



Annual Comprehensive Financial Report

For Fiscal Year Ended June 30, 2021



“Protecting our History and Providing for the Future”



City of Dawsonville, Georgia
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For Fiscal Year Ended June 30, 2021



Submitted by:
Robert D. Bolz
City Manager

INTRODUCTORY SECTION





CITY OF DAWSONVILLE, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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December 6, 2021

To the Members of the City Council
and Citizens of the City of Dawsonville:

It is our pleasure to present the Annual Comprehensive Financial Report of the City of Dawsonville for the fiscal year ended June 30, 2021 to the City Council and the citizens of Dawsonville. Georgia Code requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements.

Within this report management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Since the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Georgia Code requires an annual audit by independent certified public accountants. The City selected Alexander, Almand & Bangs, LLP to perform the annual independent financial statement audit for fiscal year 2021. The audit issued an unmodified opinion for the 2021 fiscal year which is included within this document.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Dawsonville's MD&A can be found immediately following the auditor's report in the financial section of this report.

Profile of the Government

The City of Dawsonville, the county seat of Dawson County, is in the foothills of the Northeast Georgia Mountains, approximately 50 miles northeast of Atlanta. Dawsonville was incorporated December 10, 1859 and was named after William C. Dawson, a compiler of the laws of Georgia and commander of a brigade in the Creek Indian War of 1836. Dawson also served in both houses of the state legislature and in Congress before the Civil War.

The government of the City of Dawsonville is vested in a City Council composed of a mayor and four council members. Each member serves a four-year term of office and there are no limits on the amount of terms they may serve. The City has the authority to levy property tax on both real and personal property located within its boundaries.

The City provides many services including a water and sewer utilities, solid waste collection, cemetery services, maintenance of highways and streets, planning and zoning services, recreational facilities, and tourism event sponsorship.

The Downtown Development Authority of Dawsonville (DDA), a blended component unit of the City, was created by the City in 1996 to stimulate and sustain economic development in Downtown Dawsonville. The DDA works closely with downtown businesses and city leaders to ensure continued growth and investment into the downtown area while protecting our history and providing for the future.

The City of Dawsonville develops and adopts a balanced budget for each fiscal year. The Finance Administrator develops this document which is submitted to the Mayor and City Council for adoption. The City includes all governmental funds (General, SPLOST, Cemetery, Hotel/Motel Tax and Dawsonville Downtown Development Authority), and enterprise funds (Water/Sewage, and Solid Waste) in its budgeting process. Each fund is budgeted at the line item level but monitored at the legal level of control which is at the department level. The legal level of control is the level at which the budget must be balanced.

Local Economy

The economy within the City of Dawsonville has seen a steady and consistent improvement over the last several years.

Dawsonville is the only municipality located in Dawson County, situated in Northeast Georgia on two major state highways, Highway 53 and Highway 9, with Highway 400 in the County that opens a gateway for the Atlanta suburbs to expand north. The location of the City has been a major contributor to the growth of this community.

For the County, the North Georgia Premium Outlet Mall is the largest employer with approximately 1,050 to 1,200 employees throughout the year. The Dawson County Board of Education is the second largest employer with nearly 550 employees in the County.

The 2020 U.S. Census showed the City of Dawsonville grew more than 46% between 2010 and 2020, from 2,536 residents to 3,720 residents. Most of the City's growth has been residential. Dawson County also showed growth of 20% from 22,330 to 26,798. This population growth continues to impact all levels of service needs. The growth rate of the population is estimated to be just over 10% for the next five years.

The housing and banking market in the area has increased dramatically within the last three years due to a strong national and local economy which has produced record low interest rates. Residential developments continue to be developed in the area for families who are seeking more affordable housing outside of the Atlanta area. With an increase in residential development, the City continues to work toward providing amenities for its citizens. To accommodate the residential growth of the area, the commercial building and construction activity in the City and surrounding area remains active.

The City does not levy ad valorem taxes presently and has not historically. The City has maintained adequate revenues necessary for service delivery without the assessment of a City property tax.

Long-term Financial Planning

Unassigned fund balance in the General Fund is \$ 2,917,758 to provide cash flow throughout the year and as a buffer against unforeseen events. While the City feels it is financially healthy enough to cover unforeseen events, the Administration is working toward developing a formal minimum unassigned fund balance to reserve as a goal for their long-term liquidity management plan. Informally, the City strives to maintain at least six months of unassigned fund balance in reserve.

On November 4, 2014 Dawson County citizens approved the continuation of the Special Purpose Local Option Sales Tax (SPLOST). SPLOST VI collections began in July 2015 and were complete in July 2021. Therefore, the Mayor and City Council determine the project priority for SPLOST VI. Projects from SPLOST proceeds include sidewalks and revitalization of downtown and parking, city hall acquisition, and development of a recreational park, water and sewer projects, a farmer's market and purchasing public works equipment. The Mayor and City Council have designed these projects to improve the overall availability of resources, such as clean water, and recreational activities for the City's citizens. Each of these projects, except for the playground and the farmer's market which are complete, is underway or nearly complete as of June 30, 2020. Splost VII will begin July 1, 2021 and continue for six years.

Relevant Financial Policies

In March of 2014, Standard and Poor's assigned a credit rating of "AA" (stable) to the City when the most recent revenue bonds were issued. The Council amended the Financial Policy Manual (a guide to the management of the finances of the City) March 15, 2021 to include additional roles of personnel and improve other financial processes and policies within the operations of the City. These policies address fund balances, the use of one-time revenues, issuance of debt, purchasing and procurement, cash and investment management, accounting practices, and water and sewer billing.

These policies were designed to provide assurance that the City can meet its fiduciary responsibility to its citizens. The Council reviews and updates these policies on an ongoing basis.

Major Initiatives

The City remains in the process of expanding a recreational facility and park for citizens to use. Road improvement and paving are also a priority of the City Council and the Mayor. Each of the projects are time consuming. Certain phases were completed during the fiscal year with the final phases expected to be completed in the fiscal year ending June 30, 2023. In addition, the Mayor and Council continue to work diligently to resolve common criticisms from citizens, such as parking and traffic flow in the Historic Downtown Area. This, too, is a time-consuming project and requires devoted hours working with multiple agencies and regulatory authorities to accomplish. Additionally, a major goal from the Mayor and Council has been to provide transparency to the Citizens of the activities within the City. In doing so, the City makes available via live stream and replay video of Council Meetings including detailed minutes with time stamps for those seeking specific items within the agenda, as well as an updated, easy-to-use website.

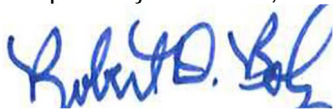
Awards and Acknowledgements

The Governmental Finance Officers Association's (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dawsonville for fiscal year ended June 30, 2020. To be awarded a Certificate of Achievement, the government is required to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

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

The preparation of the ACFR has been accomplished through the dedicated efforts of the entire staff in conjunction with the external audit firm Alexander, Almand & Bangs, LLP. Appreciation is also expressed to the Mayor and Council for their support and providing the resources needed to deliver quality services for Dawsonville's citizens.

Respectfully submitted,



Robert D. Bolz
City Manager



CITY OF DAWSONVILLE, GEORGIA
OFFICIALS AND ADMINISTRATION
As of June 30, 2021

ELECTED OFFICIALS

Mayor	Mike Eason
Mayor Pro-Tem	Caleb Phillips
Council Member	Caleb Phillips
Council Member	William Illg
Council Member	John Walden
Council Member	Mark French

APPOINTED OFFICIALS

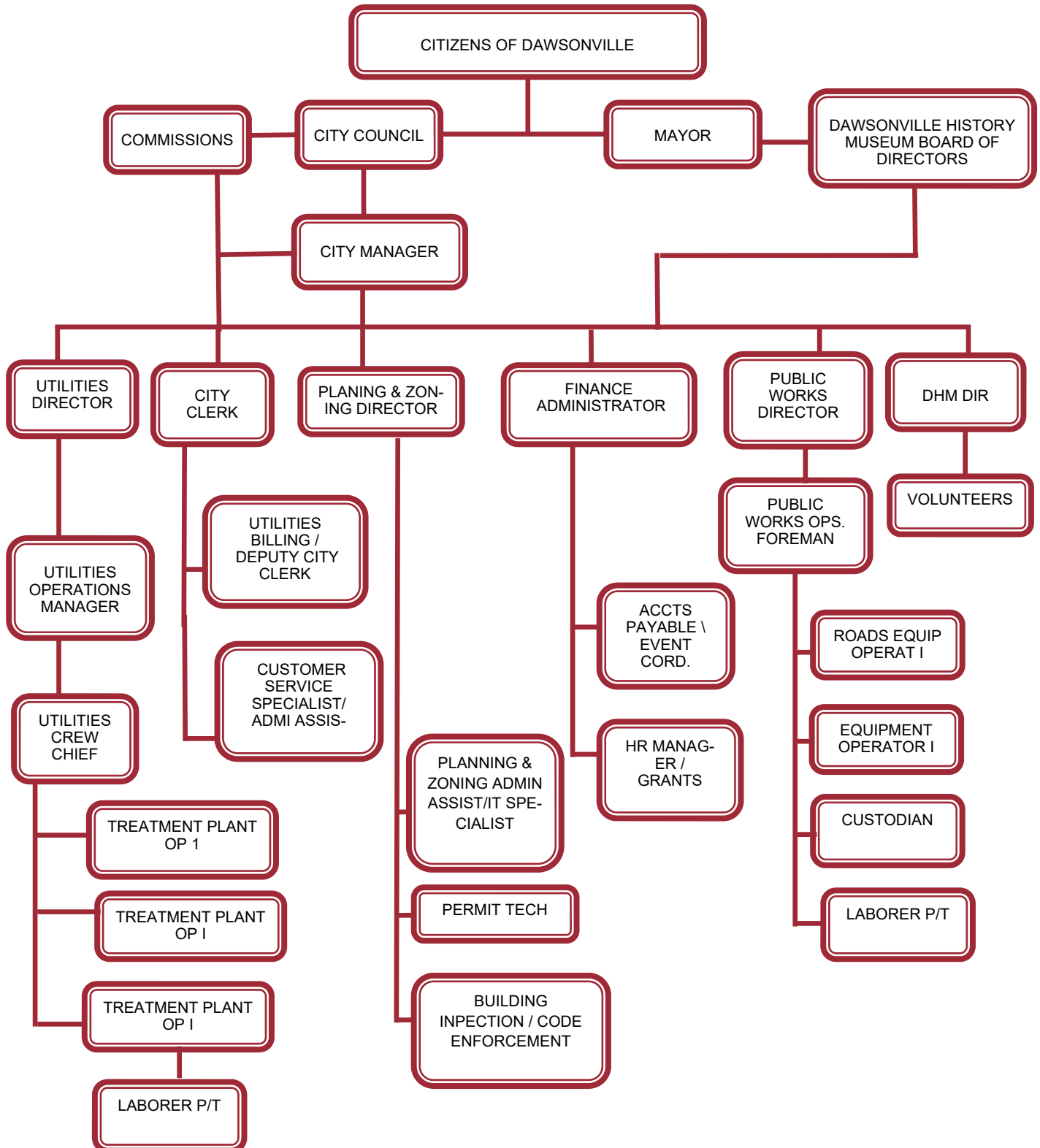
City Clerk	Beverly Banister
Deputy City Clerk	Tracy Smith
City Attorney	Kevin Tallant

ADMINISTRATION

City Manager	Robert D. Bolz
Utilities Operational Manager	Jacob Barr
Public Works Operations Manager	Trampas Hansard
Planning Director	David Picklesimer



CITY OF DAWSONVILLE, GEORGIA ORGANIZATION CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dawsonville
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dawsonville, Georgia as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dawsonville, Georgia as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 3 -10, and the required Defined Benefit Retirement Plan Pension Schedules on pages 43 - 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dawsonville, Georgia's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, the Schedule of Projects Constructed with Special Sales Tax Proceeds, the Schedules of Functional Allocations for the Water, Sewer and Garbage fund, the Schedule of Revenues, Expenses and Changes in Net Position budget and actual for the Water, Sewer and Garbage fund and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the Schedule of Projects Constructed with Special Sales Tax Proceeds, the Schedules of Functional Allocations for the Water, Sewer and Garbage fund and the Schedule of Revenues, Expenses and Changes in Net Position budget versus actual for the Water, Sewer and Garbage fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the Schedule of Projects Constructed with Special Sales Tax Proceeds, the Schedules of Functional Allocations for the Water, Sewer and Garbage fund, and the Schedule of Revenues, Expenses and Changes in Net Position budget versus actual for the Water, Sewer and Garbage fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 6, 2021 on our consideration of the City of Dawsonville, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dawsonville, Georgia's internal control over financial reporting and compliance.

Alexander Almand & Bangs, LLP

Alexander, Almand & Bangs, LLP
Gainesville, Georgia
December 6, 2021

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Dawsonville, Georgia 30534



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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Dawsonville, Georgia, we present our analysis of the City's financial condition and activities for the fiscal year ended June 30, 2021. This information should be read and considered in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

- The City of Dawsonville's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$ 24,641,694 (net position). Of this amount, \$ 6,603,997 was available for use to meet the City's ongoing obligations to its citizens and creditors.
- The City's net position increased by \$ 2,724,884 for general activities during the most recent fiscal year, resulting from governmental and business activities.
- The City's net investment in capital assets, increased by \$ 225,274 during fiscal year ending June 30, 2021.
- There was a significant increase of \$ 797,178 in the fund balance of the SPLOST Fund due primarily to a decrease of spending and an increase in tax revenue.
- In early 2021, there was great uncertainty regarding the impact of COVID-19 closures and activity. The City was able to exceed revenues from nearly all sources within the governmental and business-type activities. Overall, total government-wide net revenues increased by nearly 16%, while net expenditures increased 2.4%. The City is proud of this accomplishment given the uncertainty of the economy.
- In 2021, SPLOST VII was approved by the voters. This will enable the City to continue giving the Citizens more value ability to improve the Cities, Streets, Parks, City Hall, Water and Sewer, and Land acquisitions.

More detailed information regarding activities and funds begins on page 5.

Overview of the Financial Statements

This City of Dawsonville's management discussion and analysis is intended to serve as an introduction to the basic financial statements. The City's basic financial statements include three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. These components are described below:

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Dawsonville's finances, in a manner like a private-sector business.

The statement of net position presents information on all the City's total assets and deferred outflows of resources and liabilities and deferred inflows of resources, 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 net position combines and consolidates the governmental funds current financial resources with capital assets and long-term obligations.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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 Dawsonville include general government, public safety, highways and streets, and other charges. The major business-type activity of the City includes the water, sewer, and garbage system.

The government-wide financial statements include a legally separate Dawsonville Downtown Development Authority, a component unit of the City. Financial information for the component unit is blended into the City's financial statements.

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. All the funds of the City of Dawsonville can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. These funds also include the component unit.

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 year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains five governmental funds – the general fund, a SPLOST fund, Downtown Development Authority (“DDA”) and hotel-motel tax special revenue funds, and the permanent cemetery 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. The general fund and SPLOST funds are considered major funds, while the cemetery fund, DDA fund, and the hotel-motel tax fund are considered non-major governmental funds.

The City of Dawsonville adopted a full year budget for the period ending June 30, 2021 for all of its funds. A budgetary comparison statement has been provided for the general fund, Downtown Development Authority (“DDA”) fund, the hotel-motel tax fund, and the cemetery fund to demonstrate compliance with the budget.

Proprietary Funds

The City of Dawsonville maintains one proprietary enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Information is presented separately in the proprietary statement of net position and the proprietary statement of revenues, expense, and changes in net position for the water, sewer, and garbage fund, which is considered a major proprietary fund.

Permanent Funds

The City of Dawsonville maintains one permanent fund for the cemetery. Permanent funds account for resources that are legally restricted to allow the earnings (and not the principle) to be used to support the governments programs such as cemeteries, libraries, parks, and scholarships.

Notes to the financial statements

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in government-wide and the fund financial statements. The notes can be found immediately following the fund financial statements.

Other information

Required supplementary information is reported in addition to the basic financial statements and accompanying notes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At June 30, 2021, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 24,641,694. By far the largest portion of the City's net position reflects its net investment in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens, and they are not available for future spending. Although the investment in capital assets are 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.

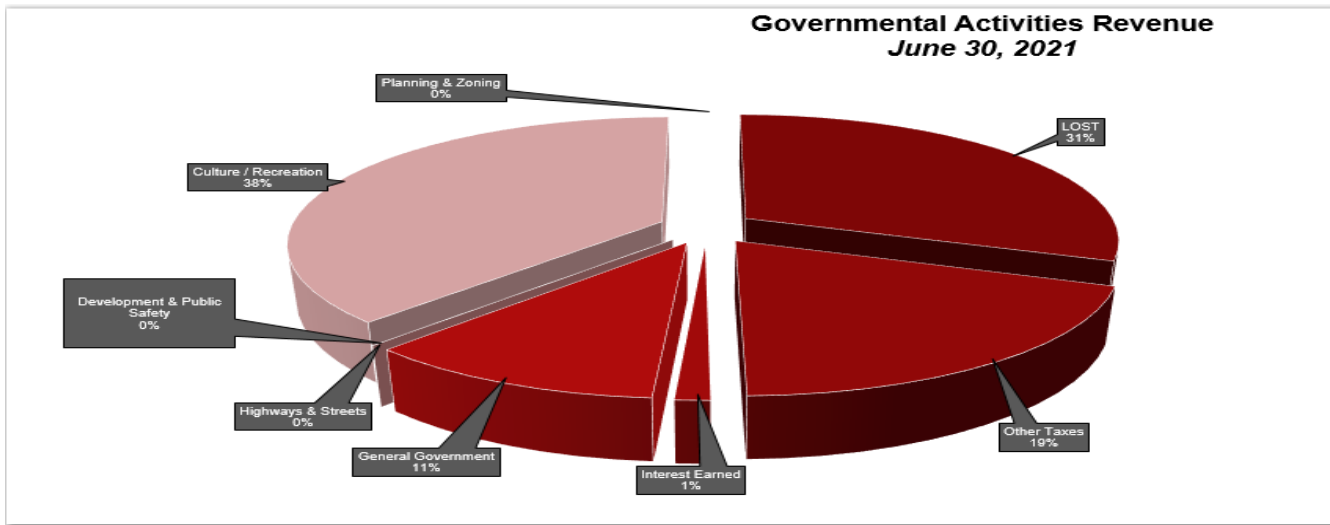
City of Dawsonville's Net Position

	<u>Total</u>	<u>Total</u>	<u>Govt'l</u>	<u>Govt'l</u>	<u>Business</u>	<u>Business</u>
	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>Activities</u>	<u>Activities</u>	<u>Type</u>	<u>Type</u>
			<u>6/30/2021</u>	<u>6/30/2020</u>	<u>Activities</u>	<u>Activities</u>
					<u>6/30/2021</u>	<u>6/30/2020</u>
Current assets	\$ 8,228,631	\$ 7,254,184	\$ 4,146,452	\$ 3,453,063	\$ 4,082,179	\$ 3,801,121
Capital assets	<u>21,561,745</u>	<u>21,336,471</u>	<u>9,739,702</u>	<u>9,389,854</u>	<u>11,822,043</u>	<u>11,946,617</u>
Total assets	<u>29,790,376</u>	<u>28,590,655</u>	<u>13,886,154</u>	<u>12,842,917</u>	<u>15,904,222</u>	<u>15,747,738</u>
Deferred outflows of resources	<u>84,321</u>	<u>144,927</u>	<u>62,743</u>	<u>102,343</u>	<u>21,578</u>	<u>42,584</u>
Other current liabilities	683,343	841,687	96,562	972,552	586,781	888,099
Long-term obligations	<u>4,522,060</u>	<u>6,344,887</u>	<u>224,178</u>	<u>275,829</u>	<u>4,297,882</u>	<u>4,674,416</u>
Total liabilities	<u>5,205,403</u>	<u>7,186,574</u>	<u>320,740</u>	<u>1,248,381</u>	<u>4,884,663</u>	<u>5,562,515</u>
Deferred inflows of resources	<u>27,610</u>	<u>7,905</u>	<u>20,545</u>	<u>5,583</u>	<u>7,065</u>	<u>2,322</u>
Net position:						
Net investment in capital assets	16,928,040	15,675,817	9,681,962	8,636,438	7,246,078	7,039,379
Restricted for cemetery	218,424	200,597	218,424	200,597	-	-
Restricted for tourism	-	866	-	866	-	-
Restricted for capital projects	872,599	75,421	872,599	75,421	-	-
Restricted for DDA	18,644	20,951	18,644	20,951	-	-
Unrestricted	<u>6,603,987</u>	<u>5,943,158</u>	<u>2,815,993</u>	<u>2,757,053</u>	<u>3,787,994</u>	<u>3,186,105</u>
Total net position	<u>\$ 24,641,694</u>	<u>\$ 21,916,810</u>	<u>\$ 13,607,622</u>	<u>\$ 11,691,326</u>	<u>\$ 11,034,072</u>	<u>\$ 10,225,484</u>

