

CITY OF FLEMINGTON, GEORGIA

* * *

COMBINED
FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

For the Fiscal Year Ended
June 30, 2023

* * *

GOLDEN & ASSOCIATES CPA's, LLC

HINESVILLE, GEORGIA

CITY OFFICIALS

As of June 30, 2023

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, 2023**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 - 7
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Balance Sheet - Governmental Funds	10
Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	11
Notes to the Financial Statements	12 - 20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures & Changes in Fund Balances - Budget & Actual	
General Fund	21
Special Revenue Fund - Hotel/Motel Tax	22
Special Revenue Fund - American Rescue Plan	23
INDIVIDUAL FUND SCHEDULES	
Major Governmental Funds	
General Fund	
Schedule of Assets, Liabilities & Fund Balances	24
Schedule of Revenues, Expenditures & Changes in Fund Balances	25
Special Revenue Fund - Hotel/Motel Tax	
Schedule of Assets, Liabilities & Fund Balances	26
Schedule of Revenues, Expenditures & Changes in Fund Balances	27
Special Revenue Fund - American Rescue Plan	
Schedule of Assets, Liabilities & Fund Balances	28
Schedule of Revenues, Expenditures & Changes in Fund Balances	29
Capital Projects Fund - SPLOST	
Schedule of Assets, Liabilities & Fund Balances	30
Schedule of Revenues, Expenditures & Changes in Fund Balances	31
Capital Projects Fund - TSPLOST	
Schedule of Assets, Liabilities & Fund Balances	32
Schedule of Revenues, Expenditures & Changes in Fund Balances	33
Capital Projects Fund - Impact Fees	
Schedule of Assets, Liabilities & Fund Balances	34
Schedule of Revenues, Expenditures & Changes in Fund Balances	35
Capital Projects Fund - LMIG	
Schedule of Assets, Liabilities & Fund Balances	36
Schedule of Revenues, Expenditures & Changes in Fund Balances	37

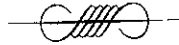
CITY OF FLEMINGTON, GEORGIA
ANNUAL FINANCIAL REPORT
June 30, 2023

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>	38 - 39
Schedule of Findings and Responses	40
Corrective Action Plan	41
State of Georgia Reports:	
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds VI	42
Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds	43

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
City Council Members
City of Flemington, Georgia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Flemington, Georgia, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Flemington, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Flemington, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Flemington, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Flemington, Georgia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary 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 is the responsibility of management and, 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.

Supplementary 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 the Special Purpose Local Option Sales Tax ("SPLOST") proceeds as required by the Official Code of Georgia ("O.C.G.A.") §48-8-121, the schedule of expenditures of Transportation Special Purpose Local Option Sales Tax ("TSPLOST") proceeds as required by the Official Code of Georgia ("O.C.G.A.") §48-8-269.5, and the Individual Fund Schedules are presented for purposes of additional analysis and are 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 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*'

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Flemington, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Flemington, Georgia's internal control over financial reporting and compliance.

GOLDEN & ASSOCIATES CPA'S, LLC

Golden & Associates CPA's, LLC

Hinesville, Georgia
December 12, 2023

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, 2023. 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 \$3,094,756 (*net position*). Of this amount, \$421,030 is unassigned and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$225,487 during the year.
- Revenues increased by 41.7% in total
- Expenses for the City increased by 75.0%

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 8 through 9) 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 10 through 11) 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 8 through 9 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 10 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 12 through 20 of this report.

Net Position

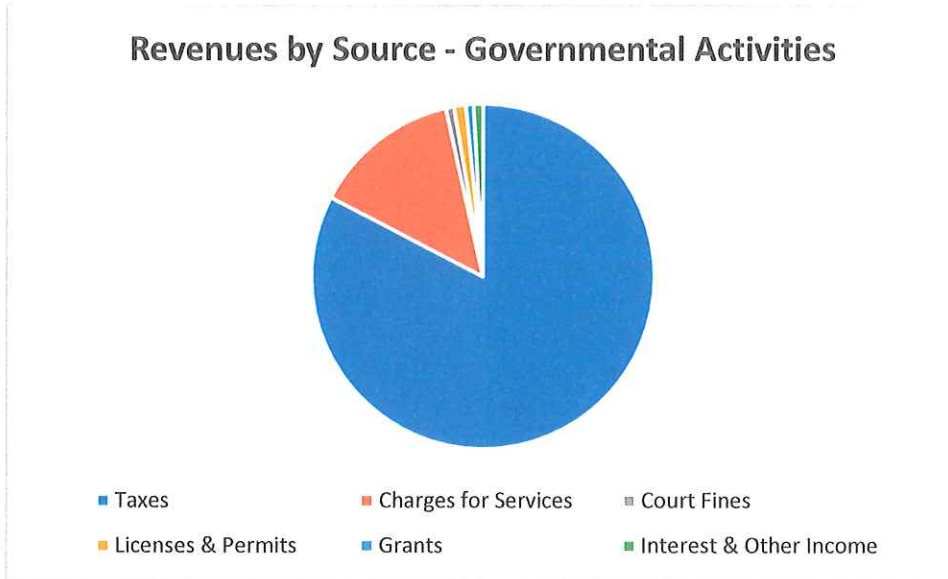
Governmental net position increased by \$95,540. The unassigned portion increased by \$103,814.

