

**CITY OF DACULA, GEORGIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2021  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT**

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council  
City of Dacula, Georgia

### Report on the Audit of Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental and business-type activities and each major fund of the City of Dacula, Georgia as of and for the year ended December 31, 2021, and the related notes to the financial statements which collectively comprise the City of Dacula, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental and business-type activities and each major fund of the City of Dacula, Georgia, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Dacula, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Dacula, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Dacula, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Dacula, Georgia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, and Budget to Actual Reports as listed in the table of contents, should 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 inquires 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 procedure did not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Dacula, Georgia's basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The schedule of projects constructed with special sales tax proceeds and other schedules included in the other supplementary information as describe in the accompanying table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The 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. In our opinion, the special sales tax proceeds and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated June 3, 2022, on our consideration of the City of Dacula, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the City of Dacula, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Dacula, Georgia's internal control over financial reporting and compliance.

*Rector, Reeder & Lofton, P.C.*  
Certified Public Accountants

Loganville, Georgia  
June 3, 2022

**CITY OF DACULA, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Dacula, Georgia we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Dacula, Georgia for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

**Financial Highlights**

- The assets of the City of Dacula, Georgia exceeded its liabilities at December 31, 2021 by \$27,480,677. Of this amount, unrestricted net position of \$7,601,386 may be used to meet the government's ongoing obligations to citizens and creditors. The total net position increased by \$1,680,880.
- As of the close of the current fiscal year, the City of Dacula, Georgia's governmental funds reported combined ending fund balances of \$11,867,646, a decrease of \$1,066,567 in comparison with the prior year. Of this amount, \$31,407 is non-spendable, \$4,619,426 is restricted for capital projects, and \$7,216,813 is unassigned. The unassigned amount of \$7,216,813 consists of various assets netted against their respective liabilities. See the attached Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position for additional detail.

**Overview of the financial statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, 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.

**CITY OF DACULA, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick 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 of Dacula, Georgia include general government, public safety and courts, highways and streets, parks and recreation, community development, economic development, and code enforcement.

**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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. 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 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 statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains one major governmental fund. The City's major governmental fund is the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for this major fund.

The City of Dacula, Georgia adopts an annual budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance for the year ended December 31, 2021 budget. An appropriate budget for the non-major funds and a project length budget for the SPLOST Capital Projects Fund have been adopted by the City and are presented in the individual fund financial statements.

**CITY OF DACULA, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements.

**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 of Dacula, Georgia, assets exceeded liabilities by \$27,480,677 at the close of the most recent fiscal year.

A portion of the City's net position (56%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt that is still outstanding used to acquire those assets. 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 its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Dacula, Georgia's Net Position**

	Governmental Activities		
	2021	2020	Change
Current and other assets	\$ 13,045,698	\$ 13,204,217	\$ (158,519)
Capital assets	<u>15,064,524</u>	<u>12,385,396</u>	<u>2,679,128</u>
Total assets	<u>28,110,222</u>	<u>25,589,613</u>	<u>2,520,609</u>
Deferred Outflows of Resources	<u>276,403</u>	<u>373,845</u>	<u>(97,442)</u>
Total assets and deferred outflows	<u>\$ 28,386,625</u>	<u>\$ 25,963,458</u>	<u>\$ 2,423,167</u>
Current liabilities	\$ 1,169,104	\$ 259,158	\$ 909,946
Long-term liabilities	<u>477,338</u>	<u>711,733</u>	<u>(234,395)</u>
Total liabilities	<u>1,646,442</u>	<u>970,891</u>	<u>675,551</u>
Deferred Inflows of Resources	<u>162,873</u>	<u>-</u>	<u>162,873</u>
Net position			
Net investment in capital assets	15,064,524	12,385,396	2,679,128
Restricted	4,619,426	4,649,969	(30,543)
Unrestricted	<u>6,893,360</u>	<u>7,957,202</u>	<u>(1,063,842)</u>
Total net position	<u>26,577,310</u>	<u>24,992,567</u>	<u>1,584,743</u>
Total liabilities, net position, and deferred inflows	<u>\$ 28,386,625</u>	<u>\$ 25,963,458</u>	<u>\$ 2,423,167</u>



**CITY OF DACULA, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

Current and other assets decreased slightly by \$158,519 or 1.20%. Capital Assets increased by \$2,679,128 or 21.63% due to the purchase of property, 431 Harbins Road.

Current liabilities increased by \$909,946 or 351.12% due to increases in SPLOST accruals and a deferral for the American Rescue Plan funds not yet spent. Noncurrent liabilities decreased by \$234,395 or 32.93% due to a decrease in Net Pension Liability for the year. Details of this liability can be found in the accompanying Notes to the Financial Statements.

Total Net Position increased by \$1,584,743 or 6.34%. A portion of the net position (\$4,619,426) represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position (\$6,893,360) may be used to meet the government's ongoing obligations to citizens and creditors.

Additionally, the consolidated totals have the interfunds receivables and payables eliminated from the current assets and from the current liabilities.

**CITY OF DACULA, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

**City of Dacula, Georgia's Change in Net Position**

	Governmental Activities	
	2021	2020
<b>Revenue:</b>		
Program Revenues -		
Grants & contributions	\$ 1,198,986	\$ 1,825,093
General Revenues -		
Property taxes	1,327,192	1,227,139
Franchise tax	386,610	408,208
Beer & wine tax	266,827	273,239
Insurance premium tax	371,096	359,485
Motor vehicle tax	321,807	220,677
Other taxes	182,567	158,292
Fees, Fines, and Charges for Services	433,744	284,035
Interest	3,552	9,601
Other	131,569	226,248
Total Revenues	4,623,950	4,992,017
<b>Expenses:</b>		
General government	2,098,813	1,143,986
Parks and recreation	39,329	28,825
Streets	571,160	863,062
Total Expenses	2,709,302	2,035,873
(Decrease) increase in net position before transfers	1,914,648	2,956,144
Transfers/Prior Period Adjustment	(329,905)	(188,265)
(Decrease) increase in net position	1,584,743	2,767,879
Net position - beginning of period	24,992,567	22,224,688
Net position - end of period	\$ 26,577,310	\$ 24,992,567

**Financial Analysis**

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 of Dacula, Georgia's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Dacula, Georgia's financial 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.

