CITY OF ARLINGTON, GEORGIA

Financial Statements and Supplemental Information
For the Fiscal Year Ended June 30, 2022

And

Independent Auditor's Report

CITY OF ARLINGTON, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

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BROWN & MCDANIEL
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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Arlington, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Arlington, 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 Arlington, 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 Arlington, Georgia, as of June 30, 2022, 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 Arlington, Georgia and to meet other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe 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 Arlington, 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 our 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 Arlington, 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 Arlington, Georgia's ability to continue as a going concern for a reasonable period of time.

We are required 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 budgetary comparison information on pages 38-40 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a basic part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Arlington, Georgia's basic financial statements. The accompanying comparative major fund financial statements, combining and individual comparative nonmajor fund financial statements and supplemental 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 related 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 comparative major fund financial statements, combining and individual comparative nonmajor fund financial statements, and supplemental 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 December 19, 2022, on our consideration of the City of Arlington, 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 the effectiveness of the City of Arlington, 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 Arlington, Georgia's internal control over financial reporting and compliance.

/s/ Brown & McDaniel, CPAs

Albany, Georgia
December 19, 2022

CITY OF ARLINGTON, GEORGIA
Statement of Net Position
As of June 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Development Authority
ASSETS				
Cash and Cash Equivalents	$ 551,037	$ 48,289	$ 599,326	$ 3,404
Investments	1,968	37,458	39,426	-
Receivables	58,749	57,719	116,468	-
Restricted Assets:				
Cash and Cash Equivalents	-	154,136	154,136	-
Investments	-	79,800	79,800	-
Deposits	-	200	200	-
Capital Assets - Not Being Depreciated	344,487	36,985	381,472	8,089
Capital Assets, Net of Accumulated Depreciation	1,066,770	5,776,189	6,842,959	8,400
Total Assets	2,023,011	6,190,776	8,213,787	19,893
LIABILITIES				
Accounts Payable-Trade	17,277	41,079	58,356	-
Accounts Payable-Capital Asset	-	118,543	118,543	-
Accrued Liabilities	8,323	-	8,323	-
Unearned Revenue	196,176	-	196,176	-
Customer Deposits Payable	-	45,288	45,288	-
Non-current Liabilities:				
Due Within One Year	5,997	27,282	33,279	-
Due In More Than One Year	-	1,346,556	1,346,556	-
Total Liabilities	227,773	1,578,748	1,806,521	-
NET POSITION				
Net Investment in Capital Assets	1,405,260	4,320,793	5,726,053	16,489
Restricted:				
Special Revenue Purposes	-	-	-	3,404
Capital Projects	211,726	118,040	329,766	-
Debt Service	-	79,800	79,800	-
Unrestricted	178,252	93,395	271,647	-
Total Net Position	$ 1,795,238	$ 4,612,028	$ 6,407,266	$ 19,893

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

CITY OF ARLINGTON, GEORGIA
Statement of Activities
For the Year Ended June 30, 2022

Function/Programs	Expenses	Program Revenues: Fees, Fines Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 265,505	$ 16,272	$ 51,413	$ -
Judicial	23,901	5,775	-	-
Public Safety	282,174	146	4,737	-
Public Works	250,001	500	-	140,130
Culture and Recreation	44,404	15,539	2,500	-
Interest on Long-Term Debt	751	-	-	-
Total Governmental Activities	866,736	38,232	58,650	140,130
Business-Type Activities:				
Water and Sewer System	636,002	425,043	-	145,244
Sanitation	117,758	120,912	-	-
Total Business-Type Activities	753,760	545,955	-	145,244
Total Primary Government	1,620,496	584,187	58,650	285,374
Component Unit:				
Downtown Development Authority	8,891	8,283	-	-
Total Component Units	$ 8,891	$ 8,283	$ -	$ -
General Revenues:				
Property Taxes				
Local Option Sales Taxes				
Insurance Premiums Tax				
Alcoholic Beverages Taxes				
Franchise Taxes				
Excise Tax on Energy				
Railroad Equipment Taxes				
Financial Institution Taxes				
Housing Authority - In Lieu of Taxes				
Intangible and Real Estate Transfer Taxes				
Interest Earnings				
Miscellaneous				
Gain on Disposal of Capital Assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning of Year				
Net Position - End of Year				

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

CITY OF ARLINGTON, GEORGIA
Statement of Activities
For the Year Ended June 30, 2022

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	**Business-Type Activities**	**Total**	**Component Unit**
$ (197,820)	$ -	$ (197,820)	$ -
(18,126)	-	(18,126)	-
(277,291)	-	(277,291)	-
(109,371)	-	(109,371)	-
(26,365)	-	(26,365)	-
(751)	-	(751)	-
(629,724)	-	(629,724)	-
-	(65,715)	(65,715)	-
-	3,154	3,154	-
-	(62,561)	(62,561)	-
(629,724)	(62,561)	(692,285)	-
-	-	-	(608)
-	-	-	(608)
259,910	-	259,910	-
115,108	-	115,108	-
122,421	-	122,421	-
15,983	-	15,983	-
61,825	-	61,825	-
14,055	-	14,055	-
2,003	-	2,003	-
1,000	-	1,000	-
2,965	-	2,965	-
683	-	683	-
1,406	1,080	2,486	12
220	-	220	-
5,850	-	5,850	-
(74,028)	74,028	-	-
529,401	75,108	604,509	12
(100,323)	12,547	(87,776)	(596)
1,895,561	4,599,481	6,495,042	20,489
$ 1,795,238	$ 4,612,028	$ 6,407,266	$ 19,893

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

CITY OF ARLINGTON, GEORGIA
Balance Sheet
Governmental Funds
As of June 30, 2022

	General Fund	American Rescue Plan (ARP) of 2021	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 352,027	$ -	$ 199,010	$ 551,037
Investment	1,968	-	-	1,968
Receivables	37,747	-	21,002	58,749
Due from Other Funds	-	196,176	-	196,176
Total Assets	391,742	196,176	220,012	807,930
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	8,991	-	8,286	17,277
Accrued Liabilities	8,323	-	-	8,323
Unearned Revenue	-	196,176	-	196,176
Due to Other Funds	196,176	-	-	196,176
Total Liabilities	213,490	196,176	8,286	417,952
Deferred Inflows of Resources:				
Unavailable Revenue:				
Property Tax	6,370	-	-	6,370
Fund Balances:				
Restricted	-	-	211,726	211,726
Assigned	63,138	-	-	63,138
Unassigned	108,744	-	-	108,744
Total Fund Balances	171,882	-	211,726	383,608
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 391,742	$ 196,176	$ 220,012	

Amounts reported for governmental activities in the "Statement of Net Position" are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,411,257
Deferred inflows of resources are not available to pay for current period expenditures and are deferred in the funds	6,370
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(5,997)
Net Position of Governmental Activities	$ 1,795,238

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

CITY OF ARLINGTON, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	American Rescue Plan (ARP) of 2021	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 590,518	$ -	$ -	$ 590,518
Licenses and Permits	14,328	-	-	14,328
Fines and Forfeitures	5,775	-	-	5,775
Charges for Services	5,347	-	-	5,347
Intergovernmental	10,202	51,413	139,596	201,211
Investment Income	1,406	-	534	1,940
Contributions and Donations from Private Sources	-	-	-	-
Miscellaneous	13,002	-	-	13,002
Total Revenues	640,578	51,413	140,130	832,121
EXPENDITURES				
Current:				
General Government	231,251	15,500	-	246,751
Judicial	23,901	-	-	23,901
Public Safety	242,474	-	4,508	246,982
Public Works	334,278	-	8,027	342,305
Culture and Recreation	42,831	-	-	42,831
Capital Outlay	-	-	173,224	173,224
Debt Service	-	-	24,209	24,209
Total Expenditures	874,735	15,500	209,968	1,100,203
Excess (Deficiency) of Revenues Over Expenditures	(234,157)	35,913	(69,838)	(268,082)
OTHER FINANCING SOURCES (USES)				
Proceeds from Disposal of Capital Assets	5,850	-	-	5,850
Transfers In	-	-	-	-
Transfers Out	(8,444)	(35,913)	-	(44,357)
Total Other Financing Sources (Uses)	(2,594)	(35,913)	-	(38,507)
Net Change in Fund Balances	(236,751)	-	(69,838)	(306,589)
Fund Balances - Beginning of Year	408,633	-	281,564	690,197
End of Year	$ 171,882	$ -	$ 211,726	$ 383,608

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

CITY OF ARLINGTON, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the "Statement of Activities" are different because:

Net change in fund balances - total governmental funds reported in "Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental	$ (306,589)
Governmental funds report capital outlays as expenditures. However, in the "Statement of Activities" the costs of those assets, which exceed the capitalization threshold, are allocated over their estimated useful lives and reported as depreciation expense. Details of the amount by which depreciation exceeded capital outlays in the current period are as follows:	
Capital outlays meeting capitalization policy criteria	313,610
Transfer to Water & Sewerage Enterprise Fund	(29,671)
Decpreciation expense	(103,601)
Revenues reported in the "Statement of Activities" not providing current financial resources and not reported in the governmental funds.	2,470
Governmental funds report the proceeds of long-term debt as a current financial resource and the repayment of principal as an expenditure of current financial resources. However, in the "Statement of Activities" there is no effect for these transactions. Details of the amount by which long-term debt proceeds exceeded repayments of principal in the current	
Principal repayments	23,458
Face amount of long-term debt	-
Change in Net Position of governmental activities reported in the "Statement of Activities"	$ (100,323)

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

CITY OF ARLINGTON, GEORGIA
Statement of Net Position
Proprietary Funds
As of June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water and Sewer System	Sanitation	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 48,289	$ -	48,289
Investments	37,458	-	37,458
Accounts Receivable	45,804	11,915	57,719
Restricted Assets:			
Cash and Cash Equivalents	154,136	-	154,136
Total Current Assets	285,687	11,915	297,602
Non-current Assets:			
Restrictged Assets - Investments	79,800	-	79,800
Capital Assets:			-
Land and Construction in Progress	36,985	-	36,985
Other Capital Assets, Net of Accumulated Depreciation	5,776,189	-	5,776,189
Deposits	200	-	200
Total Non-current Assets	5,893,174	-	5,893,174
Total Assets	6,178,861	11,915	6,190,776