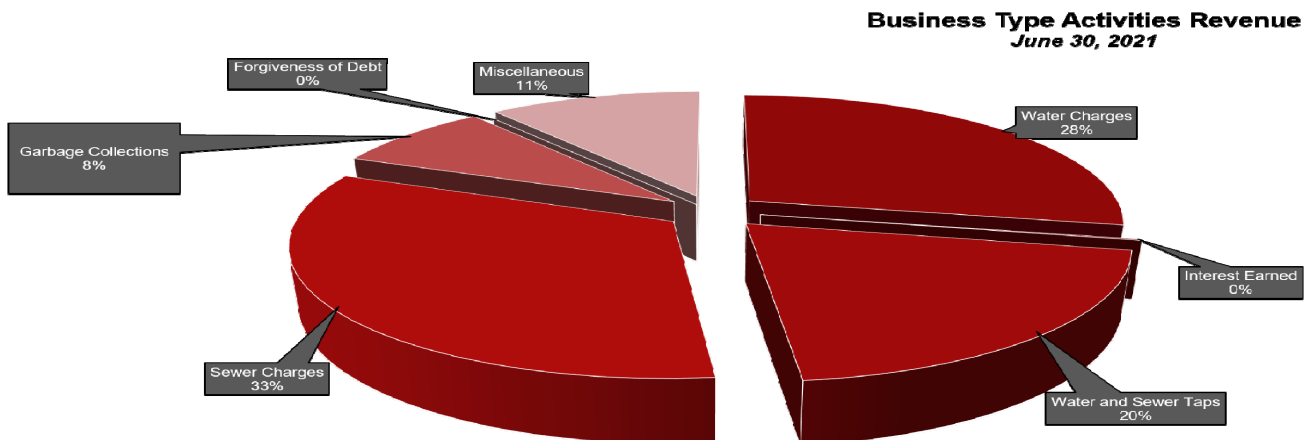
City of Dawsonville's Changes in Net Position (continued)

	<u>Total</u>	<u>Total</u>	<u>Gov't'l</u>	<u>Gov't'l</u>	<u>Business</u>	<u>Business</u>
	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>Activities</u>	<u>Activities</u>	<u>Type</u>	<u>Type</u>
			<u>6/30/2021</u>	<u>6/30/2020</u>	<u>Activities</u>	<u>Activities</u>
					<u>6/30/2021</u>	<u>6/30/2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 2,577,868	\$ 2,129,665	\$ 315,698	\$ 305,059	\$ 2,262,170	\$ 1,824,606
Operating grants & contributions	25,050	-	25,050	-	-	-
Capital grants & contributions	2,423,962	2,230,913	1,854,462	1,436,973	569,500	793,940
General revenues:						
Taxes	2,123,157	1,773,084	2,123,157	1,773,084	-	-
Interest	6,677	62,447	3,094	45,633	3,583	16,814
Total Revenues	7,156,714	6,196,109	4,321,461	3,560,749	2,835,253	2,635,360
Expenses:						
General government	1,262,990	1,226,733	1,262,990	1,226,733	-	-
Public safety	134	1,008	134	1,008	-	-
Public works	575,777	645,805	575,777	645,805	-	-
Culture/recreation	120,347	79,781	120,347	79,781	-	-
Planning and zoning	339,293	342,311	339,293	342,311	-	-
Development	100,914	36,318	100,914	36,318	-	-
Bond issuance costs	-	120,000	-	-	-	120,000
Interest on long-term debt	89,314	73,175	5,710	26,216	83,604	46,959
Water and sewer	1,943,061	1,801,778	-	-	1,943,061	1,801,778
Total Expense	4,431,830	4,326,909	2,405,165	2,358,172	2,026,665	1,968,737
Increase in net position before transfers	2,724,884	1,869,200	1,916,296	1,202,577	808,588	666,623
Transfers	-	-	-	(85,444)	-	85,444
Change in net position	2,724,884	1,869,200	1,916,296	1,117,133	808,588	752,067
Net position - beginning of year	21,916,810	20,047,610	11,691,326	10,574,193	10,225,484	9,473,417
Net position - ending of year	\$ 24,641,694	\$ 21,916,810	\$ 13,607,622	\$ 11,691,326	\$ 11,034,072	\$ 10,225,484

Revenues by Source:



For fiscal year 2021, total revenues for governmental activities increased by 21.36 % compared to fiscal year 2020. Proceeds from LOST have increased from 2020. Taxes received in the general fund primarily consisted of Local Option Sales Taxes (LOST), taxes assessed through services such as utilities and insurance, and title ad valorem taxes. In addition to consumers purchasing more generic goods, they are also purchasing more vehicles, resulting in an increase in title ad valorem taxes received by the City. Taxes received through utilities and insurance are based on the population receiving the certain service within the City’s annexed properties. The population assessed has grown due to the additional annexations of properties during the 2021 year, and therefore has impacted the City in a financially beneficial manner.

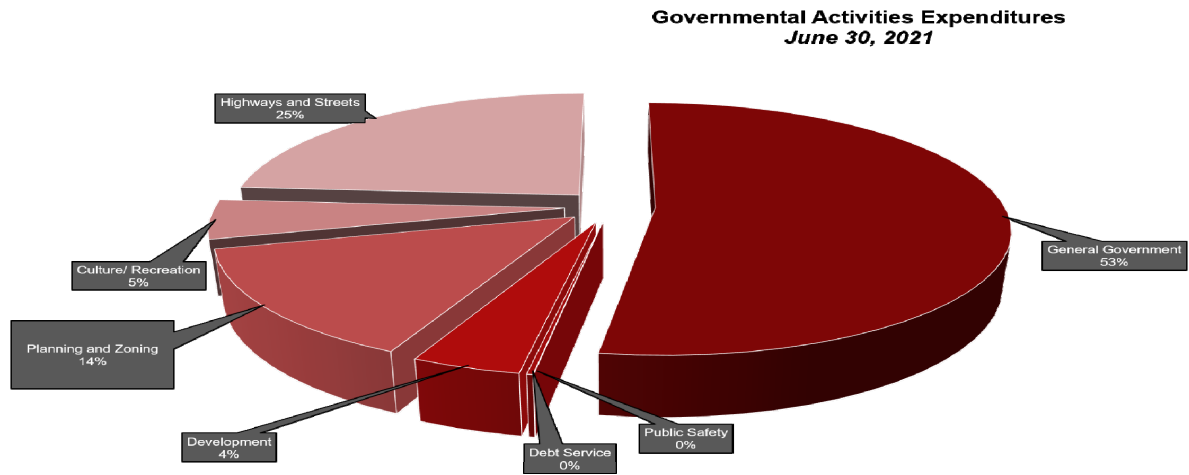


For fiscal year 2021, total revenues for business-type activities increased 7.59 % compared to fiscal year 2020 due to the increase in water/sewer charge revenue, slight increase in garbage collection revenue, as well as a significant increase in customer fees and penalties.

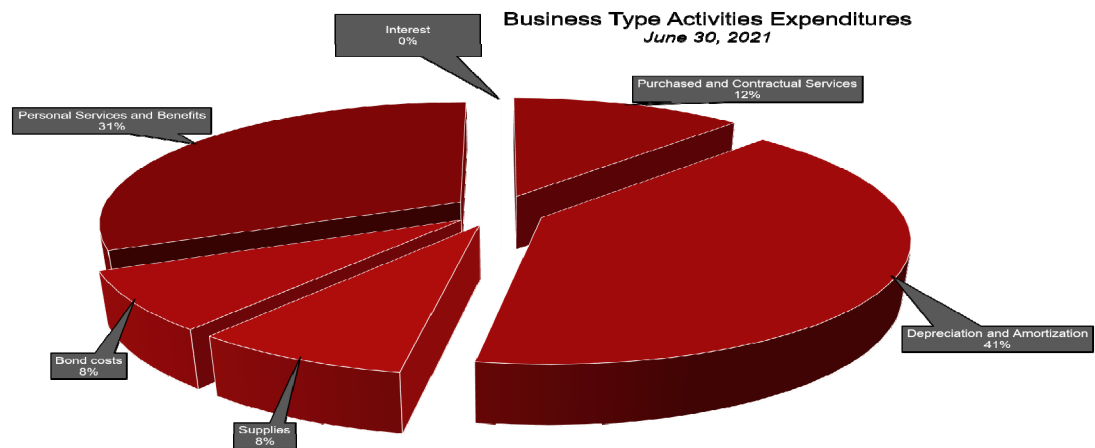
GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City’s General Fund original budget to the final budget are detailed in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual along with a comparison to actual activity for the year ended June 30, 2021. Fiscal management and expenditure control helped keep the budget in balance.

General Fund revenues of \$ 2,570,311 were greater than budgeted revenues of \$ 1,748,225 for the year ended June 30, 2021. General Fund expenditures were less than budgeted. With total appropriations of \$ 2,475,833 the City actually spent \$ 2,474,460 or \$ 1,373 less than budgeted, for the year ended June 30, 2021.



Expenditures by Function:



For fiscal year 2021, total expenditures for governmental activities increased 2% compared to fiscal year 2020 due to wages as well as professional fees.

For fiscal year 2021, total expenditures increased 2.9% for business-type activities compared to fiscal year 2020 due to additional depreciation expense for construction projects placed in service, increase in repairs and maintenance, and increase in technical and contracted services.

The City was very fortunate during the fiscal year because they were able to adapt to the constraints of COVID-19 across all funds, maintain activities such as planning & zoning, permits, water/sewer, etc. In doing so, the City was only minimally effected during the previous fiscal year and were able to fully continue operations during this fiscal year and meet the demands of the citizens. Adaption procedures implemented to address COVID-19 are still in place includes minimizing traffic and personnel within the physical offices and departments, including enhancing reliability on electronic processes and documentation.

ECONOMIC FACTORS

The issues facing the national and state economies correlate with the City's local economy. Currently the State of Georgia, especially the Northeast Region, is experiencing a significant economic growth period. This is attributed to the increased film production activity and corporate distribution/manufacturing facilities that are conducting business within the surrounding Region. The increased activities have created a greater demand for housing. Therefore, the City has seen a significant increase in requests for permits and local licensing for both new homes and commercial building construction. In addition, this has increased the needs for additional water and sewer systems, as well as general government services. The increase in demand for services will also provide increased revenues for the City. The City plans to maintain a conservative fiscal position, while increasing services, during the economic growth period.

CAPITAL ASSETS

As of June 30, 2021, and 2020 the City had \$ 31,820,486 and \$ 30,670,990 invested in a variety of capital assets, as in the schedule below. Adjustments for depreciation are \$ 924,212 and \$ 823,457 for the years ending June 30, 2021 and 2020. Adjustments for accumulated depreciation are \$ 10,258,741 and \$ 9,334,519 for the years ending June 30, 2021 and 2020. Further detail on capital assets is provided in the notes to the financial statements, note 2E.

	Total	Total	Gov't	Gov't	Business	Business
	6/30/2021	6/30/2020	Activities	Activities	Type	Type
			6/30/2021	6/30/2020	Activities	Activities
					6/30/2021	6/30/2020
Land	\$ 4,251,689	\$ 4,251,689	\$ 1,072,394	\$ 1,072,394	\$ 3,179,295	\$ 3,179,295
Artifacts	49,750	49,751	49,750	49,751	-	-
Construction in progress	3,830,806	3,691,034	3,504,478	3,144,590	326,328	546,444
Buildings	4,895,122	4,884,997	4,636,276	4,626,150	258,846	258,847
Improvements	32,825	32,825	32,825	32,825	-	-
Vehicles	243,979	310,929	243,979	243,979	-	66,950
Equipment	811,368	629,882	212,693	133,954	598,675	495,928
Infrastructure	3,073,595	2,873,134	3,073,595	2,873,134	-	-
Water and Sewer System	13,697,229	13,022,826	-	-	13,697,229	13,022,826
Sewer Treatment Plant	934,123	923,923	-	-	934,123	923,923
Total	31,820,486	30,670,990	12,825,990	12,176,777	18,994,496	18,494,213

The following reconciliation summarizes the change in Capital Assets:

	Total	Total	Gov't	Gov't	Business	Business
	6/30/2021	6/30/2020	Activities	Activities	Type	Type
			6/30/2021	6/30/2020	Activities	Activities
					6/30/2021	6/30/2020
Beginning Balance:	30,670,990	27,585,483	12,176,777	9,637,714	18,494,213	17,947,769
Additions:						
Land	-	81,000	-	81,000	-	-
Construction in Progress	571,576	1,817,942	359,887	1,271,498	211,689	546,444
Buildings	10,126	1,046,296	10,126	1,046,296	-	-
Vehicles	-	67,475	-	67,475	-	-
Equipment	114,535	-	78,739	-	35,796	-
Infrastructure	200,461	216,023	200,461	216,023	-	-
Water and Sewer System	674,403	-	-	-	674,403	-
Sewer treatment plant	10,200	-	-	-	10,200	-
Dispositions:						
Construction in Progress	(431,805)	(143,229)	-	(143,229)	(431,805)	-
Improvements	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-
Water and Sewer System	-	-	-	-	-	-
Total	\$ 31,820,486	\$ 30,670,990	\$ 12,825,990	\$ 12,176,777	\$ 18,994,496	\$ 18,494,213

LONG-TERM OBLIGATIONS

As of year-end, the City had \$ 4,633,715 in debt (bonds, notes, etc.) outstanding compared to \$ 6,272,897 prior year. The components which had an impact on the City's overall debt are shown below:

- The City acquired land of the Farmer's market. The agreement will mature on December 1, 2027. The remaining balance is \$ 57,750 as of June 30, 2021.
- The Downtown Development Authority issued Series 2019 Revenue Bonds in the amount of \$ 3,735,000 for the redemption (refinancing) of the Series 2014 Revenue Bonds. The \$ 3,735,000 was used for \$ 120,000 bond issuance costs and \$ 3,615,000 paid the balance of the Series 2014 Bonds. The interest rates on the Series 2019 Revenue Bonds is 1.90% and matures on February 1, 2033 the same as the Series 2014 Revenue Bonds. The projected gross savings for refinancing the Series 2014 Bonds is \$ 217,839 through maturity.
- The City made a final payment for the Series 2005 revenue bonds, eliminating the obligation.

Further detail on the City's outstanding debt is provided in the notes to the financial statements, note 2E.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Dawsonville's finances for all of Dawsonville's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the City Clerk, c/o City of Dawsonville, P. O. Box 6, Dawsonville, Georgia 30534.

