

CITY OF FLEMINGTON, GEORGIA

* * *

COMBINED
FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

For the Fiscal Year Ended
June 30, 2022

* * *

GOLDEN & ASSOCIATES CPA's, LLC

HINESVILLE, GEORGIA

CITY OFFICIALS

As of June 30, 2022

MAYOR

Paul Hawkins

MAYOR PRO TEM

David Edwards

COUNCIL

Gail Evans

Rene Harwell

Larry Logan

Leigh Smiley

Hasit Patel

CITY CLERK

Jenelle Gordon

CITY ATTORNEY

Craig Stafford

CITY OF FLEMINGTON, GEORGIA
ANNUAL FINANCIAL REPORT
June 30, 2022

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 6
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements	
Balance Sheet - Governmental Funds	9
Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	10
Notes to the Financial Statements	11 - 19
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures & Changes in Fund Balances - Budget & Actual	
General Fund	20
Special Revenue Fund - Hotel/Motel Tax	21
Special Revenue Fund - American Rescue Plan	22
INDIVIDUAL FUND SCHEDULES	
Major Governmental Funds	
General Fund	
Schedule of Assets, Liabilities & Fund Balances	23
Schedule of Revenues, Expenditures & Changes in Fund Balances	24
Special Revenue Fund - Hotel/Motel Tax	
Schedule of Assets, Liabilities & Fund Balances	25
Schedule of Revenues, Expenditures & Changes in Fund Balances	26
Special Revenue Fund - American Rescue Plan	
Schedule of Assets, Liabilities & Fund Balances	27
Schedule of Revenues, Expenditures & Changes in Fund Balances	28
Capital Projects Fund - SPLOST	
Schedule of Assets, Liabilities & Fund Balances	29
Schedule of Revenues, Expenditures & Changes in Fund Balances	30
Capital Projects Fund - TSPLOST	
Schedule of Assets, Liabilities & Fund Balances	31
Schedule of Revenues, Expenditures & Changes in Fund Balances	32
Capital Projects Fund - Impact Fees	
Schedule of Assets, Liabilities & Fund Balances	33
Schedule of Revenues, Expenditures & Changes in Fund Balances	34
Capital Projects Fund - LMIG	
Schedule of Assets, Liabilities & Fund Balances	35
Schedule of Revenues, Expenditures & Changes in Fund Balances	36

CITY OF FLEMINGTON, GEORGIA
ANNUAL FINANCIAL REPORT
June 30, 2022

COMPLIANCE SECTION

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 <i>Governmental Auditing Standards</i>	37 - 38
Schedule of Findings and Responses	39
Corrective Action Plan	40
State of Georgia Reports:	
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds VI	41
Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds	42

GOLDEN & ASSOCIATES CPA's, LLC

Post Office Box 967
Hinesville, GA 31310

769 E. Oglethorpe Hwy
Hinesville, GA 31313



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Council Members of the
City of Flemington, Georgia

Reports on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Flemington, Georgia as of and for the year ended June 30, 2022, 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 and each major fund of the City of Flemington, Georgia, as of June 30, 2022, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 20 through 22 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 Flemington, Georgia's basic financial statements. The accompanying schedule of expenditures of Special Purpose Local Option Sales Tax ("SPLOST") proceeds and the schedule of expenditures of Transportation Special Purpose Local Option Sales Tax ("TSPLOST") proceeds are presented for the purpose of additional analysis as required by the Official Code of Georgia 48-8-121, and not a required part of the basic financial statements. The Individual Fund Schedules as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Individual Fund Schedules 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 Individual Fund Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2023, on our consideration of the City of Flemington, 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 Flemington, Georgia's internal control over financial reporting and compliance.

GOLDEN & ASSOCIATES CPA'S, LLC

Golden & Associates CPA's, LLC

May 3, 2023
Hinesville, Georgia

CITY OF FLEMINGTON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

The City of Flemington offers readers the Management & Discussion as a narrative overview and analysis of the financial activities for the year ended June 30, 2022. This discussion should be considered in conjunction with the basic financial statements, notes to the financial statements and additional information furnished with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Flemington exceeded liabilities by \$2,869,269 (*net position*). Of this amount, \$448,114 is unassigned and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$407,701 during the year.
- Revenues increased by 4.99% in total
- Expenses for the City increased by 30.18%

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Flemington, Georgia's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Flemington.

Basic Financial Statements

The first two statements (Pages 7 through 8) in the basic financial statements are the *Government-wide Financial Statements*. They provide both short and long-term information about the City's financial status.

The next statements (Pages 9 through 10) are Fund Financial Statements. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements, and 2) the budgetary comparison statements.

Government-wide Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the City's finances, similar to those used by private-sector companies. The

CITY OF FLEMINGTON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

government-wide statements provide short and long-term information about the City's financial status as a whole.

The *statement of net position* presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases to net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, sanitation, health and welfare, and community services.

The government-wide financial statements are on Pages 7 through 8 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. 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 of Flemington uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance.

The City of Flemington has three major governmental fund categories. The general fund, the special revenue funds which account for hotel/motel tax and American Rescue Plan funds, and capital projects funds to account for special purpose local option sales tax (SPLOST), transportation special purpose local option sales tax (TSPLOST) Impact Fees and Local Maintenance and Improvements Grant (LMIG).

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an

CITY OF FLEMINGTON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

accounting method called *modified accrual accounting*, which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is part of the fund financial statements.

The basic governmental fund financial statements can be found beginning on page 9 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on page 11 through 19 of this report.

Net Position

Governmental net position increased by \$407,701. The unassigned portion increased by \$103,814.