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

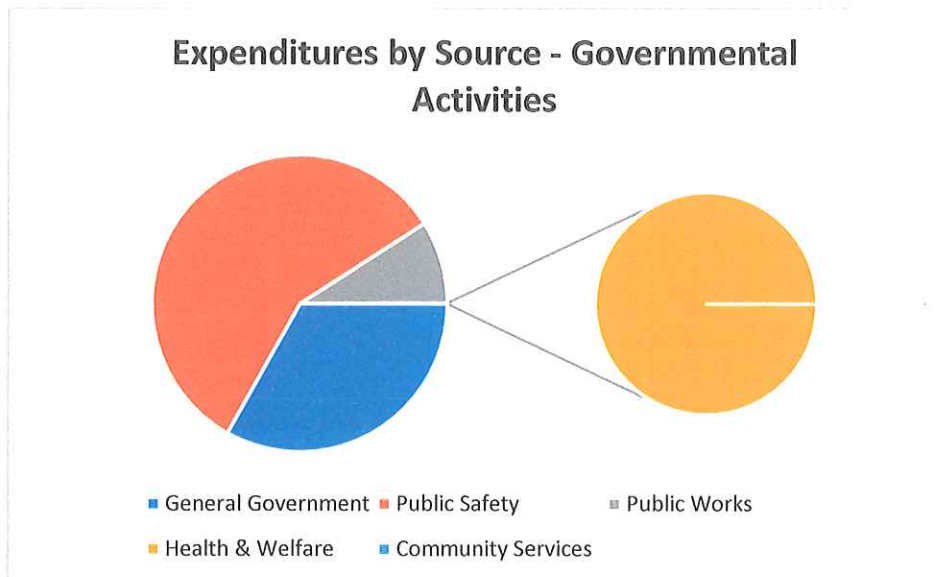
	<u>Governmental Activities</u>		
	<u>Current</u>	<u>Prior</u>	<u>Change</u>
Capital assets, net	\$ 1,543,140	\$ 1,246,480	\$ 296,660
Current and other assets	<u>1,751,206</u>	<u>1,704,460</u>	<u>46,746</u>
Total assets	<u>3,294,346</u>	<u>2,950,940</u>	<u>343,406</u>
Other liabilities	<u>199,590</u>	<u>81,671</u>	<u>117,919</u>
Total liabilities	<u>199,590</u>	<u>81,671</u>	<u>117,919</u>
Net assets			
Invested in capital assets, net	1,543,140	1,246,480	296,660
Nonspendable	9,503	6,947	2,556
Restricted	1,025,543	1,194,812	(169,269)
Unassigned	<u>516,570</u>	<u>421,030</u>	<u>95,540</u>
Total net position	<u>\$ 3,094,756</u>	<u>\$ 2,869,269</u>	<u>\$ 225,487</u>

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

Changes in net position Total net position increased to \$3,094,756. Revenues increased by 41.7% to \$2,076,197 and came from taxes 82.53%, charges for services 13.92%, court fines 0.81%, charges for licenses and permits 1.11%, grants 0.73%, interest and other income 0.90%.



The total costs of all programs and services increased 75% to \$1,850,710. This consisted of 57.84% for public safety, 9.01% for public works, 0.08% for health and welfare, 0.0% for community services and 33.07% for general government.



BASIC FINANCIAL STATEMENTS

CITY OF FLEMINGTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2023

PRIMARY GOVERNMENT
Governmental Activities

ASSETS

Cash	\$ 459,312
Investments	988,603
Accounts Receivable (Net of Allowance for Uncollectibles)	201,685
Interest Receivable	-
Sales Tax Receivable	-
Prepaid Expenses	9,503
Intergovernmental	92,103
Capital Assets (net of accumulated depreciation)	
Land	161,957
Buildings	135,339
Machinery and Equipment	74,919
Infrastructure	<u>1,170,925</u>
 Total Assets	 <u>3,294,346</u>