FINANCIAL SECTION
Basic Financial Statements

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CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,848,337	\$ 3,734,336	\$ 6,582,673
Accounts receivable	466,281	122,505	588,786
Internal balances	(15,881)	15,881	-
Prepaid items	31,475	32,806	64,281
Restricted assets:			
Cash and cash equivalents	816,240	176,651	992,891
Total current assets	<u>4,146,452</u>	<u>4,082,179</u>	<u>8,228,631</u>
Non-current assets			
Capital assets, non-depreciable			
Land	1,072,394	3,179,295	4,251,689
Construction in progress	3,504,478	326,328	3,830,806
Artifacts	49,751	-	49,751
Capital assets, depreciable (net of depreciation)	<u>5,113,089</u>	<u>8,316,420</u>	<u>13,429,509</u>
Total non-current assets	<u>9,739,712</u>	<u>11,822,043</u>	<u>21,561,755</u>
TOTAL ASSETS	<u>13,886,164</u>	<u>15,904,222</u>	<u>29,790,386</u>
DEFERRED OUTFLOWS OF RESOURCES			
Retirement contributions	<u>62,743</u>	<u>21,578</u>	<u>84,321</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 13,948,907</u></u>	<u><u>\$ 15,925,800</u></u>	<u><u>\$ 29,874,707</u></u>

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$ 87,562	\$ 72,301	\$ 159,863
Current portion, notes payable	9,000	337,398	346,398
Customer deposits payable from restricted assets	-	177,082	177,082
Total current liabilities	<u>96,562</u>	<u>586,781</u>	<u>683,343</u>
Long-term liabilities:			
Compensated absences (due within one year)	47,335	15,264	62,599
Long-term debt, notes payable	48,750	4,238,567	4,287,317
Net pension liability	128,093	44,051	172,144
Total long-term liabilities	<u>224,178</u>	<u>4,297,882</u>	<u>4,522,060</u>
Total liabilities	<u>320,740</u>	<u>4,884,663</u>	<u>5,205,403</u>
DEFERRED INFLOWS OF RESOURCES			
Retirement adjustments	<u>20,545</u>	<u>7,065</u>	<u>27,610</u>
NET POSITION			
Net investment in capital assets	9,681,962	7,246,078	16,928,040
Restricted - nonexpendable:			
Cemetery	218,424	-	218,424
Restricted - expendable:			
Development	18,644	-	18,644
Capital projects	872,599	-	872,599
Unrestricted	<u>2,815,993</u>	<u>3,787,994</u>	<u>6,603,987</u>
Total net position	<u>13,607,622</u>	<u>11,034,072</u>	<u>24,641,694</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u><u>\$ 13,948,907</u></u>	<u><u>\$ 15,925,800</u></u>	<u><u>\$ 29,874,707</u></u>

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

	Expenses	Program Revenues		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,262,990	\$ 120,977	\$ -	\$ 158,339
Public safety	134	-	-	-
Public works	575,777	-	-	-
Culture/recreation	120,347	-	-	1,696,542
Planning and zoning	339,293	194,721	-	-
Development	100,914	-	25,050	-
Interest on long term debt	5,710	-	-	-
Total Government Activities	2,405,165	315,698	25,050	1,854,881
Business-Type Activities				
Water, sewer and garbage	2,026,665	2,262,170	-	569,500
Total Business-Type Activities	2,026,665	2,262,170	-	569,500
Total-Primary Government	\$ 4,431,830	\$ 2,577,868	\$ 25,050	\$ 2,424,381

GENERAL REVENUES:

Taxes: Sales
Alcoholic Beverage
Franchise
Other
Interest earned

Total general revenues and transfers

Change in net position

NET POSITION - beginning

NET POSITION - end of year

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

<u>Net (Expense) Revenue and Changes In Net Position</u>		
<u>Primary Government</u>		
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (983,674)	\$ -	\$ (983,674)
(134)	-	(134)
(575,777)	-	(575,777)
1,576,195	-	1,576,195
(144,572)	-	(144,572)
(75,864)	-	(75,864)
(5,710)	-	(5,710)
<u>(209,536)</u>	<u>-</u>	<u>(209,536)</u>
<u>-</u>	<u>805,005</u>	<u>805,005</u>
<u>-</u>	<u>805,005</u>	<u>805,005</u>
<u>(209,536)</u>	<u>805,005</u>	<u>595,469</u>
1,355,636	-	1,355,636
117,870	-	117,870
225,729	-	225,729
423,922	-	423,922
2,675	3,583	6,258
<u>2,125,832</u>	<u>3,583</u>	<u>2,129,415</u>
1,916,296	808,588	2,724,884
<u>11,691,326</u>	<u>10,225,484</u>	<u>21,916,810</u>
<u>\$ 13,607,622</u>	<u>\$ 11,034,072</u>	<u>\$ 24,641,694</u>

CITY OF DAWSONVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General	SPLOST	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,848,337	\$ -	\$ -	\$ 2,848,337
Receivables (net):				
Intergovernmental receivable	159,967	305,657	657	466,281
Due from other funds	2,913	-	2,190	5,103
Prepaid items	31,475	-	-	31,475
Restricted assets:				
Cash and cash equivalents	-	579,810	236,430	816,240
TOTAL ASSETS	3,042,692	885,467	239,277	4,167,436
LIABILITIES				
Accounts payable	28,029	10,385	1,779	40,193
Salaries payable	42,369	-	-	42,369
Deposits payable	5,000	-	-	5,000
Due to other funds	18,071	2,483	430	20,984
Total liabilities	93,469	12,868	2,209	108,546
FUND BALANCE				
Restricted non-spendable:				
Prepaid items	31,475	-	-	31,475
Permanent funds			218,424	218,424
Restricted spendable:				
Special revenue funds	-	-	18,644	18,644
Capital outlay	-	872,599	-	872,599
Unassigned:	2,917,748	-	-	2,917,748
Total Fund Balances	2,949,223	872,599	237,068	4,058,890
TOTAL LIABILITIES AND FUND BALANCE	\$ 3,042,692	\$ 885,467	\$ 239,277	\$ 4,167,436

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2021

TOTAL GOVERNMENTAL FUND BALANCES		\$ 4,058,890
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost	\$ 12,825,982	
Accumulated depreciation	<u>(3,086,270)</u>	
Total capital assets, net depreciation		9,739,712
<p>Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Compensated absences payable	(47,335)	
Notes payable	(57,750)	
Net pension liability	<u>(128,093)</u>	
Total liabilities		(233,178)
<p>Retirement adjustments due to implementation of GASB # 68</p>		
Deferred outflows of resources	62,743	
Deferred inflows of resources	<u>(20,545)</u>	
		<u>42,198</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 13,607,622</u></u>

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 2,117,280	\$ -	\$ 5,877	\$ 2,123,157
Charges for services	44,379	-	22,725	67,104
Intergovernmental	157,920	1,696,542	-	1,854,462
Licenses and permits	194,721	-	-	194,721
Fines and forfeitures	4,430	-	-	4,430
Contributions and donations	-	-	50	50
Interest earned	2,138	420	537	3,095
Rental income	49,443	-	-	49,443
Total Revenues	2,570,311	1,696,962	29,189	4,296,462
EXPENDITURES				
Current operating:				
General government	1,100,322	-	-	1,100,322
Public safety	134	-	-	134
Public works	550,313	-	5,435	555,748
Culture/recreation	482,056	-	-	482,056
Planning and zoning	329,635	-	-	329,635
Development services	12,000	-	34,100	46,100
Capital outlay	-	207,442	-	207,442
Debt service:	-	692,342	-	692,342
Total Expenditures	2,474,460	899,784	39,535	3,413,779
EXCESS REVENUES (EXPENDITURES)	95,851	797,178	(10,346)	882,683
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(25,000)	-	25,000	-
NET CHANGE IN FUND BALANCES	70,851	797,178	14,654	882,683
FUND BALANCES - beginning	2,878,372	75,421	222,414	3,176,207
FUND BALANCES - end of year	\$ 2,949,223	\$ 872,599	\$ 237,068	\$ 4,058,890

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, 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 June 30, 2021

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS \$ 882,683

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

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 as depreciation expense.
This is the amount by which capital outlay exceeds depreciation
expense in the current period.

Depreciation expense	\$ (299,356)	
Capital outlay reported in general government function	<u>649,213</u>	349,857

Governmental funds include the cost of principal debt reduction as an
expenditure which is not included in the statement of activities. 695,666

Governmental funds do not include the expense of compensated
absences liabilities, which are reflected in the statement of
net position.

Current year liability - compensated absences	(47,335)	
Prior year liability - compensated absences	<u>43,386</u>	(3,949)

Governmental funds do not include the expense of pension
contributions.

Pension contributions	(54,562)	
Change in net pension liability	<u>46,601</u>	<u>(7,961)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,916,296

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 1,459,200	\$ 1,459,200	\$ 2,117,280	\$ 658,080
Charges for services	48,100	48,100	44,379	(3,721)
Licenses and permits	112,900	112,900	194,721	81,821
Intergovernmental revenues	28,000	28,000	157,920	129,920
Fines and forfeitures	-	-	4,430	4,430
Interest earned	45,000	45,000	2,138	(42,862)
Rental income	55,025	55,025	49,443	(5,582)
Total revenues	1,748,225	1,748,225	2,570,311	822,086
EXPENDITURES				
Current operating:				
General government	978,460	1,100,757	1,100,322	435
Public safety	1,500	135	134	1
Public works	537,517	550,313	550,313	-
Culture/recreation	47,000	482,913	482,056	857
Planning and zoning	285,721	329,715	329,635	80
Development services	12,000	12,000	12,000	-
Total expenditures	1,862,198	2,475,833	2,474,460	1,373
TOTAL REVENUES OVER EXPENDITURES	(113,973)	(727,608)	95,851	823,459
OTHER FINANCING SOURCES (USES)				
Contingency	131,473	752,608	-	(752,608)
Transfers in (out)	(17,500)	(25,000)	(25,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	113,973	727,608	(25,000)	(752,608)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	70,851	\$ 70,851
FUND BALANCES - beginning			2,878,372	
FUND BALANCES - end of year			\$ 2,949,223	

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF NET POSITION
WATER, SEWER AND GARBAGE
PROPRIETARY FUND
June 30, 2021

	<u>Total Water, Sewer & Garbage Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 3,734,336
Receivables (net of allowance for uncollectible):	
Accounts	122,505
Due from general fund	15,881
Prepaid expense	32,806
Restricted assets:	
Cash and cash equivalents	<u>176,651</u>
Total current assets	<u>4,082,179</u>
Non-current assets:	
Capital assets:	
Nondepreciable capital assets	3,179,295
Construction in progress	326,328
Depreciable capital assets, net	<u>8,316,420</u>
Total non-current assets	<u>11,822,043</u>
TOTAL ASSETS	15,904,222
DEFERRED OUTFLOWS OF RESOURCES	
Retirement contributions	<u>21,578</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 15,925,800</u></u>

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF NET POSITION
WATER, SEWER AND GARBAGE
PROPRIETARY FUND
June 30, 2021

	Total Water, Sewer & Garbage Fund
	<u> </u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 30,885
Accrued expenses	15,276
Accrued interest payable	26,140
Current portion of long-term debt	337,398
Customer deposits - payable from restricted assets	<u>177,082</u>
Total current liabilities	<u>586,781</u>
Long-term liabilities:	
Compensated absences (due within one year)	15,264
Long-term debt (net of current portion)	4,238,567
Net pension liability	<u>44,051</u>
Total long-term liabilities	<u>4,297,882</u>
TOTAL LIABILITIES	<u>4,884,663</u>
DEFERRED INFLOWS OF RESOURCES	
Retirement adjustments	<u>7,065</u>
NET POSITION	
Net investment in capital assets	7,246,078
Unrestricted	<u>3,787,994</u>
TOTAL NET POSITION	<u>11,034,072</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 15,925,800</u></u>

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION
WATER, SEWER AND GARBAGE
PROPRIETARY FUND
For the Year Ended June 30, 2021

	<u>Total Water, Sewer & Garbage Fund</u>
OPERATING REVENUES	
Charges for services	\$ 1,942,549
Miscellaneous	<u>319,621</u>
Total operating revenues	<u>2,262,170</u>
OPERATING EXPENSES	
Personnel services and benefits	415,642
Purchased and contractual services	787,548
Supplies	115,016
Depreciation	<u>624,856</u>
Total operating expenses	<u>1,943,062</u>
OPERATING INCOME (LOSS)	<u>319,108</u>
NON-OPERATING INCOME (LOSS)	
Interest and other fiscal charges	(83,603)
Interest earned	<u>3,583</u>
Total non-operating income (loss)	<u>(80,020)</u>
CAPITAL CONTRIBUTIONS	
Tap connection fees and other	<u>569,500</u>
Total capital contributions	<u>569,500</u>
CHANGE IN NET POSITION	808,588
NET POSITION - beginning of year	<u>10,225,484</u>
NET POSITION - end of year	<u><u>\$ 11,034,072</u></u>

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF CASH FLOWS
WATER, SEWER AND GARBAGE
PROPRIETARY FUND
For the Year Ended June 30, 2021

	Total Water, Sewer & Garbage Fund
Cash flows from operating activities:	
Cash receipts from customers	\$ 1,967,449
Cash receipts from other operating sources	319,621
Cash payments for goods and services	(1,240,560)
Cash payments to employees for services and benefits	(426,163)
Net cash provided by (used in) operating activities	620,347
Cash flows from capital and related financing activities:	
Acquisition, construction and disposal of capital assets, net	(500,283)
Proceeds from tap fees	569,500
Principal paid on debt	(331,273)
Interest paid on debt	(83,603)
Net cash provided by (used in) capital and related financing activities	(345,659)
Cash Flows from investing activities:	
Interest received	3,583
Net cash provided by investing activities	3,583
Net increase (decrease) in cash and cash equivalents	278,271
Cash and equivalents - beginning of year	3,632,716
Cash and equivalents - end of year	\$ 3,910,987

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
STATEMENT OF CASH FLOWS (CONT'D)
WATER, SEWER AND GARBAGE
PROPRIETARY FUND
For the Year Ended June 30, 2021

	Total Water, Sewer & Garbage Fund
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:	
Operating income	\$ 319,108
Adjustments	
Depreciation	624,856
(Increase) decrease in assets and deferred outflows of resources	
Accounts receivable	3,109
Prepaid expense	(3,802)
Due from general fund	(2,094)
Deferred outflows	21,006
Increase (decrease) in liabilities and deferred inflows of resources	
Accounts payable	(327,118)
Customer deposits	22,912
Accrued expenses	(22)
Accrued interest payable	(3,215)
Compensated absences payable	(10,498)
Deferred inflows	4,742
Net pension liability	(28,637)
	\$ 620,347
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	\$ 620,347
Reconciliation of cash and cash equivalents:	
Cash and cash equivalents	\$ 3,734,336
Cash and cash equivalents - restricted	176,651
	\$ 3,910,987
	\$ 3,910,987

See accompanying notes to the basic financial statements.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Narrative Profile

The financial statements of the City of Dawsonville, Georgia (“the City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applicable to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City’s significant accounting policies are described below:

B. Financial Reporting Entity

The City of Dawsonville, Georgia, was incorporated in 1859 and operates under the elected Mayor and City Council form of government. The City provides the following services to its citizens: the general government, public safety, public works, culture and recreation, planning and zoning, and housing and development services, including tourism. In addition, the City operates public utilities (water, sewer and garbage) for most areas incorporated within the City limits as well as some immediate surrounding areas.

As required by the accounting principles generally accepted in the United States, the financial statements of the financial reporting entity present the City as the primary form of government and its component units (entities for which the government is considered to be financially accountable).

Blended Component Unit:

Dawsonville Downtown Development Authority

The Dawsonville Downtown Development Authority (the “Authority”) began in 1996 when the Mayor and City Council of Dawsonville approved the obligation of the City to the Dawsonville Downtown Development Authority for the revitalization and redevelopment of the central business district for Dawsonville. As required by the Official Code of Georgia Annotated (O.C.G.A.) Section 36-42-4, the Mayor and City Council of Dawsonville selected 7 members to the Board of Directors for the Authority. The directors, according to law, are to be appointed by the City Council and should consist of the following: 2 directors for a term of 2 years each, 2 directors for a term of 4 years each, and 3 directors for a term of 6 years each. In addition, appointed directors may also be elected City Council officials serving concurrently.

The Dawsonville Downtown Development Authority serves the City solely and receives substantially all its revenues from the City. Because the Authority cannot stand alone without the support of the City, and all members of its Board of Directors are appointed by the City Council, it is considered a blended component unit to the City. The Authority is not a separate legal entity, therefore, the financial position, sources of revenues and uses of resources of the Authority are presented as a special revenue fund in the City’s financial statements. The financial statements for the Dawsonville Downtown Development Authority can be obtained at the following address:

Dawsonville Municipal Complex
415 Highway 53 East
Dawsonville, GA 30534

C. Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Fiduciary activities are not included at the government-wide reporting level. The focus of the reporting model is on either the City as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basic Financial Statements (cont'd)

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

This government-wide focus is more on the substantiality of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The flow of economic resources measurement focus is used for both government-wide financial statements.

The fund financial statements are, in substance, very similar to the financial statements presented government-wide focus. However, emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category or fund type) are summarized into a single column.

Unless an internal service fund is combined with the business-type activities (deemed to be an infrequent event), totals on the proprietary fund statements should directly reconcile to the business-type activity column presented in the government-wide statements.

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

The focus of the current financial resources model is on the City as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

D. Basis of Presentation

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

The model as defined in GASB Statement No. 34 establishes criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a single column in the fund financial statements. The City reports the following major funds:

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

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Basis of Presentation (cont'd)

Capital Projects Fund: The Capital Projects Fund consists of the Special Purpose Local Option Sales Tax ("SPLOST") fund which is used to account for the receipt and expenditures related to capital construction projects using SPLOST funds collected.

Proprietary Funds: The Water, Sewer and Garbage Fund is an enterprise fund. It is for the operation of the City's water and sewer utility and garbage collection service. Activities of the fund include administration, operation, and maintenance of the water and sewer system, garbage collection and disposal system, as well as billing and collection activities. The Fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure longevity of the Fund.

1. Non-major Governmental Funds

Special Revenue Fund: This includes the Hotel-Motel Tax Fund which is used to account for the receipt of hotel-motel tax revenues. These funds are used to support tourism. This also includes DDA Funds that are used to support housing and development. The special revenue funds are represented together as "development services" in the basic financial statements but separated for analysis in some supplementary schedules. The City legally adopts an annual balanced budget for the special revenue funds.

Permanent Fund: The City reports one Permanent Fund for the cemetery. Permanent Funds account for resources that are legally restricted to allow the earnings (and not the principle) to be used to support the governments programs, such as cemeteries, libraries, parks, and scholarships. The City legally adopts an annual balanced budget for the cemetery fund.

2. Non-Current Governmental Assets/Liabilities

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The Government-wide Financial Statements and the Proprietary Combining Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

Accrual: Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual: All Governmental Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The City defines the length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Basis of Accounting (cont'd)

The City recognizes sales tax revenue on a modified accrual basis. Intergovernmental grant revenues, entitlements, and contributions are recognized in the year in which all eligibility requirements are met. In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and as deferred revenue by the recipient.

Proprietary Funds, which employ the economic resources measurement focus, distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with the Proprietary Fund's ongoing operations. The principal operating revenues of the City's Proprietary Funds are charges to customers for sales and services. Operating expenses for Proprietary Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses, transfers, or capital contributions.

F. Budgets

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

1. Prior to July 1, the Finance Administrator submits to the Mayor and Council a proposed operating budget for the calendar year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. The current year period budget was adopted for the fiscal year July 1, 2020 to June 30, 2021.
2. The Council holds a public hearing on the budget, giving notice thereof at least seven days in advance by publication in the official organ of the City of Dawsonville.
3. The budget is then revised and adopted or amended by the Council at the first regular meeting in July of the year to which it applies.
4. The budget so adopted may be revised during the year "only" by formal action of the Council in a regular meeting and no increase shall be made therein without provision also being made for financing the increase.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. The level of budgetary control is at the functional and department level. Budgets for the General Fund and Water and Sewer Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budgeted amounts are as originally adopted or as amended by the Council. The current year's budget may be adjusted to reflect changes in the local economy, changes in priorities or service needs, receipt of unbudgeted revenues, non-receipt of anticipated revenues and for unanticipated expenditures.

G. Assets and Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, and Net Position

1. Cash, Cash Equivalents, and Investments

For purposes of the Statements, the City considers cash and cash equivalents (including restricted cash and cash equivalents) to be currency on hand, and liquid investments with a maturity of three months or less when purchased.

Cash and cash equivalents are included in both unrestricted as well as restricted assets.

Investments include pooled investments and certificates of deposit (with maturities of three months or greater). Investments and certificates of deposit are reported at fair value.

The City does not maintain an investment policy that limits its investment choices. However, Georgia law authorizes the City to invest under the general provisions of O.C.G.A. Title 36 Chapters 80-98.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Assets and Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, and Net Position (cont'd)

2. Inventories

Expendable supplies are recorded as expenditures at the time the items are purchased. The City does not record inventories of supplies at year end due to the lack of materiality.

3. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

4. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash, cash equivalents, and certificates of deposit set aside for repayment of deposits to utility customers and cash funds required to be maintained by the bond.

5. Property Taxes

The City does not levy property taxes.

6. Capital Assets

General capital assets are those assets not specifically related to activities reported in the Proprietary Funds. These assets generally result from expenditures in Governmental Funds. The City reports these assets in the governmental activities column of the Government-wide Statement of Net Position but does not report these assets in the Governmental Fund financial statements. Capital assets utilized by Proprietary Funds are reported both in the business-type activities column of the Government-wide Statement of Net Position and in the Proprietary Fund's Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$ 5,000. The City's infrastructure consists of roads, bridges, and water lines. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed in the period incurred. Interest incurred during the construction of capital assets utilized by the Proprietary Fund is capitalized.

