City of Dasher, Georgia

Financial Statements

For the Fiscal Year Ended

June 30, 2023

City of Dasher, Georgia

Table of Contents

	Page
Financial Information	
Independent Auditor's Report	1 - 2
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Governmental Funds	
Balance Sheet	5
Statement of Revenues, Expenditures, and Changes in Fund Balance	6
Reconciliation of the Balance Sheet to the Government-Wide Statement of Net Position	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Government-Wide Statement of Activities	8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – *General Fund*	9
Notes to Basic Financial Statements	10 - 19
Compliance Section	
Reports Required by Governmental Auditing Standards	
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*	20 – 21
Schedule of Expenditure of Federal Awards	22
Notes to Schedule of Expenditures of Federal Awards	22
Financial Statement Findings and Responses	23 - 26
Reports Required by State Statute or Regulations	
Project Cost Schedules	
One Percent Special Purpose Local Option Sales Tax – 2019 Issue	27
One Percent Special Purpose Local Option Sales Tax – 2014 Issue	28

GARY R. ZEIGLER, P.C.

Certified Public Accountants and Business Consultants

609 N. Patterson Street • P. O. Box 1389 • Valdosta, Georgia 31603-1389 • (229) 244-3262 • Fax: (229) 247-7286

601 E. Screven Street • P. O. Box 163 • Quitman, Georgia 31643-0163 • (229) 263-7737 • Fax: (229) 263-5757

www.grzeiglercpa.com

Independent Auditor's Report

To the Mayor and City Council
City of Dasher, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Dasher, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Dasher, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Dasher, Georgia, as of June 30, 2023, 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 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 Dasher, 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 the 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 Dasher, 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 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 controls. Misstatements are considered material if there is a substantial likelihood that, individually or in 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.

Member: American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

- 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 Dasher, Georgia's, internal control. Accordingly, no 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 Dasher, Georgia's ability to continue as a going concern for a reasonable period.

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

Management has omitted the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dasher, Georgia's basic financial statements. The Schedule of Expenditures of Federal Awards and the schedules of one percent special purpose local option sales tax, required by the Official Code of Georgia, annotated (O.C.G.A.) §48-8-121 are presented for additional analysis and are not a required part of the financial statements. The Schedule of Federal Awards and the Project Cost Schedules of One Percent Special Purpose Local Option Sales Tax are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental information listed above is 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 November 20, 2023, on our consideration of the City of Dasher, Georgia's internal control over financial reporting and on our test of its compliance with certain provision of laws, regulations, contracts, 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 Dasher, 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 the City of Dasher, Georgia's internal control over financial reporting and compliance.

Gary R. Zeigler P.C.
Valdosta, Georgia

November 20, 2023

City of Dasher, Georgia
Statement of Net Position
June 30, 2023

	Primary Government Governmental Activities
Asset and Deferred Outflows of Resources	
Assets	
Cash and Cash Equivalents	$ 2,377,763
Investments	481,348
Receivables, net	33,301
Prepaid Items	1,189
Capital Assets	
Land and Other Nondepreciable Assets	440,481
Other Capital Assets, Net of Depreciation	1,522,447
Total Capital Assets	1,962,928
Total Assets	4,856,529
Deferred Outflows of Resources	
Total Assets and Deferred Outflows of Resources	$ 4,856,529
Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Accounts Payable	$ 47,414
Accrued Liabilities	2,318
Long Term Liabilities	
Current Portion	
Long-Term Portion	-
Unearned Revenue	379,144
Total Liabilities	428,876
Deferred Inflows of Resources	
Net Position	
Investment in Capital Assets	1,962,928
Restricted for:	
Capital Projects	1,441,166
Unrestricted	1,023,559
Total Net Position	4,427,653
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 4,856,529

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
Statement of Activities
For the Year Ended June 30, 2023

Functions and Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position of Primary Government: Governmental Activities
Primary Government:					
Governmental Activities					
General Government	$ 140,709	$ 2,467	$ -	$ -	$ (138,242)
Public Safety	29,000				(29,000)
Public Works	97,027			269,146	172,119
Culture and Recreation	52,561	6,295			(46,266)
Housing and Development	4,051				(4,051)
Total Governmental Activities	323,348	8,762	-	269,146	(45,440)
Total Primary Government	$ 323,348	$ 8,762	$ -	$ 269,146	(45,440)
General Revenues					
Taxes					
Franchise Taxes					33,786
Local Option Sales and Use Tax					186,993
Insurance Premium Tax					73,257
Intergovernmental					
Investment					3,491
Miscellaneous					568
Gain on Sale of Assets					82,500
Total General Revenues and Transfers					380,595
Changes in Net Position					335,155
Net Position, Beginning of Period (Note 14)					4,092,498
Net Position, End of Period					$ 4,427,653

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
Balance Sheet
Governmental Funds
June 30, 2023