LIABILITIES

Accounts Payable	96,621
Intergovernmental	-
Unearned Revenue	100,669
Other Current Liabilities	<u>2,300</u>
 Total Liabilities	 <u>199,590</u>

NET POSITION

Net Investment in Capital Assets	1,543,140
Restricted for:	
Capital Outlay	714,000
Tourism	124,691
Fire Protection	38,828
Law Enforcement	82,359
Road Projects	40,768
General Administration	24,897
Unrestricted	<u>550,970</u>
 Total Net Position	 <u>\$ 3,094,756</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, 2023

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE & CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	<u>PRIMARY GOVERNMENT</u>
GOVERNMENTAL ACTIVITIES:					
General Government	\$ 612,004	\$ 22,975	-	619,647	\$ 30,618
Public Safety	1,070,559	16,752	33,208	-	(1,020,599)
Public Works	166,681	288,938	15,131	-	137,388
Sanitation	-	-	-	-	-
Health and Welfare	1,466	-	-	-	(1,466)
Community Services	-	-	-	-	-
Total Governmental Activities	\$ 1,850,710	\$ 328,665	\$ 48,339	\$ 619,647	(854,059)

General Revenues:	
General Sales taxes	208,044
Franchise taxes	85,121
Alcoholic beverage tax	22,645
Insurance taxes	70,264
Intangible Recording / Real Estate Transfer Tax	6,576
Motel / Hotel taxes	668,226
	1,060,876
Interest Income	16,945
Other Income	1,725
	1,079,546

Change in Net Position	225,487
Beginning Net Position	2,869,269
Ending Net Position	\$ 3,094,756

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

CITY OF FLEMINGTON, GEORGIA
BALANCE SHEET
 June 30, 2023

ASSETS	Special Revenue		Capital Projects Funds				Total Governmental Funds	
	General Fund	Hotel-Motel	American Rescue Plan (ARP)	SPLOST VII	T-SPLOST	Impact Fees		LMIG
Cash	\$ 358,643	\$ -	\$ 100,669	\$ -	\$ -	\$ -	\$ -	\$ 459,312
Investments	107,301	-	-	342,061	322,434	186,852	29,955	988,603
Accounts Receivable (Net of Allowance for Uncollectibles)	2,180	199,505	-	-	-	-	-	201,685
Interest Receivable	-	-	-	-	-	-	-	-
Intergovernmental	72,553	-	-	8,567	10,983	-	-	92,103
Due from Other Funds	-	-	-	-	-	-	-	-
Prepaid Expense	9,503	-	-	-	-	-	-	9,503
Total Assets	\$ 550,180	\$ 199,505	\$ 100,669	\$ 350,628	\$ 333,417	\$ 186,852	\$ 29,955	\$ 1,751,206
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts Payable	\$ 21,807	\$ 74,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,621
Intergovernmental	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	100,669	-	-	-	-	100,669
Other Current Liabilities	2,300	-	-	-	-	-	-	2,300
Total Liabilities	24,107	74,814	100,669	-	-	-	-	199,590
Fund Balances:								
Non-spendable:								
Prepaid Items	9,503	-	-	-	-	-	-	9,503
Restricted For:								
Fire Protection	-	-	-	-	-	38,828	-	38,828
Law Enforcement	-	-	-	-	-	82,359	-	82,359
Road Projects	-	-	-	-	-	40,768	-	40,768
General Administration	-	-	-	-	-	24,897	-	24,897
Tourism and Promotion	-	124,691	-	-	-	-	-	124,691
Capital Outlay	-	-	-	350,628	333,417	(0)	29,955	714,000
Unassigned	516,570	-	-	-	-	-	-	516,570
Total Fund Balances	526,073	124,691	-	350,628	333,417	186,852	29,955	1,551,616
Total Liabilities and Fund Balances	\$ 2,069,213	\$ 199,505	\$ 100,669	\$ 350,628	\$ 333,417	\$ 186,852	\$ 29,955	1,551,616
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.								
Net position of governmental activities								
								<u>1,543,140</u>
								<u>\$ 3,094,756</u>