All reported capital assets are depreciated except for land, artifacts, right-of-ways, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

CITY OF DAWSONVILLE, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Assets and Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, and Net Position (cont'd)

6. Capital Assets (cont'd)

Depreciation is computed using the straight-line method for all real property and primarily straight line with other methods used periodically for equipment over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building and Improvements	20-50 years	20-50 years
Machinery and Equipment	5-10 years	5-10 years
Vehicles	5-7 years	5-7 years
Infrastructure	15-40 years	25-65 years
Water/Sewer System and Plant	-	25-60 years

7. Compensated Absences

Employees earn personal leave based on 26 bi-weekly payroll periods per year at the rate of 6 hours per bi-weekly payroll period for the first 5 years of employment, 8 hours per bi-weekly payroll period for 5 to 10 years of continuous service, and 10 hours per bi-weekly payroll period for over 10 years of continuous service. Personal leave cannot be accrued in excess of 240 hours. Employees may be compensated for excess personal leave up to 80 hours per year provided they have banked a minimum of 120 hours of personal leave.

Personal leave benefits are accrued as a liability as the benefits are earned, if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only to the extent they are "due for payment" during the current year.

8. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and paid in full from current financial resources are reported as obligations of these funds. Capital leases are recognized as a liability in the governmental fund financial statements when due.

9. Fund Equity

In accordance with GASB Statement No. 34, Fund Balance Reporting and Government Fund Type Definitions, the County classifies government fund balances as follows:

- Non-spendable – includes fund balances that cannot be spent either because it is not in spendable forms or because of legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Assets and Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, and Net Position (cont'd)

9. Fund Equity (cont'd)

- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Mayor and City Council.
- Unassigned – includes positive fund balance with the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Minimum Level of Unassigned Fund Balance - The general fund unassigned fund balance will be maintained at a level sufficient to provide for the required resources to meet operating costs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue resources. The City has an informal policy to maintain at least six months of prior year general fund operating and non-operating expenses in the unassigned balance of the general fund.

When both restricted and unrestricted resources are available, it is the City's policy to use restricted/committed resources first, unless there are legal conditions that prohibit doing so, then unrestricted resources as they are needed. The City will consider committed resources first, assigned resources second, and unassigned resources last when an expenditure is incurred for purposes in which any of those unassigned balances could be used.

10. Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer and garbage. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund.

The water, sewer and garbage fund recognizes the portion of tap fees intended to recover current costs (e.g. labor and materials to hook up new customers) as operating revenue. The portion intended to recover the costs of the infrastructure is recognized as non-operating revenue or capital contributions. Operating expenses for the proprietary funds include the costs of sales and service, depreciation on capital assets, and personnel services and benefits. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses or capital contributions and transfers.

11. Program Revenues

Program revenues are those revenues that are generated directly from the primary activity of the governmental funds. These consist of licenses, permits, inspections, rental income, cemetery lot sales, fire protection service, and grants.

12. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Assets and Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, and Net Position (cont'd)

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

14. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Credit and Concentration Risk – Investments: The City maintains investments in Georgia Fund 1, a combined state general fund and local government investment pool managed by the Office of the State Treasurer. Georgia Fund 1, formerly referred to as “LGIP” was established by O.C.G.A. 36-83-8. Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings on a monthly basis and determines participant’s shares sold and redeemed based on \$ 1.00 per share. The Georgia Office of the State Treasurer manages Georgia Fund 1. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board, which provides regulatory oversight.

The Georgia Fund 1 is rated AA+ rated investment pool by Standard & Poor’s. The weighted average maturity at June 30, 2021 was 36 days. Yield is calculated on an actual / 365 day basis, net of 5 basis points administrative fee. The City’s balance in Georgia Fund 1 at June 30, 2021 was \$ 2,516,786.

Custodial Credit Risk – Deposits:

The City maintains a formal adopted deposit, investment, and custodial credit risk policy and all deposits at June 30, 2021 were insured or collateralized by pledges held in the City’s name in the Georgia Bankers Association, Inc. pledging pool. Public funds are not required to disclose custodial credit risk for external investment pools; therefore, the Georgia Fund 1 is exempt from this requirement.

Interest Rate Risk – Deposits:

Interest rate risk is the risk that changes in interest rates may adversely affect an investment’s fair value. Since the price of a bond fluctuates with market interest rates, the risk an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The portfolio’s weighted average maturity (WAM) is a key determinate of the tolerance of a fund’s investments to risking interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rate. According to GASB Statement 40, an acceptable method for reporting interest rate risk is WAM. WAM is the method used for reporting purposes for Georgia Fund 1.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT’D)

A. Deposits and Investments (cont’d)

The City’s cash, cash equivalents, and certificates of deposit are restricted for the following purposes:

	6/30/2021
Capital projects fund:	
SPLOST projects	\$ 579,810
Special Revenue fund:	
DDA	17,576
Permanent fund:	
Maintenance and care for the cemetery	218,854
Proprietary fund:	
Customer deposits	176,651
Total restricted cash, cash equivalents and certificates of deposit	\$ 992,891

B. Accounts Receivable

Receivables are recorded on the City’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. All receivables are current and therefore due within one year. The City has not estimated an allowance for uncollectible accounts in the current year.

Accounts receivable at June 30, 2021 consist of the following:

	General Fund	Capital Projects Funds	Hotel Fund	Enterprise Water, Sewer & Garbage Fund	Total
Receivables					
Billed services	\$ -	\$ -	\$ -	\$ 122,505	\$ 122,505
Intergovernmental	159,967	305,657	657	-	466,281
Gross receivables	\$ 159,967	\$ 305,657	\$ 657	\$ 122,505	\$ 588,786

C. Interfund Balances and Transfers

Interfund transactions are reflected as loans, services provided reimbursements, or transfers. Loans are reported as receivables and payables, as appropriate, are subject to elimination upon consolidation and referred to as either “due to/from other funds.” Any residual balances outstanding between the government activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not financial resources.

Internal services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal services provided are used and therefore not eliminated in the process of consolidation.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers. Transfers between government or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

CITY OF DAWSONVILLE, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

C. Interfund Balances and Transfers (cont'd)

The composition of interfund balances as of June 30, 2021 are as follows:

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 2,913	\$ 18,071
SPLOST fund	-	2,483
Cemetery fund	-	430
Water, sewer and garbage fund	15,881	-
Hotel-motel fund	2,190	-
Totals	<u>\$ 20,984</u>	<u>\$ 20,984</u>

Transfers from the general fund to the DDA are for operating and development grant purposes. There were no transfers from the general fund to the DDA in the current year. Transfers from the SPLOST fund to the water and sewer fund are for capital expenditures to improve the drinking and clean water projects of the City. There were no funds transferred to or from SPLOST in the current year.

D. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Government has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the Government is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The Government is also to allow the pool's agents and attorneys to represent the Government in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the Government within the scope of loss protection furnished by the funds.

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

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

E. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance 6/30/2020	Additions	Deductions	Balance 6/30/2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,072,394	\$ -	\$ -	\$ 1,072,394
Construction in progress	3,144,590	359,888	-	3,504,478
Artifacts	49,751	-	-	49,751
Total capital assets not being depreciated	4,266,735	359,888	-	4,626,623
Depreciable capital assets:				
Buildings	4,626,150	10,126	-	4,636,276
Improvements other than buildings	32,825	-	-	32,825
Vehicles	243,979	-	-	243,979
Machinery and equipment	133,954	78,739	-	212,693
Infrastructure	2,873,134	200,461	-	3,073,595
Total depreciable capital assets	7,910,042	289,326	-	8,199,368
Accumulated depreciation:				
Buildings	1,624,766	117,536	-	1,742,302
Improvements other than buildings	24,822	519	-	25,341
Vehicles	142,722	37,906	-	180,628
Machinery and equipment	111,603	8,406	-	120,009
Infrastructure	883,010	134,989	-	1,017,999
Total accumulated depreciation	2,786,923	299,356	-	3,086,279
Total depreciable capital assets - net	5,123,119	(10,030)	-	5,113,089
Governmental activities capital assets, net	\$ 9,389,854	\$ 349,858	\$ -	\$ 9,739,712

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

D. Capital Assets (cont'd)

	Balance 6/30/2020	Additions	Deductions	Balance 6/30/2021
Business-type activities:				
Capital assets not being depreciated				
Land	\$ 3,179,295	\$ -	\$ -	\$ 3,179,295
Construction in progress	546,444	211,689	431,805	326,328
Total capital assets not being depreciated	3,725,739	211,689	431,805	3,505,623
Other capital assets:				
Buildings	258,847	-	-	258,847
Machinery and equipment	562,878	35,796	-	598,674
Water and sewer system	13,022,826	674,403	-	13,697,229
Sewer treatment plant	923,923	10,200	-	934,123
Total other capital assets	14,768,474	720,399	-	15,488,873
Accumulated depreciation				
Buildings	71,793	7,801	-	79,594
Machinery and equipment	414,945	63,496	-	478,441
Water and sewer system	5,552,856	498,775	-	6,051,631
Sewer treatment plant	508,002	54,785	-	562,787
Total accumulated depreciation	6,547,596	624,857	-	7,172,453
Total depreciable capital assets - net	8,220,878	95,542	-	8,316,420
Business-type activities capital assets, net	\$ 11,946,617	\$ 307,231	\$ 431,805	\$ 11,822,043
Depreciation expense was charged to function as follows:				
General government		\$ 162,857		
Planning and zoning		9,658		
Public works		96,482		
Culture and recreation		30,359		
Total Governmental activities depreciation expense		\$ 299,356		
Business-type Activities				
Water and sewer		\$ 624,857		

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

F. Retirement Plan

1. Plan Description

The City participates in the Georgia Municipal Employees Benefit System (GMEBS) Retirement Fund, an agent multiple-employer defined benefit plan where contributions made by the City are commingled with contributions made by the other participants of the GMEBS Retirement Fund for investment purposes. The plan periodically issues an overall report to the required agencies. A stand-alone financial report can be obtained at City Hall.

The specific benefit provisions of the City's plan were established by an adoption agreement executed by the City Council. The plan provides for benefits upon retirement, death, disablement, and termination of employment. The plan is affiliated with the Georgia Municipal Employees Benefit System Retirement Fund, an agent multiple-employer pension plan administered by the Georgia Municipal Association (GMA). The City Council retains the authority to amend the adoption agreement, which defines the specific operational provisions of the plan.

Under the provisions of the plan, employees including elected officials are eligible to participate immediately. The pension benefits are fully vested after 5 years in the plan. Elected officials have no vesting schedule. Elected officials may retire at the age of 65, while employees may retire at the age of 70. The benefit rate for employees terminated after December 1, 2004 is 1.5%. Elected officials will receive benefits at a rate of \$ 25 per month for each year of service up to a maximum of 25 years.

2. Funding Policy

The City is required to contribute an actuarially determined amount annually to the plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the GMEBS plan trustees and intended to satisfy the minimum contribution requirements set forth in controlling State of Georgia Statutes. The policy requires a different funding level than the estimated minimum annual contribution to minimize fluctuation in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. Administrative expenses are based on expected total covered payroll of plan members and are added to the annual funding requirement. Funding for the pension liabilities has been provided through the respective employees' department (i.e. general fund or enterprise fund) in prior years. The required minimum contribution for the year-ended for the plan based on these standards is \$ 67,632; representing 7.11% of the expected payroll of covered employees. The City's contribution is made prior to year-end.

3. Additional Information

At January 1, 2021, the date of the most recent actuarial valuation, the 42 participants (including 5 elected officials) was made up of the following:

Retirees, beneficiaries and disabled participants receiving benefits	6
Vested former participants	13
Active employees participating in the plan	<u>23</u>
Total number of participants	<u><u>42</u></u>

Actuarial Assumptions: The City's total pension liability was based on a September 30, 2020 measurement date; the net pension liability was measured as of January 1, 2021.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

3. Additional Information (cont'd)

Actuarial valuation determined the total pension liability using assumptions that were applied to all periods included in the measurement. Assumptions were approved by the Plan's Board of Trustees in December 2019 based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019 conducted in November and December of 2019. These assumptions are as follows:

Inflation	2.250%
Projected salary increases	2.250% plus age and service based merit increases
Net investment rate of return	7.375%
Cost of living adjustments	0.000%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization method	16 years

Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled participants mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active and terminated participants mortality rates were based on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

The long-term expected rate of return 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. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of January 1, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45.00%	6.40%
International equity	20.00%	7.05%
Real estate	10.00%	4.50%
Global fixed income	5.00%	1.25%
Domestic fixed income	20.00%	1.15%
Total	100.00%	

Discount Rate. The discount rate used to determine the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rate equal to the actuarially determined contribution rates and the member 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

F. Retirement Plan (cont'd)

3. Additional Information (cont'd)

Changes in Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (c)
	<u> </u>	<u> </u>	<u> </u>
Balances at March 31, 2020	\$ 774,486	\$ 527,105	\$ 247,381
Changes of the year:			
Service cost	\$ 20,849	\$ -	\$ 20,849
Interest	29,241	-	29,241
Differences between expected and actual experience	18,533	-	18,533
Contributions - employer	-	24,427	(24,427)
Contributions - employee	-	-	-
Net investment income	-	123,376	(123,376)
Benefits payments, including refunds of employee contributions	(4,705)	(4,705)	-
Administrative expense	-	(3,943)	3,943
Other	-	-	-
Net Changes	<u>63,918</u>	<u>139,155</u>	<u>(75,237)</u>
Balances at September 30, 2020	<u>\$ 838,404</u>	<u>\$ 666,260</u>	<u>\$ 172,144</u>

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
	<u> </u>	<u> </u>	<u> </u>
	\$ 285,594	\$ 172,144	\$ 78,470

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

F. Retirement Plan (cont'd)

3. Additional Information (cont'd)

For the year ended June 30, 2021, the City recognized government-wide pension expense of \$ 58,845. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,963	\$ (3,953)
Changes of assumptions	18,144	-
City contributions subsequent to measurement date	12,214	-
Net difference between projected and actual earnings on pension plan investments	-	(23,657)
Total	\$ 84,321	\$ (27,610)

The \$ 12,214 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date of January 1, 2021, will be recognized as a reduction to the pension liability in the subsequent fiscal period rather than the current. The net effect of the deferred outflows and inflows of resources on the net pension liability as of June 30, 2021 is \$ 5,073. Certain amounts reported as deferred outflows and inflows of resources will be recognized as pension expense in future years and are as follows:

Year Ending June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	\$ 46,105	\$ (30,722)
2023	43,621	(22,813)
2024	36,326	(20,730)
2025	13,440	(20,730)
Total	\$ 139,492	\$ (94,995)

G. Long-Term Obligations

1. Downtown Development Authority Series 2005 and 2014 Revenue Bonds (Component Unit) and Intergovernmental Capital Lease Agreement (General Fund) – Governmental Activities

On December 22, 2005, the Downtown Development Authority issued Series 2005 Revenue Bonds for the purpose of financing the costs of acquiring property known as the Dawsonville Municipal Complex for the City of Dawsonville. The value of capital assets recorded under the capital lease agreement for the Dawsonville Municipal Complex building totals \$ 2,575,106. Subsequent to the issuance, the City entered into an Intergovernmental Lease Agreement with the Downtown Development Authority by which the City has agreed to pay the bond debt installments under a lease-purchase arrangement until the full debt is satisfied, which occurred in November 2020.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

G. Long-Term Obligations (cont'd)

1. Downtown Development Authority Series 2005 and 2014 Revenue Bonds (Component Unit) and Intergovernmental Capital Lease Agreement (General Fund) – Governmental Activities (cont'd)

The Series 2005 – A Bond is a “qualified tax-exempt” obligation eligible for preferential governmental finance rates. The Series 2005 original capital lease obligation was \$ 2,166,922, with monthly installments of \$ 11,161 beginning January 22, 2006 with an interest rate of 2.1125%. The obligation matures December 22, 2025. The bond was paid in full in November 2020.

On August 1, 2014, the Downtown Development Authority issued Series 2014 Revenue Bonds for the purpose of financing the costs to acquire land adjacent to the Dawsonville Municipal Complex. The City then entered into an Intergovernmental Lease Agreement with the Downtown Development Authority in which the City pays the bond debt installments under a lease-purchase arrangement until the full debt is satisfied, which occurred.

2. Notes Payable (Governmental Activities)

The City entered into a zero-interest agreement that will mature on December 1, 2027 for land acquired for the Farmer’s Market. The monthly installments are \$ 750 and paid from the SPLOST fund. The remaining balance is \$ 57,750 as of June 30, 2021.

3. Revenue Bonds (Business-type Activities)

On November 1, 2019, the Downtown Development Authority issued Series 2019 Revenue Bonds in the amount of \$ 3,735,000. The proceeds of these bonds were used to: (a) redemption Series 2014 Bonds, and (b) to pay the costs of \$ 120,000 for issuing the Series 2019 Bonds. The City entered into an Intergovernmental Agreement with the Downtown Development Authority by which the City has agreed to pay the bond debt installments until the full debt is satisfied. The bonds bear an interest rate of 1.90%. The obligation matures on February 1, 2033. The principal balance at June 30, 2021 is \$ 3,245,000. The City agreed that if necessary, an annual property tax would be levied to cover the cost. The City has not considered this necessary as of June 30, 2021.

4. Drinking Water State Revolving Fund Note Payable (Business-type Activities)

The City maintains two Drinking Water Revolving Fund Loans from Georgia Environmental Finance Authority (GEFA). The funds will be used for Water and Sewer projects. The City pays a monthly administrative fee to GEFA for the loans. Principal payments and accrued interest on the notes shall be payable monthly on the first day of each calendar month. All loans have been fully drawn and are in repayment as of June 30, 2021. GEFA requires the City to maintain a 105% debt service coverage.

The first loan, dated February 18, 2015, offered up to \$ 1,000,000 in principal with 30% to be forgiven by GEFA. The obligation bears an interest rate of 1.71% and matures on January 1, 2039. The principal balance at June 30, 2021 is \$ 627,563.

The second loan, dated July 1, 2018, offered up to \$ 569,000 in principal with 30% to be forgiven by GEFA. During the year ending June 30, 2020, GEFA forgave \$22,440 of the loan. The obligation bears an interest rate of 0.5% and matures on January 1, 2029. The principal balance at June 30, 2021 is \$ 323,416.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

G. Long-Term Obligations (cont'd)

5. Clean Water State Revolving Fund Note Payable (Business-type Activities)

The City has a note payable dated April 1, 2019 from GEFA to finance the costs of updating the wastewater treatment plant. The clean water loan also requires the City to maintain a 105% debt coverage ratio. The loan had an original balance of \$ 445,000. The obligation bears an interest rate of 2.03% and matures on December 1, 2037. The principal balance at June 30, 2021 is \$ 379,986.