	General	Major Capital Project Funds: Special Purpose Local Option Sales & Use Tax Series 2019	Major Capital Project Funds: Special Purpose Local Option Sales & Use Tax Series 2014	Major Capital Project Funds: Transportation Special Purpose LOST	Disaster Relief Fund	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$ 613,210	$ 107,526	$ 1,214,852	$ -	$ -	$ 1,935,588
Investments	481,348					481,348
Receivables						-
Intergovernmental	14,712	17,282		1,307		33,301
Interfund		682,150				682,150
Prepaid Expenses	1,189					1,189
Restricted Assets		-				
Cash				63,037	379,144	442,181
Total Assets	$ 1,110,459	$ 806,958	$ 1,214,852	$ 64,344	$ 379,144	$ 3,575,757
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities						
Accounts Payable	$ 47,414	$ -	$ -	$ -	$ -	47,414
Accrued Expenses	2,324					2,324
Interfund	37,162		644,988			682,150
Unearned Revenue					379,144	379,144
Total Liabilities	86,900	-	644,988	-	379,144	1,111,032
Deferred Inflows of Resources						
Total Deferred Inflows of Resources	-	-	-	-	-	-
Fund Balance						
Nonspendable	1,183					1,183
Restricted		806,958	569,864	64,344	-	1,441,166
Committed						-
Assigned						-
Unassigned	1,022,376	-	-	-	-	1,022,376
Total Fund Balance	1,023,559	806,958	569,864	64,344	-	2,464,725
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,110,459	$ 806,958	$ 1,214,852	$ 64,344	$ 379,144	$ 3,575,757

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

	General	Major Capital Projects Funds: Special Purpose Local Option Sales & Use Tax Series 2019	Major Capital Projects Funds: Special Purpose Local Option Sales & Use Tax Series 2014	Major Capital Projects Funds: Transportation Special Purpose LOST	Disaster Relief Fund	Total Governmental Funds
Revenues						
Franchise Tax	$ 33,786	$ -	$ -	$ -	$ -	$ 33,786
Sales Tax	186,993					186,993
Insurance Premium Tax	73,257					73,257
Intergovernmental		254,135		15,011		269,146
Charges for Services	2,467					2,467
Investment	2,907	8	576			3,491
Rent	6,295					6,295
Other	568					568
Total Revenues	306,273	254,143	576	15,011	-	576,003
Expenditures						
Current						
General Government	117,337	279	143			117,759
Judicial	-					-
Public Safety	29,000					29,000
Public Works	26,889					26,889
Culture and Recreation	28,901					28,901
Housing and Development	4,051					4,051
Capital						-
Total Expenditures	206,178	279	143	-	-	206,600
Excess (Deficit) of Revenues Over (Under) Expenditures	100,095	253,864	433	15,011	-	369,403
Other Financing Sources (Uses)						
Proceeds fromm Sale of Assets	82,500					82,500
Net Other Financing Sources (Uses)	82,500	-	-	-	-	82,500
Change in Fund Balance	182,595	253,864	433	15,011	-	451,903
Fund Balance, Beginning (Note 14)	840,964	553,094	569,431	49,333		2,012,822
Fund Balance, Ending	$ 1,023,559	$ 806,958	$ 569,864	$ 64,344	$ -	$ 2,464,725

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023

Total Fund Balance - Governmental Funds (Page 5)		$ 2,464,725
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
In Governmental Activities capital outlays are considered a use of financial resources and treated as expenditures. In the Government-Wide Statement of Net Position capital assets are capitalized and reported as assets, net of accumulated depreciation. These assets consists of:		
Infrastructure	$ 1,402,761	
Site and site improvements, including buildings	1,658,458	
Machinery and Equipment	139,424	
	3,200,643	
Accumulated Depreciation	1,237,716	
	1,962,927	
Construction in Progress	-	1,962,927
Net Position of Governmental Activities (Page 3)		$ 4,427,652

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2023

Net Change in Fund Balance - Total Governmental Funds (Page 7)	$ 451,903
Amounts Reported for *Governmental Activities* in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of capital outlays is allocated over their estimated useful lives as depreciation expense.	-
Depreciation is not reported as an expense in Governemntal Funds. However, depreciation expense is included in the Statement of Activities.	(116,748)
Change in Net Position of Governmental Activities (Page 4)	$ 335,155

The accompanying notes to basic financial statements are an integral part of this statement.

City of Dasher, Georgia
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget		Actual Amounts (Budgetary Basis)	Variance With Final Budget
	Original	Final		
Revenues				
Franchise Taxes	$ 36,200	$ 36,200	$ 33,786	$ (2,414)
Local Option Sales Tax	160,000	160,000	186,993	26,993
Insurance Premium Tax	75,000	75,000	73,257	(1,743)
Intergovernmental				
Charges for Services	500	500	2,467	1,967
Investment	5,000	5,000	2,907	(2,093)
Rent	20,000	20,000	6,295	(13,705)
Contributions and Other	100	100	568	468
Total Revenues	296,800	296,800	306,273	9,473
Expenditures				
General Government	203,665	203,665	117,337	86,328
Judicial	1,300	1,300	-	1,300
Public Safety	37,100	37,100	29,000	8,100
Public Works	57,700	57,700	26,889	30,811
Culture and Recreation	40,500	40,500	28,901	11,599
Housing and Development	6,000	6,000	4,051	1,949
Total Expenditures	346,265	346,265	206,178	140,087
Excess (Deficit) of Revenues Over (Under) Expenditures	(49,465)	(49,465)	100,095	149,560
Other Financing Sources (Uses)				
Proceeds From Salae of Assets			82,500	82,500
Appropriation of Surplus	49,495	49,465	-	(49,465)
Net Other Financing Sources (Uses)	49,465	49,465	82,500	33,035
Change in Fund Balance	-	-	182,595	182,595
Fund Balance, Beginning (Note 14)	840,964	840,964	840,964	-
Fund Balance, Ending	$ 840,964	$ 840,964	$ 1,023,559	$ 182,595

The accompanying notes to basic financial statements are an integral part of this statement.