**CITY OF DACULA, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

As of the end of the current year, the City's governmental funds reported combined ending net position balances of \$26,577,310, an increase of \$1,584,743 in comparison with the prior year. Of this amount, the City has an *unassigned fund balance* of \$7,216,813.

**Capital assets and debt administration**

**Capital assets.** The City's Governmental Capital Assets as of December 31, 2021 amounts to \$15,064,522 (net of accumulated depreciation). This amount includes land, buildings, vehicles, equipment, and infrastructure.

City of Dacula, Georgia		Capital Assets	
	2021		2020
Land & land improvements	\$ 4,741,838	\$	2,690,060
Infrastructure	9,976,415		9,441,401
Buildings	2,193,731		2,065,815
Vehicles	310,961		811,379
Furniture & equipment	566,531		557,554
Construction in Process	307,528		-
Less accumulated depreciation	(3,032,482)		(3,126,916)
Net	\$ 15,064,522	\$	12,439,293

Additional information on the City of Dacula, Georgia's capital assets can be found in accompanying Notes to the Financial Statements.

**Long-term debt.** At the end of the current year, the City had no outstanding debt.

**General Fund Budgetary Highlights and Analysis.** The City of Dacula adopted a 2021 budget for the general fund of \$2,627,000. This was later revised to a budget of \$4,833,259 due to the acquisition of property during the year. The actual revenue for the year ended December 31, 2021, was \$3,494,224 which was \$1,391,035 less than the budgeted amount due to the use of reserves for the property purchase.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Dacula, Georgia's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Dacula, Georgia  
PO Box 400  
Dacula, GA 30019

**CITY OF DACULA, GEORGIA**  
Dacula, Georgia

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**CITY OF DACULA, GEORGIA**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

	<u>Governmental</u> <u>Activities</u>	<u>Business Type</u> <u>Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 12,865,378	\$ 772,784	\$ 13,638,162
Receivables			
Property Taxes	41,090	-	41,090
Sanitation	107,823	14,056	121,879
Due from other governments	-	-	-
Prepaid items	31,407	-	31,407
Interfund receivables	-	-	-
Capital assets, not being depreciation	4,095,791	-	4,095,791
Capital assets, net of accumulated depreciation	<u>10,968,733</u>	<u>195,341</u>	<u>11,164,074</u>
Total Assets	<u>28,110,222</u>	<u>982,181</u>	<u>29,092,403</u>
Deferred outflows			
Deferred pension outflows	<u>276,403</u>	<u>54,619</u>	<u>331,022</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<u>\$ 28,386,625</u>	<u>\$ 1,036,800</u>	<u>\$ 29,423,425</u>
<b>Liabilities</b>			
Accounts payable	\$ 26,462	\$ 6,583	\$ 33,045
Accrued expenses	4,306	341	4,647
Compensated absences	675	-	675
Unearned Revenues	1,137,661	-	1,137,661
Net pension liability	<u>477,338</u>	<u>94,324</u>	<u>571,662</u>
Total Liabilities	<u>1,646,442</u>	<u>101,248</u>	<u>1,747,690</u>
Deferred inflows			
Deferred pension inflows	<u>162,873</u>	<u>32,185</u>	<u>195,058</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<u>1,809,315</u>	<u>133,433</u>	<u>1,942,748</u>
<b>Net Position</b>			
Net investment in capital assets	15,064,524	195,341	15,259,865
Restricted for capital projects	4,619,426	-	4,619,426
Unrestricted	<u>6,893,360</u>	<u>708,026</u>	<u>7,601,386</u>
Total Net Position	<u>\$ 26,577,310</u>	<u>\$ 903,367</u>	<u>\$ 27,480,677</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 28,386,625</u>	<u>\$ 1,036,800</u>	<u>\$ 29,423,425</u>

**CITY OF DACULA, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Activities	Total
<b>Primary Government:</b>							
Governmental activities:							
General government	\$ 2,098,813	\$ 433,744	\$ 48,122	\$ 70,496	\$ (1,546,451)	\$ -	\$ (1,546,451)
Parks and recreation	39,329	-	-	-	(39,329)	-	(39,329)
Streets	571,160	-	-	1,080,368	509,208	-	509,208
Total governmental activities	<u>2,709,302</u>	<u>433,744</u>	<u>48,122</u>	<u>1,150,864</u>	<u>(1,076,572)</u>	<u>-</u>	<u>(1,076,572)</u>
Business-type Activities							
Sanitation	753,579	518,979	-	-	-	(234,600)	(234,600)
Total business-type activities	<u>753,579</u>	<u>518,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(234,600)</u>	<u>(234,600)</u>
Total Primary Government	\$ <u>3,462,881</u>	\$ <u>952,723</u>	\$ <u>48,122</u>	\$ <u>1,150,864</u>	<u>(1,076,572)</u>	<u>(234,600)</u>	\$ <u>(1,311,172)</u>
<b>General revenues:</b>							
Taxes							
Property tax					1,327,192	-	
Motor vehicle tax					321,807	-	
Franchise tax					386,610	-	
Beer and wine tax					266,827	-	
Insurance premium tax					371,096	-	
Other tax					182,567	-	
Investment income					3,552	832	
Other income					131,569	-	
Transfers					(329,905)	329,905	
Total general revenues					<u>2,661,315</u>	<u>330,737</u>	
Change in net position					1,584,743	96,137	
Net position - Beginning					<u>24,992,567</u>	<u>807,230</u>	
Net position - Ending					\$ <u><u>26,577,310</u></u>	\$ <u><u>903,367</u></u>	