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

CITY OF ARLINGTON, GEORGIA
Statement of Net Position
Proprietary Funds
As of June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water and Sewer System	Sanitation	Totals
LIABILITIES			
Current Liabilities:			
Accounts Payable	31,216	9,863	41,079
Customer Deposits	9,192	-	9,192
Payable from Restricted Assets:			
Accounts Payable - Capital Assets	118,543	-	118,543
Revenue Bond - 2019 Series	4,664	-	4,664
Revenue Bond - 2009 Series	22,618	-	22,618
Customer Deposits	36,096	-	36,096
Total Current Liabilities	222,329	9,863	232,192
Long-Term Liabilities:			
Revenue Bond Payable - 2019 Series	248,959	-	248,959
Revenue Bond Payable - 2009 Series	1,097,597	-	1,097,597
	1,346,556	-	1,346,556
Total Liabilities	1,568,885	9,863	1,578,748
NET POSITION			
Net Investment in Capital Assets	4,320,793	-	4,320,793
Restricted	197,840	-	197,840
Unrestricted	91,343	2,052	93,395
Total Net Position	$ 4,609,976	$ 2,052	4,612,028

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

CITY OF ARLINGTON, GEORGIA
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water and Sewer System	Sanitation	Totals
REVENUES			
Water and Sewerage Charges	$ 402,032	$ -	$ 402,032
Sanitation Charges	-	120,912	120,912
Cut-on and Tap Fees	15,133	-	15,133
Penalties and Miscellaneous	7,878	-	7,878
Total Operating Revenues	425,043	120,912	545,955
OPERATING EXPENSES			
Personal Services and Employee Benefits	85,776	-	85,776
Purchased/Contracted Services	107,840	117,758	225,598
Supplies	214,657	-	214,657
Other Costs	875	-	875
Depreciation	173,298	-	173,298
Total Operating Expenses	582,446	117,758	700,204
Operating Income (Loss)	(157,403)	3,154	(154,249)
NON-OPERATING REVENUES AND EXPENSES			
Interest Income	1,080	-	1,080
Interest Expense	(53,556)	-	(53,556)
Total Non-Operating Revenues and Expenses	(52,476)	-	(52,476)
Net Income Before Contributions and Transfers	(209,879)	3,154	(206,725)
CONTRIBUTIONS			
2019 Arlington SPLOST Capital Projects Fund	15,000	-	15,000
2018 Arlington SPLOST Capital Projects Fund	14,671	-	14,671
USDA Rural Development	145,244	-	145,244
Total Contributions	174,915	-	174,915
TRANSFERS			
Tranfers In	49,574	4,071	53,645
Transfers Out	-	(9,288)	(9,288)
Net Transfers	49,574	(5,217)	44,357
Change in Net Position	14,610	(2,063)	12,547
Net Position - Beginning of Year	4,595,366	4,115	4,599,481
Net Position - End of Year	$ 4,609,976	$ 2,052	$ 4,612,028

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

CITY OF ARLINGTON, GEORGIA
Statement of Cash Flows
Increase (Decrease) in Cash and Cash Equivalents
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water and Sewer System	Sanitation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 420,844	$ 123,062	$ 543,906
Cash Paid to Employees for Services	(59,549)	-	(59,549)
Cash Paid to Suppliers	(334,285)	(117,845)	(452,130)
Net Cash Provided (Used) by Operating Activities	27,010	5,217	32,227
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers From Other Funds	49,574	4,071	53,645
Transfers to Other Funds	-	(9,288)	(9,288)
Net Cash Provided (Used) by Non-Capital Financing Activities	49,574	(5,217)	44,357
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributed Capital USDA Rural Development	145,244	-	145,244
Principal Paid on Revenue Bonds	(26,244)	-	(26,244)
Interest Paid on Revenue Bonds	(53,556)	-	(53,556)
Acquisition and Construction of Capital Assets	(62,613)	-	(62,613)
Net Cash Provided (Used) by Capital and Related Financing Activities	2,831	-	2,831
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income	1,080	-	1,080
Certificate of Deposit-Interest Reinvestment	(543)	-	(543)
Net Cash Provided (Used) by Investing Activities	537	-	537
Net Increase (Decrease) in Cash and Cash Equivalents	79,952	-	79,952
Cash and Cash Equivalents - Beginning of Year	122,473	-	122,473
Cash and Cash Equivalents - End of Year	202,425	-	202,425
RECONCILIATION OF CASH AND CASH EQUIVALENTS ON STATEMENT OF NET POSITION			
Cash and Cash Equivalents	48,289	-	48,289
Cash and Cash Equivalents - Restricted	154,136	-	154,136
Total Cash and Cash Equivalents	$ 202,425	$ -	$ 202,425

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

CITY OF ARLINGTON, GEORGIA
Statement of Cash Flows
Increase (Decrease) in Cash and Cash Equivalents
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Water and Sewer System	Sanitation	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ (157,403)	$ 3,154	$ (154,249)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	173,298	-	173,298
(Increase) Decrease in Accounts Receivable	(899)	2,150	1,251
Increase (Decrease) in Accounts Payable	15,315	(87)	15,228
Increase (Decrease) in Customer Deposits	(3,301)	-	(3,301)
Total Adjustments	184,413	2,063	186,476
Net Cash Provided (Used) by Operating Activities	$ 27,010	$ 5,217	32,227
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contributions of Water System Improvments by SPLOST Funds	$ 29,671	$ -	$ 29,671
Capital Assets Acquired by Accounts Payable at Year-End	118,543	-	118,543
Total Noncash Investing, Capital, and Financing Activities	$ 148,214	$ -	$ 148,214

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

CITY OF ARLINGTON, GEORGIA
Statement of Fiduciary Net Position
As of June 30, 2022

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	$ 2,771
Total Assets	2,771
LIABILITIES	
Accounts Payable and Other Liabilities	192
Total Liabilities	192
NET POSITION	
Restricted for Individuals, Organizations, Other Governments	2,579
Total Net Position	$ 2,579

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

CITY OF ARLINGTON, GEORGIA
Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended June 30, 2022

	Custodial Funds
ADDITIONS	
Fines and Forfeitures	$ 9,632
Total Additions	9,632
DEDUCTIONS	
Payments to Individuals, Organizations, and Other Governments	12,103
Total Deductions	12,103
Net Increase (Decrease) in Fiduciary Net Position	(2,471)
Net Position - Beginning of Year	5,050
Net Position - End of Year	$ 2,579

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles of the City of Arlington, Georgia (City) are discussed in subsequent sections of this Note. The remaining Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2022.

B. FINANCIAL REPORTING ENTITY

The accompanying financial statements report on the financial activities of the City, which operates under a mayor and council form of government and provides for the general administration of City functions; citizens public safety; municipal court; public works, including water & sewerage and sanitation services; health and welfare; and culture and recreation.

1. Component Units

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity – An Amendment of GASB Statements No. 14 and No. 34* establishes standards for determining which organizations should be included in the financial reporting entity and for reporting the financial information of those organizations. Generally, a component unit is an organization for which the City is financially accountable and imposes a financial benefit or burden on the City or an organization that must be included as a part of the reporting entity to keep the financial statements from being misleading or incomplete because of the nature or significance of their relationship to the City. Based upon the application of these criteria, the financial activities of the following component unit have been discretely presented to emphasize that it is legally separate from the City.

Arlington Downtown Development Authority, Georgia – promotes development in the downtown area. The Authority is a legally separate entity, although the Arlington City Council appoints a voting majority of the Authority's governing board; and has the power to impose its will on the Authority. Separate financial statements of the Arlington Downtown Development Authority are not issued.

2. Related Organizations

Housing Authority of City of Arlington – administers Federal funding and/or other financing for improvement of housing conditions in the City. The five citizens who serve as the governing board are appointed by the mayor and approved by the city council. The City has no significant influence over management, budget, or policies of the Housing Authority of City of Arlington. The Housing Authority of City of Arlington reports independently.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FINANCIAL REPORTING ENTITY (continued)

3. Joint Venture

The City, in conjunction with other cities and counties, is a member of the Southwest Georgia Regional Commission (RC). Membership in the RC is automatic for each municipality and county in the state. The Official Code of Georgia Annotated (O.C.G.A.) section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The City of Arlington, Georgia paid $1,630 to the RC for the year ended June 30, 2022. The RC board membership includes the chief elected official of each county and municipality. The county and municipal board members from that county elect one member of the board who is a resident (but not an elected or appointed official or employee of either) to serve as the non-public board member from that county. Complete financial statements of the Southwest Georgia Regional Commission may be obtained at the offices in Camilla, Georgia. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) further defines RC's as public agencies and instrumentalities of their members, and as such, provides that member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

C. BASIS OF PRESENTATION

1. Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information of the City as whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program.

A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and programs associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

2. Fund Financial Statements

Fund financial statements are provided for government, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

The City reports the following major governmental funds:

General Fund – reports as the primary fund for the City. This fund is used to account for all financial resources not reported in other funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF PRESENTATION (continued)

1. Fund Financial Statements (continued)

American Rescue Plan (ARP) Act of 2021 Special Revenue Fund – is used to account for the proceeds of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds. Eligible uses of the funding include (a) support of public health expenditures, (b) addressing the negative economic impacts caused by the public health emergency, (c) replacement of lost public section revenue, (d) provision of premium pay for essential workers, and (e) investment in water, sewer, and broadband infrastructure. The City is to receive $495,177 in two tranches, and may use the funds to cover eligible costs incurred beginning March 3, 2021 and ending December 31, 2024.

The City reports the following major proprietary funds:

Water and Sewerage Fund – is used to account for the provision of water and sewerage services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, billing, and collecting.

Sanitation Fund – is used to account for the provision of refuse collection services to the residents of the City of Arlington, Georgia. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, billing, and collecting.