Note 1 – Summary of Significant Accounting Policies

The city was incorporated in 1992 and operates under a mayor - council form of government and provides the following services in addition to general administrative responsibilities: public safety (police and fire), highways and streets, and recreation.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

(A) Reporting Entity

In evaluating the City, for financial reporting purposes, management considers all potential component units. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standard Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- if the organization is legally separate and can sue and be sued in their own name
- the city holds the corporate powers of the organization
- the city appoints a voting majority of the organization's board
- the city can impose its will on the organization
- the organization has the potential to impose a financial burden or benefit on the city
- there is a fiscal dependency by the organization of the city

There are no boards, commissions, authorities, or other units of government (component units) for which the city is accountable.

(B) Basis of Presentation - Fund Accounting

The city has implemented the provisions of Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.* This statement establishes accounting and financial reporting standards for general purpose external financial reporting by local governments and establishes specific standards for the basic financial statements, management's discussion and analysis, and certain required supplementary information. Governments are required to report government wide as well as fund level financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government. These statements include the financial activities of the overall government. Governmental activities, which are generally supported by taxes, intergovernmental revenues, and non-exchange transactions, are reported separate from business-type activities, which rely primarily on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or programs are offset by program revenues. Direct expenses are expenses which are specifically associated with a particular activity. Program revenues include (a) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given activity and (b) grants and contributions which are restricted to meeting the operational or capital requirement of a particular activity. Taxes and other revenues not classified as programs revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

The accounts of the City are organized by funds, each of which is a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equities, revenues (income) and expenditures (expenses). Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and how spending activities are controlled. The City's fund types are:

Governmental Fund Types

Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balance of expendable financial resources and the related liabilities (except for those accounted for in proprietary funds) are accounted for through governmental funds. The objective for evaluation is based upon the determination of changes in financial position rather than objectives for net income. The following are the City's governmental fund types:

General Fund - The principal operating fund of the City and is used to account for all financial resources not otherwise accounted for in another fund.

Capital Project Funds- These funds account for financial resources used for the acquisition and construction of capital assets and repair and renovation of major capital facilities (other than acquisition, construction and repairs financed by proprietary and special assessment funds). The city has three capital project funds – the special purpose local option sales and use tax funds for the 2014 and 2019 issues.

(C) Measurement Focus, Basis of Accounting, and Financial Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when eligibility requirements have been satisfied.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered available when collected within the current period or soon enough thereafter to pay current period liabilities. The government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recorded when the liability is incurred.

Revenues susceptible to accrual include franchise taxes, governmental grants, special assessments, licenses, interest revenue and charges for services. Sale taxes collected and held by the state at year-end on behalf of the city are also recognized as revenue. Fines, forfeitures, and permits are not susceptible to accrual because generally they are not measurable until received in cash.

The City's governmental funds are:

The General Fund is the government's primary operating fund. All financial resources of the general government, other than resources required to be accounted for in another fund, are reported in the general fund.

The Special Purpose Local Option Sales Tax Funds for capital projects financed from the special purpose local option sales tax referendums, Series 2014 and 2019, and the Transportation Special Purpose Local Option Sales Tax (capital project) fund.

Program Revenues

Amounts reported as program revenues include (a) charges to customers or applicants for goods, services, or privileges provided, (b) operating grants and contributions which finance current operating activities including restricted investment income, and (c) capital grants and contributions, including special assessments, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions. To identify which function program revenue pertains, the determining factor for the charge for service is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Taxes and other revenue sources not included with program revenues are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or supported by general revenues.

For the most part, interfund transactions have been eliminated from the statements.

(D) Cash and Investments

Cash includes amounts in demand and savings (including time) deposits. The city does not have any investments other than interest bearing checking accounts and certificates of deposit. The city does not have a specific investment policy for custodial credit risk.

The Official Code of Georgia (O.C.G.A. 36-83-4) authorizes the City to invest in obligations of this or other states, the United States government, obligations fully insured or guaranteed by the United States government or a United States government agency, obligations of any corporation of the United States government, prime banker's acceptances, local government investment pools established by O.C.G.A. Section 36-83-8, repurchase agreements, and obligations of other political subdivisions of this state.

(E) Prepaid Items

Payments made to vendors for services that will benefit future periods are recorded as prepaid items.

(F) Inventory

The City does not value its inventories for financial reporting purposes. Purchases of materials and supplies are charged to operations when acquired.

(G) Restricted Assets

Cash and other resources are classified as restricted assets because use is limited by law, grants, or local ordinances.