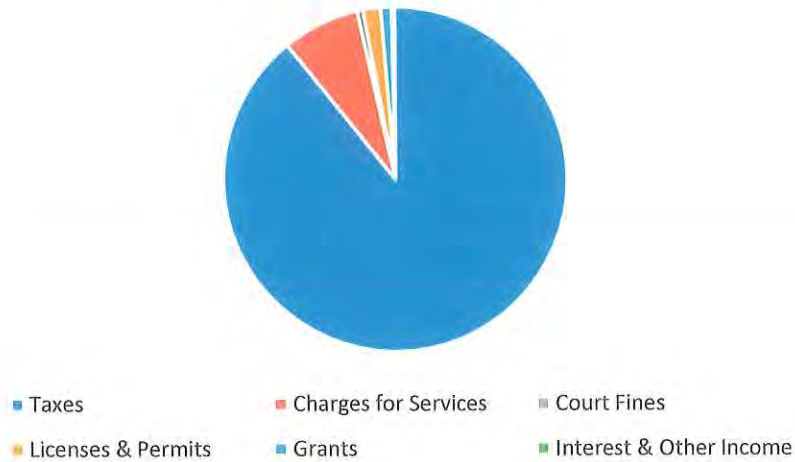
City of Flemington's Net Position
(In thousands of dollars)

	<u>Governmental Activities</u>		
	<u>Current</u>	<u>Prior</u>	<u>Change</u>
Capital assets, net	\$ 1,246,480	\$ 1,269,184	\$ (22,704)
Current and other assets	<u>1,704,460</u>	<u>1,447,750</u>	<u>256,710</u>
Total assets	<u>2,950,940</u>	<u>2,716,934</u>	<u>234,006</u>
Other liabilities	<u>81,671</u>	<u>255,366</u>	<u>(173,695)</u>
Total liabilities	<u>81,671</u>	<u>255,366</u>	<u>(173,695)</u>
Net assets			
Invested in capital assets, net	1,246,480	1,269,184	(22,704)
Nonspendable	6,947	6,585	362
Restricted	1,194,812	868,583	326,229
Unassigned	<u>421,030</u>	<u>317,216</u>	<u>103,814</u>
Total net position	<u>\$ 2,869,269</u>	<u>\$ 2,461,568</u>	<u>\$ 407,701</u>

CITY OF FLEMINGTON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

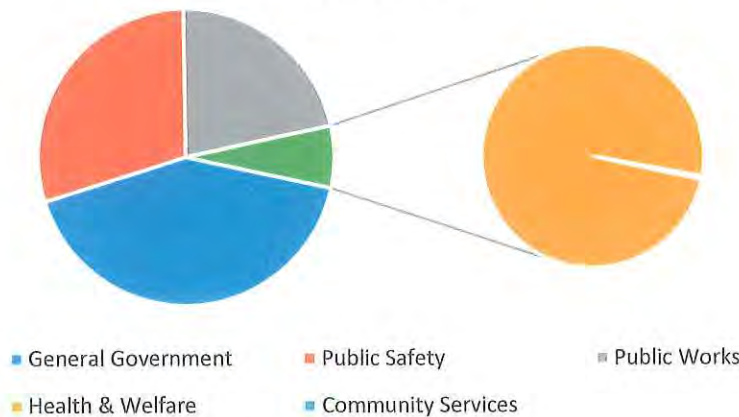
Changes in net position Total net position increased to \$2,869,269. Revenues increased by 4.99% to \$1,465,246 and came from taxes 89.17%, charges for services 7.28%, court fines 0.57%, charges for licenses and permits 1.67%, grants 1.04%, interest and other income 0.27%.

Revenues by Source - Governmental Activities



The total costs of all programs and services increased 30.18% to \$1,053,855. This consisted of 29.61% for public safety, 21.81% for public works, 6.73% for health and welfare, 0.03% for community services and 41.82% for general government.

Expenditures by Source - Governmental Activities



BASIC FINANCIAL STATEMENTS

CITY OF FLEMINGTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2022

PRIMARY GOVERNMENT
Governmental Activities

ASSETS

Cash	\$	224,802
Investments		1,363,271
Accounts Receivable (Net of Allowance for Uncollectibles)		87,423
Interest Receivable		148
Sales Tax Receivable		-
Prepaid Expenses		6,947
Intergovernmental		21,869
Capital Assets (net of accumulated depreciation)		
Land		161,957
Buildings		144,996
Machinery and Equipment		62,995
Infrastructure		<u>876,532</u>
 Total Assets		 <u>2,950,940</u>

LIABILITIES

Accounts Payable		80,156
Intergovernmental		-
Other Current Liabilities		<u>1,515</u>
 Total Liabilities		 <u>81,671</u>

NET POSITION

Net Investment in Capital Assets		1,246,480
Restricted for:		
Capital Outlay		449,452
Tourism		53,983
Fire Protection		585,323
Law Enforcement		57,469
Road Projects		28,447
General Administration		20,137
Unrestricted		<u>448,114</u>
 Total Net Position		 <u>\$ 2,869,269</u>

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

CITY OF FLEMINGTON, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	PROGRAM REVENUES			PRIMARY
FUNCTIONS / PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENT
			CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 442,333	\$ 24,400	\$ 133,877	\$ 41,812
Public Safety	313,158	8,423	-	(304,735)
Public Works	230,599	106,621	15,203	(108,775)
Sanitation	-	-	-	-
Health and Welfare	71,166	-	-	(71,166)
Community Services	290	-	-	(290)
	<u>\$ 1,057,546</u>	<u>\$ 139,444</u>	<u>\$ 149,080</u>	<u>\$ (443,154)</u>
Total Governmental Activities			\$ 325,868	

General Revenues:	210,140
General Sales taxes	75,608
Franchise taxes	20,384
Alcoholic beverage tax	62,553
Insurance taxes	11,078
Intangible Recording / Real Estate Transfer Tax	467,152
Motel / Hotel taxes	846,915
Interest Income	750
Other Income	3,190
	<u>850,855</u>

Change in Net Position	407,701
Beginning Net Position	2,461,568
Ending Net Position	<u>\$ 2,869,269</u>