**CITY OF DACULA, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2021**

	General Fund	American Rescue Plan	SPLOST Fund	Capital Projects Fund	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 7,216,114	\$ 1,137,661	\$ 2,698,520	\$ 1,813,083	\$ 12,865,378
Receivables					
Property Taxes	41,090	-	-	-	41,090
Due from other governments	-	-	107,823	-	107,823
Prepaid items	31,407	-	-	-	31,407
<b>Total Assets</b>	<b>\$ 7,288,611</b>	<b>\$ 1,137,661</b>	<b>\$ 2,806,343</b>	<b>\$ 1,813,083</b>	<b>\$ 13,045,698</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 26,462	\$ -	\$ -	\$ -	\$ 26,462
Accrued expenses	4,306	-	-	-	4,306
Unearned revenues	-	1,137,661	-	-	1,137,661
<b>Total Liabilities</b>	<b>30,768</b>	<b>1,137,661</b>	<b>-</b>	<b>-</b>	<b>1,168,429</b>
<b>Deferred inflows of Resources</b>					
Unavailable revenue - property taxes	9,623	-	-	-	9,623
<b>Total Liabilities and Deferred Inflows</b>	<b>40,391</b>	<b>1,137,661</b>	<b>-</b>	<b>-</b>	<b>1,178,052</b>
<b>Fund Balances:</b>					
Non-spendable prepaid items	31,407	-	-	-	31,407
Restricted for:					
Capital projects	-	-	2,806,343	1,813,083	4,619,426
Unassigned	7,216,813	-	-	-	7,216,813
<b>Total Fund Balances</b>	<b>7,248,220</b>	<b>-</b>	<b>2,806,343</b>	<b>1,813,083</b>	<b>11,867,646</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,288,611</b>	<b>\$ 1,137,661</b>	<b>\$ 2,806,343</b>	<b>\$ 1,813,083</b>	<b>\$ 13,045,698</b>

**CITY OF DACULA, GEORGIA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

Amounts reported for governmental activities in the statement of Net Position are different due to:

Total fund balances - total governmental funds	\$	11,867,646
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds.		15,064,524
Some of the City's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unearned revenue in the funds.		9,623
Deferred inflows and outflows related to the net pension obligation are not a current asset or liability:		113,530
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Balances at December 31, 2021 are:		
Compensated absences		(675)
Net pension liability		(477,338)
		(477,338)
Net position of governmental activities	\$	26,577,310



**CITY OF DACULA, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	American Rescue Plan	SPLOST Fund	Capital Projects Fund	Total
<b>Revenues</b>					
Taxes	\$ 2,856,099	\$ -	\$ -	\$ -	\$ 2,856,099
Licenses, permits, and fees	433,744	-	-	-	433,744
Intergovernmental	122,496	48,122	1,080,368	-	1,250,986
Contributions and donations	-	-	-	-	-
Investment income	2,316	-	320	916	3,552
Other revenue	79,569	-	-	-	79,569
<b>Total Revenues</b>	<u>3,494,224</u>	<u>48,122</u>	<u>1,080,688</u>	<u>916</u>	<u>4,623,950</u>
<b>Expenditures</b>					
Current Operations:					
General government	3,651,087	48,122	-	-	3,699,209
Parks & Recreation	24,692	-	-	60,156	84,848
Streets	524,564	-	1,051,991	-	1,576,555
<b>Total Expenditures</b>	<u>4,200,343</u>	<u>48,122</u>	<u>1,051,991</u>	<u>60,156</u>	<u>5,360,612</u>
Excess/(Deficiency) of revenues over expenditures	<u>(706,119)</u>	<u>-</u>	<u>28,697</u>	<u>(59,240)</u>	<u>(736,662)</u>
Other financing sources (uses)					
Transfers	<u>(329,905)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(329,905)</u>
Net change in fund balance	(1,036,024)	-	28,697	(59,240)	(1,066,567)
Fund balance - December 31, 2020	<u>8,284,244</u>	<u>-</u>	<u>2,777,646</u>	<u>1,872,323</u>	<u>12,934,213</u>
Fund balance - December 31, 2021	<u>\$ 7,248,220</u>	<u>\$ -</u>	<u>\$ 2,806,343</u>	<u>\$ 1,813,083</u>	<u>\$ 11,867,646</u>

**CITY OF DACULA, GEORGIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Amounts reported for governmental activities in the statement of activities is different due to:

Net changes in fund balances - total government funds	\$	(1,066,567)
<p>Some of the City's taxes reported as revenues in the funds when the resources are measurable and available. Property taxes are reported as revenues in the Statement of Activities when they represent a legally enforceable claim.</p>		
		(4,710)
<p>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.</p>		
Capital outlays		3,066,150
Depreciation		(387,023)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.</p>		
Net pension obligation and related deferred items		(25,920)
Compensated absences		2,813
		2,813
Change in net position of governmental activities	\$	1,584,743

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY:

1. **Introduction:**

The financial statements of the City of Dacula, Georgia (the City) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

2. **Organization:**

The City was incorporated under the laws of the State of Georgia and operates under a mayor-council form of government. The City provides the following services as authorized by its charter: general government (legislative, elections, financial administration, and general government buildings and plant). As required by GAAP, the financial statements of the reporting entity include those of the City (the primary government).