Additionally, the City reports the following fiduciary fund type:

Arlington Recorder Court – is used to administer the City's municipal court collections and subsequent remittances to appropriate agencies or organizations.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP). The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statements of City component units also report using the same focus and basis of accounting, although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied, while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

Major revenue sources susceptible to accrual include the following: sales and use taxes, hotel/motel taxes, property taxes, franchise taxes, charges for services, intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund.

Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

E. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES

1. Cash and Cash Equivalents

The City's deposits, including those of component units, consist entirely of demand deposits, money market accounts, and savings accounts. For purposes of the statement of cash flows, the City considers certificates of deposit with original maturities of three months or less to be cash equivalents. It is the policy of the City to invest excess available cash in money market and savings accounts.

Subject to the provisions of state statutes (O.C.G.A. 36-83-4), any money subject to the governing authority's control may be invested in the following: (a) obligations of this state or of other states; (b) obligations issued by the Unites States Government; (c) obligations fully insured or guaranteed by the United States Government or by a government agency of the United States; (d) obligations of any corporations of the United States Government; (e) prime bankers acceptances; (f) the local government investment pool; (g) repurchase agreements; and (h) obligations of other political subdivisions of this state.

2. Inventories and Prepayments

The costs of inventories are recorded as expenditures/expenses when purchased in all funds. The costs of inventory at year end, if any, are not considered material to the financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures when paid in governmental activities and are reported on a consumption basis in business-type activities. The cost of prepaid items at year end applicable to governmental activities, if any, are not considered material to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES (continued)

3. Capital Assets, Depreciation, and Amortization

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets, however, infrastructure assets acquired prior to the implementation of GASB Statement No. 34 (FYE June 30, 2004) are not reported. Proprietary and component unit capital assets are also reported in their respective fund and combining component units' financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a unit cost of $5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the assets value or materially extend useful lives are not capitalized.

Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	25-50
Improvements, other than buildings	5-50
Infrastructure, including utility systems	7-50
Furniture, machinery, equipment, and vehicles	5-20

4. Capitalized Interest

Interest costs are capitalized when incurred by proprietary funds and similar component units on debt where proceeds were used to finance the construction of assets. Interest earned on the proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. The City incurred no interest costs during the year requiring capitalization.

5. Long-Term Debt

In the government-wide, proprietary, and component unit financial statements, outstanding debt is reported as liabilities. Debt issuance costs, except for any portion that is a prepayment of insurance, are expensed when incurred. The difference between the reacquisition price and net carrying value of the old debt in current refundings and advance refundings resulting in defeasance of debt is reported as a deferred outflow of resources or deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the shorter of the life of the new debt or the remaining life of the old debt.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES (continued)

6. Compensated Absences

GASB Standards require that leave pay be accrued when: (a) the employer's obligation to employee's right to receive compensation for future benefits is attributable to employee's services already rendered; (b) the obligation related to rights that vest or accumulate; (c) payment of the compensation is probable; and (d) the amount can be reasonably estimated.

The cost of vacation pay and accumulated sick-pay benefits are not recorded until such benefits are paid because the amount cannot be reasonably estimated. Accordingly, no provision for a liability for compensated absences has been recorded.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The City did not have any items that qualified for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City did not have any items that qualified for reporting in this category. Also, the governmental funds balance sheet will sometimes report deferred inflows of resources for revenues not available to pay current period expenditures. The City had $6,370 of unavailable property tax revenue recorded as a deferred inflow of resources at year end.

8. Net Position and Fund Balances

Net position is comprised of the following three components:

a. Net Investment in Capital Assets. This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included.

b. Restricted. This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in recognition of a liability or if the liability will be liquidated with the restricted assets reported.

c. Unrestricted. This component is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES (continued)

8. Net Position and Fund Balances (continued)

The government-wide financial statements report restricted net position for amounts where constraints are imposed either by creditors, grantors, contributors, and others or by enabling legislation. Net position restricted by enabling legislation in the statement of net position was $211,726. The remaining net position reported as restricted in the statement of net position is legally restricted for specified purposes.

Fund balances in the governmental funds financial statements are classified into the following categories as applicable:

a. Non-spendable. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (1) not in spendable form, or (2) legally or contractually required to be maintained intact.

b. Restricted. The restricted fund balance classification includes amounts where constraints have been placed on resources that are (1) either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

c. Committed. The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the government's highest level of decision-making authority (City Council). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

d. Assigned. The assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The intent should be expressed by (1) the governing body itself or (2) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. It is the policy of the City Council to reserve unto itself the authority to assign amounts to specific purposes.

e. Unassigned. The Unassigned fund balance is the residual classification for the general fund. This classification represents the fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When an expense or expenditure is incurred for which both restricted and unrestricted net position or fund balance is available, the City considers restricted amounts to have been spent before unrestricted amounts. The City has not established a policy for the use of its unrestricted fund balance. Therefore, the City has defaulted to considering committed amounts as being used first, followed by assigned amounts, and then unassigned amounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES (continued)

9. Estimates

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

F. REVENUES, EXPENDITURES, AND EXPENSES

1. Lease Commitments

Operating Leases
The City has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. These expenditures were made primarily from the General Fund and Water and Sewerage Fund.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. MATERIAL VIOLATIONS OF LEGAL AND CONTRACTUAL PROVISIONS

1. Expenditures Over Appropriations

The City incurred expenditures, which exceeded appropriations for the following City departments in violation of O.C.G.A. 36-81-3:

General Government	$	80,291
Judicial		2,266
Public Works		164,208
Culture and Recreation		14,441

B. BUDGETARY INFORMATION

1. Budgetary Preparation

On or before a date fixed by the City Council, but not later than 60 days prior to the beginning of each fiscal year, the Mayor shall submit to the City Council a proposed operating budget for the ensuing fiscal year. The budget shall be accompanied by a message from the Mayor containing a statement of the general fiscal policies of the City, the important features of the budget, explanations of major changes recommended for the next fiscal year, a general summary of the budget, and such other pertinent comments and information. The operating budget and the capital budget, the budget message, and all supporting documents shall be filed in the office of the City Clerk and shall be open to public inspection.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

B. BUDGETARY INFORMATION (continued)

2. Basis of Budgeting

Adoption of the budget is in the form of an appropriations ordinance setting out the estimated revenues in detail by sources and making appropriations according to fund and by organizational unit, purpose, or activity as set out in the City's budget preparation ordinance. Accordingly, each operating fund adopts an annual budget prepared on detailed line-item basis in a manner consistent with GAAP. Revenues are budgeted by source. Expenditures are budgeted by department. This constitutes the legal level of control and expenditures may not exceed appropriations at this level. The City Council, by ordinance, may make changes in the appropriations contained in the current operating budget, at any regular meeting, special, or emergency meeting called for such purposes, but any additional appropriations may be made only from existing unexpended surplus. Budget revisions at this level are subject to final review by the City Council.

3. Encumbrances

The City has not reserved any fund balances for recorded encumbrances of financial resources. Encumbrance accounting is normally an extension of formal budgetary integration. Encumbrances do not represent actual expenditures but rather are budgetary items, which represent the estimated cost of goods and services, which have yet to be received. The purpose of encumbrance accounting is to facilitate the prevention of overspending of appropriations.

C. DEFICIT FUND NET POSITION

None of the City's funds had deficit net position or fund balance as of June 30, 2022.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. ASSETS

1. Deposits and Investments

Deposits

Custodial Credit Risk – for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of the outside party. The City's deposits, including those of its component units, consist entirely of demand deposit, money market, savings accounts, and certificates of deposit.

Primary Government

At June 30, 2022, the City's deposits and cash on hand for the primary government had a carrying amount of $753,462 and a bank balance of $894,480. Of the bank balance, $260,220 was covered by federal depository insurance and $634,260 was secured by collateral held by the pledging bank's agent in the City's name.

Additionally, the deposits of the fiduciary fund had a carrying amount of $2,771 and a bank balance of the same amount, all of which was insured by federal depository insurance.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

A. ASSETS (continued)

1. Deposits and Investments (continued)

Component Unit

At June 30, 2020, the Arlington Downtown Development Authority's deposits had a carrying amount of $3,404 and bank balance of the same amount. All of the bank balance was covered by federal depository insurance.

Additionally, the City's deposits and cash on hand for the Recorder Court agency fund had a carrying amount of $2,771 and a bank balance of the same amount. All of this bank balance was covered by federal depository insurance.

Investments

Custodial Credit Risk – for investments is the risk that, in the event of the failure of the counterparty (e. g. financial institution or broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the government's name, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent, but not in the government's name.

Primary Government

The City's investments consist entirely of certificates of deposit. Accordingly, the fair value of the investments is equal to it's carrying amount. At June 30, 2022, the City's investments had a carrying amount of $119,227 and a bank balance in the same amount. None of the bank balance was covered by federal depository insurance, but rather was secured by collateral securities held by the pledging bank's agent in the City's name.

Component Unit

At June 30, 2022, the Arlington Downtown Development Authority had no investments.

Due to the nature of the deposits and investments that are authorized under state statutes and the City's deposit and investment policies, management does not believe the City has a significant exposure to any of the following deposit or investment risks: (a) Credit Risk – the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment, (b) Concentration of Credit Risk – the risk of loss attributed to the magnitude of an entity's investment in a single issuer, (c) Interest Rate Risk – the risk that changes in interest rates demanded by the market will adversely affect the fair value of an investment, and (d) Foreign Currency Risk – the risk that changes in foreign exchange rates will adversely affect the fair values of an investment or deposit.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

A. ASSETS (continued)

2. Receivables and Uncollectible Accounts

Primary Government

Property Taxes Receivable, Deferred Revenue, and Property Tax Calendar

Property taxes are levied as of the date the millage rate is set (September 7th) and are typically due and payable between October 20th and December 20th. The lien date for property taxes is January 1 (typically). Property tax revenues are recognized when levied to the extent they result in current receivables.

Significant Receivables, Uncollectible Accounts, and Deferred Revenue

Significant receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Water and Sewerage	Sanitation	Other Funds	Totals
Receivables:					
Taxes	$ 37,605	$ -	$ -	$ -	$ 37,605
Intergovernmental	-	-	-	21,002	21,002
Accounts	-	45,804	11,915	-	57,719
Other	142	-	-	-	142
Totals	$ 37,747	$ 45,804	$ 11,915	$ 21,002	$ 116,468

The City uses the direct write off method for recording uncollectible accounts, which approximates GAAP. Historically, the City's losses have not been significant.

