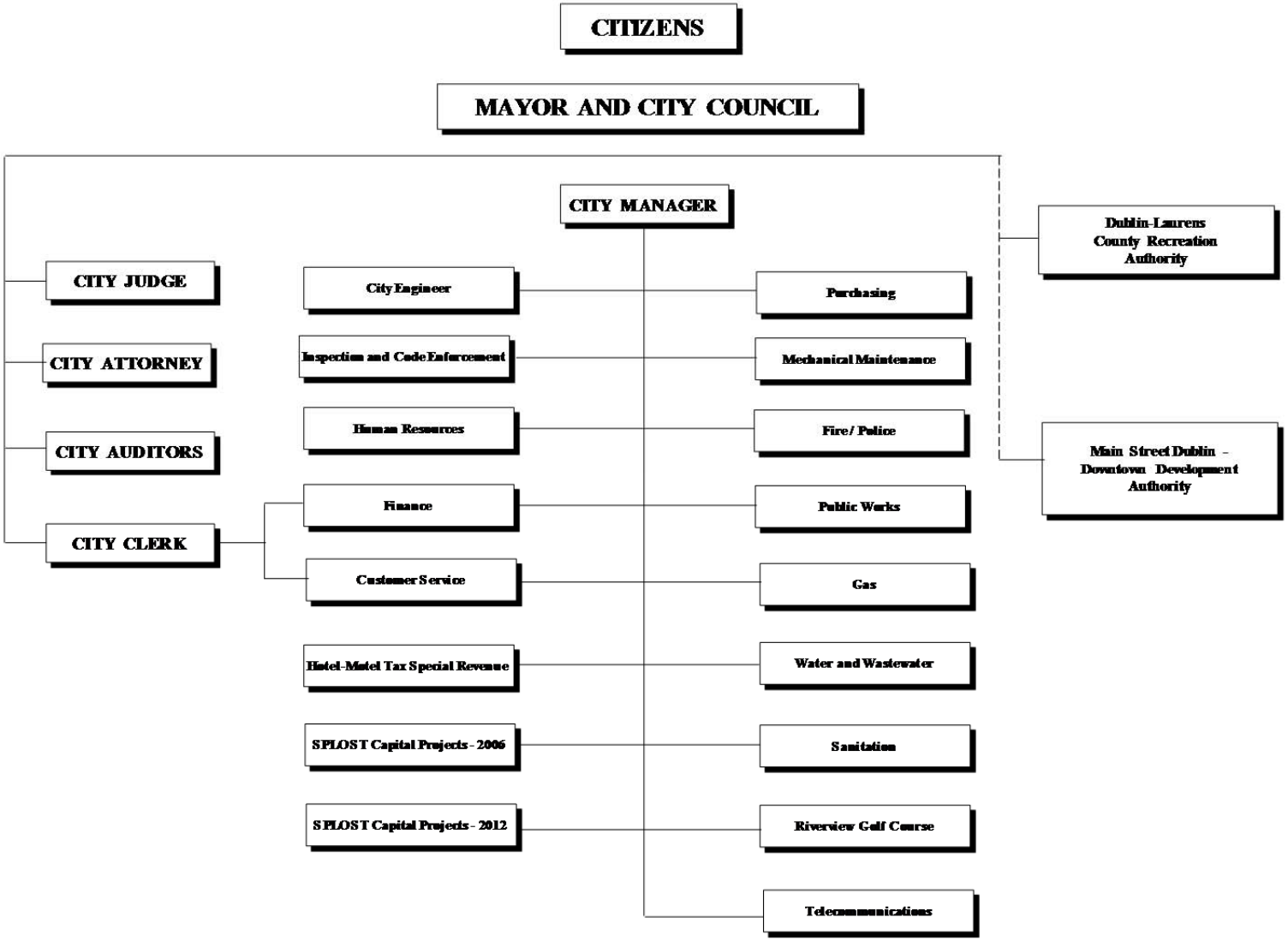
Curtis Edwards

CITY MANAGER

Lance Jones

CITY CLERK	CITY JUDGE	CITY ATTORNEY
Joe M. Kinard III	Harold D. McLendon	Joshua Powell

CITY OF DUBLIN, GEORGIA
ORGANIZATION CHART



II. FINANCIAL SECTION

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

NICHOLS, CAULEY & ASSOCIATES, LLC
1300 Bellevue Avenue
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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Dublin-Laurens County Recreation Authority, which represents 86 percent, 86 percent, and 85 percent, respectively, of the assets, net position, and revenues of the component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Dublin-Laurens County Recreation Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

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

Opinions

In our opinion, based on our audit report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Dublin, Georgia, as of June 30, 2016, 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2016, on our consideration of the City of Dublin, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering City of Dublin, Georgia's internal control over financial reporting and compliance.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
December 30, 2016

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, 2016. 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 $75,152,404 (*net position*). Of this amount $18,271,251 (*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 $665,909 during the year; governmental activities decreased net position by $1,594,601 and business-type activities increased net position by $2,260,510.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $10,412,259, a decrease of $382,776 in comparison with the prior year. Approximately forty-two percent (42%) of this total amount, or $4,329,440, 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 $4,932,732 or 32.8% of the total General Fund expenditures.
- The City's revenues for the year ended June 30, 2016 total $34,953,637. Of this amount, $22,626,166, or 65%, was generated from charges for services. Additionally, $2,668,236, or 8%, was generated from operating or capital grants. The balance of $6,659,235, or 27%, was generated from general revenues.
- The City's expenses for the year ended June 30, 2016 was $34,287,728. Of this amount, $16,388,492, or 48%, was consumed by governmental activities. The balance of $17,899,236, or 52%, 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).

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 propriety fund financial statement. Individual fund data for the nonmajor enterprise funds is provided in the form of *combining statements* elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 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 $75,152,404 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (66.4%) 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 - Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 11,018,964	$ 11,393,337	$ 22,087,633	$ 21,724,643	$ 33,106,597	$ 33,117,980
Capital assets	21,334,894	21,727,434	35,978,523	35,488,030	57,313,417	57,215,464
Total assets	32,353,858	33,120,771	58,066,156	57,212,673	90,420,014	90,333,444
Deferred outflows of resources	1,320,005	674,224	519,724	379,253	1,839,729	1,053,477
Noncurrent liabilities	5,734,387	4,003,324	8,952,477	9,371,886	14,686,864	13,375,210
Other liabilities	600,382	450,839	1,232,408	1,779,377	1,832,790	2,230,216
Total liabilities	6,334,769	4,454,163	10,184,885	11,151,263	16,519,654	15,605,426
Deferred inflows of resources	421,663	828,800	166,022	466,200	587,685	1,295,000
Net position:						
Net investment in capital assets	20,963,602	21,727,434	28,919,431	27,686,667	49,883,033	49,414,101
Restricted	5,479,527	4,147,027	1,518,593	2,039,246	6,998,120	6,186,273
Unrestricted	474,302	2,637,571	17,796,949	16,248,550	18,271,251	18,886,121
Total net position	$ 26,917,431	$ 28,512,032	$ 48,234,973	$ 45,974,463	$ 75,152,404	$ 74,486,495

A portion of the City's net position (9.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($18,271,251) 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 ($227,445) 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 $665,909 or 0.9%. Governmental activities decreased $1,594,601 and business activities increased $2,260,510. Historically, and in fiscal year 2016, 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 2016 were $642,259 which included $1,000,000 from the Natural Gas Fund to the general fund and $342,952 from governmental activities to the business-type activities. During 2016, The City's governmental activities also transferred $1,339,307 in capital assets purchased with SPLOST proceeds to the Water and Sewerage System Fund. Approximately 27.2 percent of the City's total revenue came from taxes, while 7.6 percent resulted from grants and contributions (including federal aid). Charges for various goods and services, investment earnings, and

intragovernmental items provided 65.1 percent of the total revenues.

The City's expenses cover a range of services. The largest expenses were for gas services, public safety, water and sewer services, general government, and sanitation services. In 2016, governmental activity program expenses exceeded revenues, resulting in the use of $10,562,695 in general revenues which were comprised of $9,507,889 (taxes), ($642,249) (transfers out), $32,897 (unrestricted investment earnings) and $69,567 (miscellaneous). Total program revenues from business-type activities exceeded net program expenses, in 2016 by $1,569,369.

Governmental activities decreased the City's net position by $1,594,601 compared to an increase of $2,662,273 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 and transfers to the Riverview Golf Course Fund of approximately $340,000. These transfers did not occur in the prior year. Business-type activities increased the City's net position by $2,260,510. The key element was the transfer of capital assets from governmental activities partially offset with a reduction in natural gas demand as compared to the prior year. Other key elements of these changes are outlined on the following page.

City of Dublin, Georgia - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	$ 3,183,581	$ 4,330,126	$ 19,442,585	$ 25,046,486	$ 22,626,166	$ 29,376,612
Operating grants and contributions	224,779	230,494	--	--	224,779	230,494
Capital grants and contributions	2,417,437	13,902	26,020	841,366	2,443,457	855,268
General revenues:						
Property taxes	3,305,442	3,094,852	--	--	3,305,442	3,094,852
Sales taxes	2,710,623	5,031,038	--	--	2,710,623	5,031,038
Franchise taxes	1,477,687	1,483,928	--	--	1,477,687	1,483,928
Other taxes	2,014,137	1,944,288	--	--	2,014,137	1,944,288
Investment earnings	32,897	21,423	48,882	76,295	81,779	97,718
Miscellaneous	69,567	11,503	--	--	69,567	11,503
Total revenues	15,436,150	16,161,554	19,517,487	25,964,147	34,953,637	42,125,701
Expenses:						
General government	4,899,664	4,348,528	--	--	4,899,664	4,348,528
Public safety	8,317,381	6,813,911	--	--	8,317,381	6,813,911
Community services	1,059,369	1,048,236	--	--	1,059,369	1,048,236
Public works and buildings	1,702,857	1,624,652	--	--	1,702,857	1,624,652
Culture and recreation	407,342	662,558	--	--	407,342	662,558
Interest on long-term debt	1,879	1,396	--	--	1,879	1,396
Water and sewer	--	--	5,763,076	5,573,272	5,763,076	5,573,272
Gas	--	--	8,428,556	13,239,086	8,428,556	13,239,086
Sanitation	--	--	2,557,459	2,385,778	2,557,459	2,385,778
Riverview Golf Course	--	--	536,417	321,882	536,417	321,882
Telecommunications	--	--	613,728	544,292	613,728	544,292
Total expenses	16,388,492	14,499,281	17,899,236	22,064,310	34,287,728	36,563,591
Increase(decrease) in net position 'before transfers	(952,342)	1,662,273	1,618,251	3,899,837	665,909	5,562,110
Transfers	(642,259)	1,000,000	642,259	(1,000,000)	--	--
Change in position	(1,594,601)	2,662,273	2,260,510	2,899,837	665,909	5,562,110
Net position, beginning	28,512,032	25,849,759	45,974,463	43,074,626	74,486,495	68,924,385
Net position, ending	$ 26,917,431	$ 28,512,032	$ 48,234,973	$ 45,974,463	$ 75,152,404	$ 74,486,495

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 $10,412,259 an decrease of $382,776 in comparison with the prior year. $4,329,440 or 41.6% 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 $4,329,440 while the total fund balance reached $4,932,732. 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 28.8% of total general fund expenditures, while total fund balance represents 32.8% of that same amount.

The fund balance of the City's General Fund decreased by $1,715,276 during the current fiscal year. This is a 25.8% decrease from the prior year. This decrease is primarily attributable to transfers out to the Riverview Golf Course of $342,952. In addition, the City established a fund for T-SPLOST proceeds and transferred $341,472 of proceeds previously reported in the General Fund to the T-SPLOST Fund. These transfers combined with a decrease in fines and forfeitures and an increase in general governmental expenditures due to additional pension contributions during 2016 and an increase in public safety expenditures of approximately $500,000 due to the acquisition of police vehicles attribute to the decrease. At June 30, 2016, the fund balance of the City's General Fund represented 47.4% of the total governmental fund balance.

The fund balance of the City's SPLOST Capital Projects - 2012 fund increased by $1,043,171 during the current fiscal year. This is an 67.0% 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, 2016, the fund balance of the City's SPLOST Capital Projects - 2012 fund represented 25.0% 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 $2,260,510 primarily due to transfers of capital assets from governmental activities that were purchased with SPLOST proceeds. The City also saw reduced demand for natural gas and water sales resulting in a reduction in operating income results for the current year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted expenditures increased by 3.8% from the prior year. Actual expenditures increased approximately 5.6% from prior year. The actual excess of expenditures over revenues was funded through transfers in from the Natural Gas System Fund.

Large variances in the General Fund's revenues and expenditures verses budget amounts are as follows. For revenues, inspection permits were approximately 25% over budget to due more construction projects than were anticipated during the year. Interest on investments were approximately 64.5% due to this income being more than was anticipated during the year. Intergovernmental revenues from the Federal Housing Authority which were 46.3% under budget due to receipts being lower than anticipated. For expenditures, City Manager expenditures were 73.1% over budget primarily due to contributions to the pension fund being higher than expected. The finance department expenditures were 22.1% over budget primarily due to salaries being higher than expected as a transition in staffing occurred during 2016. Expenditures for the City attorney were 67% under budget as there was a change in the city attorney at the end of 2015 which resulted in lower salaries and related expenditures.

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, 2016, amounts to $139,784,239, net of accumulated depreciation of $82,470,822 leaving a net book value of $57,313,417. This investment in capital assets includes land, construction in progress, buildings and plant, improvements other than buildings, machinery and equipment, and infrastructure.

The City's investment in capital assets for the current fiscal year increased about 0.2% in terms of net book value. However, actual expenditures to purchase or construct capital assets were $3,232,683 for the year. The total increase in capital assets was mostly due to various construction projects in the SPLOST and Natural Gas System funds. Depreciation charges for the year totaled $3,134,651. Additional information on the City's capital assets can be found in Note III. H. of the notes to the financial statements of this report.

Debt Administration

At the end of the current fiscal year, the City had total bonded debt outstanding of $4,575,000. This debt is secured solely by specified revenue sources (i.e., revenue bonds). The City's bonded debt decreased by $290,000 as a result of current year principal payments. The City also refunded the prior bonds due to a reduced interest rate on the new bonds which will reduce the debt service in future years. The City also had $2,484,092 of debt from notes payable, excluding interfund notes payable. This is a $452,271 decrease over the prior year as a result of current year principal payments partially offset by advances on the GEFA construction period loan in the Water and Sewerage System Fund. Additional information relating to the City's long-term debt can be found in Note III.K. of the notes to financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City is currently 6.8%, which is a decrease from a rate of 7.0% 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 6.41 mills and has remained low even though the demands for services continue to grow.