3. **Reporting Entity:**

In determining how to define the reporting entity, management has considered all potential component units by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Government Accounting Standards Board and Financial Accounting Standards Board and Statement Number 14 and 61 of the Government Accounting Standards Board, the Financial Reporting Entity*. Based on GASB criteria, the City has no entities that qualify as discretely presented or blended component units.

4. **Basis of Presentation, Basis of Accounting and Measurement Focus:**

**Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The City first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The City may defer the use of restricted assets based on a review of the specific transaction.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

4. Basis of Presentation, Basis of Accounting and Measurement Focus: (Cont'd)

Fiduciary funds and component units that are fiduciary in nature are not reported in the government-wide financial statements. The City does not report any fiduciary funds or component units.

*Fund Financial Statements:* The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating reserves, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

**The City reports the following major governmental fund:**

- *General Fund* – This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *SPLOST Capital Projects Fund* – This fund is for SPLOST activities. It accounts for all financial resources of SPLOST projects such as roads, bridges, and recreational facilities.
- *Capital Projects Fund* – This fund accounts for all financial resources of donations received from former Mayor James Wilbanks as stated in his Last Will and Testament.

**The City reports the following major enterprise funds:**

- *Sanitation Fund* – This fund accounts for the provision of sanitation services to the businesses and residents of the City. All activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operation, financing and related debt services, and billing and collections.

**Measurement Focus, Basis of Accounting:**

*Government-wide and Proprietary Fund Financial Statements* – The government-wide and proprietary fund financial statements are reported using accrual basis of accounting and the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions are transactions in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange. Non-exchange transactions include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

4. Basis of Presentation, Basis of Accounting and Measurement Focus: (Cont'd)

The proprietary fund activities statements are divided into operating and non-operation sections. Operating revenues and expenses are the result of activities that are integral to the purpose of the proprietary fund. Non-operating revenues and expenses are the results of activities that are related to the proprietary funds but are not integral to the purpose of the fund, such as interest revenues and expenses.

*Governmental Fund Financial Statements* – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, insurance premium tax, franchise taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City complies with Governmental Accounting Standards Board (“GASB”) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting. This Statement requires the City to apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB’s). As permitted by GASB No. 20, the City has elected not to comply with the FASB Statements and Interpretations issued after November 30, 1989.

5. Cash, Cash Equivalents, and Investments:

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments, if any, are stated at fair market value with unrealized holding gains and losses reported as the “Change in fair market value of investments” in the Statement of Revenues, Expenditures and Changes in Fund Balance.

6. Inventory:

Materials purchased during the year are shown as expenditures when acquired and are not inventoried at year end due to lack of materiality.

7. Restricted Assets:

There was no outstanding debt at December 31, 2021 that required assets to be maintained.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)

8. Prepaid Items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

9. Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks and similar items), 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 estimated useful life in excess of two years. The City generally capitalizes assets with a cost of \$5,000 or more as purchase and construction outlays occur. Capital assets are recorded at costs or estimate historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Prior to January 1, 2004, governmental funds' infrastructure assets were not capitalized.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	40
Infrastructure	40
Furniture and Equipment	5-7
Vehicles	5
Land improvements	40

Pursuant to GASB Statement No. 34, Phase 3 governments are not required to report major general infrastructure assets retroactively. As a result, the governmental activities column in the government-wide financial statements does not reflect those infrastructure asset projects completed before December 31, 2004. However, they do reflect those assets that were either completed during the fiscal year or considered construction in progress at year end.

10. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts:

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. Liabilities for compensated absences are recorded as other liabilities and accrued expenses in the Sanitation Fund. Full-time, permanent employees can accumulate up to one hundred sixty (160) hours of sick leave. The employee shall then be paid upon retirement and at the normal rate of pay for an eligible employee. The City had \$675 of accrued sick leave at December 31, 2021.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

**NOTE A - SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES AND REPORTING ENTITY: (Cont'd)**

**11. Long-Term Obligations:**

The City has no long-term obligations as of December 31, 2021.

**12. Receivables and Payables:**

All trade and property tax receivables are shown net of an allowance for uncollectible accounts when material.

**13. Unearned Revenue:**

During the fiscal year, the City received an award from the American Rescue Plan in the amount of \$1,137,661 which has not yet been spent and is recorded as unearned revenue. The City's plans for these funds are to improve the City sewer lines and other infrastructure.

**NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:**

**Budgets and Budgetary Accounting:**

The City follows these procedures in establishing budgetary data reflected in the financial statements:

1. Prior to January 1, the Mayor and City Council members prepare a proposed budget for the fiscal year commencing January 1.
2. Public hearings are held to obtain taxpayer's comments.
3. The budget is legally enacted through the passage of a resolution.
4. All revisions to the budget must be submitted to the City Council for approval.
5. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the General Fund and Special Revenue Funds. An operating budget is prepared for each Enterprise Fund for planning, control, cost allocation, and evaluation purposes. Budgetary amounts are not formally integrated into the Enterprise Fund general ledgers.
6. Budgetary appropriations lapse at the end of the fiscal year.

**Encumbrances:**

Encumbrances represent commitments related to unperformed contracts for goods or services. The City does not utilize encumbrance accounting.

**CITY OF DACULA, GEORGIA**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)**

**NOTE C - DEPOSIT AND INVESTMENTS:**

*Deposits* – State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Georgia and its agencies that have a market value of not less than the principal amount of the deposits. The City’s deposits consist of checking and savings accounts, and non-negotiable certificates of deposits in local banks. At December 31, 2021, the book balance of checking and savings accounts, and non-negotiable certificates of deposits in all banks was \$13,638,162 and the bank balance was \$13,868,077. Of the bank balance, \$1,000,000 was covered by federal depository insurance and \$12,868,077 was covered by collateral held by the banks in the City’s name.

*Investments* – There were no investments at December 31, 2021.