Component Unit

At June 30, 2022, the Arlington Downtown Development Authority had no receivables.

3. Restricted Assets

Restricted assets are reported in various funds for cash deposited into bank accounts legally restricted for specific uses such as the payment of debt service on long-term debt or capital projects.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

A. ASSETS (continued)

4. Capital Assets

The following tables provide a summary of changes in capital assets:

Primary Government

	Balance July 1, 2021	Capital Acquisitions	Sales or Other Dispositions	Balance June 30, 2022
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 344,487	$ -	$ -	$ 344,487
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	344,487	-	-	344,487
Capital Assets Being Depreciated:				
Infrastructure	746,163	266,579	-	1,012,742
Buildings and Improvements	939,666	-	-	939,666
Equipment, Furniture, and Vehicles	938,141	47,031	(126,196)	858,976
Total Capital Assets Being Depreciated	2,623,970	313,610	(126,196)	2,811,384
Less Accumulated Depreciation for:				
Infrastructure	(421,110)	(37,308)	-	(458,418)
Buildings and Improvements	(581,238)	(20,036)	-	(601,274)
Equipment, Furniture, and Vehicles	(735,190)	(46,257)	96,525	(684,922)
Total Accumulated Depreciation	(1,737,538)	(103,601)	96,525	(1,744,614)
Total Capital Assets Being Depreciated, Net	886,432	210,009	(29,671)	1,066,770
Governmental Activity Capital Assets, Net	$ 1,230,919	$ 210,009	$ (29,671)	$ 1,411,257

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

A. ASSETS (continued)

4. Capital Assets (continued)

	Balance July 1, 2021	Capital Acquisitions	Sales or Other Dispositions	Balance June 30, 2022
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 36,985	$ -	$ -	$ 36,985
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	36,985	-	-	36,985
Capital Assets Being Depreciated:				
Infrastructure	8,396,237	181,156	-	8,577,393
Buildings and Improvements	-	-	-	-
Equipment, Furniture, and Vehicles	87,296	29,671	-	116,967
Total Capital Assets Being Depreciated	8,483,533	210,827	-	8,694,360
Less Accumulated Depreciation for:				
Infrastructure	(2,670,888)	(168,181)	-	(2,839,069)
Buildings and Improvements	-	-	-	-
Equipment, Furniture, and Vehicles	(73,985)	(5,117)	-	(79,102)
Total Accumulated Depreciation	(2,744,873)	(173,298)	-	(2,918,171)
Total Capital Assets Being Depreciated, Net	5,738,660	37,529	-	5,776,189
Business-Type Activity Capital Assets, Net	5,775,645	37,529	-	5,813,174
Total Capital Assets, Net	$ 7,006,564	$ 247,538	$ (29,671)	$ 7,224,431

Depreciation was charged to functions of the primary government as follows:

Governmental Activities:		Business-Type Activities:	
General Government	$ 18,754	Water and Sewerage System	$ 173,298
Public Safety	35,192	Sanitation	-
Public Works	48,082		
Culture and Recreation	1,573		
Total	$ 103,601	Total	$ 173,298

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

A. ASSETS (continued)

4. Capital Assets (continued)

Component Unit

	Balance July 1, 2021	Capital Acquisitions	Sales or Other Dispositions	Balance June 30, 2022
Capital Assets Not Being Depreciated:				
Land	$ 8,089	$ -	$ -	$ 8,089
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	8,089	-	-	8,089
Capital Assets Being Depreciated:				
Infrastructure	-	-	-	-
Buildings and Improvements	10,000	-	-	10,000
Equipment, Furniture, and Vehicles	-	-	-	-
Total Capital Assets Being Depreciated	10,000	-	-	10,000
Less Accumulated Depreciation for:				
Infrastructure	-	-	-	-
Buildings and Improvements	(1,200)	(400)	-	(1,600)
Equipment, Furniture, and Vehicles	-	-	-	-
Total Accumulated Depreciation	(1,200)	(400)	-	(1,600)
Total Capital Assets Being Depreciated, Net	8,800	(400)	-	8,400
Capital Assets, Net	16,889	(400)	-	16,489

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

B. LIABILITIES

1. Long-Term Debt

Primary Government

Governmental Activities
When favorable conditions are present, the City periodically finances purchases of equipment.

Business-Type Activities

a. 2009 Revenue Bond: The ordinance authorizing the issuance of the Water and Sewerage System Revenue Bond – Series 2009 – includes the following provisions:

   i. There shall be paid into the City of Arlington Water and Sewerage System Sinking Fund 2009 amounts sufficient to pay the principal and interest as such principal and interest shall become due and payable; and

   ii. There shall be paid into the City of Arlington Water and Sewerage System Sinking Fund 2009 the sum of $582 per month to maintain a payment reserve of $69,792.

b. 2019 Revenue Bond: The ordinance authorizing the issuance of the Water and Sewerage System Revenue Bond – Series 2019 states that the bond is issued on parity with the Series 2009 bond. Accordingly, the above provisions are also applicable to the Series 2019 bond. This results in the requirement to establish a payment reserve for the 2019 Series bond in the amount of $10,008.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

B. LIABILITIES (continued)

1. Long-Term Debt (continued)

The following table provides a summary of changes in long-term debt:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
Notes Payble:					
Magnolia Bank	$ 29,455	$ -	$ (23,458)	$ 5,997	$ 5,997
Totals Governmental Activities	29,455	-	(23,458)	5,997	5,997
Total Long-Term Debt	$ 29,455	$ -	$ (23,458)	$ 5,997	$ 5,997
Business-Type Activities:					
Revenue Bond - 2019	$ 258,189	$ -	$ (4,566)	$ 253,623	$ 4,664
Revenue Bond - 2009	1,141,893	-	(21,678)	1,120,215	22,618
Total Business-Type Activities	1,400,082	-	(26,244)	1,373,838	27,282
	$ 1,400,082	$ -	$ (26,244)	$ 1,373,838	$ 27,282
Total Long-Term Debt	$ 1,429,537	$ -	$ (49,702)	$ 1,379,835	$ 33,279

The terms and purposes for the long-term obligations to Magnolia Bank are as follows:

Note payable for (2) police vehicles, due in quarterly installments of $6,052 each beginning November 2019 through maturity in August 2022 at 3.61% interest. The original amount of the note was $68,781.

The terms and purposes for the long-term revenue bond obligations are as follows:

Series 2019 Revenue Bond for sewage system improvements, due in monthly installments of $834 each beginning July 2019 through maturity in July 2059 at 2.125% interest. The original amount of the Bond was $269,000.

Series 2009 Revenue Bond for sewage system improvements, due in monthly installments of $5,816 each beginning July 2013 through maturity in July 2049 at 4.25% interest. The original amount of the Bond was $1,340,000.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

B. LIABILITIES (continued)

1. Long-Term Debt (continued)

Pursuant to the financing agreements, if the City fails to make any payment when due, or otherwise defaults on the agreement, outstanding amounts payable may be declared immediately to be due and payable, and, in the case of the revenue bonds, the lender may take control of the system.

The annual requirements to amortize the preceding obligations as of June 30, 2022, are as follows:

Year Ending	Governmental Activities			Business-Type Activities		
June 30	Principal	Interest	Total	Principal	Interest	Total
2023	$ 5,997	$ 55	$ 6,052	$ 27,281	$ 52,519	$ 79,800
2024	-	-	-	28,220	51,580	79,800
2025	-	-	-	29,481	50,319	79,800
2026	-	-	-	30,652	49,148	79,800
2027	-	-	-	31,871	47,929	79,800
2028-2032	-	-	-	179,234	219,766	399,000
2033-2037	-	-	-	218,391	180,609	399,000
2038-2042	-	-	-	266,278	132,722	399,000
2043-2047	-	-	-	325,067	73,933	399,000
2048-2052	-	-	-	177,204	14,894	192,098
2053-2057	-	-	-	46,006	4,034	50,040
2058-2062	-	-	-	14,153	230	14,383
Totals	$ 5,997	$ 55	$ 6,052	$ 1,373,838	$ 877,683	$ 2,251,521

Component Unit

Conduit Debt

The Arlington Downtown Development Authority obtained funding from the One-Georgia Authority for the benefit of a local private enterprise in the form of a low interest loan. Neither the Arlington Downtown Development Authority, nor the City of Arlington, Georgia is liable for repayment of the obligation. The amount of the obligation outstanding at June 30, 2022 was $76,894.

2. Risk Management

The City is exposed to various forms of risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City has entered into an agreement with the Georgia Interlocal Risk Management Agency (GIRMA), whose purpose is to jointly exercise powers common to each participating public entity; to establish one or more group self-insurance funds; to establish and administer a risk management service; to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of the public entity; and to defend and protect, in accordance with their contract and related coverage descriptions, any member against liability or loss as stated in such documents.

NOTE 3 - DETAILED NOTES ON FUNDS AND COMPONENT UNITS (continued)

B. LIABILITIES (continued)

2. Risk Management (continued)

The City participates in the Georgia Municipal Association Workers Compensation Fund. The liability of the fund to the employees of an employer (City) is specifically limited to such obligations as are imposed by the applicable state laws against the employer for workers compensation and/or employer's liability. The fund is to defend, in the name of, and on behalf of the members, any suit or other proceedings which may at any time be instituted against them on account of injuries or death within the purview of the Workers Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

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

Settled claims have not exceeded these coverages in any of the past three fiscal years.

C. NET POSITION/FUND BALANCES

The City reports the following net position/fund balances as restricted at year-end:

2019 T-SPLOST Capital Projects Fund	$ 29,099
2018 T-SPLOST Capital Projects Fund	111,948
2018 SPLOST Capital Projects Fund	45,729
2019 SPLOST Capital Projects Fund	22,879
2012 SPLOST Capital Projects Fund	2,071
Water and Sewerage Enterprise Fund for Capital Project	118,040
Water and Sewerage Enterprise Fund for Debt Service	79,800
Total Restricted Net Position/Fund Balance	$ 409,566

Within the General Fund, the City reports the following unrestricted fund balance as assigned at year-end:

Recreation	$ 9,896
Fire Department	2,956
May Day Festival	5,989
May Day Scholarship	1,522
Grant Matching	42,775
Total Assigned Fund Balances	$ 63,138

D. BALANCES AND TRANSFERS/PAYMENTS WITHIN THE REPORTING ENTITY (continued)

1. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are described as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans).