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

CITY OF FLEMINGTON, GEORGIA
BALANCE SHEET
 June 30, 2022

	Special Revenue		Capital Projects Funds					Total Governmental Funds
	General Fund	Hotel-Motel	American Rescue Plan (ARP)	SPLOST VI	T-SPLOST	Impact Fees	LMIG	
ASSETS								
Cash	\$ 221,619	\$ -	\$ 3,183	\$ -	\$ -	\$ -	\$ -	\$ 224,802
Investments	220,552	-	-	249,982	186,157	691,377	15,203	1,363,271
Accounts Receivable (Net of Allowance for Uncollectibles)	2,007	85,416	-	-	-	-	-	87,423
Interest Receivable	148	-	-	-	-	-	-	148
Intergovernmental	21,869	-	-	-	-	-	-	21,869
Due from Other Funds	-	-	-	-	-	-	-	-
Prepaid Expense	6,947	-	-	-	-	-	-	6,947
Total Assets	\$ 473,142	\$ 85,416	\$ 3,183	\$ 249,982	\$ 186,157	\$ 691,377	\$ 15,203	\$ 1,704,460
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts Payable	\$ 43,650	\$ 34,166	\$ 450	\$ 1,850	\$ 40	\$ -	\$ -	\$ 80,156
Intergovernmental	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Other Current Liabilities	1,515	-	-	-	-	-	-	1,515
Total Liabilities	45,165	34,166	450	1,850	40	-	-	81,671
Fund Balances:								
Non-spendable:								
Prepaid Items	6,947	-	-	-	-	-	-	6,947
Restricted For:								
Fire Protection	-	-	-	-	-	585,323	-	585,323
Law Enforcement	-	-	-	-	-	57,469	-	57,469
Road Projects	-	-	-	-	-	28,447	-	28,447
General Administration	-	-	-	-	-	20,137	-	20,137
Tourism and Promotion	-	51,250	2,733	248,132	186,117	(0)	15,203	53,983
Capital Outlay	-	-	-	-	-	-	-	449,452
Unassigned	421,030	-	-	-	-	691,377	-	421,030
Total Fund Balances	427,977	51,250	2,733	248,132	186,117	691,377	15,203	1,622,789
Total Liabilities and Fund Balances	\$ 1,674,457	\$ 85,416	\$ 3,183	\$ 249,982	\$ 186,157	\$ 691,377	\$ 15,203	\$ 1,622,789
Amounts reported for governmental activities in the statement of net position are different because: Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the funds.								1,246,480
Net position of governmental activities								\$ 2,869,269

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

CITY OF FLEMINGTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	Special Revenue Funds				Capital Projects Funds				Total Governmental Funds
	General Fund	Hotel-Motel	American Rescue Plan (ARP)	SPLOST VI	T-SPLOST	Impact Fees	LMIG		
REVENUES									
Taxes	\$ 474,834	\$ 467,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 941,986
Charges for Services	-	-	-	-	-	106,621	-	-	106,621
Licenses & Permits	24,400	-	-	-	-	-	-	-	24,400
Court Fines	8,423	-	-	-	-	-	-	-	8,423
Intergovernmental	-	-	133,877	103,603	127,067	-	-	-	364,547
Grants	-	-	-	-	-	-	-	-	-
Interest Earnings	219	-	-	126	80	451	-	15,203	15,203
Other Revenues	3,190	-	-	-	-	-	-	-	876
TOTAL REVENUES	511,067	467,152	133,877	103,729	127,147	107,072	15,203	1,465,246	
EXPENDITURES									
Current Operating:									
General Government (Note 5)	228,780	189,454	9,272	-	-	-	-	-	427,506
Public Safety	305,392	-	1,110	-	-	-	-	-	306,502
Public Works	147,992	-	-	7,702	20,645	-	-	-	176,339
Sanitation	-	-	-	-	-	-	-	-	-
Health and Welfare	1,171	-	69,995	-	-	-	-	-	71,166
Community Services	290	-	-	-	-	-	-	-	290
Capital Outlay	2,272	-	50,767	-	-	-	-	-	53,039
TOTAL EXPENDITURES	685,897	189,454	131,144	7,702	20,645	107,072	15,203	1,034,842	
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	(174,830)	277,698	2,733	96,027	106,502	107,072	15,203	430,404	
OTHER FINANCING SOURCES (USES):									
Transfers In	279,006	-	-	-	-	-	-	-	279,006
Transfers Out	-	(279,006)	-	-	-	-	-	-	(279,006)
TOTAL OTHER FINANCING SOURCES (USES)	279,006	(279,006)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	104,176	(1,308)	2,733	96,027	106,502	107,072	15,203	430,404	
BEGINNING FUND BALANCE	323,802	52,558	-	152,105	79,615	584,305	-	1,192,385	
ENDING FUND BALANCE	\$ 427,978	\$ 51,250	\$ 2,733	\$ 248,132	\$ 186,117	\$ 691,377	\$ 15,203	\$ 1,622,789	
RECONCILIATION OF CHANGE IN FUND BALANCE TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES:									
Net Change in Fund Balance									\$ 430,404
Capital Outlays									50,768
Depreciation									(73,471)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES									\$ 407,701

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

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The City of Flemington was incorporated February 18, 1941, under the provisions of an Act of the General Assembly of Georgia (Ga. Laws 1941, p. 1436). The City operates under a Mayor-Council form of government and provides the following services as provided by its charter: general administration, streets and drainage, public health, parks and recreation, garbage and trash collection, planning and zoning, enforcement of codes and water and sewage services.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. A Component unit is defined as a legally separate organization for which the elected officials of the primary government are financially accountable. Component units can also be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete. There are no potential component units that have not been included as part of the City's reporting entity.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity is removed from the statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

Sales tax, franchise fees, motel tax, alcohol beverage taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Government reports the following major governmental funds:

General 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.

Hotel / Motel Tax Fund – This special revenue fund accounts for the hotel/motel tax collections and related expenditures.

American Rescue Plan Fund – This special revenue fund accounts for the grant awarded to the City from the U.S. Department of Treasury as part of the State and Local Fiscal Recovery Fund under the ARPA for the negative impacts caused by the public health emergency and the mitigation of future pandemic impacts.

SPLOST Funds – This capital projects fund account for Special Purpose Local Option Sales Tax (SPLOST) proceeds and expenditures related to capital acquisition or construction of capital assets.

TSPLOST Funds – This capital projects fund account for Transportation Special Purpose Local Option Sales Tax (TSPLOST) proceeds and expenditures related to capital acquisition or construction of capital projects for transportation purposes.