**NOTE D- PROPERTY TAXES:**

The value of all real and business personal property located in the City is assessed (appraised) by Gwinnett County. Taxable assessed value represents the appraisal value less applicable exemptions authorized by Gwinnett County. Appraised values are established by Gwinnett County. The City levies property taxes on August 1 of each year and the taxes are due on October 15, with a lien date of March 15. Taxes are collected by Gwinnett County throughout the year and are remitted to the City. Current tax collections for the year ended December 31, 2021 were 97.6% of the tax levy.

Property taxes are recorded as receivables and deferred at the time the tax levy is billed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible within sixty days following the close of the year, and therefore susceptible to accrual in accordance with GAAP, have been recognized as revenue.

**NOTE E - ACCOUNTS RECEIVABLE:**

At December 31, 2021, accounts receivable consisted of the following:

	Governmental Activities	Business-type Activities	Total
General fund			
Taxes receivable	\$ 41,090	\$ -	\$ 41,090
Special Purpose Local Option Sales Tax	107,823	-	107,823
Proprietary fund Sanitation receivable			
Sanitation Receivable	-	14,056	14,056
	148,913	14,056	162,969
 Allowance for Doubtful Accounts	 -	 -	 -
	\$ 148,913	\$ 14,056	\$ 162,969



**CITY OF DACULA, GEORGIA**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)**

**NOTE F - CAPITAL ASSETS:**

A summary of changes in capital assets are as follows:

	Balance 12/31/2020	Increases	Decreases	Transfers	Balance 12/31/2021
<b>Governmental activities</b>					
Not being depreciated					
Construction in progress	\$ -	\$ 307,528	\$ -	\$ -	\$ 307,528
Land	1,736,485	2,051,778	-	-	3,788,263
Subtotal	1,736,485	2,359,306	-	-	4,095,791
Depreciable capital assets					
Buildings	2,065,815	127,916	-	-	2,193,731
Infrastructure	9,441,401	535,014	-	-	9,976,415
Furniture & equipment	557,554	8,977	-	-	566,531
Vehicles	276,024	34,937	-	-	310,961
Land improvements	953,575	-	-	-	953,575
Subtotal	13,294,369	706,844	-	-	14,001,213
Accumulated depreciation					
Buildings	483,442	54,844	-	-	538,286
Infrastructure	1,182,192	249,410	(1)	-	1,431,603
Furniture & equipment	460,126	39,224	-	-	499,350
Vehicles	229,290	19,706	-	-	248,996
Land improvements	290,408	23,839	-	-	314,247
Subtotal	2,645,458	387,023	(1)	-	3,032,482
Net capital assets	<u>\$ 12,385,396</u>	<u>\$ 2,679,127</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 15,064,524</u>
	Balance 12/31/2020	Additions	Deletions	Transfers	Balance 12/31/2021
<b>Business-type activities</b>					
Depreciable capital assets					
Vehicles	\$ 535,355	\$ 200,553	\$ -	\$ -	\$ 735,908
Subtotal	535,355	200,553	-	-	735,908
Accumulated depreciation					
Vehicles	481,458	59,109	-	-	540,567
Subtotal	481,458	59,109	-	-	540,567
Net capital assets	<u>\$ 53,897</u>	<u>\$ 141,444</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 195,341</u>

Depreciation was charged to functions as follows:

<b>Governmental activities</b>	
General government	\$ 137,613
Streets	249,410
<b>Business-type activities</b>	
Sanitation	59,109
	<u>\$ 446,132</u>

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

**NOTE G - FUND DEFICITS:**

No fund had a deficit fund balance or net position balance at December 31, 2021.

**NOTE H - INTERFUND BALANCES AND ACTIVITY:**

For the year ended December 31, 2021, the General Fund transferred \$329,905 to the Sanitation Fund for amounts collected from Gwinnett County on sanitation accounts.

**NOTE I - CLAIMS, JUDGEMENTS AND OTHER COMMITMENTS:**

Amounts received or receivable from federal grantor agencies are subject to audit and adjustment by the applicable agency. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

*Litigation:* The City Attorney advised that no legal actions were in progress by or against the City at December 31, 2021 that would have a material effect on the City's financial condition.

**NOTE J - 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, job related illnesses or injuries to employees; natural disaster and unemployment compensation.

The City manages its risk by the purchase of commercial insurance and fidelity bonds. The commercial insurance purchased is in an amount sufficient to the City's risk loss and consequently the City has effectively not retained the risk of loss. There were no significant reductions in insurance coverage compared to the prior year nor were there any settlements in excess of insurance coverage for the past three years.

**NOTE K - FUND BALANCE – GOVERNMENTAL FUNDS:**

The City adopted early implantation of GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions in an effort to improve the consistency in reporting fund balance components, enhance fund balance presentation, improve the usefulness of fund balance information, and clarify the definitions of the governmental fund types. As a result of the implementation, the governmental funds now report the following five categories of fund balance: Non-spendable, Restricted, Committed, Assigned and Unassigned.

Fund balances of the governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

**NOTE K - FUND BALANCE – GOVERNMENTAL FUNDS: (Cont'd)**

Committed – amounts that can be used only for specific purposes determined by a formal action of City Council. City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by City Council. At year end, the city did not have any committed fund balance amounts.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. At year end, the City did not have any Assigned fund balance amounts.

Unassigned – all other spendable amounts.

*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 and (3) Unassigned.

**NOTE L - JOINT VENTURES:**

Under Georgia law, the City, in conjunction with other cities and counties in the ten-county metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). The City pays no annual dues to ARC. Membership in a Regional Commission (RC) is required by the Official Code of Georgia (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes each county commission chairman in the region, one mayor from each county (except Fulton County) chosen by the caucus of mayors, one mayor from the northern half and one mayor from the southern half of Fulton County elected by a caucus of mayors within northern and southern Fulton County, the mayor of the City of Atlanta, one member of the Atlanta City Council, fifteen private citizens, one from each of the fifteen multi-jurisdictional districts of roughly equal population, elected by the twenty-three public officials, and one member appointed by the Board of the Georgia Department of Community Affairs. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from Atlanta Regional Commission, 40 Courtland Street, NE, Atlanta, GA 30303.