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, 2023

	Special Revenue Funds					Capital Projects Funds					Total Governmental Funds
	General Fund	Hotel-Motel	American Rescue Plan (ARP)	SPLOST VII	T-SPLOST	Impact Fees	LMIG				
REVENUES											
Taxes	\$ 405,083	\$ 668,226	\$ -	\$ -	\$ -	\$ -	\$ -				\$ 1,073,309
Charges for Services	-	-	-	-	-	288,938	-				288,938
Licenses & Permits	22,975	-	-	-	-	-	-				22,975
Court Fines	16,752	-	-	-	-	-	-				16,752
Intergovernmental	-	-	33,208	116,957	490,255	-	-				640,420
Grants	-	-	-	-	-	-	15,132				15,132
Interest Earnings	8	-	-	3,944	2,495	10,498	-				16,945
Other Revenues	1,725	-	-	-	-	-	-				1,725
TOTAL REVENUES	<u>446,544</u>	<u>668,226</u>	<u>33,208</u>	<u>120,901</u>	<u>492,750</u>	<u>299,436</u>	<u>15,132</u>				<u>2,076,196</u>
EXPENDITURES											
Current Operating:											
General Government (Note 5)	233,973	358,707	-	-	-	-	-				592,680
Public Safety	249,271	-	-	-	-	-	-				249,271
Public Works	96,839	-	-	18,405	-	-	380				115,624
Sanitation	-	-	-	-	-	-	-				-
Health and Welfare	1,466	-	-	-	-	-	-				1,466
Community Services	-	-	-	-	-	-	-				-
Capital Outlay	2,977	-	35,941	-	345,450	803,961	-				1,188,329
TOTAL EXPENDITURES	<u>584,526</u>	<u>358,707</u>	<u>35,941</u>	<u>18,405</u>	<u>345,450</u>	<u>803,961</u>	<u>380</u>				<u>2,147,370</u>
REVENUES OVER EXPENDITURES	<u>(137,982)</u>	<u>309,519</u>	<u>(2,733)</u>	<u>102,496</u>	<u>147,300</u>	<u>(504,525)</u>	<u>14,752</u>				<u>(71,174)</u>
OTHER FINANCING SOURCES (USES):											
Transfers In	236,078	-	-	-	-	-	-				236,078
Transfers Out	-	(236,078)	-	-	-	-	-				(236,078)
TOTAL OTHER FINANCING SOURCES (USES)	<u>236,078</u>	<u>(236,078)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>				<u>-</u>
NET CHANGE IN FUND BALANCE	<u>98,096</u>	<u>73,441</u>	<u>(2,733)</u>	<u>102,496</u>	<u>147,300</u>	<u>(504,525)</u>	<u>14,752</u>				<u>(71,174)</u>
BEGINNING 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>
ENDING FUND BALANCE	<u>\$ 526,074</u>	<u>\$ 124,691</u>	<u>\$ -</u>	<u>\$ 350,628</u>	<u>\$ 333,417</u>	<u>\$ 186,852</u>	<u>\$ 29,955</u>				<u>\$ 1,551,616</u>
RECONCILIATION OF CHANGE IN FUND BALANCE TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES:											
Net Change in Fund Balance											\$ (71,174)
Capital Outlays											382,638
Depreciation											(85,977)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES											<u>\$ 225,487</u>

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

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2023

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, 2023

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, 2023

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 2023, 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, 2023

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, 2023 consisted of the following:

Prepaid Fees	\$3,186
Prepaid Insurance	<u>6,317</u>
Total Prepaid Expenses	<u>\$9,503</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, 2023

The following is a summary of the fund balance classifications as of June 30, 2023:

	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	\$ 427,978	\$ 51,250	\$ 2,733	\$ 248,132	\$ 186,117	\$ 691,377	\$ 15,203.00	\$ 1,622,790
Revenues over Expenditures								
(Expenditures over Revenues)	(137,982)	309,519	(2,733)	102,496	147,300	(504,525)	14,752	(71,173)
Net Transfers In (Out)	<u>236,078</u>	<u>(236,078)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ 526,074</u>	<u>\$ 124,691</u>	<u>\$ -</u>	<u>\$ 350,628</u>	<u>\$ 333,417</u>	<u>\$ 186,852</u>	<u>\$ 29,955</u>	<u>\$ 1,551,617</u>

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

Net Change in Fund Balance	\$ (71,173)
Capital Outlays	382,639
Depreciation	<u>(85,978)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 225,488</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

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, 2023, cash deposits (including all certificates of deposits and money market accounts which may be classified as investments for financial reporting) totaled approximately \$1,447,915. This entire amount (credit risk type 1) was fully insured and/or collateralized.