(H) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial estimated useful life of more than one year and a cost of more than $500. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

General infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements. General infrastructure assets include roads, streets, sidewalks, bridges, and other similar assets acquired after June 30, 2003.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the constructed assets.

The costs of normal maintenance and repairs that do not increase the value of the asset or materially extend useful lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

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

Asset Classification	Estimated Useful Lives
Land and Improvements	
Infrastructure, including utility system	20 to 40 years
Buildings and Improvements	25 to 40 years
Machinery and Equipment	5 to 10 years
Office and Technology Equipment	5 to 10 years
Transportation Equipment	5 to 10 years

(I) Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

In the governmental funds statement of revenues, expenditures and changes in fund balance the proceeds of long-term debt financing is reported as other financing sources. The repayment of general long-term debt is reported as an expenditure of current financial resources.

(J) Interfund Transactions

During the course of its operations, the City processes transactions to finance the operations (i. e. the payment of payroll, payables, construction of assets, etc.) for capital projects funds. Internal receivables and payables are recorded to report the amounts not reimbursed as of June 30th. To the extent that these balances are between governmental funds, they are eliminated on the statement of net position.

(K) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(L) Fund Balance

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

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City council through the adoption of a resolution. The City Council also may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Through resolution, the City Council has authorized the City's finance committee or the City's finance director to assign fund balances.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances 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: Committed, Assigned, Unassigned.

Net Position – Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has not spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net positions are reported as unrestricted.

(M) Project Cost Schedule - One Percent Special Purpose Local Option Sales Tax and Schedule of Financial Assistance

The basis of accounting employed by the fund type in which revenues and expenditures are reported for funding from federal, state, and other financial assistance programs and one percent special purposes local option sales tax are also used to report expenditures for the Project Cost Schedule – One Percent Special Purpose Local Option Sales Tax and Schedule of Financial Assistance.

(N) Deferred Outflows – Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. Deferred outflow represents a consumption of net position that applies to future period(s) and is not recognized as a current outflow of resources (expense or expenditure). The City does not have any deferred outflows of resources.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflow represents an acquisition of net position applicable to future period(s) and is not recognized as a current inflow of resources. The City does not have any items that qualify as a deferred inflow of resources.

Note 2 – Stewardship, Compliance and Accountability

Budgetary Accounting

The Mayor and Council adopt annual budgets for all governmental fund types (general fund). Budgets for capital projects funds are adopted on a total project basis rather than on an annual basis. The budgets are prepared and adopted on a basis consistent with generally accepted accounting principles.

The department level is the legal level of control at which expenditures may not exceed appropriations. Except for appropriations for capital expenditures, all appropriations, to the extent not expended or encumbered, lapse at the close of the period for which the appropriation was budgeted. Appropriations for capital expenditures continue in effect until the purpose for which made has been accomplished or abandoned. Capital appropriations are deemed abandoned after three years when there has been no disbursement or encumbrance of the appropriation.

The Mayor and Council advertise and conduct public hearings according to the requirements of state law. The final budget for the calendar year is adopted by the preceding July 1st.

Budget Revisions

Budget amounts included all budget amendments approved by the Mayor and Council. Supplemental appropriations, which result primarily from receipt of unanticipated revenues from federal and state grants, are included in appropriations. The prior year budget was adopted for the June 2023 budget.

Compliance

(A) Excess of Expenditures over Appropriations

No departmental expenditure exceeded appropriations.

(B) Deficit Fund Balances

There were no funds with deficit fund balances.

(C) Capital Project Fund Revenue Receivable

Local Maintenance Improvement Grants in the amounts of $10,620 (2020) and $9,260 (2021) were deposited in the General Fund in January 2020 and March 2022. Series 2019 Special Purpose Local Options Sales and Use Tax revenue of $17,282 for the month of February 2022 was deposited in the General Fund. Series 2019 Special Purpose Local Option Sales and Use Tax for the period of April 2020 through February 2023 in the amount of $655,608 was deposited in the Series 2014 Special Purpose Sales and Use Tax Fund.

The 2019 SPLOST bank account was set up April 13, 2023. Series 2019 funds of $656,608 were transferred July 11, 2023.

The general fund payable of $37,162 had not been transferred as of June 30, 2023.

Note 3 – Cash and Cash Equivalents

As of June 30, 2023, the primary government's deposits, including certificates of deposits, were $2,859,079 and the account balances per financial institution were $2,701,864. Of the total account balances per financial institution, $658,535 was insured through the Federal Deposit Insurance Corporation (the FDIC). $2,043,330 was collateralized with pooled securities held by the financial institutions' trust departments or by the pledge of the financial institutions' securities. Securities are held in the name of the institution and not in the name of the city.

Cash and cash equivalents, invested in savings and certificates of deposit in financial institutions, consist of the following:

Account Type	
Cash and demand deposits	$ 2,377,763
Investments (time deposits)	481,348
Total	$ 2,859,079

Note 4 - Receivable - Intergovernmental

Intergovernmental receivables are as follows:

State of Georgia - Department of Revenue	
Local Option Sales Tax	$ 14,712
Transportation Local Option Sales Tax	1,307
Lowndes County, Georgia	
Special Purpose Local Option Sales Tax	17,282
Total	$ 33,301

Note 5 – Interfund Balances

The SPLOST VIII Referendum Agreement requires each municipality to set up a specifically designed bank account to account for proceeds received and related expenditures of referendum proceeds. The SPLOST VIII designated account was set-up July 11, 2023. Referendum proceeds received from April 2020 through June 2023 of $655,608 were transferred to the account.