REQUESTS FOR INFORMATION

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

	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	$ 16,304,543	$ 7,955,293	$ 24,259,836	$ 596,836	$ 81,966
Investments	1,518,990	3,210,387	4,729,377	--	--
Taxes receivable, net	148,449	--	148,449	--	--
Accounts receivable, net	--	884,998	884,998	29,427	--
Other receivables, net	5,729	86,065	91,794	--	--
Accrued interest receivable	1,282	12,545	13,827	--	--
Due from other governments	232,814	--	232,814	--	--
Internal balances	(7,590,000)	7,590,000	--	--	--
Inventories, at cost	187,289	12,280	199,569	--	--
Prepaid items	209,868	7,010	216,878	22,466	--
Restricted assets:					
Cash and cash equivalents	--	405,029	405,029	--	--
Investments	--	1,924,026	1,924,026	--	--
Capital assets not being depreciated:					
Land	1,890,624	565,757	2,456,381	--	126,150
Construction in progress	762,378	4,953,242	5,715,620	--	--
Capital assets, net of accumulated depreciation:					
Buildings and plant	3,393,728	29,220,005	32,613,733	5,018,744	479,169
Improvements other than buildings	978,994	132,267	1,111,261	--	223,906
Machinery and equipment	1,461,929	1,107,252	2,569,181	98,735	4,508
Infrastructure	12,847,241	--	12,847,241	--	--
Total assets	32,353,858	58,066,156	90,420,014	5,766,208	915,699
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred outflows related to pensions	1,320,005	519,724	1,839,729	61,586	--

	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	400,357	214,394	614,751	35,322	4,579
Accrued interest payable	--	61,633	61,633	--	--
Deposits and bonds	32,000	--	32,000	--	--
Payables from restricted assets:					
Customer deposits	--	665,462	665,462	--	--
Revenue bonds payable - current	--	145,000	145,000	--	--
Noncurrent liabilities:					
Due within one year:					
Compensated absences	35,156	18,533	53,689	--	--
Capital leases	132,869	--	132,869		
Note payable - other	--	127,386	127,386	104,200	4,609
Due in more than one year:					
Compensated absences	399,818	211,978	611,796	38,639	--
Net pension liability	4,962,287	1,953,793	6,916,080	199,600	--
Net OPEB obligation	133,859	--	133,859	--	--
Capital leases	238,423	--	238,423	--	
Note payable - other	--	2,356,706	2,356,706	261,035	44,276
Revenue bonds payable	--	4,430,000	4,430,000	--	--
Total liabilities	6,334,769	10,184,885	16,519,654	638,796	53,464
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	421,663	166,022	587,685	10,690	--
NET POSITION					
Net investment in capital assets	20,963,602	28,919,431	49,883,033	4,752,244	784,848
Restricted:					
Restricted for debt service	--	1,518,593	1,518,593	--	--
Restricted for capital projects	5,479,527	--	5,479,527	50,587	--
Unrestricted	474,302	17,796,949	18,271,251	375,477	77,387
Total net position	$ 26,917,431	$ 48,234,973	$ 75,152,404	$ 5,178,308	$ 862,235

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, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 4,899,664	$ 2,385,047	$ 2,000	$ --
Public safety	8,317,381	793,284	222,779	--
Community services	1,059,369	5,250	--	--
Public works and buildings	1,702,857	--	--	2,417,437
Culture and recreation	407,342	--	--	--
Interest on long-term debt	1,879	--	--	--
Total governmental activities	16,388,492	3,183,581	224,779	2,417,437
Business-type activities:				
Water and sewer	5,763,076	6,089,159	--	26,020
Gas	8,428,556	9,661,527	--	--
Sanitation	2,557,459	2,669,487	--	--
Riverview Golf Course	536,417	445,538	--	--
Telecommunications	613,728	576,874	--	--
Total business-type activities	17,899,236	19,442,585	--	26,020
Total primary government	$ 34,287,728	$ 22,626,166	$ 224,779	$ 2,443,457
Component units:				
Dublin-Laurens County Recreation Authority	$ 1,780,942	$ 170,975	$ 1,200,000	$ 179,678
Main Street Dublin Downtown Development Authority	404,232	--	--	39,336
Total component units	$ 2,185,174	$ 170,975	$ 1,200,000	$ 219,014
General revenues:				
Property taxes				
Sales taxes				
Hotel/motel tax				
Alcoholic beverage taxes				
Franchise taxes				
Insurance premium tax				
Miscellaneous				
Unrestricted investment earnings				
Intra-governmental				
Transfers				
Total general revenues, intra-governmental, and transfers				
Change in net position				
Net position - beginning - as restated				
Net position - ending				

Net (Expense) Revenue and Changes in Net Position					
Primary Government				Component Units	
Governmental Activities	Business-type Activities	Total		Dublin-Laurens County Recreation Authority	Main Street Dublin Downtown Development Authority
$ (2,512,617)	$ --	$ (2,512,617)			
(7,301,318)	--	(7,301,318)			
(1,054,119)	--	(1,054,119)			
714,580	--	714,580			
(407,342)	--	(407,342)			
(1,879)	--	(1,879)			
(10,562,695)	--	(10,562,695)			
--	352,103	352,103			
--	1,232,971	1,232,971			
--	112,028	112,028			
--	(90,879)	(90,879)			
--	(36,854)	(36,854)			
--	1,569,369	1,569,369			
(10,562,695)	1,569,369	(8,993,326)			
				$ (230,289)	$ --
				--	(364,896)
				(230,289)	(364,896)
3,305,442	--	3,305,442		--	--
2,710,623	--	2,710,623		--	--
651,179	--	651,179		168,829	--
431,224	--	431,224		--	--
1,477,687	--	1,477,687		--	--
931,734	--	931,734		--	--
69,567	--	69,567		12,984	113,917
32,897	48,882	81,779		14,140	126
--	--	--		--	162,399
(642,259)	642,259	--		--	--
8,968,094	691,141	9,659,235		195,953	276,442
(1,594,601)	2,260,510	665,909		(34,336)	(88,454)
28,512,032	45,974,463	74,486,495		5,212,644	950,689
$ 26,917,431	$ 48,234,973	$ 75,152,404		$ 5,178,308	$ 862,235

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

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 12,216,951	$ 2,624,225	$ 1,463,367	$ 16,304,543
Investments	--	--	1,518,990	1,518,990
Taxes receivable, net	148,449	--	--	148,449
Other receivables, net	5,729	--	--	5,729
Accrued interest receivable	1,282	--	--	1,282
Due from other governments	232,814	--	--	232,814
Due from other funds	28,581	--	--	28,581
Inventories, at cost	187,289	--	--	187,289
Prepaid items	209,868	--	--	209,868
Total assets	$ 13,030,963	$ 2,624,225	$ 2,982,357	$ 18,637,545
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued costs	301,883	$ 23,497	$ 74,977	$ 400,357
Due to other funds	7,590,000	--	28,581	7,618,581
Customer deposits	32,000	--	--	32,000
Total liabilities	7,923,883	23,497	103,558	8,050,938
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	174,348	--	--	174,348
FUND BALANCES				
Nonspendable	397,157	--	--	397,157
Restricted	--	2,600,728	2,878,799	5,479,527
Committed	206,135	--	--	206,135
Assigned	--	--	--	--
Unassigned	4,329,440	--	--	4,329,440
Total fund balances	4,932,732	2,600,728	2,878,799	10,412,259
Total liabilities, deferred inflows of resources and fund balances	$ 13,030,963	$ 2,624,225	$ 2,982,357	$ 18,637,545

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, 2016

Total governmental fund balance		$ 10,412,259
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the funds.		
Cost of capital assets	61,629,654	
Less accumulated depreciation	(40,294,760)	21,334,894
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		174,348
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.		1,320,005
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 acutal earnings on plan benefits.		(421,663)
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.		
Compensated absences	(434,974)	
Capital leases	(371,292)	
Net OPEB obligation	(133,859)	
Net pension liability	(4,962,287)	(5,902,412)
Net position of governmental activities		$ 26,917,431

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, 2016

	General	SPLOST Capital Projects 2012	Nonmajor Funds	Total Governmental Funds
REVENUES:				
General property taxes	$ 3,314,063	$ --	$ --	$ 3,314,063
Other taxes	5,551,268	--	651,179	6,202,447
Licenses and permits	628,296	--	--	628,296
Fines and forfeitures	678,933	--	--	678,933
Intergovernmental	548,792	2,171,622	223,982	2,944,396
Interest on investments	32,897	5,925	15,908	54,730
Miscellaneous income	1,575,430	46,476	--	1,621,906
Total revenues	12,329,679	2,224,023	891,069	15,444,771
EXPENDITURES:				
Current:				
General government	4,707,005	--	--	4,707,005
Public safety	7,770,856	--	--	7,770,856
Community services	1,048,655	--	--	1,048,655
Public works and buildings	1,522,323	--	--	1,522,323
Culture and recreation	--	--	406,987	406,987
Capital outlay	--	1,146,149	292,033	1,438,182
Debt service:				
Principal	--	32,824	--	32,824
Interest	--	1,879	--	1,879
Total expenditures	15,048,839	1,180,852	699,020	16,928,711
Excess of revenues over (under) expenditures	(2,719,160)	1,043,171	192,049	(1,483,940)
OTHER FINANCING SOURCES (USES)-				
Proceeds from capital leases	404,116	--	--	404,116
Transfers in	1,284,192	--	341,472	1,625,664
Transfers out	(684,424)	--	(244,192)	(928,616)
Total other financing sources	1,003,884	--	97,280	1,101,164
Net change in fund balances	(1,715,276)	1,043,171	289,329	(382,776)
Fund balances-beginning	6,648,008	1,557,557	2,589,470	10,795,035
Fund balances-ending	$ 4,932,732	$ 2,600,728	$ 2,878,799	$ 10,412,259

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, 2016

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	$ (382,776)
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.	(392,461)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.	(79)
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.	(8,621)
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.	(439,372)
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.	(371,292)
Change in net position of governmental activities	$ (1,594,601)

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, 2016

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES:			
General property taxes -			
Current year's levy	$ 3,022,300	3,314,063	$ 291,763
Other taxes:			
Local option sales	2,845,000	2,710,623	(134,377)
Alcoholic beverage	400,000	431,224	31,224
Franchise	1,480,000	1,477,687	(2,313)
Insurance premium	900,000	931,734	31,734
Total	5,625,000	5,551,268	(73,732)
Licenses and permits:			
General business licenses	517,000	528,501	11,501
Inspection permits	80,000	99,795	19,795
Total	597,000	628,296	31,296
Fines and forfeitures -			
Police recorders court	878,000	678,933	(199,067)
Intergovernmental:			
Reimbursement from other governments	273,000	288,412	15,412
Federal Housing Authority - payment in lieu of taxes	70,000	37,601	(32,399)
Other	191,900	222,779	30,879
Total	534,900	548,792	13,892
Interest on investments	20,000	32,897	12,897
Miscellaneous income:			
Reimbursement of administrative expenses - other funds	671,787	671,788	1
Miscellaneous	686,105	903,642	217,537
	1,357,892	1,575,430	217,538
Total general fund revenues	$ 12,035,092	$ 12,329,679	$ 294,587

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, 2016

	Original and Final Budgeted Amounts	Actual Non-GAAP Budget Basis	Variance with Final Budget
EXPENDITURES:			
General government:			
Legislative	$ 258,119	$ 266,029	$ (7,910)
City manager	248,952	430,830	(181,878)
Main Street program	76,500	76,762	(262)
City clerk	209,090	214,741	(5,651)
Human resources	190,387	218,118	(27,731)
Tax department	151,297	144,710	6,587
Finance department	198,782	242,693	(43,911)
Community development	74,228	87,335	(13,107)
City attorney	172,250	56,862	115,388
City judge	260,484	297,355	(36,871)
Engineering	430,154	381,233	48,921
Purchasing	213,826	174,184	39,642
Inspections	437,950	432,646	5,304
Non-departmental	1,679,870	1,457,886	221,984
Risk management and assistant city manager	95,359	105,301	(9,942)
Total general government	4,697,248	4,586,685	110,563
Public safety:			
Police department - administrative	941,715	849,996	91,719
Police department - patrol	3,791,703	3,751,442	40,261
Police department - C.I.D.	710,588	704,968	5,620
Police department - crossing guards	4,580	4,289	291
Fire department - administrative	171,476	157,047	14,429
Fire department - combat	2,269,398	2,307,491	(38,093)
Total public safety	7,889,460	7,775,233	114,227
Community services:			
Cemetery	113,569	112,827	742
Appropriations	925,113	935,844	(10,731)
Total community services	1,038,682	1,048,671	(9,989)
Public works and buildings:			
Public works	1,186,352	1,204,682	(18,330)
Mechanical maintenance	385,324	332,841	52,483
Total public works and buildings	1,571,676	1,537,523	34,153
Total expenditures	15,197,066	14,948,112	248,954
Excess of revenues over (under) expenditures	(3,161,974)	(2,618,433)	543,541
OTHER FINANCING SOURCES (USES)-			
Proceeds from capital leases	--	404,116	404,116
Transfers in	1,250,000	1,284,192	34,192
Transfers out	(342,952)	(684,424)	(341,472)
Total other financing sources (uses)	907,048	1,003,884	96,836
Net change in fund balances	$ (2,254,926)	(1,614,549)	$ 640,377
Fund balance - beginning		6,341,146	
Fund balance - ending		$ 4,726,597	

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, 2016

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,530,539	$ 1,745,635
Investments	--	3,210,387
Notes receivable from Water and Sewerage System Fund - current	--	109,443
Accounts receivable, net	170,925	530,424
Other receivables, net	86,065	--
Accrued interest receivable	--	12,545
Due from other funds	--	7,590,000
Inventories, at cost	--	--
Prepaid items	--	7,010
Restricted assets:		
Cash and cash equivalents	405,029	--
Investments	1,664,012	260,014
Total current assets	4,856,570	13,465,458
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land	151,381	324,914
Construction in progress	4,953,242	--
Buildings and plant	41,655,043	17,828,265
Improvements other than buildings	--	--
Machinery and equipment	2,616,395	743,842
Less - accumulated depreciation	(23,527,857)	(10,890,073)
Capital assets - net	25,848,204	8,006,948
OTHER ASSETS:		
Note receivable - Water and Sewerage System Fund - long-term portion	--	165,700
Total other assets	--	165,700
Total non-current assets	25,848,204	8,172,648
Total assets	30,704,774	21,638,106
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	239,533	108,176

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
	$ 2,668,757	$ 1,010,362	$ 7,955,293
	--	--	3,210,387
	--	--	109,443
	126,852	56,797	884,998
	--	--	86,065
	--	--	12,545
	305,000	--	7,895,000
	--	12,280	12,280
	--	--	7,010
	--	--	405,029
	--	--	1,924,026
	3,100,609	1,079,439	22,502,076
	89,462	--	565,757
	--	--	4,953,242
	--	3,879,010	63,362,318
	--	354,705	354,705
	4,171,938	1,386,388	8,918,563
	(3,618,759)	(4,139,373)	(42,176,062)
	642,641	1,480,730	35,978,523
	--	--	165,700
	--	--	165,700
	642,641	1,480,730	36,144,223
	3,743,250	2,560,169	58,646,299
	141,659	30,356	519,724

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, 2016

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	8,577	11,064
Accrued expenses	66,457	56,812
Note payable to Natural Gas System Fund - current portion	109,443	--
Note payable GEFA - current portion	127,386	--
Due to other funds	--	--
Accrued interest payable	61,633	--
Compensated absences payable	9,107	2,786
Payable from restricted assets:		
Customer deposits	405,981	259,481
Revenue bonds payable- current portion	145,000	--
Total current liabilities	933,584	330,143
LONG TERM LIABILITIES:		
Compensated absences payable	104,169	31,867
Net pension liability	900,474	406,666
Note payable - Natural Gas System Fund - long-term portion	165,700	--
Note payable - GEFA - long-term portion	2,356,706	--
Revenue bonds payable - long-term portion	4,430,000	--
Total long-term liabilities	7,957,049	438,533
Total liabilities	8,890,633	768,676
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	76,517	34,556
NET POSITION		
Net investment in capital assets	18,789,112	8,006,948
Restricted -		
Restricted for debt service	1,518,060	533
Unrestricted	1,669,985	12,935,569
Total net position	$ 21,977,157	$ 20,943,050

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
	--	10,260	29,901
	42,580	18,644	184,493
	--	--	109,443
	--	--	127,386
	--	305,000	305,000
	--	--	61,633
	5,463	1,177	18,533
	--	--	665,462
	--	--	145,000
	48,043	335,081	1,646,851
	62,486	13,456	211,978
	532,538	114,115	1,953,793
	--	--	165,700
	--	--	2,356,706
	--	--	4,430,000
	595,024	127,571	9,118,177
	643,067	462,652	10,765,028
	45,252	9,697	166,022
	642,641	1,480,730	28,919,431
	--	--	1,518,593
	2,553,949	637,446	17,796,949
	$ 3,196,590	$ 2,118,176	$ 48,234,973