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2023

NOTE 3 - FIXED ASSETS

A summary of general fixed asset transactions for the year ended June 30, 2023 follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023
Infrastructure	1,495,694	345,450	-	1,841,144
Building	326,345	-	-	326,345
Machinery and Equipment	<u>141,793</u>	<u>37,188</u>	-	<u>178,981</u>
	<u>1,963,832</u>	<u>382,638</u>	-	<u>2,346,470</u>
Accumulated Depreciation:				
Infrastructure	(619,162)	(51,057)	-	(670,219)
Building	(181,349)	(9,657)	-	(191,006)
Machinery and Equipment	<u>(78,798)</u>	<u>(25,264)</u>	-	<u>(104,062)</u>
	<u>(879,309)</u>	<u>(85,978)</u>	-	<u>(965,287)</u>
Depreciable Capital Assets - Net	1,084,523	296,660	-	1,381,183
Land / Land Improvements	<u>161,957</u>	-	-	<u>161,957</u>
Total Capital Assets – Net	<u>\$ 1,246,480</u>	<u>\$ 296,660</u>	<u>\$ -</u>	<u>\$ 1,543,140</u>

Depreciation expense was charged as follows:

General Government	\$ 13,633
Public Safety	21,288
Public Works	51,057
Sanitation	<u>-</u>
	<u>\$ 85,978</u>

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2023

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, 2023	June 30, 2022
Salaries	\$ 60,862	\$ 55,766
General Administration	1,262	177
Planning and Zoning	11,376	10,452
Enforcement of Code	2,400	2,400
Council Fees	45,000	45,000
Elections	-	18,507
Conventions and Meetings	30,268	16,360
Professional Fees	31,147	33,920
Office Expense	3,986	8,235
Insurance	5,511	4,735
Rent and Occupancy	20,326	19,102
Payroll Taxes	4,676	4,144
Social Services	1,000	1,997
Dues & Subscriptions, Miscellaneous	<u>13,064</u>	<u>10,985</u>
Subtotal	230,878	228,780
Tourism	<u>361,739</u>	<u>189,454</u>
	<u>\$ 592,617</u>	<u>\$ 418,234</u>

Public Safety expenditures are as follows:

Officer Cost	\$ 141,179	\$ 99,110
Auto / Equipment Expense	3,160	1,807
Fire Services	<u>104,932</u>	<u>204,475</u>
	<u>\$ 249,271</u>	<u>\$ 305,392</u>

June 30

June 30

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2023

2023

2022

NOTE 5 – Continued

Highways, Streets and Infrastructure expenditures are as follows:

Streets and Drainage	<u>\$ 115,624</u>	<u>\$ 176,339</u>
----------------------	-------------------	-------------------

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

Solid Waste	<u>\$ -</u>	<u>\$ -</u>
-------------	-------------	-------------

Health & Welfare expenditures are as follows:

Public Health / Cares Act disbursements	<u>\$ 1,466</u>	<u>\$ 81,548</u>
---	-----------------	------------------

Community Services expenditures are as follows:

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

NOTE 6 - HOTEL / MOTEL LODGING TAX

The government has levied a 8% 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, 2023 follows:

	<u>June 30, 2023</u>
Hotel/Motel tax revenue	<u>\$668,226</u>
40% of tax receipts required to be disbursed for the year ending June 30th	<u>\$267,290</u>
Tourism disbursements	<u>\$358,707</u>

City of Flemington, Georgia
Notes to Financial Statements
June 30, 2023

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, 2023 were as follows:

Transfer In	Transfer Out	Amount
General Fund	Hotel/Motel Fund	\$236,078

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, 2023

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 410,500	\$ 410,500	\$ 405,084	\$ (5,416)
Licenses & Permits	24,500	24,500	22,975	(1,524)
Court Fines	8,000	8,000	16,752	8,752
Intergovernmental	-	-	-	-
Grants	-	-	-	-
Interest Earnings	-	-	8	8
Other Income	1,000	1,000	1,725	725
TOTAL REVENUES	<u>444,000</u>	<u>444,000</u>	<u>446,544</u>	<u>2,545</u>
EXPENDITURES				
Current Operating:				
General Government (Note 5)	278,600	278,600	233,973	44,627
Public Safety	320,500	320,500	249,271	71,229
Public Works	100,000	100,000	96,839	3,161
Sanitation	-	-	-	-
Health Welfare	1,900	1,900	1,466	434
Community Services	8,000	8,000	-	8,000
Capital Outlay	5,000	5,000	2,977	2,023
TOTAL EXPENDITURES	<u>714,000</u>	<u>714,000</u>	<u>584,526</u>	<u>129,474</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>(270,000)</u>	<u>(270,000)</u>	<u>(137,982)</u>	<u>132,019</u>
OTHER FINANCING SOURCES (USES):				
Transfers In - Hotel/Motel Special Revenue Fund	270,000	270,000	236,078	33,922
Transfers Out - TE Grant Capital Projects Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>270,000</u>	<u>270,000</u>	<u>236,078</u>	<u>33,922</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>98,096</u>	<u>165,941</u>
BEGINNING FUND BALANCE	<u>251,384</u>	<u>251,384</u>	<u>427,978</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 251,384</u>	<u>\$ 251,384</u>	<u>\$ 526,074</u>	<u>\$ 165,941</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, 2023