Receivable Fund	Payable Fund	Amount
Capital Projects SPLOST 2019	General Fund	$ 10,620
Capital Projects SPLOST 2019	General Fund	9,260
Capital Projects SPLOST 2019	General Fund	17,282
		37,162
Capital Projects SPLOST 2019	Capital Projects SPLOST 2014	644,988
		$ 682,150

General Fund payables to Capital Projects SPLOST Series 2019 includes Local Maintenance Improvement Grant proceeds of $10,620 (2020) and $9,260 (2021), and February 2021 SPLOST proceeds of $17,282.

LMIG and SPLOST VIII funds of $37,162 had not been transferred as of June 30, 2023.

Note 6 - Changes in Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Ending Balance
Governmental Activities:					
Capital Assets not being Depreciated					
Land	$ 440,481	$	$	$	$ 440,481
Total Assets not being Depreciated	440,481				440,481
Other Capital Assets					
Infrastructure	1,402,761				1,402,761
Site Improvements	287,322				287,322
Buildings and Improvements	930,655				930,655
Equipment	139,424				139,424
Transportation					
Total Other Capital Assets	2,760,162				2,760,162
Less Accumulated Depreciation					
Infrastructure	615,302	70,138			685,440
Site Improvements	144,433	12,331			156,764
Buildings and Improvements	305,456	23,838			329,294
Equipment	55,777	10,441			66,218
Transportation					
Total Depreciation	1,120,968	116,748			1,237,716
Net Other Capital Assets	1,639,194	(116,748)			1,522,446
Total Capital Assets, net	$ 2,079,674	$ (116,748)	$	$	$ 1,962,927

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 22,950
Public Safety	
Public Works	70,138
Recreation	23,660
Total Depreciation Expense – Governmental Activities	$ 116,748

Note 7 - Risk Management

The city is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; crimes; and natural disasters. The City is a participant in the Georgia Municipal Association Property and Liability Self-Insurance Program, a public entity risk pool operating as a common risk management and insurance program for member governments. The GMA Property and Liability Self-Insurance Program is a fund established and administered as a part of the Georgia Interlocal Risk Management Agency. GIRMA is a risk sharing arrangement among Georgia Municipal Governments. GIRMA exist by authority of the Official Code of Georgia Annotated §36-85-1 et seq.

The purpose of risk pools is to establish and administer one or more groups of self-insurance funds which provide risk management services, prevent, or lessen indices and severity of casualty and property losses, and defend and protect participating members from liability or loss from general liability, motor vehicle liability, property damage, crimes, and other claims which members are jointly self-insured. Claim settlement, determination of risk, institution of loss prevention programs and accounting systems, acquisition of excess insurance and reinsurance coverage and the performance of daily operations are responsibilities of the board of trustees.

Admission of members into the agency is subject to the approval of the administrator in accordance with policies established by the board of trustees. Each member is required to continue membership until completion of the second full fiscal year of membership. Membership is continued on a year-to-year basis. A member may withdraw or choose not to renew membership effective at the end of any fiscal year upon giving ninety days advanced written notice to the agency.

Members failing to pay required contributions, assessments, or other sums in such amounts and at times established by the board of trustees may, upon proper notice, be immediately suspended from membership and coverage shall immediately cease. Terminated members remain liable for assessments for any fiscal year in which they were members and have no rights to surplus or dividends. The capital contribution, if any, of a terminated member may be returned in whole, or in part, at the discretion of the board of trustees.

Additional responsibilities and obligations of participating members include; selection of a person to serve as member representative, allow GIRMA and its agents reasonable access to facilities and records, allow attorneys designated by GIRMA to investigate, litigate, and discuss settlement options for claims made against participating members, including assisting and participating in the defense and settlement of claims, cooperate with GIRMA attorneys, adjustors, agents or independent contractors relating to the purposes of GIRMA, provide budget, operating and underwriting information requested by the board, and promptly report all incidents which could result in any claim.

In accordance with O.C.G.A. Sections 36-85-9 and 36-85-19, each member is jointly and severally liable for all legal obligations of the agency or funds and assessments may be imposed to meet financial deficiencies of the agency or of any fund.

Policy deductibles are funded from and charged to operations during the period in which losses are settled. Insurance provides coverage up to a maximum of $600,000 for each general liability claim, and various limits up to an aggregate of $1,196,900 for property damage claims. Deductible limits are $1,000 per occurrence.

The City's exposure, which is limited to policy deductibles, is charged to current operations when incurred. No claims greater than insured limits were threatened, pending or outstanding as of June 30th. Accordingly, no liability has been provided for claims threatened, pending or outstanding. There have been no significant reductions in insurance coverage. Settled claims have not exceeded coverage limits for the current or preceding three years.

The City has not compiled a record of claims paid in excess of applicable deductibles for the current or prior fiscal years. Management is not aware of any outstanding and unpaid claims as of June 30th. Accordingly, no provision has been made for potential claims.