Changes in long-term obligations for the year ended June 30, 2021 are as follows:

Governmental Activities	Balance 6/30/2020	Increases	Decreases	Balance 6/30/2021	Due within One Year
Capital Lease Obligations	\$ 686,666	\$ -	\$ 686,666	\$ -	\$ -
Note Payable	66,750	-	9,000	57,750	9,000
	<u>753,416</u>	<u>-</u>	<u>695,666</u>	<u>57,750</u>	<u>9,000</u>
Compensated Absences	43,386	54,704	50,755	47,335	47,335
	<u>43,386</u>	<u>54,704</u>	<u>50,755</u>	<u>47,335</u>	<u>47,335</u>
Total Governmental Activities	<u>\$ 796,802</u>	<u>\$ 54,704</u>	<u>\$ 746,421</u>	<u>\$ 105,085</u>	<u>\$ 56,335</u>
Business-type Activities	Balance 6/30/2020	Increases	Decreases	Balance 6/30/2021	Due within One Year
Revenue Bond	\$ 3,485,000	\$ -	\$ 240,000	\$ 3,245,000	\$ 245,000
Notes Payable	1,422,238	-	91,273	1,330,965	92,398
	<u>4,907,238</u>	<u>-</u>	<u>331,273</u>	<u>4,575,965</u>	<u>337,398</u>
Compensated Absences	25,762	20,322	30,820	15,264	15,264
	<u>25,762</u>	<u>20,322</u>	<u>30,820</u>	<u>15,264</u>	<u>15,264</u>
Total Business-type Activities	<u>\$ 4,933,000</u>	<u>\$ 20,322</u>	<u>\$ 362,093</u>	<u>\$ 4,591,229</u>	<u>\$ 352,662</u>

Decreases for notes payable in the schedule above are a combination of actual principal paid on the notes of \$ 91,273.

Debt-service requirements for long-term obligations are as follows for the years ending June 30:

Governmental Activities

	Principal	Interest	Total
2022	\$ 9,000	\$ -	\$ 9,000
2023	9,000	-	9,000
2024	9,000	-	9,000
2025	9,000	-	9,000
2026	9,000	-	9,000
2027 - 2031	<u>12,750</u>	<u>-</u>	<u>12,750</u>
Total	<u>\$ 57,750</u>	<u>\$ -</u>	<u>\$ 57,750</u>

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

G. Long-Term Obligations (cont'd)

5. Long-Term Obligation Activity (cont'd)

Business-type Activities	Revenue Bonds		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2022	\$ 245,000	\$ 61,655	\$ 92,398	\$ 19,548	\$ 418,601
2023	250,000	57,000	93,542	18,405	418,947
2024	255,000	52,250	94,635	17,312	419,197
2025	260,000	47,405	95,813	16,134	419,352
2026	260,000	42,465	97,084	14,863	414,412
2027 - 2031	1,380,000	136,325	398,440	56,340	1,971,105
2032 - 2036	595,000	17,005	314,456	27,899	954,360
2037 - 2041	-	-	144,597	3,044	147,641
Total	<u>\$ 3,245,000</u>	<u>\$ 414,105</u>	<u>\$ 1,330,965</u>	<u>\$ 173,545</u>	<u>\$ 5,163,615</u>

Total government-wide, combined obligations including interest for the years ending June 30:

Government-Wide Activities

	Principal	Interest	Total
2022	\$ 346,398	\$ 81,203	\$ 427,601
2023	352,542	75,405	427,947
2024	358,635	69,562	428,197
2025	364,813	63,539	428,352
2026	366,084	57,328	423,412
2027 - 2031	1,791,190	192,665	1,983,855
2032 - 2036	909,456	44,904	954,360
2037 - 2041	144,597	3,044	147,641
Total	<u>\$ 4,633,715</u>	<u>\$ 587,650</u>	<u>\$ 5,221,365</u>

The City has no unused lines of credit open, and has no assets pledged as collateral for debt. All notes, capital leases, and revenue bonds originated under direct borrowing agreements.

6. Compensated Absences (Governmental and Business-type Activities)

Compensated absences liability was \$ 47,335 for governmental activities, and \$ 15,264 for business-type activities at June 30, 2021, respectively.

Compensated absences are liquidated in the general fund for governmental activities and in the enterprise fund for business-type activities; see Note 1 for a further explanation of compensated absences. The City has reported 100% of the compensated absence liability as due in one year, as the City projects that most of the employees will use compensated absences earned within one year. Although the full balance is expected to be used within one year, the time earned will continue to replenish throughout the year and therefore the compensated absences remains noncurrent.

CITY OF DAWSONVILLE, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 2 – DETAILED NOTES ON ALL FUNDS (CONT'D)

H. Restricted Equity and Fund Balances

Fund balances at June 30, 2021 consist of the following for the governmental funds:

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Fund balances:				
Restricted non-spendable:				
Prepaid items	\$ 31,475	\$ -	\$ -	\$ 31,475
Cemetery	-	-	218,424	218,424
Restricted spendable:				
Capital projects	-	872,599	-	872,599
Hotel/motel	-	-	1,068	1,068
DDA	-	-	17,576	17,576
Unassigned:	2,917,748	-	-	2,917,748
Total fund balance	\$ 2,949,223	\$ 872,599	\$ 237,068	\$ 4,058,890

1. Permanent Fund

Restricted for cemetery – An amount of \$ 218,424 has been restricted in the Cemetery Fund since this amount is not legally available for appropriation. Of these funds, \$ 218,424 is expendable for cemetery perpetual care.

2. Special Revenue Fund

Restricted for tourism and development – A total of \$ 1,068 has been restricted for tourism expenditures in the Hotel-Motel Fund since this amount is not legally available for appropriation. A total of \$ 17,576 has been restricted for housing and development in the Downtown Development Authority of Dawsonville, Georgia.

3. Capital Projects Fund

Restricted for capital projects – An amount of \$ 872,599 has been restricted in the SPLOST capital projects fund because this amount is not legally available for appropriation.

Note 3 – COMMITMENTS AND CONTINGENCIES

A. Intergovernmental agreement for LOCAL OPTION SALES TAX (LOST) revenues.

Effective January 1, 2013 through December 31, 2022, the local option sales tax proceeds shall be divided between parties with Dawson County to receive 88% of the LOST proceeds and the City to receive 12% of LOST proceeds.

B. Litigation

According to management and the City's legal counsel, there are no adverse legal issues outstanding that should substantially or materially affect the financial statements.

Note 4 – HOTEL/MOTEL TAX

During the year ended June 30, 2021, the City had receipts based on the tax rate of 6%, of \$ 5,877 and incurred expenditures of \$ 5,675 (97% of revenues). These funds are held for disbursement to the Dawson County Chamber of Commerce for the purpose of promoting tourism. The City complied with the requirements of OCGA 48-13-51.

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 5 – ARTIFACTS

History Museum (FKA GA Racing Hall of Fame). The Museum was established as its own entity in 2011. The collection has a remaining cost basis of \$ 49,751 as of June 30, 2021. The artifacts are expected to maintain intrinsic value and are, therefore, not depreciated.

The Board of Directors for the Dawsonville History Museum is appointed by the City Council of Dawsonville. In addition, several members of the City's management, are voting members of the Board. Because of this, the Dawsonville History Museum is considered to be a related party of the City. During the year ending June 30, 2021, the Dawsonville History Museum paid the City \$ 11,800 in rental income. There were no balances due to or from the Dawsonville History Museum as of June 30, 2021.

Note 6 – JOINT VENTURE

Georgia Mountains Regional Commission (GMRC)

Under Georgia law, the City, in conjunction with other cities and counties in the thirty county Northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. Membership in GMRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organization structure of the GMRC in Georgia. The GMRC Board membership includes the chief elected official of each county and municipality of the area and private sector individuals from each County and three minority members. Annual dues are paid by the Dawson County Board of Commissioners to include the City of Dawsonville and overall county populace.

OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a GMRC. Separate financial statements may be obtained from the Georgia Mountains Regional Commission, 1310 West Ridge Road Gainesville, Georgia 30501.

Note 7 – RESPONSE TO COVID-19

On March 11, 2020, the World Health Organization characterized the novel strain of coronavirus, COVID-19, a global pandemic. In response to COVID, the City passed a resolution on March 16, 2020 declaring emergency conditions, directions on the ability to provide interaction with the Citizens of Dawsonville, and further protocol to continue operations in order to meet the needs of citizens. Recommendations by the Centers for Disease Control (CDC) and the World Health Organization (WHO) were followed to the best of their abilities, including limiting the number of citizens and personnel within City Hall, other departments, and facilities of the City. The City was able to adapt quickly due to the efforts put in place in prior years for electronic communications to the public and electronic documentation processes.

Note 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 6, 2021, the date the financial statements were available to be issued and identified two events. Effective July 1, 2021, the City adopted a new contribution plan for all eligible employees that work a minimum of thirty hours per week. For each participant contributing to the City Georgia Municipal Association 457 (b) Plan, the employer will contribute 100% of the dollar amount contributed. The match will not exceed 1.5% of the participant's gross income from the employer per payroll period. On July 8, 2021 the City received a payment of \$ 606,087 from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The City is expected to receive another similar payment later in the 2022 fiscal year. The City also projects to spend \$ 156,029 per year on two deputies for public safety purposes.

FINANCIAL SECTION
Required Supplementary Information

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CITY OF DAWSONVILLE, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
JUNE 30, 2021
(Unaudited)

	Fiscal Year End		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Total pension liability</i>			
Service cost	\$ 20,849	\$ 39,665	\$ 29,314
Interest	29,241	50,707	43,156
Differences between expected and actual experience	18,533	31,323	28,144
Change of assumptions	-	21,074	-
Change of benefit terms	-	-	-
Benefits payments, including refunds of employee contributions	<u>(4,705)</u>	<u>(9,410)</u>	<u>(11,160)</u>
Net change in total pension liability	63,918	133,359	89,454
Total pension liability - beginning	<u>774,486</u>	<u>641,127</u>	<u>551,673</u>
Total pension liability - ending (a)	<u><u>\$ 838,404</u></u>	<u><u>\$ 774,486</u></u>	<u><u>\$ 641,127</u></u>
<i>Plan fiduciary net position</i>			
Contributions - employer	\$ 24,427	\$ 42,708	\$ 30,943
Contributions - employee	-	-	-
Net investment income	123,376	(40,352)	18,956
Benefits payments, including refunds of employee contributions	(4,705)	(9,410)	(11,160)
Administrative expense	(3,943)	(9,260)	(8,455)
Other	-	-	-
Net change in fiduciary net position	<u>139,155</u>	<u>(16,314)</u>	<u>30,284</u>
Plan fiduciary net position - beginning	<u>527,105</u>	<u>543,419</u>	<u>513,135</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 666,260</u></u>	<u><u>\$ 527,105</u></u>	<u><u>\$ 543,419</u></u>
Net pension liability - ending (a)-(b)	<u><u>\$ 172,144</u></u>	<u><u>\$ 247,381</u></u>	<u><u>\$ 97,708</u></u>
Plan's fiduciary net position as percentage of the total pension liability	79.47%	68.06%	84.76%
Covered payroll	\$ 940,739	\$ 969,401	\$ 833,420
Net pension liability as a percentage of covered payroll	18.30%	25.52%	11.72%

Note: The schedule is intended to show ten years of information; however, fiscal year 2015 was the first year of implementation. Additional years' information will be displayed as it becomes available.

The accompanying notes to the required supplementary information are an integral part of this schedule.

CITY OF DAWSONVILLE, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
JUNE 30, 2021
(Unaudited)

Fiscal Year End			
2018	2017	2016	2015
\$ 23,209	\$ 17,954	\$ 14,001	\$ 12,393
36,406	35,681	33,943	31,065
13,547	(39,532)	(21,140)	3,522
11,307	-	-	(5,461)
-	-	-	-
<u>(5,111)</u>	<u>(4,377)</u>	<u>(4,378)</u>	<u>(4,377)</u>
79,358	9,726	22,426	37,142
472,315	462,589	440,163	403,021
<u>\$ 551,673</u>	<u>\$ 472,315</u>	<u>\$ 462,589</u>	<u>\$ 440,163</u>
\$ 29,208	\$ 30,958	\$ 27,612	\$ 26,495
-	-	-	-
55,665	48,498	1,462	30,673
(5,111)	(4,377)	(4,378)	(4,377)
(8,224)	(8,390)	(5,916)	(5,468)
-	-	-	-
<u>71,538</u>	<u>66,689</u>	<u>18,780</u>	<u>47,323</u>
441,597	374,908	356,128	308,805
<u>\$ 513,135</u>	<u>\$ 441,597</u>	<u>\$ 374,908</u>	<u>\$ 356,128</u>
<u>\$ 38,538</u>	<u>\$ 30,718</u>	<u>\$ 87,681</u>	<u>\$ 84,035</u>
93.01%	93.50%	81.05%	80.91%
\$ 696,293	\$ 468,083	\$ 360,912	\$ 342,936
5.53%	6.56%	24.29%	24.50%

CITY OF DAWSONVILLE, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2021
(Unaudited)

	Fiscal Year End		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 42,723	\$ 36,593	\$ 29,813
Contributions in relation to the actuarially determined contribution	<u>42,723</u>	<u>36,593</u>	<u>29,813</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 \$ 901,411	 \$ 833,420	 \$ 696,293
Contributions as a percentage of covered payroll	4.74%	4.39%	4.28%

Note: This schedule is intended to show ten years of information; however, fiscal year 2015 was the first year of implementation. Additional years' information will be displayed as it becomes available.

The accompanying notes to the required supplementary information are an integral part of this schedule.

CITY OF DAWSONVILLE, GEORGIA
 SCHEDULE OF CONTRIBUTIONS
 LAST TEN FISCAL YEARS
 June 30, 2021
 (Unaudited)

Fiscal Year End			
<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 32,319	\$ 29,813	\$ 30,504	\$ 26,648
<u>33,299</u>	<u>16,330</u>	<u>26,664</u>	<u>37,750</u>
<u>\$ (980)</u>	<u>\$ 13,483</u>	<u>\$ 3,840</u>	<u>\$ (11,102)</u>
\$ 788,556	\$ 587,245	\$ 523,244	\$ 479,173
4.22%	2.78%	5.10%	7.88%

CITY OF DAWSONVILLE, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

1. Valuation Date

The actuarially determined contribution was determined as of January, 1, 2021, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending June 30, 2022.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method: Projected Unit Credit

Amortization Method: Closed level dollar for remaining unfunded liability

Remaining Amortization Period: Remaining amortization period varies of the bases, with net effective amortization of 16 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.

Net Investment Rate of Return: 7.375%

Projected Salary Increases: 2.25% plus service based merit increases

Cost of Living Adjustments: N/A

Retirement Age for Inactive Vested Participants: 65

Mortality: Healthy retirees and beneficiaries were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participants, terminated vested participants, and deferred beneficiaries on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

Assumptions listed above were approved by the Plan's Board of Trustees in December, 2019 based on the results of an actuarial experience study approved by the Board for the period January 1, 2015 through June 30, 2019.

3. Changes in Benefits

There were no changes in benefit provisions in the last two fiscal years.

4. Changes of Assumptions

Amounts reported for the fiscal year ending in 2020 and later reflect the following assumption changes based on an actuarial study conducted in November and December of 2019:

- The investment return assumption was decreased from 7.50% to 7.375%.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The turnover rates were changed from the greater of age-based rates for the first 5 years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first 2 years of service with an ultimate rate of 3.25% at 10 years of service to a service-based scale starting at 8.50% for the first 2 years of service with an ultimate rate of 3.00% at 15 years of service.

FINANCIAL SECTION

Combining and Individual Fund Financial Statements and Schedules

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CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
June 30, 2021

	<u>Non-Major Fund Special Revenue Fund Hotel-Motel</u>	<u>Non-Major Fund Special Revenue Fund DDA</u>	<u>Non-Major Fund Permanent Fund Cemetery</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS				
Restricted assets:				
Cash and cash equivalents	\$ -	\$ 17,576	\$ 218,854	\$ 236,430
Taxes receivable	657	-	-	657
Due from other funds	2,190	-	-	2,190
TOTAL ASSETS	<u>2,847</u>	<u>17,576</u>	<u>218,854</u>	<u>239,277</u>
LIABILITIES				
Current - accounts payable	1,779	-	-	1,779
Due to general fund	-	-	430	430
TOTAL LIABILITIES	<u>1,779</u>	<u>-</u>	<u>430</u>	<u>2,209</u>
FUND BALANCE				
Restricted non-spendable:				
Cemetery	-	-	218,424	218,424
Restricted spendable:				
Tourism	1,068	-	-	1,068
Housing and business development	-	17,576	-	17,576
TOTAL FUND BALANCES	<u>1,068</u>	<u>17,576</u>	<u>218,424</u>	<u>237,068</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,847</u>	<u>\$ 17,576</u>	<u>\$ 218,854</u>	<u>\$ 239,277</u>

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPEDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2021

	<u>Non-Major Fund Special Revenue Fund Hotel-Motel</u>	<u>Non-Major Fund Special Revenue Fund DDA</u>	<u>Non-Major Fund Permanent Fund Cemetery</u>	<u>Total Non-Major Governmental Funds</u>
REVENUES				
Taxes	\$ 5,877	\$ -	\$ -	\$ 5,877
Charge for services	-	-	22,725	22,725
Contributions and donations	-	50	-	50
Interest earned	-	-	537	537
Total revenues	<u>5,877</u>	<u>50</u>	<u>23,262</u>	<u>29,189</u>
EXPENDITURES				
Current operating:				
Tourism	5,675	-	-	5,675
Housing and business development	-	28,425	-	28,425
Cemetery services	-	-	5,435	5,435
Total expenditures	<u>5,675</u>	<u>28,425</u>	<u>5,435</u>	<u>39,535</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	202	(28,375)	17,827	(10,346)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	25,000	-	25,000
NET CHANGE IN FUND BALANCES	202	(3,375)	17,827	14,654
FUND BALANCES - beginning of year	<u>866</u>	<u>20,951</u>	<u>200,597</u>	<u>222,414</u>
FUND BALANCES - end of year	<u>\$ 1,068</u>	<u>\$ 17,576</u>	<u>\$ 218,424</u>	<u>\$ 237,068</u>

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
HOTEL-MOTEL FUND
BALANCE SHEET
June 30, 2021

	Hotel-Motel Fund
ASSETS	
Taxes receivable	\$ 657
Due from other funds	2,190
TOTAL ASSETS	2,847
LIABILITIES	
Current - accounts payable	1,779
TOTAL LIABILITIES	1,779
FUND BALANCE	
Restricted for tourism - spendable	1,068
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,847

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
HOTEL-MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Hotel-motel taxes	<u>\$ 5,675</u>	<u>\$ 5,877</u>	<u>\$ 202</u>
Total revenues	<u>5,675</u>	<u>5,877</u>	<u>202</u>
EXPENDITURES			
Current operating:			
Housing and development - tourism	<u>5,675</u>	<u>5,675</u>	<u>-</u>
Total expenditures	<u>5,675</u>	<u>5,675</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>202</u>	<u>202</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>202</u>	<u>\$ 202</u>
FUND BALANCE - beginning of year		<u>866</u>	
FUND BALANCE - end of year		<u>\$ 1,068</u>	

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
DOWNTOWN DEVELOPMENT AUTHORITY FUND
BALANCE SHEET
June 30, 2021

	DDA Fund
ASSETS	
Restricted assets:	
Cash and cash equivalents	\$ 17,576
TOTAL ASSETS	17,576
FUND BALANCE	
Restricted for housing and business development - spendable	17,576
TOTAL LIABILITIES AND FUND BALANCE	\$ 17,576