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

The following table reports interfund receivables and payables at year end:

	Due To:		
	General Fund	ARPA Fund	Total Due To
Due From:			
General Fund	$ -	$ 196,176	$ 196,176
Total Due From	$ -	$ 196,176	$ 196,176

2. Transfers and Payments

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service. The government-wide statement of activities eliminates transfers as reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement.

The following table reports transfers and payments within the reporting entity:

	Transfers Out:						
	Governmental Activities				Business-Type Activities		
	General Fund	ARPA Fund	2019 SPLOST Fund	2018 SPLOST Fund	Water & Sewerage Fund	Sanitation Fund	Total Transfers In
Transfers In and Contributions:							
Business-Type Activities:							
Water & Sewerage Fund	4,373	35,913	-	-	-	9,288	49,574
Water & Sewerage Fund (contributions)	-	-	15,000	14,671	-	-	29,671
Sanitation Fund	4,071	-	-	-	-	-	4,071
Total Business-Type Activities	8,444	35,913	15,000	14,671	-	9,288	83,316
Total Transfers Out	$ 8,444	$ 35,913	$ 15,000	$ 14,671	$ -	$ 9,288	$ 83,316

NOTE 4 - RETIREMENT PLANS

A. PEACE OFFICERS ANNUITY AND BENEFIT FUND OF GEORGIA

Policemen are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the City to the pension plan before payment of any costs or other claims. The City's pension expense as a result of participating in this plan is not material to the financial statements. For more information contact the Peace Officers Annuity and Benefit Fund of Georgia.

B. DEFERRED COMPENSATION PLAN

Georgia Municipal Association

By authority of a resolution passed by the City Council (April 8, 2003) and state statute, the City has elected to participate in the GMA Deferred Compensation Plan and the GMA 401(a) Defined Contribution Plan, collectively referred to as "the Plan", administered by Georgia Municipal Association (GMA) in accordance with Internal Revenue Code Section(s) 457 and 401(a) respectively. The Plan covers substantially all the City employees, without regard to department, and all contributions made by or on behalf of an employee are credited to that individual participant's account. Under provisions of the Plan, employees must have 6 months of service before being eligible to participate in the Plan. The City allows employees the option of contributing up to 100% of their includible compensation to the Plan, subject to the maximum statutory specific dollar amount allowed by the Internal Revenue Code, and employees are 100% vested in their contributions and investment earnings thereon.

The Plan provides for the City to match employee contributions up to 2% of annual salary. Employees are vested in employer contributions and the investment earnings thereon under the following graduated scale:

Completed Years of Service As Eligible Employee	Vested %
1 year	20
2 years	40
3 years	60
4 years	80
5 years	100

In the event of death, disability, or termination of the Plan, a participant becomes 100% vested in the employers matching contributions, notwithstanding any vesting schedule. In determining the participant's total years of service for vesting purposes, different periods of employment as an eligible employee will be added together if the participant is reemployed with the City before completing a period of separation of 1 year. If a participant separates from service, the participant's non-vested employer contributions shall be forfeited as of the date of the participant's separation from service. Amounts forfeited during a plan year shall be held unallocated until they are used to reduce or otherwise supplement employer contributions as of the earliest possible date such contributions are required to be made to the Plan.

If the City desires to amend any of its elections previously adopted, the governing authority by official action must adopt an amendment of the of the Adoption Agreement or a new Adoption Agreement must be adopted and forwarded to the Plan Trustees for approval. The amendment of the new Adoption Agreement is not effective until approved by the Trustees and other procedures required by the Plan have been implemented.

For the year ended June 30, 2022, the contributions of the employees and City amounted to $8,211 and $4,270 respectively. No plan forfeitures are included in the City's pension expense for the year and the City had no liability for contributions at year end.

NOTE 5 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. LITIGATION

The City is a party to a variety of legal matters involving a wide range of subject matter. As of June 30, 2022, the City was not a party to any litigation where an unfavorable outcome was probable, thus requiring recognition in the financial statements. Additionally, management is not aware of any unasserted claims that are probable of assertion.

B. CONTINGENCIES

Except for the joint venture relationship described in Note 1-B.3., the City has not entered into any arrangement under which the City would assume any actual or potential liability for the obligations of any governmental or private agency, authority, or instrumentality.

C. GRANTS

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds.

NOTE 6 - SUBSEQUENT EVENTS

There were no subsequent events, which would materially affect the financial statements and require disclosure.

CITY OF ARLINGTON, GEORGIA
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	$ 560,700	$ 560,700	$ 590,518	$ 29,818
Licenses and Permits	19,000	19,000	14,328	(4,672)
Fines and Forfeitures	12,000	12,000	5,775	(6,225)
Charges for Services	5,750	5,750	5,347	(403)
Intergovernmental	500	500	10,202	9,702
Investment Income	1,175	1,175	1,406	231
Contributions and Donations from Private Sources	-	-	-	-
Miscellaneous	11,800	11,800	13,002	1,202
Total Revenues	610,925	610,925	640,578	29,653
EXPENDITURES				
Current:				
General Government	150,960	150,960	231,251	(80,291)
Judicial	21,635	21,635	23,901	(2,266)
Public Safety	244,340	244,340	242,474	1,866
Public Works	170,070	170,070	334,278	(164,208)
Culture and Recreation	28,390	28,390	42,831	(14,441)
Total Expenditures	615,395	615,395	874,735	(259,340)
Excess (Deficiency) of Revenues Over Expenditures	(4,470)	(4,470)	(234,157)	(229,687)
OTHER FINANCING SOURCES (USES)				
Re-approriated Fund Balance	9,470	9,470	-	(9,470)
Proceeds from Disposal of Capital Assets	1,500	1,500	5,850	4,350
Transfers In	-	-	-	-
Transfers Out	(6,500)	(6,500)	(8,444)	(1,944)
Total Other Financing Sources (Uses)	4,470	4,470	(2,594)	7,064
Net Change in Fund Balances	-	-	(236,751)	(236,751)
Fund Balances - Beginning of Year	408,633	408,633	408,633	-
End of Year	$ 408,633	$ 408,633	$ 171,882	$ (236,751)

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

CITY OF ARLINGTON, GEORGIA
American Rescue Plan (ARP) Act of 2021 Special Revenue Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Intergovernmental	$ 495,177	$ 495,177	$ 51,413	$ (443,764)
Total Revenues	495,177	495,177	51,413	(443,764)
EXPENDITURES				
Current:				
General Government	15,500	15,500	15,500	-
Public Works	479,677	479,677	-	479,677
Total Expenditures	495,177	495,177	15,500	479,677
Excess (Deficiency) of Revenues Over Expenditures	-	-	35,913	35,913
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(35,913)	(35,913)
Total Other Financing Sources (Uses)	-	-	(35,913)	35,913
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
End of Year	$ -	$ -	$ -	$ -

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

A. BUDGETARY INFORMATION

Annual budgets have been adopted on a basis consistent with generally accepted accounting principles (GAAP).

B. EXPENDITURES OVER APPROPRIATIONS

The City incurred expenditures, which exceeded appropriations, for the following departments and corresponding amounts:

General Government	$	80,291
Judicial		2,266
Public Works		164,208
Culture and Recreation		14,441

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Balance Sheets

	As of June 30, 2022	As of June 30, 2021
ASSETS		
Cash and Cash Equivalents	$ 352,027	$ 511,177
Investment in Certificate of Deposit	1,968	1,964
Property Taxes Receivable	6,766	5,413
Motor Vehicle Taxes Receivable	31	110
Mobile Home Taxes Receivable	79	168
Title Ad-valorem Tax Receivable	1,609	3,098
Local Option Sales Tax Receivable	20,856	19,741
Energy Excise Tax Receivable	6,609	1,399
Alcoholic Beverages Taxes Receivable	1,179	1,111
Franchise Taxes Receivable	283	321
Intangible Tax Receivable	193	98
Railroad Equipment Tax Receivable	-	-
Fines Receivable	142	616
Total Assets	391,742	545,216
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Accounts Payable	8,991	129,912
Payroll Taxes and Withholdings Payable	8,323	9
Due to ARPA Fund	196,176	-
Due to 2018 SPLOST Fund	-	16
Due to 2013 SPLOST Fund	-	16
Due to 2012 SPLOST Fund	-	2,730
Total Liabilities	213,490	132,683
Deferred Inflows of Resources:		
Unavailable Revenue - Property Tax	6,370	3,900
Total Deferred Inflows of Resources	6,370	3,900
Fund Balance:		
Restricted for:		
Sidewalk Project	-	182,248
Assigned For:		
Recreation	9,896	7,045
Fire	2,956	2,946
May Day	5,989	5,721
May Day Scholarship	1,522	1,022
Grant Matching	42,775	119,227
Total Assigned Fund Balance	63,138	135,961
Unassigned	108,744	90,424
Total Fund Balance	171,882	408,633
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 391,742	$ 545,216

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Taxes	$ 590,518	$ 579,422
Licenses and Permits	14,328	13,309
Fines and Forfeitures	5,775	11,449
Charges for Services	5,347	1,532
Intergovernmental	10,202	198,853
Investment Income	1,406	1,870
Contributions and Donations from Private Sources	-	-
Miscellaneous	13,002	15,790
Total Revenues	640,578	822,225
EXPENDITURES		
Current:		
General Government	231,251	190,492
Judicial	23,901	21,999
Public Safety	242,474	227,666
Public Works	334,278	314,619
Culture and Recreation	42,831	24,292
Total Expenditures	874,735	779,068
Excess (Deficiency) of Revenues Over Expenditures	(234,157)	43,157
OTHER FINANCING SOURCES (USES)		
Reimbursement for Damaged Property	-	9,645
Proceeds from the Sale of Capital Assets	5,850	-
Transfers In	-	27,192
Transfers Out	(8,444)	-
Total Other Financing Sources (Uses)	(2,594)	36,837
Net Change in Fund Balances	(236,751)	79,994
Fund Balances - Beginning of Year	408,633	328,639
End of Year	$ 171,882	$ 408,633