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, 2016

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	$ 58,646,299
Elimination of interfund receivables relating to cash overdrafts reflected as due from other funds	(305,000)
Elimination of interfund note receivable - natural gas system fund	(275,143)
Total assets for statement of net position - business-type activities	$ 58,066,156

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	$ 10,765,028
Elimination of interfund payables relating to cash overdrafts reflected as due to other funds	(305,000)
Elimination of interfund note payable - water and sewerage system fund	(275,143)
Total liabilities for statement of net position - business-type activities	$ 10,184,885

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
OPERATING REVENUES:		
Sales/charges for services	$ 5,653,648	$ 9,142,938
Administrative expense reimbursement	146,120	127,930
Connection and installation	22,747	175
Penalties and cut-on fees	186,175	44,229
Other revenue	--	--
Total operating revenues	6,008,690	9,315,272
OPERATING EXPENSES:		
Purchases	--	5,548,470
Personnel services	1,495,471	656,700
Employee benefits	229,198	74,802
Repairs and maintenance	221,663	64,116
Depreciation	1,012,183	538,290
Other operating	1,549,697	880,559
General and administrative	980,753	665,619
Total operating expenses	5,488,965	8,428,556
Operating income	519,725	886,716
NON-OPERATING REVENUES (EXPENSES):		
Interest expense	(274,111)	--
Interest income	20,384	28,031
Intergovernmental	26,020	--
Miscellaneous	80,469	346,255
Total non-operating revenues, net	(147,238)	374,286
Net income before contributions and transfers	372,487	1,261,002
Capital contributions	1,339,307	--
Transfers in	--	--
Transfers out	--	(1,000,000)
Total contributions and transfers	1,339,307	(1,000,000)
Change in net position	1,711,794	261,002
Net postion - beginning	20,265,363	20,682,048
Net position - ending	$ 21,977,157	$ 20,943,050

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
$	2,620,745	$ 763,356	$ 18,180,687
	--	--	274,050
	--	--	22,922
	46,566	1,314	278,284
	--	257,742	257,742
	2,667,311	1,022,412	19,013,685
	--	--	5,548,470
	861,675	278,042	3,291,888
	36,457	74,883	415,340
	98,893	53,179	437,851
	195,570	250,061	1,996,104
	1,221,891	493,980	4,146,127
	142,973	--	1,789,345
	2,557,459	1,150,145	17,625,125
	109,852	(127,733)	1,388,560
	--	--	(274,111)
	467	--	48,882
	--	--	26,020
	2,176	--	428,900
	2,643	--	229,691
	112,495	(127,733)	1,618,251
	--	--	1,339,307
	--	342,952	342,952
	--	(40,000)	(1,040,000)
	--	302,952	642,259
	112,495	175,219	2,260,510
	3,084,095	1,942,957	45,974,463
$	3,196,590	$ 2,118,176	$ 48,234,973

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, 2016

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 5,911,815	$ 9,295,770
Cash received for administrative expense reimbursements	--	127,930
Cash paid to suppliers for goods and services	(1,714,538)	(6,404,567)
Cash received from other funds for meter readers	146,120	--
Cash paid to other funds for meter readers	--	(146,120)
Cash paid to employees for services	(1,472,846)	(635,184)
Cash paid for employee taxes and benefits	(663,145)	(313,937)
Cash paid for administrative expense reimbursements	(626,770)	(446,280)
Cash received from (paid to) other funds	343,664	(1,590,000)
Other non-operating revenue	80,469	346,255
Net cash provided (used) by operating activities	2,004,769	233,867
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in	--	--
Transfers out	--	(1,000,000)
Net cash provided (used) by noncapital financing activities	--	(1,000,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(2,003,449)	(267,124)
Interest income on note receivable from water and sewerage system fund	--	50,648
Proceeds (payments) on note receivable/payable	(50,760)	50,760
Intergovernmental grant	1,365,327	--
Principal received on GEFA loans	545,398	--
Principal paid on GEFA loans	(997,669)	--
Interest and fees paid on revenue bonds, notes and capital lease payables	(347,026)	--
Principal paid on revenue bond maturities	(385,893)	--
Net cash used for capital and related financing activities	(1,874,072)	(165,716)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income on investments	20,384	--
Redemption of certificates of deposit	2,494,246	3,434,896
Purchase of certificates of deposit	(1,664,012)	(3,470,401)
Net cash provided (used) by investing activities	850,618	(35,505)
Net increase (decrease) in cash and cash equivalents	981,315	(967,354)
Cash and cash equivalents beginning of year	1,954,253	2,712,989
Cash and cash equivalents end of year	$ 2,935,568	$ 1,745,635

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
	$ 2,668,385	$ 973,685	$ 18,849,655
	--	--	127,930
	(1,180,132)	(486,591)	(9,785,828)
	--	--	146,120
	--	--	(146,120)
	(855,612)	(262,446)	(3,226,088)
	(431,797)	(318,561)	(1,727,440)
	(142,973)	--	(1,216,023)
	1,200,514	(38,664)	(84,486)
	2,176	--	428,900
	1,260,561	(132,577)	3,366,620
	--	342,952	342,952
	--	(40,000)	(1,040,000)
	--	302,952	(697,048)
	(160,134)	(55,890)	(2,486,597)
	--	--	50,648
	--	--	--
	--	--	1,365,327
	--	--	545,398
	--	--	(997,669)
	--	--	(347,026)
	--	--	(385,893)
	(160,134)	(55,890)	(2,255,812)
	467	--	20,851
	--	--	5,929,142
	--	--	(5,134,413)
	467	--	815,580
	1,100,894	114,485	1,229,340
	1,567,863	895,877	7,130,982
	$ 2,668,757	$ 1,010,362	$ 8,360,322

(continued on the following page)

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities - Enterprise Funds	
	Water and Sewerage System Fund	Natural Gas System Fund
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET:		
Cash, beginning		
Current	$ 1,555,120	$ 2,712,989
Restricted	399,133	--
Total	1,954,253	2,712,989
Net increase (decrease)		
Current	975,419	(967,354)
Restricted	5,896	--
Total	981,315	(967,354)
Cash, ending		
Current	2,530,539	1,745,635
Restricted	405,029	--
Total	$ 2,935,568	$ 1,745,635
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net operating income (loss)	$ 519,725	$ 886,716
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	1,108,076	538,290
Other non-operating revenue	80,469	346,255
Decrease (increase) in assets:		
Accounts receivable - trade	42,397	104,430
Due from other funds	343,664	(1,590,000)
Prepaid expenses	12,715	14,482
Decrease (increase) in deferred outflows of resources	(92,046)	(34,432)
(Decrease) increase in liabilities:		
Accounts payable	(69,922)	(22,253)
Accrued expenses	18,830	24,660
Due to other funds	--	--
Customer deposits	6,848	3,998
Compensated absences payable	12,165	(1,929)
Net pension liability	126,631	19,744
Increase (decrease) in deferred inflows of resources	(104,783)	(56,094)
Total adjustments	1,485,044	(652,849)
Net cash provided (used) by operating activities	$ 2,004,769	$ 233,867

	Business-type Activities - Enterprise Funds		
	Sanitation System Fund	Nonmajor Funds	Total
	$ 1,567,863	$ 895,877	$ 6,731,849
	--	--	399,133
	1,567,863	895,877	7,130,982
	1,100,894	114,485	1,223,444
	--	--	5,896
	1,100,894	114,485	1,229,340
	2,668,757	1,010,362	7,955,293
	--	--	405,029
	$ 2,668,757	$ 1,010,362	$ 8,360,322
	$ 109,852	$ (127,733)	$ 1,388,560
	195,570	250,061	2,091,997
	2,176	--	428,900
	1,074	(48,727)	99,174
	1,200,514	--	(45,822)
	5,377	1,742	34,316
	(36,311)	22,318	(140,471)
	(128,959)	8,667	(212,467)
	13,545	14,584	71,619
	--	(38,664)	(38,664)
	--	--	10,846
	2,178	2,486	14,900
	(20,207)	(162,258)	(36,090)
	(84,248)	(55,053)	(300,178)
	1,150,709	(4,844)	1,978,060
	$ 1,260,561	$ (132,577)	$ 3,366,620

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

CITY OF DUBLIN, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DUBLIN BOARD OF EDUCATION FUND
JUNE 30, 2016

	Agency Funds
ASSET	
Cash and cash equivalents	$ 70,087
Total assets	$ 70,087
LIABILITY	
Due to Dublin Board of Education	$ 70,087
Total liabilities	$ 70,087

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. Reporting Entity

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

Brief descriptions of discretely presented component units follow:

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

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

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

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

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

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

B. Joint Ventures

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

Altamaha Regional Commission – Under Georgia law, the City, in conjunction with other cities and counties in the region, is a member of the Heart of Georgia, Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2016, the City paid $16,201 in such dues. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC of Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from the Altamaha Regional Commission at 5045 Oak Street, Eastman, Georgia 31023.

C. Basic Financial Statements

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

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

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

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

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

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

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

D. Basis of Presentation

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

The City reports the following major governmental funds:

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

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

The City reports the following major proprietary funds:

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

Natural Gas System Fund was established for control of the operating revenue and expenses of the natural gas distribution and transmission system.

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

Additionally, the City reports the following nonmajor governmental funds:

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

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

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

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.

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.

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

F. Assets, Liabilities, and Net Position

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

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

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

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

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

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

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

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

   - Services rendered transactions are accounted for as revenues and expenditures in the funds involved.
   - Operating appropriations/subsidies are accounted for as transfers in the funds involved.

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

5. ***Prepaid Items*** – 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, 2016. Such treatment is consistent with industry practices.

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

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

9. ***Capital Assets*** - Capital assets, which include property, plant and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

   Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. During the fiscal year ended June 30, 2016, there was no interest capitalized by the City's business-type activities relating to the construction of capital assets.

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

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

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

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

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

12. ***Fund Equity***

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

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

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

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

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

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

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

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

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of 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 item relates to the City's pension plan and is reported in the government-wide and proprietary fund Statements of Net Position. The differences between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five year period, resulting in recognition as a deferred inflow of resources.

14. ***Pension Plan –*** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) and additions to/deductions from the GMEBS fiduciary net position have been determined on the same basis as they are reported to GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

15. ***Management Estimates*** **-** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Policy

Budgets are adopted on a basis consistent with generally accepted accounting principles except that the encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. An annual appropriated budget is adopted for the General Fund and the Hotel/Motel Tax Fund. All annual appropriations lapse at fiscal year end. The SPLOST Capital Projects - 2006 Fund, 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, 2016.

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:

2016 Expenditures	General Fund
Budget basis expenditures	$ 14,948,112
Encumbrances, June 30, 2016	(206,135)
Encumbrances, June 30, 2015	306,862
GAAP basis expenditures	$ 15,048,839
Fund Balances - End of Year	
Budgetary basis fund balance	$ 4,726,597
Encumbrances, June 30, 2016	206,135
GAAP basis fund balance	$ 4,932,732

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 30,2016 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:

	Expenditures	Appropriations	Variance
GENERAL FUND:			
General government - Legislative	$ 266,029	$ 258,119	$ (7,910)
General government - City manager	430,830	248,952	(181,878)
General government - Main Street program	76,762	76,500	(262)
General government - City clerk	214,741	209,090	(5,651)
General government - Human resources	218,118	190,387	(27,731)
General government - Finance department	242,693	198,782	(43,911)
General government - Community development	87,335	74,228	(13,107)
General government - City judge	297,355	260,484	(36,871)
General government - Risk management and assistant city manager	105,301	95,359	(9,942)
Fire Department - Combat	2,307,491	2,269,398	(38,093)
Community services - Appropriations	935,844	925,113	(10,731)
Public Works	1,204,682	1,186,352	(18,330)
HOTEL/MOTEL TAX FUND:			
Hotel/Motel - Culture and recreation	406,987	350,000	(56,987)

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 $227,445 as of June 30, 2016. 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.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

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

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

Credit Risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices from those authorized and listed in Note A. As of June 30, 2016 the City's investments in Georgia Fund 1 were rated AAAf by Standard and Poor's.

Primary government cash and cash equivalents reconciliation at June 30, 2016:

	Cash and Cash Equivalents
Primary government - fund reporting level:	
Governmental funds - balance sheet	$ 16,304,543
Proprietary funds - statement of net position	7,955,293
Proprietary funds - statement of net position - restricted	405,029
Statement of fiduciary assets and liabilities	70,087
	$ 24,734,952

Investment cash equivalents comprised $12,591,804 or about 50.9% of the total cash and cash equivalents balance of $24,734,952 at year end. These cash equivalents, which are shown in the table below, represented monies deposited into the State Investment Pool which is essentially a money market account with one day's liquidity. With the ability to quickly access these funds should the need arise, the City feels that it has sufficient flexibility to address interest rate risk should the rates suddenly rise since there would be no real exigency to sell any of the longer term investments prior to their actual maturities.

	Fair Value	Maturities
Cash Equivalents:		
Georgia Fund 1 Investment Pool	$ 12,591,804	56 Day Weighted Average

The City's reporting entity had the following investments as of June 30, 2016:

Type of Investment	Fair Value	Investment Maturity Less than 1 yr
Primary government:		
Certificates of deposit	$ 6,653,403	$ 6,653,403

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 2015, the City levied a tax of six and 407/1000 (6.407) mills on the value of all taxable property in the City. The City School System levied a tax of nineteen and 705/100 (19.705) mills. The net digest assessed value for 2015 was $455,794,629 on property in the City including mobile homes and vehicles.

Sources of the calendar year 2015 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	$ 425,021,446	$ 11,098,160	$ 8,375,048	$ 2,723,112
Public utilities	10,138,125	264,727	199,772	64,955
Motor vehicles	20,635,058	538,823	406,614	132,209
Total	$ 455,794,629	$ 11,901,710	$ 8,981,434	$ 2,920,276

C. Receivables

As of June 30, 2016 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, 2016:

	Governmental	Proprietary	Total
Receivables:			
Taxes	$ 168,449	$ --	$ 168,449
Less allowance for uncollectible accounts	(20,000)	--	(20,000)
Net taxes receivable	$ 148,449	$ --	$ 148,449
Accounts and other	$ 8,033	$ 1,248,336	$ 1,256,369
Less allowance for uncollectible accounts	(2,304)	(277,273)	(279,577)
Net accounts receivable	$ 5,729	$ 971,063	$ 976,792

D. Receivables from Other Governments

General fund receivables from other governments as of June 30, 2016, are as follows:

State of Georgia - local option sales tax	$ 232,814

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, 2016, was $2,710,623.

F. Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2016 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.

	Payable to			
Payable from:	General Fund	Sanitation System Fund	Natural Gas System Fund	Total
General Fund	$ --	$ --	$ 7,590,000	$ 7,590,000
Nonmajor Governmental Funds	28,581	--	--	28,581
Nonmajor Proprietary Funds	--	305,000	--	305,000
	$ 28,581	$ 305,000	$ 7,590,000	$ 7,923,581

Interfund transfers for the year ended June 30, 2016 consisted of the following:

	Transfer to			
Transfers from	General Fund	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	Total
General Fund	$ --	$ 341,472	$ 342,952	$ 684,424
Nonmajor Governmental Funds	244,192	--	--	244,192
Natural Gas System Fund	1,000,000	--	--	1,000,000
Nonmajor Proprietary Funds	40,000	--	--	40,000
	$ 1,284,192	$ 341,472	$ 342,952	$ 1,968,616

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.