LMIG Fund – This capital projects fund accounts for Local Maintenance & Improvement Grant (LMIG) proceeds and expenditures related to capital acquisition or construction of capital assets.

Impact Fees Fund – This capital projects fund is used to account for fees assessed upon development activity that are collected to pay for system improvements (recreation/parks, streets, and public safety) as defined within the government's impact fee ordinance.

D. Budgets and Budgetary Accounting

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

1. Generally, in April or May, prior to submitting the proposed budget for approval, the Council holds a budget workshop(s) to work on establishing the budget.
2. On a date set by the Council, the Mayor submits to the Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
3. On the day the budget is submitted to the Council, a copy is placed in a convenient public place and a notice of its availability is published.

Not later than one week prior to adoption of the budget, the Council conducts a public hearing on the proposed budget.

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

After the public hearing, the Council makes whatever changes it deems necessary and adopts the budget resolution, making the appropriations for the ensuing fiscal year.

Any increase in appropriation in any fund for a department of the City, whether accomplished through an increase in anticipated revenues or through a transfer of appropriation requires the approval of the council.

Transfers of appropriations in any fund among the various accounts within a department require only the approval of the budget officer, except that an increase in salary appropriation requires the approval of the Council.

Budgets for all funds of the City are adopted on a basis that is consistent with the basis of governmental accounting being used (modified accrual basis). This basis is consistent with generally accepted accounting principles.

Budgeted amounts are as originally adopted.

E. Capital Assets

All capital assets including current infrastructure (sidewalks) are recorded at cost and depreciated (except for land) using the straight-line method over estimated useful lives ranging from 5 to 50 years. The capitalization threshold for all assets is \$5,000 and an estimated useful life in excess of one year. Construction interest is capitalized and included in the cost of any constructed fixed assets. Donated fixed assets are valued at their estimated fair market value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital Assets of the primary government are depreciated using the straight-line method over the following useful lives:

<u>Reporting Entity/Capital Asset Classes</u>	<u>Lives</u>
Primary Government:	
Buildings and Improvements	10 to 50 years
Machinery and Equipment	5 to 40 years
Infrastructure	20 to 50 years

F. Investments

For purposes of the statement of cash flows, cash includes all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national, state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Georgia Fund 1, created under OCGA 36-83-8, is a stable net asset value investment pool, which follows Standard and Poor's criteria for AAAm rated money market funds and is regulated by the Georgia Office of Treasury and Fiscal Services.

For fiscal year 2022, the City invested only in certificates of deposits. The investments are stated at the lower of cost or market value.

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

G. Use of Estimates

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

H. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid expense as of June 30, 2022 consisted of the following:

Prepaid Fees	\$2,700
Prepaid Insurance	<u>4,247</u>
Total Prepaid Expenses	<u>\$6,947</u>

I. Fund Balance and Flow Assumptions

In the financial statements, governmental funds report the following classifications of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54:

- Non-spendable – amounts that cannot be spent because they are either (a) not in expendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Assigned – amounts that are constrained by the City Council's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned – amounts that have not been assigned to other funds, and are not restricted, committed, or assigned to specific purposes within the General Fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance the following order:

- Assigned
- Unassigned

The City does not have a formal minimum fund balance policy.

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

The following is a summary of the fund balance classifications as of June 30, 2022:

	Special Revenue			Capital Projects Funds				Total Governmental Funds
	General Fund	Hotel/Motel Tax Fund	American Rescue Plan (ARP)	SPLOST	TSPLOST	Impact Fees	LMIG	
Beginning Fund Balance	\$ 323,802	\$ 52,558	\$ -	\$ 152,105	\$ 79,615	\$ 584,305	\$ -	\$ 1,192,385
Revenues over Expenditures								
(Expenditures over Revenues)	(174,830)	277,698	2,733	96,027	106,502	107,072	15,203	430,405
Net Transfers In (Out)	279,006	(279,006)	-	-	-	-	-	-
Ending Fund Balance	<u>\$ 427,978</u>	<u>\$ 51,250</u>	<u>\$ 2,733</u>	<u>\$ 248,132</u>	<u>\$ 186,117</u>	<u>\$ 691,377</u>	<u>\$ 15,203</u>	<u>\$ 1,622,790</u>

Reconciliation of Change in Fund Balance to Change in Net Assets of Governmental Activities:

Net Change in Fund Balance	\$ 430,405
Capital Outlays	50,768
Depreciation	<u>(73,471)</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 407,702

Prior Period Adjustment. During the fiscal year ended June 30, 2020 the City changed insurance carriers resulting in a new policy coverage period. Prepaid expense continued to be calculated using the policy period of the former policy. This resulted in an overstatement of \$3,691 in insurance expense for that fiscal year. The correction of the prior year prepaid expense resulted in a \$3,691 adjustment to the beginning general fund balance. This adjustment is reflected in the Statements of Revenues, Expenditures and Changes in Fund Balance and the schedule above.

General Fund, June 30, 2021 as previously stated	\$320,111
Change from correction of prepaid insurance	<u>3,691</u>
General Fund, June 30, 2021 as restated	<u>\$323,802</u>

J. Joint Venture

Under Georgia law, the City is a member of the Coastal Georgia Regional Development Center and is required to pay annual dues thereto. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC.

Management believes that the RDC is currently accumulating sufficient financial resources to meet its financial obligations. Separate financial statements may be obtained from:

Coastal Georgia Regional Development Center
P.O. Box 1917
Brunswick, Georgia 31521

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS

The City's deposits are categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes deposits that are insured or collateralized with securities held by the City or its agent in the City's name. Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Category 3 includes deposits uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

At June 30, 2022, cash deposits (including all certificates of deposits and money market accounts which may be classified as investments for financial reporting) totaled approximately \$1,304,590. This entire amount (credit risk type 1) was fully insured and/or collateralized.