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
DOWNTOWN DEVELOPMENT AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Contributions and donations	\$ 3,425	\$ 50	\$ (3,375)
Total revenues	<u>3,425</u>	<u>50</u>	<u>(3,375)</u>
EXPENDITURES			
Current operating:			
Grants disbursed	25,000	25,000	-
Housing and business development	<u>3,425</u>	<u>3,425</u>	<u>-</u>
Total expenditures	<u>28,425</u>	<u>28,425</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(25,000)</u>	<u>(28,375)</u>	<u>(3,375)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(3,375)</u>	<u>\$ (3,375)</u>
FUND BALANCE - beginning of year		<u>20,951</u>	
FUND BALANCE - end of year		<u>\$ 17,576</u>	

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
PERMANENT FUND
CEMETERY FUND
BALANCE SHEET
June 30, 2021

	<u>Cemetery Fund</u>
ASSETS	
Restricted assets:	
Cash and cash equivalents	\$ 218,854
TOTAL ASSETS	218,854
LIABILITIES	
Due to general fund	430
TOTAL LIABILITIES	430
FUND BALANCE	
Restricted for cemetery fund - non spendable	218,424
TOTAL FUND BALANCE	\$ 218,424

CITY OF DAWSONVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
PERMANENT FUND
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Cemetery lot sales	\$ 16,450	\$ 22,500	\$ 6,050
Real estate fees	150	225	75
Interest income	1,400	537	(863)
	<u>18,000</u>	<u>23,262</u>	<u>5,262</u>
Total revenues			
EXPENDITURES			
Repairs and maintenance	5,200	5,160	40
Miscellaneous expenditures	275	275	-
	<u>5,475</u>	<u>5,435</u>	<u>40</u>
Total expenditures			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12,525</u>	<u>17,827</u>	<u>5,302</u>
NET CHANGE IN FUND BALANCE	<u>\$ 12,525</u>	17,827	<u>\$ 5,302</u>
FUND BALANCES - beginning of year		<u>200,597</u>	
FUND BALANCES - end of year		<u>\$ 218,424</u>	

FINANCIAL SECTION
Supplementary Information

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CITY OF DAWSONVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET (GAAP BASIS) AND ACTUAL
WATER, SEWER AND GARBAGE FUND
For the year ended June 30, 2021

	Final Budget	Actual	Variance with Final Budget
OPERATING REVENUES			
Charges for services :			
Water fees	\$ 680,000	\$ 788,690	\$ 108,690
Sewer fees	794,000	923,454	129,454
Garbage fees	203,500	230,405	26,905
Miscellaneous	51,100	319,621	268,521
Total operating revenues	1,728,600	2,262,170	533,570
OPERATING EXPENSES			
Cost of sales and service:			
Advertising	1,000	2,458	(1,458)
Capital outlay	501,000	-	501,000
Communications	14,144	16,118	(1,974)
Depreciation	516,000	624,856	(108,856)
Dues and subscriptions	16,000	13,516	2,484
Education and training	6,000	2,098	3,902
Food	2,000	280	1,720
Garbage service	190,000	189,392	608
Gas and fuel	9,528	8,316	1,212
Insurance	25,500	28,528	(3,028)
Licenses	600	-	600
Postage	4,400	5,820	(1,420)
Printing and binding	2,300	2,172	128
Professional	89,519	130,641	(41,122)
Rental equipment	1,476	1,380	96
Repairs and maintenance	80,000	107,526	(27,526)
Supplies	102,870	115,016	(12,146)
Supplies - garbage	31,000	30,465	535
Travel	2,000	200	1,800
Technical services	69,958	102,526	(32,568)
Uniform service	3,000	1,594	1,406
Utilities	140,158	144,518	(4,360)
Total cost of sales and service:	1,808,453	1,527,420	281,033
Personnel services and benefits:			
Salaries	287,701	277,347	10,354
Payroll taxes	22,752	21,744	1,008
Group insurance	83,528	81,210	2,318
Workers compensation	17,000	12,518	4,482
Retirement	15,810	22,823	(7,013)
Total personnel services and benefits	426,791	415,642	11,149
OPERATING INCOME (LOSS)	(506,644)	319,108	825,752
NON-OPERATING INCOME (LOSS)			
Contingency (reserves)	77,976	-	(77,976)
Tap fees	500,000	569,500	69,500
Interest and fiscal charges	(87,450)	(83,603)	3,847
Interest earned	16,118	3,583	(12,535)
TOTAL NON-OPERATING INCOME (LOSS)	506,644	489,480	(17,164)
CHANGE IN NET POSITION	\$ -	808,588	\$ 808,588
NET POSITION - beginning of year		10,225,484	
NET POSITION - end of year		\$ 11,034,072	

CITY OF DAWSONVILLE, GEORGIA
SCHEDULES OF FUNCTIONAL ALLOCATIONS
WATER, SEWER AND GARBAGE FUND
SCHEDULE OF NET POSITION
June 30, 2021

	Water / Sewer	Garbage	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,533,130	\$ 201,206	\$ 3,734,336
Receivables (net of allowance for uncollectible):			
Accounts	105,500	17,005	122,505
Due from general fund	15,881	-	15,881
Prepaid expense	32,806	-	32,806
Restricted assets:			
Cash and cash equivalents	176,651	-	176,651
Total current assets	3,863,968	218,211	4,082,179
Non-current assets:			
Capital assets:			
Land	3,179,295	-	3,179,295
Construction in progress	326,328	-	326,328
Depreciable capital assets, net	8,316,420	-	8,316,420
Total non-current Assets	11,822,043	-	11,822,043
 TOTAL ASSETS	 15,686,011	 218,211	 15,904,222
DEFERRED OUTFLOWS OF RESOURCES			
Retirement contributions	21,578	-	21,578
 TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	 \$ 15,707,589	 \$ 218,211	 \$ 15,925,800

CITY OF DAWSONVILLE, GEORGIA
SCHEDULES OF FUNCTIONAL ALLOCATIONS
WATER, SEWER AND GARBAGE FUND
SCHEDULE OF NET POSITION
June 30, 2021

	Water / Sewer	Garbage	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 30,885	\$ -	\$ 30,885
Accrued expenses	15,276	-	15,276
Accrued interest payable	26,140	-	26,140
Current portion of long-term debt	337,398	-	337,398
Customer deposits - payable from restricted assets	177,082	-	177,082
Total current liabilities	586,781	-	586,781
Long-term liabilities:			
Compensated absences (due within one year)	15,264	-	15,264
Long-term debt (net of current portion)	4,238,567	-	4,238,567
Net pension liability	44,051	-	44,051
Total long-term liabilities	4,297,882	-	4,297,882
TOTAL LIABILITIES	4,884,663	-	4,884,663
DEFERRED INFLOWS OF RESOURCES			
Retirement adjustments	7,065	-	7,065
NET POSITION			
Net investment in capital assets	6,919,750	-	6,919,750
Unrestricted	3,896,111	218,211	4,114,322
TOTAL NET POSITION	10,815,861	218,211	11,034,072
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	\$ 15,707,589	\$ 218,211	\$ 15,925,800

CITY OF DAWSONVILLE, GEORGIA
SCHEDULES OF FUNCTIONAL ALLOCATIONS
WATER, SEWER AND GARBAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
For the Year Ended June 30, 2021

	Water / Sewer	Garbage	Total
OPERATING REVENUES			
Charges for services	\$ 1,712,144	\$ 230,405	\$ 1,942,549
Miscellaneous	319,621	-	319,621
Total operating revenues	<u>2,031,765</u>	<u>230,405</u>	<u>2,262,170</u>
OPERATING EXPENSES			
Personnel services and benefits	415,642	-	415,642
Purchased and contractual services	567,511	220,037	787,548
Supplies	115,016	-	115,016
Depreciation and amortization	624,856	-	624,856
Total operating expenses	<u>1,723,025</u>	<u>220,037</u>	<u>1,943,062</u>
OPERATING INCOME (LOSS)	<u>308,740</u>	<u>10,368</u>	<u>319,108</u>
NON-OPERATING INCOME (LOSS)			
Tap fees	569,500	-	569,500
Interest and fiscal charges	(83,603)	-	(83,603)
Interest earned	3,583	-	3,583
TOTAL NON-OPERATING INCOME (LOSS)	<u>489,480</u>	<u>-</u>	<u>489,480</u>
CHANGE IN NET POSITION	798,220	10,368	808,588
NET POSITION - beginning of year	<u>10,017,641</u>	<u>207,843</u>	<u>10,225,484</u>
NET POSITION - end of year	<u>\$ 10,815,861</u>	<u>\$ 218,211</u>	<u>\$ 11,034,072</u>

STATISTICAL SECTION



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CITY OF DAWSONVILLE, GEORGIA
INTRODUCTION TO THE STATISTICAL SECTION

(Unaudited)

This part of the City of Dawsonville’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	Pages
Financial Trends.....	57-64
<i>These tables/schedules contain trend information designed to assist the reader in understanding how the City has performed from a financial perspective over time.</i>	
Revenue Capacity.....	65-68
<i>These tables/schedules contain information that may assist the reader in assessing the viability of the City’s most significant revenue sources.</i>	
Debt Capacity.....	69-73
<i>These tables/schedules present information designed to assist the reader in analyzing the affordability of the City’s current levels of outstanding debt, and the City’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information.....	74-75
<i>These tables/schedules offer demographic, economic and statistical information intended to assist the reader in understanding the environment in which the City’s financial activities take place.</i>	
Operating Information.....	76-78
<i>These tables/schedules contain service and infrastructure data to assist the reader in understanding how the information in the City’s financial report relates to the services the government provides and the activities it performs.</i>	

Source: Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial report for the relevant year.

CITY OF DAWSONVILLE, GEORGIA

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
GOVERNMENTAL ACTIVITIES				
Net Investment in capital assets	9,681,962	8,636,438	5,993,804	4,126,980
Restricted	1,109,667	297,835	1,226,974	2,035,011
Unrestricted	2,815,993	2,757,053	3,353,414	2,972,388
Total governmental activities net position	<u>\$ 13,607,622</u>	<u>\$ 11,691,326</u>	<u>\$ 10,574,192</u>	<u>\$ 9,134,379</u>
BUSINESS-TYPE ACTIVITIES				
Net Investment in capital assets	7,246,078	7,039,379	6,859,983	6,452,179
Restricted	-	-	-	-
Unrestricted	3,787,994	3,186,105	2,613,434	2,647,049
Total business-type activities net position	<u>\$ 11,034,072</u>	<u>\$ 10,225,484</u>	<u>\$ 9,473,417</u>	<u>\$ 9,099,228</u>
PRIMARY GOVERNMENT				
Net Investment in capital assets	16,928,040	15,675,817	12,853,787	10,579,159
Restricted	1,109,667	297,835	1,226,974	2,035,011
Unrestricted	6,603,987	5,943,158	5,966,848	5,619,437
Total primary government net position	<u>\$ 24,641,694</u>	<u>\$ 21,916,810</u>	<u>\$ 20,047,609</u>	<u>\$ 18,233,607</u>

CITY OF DAWSONVILLE, GEORGIA
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
3,447,930	2,886,908	2,641,366	2,623,723	2,625,541	2,193,856
1,548,463	1,101,659	233,170	201,407	215,198	304,838
2,780,141	2,465,001	2,153,006	1,899,759	1,537,287	1,525,884
\$ 7,776,534	\$ 6,453,568	\$ 5,027,542	\$ 4,724,889	\$ 4,378,026	\$ 4,024,578
6,060,288	5,743,112	5,721,934	5,732,374	5,979,576	6,134,502
-	-	-	-	217,758	216,476
2,724,721	2,245,230	1,924,607	1,788,771	1,476,569	1,107,259
\$ 8,785,009	\$ 7,988,342	\$ 7,646,541	\$ 7,521,145	\$ 7,673,903	\$ 7,458,237
9,508,218	8,630,020	8,363,300	8,356,097	8,605,117	8,328,358
1,548,463	1,101,659	233,170	201,407	432,956	521,314
5,504,862	4,710,231	4,077,613	3,688,530	3,013,856	2,633,143
\$ 16,561,543	\$ 14,441,910	\$ 12,674,083	\$ 12,246,034	\$ 12,051,929	\$ 11,482,815

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
EXPENSES				
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 1,262,990	\$ 1,226,733	\$ 1,332,954	\$ 1,156,139
Public Safety	134	1,008	1,111	167
Public Works	575,777	645,805	373,071	335,394
Culture and Recreation	120,347	79,781	83,021	1,288
Planning and Zoning	339,293	342,311	325,837	248,627
Housing and Development	100,914	36,318	50,489	32,858
Interest	5,710	26,216	47,812	42,923
Total Governmental Activities	<u>2,405,165</u>	<u>2,358,172</u>	<u>2,214,295</u>	<u>1,817,396</u>
BUSINESS-TYPE ACTIVITIES:				
Water and Sewage	<u>2,026,665</u>	<u>1,968,737</u>	<u>1,819,554</u>	<u>1,681,624</u>
Total Business-type Activities	<u>2,026,665</u>	<u>1,968,737</u>	<u>1,819,554</u>	<u>1,681,624</u>
Total Expenses	<u>\$ 4,431,830</u>	<u>\$ 4,326,909</u>	<u>\$ 4,033,849</u>	<u>\$ 3,499,020</u>
PROGRAM REVENUES				
GOVERNMENTAL ACTIVITIES:				
Charges for services:				
General Government	\$ 120,977	\$ 138,406	\$ 110,910	\$ 143,006
Public Safety	-	-	380	100
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Planning and Zoning	194,721	166,653	202,114	171,918
Development	-	-	3,767	-
Operating grants and contributions	25,050	-	280	3,600
Capital grants and contributions	1,854,462	1,436,973	1,414,048	1,355,464
Total Governmental Activities	<u>2,195,210</u>	<u>1,742,032</u>	<u>1,731,499</u>	<u>1,674,088</u>
BUSINESS-TYPE ACTIVITIES:				
Charges for Services:				
Water and Sewage	2,262,170	1,824,606	1,688,289	1,596,836
Capital grants and contributions	569,500	793,940	342,278	197,422
Total Business-type Activities	<u>2,831,670</u>	<u>2,618,546</u>	<u>2,030,567</u>	<u>1,794,258</u>
Total Program Revenues	<u>\$ 5,026,880</u>	<u>\$ 4,360,578</u>	<u>\$ 3,762,066</u>	<u>\$ 3,468,346</u>
Net (Expense) / Revenue				
Governmental activities	\$ (209,955)	\$ (616,140)	\$ (482,796)	\$ (143,308)
Business-type activities	805,005	649,809	211,013	112,634
Total Net Expense	<u>\$ 595,050</u>	<u>\$ 33,669</u>	<u>\$ (271,783)</u>	<u>\$ (30,674)</u>

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
\$ 1,013,076	\$ 740,287	\$ 688,376	\$ 682,148	\$ 706,717	\$ 728,050
4,412	235	-	-	80,000	160,000
313,367	341,970	341,626	221,424	265,141	157,539
3,138	4,454	863	1,933	5,641	5,993
198,962	81,709	100,322	97,632	63,448	79,660
44,029	60,466	19,637	11,577	23,667	5,357
39,209	43,330	47,996	29,952	39,202	46,422
<u>1,616,193</u>	<u>1,272,451</u>	<u>1,198,820</u>	<u>1,044,666</u>	<u>1,183,816</u>	<u>1,183,021</u>
1,569,535	1,427,252	1,351,765	1,465,860	1,360,724	1,353,080
<u>1,569,535</u>	<u>1,427,252</u>	<u>1,351,765</u>	<u>1,465,860</u>	<u>1,360,724</u>	<u>1,353,080</u>
<u>\$ 3,185,728</u>	<u>\$ 2,699,703</u>	<u>\$ 2,550,585</u>	<u>\$ 2,510,526</u>	<u>\$ 2,544,540</u>	<u>\$ 2,536,101</u>
\$ 121,425	\$ 121,425	\$ 120,923	\$ 106,907	\$ 84,070	\$ 129,225
240	240	50	-	-	1,500
-	-	-	-	-	-
-	-	-	-	-	-
172,484	172,484	101,255	79,488	28,036	41,138
-	-	-	-	-	-
10,650	10,650	14,300	17,420	9,993	1,000
1,262,546	1,262,546	1,048,782	-	16,629	16,523
<u>1,567,345</u>	<u>1,567,345</u>	<u>1,285,310</u>	<u>203,815</u>	<u>138,728</u>	<u>189,386</u>
1,531,603	1,315,557	1,285,971	1,204,829	1,121,978	962,042
704,711	425,540	125,000	104,300	466,000	-
<u>2,236,314</u>	<u>1,741,097</u>	<u>1,410,971</u>	<u>1,309,129</u>	<u>1,587,978</u>	<u>962,042</u>
<u>\$ 3,803,659</u>	<u>\$ 3,308,442</u>	<u>\$ 2,696,281</u>	<u>\$ 1,512,944</u>	<u>\$ 1,726,706</u>	<u>\$ 1,151,428</u>
\$ (48,848)	\$ 294,894	\$ 86,490	\$ (840,851)	\$ (1,045,088)	\$ (993,635)
666,779	313,845	59,206	(156,731)	227,254	(391,038)
<u>\$ 617,931</u>	<u>\$ 608,739</u>	<u>\$ 145,696</u>	<u>\$ (997,582)</u>	<u>\$ (817,834)</u>	<u>\$ (1,384,673)</u>

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN NET POSITION (continued)
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
GENERAL REVENUES				
GOVERNMENTAL ACTIVITIES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	1,355,636	1,083,319	1,072,132	993,116
Other excise taxes	117,870	117,295	101,668	93,976
Franchise taxes	225,729	212,912	215,166	198,382
Intergovernmental-unrestricted	-	-	-	-
Unrestricted investment earnings	3,094	45,633	77,265	35,127
Gain (loss) on sale of capital assets	-	-	-	1,370
Other	423,922	359,558	387,942	364,954
Transfers in/out	-	(85,444)	(144,820)	(185,772)
Special Item	-	-	-	-
Total general revenues, transfers, and special item	<u>2,126,251</u>	<u>1,733,273</u>	<u>1,709,353</u>	<u>1,501,153</u>
BUSINESS-TYPE ACTIVITIES:				
Unrestricted investment earnings	3,583	16,814	18,356	9,243
Gain (loss) on sale of capital assets	-	-	-	6,570
Miscellaneous	-	-	-	-
Transfers in/out	-	85,444	144,820	185,772
Special Item	-	-	-	-
Total Business-type Activities	<u>3,583</u>	<u>102,258</u>	<u>163,176</u>	<u>201,585</u>
Total Primary Government	<u>\$ 2,129,834</u>	<u>\$ 1,835,531</u>	<u>\$ 1,872,529</u>	<u>\$ 1,702,738</u>
Change in Net Position				
Governmental Activities	\$ 1,916,296	\$ 1,117,072	\$ 1,226,557	\$ 1,018,357
Business-type Activities	808,588	752,067	374,189	412,598
Total Change in Net Position	<u>\$ 2,724,884</u>	<u>\$ 1,869,139</u>	<u>\$ 1,600,746</u>	<u>\$ 1,430,955</u>