In addition, the City transferred $1,339,307 in capital assets purchased with SPLOST proceeds in governmental activities to the Water and Sewerage enterprise fund recorded in business-type activities.

G. Restricted Assets

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

Customer deposits	$ 405,029
Revenue bond debt service	1,924,026
	$ 2,329,055

H. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows:

Primary Government

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,890,624	$ --	$ --	$ 1,890,624
Construction in progress	1,422,382	1,348,871	(2,008,875)	762,378
Total capital assets not being depreciated	3,313,006	1,348,871	(2,008,875)	2,653,002
Capital assets, being depreciated:				
Buildings and plants	9,397,942	--	(11,770)	9,386,172
Improvements other than buildings	9,612,882	--	(9,184)	9,603,698
Machinery and equipment	8,893,355	696,972	(380,730)	9,209,597
Infrastructure	30,068,067	709,118	--	30,777,185
Total capital assets being depreciated	57,972,246	1,406,090	(401,684)	58,976,652
Less accumulated depreciation for:				
Buildings and plants	5,784,849	219,365	(11,770)	5,992,444
Improvements other than buildings	8,493,054	140,755	(9,105)	8,624,704
Machinery and equipment	7,736,278	392,120	(380,730)	7,747,668
Infrastructure	17,543,637	386,307	--	17,929,944
Total accumulated depreciation	39,557,818	1,138,547	(401,605)	40,294,760
Total capital assets being depreciated, net	18,414,428	267,543	(79)	18,681,892
Governmental activities capital assets, net	$ 21,727,434	$ 1,616,414	$ (2,008,954)	$ 21,334,894

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 565,757	$ --	$ --	565,757
Construction in progress	3,501,391	2,082,826	(630,975)	4,953,242
Total capital assets not being depreciated	4,067,148	2,082,826	(630,975)	5,518,999
Capital assets, being depreciated:				
Buildings and plants	62,699,860	670,235	(7,777)	63,362,318
Improvements other than buildings	354,947	--	(242)	354,705
Machinery and equipment	8,848,545	364,511	(294,493)	8,918,563
Total capital assets being depreciated	71,903,352	1,034,746	(302,512)	72,635,586
Less accumulated depreciation for:				
Buildings and plants	32,503,956	1,646,134	(7,777)	34,142,313
Improvements other than buildings	215,778	6,902	(242)	222,438
Machinery and equipment	7,762,736	343,068	(294,493)	7,811,311
Total accumulated depreciation	40,482,470	1,996,104	(302,512)	42,176,062
Total capital assets being depreciated, net	31,420,882	(961,358)	--	30,459,524
Business-type activities capital assets, net	$ 35,488,030	$ 1,121,468	$ (630,975)	$ 35,978,523

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

Governmental activities:	
General government	$ 309,537
Public safety	379,423
Community services	6,706
Public works and buildings	442,526
Culture and recreation	355
Total depreciation expense-governmental activities	$ 1,138,547
Business-type activities:	
Water and sewer	$ 1,012,183
Gas	538,290
Sanitation	195,570
Riverview Golf Course	9,291
Telecommunications	240,770
Total depreciation expense-business-type activities	$ 1,996,104

Discretely Presented Component Units

Activity for **Dublin-Laurens County Recreation Authority** for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
Capital assets, being depreciated:				
Buildings and plants	$ 7,133,318	$ 444,175	$ --	$ 7,577,493
Machinery and equipment	1,307,518	37,562	--	1,345,080
Total capital assets being depreciated	8,440,836	481,737	--	8,922,573
Less accumulated depreciation for:				
Buildings and plants	2,363,503	195,246	--	2,558,749
Machinery and equipment	1,224,957	21,388	--	1,246,345
Total accumulated depreciation	3,588,460	216,634	--	3,805,094
Dublin-Laurens County Recreation Authority capital assets, net	$ 4,852,376	$ 265,103	$ --	$ 5,117,479

Activity for **Main Street Dublin-Downtown Development Authority** for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
Capital assets, not being depreciated:				
Land	$ 126,150	$ --	$ --	$ 126,150
Capital assets, being depreciated:				
Buildings and plants	$ 520,734	$ 109,971	$ --	$ 630,705
Improvements other than buildings	392,631	--	--	392,631
Machinery and equipment	15,155	--	--	15,155
Total capital assets being depreciated	928,520	109,971	--	1,038,491
Less accumulated depreciation for:				
Buildings and plants	130,515	21,021	--	151,536
Improvements other than buildings	142,180	26,545	--	168,725
Machinery and equipment	8,006	2,641	--	10,647
Total accumulated depreciation	280,701	50,207	--	330,908
Total capital assets being depreciated, net	647,819	59,764	--	707,583
Main Street Dublin-Downtown Development Authority, net	$ 773,969	$ 59,764	$ --	$ 833,733

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
2017	$ 132,869	$ 5,854	$ 138,723
2018	135,303	3,419	138,722
2019	103,120	940	104,060
	$ 371,292	$ 10,213	$ 381,505

The assets acquired through these capital leases are as follows:

	Governmental Activities	Business-Type Activities
Machinery and equipment	$ 404,116	$ --
Less accumulated depreciation	(39,922)	--
Total	$ 364,194	$ --

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, 2016 was $12,545. The annual requirements to amortize the remaining balance of $275,143 to maturity, including interest of $34,105 are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2017	$ 109,443	$ 22,361	$ 131,804
2018	58,956	6,946	65,902
2019	61,972	3,930	65,902
2021	44,772	868	45,640
Total	$ 275,143	$ 34,105	$ 309,248

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.

Water and Sewer Revenue Refunding and Improvement Bonds, Series 2004 - On June 1, 2004, the City issued $8,760,000 in revenue bonds to provide funds to currently refund and redeem all outstanding water and sewer revenue bonds of the City to acquire, construct, and equip extensions of and additions and improvements to the City's water and sewer system, fully fund the Debt Service Reserve Account, and pay the necessary costs of issuing the bonds. These bonds carry interest ranging from 4.00% to 5.70%. These bonds were fully refunding in fiscal year 2016 with the issuance of the Water and Sewer Refunding Revenue Bonds, Series 2015.

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, 2016.

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Revenue Bond Issues						
Series 2004	$ 4,865,000	$ --	$ (4,865,000)	$ --	$ --	$ --
Series 2015	--	4,575,000	--	4,575,000	145,000	4,430,000
Total revenue bonds	$ 4,865,000	$ 4,575,000	$ (4,865,000)	$ 4,575,000	$ 145,000	$ 4,430,000

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

Year Ending June 30,	Principal	Interest	Total Payment
2016	$ 145,000	$ 88,047	$ 233,047
2017	595,000	80,584	675,584
2018	615,000	68,786	683,786
2019	615,000	56,794	671,794
2020	635,000	44,607	679,607
2021-2023	1,970,000	58,112	2,028,112
Total	$ 4,575,000	$ 396,930	$ 4,971,930

Notes Payable – Georgia Environmental Facilities Authority (GEFA)

During fiscal year 2003 the City was awarded a "construction period loan" from the Georgia Environmental Facilities Authority (GEFA) for the purpose of making water and wastewater system improvements. Under the terms of the loan the City can draw a total of $1,500,000. On June 29, 2007, the City drew down $839,222, which was the remaining principal portion of the loan. At that time, the interest rate, which had been 4.0% per annum, was changed to 4.36% per annum and the "construction period loan" was converted to a permanent loan. Under the permanent loan, the repayment schedule will have the City pay $13,010 on July 1, 2007 and equal installments of $30,678 on the first day of each quarter thereafter through July 1, 2024. During fiscal year 2016, the City paid off the loan with the issuance of the Water and Sewer Revenue Refunding and Improvement Bonds, Series 2015

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 2016 is $78,681 with the long-term portion making up the remaining balance of $1,860,013.

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 2016, the City had draw downs of $545,398. Subsequent to year end, the City received the final drawdown 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 2016 is $48,705 with the long-term portion making up the remaining balance of $496,693.

The following includes a summary of notes payable transactions for the fiscal year ended June 30, 2016.

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Notes payable:						
2003 GEFA loan	$ 921,312	$ --	$ (921,312)	$ --	$ --	$ --
2011 GEFA loan	2,015,051	--	(76,357)	1,938,694	78,681	1,860,013
2015 GEFA loan	--	545,398	--	545,398	48,705	496,693
Total notes payable	$ 2,936,363	$ 545,398	$ (997,669)	$ 2,484,092	$ 127,386	$ 2,356,706

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

Year Ending June 30,	Principal	Interest	Total Payment
2017	$ 127,386	$ 66,216	$ 193,602
2018	140,338	63,074	203,412
2019	143,713	59,699	203,412
2020	147,173	56,239	203,412
2021	150,729	52,683	203,412
2022-2035	1,774,753	348,420	2,123,173
Total	$ 2,484,092	$ 646,331	$ 3,130,423

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2016:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Governmental activities:						
Compensated absences	$ 441,614	$ --	$ (6,640)	$ 434,974	$ 35,156	$ 399,818
Net pension liability	3,537,567	2,291,927	(867,207)	4,962,287	--	4,962,287
Net OPEB Obligation	59,649	87,711	(13,501)	133,859	--	133,859
Capital leases	--	404,116	(32,824)	371,292	132,869	238,423
Governmental activity-long-term liabilities	$ 4,038,830	$ 2,783,754	$ (920,172)	$ 5,902,412	$ 168,025	$ 5,734,387

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Business-type activities:						
Revenue bonds payable	$ 4,865,000	$4,575,000	$ (4,865,000)	$ 4,575,000	$ 145,000	$4,430,000
Compensated absences payable	215,611	177,859	(162,959)	230,511	18,533	211,978
Net pension liability	1,989,883	305,354	(341,444)	1,953,793	--	1,953,793
Notes payable - other	2,936,363	545,398	(997,669)	2,484,092	127,386	2,356,706
Business-type activity-long-term liabilities	$ 10,006,857	$5,603,611	$ (6,367,072)	$ 9,243,396	$ 290,919	$8,952,477

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	$ 35,771	$ 2,868	$ --	$ 38,639	$ --	$ 38,639
Net pension liability	120,223	132,457	(53,080)	199,600	--	199,600
Notes payable-Farmers State Bank	452,637	--	(87,402)	365,235	104,200	261,035
Dublin-Laurens County Recreation Authority long-term liabilities	$ 608,631	$ 135,325	$ (140,482)	$ 603,474	$ 104,200	$ 499,274

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.

The annual requirements to amortize the remaining balance of $365,235 as of June 30, 2016, are as follows:

Year Ending June 30,	Principal	Interest	Total Payment
2017	$ 91,223	$ 12,977	$ 104,200
2018	94,468	9,732	104,200
2019	97,828	6,372	104,200
2020	81,716	2,893	84,609
Total	$ 365,235	$ 31,974	$ 397,209

Main Street Dublin-Downtown Development Authority:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Notes payable - Bank of Dudley	$ --	$ 51,885	$ (3,000)	$ 48,885	$ 4,609	$ 44,276
Main Street Dublin-Downtown Development Authority long term liabilities	$ --	$ 51,885	$ (3,000)	$ 48,885	$ 4,609	$ 44,276

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:

Year Ending June 30,	Principal	Interest	Total Payment
2017	$ 4,609	$ 1,404	$ 6,013
2018	4,749	1,263	6,012
2019	4,893	1,119	6,012
2020	5,042	970	6,012
2021	5,196	817	6,013
2022-2026	24,396	1,656	26,052
Total	$ 48,885	$ 7,229	$ 56,114

L. Fund Balance

The composition of the City's fund balances as of June 30, 2016 is as follows:

	General	SPLOST Capital Projects - 2006	Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Inventory	$ 187,289	$ --	$ --	$ 187,289
Prepaids	209,868	--	--	209,868
Restricted for:				
Tourism	--	--	266	266
Capital projects	--	2,600,728	2,878,533	5,479,261
Committed for:				
Administration	9,970	--	--	9,970
Engineering	20,916	--	--	20,916
Police services	37,622	--	--	37,622
Fire services	7,522	--	--	7,522
Public works projects	31,119	--	--	31,119
Other	98,986	--	--	98,986
Assigned	--	--	--	--
Unassigned	4,329,440	--	--	4,329,440
	$ 4,932,732	$ 2,600,728	$ 2,878,799	$ 10,412,259

IV. OTHER INFORMATION

A. Risk Management

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

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

The commercial insurance provides for the transfer of risk from the City for all major programs. The City's risk is constituted by a $1,000 deductible for each occurrence, except for worker compensation which is constituted by a $10,000 deductible. For insured programs, there have been no significant reductions in insurance coverage nor did settlements exceed insurance coverage for any of the past three fiscal years.

Changes to the workers compensation claims liability amount for fiscal year 2016 are as follows:

	Fiscal Year Ended	
	June 30, 2016	June 30, 2015
Unpaid claims, beginning of fiscal year	$ 50,000	$ 164,669
Current year claims, premiums and changes in estimates	437,147	351,938
Claims payments	(487,147)	(466,607)
Unpaid claims, end of fiscal year	$ --	$ 50,000

B. Contingencies and Other

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

Encumbrances – Encumbrances outstanding as of June 30, 2016 are as follows:

General Fund	$ 206,135

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, 2016, June 30, 2015, or June 30, 2014.

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, 2016. A summary of the transactions for the year ending June 30, 2016 follows:

	Amount	Percentage of Tax Receipts
Lodging tax receipts	$ 651,179	
Expended under contract with the Dublin – Laurens County Chamber of Commerce and the Tourism Resource Enhancement and Events Organization for promotion of tourism	(162,795)	25.00%
Expended under contract with Theatre Dublin to market and operate theater facilities	(81,397)	12.50%
Expended under contract with Dublin – Laurens County Recreation Authority for general recreation purposes	(162,795)	25.00%
Expended for promotion of tourism, operation of theater facilities and general recreational purposes	(244,192)	37.50%
Balance of lodging tax funds on hand at end of year	$ --	

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

E. Pension Plans

Primary Government

1. 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, 2016, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	127
Vested terminated employees	54
Active employees:	218
Total membership in the plan	399

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 stature and may be amended by the State. City contributions to the Plan were $1,142,516 for the year ended June 30, 2016.

2. Net Pension Liability

The City's net pension liability was measured as of September 30, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

Actuarial assumptions - The total pension liability in the January 1, 2016 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, 2016 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

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

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

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, 2016, 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, 2014	$ 25,095,868	$ 19,568,418	$ 5,527,450
Changes for the year:			
Service cost	349,021	--	349,021
Interest	1,897,721	--	1,897,721
Differences between expected and actual experience	349,655	--	349,655
Contributions-employer	--	1,208,651	(1,208,651)
Contributions-employee	--	--	--
Net investment income	--	225,894	(225,894)
Benefit payments, including refunds of employee contributions	(1,218,287)	(1,218,287)	--
Administrative expense	--	(40,253)	40,253
Other	186,525	--	186,525
Net changes	1,564,635	176,005	1,388,630
Balance September 30, 2015	$ 26,660,503	$ 19,744,423	$ 6,916,080

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	$ 9,968,061	$ 6,916,080	$ 4,345,893

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, 2015 and the current sharing patter of costs between employer and employee.

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

For the year ended June 30, 2016, the City recognized pension expense of $104,937. As of June 30, 2016 the City reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 434,052	$ --
Contributions made subsequent to measurement date	758,262	
Changes of assumptions	--	(587,685)
Net difference between projected and actual earnings on pension plan investments	647,415	--
Total	$ 1,839,729	$ (587,685)

City contributions subsequent to the measurement date of $758,262 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2017	$ 78,679
2018	78,679
2019	78,679
2020	257,745

Dublin-Laurens County Recreation Authority – Discretely Presented Component Unit

1. 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, 2016, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	8
Vested terminated employees	6
Active employees:	11
Total membership in the plan	25

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 stature and may be amended by the State. Authority contributions to the plan were $38,491 for the year ended June 30, 2016.