Note 8 – Fund Balance

	General	Capital Projects SPLOST	Capital Projects TSPLOST	Total Funds
Non-Spendable				
Prepaid Items	$ 1,183	$ -	$ -	$ 1,183
Restricted				
Capital Project Funds:				
Special Purpose Local Option Sale Tax and Transportation Local Option Sales Tax		1,376,822	64,344	1,441,166
Committed				
Assigned				
Unassigned	1,022,376			1,022,376
Total	$ 1,023,559	$ 1,376,822	$ 64,344	$ 2,464,725

Note 9 – Joint Venture (South Georgia Regional Commission)

The City is a participating member of the Southern Georgia Regional Commission (SGRC), a governmental entity legislatively established by O.C.G.A. §50-8-34. The commission is comprised of the municipalities and counties within the ten-county district created and established by the Act. The commission is managed by a board, which includes the chief elected official of the district's member municipalities and county governments. The municipalities and counties within the district are responsible for the debts, obligations, and operating deficits of the commission and are required to pay annual minimum dues to support operations. The City's dues were paid by the County. Financial statements may be obtained from the Southern Georgia Regional Commission, 3395 Harris Road, Waycross, Georgia 31503.

Note 10 - Litigation

The city does not have any current litigation and has no knowledge of pending threats.

Note 11 - Contingencies

The city participates in federally assisted grant programs. These programs are subject to compliance audits by the grantors or their representatives.

Note 12 – Subsequent Events

Subsequent events were evaluated through November 20, 2023, the date the financial statements were available.

Note 13 – Tax Abatements

Laws of the State of Georgia permit counties and their development authorities and private entities to enter into development agreements whereby the entities taxable property taxes may be reduced or abated based on the entities' investment in property and employment opportunities. The City does not levy property tax, therefore, there were no agreements in effect that reduced the City's revenues.

Note 14 – Restatement of Prior Year Net Position and Fund Balance

The beginning of year Government Wide Net Position has been reduced $15,940 from $4,108,438 to $4,092,652 to correct reporting as earned income the COVID 19 Grant received in 2021. The Beginning of Year Fund Balance for the General Fund was reduced from $856,904 to $840,964.

GARY R. ZEIGLER, P.C.

Certified Public Accountants and Business Consultants

609 N. Patterson Street • P. O. Box 1389 • Valdosta, Georgia 31603-1389 • (229) 244-3262 • Fax: (229) 247-7286

601 E. Screven Street • P. O. Box 163 • Quitman, Georgia 31643-0163 • (229) 263-7737 • Fax: (229) 263-5757

www.grzeiglercpa.com

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Mayor and Council
of the City of Dasher
Dasher, Georgia

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Dasher, Georgia as of and for the year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated November 20, 2023.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Financial Statement Findings and Reponses*, we identified certain deficiencies in internal control that we consider to be material weakness and significant deficiencies.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying *Financial Statement Findings and Responses,* item 2023.01, to be a material weakness.

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. We consider the deficiency described in the accompanying *Financial Statement Findings and Responses*, item 2023.02, to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Dasher, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying *Findings and Responses* as item 2023.03.

Member: American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

City's Response to Findings

The City of Dasher, Georgia's responses to the findings identified in our audit and are described in the accompanying *Financial Statement Findings and Reponses.* The City of Dasher, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result 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.

Gary R. Zeigler, P.C.
Valdosta, Georgia

November 20, 2023

City of Dasher, Georgia
Schedule of Findings and Responses
For the Year Ended June 30, 2023

Section I

Summary of Audit Results

Financial Statements

A	Type of report issued on financial statements:	Unmodified
B	Internal control over financial reporting:	
	Material weaknesses identified.	Yes
	Significant deficiencies that are considered material weakness.	Yes
C	Noncompliance material to the financial statements.	Yes

Federal Awards

There were no receipts or expenditures of Federal Awards.

Financial Statement Findings and Responses

Current Year Findings:

2023.01 Absence of Optimum Level of Appropriate Segregation of Duties

(*This is a repeat finding*)

Requirement: A properly designed and effective system of internal control requires that there are enough properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording, or processing financial transactions, and preparing financial statements are not being performed by the same individual.

Condition: The City does not have sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Recommendation: Staffing should include enough properly trained personnel in order to assign duties and responsibilities among the staff in order to reduce to a minimum level of risk that misstatements resulting from fraud or error might occur and not be detected by employees during the normal course of performing assigned duties.

Auditee Response: The city agrees with this finding. Because of the City's size and economic limitations, the city does not believe it financially feasible to hire additional staff solely for the purpose of mitigating this weakness. The city has only one administrative employee (the City Clerk) who is responsible for collecting and depositing receipts, processing vendor invoices, preparing vendor and payroll checks. The City Clerk is responsible for reviewing, approving, coding, and classifying vendor invoices and customer receipts, maintenance of capital project cost records, and preparing summarizes of financial information for the mayor and council. Vendor invoices are reviewed by the Mayor and Council prior to payment. Checks require the signature of two people, one of which must be an elected official. The mayor opens and reviews all bank statements. Mayor and Council review all financial transactions and financial statements and maintain oversight activities related to investments. Accounting duties related to recording and posting general ledger transactions, reconciling bank accounts, preparation of employment tax returns, processing employment taxes payments, and producing financial statements are contracted services.