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 450,000	\$ 670,000	\$ 668,226	\$ (1,774)
Licenses & Permits	-	-	-	-
Court Fines	-	-	-	-
Grants	-	-	-	-
Interest Earnings	-	-	-	-
Other Income	-	-	-	-
TOTAL REVENUES	<u>450,000</u>	<u>670,000</u>	<u>668,226</u>	<u>(1,774)</u>
EXPENDITURES				
Current Operating:				
General Government (Note 5)	180,000	360,000	358,707	1,293
Public Safety	-	-	-	-
Public Works	-	-	-	-
Sanitation	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>180,000</u>	<u>360,000</u>	<u>358,707</u>	<u>1,293</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>270,000</u>	<u>310,000</u>	<u>309,519</u>	<u>(481)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	(270,000)	(310,000)	(236,078)	(73,922)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(270,000)</u>	<u>(310,000)</u>	<u>(236,078)</u>	<u>(73,922)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>73,441</u>	<u>73,441</u>
BEGINNING FUND BALANCE	<u>60,329</u>	<u>60,329</u>	<u>51,250</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 60,329</u>	<u>\$ 60,329</u>	<u>\$ 124,691</u>	<u>\$ 73,441</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, 2023

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Licenses & Permits	-	-	-	-
Court Fines	-	-	-	-
Intergovernmental	-	33,267	33,208	(59)
Grants	-	-	-	-
Interest Earnings	-	-	-	-
Other Income	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>33,267</u>	<u>33,208</u>	<u>(59)</u>
EXPENDITURES				
Current Operating:	-	-		
General Government (Note 5)	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Sanitation	-	-	-	-
Health & Welfare	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	-	36,000	35,941	59
TOTAL EXPENDITURES	<u>-</u>	<u>36,000</u>	<u>35,941</u>	<u>59</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>-</u>	<u>(2,733)</u>	<u>(2,733)</u>	<u>(118)</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>(2,733)</u>	<u>(2,733)</u>	<u>(118)</u>
BEGINNING FUND BALANCE	<u>2,733</u>	<u>2,733</u>	<u>2,733</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 2,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (118)</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, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ 358,643	\$ 221,619
Investments	107,301	220,552
Accounts Receivable (Net of Allowance for Uncollectibles)	2,180	2,007
Interest Receivable	-	148
Intergovernmental	72,553	21,869
Prepaid Insurance	<u>9,503</u>	<u>6,947</u>
Total Assets	<u>\$ 550,180</u>	<u>\$ 473,142</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 21,807	\$ 43,650
Due to Other Funds	-	-
Other Current Liabilities	<u>2,300</u>	<u>1,515</u>
Total Liabilities	<u>24,107</u>	<u>45,165</u>
Fund Balances:		
Nonspendable:		
Prepaid Items	9,503	6,947
Unassigned	<u>516,570</u>	<u>421,030</u>
Total Fund Balances	526,073	427,977
Total Liabilities and Fund Balances	<u>\$ 550,180</u>	<u>\$ 473,142</u>

CITY OF FLEMINGTON, GEORGIA
General Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Taxes	\$ 405,083	\$ 474,834
Licenses & Permits	22,975	24,400
Court Fines	16,752	8,423
Intergovernmental	-	-
Grants	-	-
Interest Earnings	8	219
Other Income	<u>1,725</u>	<u>3,190</u>
TOTAL REVENUES	<u>446,543</u>	<u>511,066</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	233,973	228,780
Public Safety	249,271	305,392
Public Works	96,839	147,992
Sanitation	-	-
Health Welfare	1,466	1,171
Community Services	-	290
Capital Outlay	<u>2,977</u>	<u>2,272</u>
TOTAL EXPENDITURES	<u>584,526</u>	<u>685,897</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>(137,983)</u>	<u>(174,831)</u>
OTHER FINANCING SOURCES (USES):		
Transfers In - Hotel/Motel Special Revenue Fund	236,078	279,006
Transfers Out - TE Grant Capital Projects Fund	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>236,078</u>	<u>279,006</u>
NET CHANGE IN FUND BALANCE	<u>98,095</u>	<u>104,175</u>
BEGINNING FUND BALANCE	<u>427,977</u>	<u>323,801</u>
ENDING FUND BALANCE	<u>\$ 526,072</u>	<u>\$ 427,976</u>