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN NET POSITION (continued)
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
885,518	899,360	788,952	783,018	802,222	892,217
107,339	87,132	91,757	90,626	84,451	80,496
190,223	182,404	210,988	143,418	148,922	120,715
-	-	-	-	-	-
13,713	7,000	3,182	2,243	2,573	2,254
-	-	-	-	-	-
300,745	261,876	233,488	233,496	219,710	178,423
(125,724)	(24,605)	-	-	-	-
-	-	-	-	90,000	-
<u>1,371,814</u>	<u>1,413,167</u>	<u>1,328,367</u>	<u>1,252,801</u>	<u>1,347,878</u>	<u>1,274,105</u>
4,164	3,351	2,899	3,973	3,953	4,413
-	-	-	-	-	(2)
-	-	-	-	-	-
125,724	24,605	-	-	-	-
-	-	-	-	(15,541)	-
<u>129,888</u>	<u>27,956</u>	<u>2,899</u>	<u>3,973</u>	<u>(11,588)</u>	<u>4,411</u>
<u>\$ 1,501,702</u>	<u>\$ 1,441,123</u>	<u>\$ 1,331,266</u>	<u>\$ 1,256,774</u>	<u>\$ 1,336,290</u>	<u>\$ 1,278,516</u>
\$ 889,018	\$ 1,269,859	\$ 845,571	\$ 346,863	\$ 353,448	\$ 261,595
340,901	140,590	213,912	(152,758)	215,666	(386,627)
<u>\$ 1,229,919</u>	<u>\$ 1,410,449</u>	<u>\$ 1,059,483</u>	<u>\$ 194,105</u>	<u>\$ 569,114</u>	<u>\$ (125,032)</u>

CITY OF DAWSONVILLE, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
General Fund				
Nonspendable	\$ 31,475	\$ 26,320	\$ 20,806	\$ 39,186
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	2,917,748	2,852,052	3,409,306	2,992,823
Total General Fund:	<u>\$ 2,949,223</u>	<u>\$ 2,878,372</u>	<u>\$ 3,430,112</u>	<u>\$ 3,032,009</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	1,109,667	297,835	1,226,974	2,035,011
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all Other Governmental Funds:	<u>\$ 1,109,667</u>	<u>\$ 297,835</u>	<u>\$ 1,226,974</u>	<u>\$ 2,035,011</u>

CITY OF DAWSONVILLE, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
\$ 20,478	\$ 27,366	\$ 5,048	\$ 43,732	\$ 13,530	\$ 36,897
-	-	-	-	-	-
-	-	-	-	-	-
2,821,052	2,491,569	2,201,835	1,864,596	1,529,719	1,494,558
\$ 2,841,530	\$ 2,518,935	\$ 2,206,883	\$ 1,908,328	\$ 1,543,249	\$ 1,531,455
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,548,463	1,101,659	233,170	201,407	215,198	304,838
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,548,463	\$ 1,101,659	\$ 233,170	\$ 201,407	\$ 215,198	\$ 304,838

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
REVENUES				
Taxes	\$ 2,123,157	\$ 1,773,084	\$ 1,780,626	\$ 1,650,375
Charges for services	67,104	96,237	138,882	101,802
Intergovernmental	1,854,462	1,436,973	1,414,328	1,353,991
Licenses and permits	194,721	166,653	117,152	157,670
Fines, fees and forfeitures	4,430	-	-	-
Interest	3,095	45,633	77,265	39,503
Contributions	50	-	50	2,600
Miscellaneous	49,443	42,170	57,369	55,071
Total Revenues	<u>4,296,462</u>	<u>3,560,750</u>	<u>3,585,672</u>	<u>3,361,012</u>
EXPENDITURES				
General Government	1,100,322	1,016,800	1,225,589	1,131,689
Public Safety	134	1,008	1,111	167
Highways and Streets	555,748	561,318	413,631	472,242
Culture and Recreation	482,056	801,640	51,014	675
Planning and Zoning	329,635	359,341	323,774	271,057
Development	46,100	31,234	54,093	32,858
Debt Service				
Principal	692,342	436,205	226,116	224,554
Interest	-	24,980	47,812	42,925
Capital Outlay	207,442	1,723,658	1,720,962	319,216
Total Expenditures	<u>3,413,779</u>	<u>4,956,184</u>	<u>4,064,102</u>	<u>2,495,383</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 882,683</u>	<u>\$ (1,395,434)</u>	<u>\$ (478,430)</u>	<u>\$ 865,629</u>

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
\$ 1,483,767	\$ 2,462,221	\$ 1,325,185	\$ 1,250,558	\$ 1,255,305	\$ 1,271,852
96,129	69,194	64,625	5,330	25,465	35,644
1,261,871	17,833	1,000	20,370	17,523	5,055
137,243	87,955	67,588	54,461	69,713	63,134
-	-	-	-	-	-
15,389	7,000	3,182	2,268	2,573	2,520
9,650	13,800	16,420	-	-	-
60,836	65,080	54,182	58,542	76,685	66,412
<u>3,064,885</u>	<u>2,723,083</u>	<u>1,532,182</u>	<u>1,391,529</u>	<u>1,447,264</u>	<u>1,444,617</u>
850,333	689,860	566,867	538,842	577,984	494,045
4,412	21,491	-	-	80,000	160,000
381,468	346,940	329,030	223,199	247,217	136,796
2,527	4,454	-	100	1,991	2,343
198,962	81,709	100,322	97,632	63,448	79,054
47,530	63,481	22,229	14,349	26,635	7,800
149,015	143,822	135,419	112,223	368,955	118,900
39,330	43,330	47,997	29,952	39,202	46,422
496,185	122,850	-	23,944	119,678	88,901
<u>2,169,762</u>	<u>1,517,937</u>	<u>1,201,864</u>	<u>1,040,241</u>	<u>1,525,110</u>	<u>1,134,261</u>
<u>\$ 895,123</u>	<u>\$ 1,205,146</u>	<u>\$ 330,318</u>	<u>\$ 351,288</u>	<u>\$ (77,846)</u>	<u>\$ 310,356</u>

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (continued)
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year Ending 6/30			
	2021	2020	2019	2018
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	(85,444)	(144,820)	(185,772)
General Obligation bonds issued	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Premium on refunding bonds issued	-	-	-	-
Discount on special assessment bonds issue	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Capital lease	-	-	-	-
Sales of general capital assets	-	-	-	-
Insurance recoveries	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(85,444)</u>	<u>(144,820)</u>	<u>(185,772)</u>
Net change in fund balances before special item	<u>882,683</u>	<u>(1,480,878)</u>	<u>(623,250)</u>	<u>679,857</u>
Special Item	-	-	-	-
Net change in fund balances	<u>\$ 882,683</u>	<u>\$ (1,480,878)</u>	<u>\$ (623,250)</u>	<u>\$ 679,857</u>
Debt service as a percentage of noncapital expenditures	24.35%	18.57%	12.61%	14.76%

CITY OF DAWSONVILLE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (continued)
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

Fiscal Year Ending 6/30					
2017	2016	2015	2014	2013	2012
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(125,724)	(213,025)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(125,724)</u>	<u>(213,025)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>769,399</u>	<u>1,180,541</u>	<u>330,318</u>	<u>351,288</u>	<u>(77,846)</u>	<u>310,356</u>
-	-	-	-	-	-
<u>\$ 769,399</u>	<u>\$ 1,180,541</u>	<u>\$ 330,318</u>	<u>\$ 351,288</u>	<u>\$ (77,846)</u>	<u>\$ 310,356</u>
17.35%	15.49%	15.86%	14.31%	29.68%	15.81%

CITY OF DAWSONVILLE, GEORGIA
GENERAL FUND HISTORY
 Last Five Fiscal Years

	Fiscal Year Ending 6/30				
	2021	2020	2019	2018	2017
Revenues					
Taxes	\$ 2,117,280	\$ 1,768,142	\$ 1,776,908	\$ 1,647,457	\$ 1,480,174
Charges for services	44,379	78,577	117,522	66,112	81,039
Intergovernmental	157,920	85,359	74,215	112,870	25,098
Licenses and permits	194,721	166,653	117,153	157,670	137,243
Fines, fees and forfeitures	4,430	-	-	-	-
Interest	2,138	42,099	68,024	34,720	13,463
Contributions	-	-	-	-	-
Rental income	49,443	42,170	57,369	55,071	60,836
Total Revenues	<u>2,570,311</u>	<u>2,183,000</u>	<u>2,211,191</u>	<u>2,073,900</u>	<u>1,797,853</u>
Expenditures					
General Government	1,100,322	1,016,800	1,225,529	1,131,689	850,333
Public Safety	134	1,008	1,111	167	4,412
Pubic Works	550,313	543,950	370,416	452,833	364,524
Culture and Recreation	482,056	801,640	51,014	675	2,527
Planning and Zoning	329,635	359,341	323,774	271,057	198,962
Housing and Development	12,000	12,000	12,000	12,000	12,000
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>2,474,460</u>	<u>2,734,739</u>	<u>1,983,844</u>	<u>1,868,421</u>	<u>1,432,758</u>
Excess (Deficiency) of Revenues over Expenditures	95,851	(551,739)	227,347	205,479	365,095
Other Financing Sources (Uses) Transfers in (out)	(25,000)	-	(42,500)	(15,000)	(42,500)
Net Change in Fund Balances	70,851	(551,739)	184,847	190,479	322,595
Fund Balance- beginning of year	2,878,372	3,430,112	3,032,009	2,841,530	2,518,935
Prior Period Adjustment	-	(1)	213,256	-	-
Fund Balance- end of year	<u>\$ 2,949,223</u>	<u>\$ 2,878,372</u>	<u>\$ 3,430,112</u>	<u>\$ 3,032,009</u>	<u>\$ 2,841,530</u>

Note: This schedule is provided to comply with debt requirements in prior years. The City continues to present for analytical comparisons.

CITY OF DAWSONVILLE, GEORGIA
WATER & SEWER FUND HISTORY
 Last Five Fiscal Years

	Fiscal Year Ending 6/30				
	2021	2020	2019	2018	2017
Operating Revenues					
Charges for services	\$ 1,712,144	\$ 1,534,555	\$ 1,477,260	\$ 1,403,325	\$ 1,363,254
Miscellaneous	319,621	96,473	54,161	53,455	50,123
Total Operating Revenues	<u>2,031,765</u>	<u>1,631,028</u>	<u>1,531,421</u>	<u>1,456,780</u>	<u>1,413,377</u>
Operating Expenses					
Personal Services & Benefits	415,642	483,906	411,578	376,280	287,380
Purchased/Contracted Service:	567,511	423,895	458,525	425,751	466,946
Bad Debts	-	-	-	411	1,207
Supplies	115,016	96,962	113,053	200,870	151,271
Depreciation & Amortization	624,856	611,072	573,071	461,773	427,979
Total Expenditures	<u>1,723,025</u>	<u>1,615,835</u>	<u>1,556,227</u>	<u>1,465,085</u>	<u>1,334,783</u>
Operating Income (Loss)	308,740	15,193	(24,806)	(8,305)	78,594
Non-Operating Income (Loss)					
Intergovernmental Revenues	-	-	-	11,694	288,306
Gain (loss) on Sale of Assets	-	-	-	6,570	-
Forgiveness of Debt	-	22,440	173,528	29,228	55,405
Bond Issuance Costs	-	(120,000)	-	-	-
Interest & Fiscal Charges	(83,603)	(46,959)	(124,028)	(115,369)	(112,318)
Interest Earned	3,583	16,814	18,356	9,243	4,164
Total Non-Operating Income (Loss)	(80,020)	(127,705)	67,856	(58,634)	235,557
Net Income Before Transfers	228,720	(112,512)	43,050	(66,939)	314,151
Tap Fees & Other					
Tap Fees & Other	569,500	771,500	168,750	156,500	361,000
Transfers In (Out)	-	85,444	144,820	185,772	125,724
Change in Net Position	798,220	744,432	356,620	275,333	800,875
Net Position- beginning of year	10,017,641	9,273,209	8,916,589	8,641,256	7,840,381
Prior Period Adjustment	-	-	-	-	-
Net Position - end of year	<u>\$ 10,815,861</u>	<u>\$ 10,017,641</u>	<u>\$ 9,273,209</u>	<u>\$ 8,916,589</u>	<u>\$ 8,641,256</u>

Note: This schedule is provided to comply with debt requirements in prior years. Financial results related to the Garbage Function are excluded in this presentation. As such, amounts will differ from the total reported in the City's basic financial statements. Details of the functional allocations can be found in supplementary schedules to the City's annual financial statements. The required budget schedule for the Water & Sewer Fund is also included in supplementary information. The City continues to present for analytical comparisons.

CITY OF DAWSONVILLE, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Years

Tax Year	Real Property				Personal Property (1)	
	Residential Property	Agricultural & Conservation Property	Commercial & Industrial Property	Public Utilities	Motor Vehicles	Mobile Homes
2021	\$ 130,330,032	\$ 10,128,012	\$ 28,163,110	\$ 2,621,525	\$ 205,940	\$ -
2020	110,319,686	10,681,135	28,482,260	2,591,569	93,380	-
2019	95,555,293	10,427,246	26,250,833	2,520,502	34,090	-
2018	83,471,379	9,977,936	26,183,110	2,409,781	49,200	-
2017	65,131,888	9,170,797	25,732,544	2,390,900	54,600	-
2016	55,455,965	8,786,418	24,932,499	2,009,547	66,180	-
2015	49,962,771	9,202,748	22,049,743	1,999,574	2,938	1,340
2014	44,143,055	8,833,142	24,609,041	1,811,627	169,780	1,340
2013	40,167,378	8,526,540	21,789,893	2,003,986	207,450	2,410
2012	43,109,208	8,537,257	18,067,672	1,783,236	252,490	12,657

Source: Georgia Department of Revenue

- (1) The City does not presently levy ad valorem tax, therefore inventory and equipment valuations are not reported.
- (2) Digest is not adjusted for bond exemptions since no taxes were levied for bond debt service and therefore the exemptions were not calculated by the Dawson County Tax Commissioner.
- (3) Total assessed value, after deducting exemptions for purposes of levying tax for the maintenance and operation of the City, if the City had levied such tax.

CITY OF DAWSONVILLE, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Years

Gross Tax Digest / Bond Digest (2)	Exemption Adjustments	Total Taxable Assessed Value (3)	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Estimated Actual Value
\$ 171,448,619	\$ (4,303,559)	\$ 167,145,060	0.00	\$ 417,862,650	40%
152,168,030	(5,137,553)	147,030,477	0.00	367,576,193	40%
134,787,964	(4,865,034)	129,922,930	0.00	324,807,325	40%
122,091,406	(4,676,131)	117,415,275	0.00	293,538,188	40%
102,480,729	(4,077,959)	98,402,770	0.00	246,006,925	40%
91,250,609	(4,631,222)	86,619,387	0.00	216,548,468	40%
83,219,114	(3,563,366)	79,655,748	0.00	199,139,370	40%
79,567,985	(3,739,663)	75,828,322	0.00	189,570,805	40%
72,697,657	(2,649,546)	70,048,111	0.00	175,120,278	40%
71,762,520	(2,649,546)	69,112,974	0.00	172,782,435	40%

CITY OF DAWSONVILLE, GEORGIA
PROPERTY TAX RATES - MILLS
DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Years

Tax Year	Direct Rate	Overlapping Rates				Total Direct and Overlapping Rates
	City of Dawsonville	Dawson County Board of Education		State of Georgia	Dawson County	
	Operating Millage	Operating Millage	Debt Service	Operating Millage	Operating Millage	
2021	0.000	15.778	0.000	0.000	7.885	23.663
2020	0.000	15.778	0.000	0.000	8.138	23.916
2019	0.000	15.778	0.000	0.000	8.089	23.867
2018	0.000	15.778	0.000	0.000	8.138	23.916
2017	0.000	15.778	0.000	0.000	8.138	23.916
2016	0.000	15.778	0.000	0.050	8.138	23.966
2015	0.000	16.496	0.000	0.050	8.138	24.684
2014	0.000	17.246	0.000	0.100	8.138	25.484
2013	0.000	17.246	0.000	0.150	8.138	25.534
2012	0.000	15.546	0.400	0.200	8.138	24.284

Source: Georgia Department of Revenue

Note: Mills - rate per \$1,000 of taxable assessed value
 2021 tax rates not yet available for publication

CITY OF DAWSONVILLE, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

Taxpayer	Type of Business	2021			2012				
		Taxable Value	Assessed Value	Rank	Percentage of Total Taxable Assessed Value (1)	Taxable Value	Assessed Value	Rank	Percentage of Total Taxable Assessed Value (1)
Atlanta Motorsports Park, LLC	Motorsports Park	\$ 2,719,055		1	1.59%	\$ -	-	-	0.00%
Dawsonville Fee Owner, LLC	Shopping Center Owner	2,280,400		2	1.33%	-	-	-	0.00%
Farmington Woods, LP	Apartment Complex	1,851,880		3	1.08%	-	-	-	0.00%
Gryphon North GA Properties, LLC	Commercial Business Owner	1,564,320		4	0.91%	-	-	-	0.00%
Georgia Power Company	Public Utility	1,409,298		5	0.82%	-	-	-	0.00%
Phillips Tracy W	Contractor	1,061,297		6	0.62%	-	-	-	0.00%
Gold Creek Processing, LLC	Poultry Processing	1,034,713		7	0.60%	-	-	-	0.00%
B&K Turner Family, LLP	Public Utility	867,744		8	0.51%	-	-	-	0.00%
Starmount Properties Inc.	Apartment Complex	777,920		9	0.45%	748,864	7	1.04%	
Windstream Standard, Inc.	Public Utility	629,238		10	0.37%	3,947,690	1	5.50%	
Peachtree Dekalb Plaza, LLC	Property Management	-		-	0.00%	638,183	10	0.89%	
Dawsonville Retail Investors, LLC	Real Estate Investment	-		-	0.00%	2,386,763	2	3.33%	
E Elliott Family Partnership LLP	Real Estate Investment	-		-	0.00%	1,172,783	4	1.63%	
Comm & Southern Bank	Commercial Business Owner	-		-	0.00%	914,275	5	1.27%	
SCC Villas, LLC	Residential Developer	-		-	0.00%	1,243,813	3	1.73%	
EHK Investments, LLC	Family Owned Real Estate	-		-	0.00%	872,279	6	1.22%	
Meadow Trace	Residential Developer	-		-	0.00%	674,004	8	0.94%	
Rainhill Investments, LLC	Real Estate Investment	-		-	0.00%	664,000	9	0.93%	
Totals		14,195,865			8.28%	13,262,654			18.48%

Source: Dawson County Tax Commissioner

Note: The City of Dawsonville does not levy property tax. Rank is based on the amount of County maintenance & operations taxes billed since exemptions that reduce the assessed value can vary by entity.

(1) Percentages are based on the City's gross tax digest of \$ 171,448,619 for calendar year 2021, and \$ 71,762,520 for calendar year 2012.