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Statements of Revenues

	For the Years Ended June 30, 2022	2021
TAXES		
Property Taxes	$ 257,440	$ 254,663
Local Option Sales Taxes	115,108	111,501
Alcoholic Beverage Taxes	15,983	16,486
Insurance Premiums Tax	122,421	118,596
Franchise Taxes	61,825	68,772
Excise Tax on Energy	14,055	3,959
Railroad Equipment Tax	2,003	3,852
Financial Institutions Taxes	1,000	1,000
Recording and Transfer Taxes	683	593
Total Taxes	590,518	579,422
LICENSES AND PERMITS		
Business Licenses	11,828	9,809
Other Licenses and Permits	2,500	3,500
Total Licenses and Permits	14,328	13,309
FINES AND FORFEITURES		
Traffic Fines	5,775	11,449
CHARGES FOR SERVICES		
Recreation Charges	2,757	491
Qualifying Fees	306	-
Printing and Duplicating Services	538	-
Zoning Fees	1,100	-
Cemetery Lots	500	1,000
Police Services	146	41
Total Charges for Services	5,347	1,532
INTERGOVERNMENTAL REVENUE		
State Government	4,737	196,135
Other Local Governments	2,500	-
Housing Authority - In Lieu of Taxes	2,965	2,718
Total Intergovernmental Revenue	10,202	198,853
INVESTMENT INCOME		
Interest Earnings	1,406	1,870
CONTRIBUTIONS AND DONATIONS FROM PRIVATE SOURCES		
Donations	-	-
Total Contributions and Donations from Private Sources	-	-

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Statements of Revenues

	For the Years Ended June 30,	
	2022	**2021**
MISCELLANEOUS REVENUE		
Rents and Deposits	12,782	11,711
Penalties	220	1,256
Other	-	2,823
Total Miscellaneous Revenue	13,002	15,790
GRAND TOTAL REVENUES	$ 640,578	$ 822,225

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Statements of Expenditures

	For the Years Ended June 30, 2022	2021
GENERAL GOVERNMENT		
Personal Services and Employee Benefits	$ 83,192	$ 88,892
Purchased/Contracted Services	135,523	92,758
Supplies	12,536	5,248
Capital Outlay - Other	-	3,394
Other Costs	-	200
Total General Government	231,251	190,492
JUDICIAL - RECORDER COURT		
Personal Services and Employee Benefits	21,958	20,780
Purchased/Contracted Services	1,541	895
Supplies	402	324
Total Judicial - Recorder Court	23,901	21,999
PUBLIC SAFETY		
Police Department:		
Personal Services and Employee Benefits	167,667	124,755
Purchased/Contracted Services	23,208	32,198
Supplies	22,714	12,310
Capital Outlay:		
2021 Dodge Charger Police Car	-	21,048
Other	-	1,390
Other Costs	2,000	200
Total Police Department	215,589	191,901
Fire Department:		
Personal Services and Employee Benefits	8,057	9,372
Purchased/Contracted Services	9,856	10,724
Supplies	5,672	1,564
Capital Outlay:		
Radios	-	11,705
Other	-	1,800
Other Costs	3,300	600
Total Fire Department	26,885	35,765
Total Public Safety	242,474	227,666
PUBLIC WORKS - STREETS AND SANITATION		
Personal Services and Employee Benefits	77,417	62,884
Purchased/Contracted Services	43,185	35,625
Supplies	71,071	54,496
Capital Outlay :		
Paving Thomas Grove Church Road	-	118,552
Sidewalk Project	140,386	38,752
Other Costs	2,219	4,310
Total Public Works - Streets and Sanitation	334,278	314,619

CITY OF ARLINGTON, GEORGIA
General Fund
Comparative Statements of Expenditures

	For the Years Ended June 30,	
	2022	**2021**
CULTURE AND RECREATION		
Purchased/Contracted Services	12,964	9,676
Supplies	16,416	7,186
Other Costs	13,451	7,430
Total Culture and Recreation	42,831	24,292
GRAND TOTAL EXPENDITURES	$ 874,735	$ 779,068

CITY OF ARLINGTON, GEORGIA
American Rescue Plan (ARP) Act of 2021
Special Revenue Fund
Comparative Balance Sheets

	As of June 30,	
	2022	**2021**
ASSETS		
Due from General Fund	$ 196,176	$ -
Total Assets	196,176	-
LIABILITIES AND FUND BALANCE		
Liabilities:		
Unearned Revenue	196,176	-
Total Liabilities	196,176	-
Fund Balance:		
Restricted for CDBG Projects	-	-
Total Fund Balance	-	-
Total Liabilities and Fund Balance	$ 196,176	$ -

CITY OF ARLINGTON, GEORGIA
American Rescue Plan (ARP) Act of 2021
Special Revenue Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Federal Government:		
Georgia Office of the Governor-SLFRF	$ 51,413	$ -
Total Revenues	51,413	-
EXPENDITURES		
Current:		
General Government:		
Personal Services and Employee Benefits	15,500	-
Total Expenditures	15,500	-
Excess (Deficiency) of Revenues Over Expenditures	35,913	-
OTHER FINANCING SOURCES (USES)		
Transfers In	-	-
Transfers Out	(35,913)	-
Total Other Financing Sources (Uses)	(35,913)	-
Net Change in Fund Balance	-	-
Fund Balance - Beginning of Year	-	-
Fund Balance - End of Year	$ -	$ -

CITY OF ARLINGTON, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
As of June 30, 2022

	Capital Projects Funds			
	2019 TSPLOST	2018 TSPLOST	2018 SPLOST	2019 SPLOST
ASSETS				
Cash and Cash Equivalents	$ 26,492	$ 108,573	$ 50,339	$ 11,535
Intergovernmental Receivable	2,607	3,375	3,676	11,344
Total Assets	29,099	111,948	54,015	22,879
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	-	-	8,286	-
Total Liabilities	-	-	8,286	-
Fund Balance:				
Restricted for CHIP Projects	-	-	-	-
Restricted for TSPLOST Projects	29,099	111,948	45,729	-
Restricted for SPLOST Projects	-	-	-	22,879
Restricted for CDBG Projects	-	-	-	-
Total Fund Balance	29,099	111,948	45,729	22,879
Total Liabilities and Fund Balance	$ 29,099	$ 111,948	$ 54,015	$ 22,879

CITY OF ARLINGTON, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
As of June 30, 2022

2012 SPLOST	Total Nonmajor Governmental Funds
$ 2,071	$ 199,010
-	21,002
2,071	220,012
-	8,286
-	8,286
-	-
-	186,776
2,071	24,950
-	-
2,071	211,726
$ 2,071	$ 220,012

CITY OF ARLINGTON, GEORGIA
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Capital Projects Funds			
	2019 TPLOST	2018 TSPLOST	2018 SPLOST	2019 SPLOST
REVENUES				
Intergovernmental	$ 33,596	$ 32,633	$ 35,101	$ 38,266
Investment Income	75	263	138	38
Total Revenues	33,671	32,896	35,239	38,304
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Public Works	-	-	-	5,127
Capital Outlay	71,382	-	25,435	75,911
Debt Service	-	-	24,209	-
Total Expenditures	71,382	-	49,644	81,038
Excess (Deficiency) of Revenues Over Expenditure	(37,711)	32,896	(14,405)	(42,734)
Fund Balance - Beginning of Year	66,810	79,052	60,134	65,613
Fund Balance - End of Year	$ 29,099	$ 111,948	$ 45,729	$ 22,879

CITY OF ARLINGTON, GEORGIA
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

2012 SPLOST	Total Nonmajor Governmental Funds
$ -	$ 139,596
20	534
20	140,130
4,508	4,508
2,900	8,027
496	173,224
-	24,209
7,904	209,968
(7,884)	(69,838)
9,955	281,564
$ 2,071	$ 211,726

CITY OF ARLINGTON, GEORGIA
2019 Arlington TSPLOST
Capital Projects Fund
Comparative Balance Sheets

	As of June 30, 2022	As of June 30, 2021
ASSETS		
Cash and Cash Equivalents	$ 26,492	$ 64,102
TSPLOST Receivable	2,607	2,708
Total Assets	29,099	66,810
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	-	-
Total Liabilities	-	-
Fund Balance:		
Restricted for TSPLOST Projects	29,099	66,810
Total Fund Balance	29,099	66,810
Total Liabilities and Fund Balance	$ 29,099	$ 66,810

CITY OF ARLINGTON, GEORGIA
2019 Arlington TSPLOST
Capital Projects Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Calhoun County, Georgia:		
Transportation Special Purpose Local Option Sales Tax	$ 33,596	$ 31,098
Investment Income	75	197
Total Revenues	33,671	31,295
EXPENDITURES		
Capital Outlay:		
Sidewalk Project	71,382	-
Total Capital Outlay	71,382	-
Total Expenditures	71,382	-
Excess (Deficiency) of Revenues Over Expenditures	(37,711)	31,295
Fund Balance - Beginning of Year	66,810	35,515
Fund Balance - End of Year	$ 29,099	$ 66,810

CITY OF ARLINGTON, GEORGIA
2018 Arlington TSPLOST
Capital Projects Fund
Comparative Balance Sheets

	As of June 30,	
	2022	**2021**
ASSETS		
Cash and Cash Equivalents	$ 108,573	$ 76,573
TSPLOST Receivable	3,375	2,479
Total Assets	111,948	79,052
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	-	-
Total Liabilities	-	-
Fund Balance:		
Restricted for TSPLOST Projects	111,948	79,052
Total Fund Balance	111,948	79,052
Total Liabilities and Fund Balance	$ 111,948	$ 79,052

