CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT THEREON
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2023

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
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RESJ
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Chief Charles D. Atkinson
City of Doraville, Georgia Police Department
Doraville, Georgia

Opinion

We have audited the accompanying financial statements of the of the CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND (a nonprofit organization), which comprise the statement of assets, liabilities and net assets-modified accrual basis of as of September 30, 2023, and the related statements of revenue, allowable expenditures and changes in net assets-modified accrual basis, and cash flows-modified accrual basis for the fifteen months then ended, and the related notes to the financial statements (collectively, the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the assets, liabilities and net assets of the CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND as of September 30, 2023, and the changes in its net assets-modified accrual basis and its cash flows-modified accrual basis for the fifteen months then ended in accordance with the modified accrual basis of accounting.

Basis for Opinion

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. 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 DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND 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 opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1 to the financial statements, the financial statements are prepared by the CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND in accordance with the financial reporting practices prescribed or permitted by Department of Justice Equitable Sharing Funds programs, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Department of Justice Equitable Sharing Funds program. Our opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified accrual basis of accounting, 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.

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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 DORAVILLE GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND'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 DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

RESJ, P.C.

RESJ, P.C
Certified Public Accountants

December 6, 2023
Duluth, Georgia

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
MODIFIED ACCRUAL BASIS
SEPTEMBER 30, 2023

ASSETS

CURRENT ASSETS		
Cash	$	114,837
Accounts Receivable		25,922
TOTAL CURRENT ASSETS		140,759
TOTAL ASSETS	$	140,759

LIABILITIES AND NET ASSETS

NET ASSETS		
Net Assets Held in Trust	$	140,759
TOTAL NET ASSETS		140,759
TOTAL LIABILITIES AND NET ASSETS	$	140,759

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
STATEMENT OF REVENUES, ALLOWABLE EXPENDITURES AND CHANGES IN NET ASSETS
MODIFIED ACCRUAL BASIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2023

REVENUES		
Equitable Sharing Funds	$	124,578
Sale of Equipment		49,367
TOTAL REVENUES		173,945
ALLOWABLE EXPENDITURES		
Firearms and Weapons		79,994
Vehicle Purchases		44,785
Supplies and Uniforms		33,875
Repairs and Maintenance		15,593
Travel		12,478
Professional Fees		9,360
Small Equipment		3,036
Furniture and Fixtures		2,985
Computers		2,445
Dues and Fees		1,260
Education and Training		740
Communications		122
TOTAL EXPENDITURES		206,673
(EXPENDITURES) OVER REVENUES		(32,728)
NET ASSETS AT BEGINNING OF YEAR		173,487
NET ASSETS AT END OF YEAR	$	140,759

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
STATEMENT OF CASH FLOWS
MODIFIED ACCRUAL BASIS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2023
(DECREASE) IN CASH

CASH FLOWS FROM OPERATING ACTIVITIES		
(Expenditures) over Revenues	$	(32,728)
Reconciliation of (Expenditures) over Revenues to Net Cash (Used in) Operating Activities:		
Changes in Assets and Liabilities:		
Accounts Receivable		(23,913)
NET CASH (USED IN) OPERATING ACTIVITIES		(56,641)
NET (DECREASE) IN CASH		(56,641)
CASH AT BEGINNING OF YEAR		171,478
CASH AT END OF YEAR	$	114,837

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND (the "Fund") is a special revenue fund formed for the benefit of the police department of the City of Doraville, Georgia, and to provide a framework to properly account for federal equitable sharing funds from the Department of Justice. The department shares in seized property confiscated by Federal authorities to the extent in which the police department provides support for law enforcement activities with federal agencies. Shared funds are used to support law enforcement activities of the police department.

Basis of Accounting - The financial statements of the Fund are reported on the modified accrual basis of accounting, which is different from generally accepted accounting principles, but is required by Governmental Accounting Standards for component units.

The modified accrual basis of accounting recognizes an economic transaction or event as revenues in the operating statement in which the revenues are both measurable and available to liquidate liabilities of the current period. Available means collectible in the current period to be used to pay current liabilities of the current period. Similarly, expenditures are generally recognized when an event or transactions is expected to draw on current resources.

Revenue - Support received under the program is recorded as forfeiture income when the related case involving the proceeds is decided and awarded to the Fund.

Property and Equipment - The Fund itself owns no assets or other property. All property and equipment purchased by the Fund is transferred to the police department for its use.

Cash - For purposes of the statement of cash flows, the Fund considers all unrestricted, highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. The Fund, at times, has cash balances that exceed federally insured limits.

Accounts Receivable - The Fund recognizes accounts receivable when funds deposited after the current period were both measurable and available to liquidate liabilities of the current period. Accounts receivable totaled $25,922 at September 30, 2023.

Accounts Payable - The Fund recognizes accounts payable when expenditures paid after the current period were available and expected to draw on current resources. There were no accounts payable at September 30, 2023.

United States Tax-Exempt Status - The Fund is qualified for tax exempt status under Section 501(c)(3) of the Internal Revenue Code. State and local governments are not required to pay federal or state income taxes. They are, however, required to maintain proper accounting records in order to maintain their status as a not-for-profit organization. As such, no provision for income taxes has been provided in these financial statements. The reporting periods are open for examination for three years.

As of September 30, 2023, the Fund does not believe that it has taken any tax positions that would require the recording of any additional tax liability not does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates - The preparation of financial statements in conformity with the modified accrual basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 ECONOMIC DEPENDENCY

The amount of funds received from federal agencies is dependent upon the number of opportunities to assist federal agencies, the extent of involvement and the amount seized.

The Fund supports the law enforcement mission of the department and all revenues come in the form of sharing in legally seized assets. The ongoing viability of the Fund is dependent on continuing seizures in support of law enforcement activities of federal agencies.

NOTE 3 SUBSEQUENT EVENTS

The Fund has evaluated all subsequent events through December 6, 2023, the date the financial statements were issued.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FIFTEEN MONTHS ENDED SEPTEMBER 30, 2023

FEDERAL/GRANTOR PASS THROUGH	PROGRAM TITLE	CFDA NUMBER	FEDERAL EXPENDITURES
FEDERAL AWARDS:			
US Department of Justice Fund Program	Federal Equitable Sharing	16.922	$ 206,673
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 206,673

See Independent Auditors' Report.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
FEDERAL ASSET FORFEITURE FUND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SEPTEMBER 30, 2023

Basis of Presentation

The accompanying schedule of expenditure of federal awards ("the Schedule") includes the federal award activity of CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND under programs of the federal government for the fifteen months ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND, it is not intended to and does not present the assets, liabilities and net assets, changes in net assets, or cash flows of the CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT FEDERAL ASSET FORFEITURE FUND.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate

The Fund did not elect to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.