**NOTE M - PENSION PLAN: DEFINED BENEFIT PLAN – GMA ADMINISTERED:**

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

**NOTE M - PENSION PLAN: DEFINED BENEFIT PLAN – GMA ADMINISTERED: (Cont'd)**

As provided by State law, benefit provisions for Participants in GMEBS are established and amended by the respective employers. As authorized by the City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate immediately upon hiring. Benefits vest after seven years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.25% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of twenty-five years total credited service to receive full benefits, otherwise early retirement may be elected after only ten years of service for reduced benefits. Ten years of service is required for nonservice related disability benefits. Disability benefits are paid out at 20% of an employee's current salary.

Death benefits are calculated using an actuarial reserve.

As of July 1, 2021, the date of the most recent actuarial valuation report, there were 19 participants consisting of the following:

Number of retired participants and beneficiaries	9
Number of vested former participants	2
Number of active employees	16

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For the year 2021, the actuarially determined contribution rate was 14.89% of covered payroll.

For the year ended December 31, 2021, the City's actuarially determined contribution was \$87,438 which is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report dated July 1, 2021 was \$94,439.

Pension Liabilities, Pension Expense, Deferred outflows and Deferred Outflows of Resources Related to Pensions

At December 31, 2021, the City reported a net pension liability of \$571,662. The net pension liability was measured as of March 31, 2021 and was determined by an actuarial valuation as of July 1, 2021. The changes in the Net Pension Liability for the year ended March 31, 2021 (the measurement date) were as follows:

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

NOTE M - PENSION PLAN: DEFINED BENEFIT PLAN – GMA ADMINISTERED: (Cont'd)

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a-b)
Balance at March 31, 2020	\$ 1,851,884	\$ 999,509	\$ 852,375
Changes for the year:			
Service Cost	39,160	-	39,160
Interest	133,482	-	133,482
Differences between expected and actual experience	76,721	-	76,721
Contributions - Employer	-	94,439	(94,439)
Contributions - Employee	-	-	-
Net investment income	-	441,225	(441,225)
Benefit payments, including refunds of employee contributions	(162,231)	(162,231)	-
Administrative expense	-	(5,588)	5,588
Other	-	-	-
Net Changes	87,132	367,845	(280,713)
Balance at March 31, 2021	<u>\$ 1,939,016</u>	<u>\$ 1,367,354</u>	<u>\$ 571,662</u>

For the plan year ended June 30, 2021, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service Cost	\$ 39,160
Interest on TPL	133,482
Employee contributions	-
Administrative expenses	5,588
Expected return on assets	(71,008)
Deferred Inflows:	
Expensed portion of current year period differences between expected and actual experience in TPL	12,786
Expensed portion of current year period assumption changes	-
Current year plan changes	-
Expensed portion of current year period differences between projected and actual investment earnings	(74,045)
Current year recognition of deferred inflows and outflows established in prior years	<u>100,520</u>
Total Expense	<u>\$ 146,483</u>

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

NOTE M - PENSION PLAN: DEFINED BENEFIT PLAN – GMA ADMINISTERED: (Cont'd)

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	Deferred Outflows	Deferred Inflows
December 31, 2022	\$ 105,246	\$ (84,799)
December 31, 2023	105,246	(74,043)
December 31, 2024	82,142	(74,043)
December 31, 2025	50,890	(74,043)
December 31, 2026	12,787	-
Thereafter	-	-
	<u>\$ 356,311</u>	<u>\$ (306,928)</u>

Outstanding balances on deferred outflows/inflows of resources related to pensions as of December 31, 2021 are as follows:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 212,825	\$ -
Changes of assumptions	31,616	-
Net difference between projected and actual earnings on pension plan investments	-	(195,058)
Subsequent contributions made to plan	86,581	-
Total	<u>\$ 331,022</u>	<u>\$ (195,058)</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Net investment rate of return	7.375%
Projected salary increases	2.25% plus service-based merit increases
Cost of living adjustments	N/A

There were no changes in benefit provisions in the last two fiscal years. The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2021.

CITY OF DACULA, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)

**NOTE M - PENSION PLAN: DEFINED BENEFIT PLAN – GMA ADMINISTERED: (Cont'd)**

The long-term 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 of 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.05%
Global fixed income	5%	1.25%
Domestic fixed income	20%	1.15%
Real estate	10%	4.50%
Cash	0%	
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.375 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution rate. 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 active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Position Liability to Changes in the Discount Rate

The following presents the City's net pension liability calculated using the discount rate of 7.375 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.375%)	Current Rate (7.375%)	1% Increase (8.375%)
Net Pension Liability	\$ 797,636	\$ 571,662	\$ 384,147

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued City of Dacula Retirement Plan Financial report.

**CITY OF DACULA, GEORGIA**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(Continued)**

**NOTE N - SUBSEQUENT EVENTS:**

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the City through June 3, 2022 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statement.

The spread of a novel strain of coronavirus (COVID-19) in 2020 and 2021 has caused significant volatility in the U.S. Markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. economy. The extent of the impact of COVID-19 on the financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on residents, employees, and vendors, all of which are uncertain and cannot be determined at this time.