2. Net Pension Liability

The Authority's net pension liability was measured as of September 30, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

Actuarial assumptions - The total pension liability in the January 1, 2016 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, 2016 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

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

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

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, 2016, 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, 2014	$ 1,207,386	$ 1,087,163	$ 120,223
Changes for the year:			
Service cost	12,984	--	12,984
Interest	91,467	--	91,467
Differences between expected and actual experience	33,949	--	33,949
Contributions-employer	--	53,080	(53,080)
Contributions-employee	--	--	--
Net investment income	--	12,467	(12,467)
Benefit payments, including refunds of employee contributions	(54,336)	(54,336)	--
Administrative expense	--	(6,524)	6,524
Other	--	--	--
Net changes	84,064	4,687	79,377
Balance September 30, 2015	$ 1,291,450	$ 1,091,850	$ 199,600

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	$ 355,019	$ 199,600	$ 67,608

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, 2015 and the current sharing patter of costs between employer and employee.

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

For the year ended June 30, 2016, the Authority recognized pension expense of $38,491. As of June 30, 2016 the Authority reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 25,461	$ (1,656)
Changes of assumptions	--	(9,034)
Net difference between projected and actual earnings on pension plan investments	36,125	--
Total	$ 61,586	$ (10,690)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2017	$ 10,418
2018	10,418
2019	15,763
2020	14,297

F. Other Pension Plans

Peace Officers' Annuity and Benefit Fund of Georgia

Certain employees of the Police Department are covered by The Peace Officers' Annuity and Benefit Fund of Georgia (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.

Georgia Firefighters' Pension Fund

Certain employees of the Fire Department are covered by The Georgia Firefighters' Pension Fund (GFPF). The GFPF was established by the Georgia General Assembly in 1995 for the purpose of providing retirement benefits for qualified firefighters. The GFPF is a cost-sharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*.

Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the GFPF is eligible for membership in the GFPF. The various fire departments located within the State of Georgia, as employers of the members of GFPF, do not make contributions to the fund. The State of Georgia provides nonemployer contributions to the GFPF through the collection of insurance premiums tax. Since the City does not contribute directly to GFPF, 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 2016, the City contributed $13,501 to the plan.

Plan Provisions

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

Annual OPEB Cost and Net OPEB Obligation

The City's annual other post employee benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial

liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the OPEB Plan:

Annual required contribution	$ 85,325
Interest on net OPEB obligation	2,386
Adjustment to annual required contribution	--
Annual OPEB cost	87,711
Contributions made	13,501
Increase in net OPEB obligation	74,210
Net OPEB obligation, beginning of year	59,649
Net OPEB obligation, end of year	$ 133,859

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:

Year Ending	Annual OPEB Cost	Actual City Contribution	Percentage Contributed	Net OPEB Obligation
June 30, 2015	$ 85,323	$ 25,676	30.09%	$ 59,649
June 30, 2016	$ 87,711	$ 13,501	15.39%	$ 133,859

Funded Status and Funding Progress

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

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%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Calculations are based on the substantive plan in effect as of July 1, 2014.

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

The City's actuarial valuation information is as follows:

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

H. Change in Accounting Principle – Dublin-Laurens County Recreation Authority

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

	Dublin-Laurens County Recreatio Authority
Beginning Net Position, as previously reported	$ 5,361,348
Change in accounting principle due to the implementation of GASB Statement No. 68	(148,704)
Beginning Net Position, as restated	$ 5,212,644

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, 2016

	2016	2015
Total pension liability		
Service cost	$ 349,021	$ 298,239
Interest	1,897,721	1,870,841
Changes of benefit terms	--	--
Differences between expected and actual experience	349,655	286,349
Changes of assumptions	186,525	(979,474)
Benefit payments	(1,218,287)	(1,039,947)
Net change in total pension liability	1,564,635	436,008
Total pension liability-beginning	25,095,868	24,659,860
Total pension liability-ending (a)	$ 26,660,503	$ 25,095,868
Plan fiduciary net position		
Contributions-employer	$ 1,208,651	$ 1,145,769
Contributions-employee	--	--
Net investment income	225,894	1,998,107
Benefit payments, including refunds of employee contributions	(1,218,287)	(1,039,947)
Administrative expense	(40,253)	(31,800)
Other	--	--
Net change in plan fiduciary net position	176,005	2,072,129
Plan fiduciary net position-beginning	19,568,418	17,496,289
Plan fiduciary net position-ending (b)	$ 19,744,423	$ 19,568,418
City's net pension liability (assets) - ending (a) - (b)	$ 6,916,080	$ 5,527,450
Plan fiduciary net position as a percentage of the total pension liability (asset)	74.06%	77.97%
Covered-employee payroll	$ 8,691,845	$ 9,370,345
City's net pension liability (asset) as a percentage of covered-employee payroll	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, 2016

	2016	2015
Actuarially determined contribution	$ 1,099,196	$ 782,992
Contributions in relation to the actuarially determined contribution	1,100,996	1,099,196
Contribution deficiency (excess)	$ (1,800)	$ (316,204)
Covered-employee payroll	$ 9,370,345	$ 29,389,328
Contributions as a percentage of covered-employee payroll	11.75%	3.74%

Notes to Schedule

Valuation Date:	January 1, 2016
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, 2016, 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, 2016

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%

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, 2016

		2016
Total pension liability		
Service cost	$	12,984
Interest		91,467
Changes of benefit terms		--
Differences between expected and actual experience		33,949
Changes of assumptions		--
Benefit payments		(54,336)
Net change in total pension liability		84,064
Total pension liability-beginning		1,207,386
Total pension liability-ending (a)	$	1,291,450
Plan fiduciary net position		
Contributions-employer	$	53,080
Contributions-employee		--
Net investment income		12,467
Benefit payments, including refunds of employee contributions		(54,336)
Administrative expense		(6,524)
Other		--
Net change in plan fiduciary net position		4,687
Plan fiduciary net position-beginning		1,087,163
Plan fiduciary net position-ending (b)	$	1,091,850
City's net pension liability (assets) - ending (a) - (b)	$	199,600
Plan fiduciary net position as a percentage of the total pension liability (asset)		84.54%
Covered-employee payroll	$	436,064
City's net pension liability (asset) as a percentage of covered-employee payroll		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, 2016

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

Notes to Schedule

Valuation Date:	January 1, 2016
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, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
GENERAL GOVERNMENT						
Legislative:						
Salaries	$ 69,600	$ --	$ --	$ 69,600	69,600	$ --
Employee benefits	70,864	--	--	70,864	70,706	(158)
Services	113,082	2,598	--	110,484	103,598	(6,886)
Utilities	6,421	--	--	6,421	6,000	(421)
Supplies	8,543	15	132	8,660	8,215	(445)
Total	268,510	2,613	132	266,029	258,119	(7,910)
City manager:						
Salaries	204,165	--	--	204,165	168,424	(35,741)
Employee benefits	208,646	--	--	208,646	60,898	(147,748)
Services	7,550	--	--	7,550	7,200	(350)
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	1,802	--	--	1,802	2,380	578
Supplies	867	--	--	867	1,250	383
Capital outlay	--	--	--	--	1,000	1,000
Total	430,830	--	--	430,830	248,952	(181,878)
Main Street program:						
Utilities	261	--	--	261	--	(261)
Supplies	76,501	--	--	76,501	76,500	(1)
Total	76,762	--	--	76,762	76,500	(262)
Subtotal	$ 776,102	$ 2,613	$ 132	$ 773,621	$ 583,571	$ (190,050)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 776,102	$ 2,613	$ 132	$ 773,621	$ 583,571	$ (190,050)
City clerk:						
Salaries	145,509	--	--	145,509	140,011	(5,498)
Employee benefits	47,299	--	--	47,299	47,025	(274)
Services	11,257	354	--	10,903	9,154	(1,749)
Repairs & maintenance	7,800	--	--	7,800	7,800	--
Utilities	734	--	--	734	720	(14)
Supplies	2,149	230	--	1,919	2,156	237
Capital outlay	471	224	330	577	2,224	1,647
Total	215,219	808	330	214,741	209,090	(5,651)
Human resources:						
Salaries	139,103	--	--	139,103	102,763	(36,340)
Employee benefits	41,633	--	--	41,633	40,567	(1,066)
Services	2,972	474	493	2,991	5,730	2,739
Repairs & maintenance	--	--	--	--	--	--
Utilities	220	--	--	220	227	7
Supplies	3,256	--	--	3,256	4,000	744
Energy	--	--	--	--	--	--
Other	29,540	6,004	6,840	30,376	35,949	5,573
Capital outlay	690	151	--	539	1,151	612
Total	217,414	6,629	7,333	218,118	190,387	(27,731)
Subtotal	$ 1,208,735	$ 10,050	$ 7,795	$ 1,206,480	$ 983,048	$ (223,432)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,208,735	$ 10,050	$ 7,795	$ 1,206,480	$ 983,048	$ (223,432)
Tax department:						
Salaries	75,921	--	--	75,921	75,460	(461)
Employee benefits	32,307	--	66	32,373	32,758	385
Services	83	--	--	83	900	817
Supplies	7,380	179	--	7,201	10,179	2,978
Other	29,132	--	--	29,132	32,000	2,868
Capital outlay	--	--	--	--	--	--
Total	144,823	179	66	144,710	151,297	6,587
Finance department:						
Salaries	180,431	--	--	180,431	138,812	(41,619)
Employee benefits	58,160	--	--	58,160	54,621	(3,539)
Services	--	--	--	--	700	700
Repairs & maintenance	--	--	--	--	--	--
Supplies	4,277	449	18	3,846	3,949	103
Capital outlay	256	--	--	256	700	444
Total	243,124	449	18	242,693	198,782	(43,911)
Subtotal	$ 1,596,682	$ 10,678	$ 7,879	$ 1,593,883	$ 1,333,127	$ (260,756)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,596,682	$ 10,678	$ 7,879	$ 1,593,883	$ 1,333,127	$ (260,756)
Community development:						
Salaries	59,821	--	--	59,821	49,590	(10,231)
Employee benefits	21,571	--	--	21,571	19,139	(2,432)
Services	1,669	123	--	1,546	1,893	347
Repairs & maintenance	332	50	--	282	250	(32)
Utilities	1,030	--	--	1,030	936	(94)
Supplies	466	--	23	489	500	11
Other	265	--	--	265	1,320	1,055
Capital outlay	2,331	--	--	2,331	600	(1,731)
Total	87,485	173	23	87,335	74,228	(13,107)
City attorney:						
Salaries	39,859	--	--	39,859	120,755	80,896
Employee benefits	7,802	--	--	7,802	42,151	34,349
Services	4,339	14	--	4,325	5,936	1,611
Utilities	768	--	--	768	1,680	912
Supplies	1,360	--	5	1,365	728	(637)
Capital outlay	2,743	--	--	2,743	1,000	(1,743)
Total	56,871	14	5	56,862	172,250	115,388
Subtotal	$ 1,741,038	$ 10,865	$ 7,907	$ 1,738,080	$ 1,579,605	$ (158,475)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 1,741,038	$ 10,865	$ 7,907	$ 1,738,080	$ 1,579,605	$ (158,475)
City judge:						
Salaries	36,720	--	--	36,720	36,504	(216)
Employee benefits	15,217	--	--	15,217	15,136	(81)
Services	9,320	244	--	9,076	13,644	4,568
Utilities	202	--	--	202	200	(2)
Supplies	1,747	--	--	1,747	1,800	53
Other	234,393	--	--	234,393	193,200	(41,193)
Total	297,599	244	--	297,355	260,484	(36,871)
Engineering:						
Salaries	244,484	--	--	244,484	248,562	4,078
Employee benefits	93,019	--	976	93,995	113,442	19,447
Services	6,481	--	--	6,481	12,434	5,953
Repairs & maintenance	1,443	--	--	1,443	4,000	2,557
Utilities	3,973	--	--	3,973	6,460	2,487
Supplies	5,565	227	--	5,338	6,515	1,177
Energy	5,352	--	--	5,352	12,000	6,648
Other	227	--	--	227	2,025	1,798
Capital outlay	4,716	4,716	19,940	19,940	24,716	4,776
Total	365,260	4,943	20,916	381,233	430,154	48,921
Subtotal	$ 2,403,897	$ 16,052	$ 28,823	$ 2,416,668	$ 2,270,243	$ (146,425)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 2,403,897	$ 16,052	$ 28,823	$ 2,416,668	$ 2,270,243	$ (146,425)
Purchasing:						
Salaries	115,220	--	--	115,220	139,213	23,993
Employee benefits	38,126	--	102	38,228	54,579	16,351
Services	1,050	--	35	1,085	2,630	1,545
Repairs & maintenance	4,375	--	--	4,375	3,035	(1,340)
Utilities	11,483	--	--	11,483	9,950	(1,533)
Supplies	2,192	19	36	2,209	2,319	110
Energy	701	--	--	701	1,100	399
Inventory over/short	179	--	--	179	--	(179)
Capital outlay	704	--	--	704	1,000	296
Total	174,030	19	173	174,184	213,826	39,642
Inspections:						
Salaries	277,711	--	--	277,711	267,750	(9,961)
Employee benefits	123,368	--	456	123,824	127,970	4,146
Services	6,319	100	420	6,639	8,601	1,962
Repairs & maintenance	1,996	--	--	1,996	1,892	(104)
Utilities	1,575	--	--	1,575	1,600	25
Supplies	1,627	278	56	1,405	3,306	1,901
Energy	4,384	--	--	4,384	10,946	6,562
Other	14,877	--	235	15,112	15,885	773
Capital outlay	--	--	--	--	--	--
Total	431,857	378	1,167	432,646	437,950	5,304
Subtotal	$ 3,009,784	$ 16,449	$ 30,163	$ 3,023,498	$ 2,922,019	$ (101,479)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 3,009,784	$ 16,449	$ 30,163	$ 3,023,498	$ 2,922,019	$ (101,479)
Non-departmental:						
Employee benefits	26,143	--	--	26,143	18,300	(7,843)
Insurance	80,740	--	--	80,740	76,000	(4,740)
Contingency	161,994	--	--	161,994	317,186	155,192
Services	121,341	16,400	16,000	120,941	133,600	12,659
Repairs & maintenance	174,108	4,247	55	169,916	162,847	(7,069)
Utilities	223,650	94	283	223,839	200,094	(23,745)
Energy	395,274	--	2,096	397,370	368,000	(29,370)
Other	99,947	99,843	80,304	80,408	112,053	31,645
Capital outlay	306,326	109,791	--	196,535	291,790	95,255
	1,589,523	230,375	98,738	1,457,886	1,679,870	221,984
Risk management and assistant city manager						
Salaries	65,007	--	--	65,007	56,548	(8,459)
Employee benefits	22,144	--	--	22,144	20,697	(1,447)
Services	5,950	--	723	6,673	3,545	(3,128)
Utilities	1,359	--	--	1,359	1,400	41
Supplies	12,808	3,120	--	9,688	12,720	3,032
Capital outlay	430	--	--	430	449	19
Total	107,698	3,120	723	105,301	95,359	(9,942)
Total general government	$ 4,707,005	$ 249,944	$ 129,624	$ 4,586,685	$ 4,697,248	$ 110,563