CITY OF DAWSONVILLE, GEORGIA
LOCAL OPTION SALES TAX DISTRIBUTION COMMODITY REPORT
 Last Five Fiscal Years

Commodity (1)	2021			2020		
	Total Distributed	Rank	% of Total	Total Distributed	Rank	% of Total
General Merchandise	\$ 3,353,655	1	30.23%	\$ 2,629,924	1	29.37%
Food/Bars	2,252,398	2	20.30%	1,973,740	2	22.04%
Other Retail	1,466,571	3	13.22%	1,164,694	3	13.01%
Miscellaneous Service	968,717	4	8.73%	802,732	4	8.96%
Other Services	738,438	5	6.66%	477,353	7	5.33%
Wholesale	465,217	6	4.19%	467,165	5	5.22%
Home Furnishing	693,244	7	6.25%	465,446	6	5.20%
Utility	333,009	8	3.00%	316,042	9	3.53%
Manufacturing	363,074	9	3.27%	281,248	8	3.14%
Auto	252,153	10	2.27%	209,682	10	2.34%
Construction	99,856	-	0.90%	85,384	-	0.95%
Accommodations	106,873	-	0.96%	82,032	-	0.92%
Totals	11,093,205		100.00%	8,955,442		100.00%

Source: Georgia Department of Revenue, Local Government Services

(1) Data is not available for City of Dawsonville; Dawson County totals are reported on this schedule.

CITY OF DAWSONVILLE, GEORGIA
LOCAL OPTION SALES TAX DISTRIBUTION COMMODITY REPORT
 Last Five Fiscal Years

2019				2018				2017			
Total Distributed	Rank	% of Total		Total Distributed	Rank	% of Total		Total Distributed	Rank	% of Total	
\$ 2,888,305	1	32.60%		\$ 2,756,933	1	33.37%		\$ 2,488,720	1	34.07%	
1,776,131	2	20.05%		1,724,121	2	20.87%		1,511,492	2	20.69%	
1,107,888	3	12.50%		991,588	3	12.00%		731,543	3	10.02%	
781,325	4	8.82%		693,971	4	8.40%		695,112	4	9.52%	
428,626	7	4.84%		345,113	10	4.18%		97,373	10	1.33%	
482,410	5	5.44%		423,375	5	5.12%		442,632	6	6.06%	
449,248	6	5.07%		370,178	7	4.48%		339,663	7	4.65%	
307,624	8	3.47%		323,353	8	3.91%		278,894	8	3.82%	
305,890	9	3.45%		314,792	6	3.81%		417,276	5	5.71%	
174,954	10	1.97%		159,012	9	1.92%		169,305	9	2.32%	
72,702	-	0.82%		69,713	-	0.84%		42,800	-	0.59%	
84,739	-	0.96%		88,855	-	1.08%		89,546	-	1.23%	
<u>8,859,842</u>		<u>100.00%</u>		<u>8,261,004</u>		<u>100.00%</u>		<u>7,304,356</u>		<u>100.00%</u>	

CITY OF DAWSONVILLE, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities			Percentage of Personal Income (1)	Per Capita (1)
	Intergovern- mental Contractual Agreement (2)	Notes Payable (3)	Water & Sewer Revenue Bonds	Municipal Loans	Total Primary Government		
2021	\$ -	\$ 57,750	\$ 3,245,000	\$ 1,330,965	4,633,715	2.46%	1,071
2020	685,916	67,500	3,485,000	1,422,238	5,660,654	3.10%	1,339
2019	1,045,135	76,500	3,615,000	1,536,262	6,272,897	4.72%	2,018
2018	1,347,751	-	3,835,000	1,493,832	6,676,583	5.30%	2,237
2017	1,572,307	-	4,045,000	917,800	6,535,107	5.43%	2,214
2016	1,721,322	-	4,250,000	359,426	6,330,748	6.03%	2,403
2015	1,865,144	-	4,450,000	-	6,315,144	6.18%	2,410
2014	1,442,828	-	4,675,000	-	6,117,828	6.56%	2,412
2013	1,555,048	-	3,761,717	1,083,998	6,400,763	7.41%	2,596
2012	1,924,006	-	3,816,575	1,147,157	6,887,738	8.84%	3,003

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) See the Schedule of Demographic and Economic Statistics on page 74 for personal income and population data.
- (2) The City maintains liability through an intergovernmental contractual agreement for bonds issued by the Downtown Development Authority, a blended component unit of the City. See notes to the financial statements for further detail.
- (3) Promissory Note for acquisition of land on Allen Street.

CITY OF DAWSONVILLE, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
GENERAL OBLIGATION AND REVENUE BONDS
June 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Available</u>	<u>Estimated Share of Overlapping Debt</u>
City of Dawsonville Direct Debt			
Notes Payable	\$ 57,750	100%	\$ 57,750
Total Direct	<u>57,750</u>		<u>57,750</u>
Overlapping Debt:			
Dawson County Board of Commissioners	2,475,000	11.28%	279,180
Dawson County School System	<u>16,345,000</u>	11.28%	<u>1,843,716</u>
Total Overlapping Debt	<u>18,820,000</u>		<u>2,122,896</u>
Total	<u>\$ 18,877,750</u>		<u>\$ 2,180,646</u>

Source: Direct debt outstanding provided by the City as of June 30, 2021, as represented in current financial statements. Overlapping debt outstanding data as per reported in the Dawson County ACFR for December 31, 2020.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county total taxable assessed value.

CITY OF DAWSONVILLE, GEORGIA
LEGAL DEBT MARGIN - GENERAL OBLIGATION DEBT
 Last Ten Fiscal Years

	2021	2020	2019
Assessed value of property, gross tax digest	\$ 171,448,619	\$ 152,168,030	\$ 134,787,964
Debt Limit (10% of total assessed value)	17,144,862	15,216,803	13,478,796
Amount of Debt applicable to limit:			
General obligation bonds and contracts payable	-	685,916	1,045,135
Notes Payable	57,750	67,500	76,500
Less: Resources restricted to paying principal	-	-	-
Total net debt applicable to limit	57,750	753,416	1,121,635
Legal debt margin	\$ 17,087,112	\$ 14,463,387	\$ 12,357,161
Total net debt applicable to the limit as a percentage of debt limit	0.34%	4.95%	8.32%

CITY OF DAWSONVILLE, GEORGIA
LEGAL DEBT MARGIN - GENERAL OBLIGATION DEBT
 Last Ten Fiscal Years

2018	2017	2016	2015	2014	2013	2012
\$ 122,091,406	\$ 102,480,729	\$ 91,250,609	\$ 83,219,114	\$ 79,567,985	\$ 72,697,657	\$ 71,762,520
12,209,141	10,248,073	9,125,061	8,321,911	7,956,799	7,269,766	7,176,252
1,347,751	1,572,307	1,721,322	1,334,130	1,442,828	1,555,048	1,924,006
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,347,751	1,572,307	1,721,322	1,334,130	1,442,828	1,555,048	1,924,006
\$ 10,861,390	\$ 8,675,766	\$ 7,403,739	\$ 6,987,781	\$ 6,513,971	\$ 5,714,718	\$ 5,252,246
11.04%	15.34%	18.86%	16.03%	18.13%	21.39%	26.81%

CITY OF DAWSONVILLE, GEORGIA
PLEGDED-REVENUE COVERAGE
WATER, SEWER & GARBAGE FUND
 Last Ten Fiscal Years

Public Utilities Revenue Bonds & Pledged Municipal Loans

Fiscal Year	Operating Revenue (1)	Less Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest (3)	
2021	\$ 2,265,754	\$ 693,349	\$ 1,572,405	\$ 331,272	\$ 84,605	3.78
2020	1,841,420	1,190,706	650,714	364,025	46,959	1.58
2019	1,706,645	1,122,455	584,190	268,964	124,028	1.49
2018	1,606,079	1,104,482	501,597	248,305	115,369	1.38
2017	1,535,767	1,029,238	506,529	260,405	112,318	1.36
2016	1,318,908	874,680	444,228	200,000	139,363	1.31
2015	1,288,870	812,753	476,117	225,000	97,159	1.48
2014	1,208,802	734,280	474,522	170,715	296,608	1.02
2013	1,125,931	719,778	406,153	118,017	208,528	0.76
2012	966,455	710,484	255,971	111,661	213,678	0.79

(1) Total operating revenues including interest.

(2) Total operating expenses exclusive of depreciation.

(3) Beginning 2016, amount shown is interest and other fiscal charges, including fees associated with debt.

CITY OF DAWSONVILLE, GEORGIA
TAX SUPPORTED DEBT RATIOS
 June 30, 2021

	<u>Direct Tax Supported Debt (1)</u>	<u>Overlapping Tax Supported Debt (1)</u>	<u>Overall Tax Supported Debt (6)</u>
Per Capita Debt (2)	\$ 15	\$ 551	\$ 566
Percentage of Gross Tax Digest (3)	0.03%	1.24%	1.27%
Percentage of Direct Fair Market Value (4)	0.01%	0.51%	0.52%
Per Capita Debt as Percentage of Per Capita Income (5)	0.11%	4.08%	4.18%

Note: This schedule is provided to comply with debt covenant requirements from prior years. The City continues to present for analytical comparisons.

- (1) Direct and overlapping debt is shown in total on page 70.
- (2) Based on 2021 City of Dawsonville population of 3,850, see page 74.
- (3) Based on 2021 Gross Tax Digest of \$ 171,448,619, see page 65.
- (4) Based on 2021 estimated actual value of \$ 417,862,650, see page 65.
- (5) Based on 2021 estimated per capita income figure for Dawson County of \$ 43,520, see page 74.
- (6) Based on amount of overlapping debt applicable to City of Dawsonville taxable property.

CITY OF DAWSONVILLE, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Fiscal Year Ended	Population Dawson County (2)	Population City of Dawsonville	Estimated City of Dawsonville Personal Income (4)	Dawson Co. Per Capita Personal Income (3)	Dawson County Average Annual Unemployment Rate (1)
2021	27,556	3,850	\$ 167,550,853	\$ 43,520	2.2%
2020	26,364	3,720	160,908,600	\$ 43,255	5.7%
2019	25,290	3,109	132,792,967	42,712	3.0%
2018	24,621	2,984	125,855,547	42,177	3.6%
2017	24,006	2,952	120,458,484	40,806	4.4%
2016	23,604	2,634	104,901,684	39,826	4.7%
2015	23,256	2,620	102,109,260	38,973	5.6%
2014	22,891	2,536	93,266,472	36,777	5.8%
2013	22,574	2,466	86,376,582	35,027	6.7%
2012	22,371	2,294	77,872,124	33,946	7.7%

Data Sources:

- (1) Data provided through the Georgia Department of Labor and U.S. Department of Labor Bureau of Labor Statistics.
- (2) U.S. Census population data for 2012 - 2021 not available; information shown is estimate provided by City Manager.
- (3) Current per capita data unavailable. Calculated estimate by applying to the preceding year, the compound annual growth rate of 1.89% realized for the ten year period 2012-2021.
- (4) Personal Income figures specifically for the City are not consistently available. Calculated estimate by multiplying county per capita rate by City population.

CITY OF DAWSONVILLE, GEORGIA

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

Taxpayer	2021			2012		
	Employees	Rank	Percentage of City Employment	Employees	Rank	Percentage of City Employment
Dawson County Board of Commissioners	536	1	30.13%	372	2	18.93%
Gold Creek Processing, LLC / Gold Creek Foods	297	2	16.69%	870	1	44.27%
Dawson County Board of Education (1)	267	3	15.01%	275	3	13.99%
Atlanta Motor Sports Park LLC	62	4	3.49%	-	-	0.00%
Food Lion Store # 2132	45	5	2.53%	35	4	1.78%
T.W. Phillips Grading, Inc.	45	5	2.53%	9	10	0.46%
Dairy Queen of Dawsonville	26	6	1.46%	15	6	0.76%
North Georgia Assisted Living	25	7	1.41%	-	-	0.00%
City of Dawsonville	21	8	1.18%	12	7	0.61%
Koch Electric Inc	15	9	0.84%	-	-	0.00%
Fajita Grill # 2(Midelvía Macias DBA)	15	9	0.84%	-	-	0.00%
RNL Global, Inc DBA The Grocery Garage	14	10	0.79%	-	-	0.00%
Davis Machine Inc	-	-	0.00%	18	5	0.92%
Bill Elliott Racing Enterprises	-	-	0.00%	10	8	0.51%
The Pantry DBA Kangaroo Store #3318	-	-	0.00%	10	8	0.51%
Ernie Elliott Inc	-	-	0.00%	12	7	0.61%
Fred's Store #1450	-	-	0.00%	10	8	0.51%
Julia's Neighborhood Deli	-	-	0.00%	10	8	0.51%
The Pantry DBA Subway Store #3318	-	-	0.00%	10	9	0.51%
Bojangles	-	-	0.00%	18	5	0.92%
Seay & Collins LLC/ Ganny Ruths Sports Kitchen	-	-	0.00%	8	8	0.41%
All Others	411	-	23.10%	271	-	13.79%
Totals	1,779		100.00%	1,965		100.00%

Source: Employment data based on business license applications and phone surveys.

(1) Represented in the employment figures presented are employees of the BOE offices, Dawson County High School, Dawson County Junior High, Robinson Elementary and Hightower Academy.

CITY OF DAWSONVILLE, GEORGIA
CITY GOVERNMENT EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

Function	2021		2020		2019		2018	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General government:								
Mayor and council	-	5	-	5	-	5	-	5
Finance and administration	6	-	6	-	6	-	5	1
Planning and zoning	4	-	2	1	2	1	2	1
Highways and streets	5	-	5	1	4	1	3	-
Water and sewer	6	-	6	-	6	-	6	-
Totals	<u>21</u>	<u>5</u>	<u>19</u>	<u>7</u>	<u>18</u>	<u>7</u>	<u>16</u>	<u>7</u>

Source: City employment records.

CITY OF DAWSONVILLE, GEORGIA
CITY GOVERNMENT EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

2017		2016		2015		2014		2013		2012	
Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
-	5	-	5	-	5	-	5	-	5	-	5
3	1	2	1	1	1	1	1	1	1	1	1
2	-	1	-	1	-	1	-	1	-	1	-
3	-	3	-	3	-	3	-	1	1	1	1
5	-	5	-	3	-	3	-	3	-	3	-
<u>13</u>	<u>6</u>	<u>11</u>	<u>6</u>	<u>8</u>	<u>6</u>	<u>8</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>6</u>	<u>7</u>

CITY OF DAWSONVILLE, GEORGIA
OPERATING INDICATORS BY FUNCTION
 Last Ten Fiscal Years

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Number of accounts payable checks issued	1,696	1,637	1,729	1,579	1,426	1,404	730	730	656	554
Number of payroll checks issued	600	554	651	504	418	326	286	286	290	278
Highways and streets										
Miles of streets maintained	12.04	12.04	12.04	12.04	11.60	11.60	10.87	10.87	10.87	10.08
Miles of sidewalks maintained	8.30	8.30	8.30	8.30	7.80	6.68	5.93	5.93	5.70	5.52
Planning & Zoning										
Permits issued	214	188	162	280	206	141	100	97	96	83
Licenses issued	325	539	208	280	219	204	181	190	163	151
Water System										
Number of service connections	1,728	1,483	1,414	1,316	1,248	1,208	1,250	1,250	1,118	1,131
Daily average consumption in gallons	234,848	228,962	236,422	220,037	204,309	242,947	190,688	190,688	187,092	294,304
Sewer System										
Number of service connections	1,418	1,335	1,234	1,144	1,077	970	1,075	1,075	941	934
Daily average treatment in gallons	194,334	207,940	212,696	197,183	183,826	164,764	176,698	176,698	166,530	270,731
Garbage Collection										
Customers	1,229	1,083	970	876	816	654	572	556	553	518

Source: Various City departments.

CITY OF DAWSONVILLE, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Municipal facilities	1	1	1	1	1	1	1	1	1	1
Rental houses	2	2	2	2	2	2	2	2	2	2
Undeveloped land acreage	17.74	17.74	17.74	17.74	17.74	17.74	17.74	3.53	3.53	3.53
Culture and Recreation										
Parks	2	2	2	2	2	2	2	1	1	1
Park acreage	15	15	15	15	15	15	15	1	1	1
Highways and Streets										
Maintenance facilities	1	1	1	1	1	1	1	1	1	1
Miles of streets maintained	12.04	12.04	12.04	11.60	11.60	10.87	10.87	10.87	10.08	10.07
Miles of sidewalks maintained	8.30	8.30	8.30	7.80	6.68	6.43	5.93	5.70	5.52	5.09
Water System										
Miles of mains	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	24.9	24.9
Number of fire hydrants	280	280	280	280	280	275	275	268	268	268
Number of developed wells	6	6	5	5	5	5	5	5	5	5
Maximum daily capacity in gallons	600,000	600,000	500,000	500,000	500,000	835,200	835,200	835,200	835,200	835,200
Sewer System										
Miles of sewer	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	14.4	14.4
Waste water treatment plants	1	1	1	1	1	1	1	1	1	1
Maximum daily capacity of treatment plant in gallons	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000

Source: Various City departments.

OTHER REPORTING SECTION



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CITY OF DAWSONVILLE, GEORGIA
SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
From Inception Through June 30, 2021

Project	Original Budget	Current Project Budget	Prior Year Project to Date	Current Year	Total	Percent Complete
SPLOST # 6						
Road, Streets, Bridges and Sidewalks	\$ 1,250,000	\$ 1,328,391	\$ 504,738	\$ 127,469	\$ 632,207	47.59%
Water and Sewer Projects	2,750,000	350,000	316,313	-	316,313	90.38%
Park and Recreation Facilities	2,250,000	2,450,000	2,373,125	63,397	2,436,522	99.45%
Farmers Market Facility	1,000,000	1,138,186	1,071,402	9,034	1,080,436	94.93%
Public Works Facility and Equipment	400,000	342,000	284,559	7,542	292,101	85.41%
City Hall Acquisition	2,000,000	2,039,200	1,346,856	692,342	2,039,198	100.00%
	<u>\$ 9,650,000</u>	<u>\$ 7,647,777</u>	<u>\$ 5,896,993</u>	<u>\$ 899,784</u>	<u>\$ 6,796,777</u>	<u>88.87%</u>
 Total All SPLOST Projects	 <u>\$ 9,650,000</u>	 <u>\$ 7,647,777</u>	 <u>\$ 5,896,993</u>	 <u>\$ 899,784</u>	 <u>\$ 6,796,777</u>	 <u>88.87%</u>

Reconciliation to Capital Projects Fund:

Total Expenditures - Capital Projects Fund	<u>\$ 899,784</u>
SPLOST 6 Expenditures - current year	<u>\$ 899,784</u>

*Note: The current project budget for SPLOST VI was amended in the current year to more accurately reflect the projected revenues that will be received under the referendum and actual costs for specified projects.

COMPLIANCE SECTION



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

To the Mayor and City Council

City of Dawsonville
Dawsonville, 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dawsonville, Georgia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Dawsonville, Georgia's basic financial statements, and have issued our report thereon dated December 6, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Dawsonville, 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 Dawsonville, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Dawsonville, 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Dawsonville, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Alexander Almand & Bangs, LLP

Alexander, Almand & Bangs, LLP

Gainesville, Georgia

December 6, 2021

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