CITY OF FLEMINGTON, GEORGIA
Hotel/Motel - Special Revenue Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ -	\$ -
Investments	-	-
Accounts Receivable (Net of Allowance for Uncollectibles)	199,505	85,416
Interest Receivable	-	-
Intergovernmental	-	-
Prepaid Insurance	-	-
Total Assets	<u>\$ 199,505</u>	<u>\$ 85,416</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 74,814	\$ 34,166
Other Current Liabilities	-	-
Total Liabilities	<u>74,814</u>	<u>34,166</u>
Fund Balances:		
Assigned For:		
Special Revenue Fund	<u>124,691</u>	<u>51,250</u>
Total Fund Balances	124,691	51,250
Total Liabilities and Fund Balances	<u>\$ 199,505</u>	<u>\$ 85,416</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, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Taxes	\$ 668,226	\$ 467,152
Other Income	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>668,226</u>	<u>467,152</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	<u>358,707</u>	<u>189,454</u>
TOTAL EXPENDITURES	<u>358,707</u>	<u>189,454</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>309,519</u>	<u>277,698</u>
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	<u>(236,078)</u>	<u>(279,006)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(236,078)</u>	<u>(279,006)</u>
NET CHANGE IN FUND BALANCE	<u>73,441</u>	<u>(1,308)</u>
BEGINNING FUND BALANCE	<u>51,250</u>	<u>52,558</u>
ENDING FUND BALANCE	<u>\$ 124,691</u>	<u>\$ 51,250</u>

CITY OF FLEMINGTON, GEORGIA
American Rescue Plan (ARP) Act
Special Revenue Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ 100,669	\$ 3,183
Investments	-	-
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Prepaid Insurance	-	-
	<hr/>	<hr/>
Total Assets	<u>\$ 100,669</u>	<u>\$ 3,183</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ 450
Other Current Liabilities	-	-
	<hr/>	<hr/>
Total Liabilities	<u>-</u>	<u>450</u>
 Fund Balances:		
Assigned For:		
Special Revenue Fund	<u>100,669</u>	<u>2,733</u>
Total Fund Balances	<u>100,669</u>	<u>2,733</u>
	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 100,669</u>	<u>\$ 3,183</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, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Taxes	\$ -	\$ -
Licenses & Permits	-	
Court Fines	-	
Intergovernmental	33,208	\$ 133,877
Grants	-	
Interest Earnings	-	
Other Income	-	-
	<u>33,208</u>	<u>133,877</u>
TOTAL REVENUES	<u>33,208</u>	<u>133,877</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>35,941</u>	<u>50,767</u>
TOTAL EXPENDITURES	<u>35,941</u>	<u>131,144</u>
REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	<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>
NET CHANGE IN FUND BALANCE	<u>(2,733)</u>	<u>2,733</u>
BEGINNING FUND BALANCE	<u>2,733</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 2,733</u>

CITY OF FLEMINGTON, GEORGIA
SPLOST - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ -	\$ -
Investments	342,061	249,982
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	8,567	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
	<hr/>	<hr/>
Total Assets	<u>\$ 350,628</u>	<u>\$ 249,982</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ 1,850
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
	<hr/>	<hr/>
Total Liabilities	<u>-</u>	<u>1,850</u>
 Fund Balances:		
Restricted For:		
Capital Outlay	350,628	248,132
Unassigned	-	-
	<hr/>	<hr/>
Total Fund Balances	<u>350,628</u>	<u>248,132</u>
	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 350,628</u>	<u>\$ 249,982</u>

CITY OF FLEMINGTON, GEORGIA
SPLOST - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	116,957	103,603
Grants	-	-
Interest Earnings	3,944	126
Other Revenues	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>120,901</u>	<u>103,729</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	18,405	7,702
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>18,405</u>	<u>7,702</u>
REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	<u>102,496</u>	<u>96,027</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>102,496</u>	<u>96,027</u>
BEGINNING FUND BALANCE	<u>248,132</u>	<u>152,106</u>
ENDING FUND BALANCE	<u>\$ 350,628</u>	<u>\$ 248,133</u>

CITY OF FLEMINGTON, GEORGIA
TSPLOST - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ -	\$ -
Investments	322,434	186,157
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	10,983	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
Total Assets	\$ 333,417	\$ 186,157
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ 40
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
Total Liabilities	-	40
Fund Balances:		
Restricted For:		
Capital Outlay	333,417	79,615
Unassigned	-	-
Total Fund Balances	333,417	79,615
Total Liabilities and Fund Balances	\$ 333,417	\$ 186,157

CITY OF FLEMINGTON, GEORGIA
TSPLOST - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2023 and 2022

	2023	2022
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	490,255	127,067
Grants	-	-
Interest Earnings	2,495	80
Other Revenues	-	-
TOTAL REVENUES	492,750	127,147
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	-	20,645
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	345,450	-
TOTAL EXPENDITURES	345,450	20,645
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	147,300	106,502
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	147,300	106,502
BEGINNING FUND BALANCE	186,117	79,615
ENDING FUND BALANCE	\$ 333,417	\$ 186,117