NOTE 3 - FIXED ASSETS

A summary of general fixed asset transactions for the year ended June 30, 2022 follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022
Infrastructure	1,495,694	-	-	1,495,694
Building	326,345	-	-	326,345
Machinery and Equipment	<u>97,977</u>	<u>50,767</u>	<u>6,951</u>	<u>141,793</u>
	<u>1,920,016</u>	<u>50,767</u>	<u>6,951</u>	<u>1,963,832</u>
Accumulated Depreciation:				
Infrastructure	(564,903)	(54,259)	-	(619,162)
Building	(171,520)	(9,829)	-	(181,349)
Machinery and Equipment	<u>(76,366)</u>	<u>(9,383)</u>	<u>(6,951)</u>	<u>(78,798)</u>
	<u>(812,789)</u>	<u>(73,471)</u>	<u>(6,951)</u>	<u>(879,309)</u>
Depreciable Capital Assets - Net	1,107,227	(22,704)	-	1,084,523
Land / Land Improvements	<u>161,957</u>	<u>-</u>	<u>-</u>	<u>161,957</u>
Total Capital Assets – Net	<u>\$ 1,269,184</u>	<u>\$ (22,704)</u>	<u>\$ -</u>	<u>\$ 1,246,480</u>

NOTE 3 - FIXED ASSETS (Continued)

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

Depreciation expense was charged as follows:

General Government	\$ 12,555
Public Safety	6,656
Public Works	54,260
Sanitation	<u> -</u>
	<u>\$ 73,471</u>

NOTE 4 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions for which the City carries insurance coverage. There were no significant reductions of insurance coverage compared to the prior year. There have been no claims against the City in the past three fiscal years.

Self-Insurance

The City pays unemployment claims to the state department of labor on a reimbursement basis. There have been no liabilities for such claims.

NOTE 5 - REVENUES & EXPENDITURES - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

General Government expenditures are as follows:

	June 30, 2022	June 30, 2021
Salaries	\$ 55,766	\$ 46,684
General Administration	177	1,192
Planning and Zoning	10,452	10,026
Enforcement of Code	2,400	2,535
Council Fees	45,000	44,100
Elections	18,507	-
Conventions and Meetings	13,360	6,831
Professional Fees	33,920	20,710
Office Expense	8,235	5,344
Insurance	4,735	4,816
Rent and Occupancy	19,102	22,702
Payroll Taxes	4,144	3,423
Social Services	1,997	500
Dues & Subscriptions, Miscellaneous	<u>10,985</u>	<u>1,671</u>
Subtotal	228,780	166,843
Tourism	<u>189,454</u>	<u>150,132</u>
	<u>\$ 418,234</u>	<u>\$ 316,975</u>

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

NOTE 5 – Continued

Public Safety expenditures are as follows:

Officer Cost	\$ 99,110	\$ 85,932
Auto / Equipment Expense	1,807	456
Fire Services	<u>204,475</u>	<u>178,546</u>
	<u>\$ 305,392</u>	<u>\$ 264,934</u>

Highways, Streets and Infrastructure expenditures are as follows:

Streets and Drainage	<u>\$ 176,339</u>	<u>\$ 81,638</u>
----------------------	-------------------	------------------

Sanitation expenditures are as follows:
(Service picked up by Liberty Co in FY22)

Solid Waste	<u>\$ -</u>	<u>\$ 27,407</u>
-------------	-------------	------------------

Health & Welfare expenditures are as follows:

Public Health / Cares Act disbursements	<u>\$ 81,548</u>	<u>\$ 38,953</u>
---	------------------	------------------

Community Services expenditures are as follows:

Transit Cost-Share	<u>\$ 290</u>	<u>\$ -</u>
--------------------	---------------	-------------

NOTE 6 - HOTEL / MOTEL LODGING TAX

The government has levied a 5% lodging tax. Of this tax, 40% of the amount received is paid out to various entities to promote lodging and tourism. A summary of the transactions for the years ending June 30, 2022 follows:

	June 30, <u>2022</u>
Hotel/Motel tax revenue	<u>\$467,152</u>
40% of tax receipts required to be disbursed for the year ending June 30th	<u>\$186,861</u>
Tourism disbursements	<u>\$189,454</u>

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2022

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between the funds are made.

Internal transfers for the year ended June 30, 2022 were as follows:

Transfer In	Transfer Out	Amount
General Fund	Hotel/Motel Fund	\$279,006

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them and (2) use unrestricted revenues collected in the Hotel/Motel Fund to finance various programs accounted for in the General Fund in accordance with budgetary authorizations.

NOTE 8 – SPECIAL PURPOSE LOCAL OPTION SALES TAX (SPLOST)

The special purpose local option sales tax VI funds are capital projects funds used to account for the proceeds of a 1% special purpose local option sales tax. The SPLOST VI project list with an estimated \$54 million over a six year period, was voted on and approved by the citizens of Liberty County. The City of Flemington is designated to receive a percentage of these funds and expects to receive \$464,058 in sales tax proceeds from SPLOST VI over the six year period. These funds are projected to be used for road projects and governmental facilities.

NOTE 9 – TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST)

The T-SPLOST went into effect in October 2020. The transportation special purpose local option sales tax funds are capital projects funds used to account for the proceeds of a 1% transportation special purpose local option sales tax. The City of Flemington is designated to receive a percentage of these funds and expects to receive \$621,572 in sales tax proceeds from this T-SPLOST over its course of collection. These funds are to be used for road and drainage projects and are classified 100% restricted for capital outlay.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF FLEMINGTON, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2022

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 335,289	\$ 485,289	\$ 474,835	\$ (10,454)
Licenses & Permits	21,400	24,400	24,400	1
Court Fines	15,000	15,000	8,423	(6,577)
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Interest Earnings	711	711	219	(492)
Other Income	1,000	4,000	3,190	(810)
TOTAL REVENUES	<u>373,400</u>	<u>529,400</u>	<u>511,067</u>	<u>(18,332)</u>
EXPENDITURES				
Current Operating:				
General Government (Note 5)	72,000	230,000	228,780	1,220
Public Safety	276,000	306,000	305,392	608
Public Works	83,000	148,000	147,992	8
Sanitation	-	-	-	-
Health Welfare	1,900	1,900	1,171	729
Community Services	10,500	500	290	210
Capital Outlay	-	3,000	2,272	728
TOTAL EXPENDITURES	<u>443,400</u>	<u>689,400</u>	<u>685,897</u>	<u>3,503</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>(70,000)</u>	<u>(160,000)</u>	<u>(174,830)</u>	<u>(14,829)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In - Hotel/Motel Special Revenue Fund	210,000	210,000	279,006	(69,006)
Transfers Out - TE Grant Capital Projects Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>210,000</u>	<u>210,000</u>	<u>279,006</u>	<u>(69,006)</u>
NET CHANGE IN FUND BALANCE	<u>140,000</u>	<u>50,000</u>	<u>104,176</u>	<u>(83,835)</u>
BEGINNING FUND BALANCE	<u>251,384</u>	<u>251,384</u>	<u>323,802</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 391,384</u>	<u>\$ 301,384</u>	<u>\$ 427,978</u>	<u>\$ (83,835)</u>