CITY OF ARLINGTON, GEORGIA
2018 Arlington TSPLOST
Capital Projects Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Early County, Georgia:		
Transportation Special Purpose Local Option Sales Tax	$ 32,633	$ 32,888
Investment Income	263	238
Total Revenues	32,896	33,126
EXPENDITURES		
Capital Outlay	-	-
Total Expenditures	-	-
Excess (Deficiency) of Revenues Over Expenditures	32,896	33,126
Fund Balance - Beginning of Year	79,052	45,926
Fund Balance - End of Year	$ 111,948	$ 79,052

CITY OF ARLINGTON, GEORGIA
2018 Arlington SPLOST
Capital Projects Fund
Comparative Balance Sheets

	As of June 30,	
	2022	**2021**
ASSETS		
Cash and Cash Equivalents	$ 50,339	$ 60,852
SPLOST Receivable	3,676	2,616
Due from General Fund	-	16
Total Assets	54,015	63,484
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	8,286	3,350
Total Liabilities	8,286	3,350
Fund Balance:		
Restricted for SPLOST Projects	45,729	60,134
Total Fund Balance	45,729	60,134
Total Liabilities and Fund Balance	$ 54,015	$ 63,484

CITY OF ARLINGTON, GEORGIA
2018 Arlington SPLOST
Capital Projects Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Early County, Georgia:		
Special Purpose Local Option Sales Tax	$ 35,101	$ 35,226
Investment Income	138	225
Total Revenues	35,239	35,451
EXPENDITURES		
Current:		
Public Works-Water & Sewer		
Capital Outlay-Other	-	3,350
Total Current	-	3,350
Capital Outlay:		
Lawnmower	8,530	-
Sidewalk Project	2,234	-
Refurbish Sewer Jet Cleaner	14,671	-
Total Capital Outlay	25,435	-
Debt Service:		
Principal Retirement	23,458	22,628
Interest	751	1,581
Total Debt Service	24,209	24,209
Total Expenditures	49,644	27,559
Excess (Deficiency) of Revenues Over Expenditures	(14,405)	7,892
Fund Balance - Beginning of Year	60,134	52,242
Fund Balance - End of Year	$ 45,729	$ 60,134

CITY OF ARLINGTON, GEORGIA
2019 Arlington SPLOST
Capital Projects Fund
Comparative Balance Sheets

	As of June 30,	
	2022	**2021**
ASSETS		
Cash and Cash Equivalents	$ 11,535	$ 60,259
SPLOST Receivable	11,344	3,104
Due from General Fund	-	16
Due from 2012 SPLOST Fund	-	2,234
Total Assets	22,879	65,613
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	-	-
Total Liabilities	-	-
Fund Balance:		
Restricted for SPLOST Projects	22,879	65,613
Total Fund Balance	22,879	65,613
Total Liabilities and Fund Balance	$ 22,879	$ 65,613

CITY OF ARLINGTON, GEORGIA
2019 Arlington SPLOST
Capital Projects Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Calhoun County, Georgia:		
Special Purpose Local Option Sales Tax	$ 38,266	$ 39,816
Investment Income	38	252
Total Revenues	38,304	40,068
EXPENDITURES		
Current:		
General Government:		
Capital Outlay-Other	-	917
Public Safety-Police:		
Capital Outlay-Other	-	6,981
Public Works-Street		
Capital Outlay-Other	5,127	214
Total Current	5,127	8,112
Capital Outlay:		
Water Service Truck	15,000	-
Lawnmower	8,830	-
Sidewalk Project	52,081	-
City Truck	-	6,000
Sewer Facilities	-	14,552
2021 Dodge Charger Police Car	-	21,099
Total Capital Outlay	75,911	41,651
Total Expenditures	81,038	49,763
Excess (Deficiency) of Revenues Over Expenditures	(42,734)	(9,695)
Fund Balance - Beginning of Year	65,613	75,308
Fund Balance - End of Year	$ 22,879	$ 65,613

CITY OF ARLINGTON, GEORGIA
2012 Arlington SPLOST
Capital Projects Fund
Comparative Balance Sheets

	As of June 30,	
	2022	**2021**
ASSETS		
Cash and Cash Equivalents	$ 2,071	$ 17,943
Due from General Fund	-	2,730
Total Assets	2,071	20,673
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	-	8,484
Due to 2013 SPLOST Fund	-	2,234
Total Liabilities	-	10,718
Fund Balance:		
Restricted for SPLOST Projects	2,071	9,955
Total Fund Balance	2,071	9,955
Total Liabilities and Fund Balance	$ 2,071	$ 20,673

CITY OF ARLINGTON, GEORGIA
2012 Arlington SPLOST
Capital Projects Fund
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Early County, Georgia:		
Special Purpose Local Option Sales Tax	$ -	$ -
Investment Income	20	97
Total Revenues	20	97
EXPENDITURES		
Current:		
Public Safety:		
Capital Outlay-Other	4,508	1,750
Public Works:		
Capital Outlay-Other	2,900	10,514
Total Current	7,408	12,264
Capital Outlay:		
Sidewalk Project	496	-
Bad Boy Rebel 61" Deck Mower	-	8,484
Total Capital Outlay	496	8,484
Total Expenditures	7,904	20,748
Excess (Deficiency) of Revenues Over Expenditures	(7,884)	(20,651)
Fund Balance - Beginning of Year	9,955	30,606
Fund Balance - End of Year	$ 2,071	$ 9,955

CITY OF ARLINGTON, GEORGIA
Water and Sewerage Enterprise Fund
Comparative Statements of Net Position

	As of June 30, 2022	As of June 30, 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 48,289	$ 73,369
Investment in Certificates of Deposit	37,458	36,915
Accounts Receivable	45,804	44,905
Restricted Assets:		
Cash and Cash Equivalents	154,136	49,104
Total Current Assets	285,687	204,293
Non-current Assets:		
Restricted Assets:		
Investment in Certificate of Deposit-		
Reserve and Renewal Extension Fund	79,800	79,800
Capital Assets:		
Water and Sewer System	8,614,379	8,433,222
Machinery and Equipment	116,966	87,296
	8,731,345	8,520,518
Less Accumulated Depreciation	(2,918,171)	(2,744,873)
Net Capital Assets	5,813,174	5,775,645
Deposits	200	200
Total Non-current Assets	5,893,174	5,855,645
Total Assets	$ 6,178,861	$ 6,059,938

CITY OF ARLINGTON, GEORGIA
Water and Sewerage Enterprise Fund
Comparative Statements of Net Position

	As of June 30,	
	2022	**2021**
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	$ 31,216	$ 15,901
Payable from Restricted Assets:		
Accounts Payable - Capital Assets	118,543	-
Revenue Bond - 2019 Series	4,664	4,566
Revenue Bond - 2009 Series	22,618	21,678
Customer Deposits	36,096	33,811
Customer Deposits	9,192	14,778
Total Current Liabilities	222,329	90,734
Non-current Liabilities:		
Revenue Bond - 2019 Series	248,959	253,623
Revenue Bond - 2009 Series	1,097,597	1,120,215
Total Non-current Liabilities	1,346,556	1,373,838
Total Liabilities	1,568,885	1,464,572
Net Position:		
Net Investment in Capital Assets	4,320,793	4,375,563
Restricted	197,840	95,093
Unrestricted	91,343	124,710
Total Net Positiion	4,609,976	4,595,366
Total Liabilities and Net Position	$ 6,178,861	$ 6,059,938

CITY OF ARLINGTON, GEORGIA
Water and Sewerage Enterprise Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position

	For the Years Ended June 30,	
	2022	**2021**
OPERATING REVENUES		
Water and Sewerage Charges	$ 402,032	$ 395,867
Cut-on and Tap Fees	15,133	4,840
Penalties and Miscellaneous	7,878	19,748
Total Operating Revenues	425,043	420,455
OPERATING EXPENSES		
Personal Services and Employee Benefits	85,776	78,742
Purchased/Contracted Services	107,840	90,721
Supplies	214,657	231,125
Other Costs	875	-
Depreciation	173,298	168,851
Total Operating Expenses	582,446	569,439
Operating Income (Loss)	(157,403)	(148,984)
NON-OPERATING INCOME AND EXPENSES		
Interest Income	1,080	2,416
CARES Act	-	69,413
Interest Expense	(53,556)	(54,553)
Total Non-Operating Income and Expenses	(52,476)	17,276
Net Income Before Contributions and Transfers	(209,879)	(131,708)
CONTRIBUTIONS		
2019 Arlington SPLOST Capital Projects Fund	15,000	-
2018 Arlington SPLOST Capital Projects Fund	14,671	14,552
USDA Rural Development	145,244	39,699
Total Contributions	174,915	54,251
TRANSFERS		
Transfers In	49,574	9,029
Transfers Out	-	(26,705)
Net Transfers	49,574	(17,676)
Net Income (Loss)	14,610	(95,133)
Net Position - Beginning of Year	4,595,366	4,690,499
Net Position - End of Year	$ 4,609,976	$ 4,595,366

CITY OF ARLINGTON, GEORGIA
Water and Sewerage Enterprise Fund
Comparative Statements of Cash Flows

	For the Years Ended June 30, 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 420,844	$ 420,977
Cash Paid to Employees for Services	(59,549)	(53,785)
Cash Paid to Suppliers	(334,285)	(332,131)
Net Cash Provided (Used) by Operating Activities	27,010	35,061
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds of CARES Act Grant	-	69,413
Transfers From Other Funds	49,574	9,029
Transfers to Other Funds	-	(26,705)
Net Cash Provided (Used) by Non-Capital Financing Activities	49,574	51,737
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributed Capital USDA Rural Development	145,244	39,699
Principal Paid on Revenue Bonds	(26,244)	(25,247)
Interest Paid on Revenue Bonds	(53,556)	(54,553)
Acquisition and Construction of Capital Assets	(62,613)	(89,235)
Net Cash Provided (Used) by Capital and Related Financing Activities	2,831	(129,336)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	1,080	2,416
Certificate of Deposit-Interest Reinvestment	(543)	(1,488)
Net Cash Provided (Used) by Investing Activities	537	928
Net Increase (Decrease) in Cash and Cash Equivalents	79,952	(41,610)
Cash and Cash Equivalents - Beginning of Year	122,473	164,083
Cash and Cash Equivalents - End of Year	$ 202,425	$ 122,473
RECONCILIATION OF CASH AND CASH EQUIVALENTS ON STATEMENT OF NET POSITION		
Cash and Cash Equivalents	48,289	73,369
Cash and Cash Equivalents - Restricted	154,136	49,104
Total Cash and Cash Equivalents	$ 202,425	$ 122,473