CITY OF FLEMINGTON, GEORGIA
Impact Fees - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ -	\$ -
Investments	186,852	691,377
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
	<hr/>	<hr/>
Total Assets	\$ 186,852	\$ 691,377
	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
	<hr/>	<hr/>
Total Liabilities	<hr/>	<hr/>
	<hr/>	<hr/>
Fund Balances:		
Restricted For:		
Fire Protection	38,828	585,324
Law Enforcement	82,359	57,469
Road Projects	40,768	28,447
General Administration	24,897	20,137
Capital Outlay	-	-
Unassigned	(0)	-
	<hr/>	<hr/>
Total Fund Balances	186,852	691,377
	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 186,852	\$ 691,377
	<hr/>	<hr/>

CITY OF FLEMINGTON, GEORGIA
Impact Fees - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	288,938	106,621
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	-	-
Grants	-	-
Interest Earnings	10,498	451
Other Revenues	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>299,436</u>	<u>107,072</u>
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	-	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	<u>803,961</u>	<u>-</u>
TOTAL EXPENDITURES	<u>803,961</u>	<u>-</u>
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	<u>(504,525)</u>	<u>107,072</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>(504,525)</u>	<u>107,072</u>
BEGINNING FUND BALANCE	<u>691,377</u>	<u>584,305</u>
ENDING FUND BALANCE	<u>\$ 186,852</u>	<u>\$ 691,377</u>

CITY OF FLEMINGTON, GEORGIA
LMIG - Capital Projects Fund
SCHEDULE OF ASSETS, LIABILITIES FUND BALANCES
June 30, 2023 and 2022

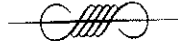
<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Cash	\$ -	\$ -
Investments	29,955	15,203
Accounts Receivable (Net of Allowance for Uncollectibles)	-	-
Interest Receivable	-	-
Intergovernmental	-	-
Due from Other Funds	-	-
Prepaid Insurance	-	-
Total Assets	<u>\$ 29,955</u>	<u>\$ 15,203</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Intergovernmental	-	-
Due to Other Funds	-	-
Other Current Liabilities	-	-
Total Liabilities	<u>-</u>	<u>-</u>
 Fund Balances:		
Restricted For:		
Capital Outlay	29,955	15,203
Unassigned	-	-
Total Fund Balances	<u>29,955</u>	<u>15,203</u>
 Total Liabilities and Fund Balances	 <u>\$ 29,955</u>	 <u>\$ 15,203</u>

CITY OF FLEMINGTON, GEORGIA
LMIG - Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2023 and 2022

	2023	2022
REVENUES		
Taxes	\$ -	\$ -
Charges for Services	-	-
Licenses & Permits	-	-
Court Fines	-	-
Intergovernmental	-	-
Grants	15,132	15,203
Interest Earnings	-	-
Other Revenues	-	-
	-	-
TOTAL REVENUES	15,132	15,203
EXPENDITURES		
Current Operating:		
General Government (Note 5)	-	-
Public Safety	-	-
Public Works	380	-
Sanitation	-	-
Health Welfare	-	-
Community Services	-	-
Capital Outlay	-	-
	-	-
TOTAL EXPENDITURES	380	-
REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	14,752	15,203
OTHER FINANCING SOURCES (USES):		
Transfers In	-	-
Transfers Out	-	-
	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	14,752	15,203
BEGINNING FUND BALANCE	15,203	-
ENDING FUND BALANCE	\$ 29,955	\$ 15,203
	-	-

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
City Council Members
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 *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund of City of Flemington, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City of Flemington, Georgia's basic financial statements and have issued our report thereon dated December 12, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Flemington, 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 City of Flemington, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Flemington, 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 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 identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items that we consider to be significant deficiencies: Finding 2012-1.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Flemington, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item: Finding 2012-1.

City of Flemington, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Flemington, Georgia's response to the findings identified in our audit and described in the accompanying schedule of finding and questioned costs. The City of Flemington, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Hinesville, Georgia
December 12, 2023

CITY OF FLEMINGTON, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2023

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, 2023

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, 2023

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	\$ 18,405	\$ 229,513

CITY OF FLEMINGTON, GEORGIA

SCHEDULE OF EXPENDITURES OF TRANSPORTATION
 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
 For the Year Ended June 30, 2023

Project Description	Estimated Cost		Cost		
	Original	Current	Prior Years	Current Year	Total
TSPLOST Funds:					
Road, streets and drainage	<u>\$ 621,572</u>	<u>\$ 621,572</u>	<u>\$ 20,645</u>	<u>\$ 345,450</u>	<u>\$ 366,095</u>