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
PUBLIC SAFETY						
Police department - administrative:						
Salaries	$ 494,714	$ --	$ --	$ 494,714	$ 502,490	$ 7,776
Employee benefits	202,046	24	281	202,303	223,298	20,995
Services	10,715	--	491	11,206	15,056	3,850
Repairs & maintenance	11,576	2,230	1,984	11,330	19,730	8,400
Utilities	36,015	--	--	36,015	34,980	(1,035)
Rent	3,392	--	160	3,552	4,000	448
Supplies	6,220	33	8	6,195	8,533	2,338
Energy	18	--	--	18	--	(18)
Other	87,591	2,928	--	84,663	133,628	48,965
Total	852,287	5,215	2,924	849,996	941,715	91,719
Police department - patrol:						
Salaries	2,137,600	--	--	2,137,600	2,354,567	216,967
Employee benefits	950,412	12,409	13,804	951,807	1,125,951	174,144
Services	20,432	250	--	20,182	22,935	2,753
Repairs & maintenance	39,278	112	--	39,166	30,112	(9,054)
Utilities	5,888	--	--	5,888	5,232	(656)
Supplies	29,263	4,769	6,441	30,935	41,036	10,101
Energy	87,613	--	--	87,613	129,450	41,837
Other	22,682	--	614	23,296	10,800	(12,496)
Capital outlay	448,634	4,500	10,821	454,955	71,620	(383,335)
Total	3,741,802	22,040	31,680	3,751,442	3,791,703	40,261
Subtotal	$ 4,594,089	$ 27,255	$ 34,604	$ 4,601,438	$ 4,733,418	$ 131,980

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 4,594,089	$ 27,255	$ 34,604	$ 4,601,438	$ 4,733,418	$ 131,980
Police department - C.I.D.:						
Salaries	454,371	--	--	454,371	443,768	(10,603)
Employee benefits	199,120	--	--	199,120	196,111	(3,009)
Services	1,510	--	669	2,179	3,121	942
Repairs & maintenance	9,298	--	--	9,298	7,124	(2,174)
Utilities	2,664	--	745	3,409	4,176	767
Supplies	10,966	500	66	10,532	16,669	6,137
Energy	17,381	--	--	17,381	24,650	7,269
Capital outlay	7,140	--	1,538	8,678	14,969	6,291
Total	702,450	500	3,018	704,968	710,588	5,620
Police department - crossing guards:						
Salaries	3,794	--	--	3,794	3,770	(24)
Employee benefits	495	--	--	495	510	15
Supplies	--	--	--	--	300	300
Total	4,289	--	--	4,289	4,580	291
Subtotal	$ 5,300,828	$ 27,755	$ 37,622	$ 5,310,695	$ 5,448,586	$ 137,891

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
Subtotal brought forward	$ 5,300,828	$ 27,755	$ 37,622	$ 5,310,695	$ 5,448,586	$ 137,891
Fire department - administrative:						
Salaries	105,993	--	--	105,993	105,315	(678)
Employee benefits	41,652	--	35	41,687	42,111	424
Services	963	--	--	963	14,070	13,107
Repairs & maintenance	318	--	--	318	500	182
Utilities	5,354	--	--	5,354	5,480	126
Supplies	1,425	--	--	1,425	1,500	75
Energy	1,307	--	--	1,307	2,500	1,193
Capital outlay	--	--	--	--	--	--
Total	157,012	--	35	157,047	171,476	14,429
Fire department - combat:						
Salaries	1,504,627	--	--	1,504,627	1,431,367	(73,260)
Employee benefits	676,047	12,158	5,596	669,485	673,412	3,927
Services	654	--	75	729	940	211
Repairs & maintenance	17,648	(154)	1,041	18,843	41,171	22,328
Utilities	24,286	--	--	24,286	28,000	3,714
Supplies	19,448	--	471	19,919	20,000	81
Energy	12,443	52	--	12,391	25,052	12,661
Capital outlay	57,863	956	304	57,211	49,456	(7,755)
Total	2,313,016	13,012	7,487	2,307,491	2,269,398	(38,093)
Total public safety	$ 7,770,856	$ 40,767	$ 45,144	$ 7,775,233	$ 7,889,460	$ 114,227

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
COMMUNITY SERVICES						
Cemetery:						
Salaries	$ 70,316	$ --	$ --	$ 70,316	$ 69,883	$ (433)
Employee benefits	35,238	232	199	35,205	35,186	(19)
Repairs & maintenance	1,959	--	--	1,959	1,900	(59)
Utilities	2,943	--	--	2,943	2,000	(943)
Supplies	1,309	--	49	1,358	2,600	1,242
Energy	1,046	--	--	1,046	2,000	954
Capital outlay	--	--	--	--	--	--
Total	112,811	232	248	112,827	113,569	742
Appropriations:						
Dublin-Laurens County Recreation Authority	600,000	--	--	600,000	600,000	--
Library	188,663	--	--	188,663	188,663	--
Dublin-Laurens Museum	5,625	--	--	5,625	7,500	1,875
Dublin-Laurens Development Authority	65,000	--	--	65,000	65,000	--
Regional Development Center	16,201	--	--	16,201	17,000	799
Humane Society	40,950	--	--	40,950	40,950	--
Women's Shelter	0	--	--	--	0	--
MLK Committee	1,000	--	--	1,000	1,000	--
Teen Court	18,405	--	--	18,405	5,000	(13,405)
Total	935,844	--	--	935,844	925,113	(10,731)
Total community services	$ 1,048,655	$ 232	$ 248	$ 1,048,671	$ 1,038,682	$ (9,989)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES BY FUNCTION – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	GAAP Expenditures	2015 Encumbrances	2016 Encumbrances	Budget Basis Expenditures	Original and Final Budgeted Amounts	Variance (Over)/Under Budget
PUBLIC WORKS AND BUILDINGS						
Public works:						
Salaries	$ 518,381	$ --	$ --	$ 518,381	$ 492,332	$ (26,049)
Employee benefits	297,410	2,703	1,119	295,826	305,532	9,706
Services	3,548	--	--	3,548	1,650	(1,898)
Repairs & maintenance	274,820	11,119	28,641	292,342	272,719	(19,623)
Utilities	12,572	--	--	12,572	9,200	(3,372)
Supplies	19,532	94	617	20,055	22,024	1,969
Energy	36,132	--	--	36,132	57,000	20,868
Capital outlay	25,826	--	--	25,826	25,895	69
Total	1,188,221	13,916	30,377	1,204,682	1,186,352	(18,330)
Mechanical maintenance:						
Salaries	211,274	--	--	211,274	243,958	32,684
Employee benefits	93,263	389	598	93,472	102,772	9,300
Services	5,443	--	--	5,443	6,330	887
Repairs & maintenance	1,084	10	--	1,074	1,610	536
Utilities	8,916	--	--	8,916	10,700	1,784
Supplies	6,741	364	144	6,521	10,714	4,193
Energy	2,721	--	--	2,721	4,500	1,779
Capital outlay	4,660	1,240	--	3,420	4,740	1,320
Total	334,102	2,003	742	332,841	385,324	52,483
Total public works and buildings	$ 1,522,323	$ 15,919	$ 31,119	$ 1,537,523	$ 1,571,676	$ 34,153
Total expenditures	$ 15,048,839	$ 306,862	$ 206,135	$ 14,948,112	$ 15,197,066	$ 248,954

CITY OF DUBLIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	SPLOST Capital Projects 2006	T-SPLOST	Hotel/Motel Tax	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 929,856	$ 454,039	$ 79,472	$ 1,463,367
Investments	1,518,990	--	--	1,518,990
Total assets	$ 2,448,846	$ 454,039	$ 79,472	$ 2,982,357
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued costs	$ 6,523	$ 17,829	$ 50,625	$ 74,977
Due to other funds	--	--	28,581	28,581
Total liabilities	6,523	17,829	79,206	103,558
FUND BALANCES				
Restricted	2,442,323	436,210	266	2,878,799
Total fund balances	2,442,323	436,210	266	2,878,799
Total liabilities and fund balances	$ 2,448,846	$ 454,039	$ 79,472	$ 2,982,357

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	SPLOST Capital Projects 2006	T-SPLOST	Hotel-Motel Tax	Total Nonmajor Governmental Funds
REVENUES:				
Other taxes	$ --	$ --	$ 651,179	$ 651,179
Interest on investments	15,908	--	--	15,908
Intergovernmental	--	223,982		223,982
Total revenues	15,908	223,982	651,179	891,069
EXPENDITURES:				
Current -				
Culture and recreation	--	--	406,987	406,987
Capital outlay	162,789	129,244	--	292,033
Total expenditures	162,789	129,244	406,987	699,020
Excess of revenues over (under) expenditures	(146,881)	94,738	244,192	192,049
OTHER FINANCING SOURCES (USES)				
Transfers in	--	341,472	--	341,472
Transfers out	--	--	(244,192)	(244,192)
Total other financing sources (uses)	--	341,472	(244,192)	97,280
Net change in fund balance	(146,881)	436,210	--	289,329
Fund balances-beginning	2,589,204	--	266	2,589,470
Fund balances-ending	$ 2,442,323	$ 436,210	$ 266	$ 2,878,799

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, 2016

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES -			
Other taxes	$ 560,000	$ 651,179	$ 91,179
EXPENDITURES -			
Culture and recreation:			
Chamber of Commerce and Tourism Resource Enhancements and Events Organization 2%	140,000	162,795	(22,795)
Dublin-Laurens County Recreation Authority 2%	140,000	162,795	(22,795)
Theatre Dublin 1%	70,000	81,397	(11,397)
Total expenditures	350,000	406,987	(56,987)
Excess of revenues over expenditures	210,000	244,192	34,192
OTHER FINANCING USES -			
Transfers out	(210,000)	(244,192)	(34,192)
Net change in fund balance	$ --	$ --	$ --

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, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
ASSET				
Equity in pooled cash	$ 26,522	$ 8,460,040	$ 8,416,475	$ 70,087
Total assets	$ 26,522	$ 8,460,040	$ 8,416,475	$ 70,087
LIABILITY				
Due to Dublin Board of Education	$ 26,522	$ 8,460,040	$ 8,416,475	$ 70,087
Total liabilities	$ 26,522	$ 8,460,040	$ 8,416,475	$ 70,087

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Riverview Golf Course Fund	Telecommunications Fund	Total
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 5,841	$ 1,004,521	$ 1,010,362
Accounts receivable, net	--	56,797	56,797
Inventories, at cost	12,280	--	12,280
Total current assets	18,121	1,061,318	1,079,439
NONCURRENT ASSETS -			
CAPITAL ASSETS:			
Buildings and plant	273,767	3,605,243	3,879,010
Improvements other than buildings	354,705	--	354,705
Machinery and equipment	672,501	713,887	1,386,388
Less - accumulated depreciation	(1,151,131)	(2,988,242)	(4,139,373)
Capital assets, net	149,842	1,330,888	1,480,730
Total assets	167,963	2,392,206	2,560,169
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	20,053	10,303	30,356
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	10,260	--	10,260
Accrued expenses	10,580	8,064	18,644
Due to other funds	305,000	--	305,000
Compensated absences payable	630	547	1,177
Total current liabilities	326,470	8,611	335,081
LONG TERM LIABILITIES -			
Compensated absences payable	7,200	6,256	13,456
Net pension liability	75,385	38,730	114,115
Total long-term liabilities	82,585	44,986	127,571
Total liabilities	409,055	53,597	462,652
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	6,406	3,291	9,697
NET POSITION:			
Net investment in capital assets	149,842	1,330,888	1,480,730
Unrestricted	(377,287)	1,014,733	637,446
Total net position	$ (227,445)	$ 2,345,621	$ 2,118,176

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Riverview Golf Course Fund	Telecommunications Fund	Total
OPERATING REVENUES:			
Sales/charges for services	$ 201,496	$ 561,860	$ 763,356
Penalties and cut-on fees	--	1,314	1,314
Other revenue	244,042	13,700	257,742
Total operating revenues	445,538	576,874	1,022,412
OPERATING EXPENSES:			
Personnel services	211,130	66,912	278,042
Employee benefits	30,552	44,331	74,883
Repairs and maintenance	49,014	4,165	53,179
Depreciation	9,291	240,770	250,061
Other operating	236,430	257,550	493,980
General and administrative	--	--	--
Total operating expenses	536,417	613,728	1,150,145
Net operating income (loss)	(90,879)	(36,854)	(127,733)
Transfers in	342,952	--	342,952
Transfers out	--	(40,000)	(40,000)
Change in net position	252,073	(76,854)	175,219
Net position-beginning	(479,518)	2,422,475	1,942,957
Net position-ending	$ (227,445)	$ 2,345,621	$ 2,118,176

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Riverview Golf Course Fund	Telecommunications Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 445,538	$ 528,147	$ 973,685
Cash paid to suppliers for goods and services	(232,921)	(253,670)	(486,591)
Cash paid to employees for services	(204,286)	(58,160)	(262,446)
Cash paid for employee taxes and benefits	(297,878)	(20,683)	(318,561)
Cash received from and (paid to) other funds	(38,664)	--	(38,664)
Net cash provided (used) by operating activities	(328,211)	195,634	(132,577)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	342,952	--	342,952
Transfers to other funds	--	(40,000)	(40,000)
Net cash provided (used) by noncapital financing activities	342,952	(40,000)	302,952
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -			
Acquisition and construction of capital assets	(10,200)	(45,690)	(55,890)
Net cash used for capital and related financing activities	(10,200)	(45,690)	(55,890)
Net change in cash and cash equivalents	4,541	109,944	114,485
Cash and cash equivalents beginning of year	1,300	894,577	895,877
Cash and cash equivalents end of year	$ 5,841	$ 1,004,521	$ 1,010,362

CITY OF DUBLIN, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Riverview Golf Course Fund	Telecommunications Fund	Total
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net operating income (loss)	$ (90,879)	$ (36,854)	$ (127,733)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	9,291	240,770	250,061
Decrease (increase) in assets-			
Accounts receivable - trade	--	(48,727)	(48,727)
Prepaid expenses	1,742	--	1,742
Decrease (increase) in deferred outflows of resources	32,621	(10,303)	22,318
Increase (decrease) in liabilities:			
Accounts payable	8,692	(25)	8,667
Accrued expenses	6,520	8,064	14,584
Due to other funds	(38,664)	--	(38,664)
Compensated absences payable	1,798	688	2,486
Net pension liability	(200,988)	38,730	(162,258)
Increase (decrease) in deferred inflows of resources	(58,344)	3,291	(55,053)
Total adjustments	(237,332)	232,488	(4,844)
Net cash provided (used) by operating activities	$ (328,211)	$ 195,634	$ (132,577)

CITY OF DUBLIN, GEORGIA
BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2016

ASSETS		
Cash	$	81,966
Total assets	$	81,966
LIABILITIES AND FUND BALANCES		
Accrued costs	$	4,579
Total liabilities		4,579
FUND BALANCES		
Committed		77,387
Total fund balances		77,387
Total liabilities and fund balances	$	81,966

CITY OF DUBLIN, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
MAIN STREET DUBLIN DOWNTOWN DEVELOPMENT AUTHORITY
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balance - Main Street Dublin Downtown Development Authority	$	77,387
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		833,733
Long-term liabilities, such as compensated absences, capital leases, and notes payable are not due and payable in the curren period and, therefore, are not reported in the funds		(48,885)
Net position of Main Street Dublin Downtown Development Authority	$	862,235

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, 2016

REVENUES:		
Program income	$	162,399
Miscellaneous income		114,043
Total revenues		276,442
EXPENDITURES -		
Current -		
Downtown development		423,651
Debt Service:		
Principal		3,000
Interest		1,008
Total expenditures		427,659
OTHER FINANCING SOURCES -		
Proceeds from issuance of note payable		51,885
Net change in fund balances		(99,332)
Fund balances-beginning		176,719
Fund balances-ending	$	77,387

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, 2016

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

Net change in fund balance - Main Street Dublin Downtown Development Authority		$ (99,332)
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	$ (50,207)	
Capital outlay	70,635	20,428
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins) is to decrease net position.		39,335
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.		(48,885)
Change in net position of Main Street Dublin Downtown Development Authority		$ (88,454)

