



THE CITY OF
DALLAS
GEORGIA

City of Dallas, Georgia

Single Audit Report on Expenditures of Federal Awards

In Accordance with Uniform Guidance

For the Year Ended June 30, 2021

CITY OF DALLAS, GEORGIA
Single Audit Report
In Accordance With Uniform Guidance
Fiscal Year Ended June 30, 2021

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Compliance Section

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Mayor, City Council, and Management
City of Dallas, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Dallas, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Dallas, Georgia's major federal programs for the year ended June 30, 2021. The City of Dallas, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Dallas, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Dallas, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Dallas, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Dallas, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City of Dallas, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Dallas, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Dallas, Georgia's internal control over compliance.

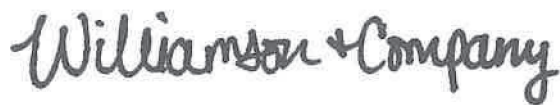
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dallas, 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 Dallas, Georgia's basic financial statements. We issued our report thereon dated March 23, 2022, which contained qualified opinions related to liabilities and deferred outflows and inflows associated with Other Post-employment Benefits. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Williamson and Company, CPAs
Cartersville, Georgia
March 23, 2022

CITY OF DALLAS, GEORGIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Awarding Agency	Program or Cluster Title	Assistance Listing No.	Pass-through Entity I.D. No.	Federal Expenditures In Period
Environmental Protection Agency				
Pass-through: Georgia Environmental Finance Authority	Clean Water State Revolving Funds	66.458	CW-2018009	\$ 5,089,166
Total Environmental Protection Agency				<u>\$ 5,089,166</u>
U.S. Department of Treasury				
Pass-through: Georgia CARES Program	COVID-19: Coronavirus Relief Fund	21.019	CRF-2020 Local Entity Funding	\$ 731,873
Total U.S. Department of Treasury				<u>\$ 731,873</u>
Appalachian Regional Commission				
Direct Federal Award	Appalachian Highway Development System	23.003	CW-2018009	\$ 109,812
Total Appalachian Regional Commission				<u>\$ 109,812</u>
U.S. Department of Transportation				
Pass-through: Atlanta Regional Commission	Highway Planning and Construction	20.205		\$ 148,390
Total U.S. Department of Transportation				<u>\$ 148,390</u>
Total Federal Expenditures				<u>\$ 6,079,241</u>

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Dallas, Georgia under programs of the federal government for the year ended 06.30.2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Dallas, Georgia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Dallas, Georgia.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The City of Dallas, Georgia has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF DALLAS, GEORGIA
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issue:

Independent Auditor Report on Financial Statements Qualified

Internal control over financial reporting:

Material weakness identified? Yes X None Reported

Significant deficiencies identified? Yes X None Reported

Noncompliance material to financial statements noted? Yes X None Reported

Federal Awards

Internal control over major programs:

Material weakness identified? Yes X None Reported

Significant deficiencies identified? Yes X None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.616(A)? Yes X No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X Yes No

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

None Reported.