CITY OF FLEMINGTON, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND - HOTEL-MOTEL TAX
For the Year Ended June 30, 2022

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 350,000	\$ 475,000	\$ 467,152	\$ (7,848)
Licenses & Permits	-	-	-	-
Court Fines	-	-	-	-
Grants	-	-	-	-
Interest Earnings	-	-	-	-
Other Income	-	-	-	-
TOTAL REVENUES	<u>350,000</u>	<u>475,000</u>	<u>467,152</u>	<u>(7,848)</u>
EXPENDITURES				
Current Operating:				
General Government (Note 5)	140,000	190,000	189,454	546
Public Safety	-	-	-	-
Public Works	-	-	-	-
Sanitation	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>140,000</u>	<u>190,000</u>	<u>189,454</u>	<u>546</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>210,000</u>	<u>285,000</u>	<u>277,698</u>	<u>(7,302)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	(210,000)	(285,000)	(279,006)	(5,994)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(210,000)</u>	<u>(285,000)</u>	<u>(279,006)</u>	<u>(5,994)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(1,308)</u>	<u>(1,308)</u>
BEGINNING FUND BALANCE	<u>60,329</u>	<u>60,329</u>	<u>52,558</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 60,329</u>	<u>\$ 60,329</u>	<u>\$ 51,250</u>	<u>\$ (1,308)</u>

CITY OF FLEMINGTON, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND - American Rescue Plan (ARP) Act
For the Year Ended June 30, 2022

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ -	\$ 133,877	\$ -	\$ (133,877)
Charges for Services	-	-	-	-
Licenses & Permits	-	-	-	-
Court Fines	-	-	-	-
Intergovernmental	-	-	133,877	133,877
Grants	-	-	-	-
Interest Earnings	-	-	-	-
Other Income	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>133,877</u>	<u>133,877</u>	<u>-</u>
EXPENDITURES				
Current Operating:	-	-		
General Government (Note 5)	-	11,677	9,272	2,405
Public Safety	-	1,200	1,110	90
Public Works	-	-	-	-
Sanitation	-	-	-	-
Health & Welfare	-	70,000	69,995	5
Community Services	-	-	-	-
Capital Outlay	-	51,000	50,767	233
TOTAL EXPENDITURES	<u>-</u>	<u>133,877</u>	<u>131,144</u>	<u>2,733</u>
REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>		
(EXPENDITURES OVER REVENUES)	<u>-</u>	<u>-</u>	<u>2,733</u>	<u>(2,733)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>2,733</u>	<u>(2,733)</u>
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,733</u>	<u>\$ (2,733)</u>

**INDIVIDUAL FUND
SCHEDULES**

Major Governmental Funds

General Fund

The General Fund is the City's primary operating fund. It is used to account for and report all financial resources of the general government, except those required to be accounted for and reported in another fund.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Hotel/Motel Fund - This fund is used to account for the collection and disbursement of a lodging tax levied in the City for the purpose of tourism. These funds which are restricted by state law are used to promote tourism in the area.

American Relief Plan Fund - This fund is used to account for grant funds awarded to the City from the U.S. Treasury as part of the State and Local Recovery Fund under ARPA.

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital Project Funds exclude those types of capital-related outflows financial by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

SPLOST VI Funds - These funds are used to account for the proceeds of a 1% Special Purpose Local Option Sales Tax (SPLOST). Resources are used for road projects and government facilities.

TSPLOST Funds - These funds are used to account for the proceeds of a 1% Transportation Special Purpose Local Option Sales Tax (TSPLOST). Resources are used for road and drainage improvements.

Impact Fees Fund - This fund is used to account for fees assessed upon development activity that are collected to pay for system improvements (fire protection, law enforcement and roads) as defined within the government's impact fee ordinance.

LMIG Fund - This fund is used to account for Local Maintenance & Improvement Grant (LMIG) proceeds and expenditures related to capital acquisition or construction of capital assets.

CITY OF FLEMINGTON, GEORGIA
General Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 221,619	\$ 233,066
Investments	220,552	113,056
Accounts Receivable (Net of Allowance for Uncollectibles)	2,007	3,203
Interest Receivable	148	643
Intergovernmental	21,869	6,464
Prepaid Insurance	<u>6,947</u>	<u>6,585</u>
Total Assets	<u>\$ 473,142</u>	<u>\$ 363,017</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 43,650	\$ 37,933
Due to Other Funds	\$ -	\$ -
Other Current Liabilities	<u>1,515</u>	<u>1,283</u>
Total Liabilities	<u>45,165</u>	<u>39,216</u>
Fund Balances:		
Nonspendable:		
Prepaid Items	6,947	6,585
Unassigned	<u>421,030</u>	<u>317,216</u>
Total Fund Balances	427,977	323,801
Total Liabilities and Fund Balances	<u>\$ 473,142</u>	<u>\$ 363,017</u>