CITY OF DUBLIN, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL LOCAL OPTION SALES TAX PROCEEDS - 2006
FOR THE YEAR ENDED JUNE 30, 2016

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Transportation and drainage	$ 7,190,000	$ 7,190,000	$ 2,531,008	$ 159,983	$ 2,690,991
Water and sewer system	4,750,000	4,750,000	2,659,587	2,806	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
	16,540,740	16,540,740	14,059,404	162,789	14,222,193
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
	--	14,782,088	14,784,086	--	14,784,086
TOTAL	$ 16,540,740	$ 31,322,828	$ 28,843,490	$ 162,789	$ 29,006,279

*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, 2016

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	$ 2,467,396	$ 515,610	$ 2,983,006
Water and sewer improvements	5,218,000	5,218,000	1,054,671	285,679	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	144,850	250,567	395,417
Public safety facilities and equipment	1,022,000	1,022,000	834,294	54,293	888,587
City hall and associated buildings improvements	100,000	100,000	151,023	40,000	191,023
	14,675,000	14,675,000	4,782,721	1,146,149	5,928,870
Debt service *					
Principal	326,001	326,001	326,001	32,824	358,825
Interest	10,746	10,746	10,746	1,879	12,625
	336,747	336,747	336,747	34,703	371,450
TOTAL	$ 15,011,747	$ 15,011,747	$ 5,119,468	$ 1,180,852	$ 6,300,320

*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

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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)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
Net investment in capital assets	$ 16,827,378	$ 6,341,257	$ 13,297,712	$ 18,451,166	$ 14,649,028	$ 21,595,752	$ 20,178,580	$ 21,119,506	$ 21,727,434	$ 20,963,602
Restricted	1,470,803	14,749,184	9,136,553	5,221,507	10,216,238	8,685,348	4,168,780	3,549,624	4,147,027	5,479,527
Unrestricted	5,301,902	5,626,382	6,390,633	7,583,296	7,535,343	4,209,241	6,680,500	6,090,437	2,637,571	474,302
Total governmental activities net position	$ 23,600,083	$ 26,716,823	$ 28,824,898	$ 31,255,969	$ 32,400,609	$ 34,490,341	$ 31,027,860	$ 30,759,567	$ 28,512,032	$ 26,917,431
Business-type activities:										
Net investment in capital assets	$ 23,698,064	$ 24,266,814	$ 23,548,434	$ 23,594,788	$ 23,549,022	$ 21,977,097	$ 25,497,333	$ 27,158,233	$ 27,686,667	$ 28,919,431
Restricted	1,317,260	1,519,925	1,714,370	1,803,160	2,143,488	2,038,855	2,035,504	2,027,312	2,039,246	1,518,593
Unrestricted	6,104,794	8,283,470	9,409,896	11,303,355	12,379,430	14,625,049	17,081,206	16,650,848	16,248,550	17,796,949
Total business-type activities net position	$ 31,120,118	$ 34,070,209	$ 34,672,700	$ 36,701,303	$ 38,071,940	$ 38,641,001	$ 44,614,043	$ 45,836,393	$ 45,974,463	$ 48,234,973
Primary government:										
Net investment in capital assets	$ 40,525,442	$ 30,608,071	$ 36,846,146	$ 42,045,954	$ 38,198,050	$ 43,572,849	$ 45,675,913	$ 48,277,739	$ 49,414,101	$ 49,883,033
Restricted	2,788,063	16,269,109	10,850,923	7,024,667	12,359,726	10,724,203	6,204,284	5,576,936	6,186,273	6,998,120
Unrestricted	11,406,696	13,909,852	15,800,529	18,886,651	19,914,773	18,834,290	23,761,706	22,741,285	18,886,121	18,271,251
Total primary government net position	$ 54,720,201	$ 60,787,032	$ 63,497,598	$ 67,957,272	$ 70,472,549	$ 73,131,342	$ 75,641,903	$ 76,595,960	$ 74,486,495	$ 75,152,404

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	$ 3,708,790	$ 4,647,568	$ 4,541,634	$ 4,442,311	$ 4,555,414	$ 4,526,939	$ 4,166,428	$ 4,843,246	$ 4,273,277	$ 4,899,664
Public safety	5,073,465	5,332,339	5,739,116	5,919,997	6,156,895	6,383,386	7,495,673	7,088,105	6,813,911	8,317,381
Community services	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	962,537	1,034,752	1,048,236	1,059,369
Public works and buildings	1,920,894	1,441,781	1,882,695	1,889,643	1,823,752	1,925,577	1,914,142	1,828,819	1,624,652	1,702,857
Culture and recreation	468,633	472,161	495,566	475,326	505,632	519,263	534,183	576,877	662,558	407,342
Interest on long-term debt	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396	1,879
Total governmental activities expenses	12,238,416	13,649,043	14,172,119	14,211,179	14,348,403	14,502,621	15,159,978	15,378,577	14,424,030	16,388,492
Business-type activities:										
Water and sewer	4,559,227	4,792,029	5,228,079	5,087,924	5,508,811	5,548,753	5,859,363	5,807,794	5,573,272	5,763,076
Gas	8,979,544	9,461,385	8,917,877	6,344,200	6,634,411	8,528,329	16,932,878	22,058,010	13,239,086	8,428,556
Sanitation	2,149,556	2,161,577	2,212,891	2,216,536	2,365,998	2,494,970	2,502,288	2,543,124	2,385,778	2,557,459
Riverview Golf Course	542,731	548,692	450,072	391,218	435,045	468,869	390,012	421,421	321,882	536,417
Telecommunications	609,786	647,050	704,563	600,070	636,577	657,183	705,997	613,011	544,292	613,728
Total business-type activities expenses	16,840,844	17,610,733	17,513,482	14,639,948	15,580,842	17,698,104	26,390,538	31,443,360	22,064,310	17,899,236
Total primary government expenses	$ 29,079,260	$ 31,259,776	$ 31,685,601	$ 28,851,127	$ 29,929,245	$ 32,200,725	$ 41,550,516	$ 46,821,937	$ 36,488,340	$ 34,287,728

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 2,350,379	$ 2,373,187	$ 2,349,550	$ 2,757,271	$ 2,525,597	$ 2,479,460	$ 2,454,812	$ 2,275,559	$ 3,332,256	$ 2,385,047
Public safety	791,470	896,570	1,046,221	925,861	935,672	958,345	918,382	1,005,839	991,870	793,284
Community services	--	--	--	--	--	--	--	--	6,000	5,250
Public works and buildings	35,650	--	--	25,000	--	--	--	--	--	--
Operating grants and contributions	--	3,000	--	214,015	196,933	194,631	281,703	212,227	230,494	224,779
Capital grants and contributions	2,457,667	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
Total governmental activities program revenue	5,635,166	7,544,098	6,759,336	7,015,739	6,523,920	7,056,435	6,742,008	5,693,416	6,913,486	5,825,797
Business-type activities:										
Charges for services:										
Water and sewer	5,098,515	5,216,774	4,799,364	5,066,965	5,353,002	5,450,764	5,148,229	5,558,274	5,830,450	6,089,159
Gas	11,015,183	10,862,955	9,621,572	8,331,392	8,466,675	9,586,776	19,560,761	22,749,451	15,630,828	9,661,527
Sanitation	2,576,198	2,589,009	2,579,728	2,553,242	2,641,594	2,637,296	2,647,652	2,696,551	2,693,529	2,669,487
Riverview Golf Course	503,524	469,745	455,885	337,981	351,009	371,405	375,853	306,091	372,929	445,538
Telecommunications	836,451	809,855	928,013	695,527	711,114	638,496	589,286	518,894	518,750	576,874
Operating grants and contributions	--		--	--	--	--	--	--	--	--
Capital grants and contributions	353,875	662,984	313,322	173,715	--	254,702	22,306	1,243,739	766,115	26,020
Total business-type activities program revenue	20,383,746	20,611,322	18,697,884	17,158,822	17,523,394	18,939,439	28,344,087	33,073,000	25,812,601	19,468,605
Total primary government program revenue	$ 26,018,912	$ 28,155,420	$ 25,457,220	$ 24,174,561	$ 24,047,314	$ 25,995,874	$ 35,086,095	$ 38,766,416	$ 32,726,087	$ 25,294,402
Net (expense)/revenue:										
Governmental activities	$ (6,603,250)	$ (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)
Business-type activities	3,542,902	3,000,589	1,184,402	2,518,874	1,942,552	1,241,335	1,953,549	1,629,640	3,748,291	1,569,369
Total primary government net expense	$ (3,060,348)	$ (3,104,356)	$ (6,228,381)	$ (4,676,566)	$ (5,881,931)	$ (6,204,851)	$ (6,464,421)	$ (8,055,521)	$ (3,762,253)	$ (8,993,326)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property	$ 2,498,816	$ 2,565,732	$ 2,648,656	$ 3,023,125	$ 2,410,680	$ 2,678,293	$ 2,854,896	$ 3,106,231	$ 3,094,852	$ 3,305,442
Sales	2,983,399	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
Hotel/Motel	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203	651,179
Alcoholic beverage	402,233	414,985	424,484	403,398	398,524	410,108	401,462	396,995	406,481	431,224
Franchise	1,192,566	1,258,013	1,391,186	1,327,766	1,388,433	1,445,071	1,371,855	1,330,271	1,483,928	1,477,687
Insurance premium	830,905	866,726	887,488	879,162	853,611	759,895	809,386	838,299	875,604	931,734
Unrestricted investment earnings	221,748	241,508	82,762	18,258	20,144	16,950	27,175	17,835	21,423	32,897
Miscellaneous	--	--	--	--	--	--	--	--	11,503	69,567
Gain on sale of capital assets	--	--	--	59,616	--	--	--	--	--	--
Transfers	650,000	238,843	650,000	562,499	637,499	735,554	(3,979,659)	319,634	924,749	(642,259)
Total governmental activities	9,245,270	9,221,685	9,520,858	9,626,511	8,969,123	9,535,918	4,955,489	9,416,868	10,172,817	8,968,094
Business-type activities:										
Unrestricted investment earnings	230,085	188,345	68,089	72,228	65,584	63,280	39,834	49,288	76,295	48,882
Transfers	(650,000)	(238,843)	(650,000)	(562,499)	(637,499)	(735,554)	3,979,659	(319,634)	(924,749)	642,259
Total business-type activities	(419,915)	(50,498)	(581,911)	(490,271)	(571,915)	(672,274)	4,019,493	(270,346)	(848,454)	691,141
Total primary government	$ 8,825,355	$ 9,171,187	$ 8,938,947	$ 9,136,240	$ 8,397,208	$ 8,863,644	$ 8,974,982	$ 9,146,522	$ 9,324,363	$ 9,659,235
Change in Net Position										
Governmental activities	$ 2,642,020	$ 3,116,740	$ 2,108,075	$ 2,431,071	$ 1,144,640	$ 2,089,732	$ (3,462,481)	$ (268,293)	$ 2,662,273	$ (1,594,601)
Business-type activities	3,122,987	2,950,091	602,491	2,028,603	1,370,637	569,061	5,973,042	1,359,294	2,899,837	2,260,510
Total primary government	$ 5,765,007	$ 6,066,831	$ 2,710,566	$ 4,459,674	$ 2,515,277	$ 2,658,793	$ 2,510,561	$ 1,091,001	$ 5,562,110	$ 665,909

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund:										
Nonspendable	$ 256,756	$ 250,432	$ 375,325	$ 322,069	$ 349,373	$ 342,749	$ 375,880	$ 397,155	$ 404,672	$ 397,157
Restricted	916,502	391,439	486,425	413,228	--	--	--	--	--	--
Committed	67,611	141,007	111,100	91,159	983,256	291,968	117,211	127,673	306,862	206,135
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	4,251,887	5,059,736	5,627,010	6,553,955	6,409,961	6,860,807	6,415,899	5,802,703	5,936,474	4,329,440
Total general fund	$ 5,492,756	$ 5,842,614	$ 6,599,860	$ 7,380,411	$ 7,742,590	$ 7,495,524	$ 6,908,990	$ 6,327,531	$ 6,648,008	$ 4,932,732
All other governmental funds -										
Capital projects funds:										
Nonspendable	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Restricted	1,470,803	14,875,449	9,238,165	6,500,620	4,811,277	5,610,065	4,168,780	3,549,624	4,147,027	5,479,527
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--	--	--
Total all other governmental funds	$ 1,470,803	$14,875,449	$ 9,238,165	$ 6,500,620	$ 4,811,277	$ 5,610,065	$ 4,168,780	$ 3,549,624	$ 4,147,027	$ 5,479,527

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
General property taxes	$ 2,506,886	$ 2,570,947	$ 2,622,330	$ 2,580,602	$ 2,820,812	$ 2,672,295	$ 2,846,390	$ 3,114,210	$ 3,107,928	$ 3,314,063
Other taxes	8,333,833	9,623,282	9,005,832	6,139,714	6,086,872	6,301,842	6,253,263	6,189,364	6,520,754	6,202,447
Licenses and permits	635,953	578,685	573,180	556,122	590,957	561,865	600,186	547,619	609,245	628,296
Fines and forfeitures	658,664	749,175	925,128	813,986	804,640	843,393	809,933	901,335	892,077	678,933
Intergovernmental	380,252	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
Interest on investments	343,488	867,788	404,947	96,244	68,244	34,647	37,366	29,163	35,325	54,730
Miscellaneous income	1,379,430	1,423,491	1,678,235	1,818,948	1,310,380	1,452,858	1,446,951	1,342,758	2,258,105	1,621,906
Total revenues	14,238,506	16,462,107	15,533,820	15,507,564	15,195,628	15,780,756	15,668,650	14,798,629	16,153,058	15,444,771
Expenditures										
General government	3,430,699	3,460,719	3,539,658	3,599,455	3,542,885	3,485,033	4,222,919	4,131,923	4,407,982	4,707,005
Public safety	5,218,565	5,171,826	5,581,073	5,784,622	6,065,314	6,301,367	7,169,731	6,765,030	7,222,326	7,770,856
Community services	1,066,634	1,170,949	1,005,107	1,068,978	1,007,080	1,063,213	955,831	1,028,046	1,053,932	1,048,655
Public works and buildings	4,258,327	1,209,145	1,158,206	1,181,967	1,183,321	1,330,980	1,458,950	1,378,776	1,285,144	1,522,323
Culture and recreation	465,603	541,069	492,536	472,296	497,782	524,588	533,828	576,522	662,203	406,987
Debt service:										
Principal	93,431	178,783	4,170,027	2,334,673	2,837,467	90,354	3,199,832	205,068	110,853	32,824
Interest	--	584,245	508,001	414,924	299,630	84,243	87,015	6,778	1,396	1,879
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
Total expenditures	14,533,259	15,926,684	21,063,858	18,277,057	17,160,291	16,290,589	18,536,469	16,699,244	16,235,178	16,928,711
Excess of revenues over(under) expenditures	(294,753)	535,423	(5,530,038)	(2,769,493)	(1,964,663)	(509,833)	(2,867,819)	(1,900,615)	(82,120)	(1,483,940)
Other financing sources(uses)										
Sale of capital assets	--	--	--	250,000	--	--	--	--	--	--
Transfers in	650,000	650,000	650,000	562,499	637,499	735,554	840,000	700,000	1,000,000	1,625,664
Transfers out	--	(411,157)	--	--	--	--	--	--	--	(928,616)
Capital leases	264,487	630,000	--	--	--	326,001	--	--	--	404,116
Bonds issued	--	12,000,000	--	--	--	--	--	--	--	--
Premium on bonds issued	--	350,238	--	--	--	--	--	--	--	--
Total other financing sources(uses)	914,487	13,219,081	650,000	812,499	637,499	1,061,555	840,000	700,000	1,000,000	1,101,164
Change in fund balance	$ 619,734	$ 13,754,504	$ (4,880,038)	$ (1,956,994)	$ (1,327,164)	$ 551,722	$ (2,027,819)	$ (1,200,615)	$ 917,880	$ (382,776)
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	24.39%	1.36%	19.55%	1.59%	0.75%	0.24%

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
2007	$ 2,498,816	$ 2,983,399	$ 465,603	$ 2,284,525	$ --	$ 402,233	$ 1,192,566	$ 830,905	$ 10,658,047
2008	2,565,732	3,094,809	541,069	3,244,746	--	414,985	1,258,013	866,726	11,986,080
2009	2,648,656	2,943,746	492,536	2,681,311	--	424,484	1,391,186	887,488	11,469,407
2010	3,023,125	2,880,391	472,296	2,742,771	--	403,398	1,327,766	879,162	11,728,909
2011	2,410,680	2,762,450	497,782	2,642,650	--	398,524	1,388,433	853,611	10,954,130
2012	2,678,293	2,965,459	524,588	2,868,936	--	410,108	1,445,071	759,895	11,652,350
2013	2,854,896	2,936,546	533,828	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

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

Fiscal Year	City of Dublin Direct Rate	Laurens County Rate	State Rate
2007	1.00%	3.00%	4.00%
2008	1.00%	3.00%	4.00%
2009	1.00%	3.00%	4.00%
2010	1.00%	3.00%	4.00%
2011	1.00%	3.00%	4.00%
2012	1.00%	3.00%	4.00%
2013	1.00%	3.00%	4.00%
2014	1.00%	3.00%	4.00%
2015	1.00%	3.00%	4.00%
2016	1.00%	3.00%	4.00%

Source: City of Dublin, Georgia financial records.