**CITY OF DACULA, GEORGIA**  
**Dacula, Georgia**

**REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

CITY OF DACULA, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST SEVEN FISCAL YEARS

Total Pension Liability	2021	2020	2019	2018	2017	2016	2015
Service Cost	\$ 39,160	\$ 29,457	\$ 25,292	\$ 25,581	\$ 17,299	\$ 30,203	\$ 22,541
Interest	133,482	118,634	113,780	109,168	108,373	109,707	101,240
Differences between expected and actual experience	76,721	181,192	70,235	69,986	29,474	(48,584)	80,867
Changes in assumptions	-	-	-	-	(2,249)	-	(31,938)
Benefit Payments	(162,231)	(154,303)	(143,205)	(145,619)	(139,659)	(77,424)	(49,493)
Other	-	47,421	-	22,839	-	-	-
Net Changes in Total Pension Liability	87,132	222,401	66,102	81,955	13,238	13,902	123,217
Total Pension Liability - Beginning	1,851,884	1,629,483	1,563,381	1,481,426	1,468,188	1,454,286	1,331,069
Total Pension Liability - Ending	\$ 1,939,016	\$ 1,851,884	\$ 1,629,483	\$ 1,563,381	\$ 1,481,426	\$ 1,468,188	\$ 1,454,286

Plan Fiduciary Net Position

Contributions - employer	\$ 94,439	\$ 77,459	\$ 64,784	\$ 60,199	\$ 78,438	\$ 71,899	\$ 82,704
Net investment income	441,225	(72,734)	41,401	139,351	132,826	3,083	95,100
Benefit payments	(162,231)	(154,303)	(143,205)	(145,619)	(139,659)	(77,424)	(49,493)
Administrative expense	(5,588)	(6,043)	(5,779)	(5,644)	(5,809)	(3,658)	(3,203)
Net Change in Fiduciary Net Position	367,845	(155,621)	(42,799)	48,287	65,796	(6,100)	125,108
Planned Fiduciary Net Position - Beginning	999,509	1,155,130	1,197,929	1,149,642	1,083,846	1,089,946	964,838
Planned Fiduciary Net Position - Ending	\$ 1,367,354	\$ 999,509	\$ 1,155,130	\$ 1,197,929	\$ 1,149,642	\$ 1,083,846	\$ 1,089,946
Net Pension Liability	\$ 571,662	\$ 852,375	\$ 474,353	\$ 365,452	\$ 331,784	\$ 384,342	\$ 364,340
Plan's fiduciary net position as a percentage of Total Pension Liability	70.52%	53.97%	70.89%	76.62%	77.60%	73.82%	74.95%
Covered-employee payroll	\$ 753,965	\$ 766,890	\$ 525,363	\$ 443,405	\$ 418,583	\$ 372,661	\$ 646,458
Net Pension Liability as a percentage of covered payroll	75.82%	111.15%	90.29%	82.42%	79.26%	103.13%	56.36%

CITY OF DACULA, GEORGIA

NOTES TO THE REQUIRED SUPPLEMENTARY PENSION INFORMATION  
DECEMBER 31, 2021

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Project Unit Credit
Amortization Method	Closed level dollar for remained unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 10 years
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 amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service-based merit increases
Cost of Living Adjustments	0.00%

**CITY OF DACULA, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
<b>Taxes</b>				
Property tax	\$ 1,052,000	\$ 1,052,000	\$ 1,315,020	\$ 263,020
Motor Vehicle tax	110,100	110,100	321,807	211,707
Real Estate Transfer tax	15,600	15,600	19,504	3,904
Franchise tax	410,000	410,000	386,610	(23,390)
Beer & wine tax	232,000	232,000	266,827	34,827
Insurance premium tax/license	368,000	368,000	371,096	3,096
Other Tax	85,600	85,600	175,235	89,635
<b>Total Taxes</b>	<u>2,273,300</u>	<u>2,273,300</u>	<u>2,856,099</u>	<u>582,799</u>
<b>Licenses, Permits &amp; Fees</b>				
Business licenses and permits	269,500	269,500	360,469	90,969
Alcohol license	62,400	62,400	73,275	10,875
<b>Total Licenses, Permits &amp; Fees</b>	<u>331,900</u>	<u>331,900</u>	<u>433,744</u>	<u>101,844</u>
<b>Intergovernmental Revenue</b>				
Grants - CDBG	-	-	-	-
Grants - LMIG	-	-	70,496	70,496
Gwinnett County	-	-	52,000	52,000
<b>Total Other Income</b>	<u>-</u>	<u>-</u>	<u>122,496</u>	<u>70,496</u>
<b>Other Income</b>				
Prior year surplus	-	2,206,259	-	(2,206,259)
Municipal fines	10,000	10,000	25,016	15,016
Interest income	11,000	11,000	2,316	(8,684)
Other	800	800	54,553	53,753
<b>Total Other Income</b>	<u>21,800</u>	<u>2,228,059</u>	<u>81,885</u>	<u>(2,146,174)</u>
<b>Total Revenues &amp; Prior Year Fund Balance</b>	<u>\$ 2,627,000</u>	<u>\$ 4,833,259</u>	<u>\$ 3,494,224</u>	<u>\$ (1,391,035)</u>