CITY OF FLEMINGTON, GEORGIA
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ 474,834	\$ 382,129
Licenses & Permits	24,400	13,400
Court Fines	8,423	8,084
Intergovernmental	-	-
Grants	-	37,532
Interest Earnings	219	3,612
Other Income	<u>3,190</u>	<u>3,100</u>
TOTAL REVENUES	<u>511,066</u>	<u>447,857</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	228,780	166,843
Public Safety	305,392	264,934
Public Works	147,992	81,638
Sanitation	-	27,407
Health Welfare	1,171	38,953
Community Services	290	-
Capital Outlay	<u>2,272</u>	<u>2,416</u>
TOTAL EXPENDITURES	<u>685,897</u>	<u>582,191</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>(174,831)</u>	<u>(134,334)</u>
OTHER FINANCING SOURCES (USES):		
Transfers In - Hotel/Motel Special Revenue Fund	279,006	222,991
Transfers Out - TE Grant Capital Projects Fund	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>279,006</u>	<u>222,991</u>
NET CHANGE IN FUND BALANCE	<u>104,175</u>	<u>88,657</u>
BEGINNING FUND BALANCE	<u>323,801</u>	<u>235,144</u>
ENDING FUND BALANCE	<u>\$ 427,976</u>	<u>\$ 323,801</u>

CITY OF FLEMINGTON, GEORGIA
Hotel/Motel - Special Revenue Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ -	\$ -
Investments	-	-
Accounts Receivable (Net of Allowance for Uncollectibles)	85,416	87,596
Interest Receivable	-	-
Intergovernmental	-	-
Prepaid Insurance	-	-
Total Assets	<u>\$ 85,416</u>	<u>\$ 87,596</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 34,166	\$ 35,038
Other Current Liabilities	-	-
Total Liabilities	<u>34,166</u>	<u>35,038</u>
Fund Balances:		
Assigned For:		
Special Revenue Fund	<u>51,250</u>	<u>52,558</u>
Total Fund Balances	51,250	52,558
Total Liabilities and Fund Balances	<u>\$ 85,416</u>	<u>\$ 87,596</u>

CITY OF FLEMINGTON, GEORGIA
Hotel/Motel - Special Revenue Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ 467,152	\$ 371,156
Other Income	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>467,152</u>	<u>371,156</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	<u>189,454</u>	<u>150,132</u>
TOTAL EXPENDITURES	<u>189,454</u>	<u>150,132</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>277,698</u>	<u>221,024</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	<u>(279,006)</u>	<u>(208,288)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(279,006)</u>	<u>(208,288)</u>
NET CHANGE IN FUND BALANCE	<u>(1,308)</u>	<u>12,736</u>
BEGINNING FUND BALANCE	<u>52,558</u>	<u>39,822</u>
ENDING FUND BALANCE	<u>\$ 51,250</u>	<u>\$ 52,558</u>

CITY OF FLEMINGTON, GEORGIA
American Rescue Plan (ARP) Act
Special Revenue Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 3,183	\$ -
Investments	-	-
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Prepaid Insurance	-	-
Total Assets	<u>\$ 3,183</u>	<u>\$ -</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 450	\$ -
Other Current Liabilities	-	-
Total Liabilities	<u>450</u>	<u>-</u>
Fund Balances:		
Assigned For:		
Special Revenue Fund	<u>2,733</u>	<u>-</u>
Total Fund Balances	<u>2,733</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 3,183</u>	<u>\$ -</u>

CITY OF FLEMINGTON, GEORGIA
American Rescue Plan (ARP) Act
Special Revenue Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ -	\$ -
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	133,877	-
Grants	-	-
Interest Earnings	-	-
Other Income	-	-
TOTAL REVENUES	<u>133,877</u>	<u>-</u>
EXPENDITURES		
Current Operating:		
General Government	9,272	-
Public Safety	1,110	-
Public Works	-	-
Sanitation	-	-
Health and Welfare	69,995	-
Community Services	-	-
Capital Outlay	<u>50,767</u>	<u>-</u>
TOTAL EXPENDITURES	<u>131,144</u>	<u>-</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>2,733</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>2,733</u>	<u>-</u>
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 2,733</u>	<u>\$ -</u>

CITY OF FLEMINGTON, GEORGIA
SPLOST - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

ASSETS

	2022	2021
Cash	\$ -	\$ -
Investments	249,982	296,454
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	17,211
Due from Other Funds	-	-
Prepaid Insurance	-	-
	-	-
Total Assets	\$ 249,982	\$ 313,665

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts Payable	\$ 1,850	\$ 161,560
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
	-	-
Total Liabilities	1,850	161,560

Fund Balances:

Restricted For:		
Capital Outlay	248,132	152,105
Unassigned	-	-
	-	-
Total Fund Balances	248,132	152,105
Total Liabilities and Fund Balances	\$ 249,982	\$ 313,665

CITY OF FLEMINGTON, GEORGIA
SPLOST - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	103,603	132,469
Grants	-	-
Interest Earnings	126	274
Other Revenues	-	-
	<u> </u>	<u> </u>
TOTAL REVENUES	<u>103,729</u>	<u>132,743</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	7,702	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	-	178,588
	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>7,702</u>	<u>178,588</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>96,027</u>	<u>(45,845)</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	-	(14,703)
	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(14,703)</u>
NET CHANGE IN FUND BALANCE	<u>96,027</u>	<u>(60,548)</u>
BEGINNING FUND BALANCE	<u>152,105</u>	<u>212,653</u>
ENDING FUND BALANCE	<u>\$ 248,132</u>	<u>\$ 152,105</u>

CITY OF FLEMINGTON, GEORGIA
TSPLOST - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ -	\$ -
Investments	186,157	58,157
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	21,458
Due from Other Funds	-	-
Prepaid Insurance	-	-
	<hr/>	<hr/>
Total Assets	<u>\$ 186,157</u>	<u>\$ 79,615</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 40	\$ -
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
	<hr/>	<hr/>
Total Liabilities	<u>40</u>	<u>-</u>
Fund Balances:		
Restricted For:		
Capital Outlay	186,117	79,615
Unassigned	-	-
	<hr/>	<hr/>
Total Fund Balances	<u>186,117</u>	<u>79,615</u>
	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 186,157</u>	<u>\$ 79,615</u>

CITY OF FLEMINGTON, GEORGIA
TSPLOST - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	127,067	79,603
Grants	-	-
Interest Earnings	80	12
Other Revenues	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>127,147</u>	<u>79,615</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	20,645	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>20,645</u>	<u>-</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>106,502</u>	<u>79,615</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>106,502</u>	<u>79,615</u>
BEGINNING FUND BALANCE	<u>79,615</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 186,117</u>	<u>\$ 79,615</u>