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

Fiscal Year	Taxable Assessed Value				Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value * as a Percentage of Actual Value
	General Property	Public Utilities	Motor Vehicles	Total Taxable Value			
2007	425,256,106	11,234,875	39,276,316	475,767,297	5.200	1,012,270,845	47.00%
2008	436,146,910	11,815,692	39,911,784	487,874,386	5.200	1,038,030,609	47.00%
2009	453,603,039	10,584,589	38,287,060	502,474,688	5.200	1,069,095,081	47.00%
2010	461,076,778	10,869,399	39,985,081	511,931,258	5.327	1,089,215,442	47.00%
2011	379,728,371	9,250,552	28,591,704	417,570,627	6.360	1,043,926,619	40.00%
2012	374,521,777	9,255,595	30,336,380	414,113,752	6.400	1,035,284,380	40.00%
2013	388,489,638	9,596,131	33,122,081	431,207,850	6.393	1,078,019,625	40.00%
2014	386,364,873	10,155,784	34,625,917	431,146,574	6.393	1,077,866,435	40.00%
2015	399,729,715	10,187,257	29,698,390	439,615,362	6.407	1,099,038,405	40.00%
2016	425,198,552	10,166,507	20,429,570	455,794,629	6.407	1,139,486,573	40.00%

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

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

* Excludes tax-exempt property

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

Tax Levy Period Calendar Year	Maintenance and Operations	Sales Tax Rollback	Total City	School District	State and County	Total Direct & Overlapping Rates
2006	10.600	(5.400)	5.200	16.277	6.560	28.037
2007	11.240	(6.040)	5.200	16.270	6.550	28.020
2008	11.010	(5.810)	5.200	16.270	6.550	28.020
2009	10.587	(5.260)	5.327	16.770	6.550	28.647
*2010	12.280	(5.920)	6.360	19.705	6.550	32.615
2011	12.940	(6.540)	6.400	19.705	6.520	32.625
2012	13.145	(6.752)	6.393	19.705	6.310	32.408
2013	13.145	(6.752)	6.393	19.705	6.310	32.408
2014	12.741	(6.334)	6.407	19.705	6.310	32.422
2015	12.117	(5.700)	6.417	19.705	7.150	33.272

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

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

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

	June 30, 2016			June 30, 2007		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Best Buy	$ 20,935,644	1	4.59%	$ 10,955,923	2	2.30%
YKK AP America, Inc.	17,360,127	2	3.81%	14,365,052	1	3.02%
Fairview Park Hospital	15,929,463	3	3.49%	9,361,016	3	1.97%
Fred's Distribution	12,519,311	4	2.75%	3,595,831	10	0.76%
Wal-Mart	7,886,548	5	1.73%	4,270,761	6	0.90%
Warehouse Home Furnishings/ Farmers Furniture	7,469,553	6	1.64%	3,979,796	7	0.84%
Home Depot	3,677,401	7	0.81%			
D Mall, LLC	3,038,509	8	0.67%			
Sun Tek Pet, LLC	3,010,899	9	0.66%			
Bre Tarpon Dublin Village, LLC	2,642,103	10	0.58%			
Rockwell Automation - Allen Bradley				7,343,139	4	1.54%
Dublin Community Hospital				6,272,757	5	1.32%
Parko Servo Controls				3,951,133	8	0.83%
Flexstell Industries				3,881,662	9	0.82%
	$ 94,469,558		20.73%	$ 67,977,070		14.30%

Source: City of Dublin, Georgia tax records.

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
		Collection Amount	Percentage of Levy		Amount	Percentage of Levy	
2007	9,375,826	8,995,981	95.9%	376,120	9,372,101	100.0%	3,725
2008	9,616,757	9,261,965	96.3%	348,135	9,610,100	99.9%	6,657
2009	9,966,108	9,522,636	95.6%	429,385	9,952,021	99.9%	14,087
2010	10,428,595	9,417,695	90.3%	992,552	10,410,247	99.8%	18,348
2011	10,138,736	9,714,722	95.8%	413,950	10,128,672	99.9%	10,064
2012	10,018,508	9,518,592	95.0%	465,302	9,983,894	99.7%	34,614
2013	10,392,029	9,870,456	95.0%	457,317	10,327,773	99.4%	64,256
2014	10,351,172	9,838,724	95.0%	334,050	10,172,774	98.3%	178,398
2015	10,418,406	10,008,682	96.1%	--	10,008,682	96.1%	409,724
2016	11,362,887	10,842,361	95.4%	--	10,842,361	95.4%	520,526

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

	Fiscal Year 2016			Fiscal Year 2007		
Taxpayer	Charges for Gas by Customer	Rank	Percentage of Total Gas Sales	Charges for Gas by Customer	Rank	Percentage o Total Gas Sales
Westrock (SP Newsprint-2007)	$ 5,361,891	1	58.65%	$ 50,184	8	0.46%
Griffin Industries	1,291,331	2	14.12%			
YKK Corporation	656,580	3	7.18%	1,973,100	2	18.24%
Carl Vinson Medical Center	431,864	4	4.72%	763,485	3	7.06%
Dublin Housing Authority	195,740	5	2.14%	428,621	4	3.96%
Suntek (Hi-tek Rations 2007)	201,955	6	2.21%	374,227	5	3.46%
Fairview Park Hospital	121,705	7	1.33%	360,098	6	3.33%
Dublin City Schools	92,575	8	1.01%			
Best Buy	37,927	9	0.41%			
Applebees	30,884	10	0.34%	47,194	9	0.44%
Mohawk Industries				3,032,581	1	28.04%
Flexsteel				70,903	7	0.66%
Golden Corral				46,363	10	0.43%
	$ 8,422,452		92.11%	$ 7,146,756		66.08%

Source: City of Dublin, Georgia gas records.

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

	Governmental Activities		Business-Type Activities						
Fiscal Year	General Obligation Bonds	Capital Leases	Water & Sewer Bonds	Term Loans	Note Payable Natural Gas System	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2007	--	171,056	7,738,362	2,086,256	654,878	27,073	10,677,625	25.98%	668
2008	12,126,265	622,273	7,410,811	1,999,583	618,385	--	22,777,317	53.73%	1,423
2009	8,094,698	452,246	7,073,260	1,900,022	544,962	--	18,065,188	38.76%	1,128
2010	5,813,132	367,572	6,720,709	1,795,792	505,410	--	15,202,615	32.14%	948
2011	3,031,565	280,105	6,358,158	1,742,999	463,834	--	11,876,661	25.17%	733
2012	3,000,000	515,753	5,980,607	3,015,779	420,131	--	12,932,270	27.24%	797
2013	--	315,921	5,588,056	3,022,481	374,192	--	9,300,650	18.46%	572
2014	--	110,853	5,305,000	2,897,266	325,903	--	8,639,022	16.73%	530
2015	--	--	4,865,000	2,936,363	325,903	--	8,127,266	15.76%	502
2016	--	--	4,575,000	2,484,092	275,143	--	7,334,235	13.80%	453

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, 2016

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

Source: City of Dublin, Georgia financial records.

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	$47,576,730	$48,787,439	$50,247,469	$51,193,126	$41,757,063	$41,411,375	$43,120,785	$43,114,657	$43,961,536	$ 45,579,463
Total net debt applicable to limit	--	12,126,265	8,094,698	5,813,132	3,031,565	3,000,000	--	--	--	--
Legal debt margin	$47,576,730	$36,661,174	$42,152,771	$45,379,994	$38,725,498	$38,411,375	$43,120,785	$43,114,657	$43,961,536	$ 45,579,463
Total net debt applicable to the limit as a percentage of debt limit	0.00%	24.86%	16.11%	11.36%	7.26%	7.24%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Current Fiscal Year:	
Assessed value	$455,794,629
Debt limit (10% of total assessed value)	45,579,463
Debt applicable to limit:	
General obligation bonds	--
Less: amount set aside for repayment of general obligation debt	--
Total net debt applicable to limit	--
Legal debt margin	$ 45,579,463

Source: City of Dublin, Georgia Finance Department

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

Fiscal Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
	SPLOST Revenue Bonds			
2007	--	--	--	--
2008	3,244,746	-- (1)	275,000	11.8
2009	2,681,311	4,000,000	480,000	0.6
2010	2,742,771	2,250,000	400,000	1.0
2011	2,642,650	2,750,000	287,500	0.9
2012	2,868,936	3,000,000	75,283	0.9
2013	776,728	--	--	--
2014	--	--	--	--
2015	--	--	--	--
2016	--	--	--	--

(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	
2007	5,474,278	3,259,199	2,215,079	340,000	331,200	3.3
2008	5,812,944	3,399,629	2,413,315	350,000	321,000	3.6
2009	5,137,749	3,881,547	1,256,202	365,000	309,625	1.9
2010	5,283,815	3,757,429	1,526,386	375,000	296,850	2.3
2011	5,390,807	4,192,056	1,198,751	390,000	282,788	1.8
2012	5,746,319	4,270,944	1,475,375	405,000	267,187	2.2
2013	5,164,132	4,479,493	684,639	420,000	250,988	1.0
2014	6,810,424	4,494,637	2,315,787	440,000	234,187	3.4
2015	6,624,663	4,436,155	2,188,508	455,000	216,588	3.3
2016	6,135,563	4,476,782	1,658,781	145,000	88,047	7.1

(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
2006	15,989	411,013	25,706	36.40	2,818	5.4%
2007	16,004	423,898	26,487	36.10	2,856	7.0%
2008	16,019	466,137	29,099	36.10	2,818	7.1%
2009	16,031	473,075	29,510	36.10	2,697	10.9%
2010	16,201	471,838	29,124	36.50	2,660	12.3%
2011	16,234	474,763	29,245	37.90	2,683	12.8%
2012	16,267	503,756	30,968	38.60	2,857	12.1%
2013	16,300	516,351	31,678	38.60	2,609	10.1%
2014	16,182	515,559	31,860	38.30	2,610	7.0%
2015	16,197	531,518	32,816	38.30	2,615	6.8%

Sources:

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

CITY OF DUBLIN, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR

	Fiscal Year 2016			Fiscal Year 2007		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Carl Vinson Medical Center	1,400	1	6.88%	780	2	3.61%
Laurens County Board of Education	820	2	4.03%			
Fairview Park Hospital	765	3	3.76%	560	3	2.60%
YKK AP America, Inc.	380	4	1.87%	502	4	2.33%
Laurens County Board of Commissioners	380	5	1.87%			
Westrock	350	6	1.72%			
Wal-Mart	325	7	1.60%			
Flexsteel Industries, Inc.	306	8	1.50%	370	5	1.71%
Warehouse Home Furnishings Distributors, Inc.	251	9	1.23%	299	7	1.39%
City of Dublin	240	10	1.18%			
Mohawk				794	1	3.68%
SP Newsprint Co.				355	6	1.65%
Rockwell Automation- Allen Bradley				280	8	1.30%
Fred's Distribution				253	9	1.17%
Parker Aerospace				201	10	0.93%
	5,217		25.64%	4,394		20.37%

Source: Dublin-Laurens County Chamber of Commerce

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function										
General Government										
Management-City Mgr & City Attorney	3	3	3	3	3	3	3	3	4	4
Finance	5	5	5	5	5	5	5	5	5	5
Building Inspections	5	5	6	6	6	6	6	6	5	5
Other	11	10	13	11	11	11	12	12	16	17
Public Safety										
Police										
Officers and personnel	57	60	59	64	63	62	63	64	66	65
Fire										
Firefighters and officers	32	32	35	35	35	35	35	35	34	34
Public Works										
Engineering	7	7	7	7	6	6	6	6	5	5
Other	13	13	15	15	15	15	15	15	15	23
Sanitation	24	24	24	24	24	25	25	25	26	23
Gas	14	14	15	17	17	17	17	13	12	12
Golf Course	13	12	5	3	3	3	3	3	5	4
Telecommunications	1	1	1	1	1	1	1	1	1	1
Water and Sewer	33	33	32	30	31	35	34	35	31	29
Total	218	219	220	221	220	224	225	223	225	227

Source: City of Dublin, Georgia Finance Department

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function										
Police										
Physical arrests	1,783	1,765	1,921	2,183	2,500	1,465	1,130	2,680	1,722	1,140
Parking violations	10	10	9	16	18	6	42	49	100	127
Traffic violations	3,621	4,560	4,730	6,064	5,884	4,656	5,249	6,448	5,516	6,260
Fire										
Number of calls answered	892	942	919	904	959	909	837	1,023	1,066	1,078
Highways and streets										
Street resurfacing (miles)	1.7	N/A	1.1	1.0	2.0	3.3	3.6	2.8	2.3	1.9
Potholes repaired	1,226	1,127	1,150	1,250	1,235	1,276	1,176	1,184	1,157	349
Sanitation										
Refuse collected (tons/day)	58	60	55	56	57	58	60	59	56	57
Water										
New connections	82	98	82	101	156	61	15	18	11	64
Water mains breaks	425	420	430	436	426	114	120	135	92	110
Average daily consumption (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	3,200	3,200	3,200	3,200	3,300

Source: Various government departments.

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	50	50	50	50	53	53	53	53	54
Fire stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	20	24	20	20	20	20	20	20	20	20
Highways and streets										
Streets (miles)	100	101	101	102	103	103	103	103	103	103
Streetlights	1,702	1,710	1,715	1,720	1,739	1,742	1,750	1,755	1,759	1,762
Traffic signals	34	34	34	40	41	41	41	42	43	43
Water										
Water mains (miles)	186	186	187	193	194	194	194	196	224	224
Fire hydrants	928	928	928	935	975	982	1,056	1,028	1,058	1,059
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	159	165	170	171	171	171	171	201	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)	229	230	232	232	233	233	233	245	269	269

Source: Various government departments.

IV. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

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

To the Honorable Mayor and Council
City of Dublin, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Dublin, Georgia, as of and for the year ended June 30, 2016, 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 30, 2016. Our report includes a reference to other auditors who audited the financial statements of the Dublin-Laurens County Recreation Authority, as described in our report on City of Dublin, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Dublin, Georgia
December 30, 2016

CITY OF DUBLIN, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2016

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.