Current Status: The City is in the process of partially correcting this finding.

2023.02 Auditor Preparation of Annual Financial Statements

(*This is a repeat finding*)

Requirement: Generally accepted auditing standards require auditors to audit client prepared annual financial statements including the related notes to financial statements and all required supplemental information, statements, and schedules.

Condition: The City's annual financial statements, supplementary information, and schedules required by state statutes, or regulators, and grantors are auditor prepared.

Effect: The City's auditor audits auditor prepared financial statements.

Recommendation: The City should prepare the annual financial statements, notes to basic financial statements, supplementary information, and financial schedules required by state statutes or regulators, and grantors.

Auditee Response: The City does not have professional staff with the training and expertise to prepare the annual audited financial statements. The Mayor and Council have considered alternatives for the preparation of the audited statements including contracting the services of a consultant. The Mayor and Council believe having the auditors prepare the statements is the only economically feasible option for the city. The Mayor and Council reviews and accepts responsibility for the financial statements and all related disclosure.

Current Status: There is no change in the status of this finding.

2023.03 Improper Receipt and Depositing of Special Purpose Local Option Sales Tax Receipts

Criteria: In accordance with the Official Code of Georgia, O.C.G.A. §48-8-121, proceeds of Special Purpose Local Option Sales Tax must be used exclusively for the purposes specified in the resolution or ordinance calling for imposition of the tax. Proceeds shall be kept in a separate account and not comingled with other funds.

Condition: The Capital Projects Funds Series 2019 Special Purpose Local Option Sales and Use Tax Fund has receivables from the General Fund in the amount of amount of $9,261 and $10,620. The Special Purpose Local Option Sales and Use Tax Fund - 2019 Issue had a receivable of $644,988 from the Series 2014 Special Purpose Local Option Sales and Use Tax Fund.

Cause: LMIG revenues of $10,620 for 2020 and $9,260 for 2021 were deposited in the General Fund. LMIG revenues and expenditures are reported in the Capital Project Fund. The City did not set up a separate bank account for the Series 2019 Special Purpose Local Option Sales and Use Tax Fund and continued to deposit Series 2019 SPLOST revenue in the Series 2014 SPLOST bank account.

Effect: The City is not in compliance with O.C.G.A. Section §48-8-121 by comingling restricted funds.

Recommendation: Receipts should be deposited in the correct fund.

City Response: The city concurs. The required capital project bank account was opened in March 2023. Revenue collected after that date has been deposited in the correct account. Series 2019 revenues of $655,608 received through March 2013 were transferred to the correct account July 11, 2023.

Current Status: This finding is in the process of being corrected.

Prior Year Findings:

2022.01 Absence of Optimum Level of Appropriate Segregation of Duties

Requirement: A properly designed and effective system of internal control requires that there are enough properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording, or processing financial transactions, and preparing financial statements are not being performed by the same individual.

Condition: The City does not have sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Recommendation: Staffing should include enough properly trained personnel to assign duties and responsibilities among the staff to reduce to a minimum level of risk that misstatements resulting from fraud or error might occur and not be detected by employees during the normal course of performing assigned duties.

Auditee Response: The city agrees with this finding. Because of the City's size and economic limitations, the city does not believe it is financially feasible to hire additional staff solely for the purpose of mitigating this weakness. The city has one part-time staff position who serves as the City Clerk and is responsible for all finance and accounting duties. The Clerk is responsible for collecting and depositing receipts, processing vendor invoices and payroll checks. Vendor and employee checks are not prepared until approved by the Mayor and Council. The mayor opens and reviews all bank statements. Mayor and Council maintain oversight activities related to investments including review of institutional compliance with FDIC insurance coverage. The Mayor and Council review all financial transactions and financial statements. Checks require the signature of two people, both of which must be elected officials.

Current Status: The City is in the process of correcting this finding.

2022.02 Auditor Preparation of Annual Financial Statements

Requirement: Generally accepted auditing standards require auditors to audit client prepared annual financial statements including the related notes to financial statements and all required supplemental information, statements, and schedules.

Condition: The City's annual financial statements, supplementary information, and schedules required by state statutes, or regulators, and grantors are auditor prepared.

Effect: The City's auditor audits the auditor prepared financial statements.

Recommendation: The City should prepare the annual financial statements, notes to basic financial statements, supplementary information, and financial schedules required by state statutes or regulators, and grantors.

Auditee Response: The City does not have professional staff with the training and expertise to prepare the annual audited financial statements. The Mayor and Council have considered alternatives for the preparation of the audited statements including contracting the services of a consultant. The Mayor and Council believe having the auditors prepare the statements is the only economically feasible option for the city. The Mayor and Council formally reviews and accepts responsibility for the financial statements and all related disclosure.

Current Status: There is no change in the status of this finding.

2022.03 Improper Receipt and Depositing of Special Purpose Local Option Sales Tax Receipts

Criteria: In accordance with the Official Code of Georgia, O.C.G.A. §48-8-121, proceeds of Special Purpose Local Option Sales Tax must be used exclusively for the purposes specified in the resolution or ordinance calling for imposition of the tax. Proceeds shall be kept in a separate account and not comingled with other funds.