**CITY OF DACULA, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures</b>				
<b>General Government</b>				
Personnel Services & Benefits	\$ 884,887	\$ 884,887	\$ 883,073	\$ 1,814
Purchased/Contracted Services	300,000	300,000	291,303	8,697
Capital Outlay	30,000	30,000	26,175	3,825
Supplies	55,000	55,000	51,461	3,539
Acquisition of property	-	2,006,259	2,006,259	-
Other	400,000	400,000	392,816	7,184
<b>Total General Government</b>	<u>1,669,887</u>	<u>3,676,146</u>	<u>3,651,087</u>	<u>25,059</u>
<b>Parks &amp; Recreation</b>				
Personnel Services & Benefits	7,500	7,500	6,826	674
Supplies	20,000	20,000	17,866	2,134
<b>Total Other Expenses</b>	<u>27,500</u>	<u>27,500</u>	<u>24,692</u>	<u>2,808</u>
<b>Streets</b>				
Personnel Services & Benefits	275,000	275,000	271,138	3,862
Supplies	45,100	45,100	28,807	16,293
Contract services	26,000	26,000	25,403	597
Capital Outlay	117,500	317,500	199,216	118,284
Paving	-	-	-	-
<b>Total Other Expenses</b>	<u>463,600</u>	<u>663,600</u>	<u>524,564</u>	<u>135,174</u>
<b>Contingency/Transfer</b>	<u>466,013</u>	<u>466,013</u>	<u>329,905</u>	<u>136,108</u>
<b>Total Expenditures</b>	<u>2,627,000</u>	<u>4,833,259</u>	<u>4,530,248</u>	<u>299,149</u>
Net change in fund balances	\$ <u>-</u>	\$ <u>-</u>	(1,036,024)	\$ <u>(1,690,184)</u>
Fund balance - Beginning of year			<u>8,284,244</u>	
Fund balance - End of year			\$ <u>7,248,220</u>	

**CITY OF DACULA, GEORGIA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2021**

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgetary Information

The City's annual budget is prepared based on anticipated revenues and appropriate expenditures. These anticipations, generally conservative, are designed to help ensure fiscal responsibility and maintain a balanced budget. The responsibility of budgeting is with the Mayor and City Council members. Sums sufficient to provide for debt service may not be diverted to any other purpose by the Mayor and City Council. Public hearings are held to obtain taxpayer input and a final budget is enacted by passage of an ordinance prior to December 31. The appropriated budget is prepared by fund, function, and department. Budgets were adopted for the General Fund on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The legal level of budgetary control is the department level.

**CITY OF DACULA, GEORGIA**  
Dacula, Georgia

**SUPPLEMENTAL INFORMATION**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**CITY OF DACULA, GEORGIA**  
**SCHEDULE OF PROJECT EXPENDITURES WITH**  
**SPECIAL OPTION SALES TAX REVENUE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Estimated Cost	Revised Estimated Cost	Prior Years	Expenditures		Total	Completed
				Reallocation & Adjustments	Current Year		
<b>2014 SPLOST</b>							
Roads, Streets & Bridges	\$ 1,068,137	\$ 1,994,884	\$ 1,934,027	\$ -	\$ 57,976	\$ 1,992,003	99.86%
Recreational Facilities	30,252	25,279	25,279	-	-	25,279	100.00%
Public Safety Fac & Equip	46,542	31,785	31,785	-	-	31,785	100.00%
Water & Sewer	567,812	325,288	325,288	-	-	325,288	100.00%
Administrative Facilities	614,353	608,331	608,331	-	-	608,331	100.00%
<b>Total 2014 SPLOST</b>	<b>2,327,096</b>	<b>2,985,567</b>	<b>2,924,710</b>	<b>-</b>	<b>57,976</b>	<b>2,982,686</b>	
<b>2017 SPLOST</b>							
Roads, Streets & Bridges	3,514,507	3,514,507	-	-	814,877	814,877	23.19%
Recreational Facilities	244,145	244,145	44,864	-	-	44,864	18.38%
Public Safety Fac & Equip	170,980	170,980	5,965	-	44,628	50,593	29.59%
Water & Sewer	237,390	237,390	166,300	-	-	166,300	70.05%
Administrative Facilities	718,115	718,115	437,380	-	134,510	571,890	79.64%
<b>Total 2017 SPLOST</b>	<b>4,885,137</b>	<b>4,885,137</b>	<b>654,509</b>	<b>-</b>	<b>994,015</b>	<b>1,648,524</b>	
<b>Total SPLOST</b>	<b>\$ 7,212,233</b>	<b>\$ 7,870,704</b>	<b>\$ 3,579,219</b>	<b>\$ -</b>	<b>\$ 1,051,991</b>	<b>\$ 4,631,210</b>	



**CITY OF DACULA, GEORGIA**  
**Dacula, Georgia**

**COMPLIANCE AND INTERNAL CONTROL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2021**



**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**

Honorable Mayor and City Council  
City of Dacula, Georgia

We have audited, in accordance with the 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 City of Dacula, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Dacula, Georgia's basic financial statements, and have issued our report thereon dated June 3, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Dacula, Georgia's internal control over financial reporting (internal control) as a basis for designing 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 the City of Dacula, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Dacula, 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 that a material misstatement of the City of Dacula, Georgia'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 and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Dacula, Georgia's financial statements are free of 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 financial statements. 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.

*Rector, Reeder & Lofton, PC*  
Certified Public Accountants

Loganville, Georgia  
June 3, 2022

**CITY OF DACULA, GEORGIA**  
**Dacula, Georgia**

**STATUS OF PRIOR AUDIT FINDINGS**

The prior audit report for the period ended December 31, 2020, contained no formal audit findings.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Section I – Summary of Auditor’s Results:**

**Financial Statements**

Type of report issued on the financial statements:	<b>Unmodified</b>
Internal control over financial reporting:	
Material weakness(es) identified?	<b>No</b>
Significant deficiency(ies) identified not considered to be material weaknesses?	<b>None reported</b>
Noncompliance material to the financial statements noted?	<b>No</b>

**Federal Awards**

Internal controls over major programs:	
Material weakness(es) identified?	<b>N/A</b>
Significant deficiency(ies) identified not considered to be material weaknesses?	<b>N/A</b>
Type of report issued on the compliance for major programs:	<b>N/A</b>
Any audit findings disclosed that are required to be reported under 2 CFR §200.516(a)?	<b>N/A</b>

**Section II – Financial Statement Findings**

None Reported

**Section III – Federal Award Findings and Questioned Costs**

N/A