CITY OF FLEMINGTON, GEORGIA
Impact Fees - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ -	\$ -
Investments	691,377	584,305
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
Total Assets	<u>\$ 691,377</u>	<u>\$ 584,305</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Fund Balances:		
Restricted For:		
Fire Protection	585,323	494,675
Law Enforcement	57,469	48,572
Road Projects	28,447	24,040
General Administration	20,137	17,018
Capital Outlay	-	-
Unassigned	<u>(0)</u>	<u>-</u>
Total Fund Balances	<u>691,377</u>	<u>584,305</u>
Total Liabilities and Fund Balances	<u>\$ 691,377</u>	<u>\$ 584,305</u>

CITY OF FLEMINGTON, GEORGIA
Impact Fees - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	106,621	350,038
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	-	-
Grants	-	-
Interest Earnings	451	468
Other Revenues	-	-
	<u> </u>	<u> </u>
TOTAL REVENUES	<u>107,072</u>	<u>350,506</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	-	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	-	-
	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>
REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	<u>107,072</u>	<u>350,506</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	-	-
	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>107,072</u>	<u>350,506</u>
BEGINNING FUND BALANCE	<u>584,305</u>	<u>233,799</u>
ENDING FUND BALANCE	<u>\$ 691,377</u>	<u>\$ 584,305</u>

CITY OF FLEMINGTON, GEORGIA
LMIG - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2022 and 2021

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ -	\$ -
Investments	15,203	19,552
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
	<hr/>	<hr/>
Total Assets	<u>\$ 15,203</u>	<u>\$ 19,552</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ 19,552
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
	<hr/>	<hr/>
Total Liabilities	<hr/>	<hr/>
	-	19,552
Fund Balances:		
Restricted For:		
Capital Outlay	15,203	-
Unassigned	-	-
	<hr/>	<hr/>
Total Fund Balances	<hr/>	<hr/>
	15,203	-
Total Liabilities and Fund Balances	<u>\$ 15,203</u>	<u>\$ 19,552</u>

CITY OF FLEMINGTON, GEORGIA
LMIG - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	-	-
Grants	15,203	13,780
Interest Earnings	-	-
Other Revenues	-	-
	<u>15,203</u>	<u>13,780</u>
TOTAL REVENUES	<u>15,203</u>	<u>13,780</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	-	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	-	27,716
	<u>-</u>	<u>27,716</u>
TOTAL EXPENDITURES	<u>-</u>	<u>27,716</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>15,203</u>	<u>(13,936)</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	-	-
	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>15,203</u>	<u>(13,936)</u>
BEGINNING FUND BALANCE	<u>-</u>	<u>13,936</u>
ENDING FUND BALANCE	<u>\$ 15,203</u>	<u>\$ -</u>

GOLDEN & ASSOCIATES CPA's, LLC

Post Office Box 967
Hinesville, GA 31310

769 E. Oglethorpe Hwy
Hinesville, GA 31313



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 Honorable Mayor and Council
City of Flemington, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Flemington, Georgia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Flemington, Georgia's basic financial statements and have issued our report thereon dated May 3, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Flemington, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Flemington's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Flemington'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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questions costs that we consider to be a significant deficiencies: Finding 2012-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Flemington, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Flemington, Georgia's Response to Findings

The City of Flemington, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City of Flemington, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

GOLDEN & ASSOCIATES CPA'S, LLC

Golden & Associates CPA's, LLC

May 3, 2023
Hinesville, Georgia

CITY OF FLEMINGTON, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2022

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the City of Flemington, Georgia
2. A significant deficiency relating to the audit of the financial statements is disclosed in the 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. We do not consider this significant deficiency to be a material weakness.
3. No instances of noncompliance material to the financial statements of the City of Flemington, Georgia were disclosed during the audit.

FINDINGS – FINANCIAL STATEMENTS AUDIT

2012-1: Segregation of Duties

A proper segregation of duties does not exist between the handling of cash receipts and disbursement, access to accounts receivable and accounts payable detail, access to the general ledger, and reconciliation of bank accounts.

Criteria:

Person handling cash receipts or disbursements should not sign checks, perform bank reconciliations, or have access to the accounting system.

Effect:

Single employee / Clerk makes it impractical to segregate duties sufficiently to insure proper cash management and financial reporting.

Recommendation:

The Mayor should review the general ledger monthly and periodically compare it to detail schedules of receipts and disbursements, receipt books and bank reconciliations.

Response:

This office concurs with this finding

"Preserving
Our Heritage,
Shaping Our
Future"



Paul Hawkins, MAYOR

City of
FLEMINGTON
★
GEORGIA



*City
Hall*

156 Old Sunbury Rd.
Flemington, GA 31313

CORRECTIVE ACTION PLAN
For The Year Ended June 30, 2022

ALL FUNDS:

FINDING:

Proper segregation of duties does not exist.

OUR RESPONSE:

A single employee (City Clerk) makes it impractical to segregate duties sufficiently to insure proper cash management and financial reporting. It is not financially feasible to hire additional accounting personnel. The Mayor does and always has reviewed the general ledger monthly and periodically and compared it to detailed accounting records. In addition, the entire Council reviews the cash receipts and disbursements monthly.

Respectfully Submitted,

Paul Hawkins
Paul Hawkins
Mayor, City of Flemington

CITY OF FLEMINGTON, GEORGIA

SCHEDULE OF EXPENDITURES OF
 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
 For the Year Ended June 30, 2022

Project Description	Estimated Cost		Cost		
	Original	Current	Prior Years	Current Year	Total
SPLOST VI Funds:					
Road, streets and drainage	\$ 464,058	\$ 464,058	\$ 211,108	\$ 7,702	\$ 218,810

CITY OF FLEMINGTON, GEORGIA

SCHEDULE OF EXPENDITURES OF TRANSPORTATION
 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
 For the Year Ended June 30, 2022

Project Description	Estimated Cost		Cost		
	Original	Current	Prior Years	Current Year	Total
TSPLOST Funds:					
Road, streets and drainage	\$ 621,572	\$ 621,572	\$ -	\$ 20,645	\$ 20,645