Condition: The Capital Projects Funds Series 2019 Special Purpose Local Option Sales and Use Tax Fund has receivables from the General Fund in the amount of amount of $9,261 and $10,620. The Special Purpose Local Option Sales and Use Tax Fund - 2019 Issue had a receivable of $450,349 from the Series 2014 Special Purpose Local Option Sales and Use Tax Fund.

Cause: LMIG revenues of $10,620 for 2020 and $9,260 for 2021 were deposited in the General Fund. LMIG revenues and expenditures are reported in the Capital Project Fund. The City did not set up a separate bank account for the Series 2019 Special Purpose Local Option Sales and Use Tax Fund and continued to deposit Series 2019 SPLOST revenue in the Series 2014 SPLOST bank account.

Effect: The City is not in compliance with O.C.G.A. Section §48-8-121 by comingling restricted funds.

Recommendation: Receipts should be deposited in the correct fund.

City Response: The city concurs. Comingled revenues were transferred July 11, 2023.

Current Status: This City is in the process of correcting this finding.

2022.04 Non-compliance with Requirement to Complete and Submit Annual Audit to the State.

Criteria: The city is not in compliance with O.C.G.A. Section §36-81-7 which requires local governments to submit a copy of their annual audit to the state auditor within one hundred eighty days after the close of the unit's fiscal year.

Condition: The city's accounting records from which the annual audit is prepared were not available to prepare the financial statements, notes to financial statements, supplementary information, and compliance reports. Bank accounts had not been reconciled to agree with their respective general ledger accounts. Financial transactions had not been recorded and posted in the accounting system. Money continued to be deposited in incorrect accounts. Internal accounts were not in balance.

Effect: Non-compliance excludes the city from being eligible to receive state grants from state agencies. Management does not have current and accurate financial information necessary to make financial decisions. The preparation of budgets requires current, complete, and accurate financial information. Creditors rely on financial information to make lending decisions.

Recommendation: Employee additional staff with knowledge of governmental financial accounting and reporting requirements to be responsible for reviewing and processing financial transactions, review and supervise the work of the accounting staff, prepare, or assist with the preparation of budgets, present and explain interim financial statements to the board and management. Prepare the annual financial statements, notes, and required schedules.

Response: The Mayor and Council have replaced the former City Clerk with a more experienced and knowledgeable Clerk. The Mayor and Council believe this change will improve accounting and financial reporting.

Current Status: This finding is being corrected.

City of Dasher, Georgia
One Percent Special Purpose Local Option Sales Tax
Project Cost Schedule - 2019 Issue
For the Year Ending June 30, 2023

	Estimated Cost		Prior	Current	Cumulative
	Original	Current	Periods	Period	Cost
Road, Street and Bridge Projects Including pedestrian and goft cart paths, pre-construction plans for major access between US Hwy 41 and Carrol Ulmer roads	$ 370,110	370,110	-	-	-
Public Facility Projects Construction and/or Improvements to Sewerage and/or Water Distribution System	289,148	289,148	-	-	-
Parks and Recreation Projects & Facilities Including Land Development and Triple Lakes Wildlife Refuge	92,527	92,527	-	-	-
Culture and Recreation Projects including Digital Information Center	404,808	404,808	-	-	-
Totals	$ 1,156,593	$ 1,156,593	$ -	$ -	$ -

City of Dasher, Georgia
One Percent Special Purpose Local Option Sales Tax
Project Cost Schedule - 2014 Issue
For the Year Ending June 30, 2023

	Estimated Cost		Prior	Current	Cumulative
	Original	Current	Periods	Period	Cost
Road, Street and Bridge Projects	$ 435,750	$ 89,750	$ -	$ -	$ -
Ben Hill Rd		12,000	11,980	-	11,980
Marshall and Johnson		6,000	5,824	-	5,824
Ben Hill Rd		18,000	18,036	-	18,036
Ben Hill Phase II		146,000	157,025	-	157,025
Johnston Road		40,000	38,819	-	38,819
Triple Lakes Road		50,000	2,495	-	2,495
Winston Lane		22,000	21,810	-	21,810
Gleenbrook Drive		52,000	52,349	-	52,349
Public Facility Projects					
Sewerage and Water Distribution System Design and Construction	87,150	87,150			
Parks and Recreation Projects including Land and Infrastructure Construction and Improvements and Equipment	249,000	68,800			
Roundabout		93,000	92,903	-	92,903
Park Fencing		14,700	14,636	-	14,636
Log Cabin		27,500	26,756	-	26,756
Park Irrigation		2,500	2,440	-	2,440
Thor-Guard		14,000	14,044	-	14,044
Triple Lake		20,000	17,540	-	17,540
Equipment Lift		8,500	8,500	-	8,500
Culture and Recreation Projects including Facilities Construction and Improvements, Technology Equipment and Software	473,100				
Museum		4,850	4,850	-	4,850
Library		468,250	55,777	-	55,777
Totals	$ 1,245,000	$ 1,245,000	$ 545,784	$ -	$ 545,784