CITY OF ARLINGTON, GEORGIA
Water and Sewerage Enterprise Fund
Comparative Statements of Cash Flows

	For the Years Ended June 30, 2022	2021
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (157,403)	$ (148,984)
Provided (Used) by Operating Activities:		
Depreciation	173,298	168,851
(Increase) Decrease in Accounts Receivable	(899)	(649)
Increase (Decrease) in Accounts Payable	15,315	14,672
Increase (Decrease) in Customer Deposits	(3,301)	1,171
Total Adjustments	184,413	184,045
Net Cash Provided (Used) by Operating Activities	$ 27,010	$ 35,061
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Contributed Capital-2019 Arlington SPLOST Capital Projects Fund	$ 15,000	$ -
Contributed Capital-2018 Arlington SPLOST Capital Projects Fund	14,671	-
Contributed Capital-2013 Arlington SPLOST Capital Projects Fund	-	14,552
Capital Asset Acquired by Accounts Payable at Year-End	118,543	-
Total Noncash Investing, Capital, and Financing Activities	$ 148,214	$ 14,552

CITY OF ARLINGTON, GEORGIA
Sanitation Enterprise Fund
Comparative Statements of Net Positiion

	As of June 30,	
	2022	**2021**
ASSETS		
Current Assets:		
Accounts Receivable	$ 11,915	$ 14,065
Total Current Assets	11,915	14,065
Non-current Assets:		
Total Non-current Assets	-	-
Total Assets	11,915	14,065
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable	9,863	9,950
Total Current Liabilities	9,863	9,950
Non-current Liabilities:		
Total Non-current Liabilities	-	-
Total Liabilities	9,863	9,950
Net Position:		
Investment in Capital Assets	-	-
Restricted	-	-
Unrestricted	2,052	4,115
Total Net Positiion	2,052	4,115
Total Liabilities and Net Position	$ 11,915	$ 14,065

CITY OF ARLINGTON, GEORGIA
Sanitation Enterprise Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position

	For the Years Ended June 30,	
	2022	**2021**
OPERATING REVENUES		
Sanitation Fees	$ 120,912	$ 131,121
Total Operating Revenues	120,912	131,121
OPERATING EXPENSES		
Purchased/Contracted Services	117,758	121,943
Total Operating Expenses	117,758	121,943
Operating Income (Loss)	3,154	9,178
Net Income (Loss) Before Contributions and Tranfers	3,154	9,178
NON-OPERATING INCOME AND EXPENSES		
Total Non-Operating Income and Expenses	-	-
Net Income Before Transfers	3,154	9,178
TRANSFERS		
Transfers In	4,071	-
Transfers Out	(9,288)	(9,516)
Net Transfers	(5,217)	(9,516)
Net Income (Loss)	(2,063)	(338)
Net Position - Beginning of Year	4,115	4,453
Net Position - End of Year	$ 2,052	$ 4,115

CITY OF ARLINGTON, GEORGIA
Sanitation Enterprise Fund
Comparative Statements of Cash Flows

	For the Years Ended June 30, 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 123,062	$ 131,664
Cash Paid to Suppliers	(117,845)	(122,148)
Net Cash Provided (Used) by Operating Activities	5,217	9,516
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Tranfers From Other Funds	4,071	-
Transfers To Other Fund	(9,288)	(9,516)
Net Cash Provided (Used) by Non-Capital Financing Activities	(5,217)	(9,516)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Provided (Used) by Investing Activities	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents - Beginning of Year	-	-
Cash and Cash Equivalents - End of Year	-	-
RECONCILIATION OF CASH AND CASH EQUIVALENTS ON STATEMENT OF NET POSITION		
Cash and Cash Equivalents	-	-
Cash and Cash Equivalents - Restricted	-	-
Total Cash and Cash Equivalents	$ -	$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 3,154	$ 9,178
Provided (Used) by Operating Activities:		
(Increase) Decrease in Accounts Receivable	2,150	543
Increase (Decrease) in Accounts Payable	(87)	(205)
Total Adjustments	2,063	338
Net Cash Provided (Used) by Operating Activities	$ 5,217	$ 9,516
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Total Noncash Investing, Capital, and Financing Activities	$ -	$ -

CITY OF ARLINGTON, GEORGIA
Arlington Recorder Court Custodial Fund
Comparative Statements of Fiduciary Net Position

	As of June 30,	
	2022	**2021**
ASSETS		
Cash and Cash Equivalents	$ 2,771	$ 7,271
Total Assets	2,771	7,271
LIABILITIES AND NET POSITION		
Liabilities:		
Accounts Payable and Other Liabilities	192	2,221
Total Liabilities	192	2,221
Net Position:		
Restricted for Individuals, Organizations, Other Governments	2,579	5,050
Total Net Position	2,579	5,050
Total Liabilities and Net Position	$ 2,771	$ 7,271

CITY OF ARLINGTON, GEORGIA
Arlington Recorder Court Custodial Fund
Statement of Changes in Fiduciary Net Position

	For the Years Ended June 30,	
	2022	**2021**
ADDITIONS		
Fines and Forfeitures	$ 9,632	$ 16,838
Total Additions	9,632	16,838
EXPENDITURES		
Payments to Individuals, Organizations, and Other Governments	12,103	21,929
Total Deductions	12,103	21,929
Net Increase (Decrease) in Fiduciary Net Position	(2,471)	(5,091)
Net Position - Beginning of Year	5,050	10,141
Net Position - End of Year	$ 2,579	$ 5,050

CITY OF ARLINGTON, GEORGIA
Arlington Downtown Development Authority
Component Unint
Comparative Balance Sheets

	As of June 30, 2022	As of June 30, 2021
ASSETS		
Cash and Cash Equivalents	$ 3,404	$ 3,928
Total Assets	3,404	3,928
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	-	328
Total Liabilities	-	328
Fund Balance:		
Restricted for Downtown Development Authority Projects	3,404	3,600
Total Fund Balance	3,404	3,600
Total Liabilities and Fund Balance	$ 3,404	$ 3,928

CITY OF ARLINGTON, GEORGIA
Arlington Downtown Development Authority
Component Unint
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance

	For the Years Ended June 30,	
	2022	**2021**
REVENUES		
Intergovernmental - City of Arlington	$ -	$ -
Investment Income	12	17
Miscellaneous Revenue - Rent and Events	8,283	1,925
Total Revenues	8,295	1,942
EXPENDITURES		
Current:		
Purchased/Contracted Services	125	-
Supplies	4,760	2,288
Other	3,095	703
Total Current	7,980	2,991
Intergovermental:		
City of Arlington - Rent Commission	511	155
Total Intergovernmental	511	155
Total Expenditures	8,491	3,146
Net Change in Fund Balance	(196)	(1,204)
Fund Balance - Beginning of Year	3,600	4,804
Fund Balance - End of Year	$ 3,404	$ 3,600

CITY OF ARLINGTON, GEORGIA
Schedule of Projects Constructed With
2012-2017 Special Purpose Local Option Sales Tax
For the Year Ended June 30, 2022

Project	Original Estimated Cost *	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Capital Outlay Projects, Including Construction of, Improvements to, Equipment for, and Alterations of City Buildings and Facilities, and Streets and Roads:	$ 247,000	$ -	$ -	$ -	-
09 Crown Vic Police Car	-	2,000	-	2,000	-
Police Equipment	-	7,031	-	7,031	-
Computer Equipment	-	5,438	-	5,438	-
Depot Renovation	-	11,350	-	11,350	-
12 Dodge Charger Police Car	-	35,894	-	35,894	-
Streets and Roads	-	57,929	-	57,929	-
Mahindra Tractor/Loader	-	39,900	-	39,900	-
Zero Turn Mower	-	7,249	-	7,249	-
City Hall Improvements	-	4,425	-	4,425	-
Water & Sewerage	-	27,353	-	27,353	-
Grapple w/Skid Steer Hitch	-	4,000	-	4,000	-
HD Rotary Boom	-	4,736	-	4,736	-
Slayer Mower	-	3,900	-	3,900	-
Trimmer/Edger	-	692	-	692	-
Cages (Police)	-	1,750	-	1,750	-
Loader Controls	-	1,547	-	1,547	-
Blade for Tractor	-	4,375	-	4,375	-
Bad Boy Rebel Mower	-	8,484	-	8,484	-
Dual Facing Camera (Police)	-	-	4,508	4,508	-
Jumping Jack Tamper	-	-	2,900	2,900	-
Sidewalk Project	-	-	496	496	-
Totals	$ 247,000	$ 228,053	$ 7,904	$ 235,957	95.53%

* There have been no changes in original estimated costs.

CITY OF ARLINGTON, GEORGIA
Schedule of Projects Constructed With
2019-2025 Special Purpose Local Option Sales Tax
For the Year Ended June 30, 2022

Project	Original Estimated Cost *	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Construction of, improvements to, equipment for, and alterations of, city buildings, and facilities, public safety, roads, streets, sidewalk projects, water waste treatment facilities, recreational and park facilities and water system	$ 247,500	$ -	$ -	$ -	-
Backhoe Crowd Cylinder	-	-	4,032	4,032	-
Service Truck (Water)	-	-	15,000	15,000	-
Lawnmower	-	-	8,830	8,830	-
Other Small Equipment	-	-	1,095	1,095	
Sidewalk Project	-	-	52,081	52,081	-
Totals	$ 247,500	$ -	$ 81,038	$ 81,038	32.74%

* There have been no changes in original estimated costs.

CITY OF ARLINGTON, GEORGIA
Schedule of Projects Constructed With
2018-2023 Special Purpose Local Option Sales Tax
For the Year Ended June 30, 2022

Project	Original Estimated Cost *	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Capital Outlay Projects, Including Construction of, Improvements to, Equipment for, and/or Alterations of the Street, Roads and Sidewalk Projects, City Building and/or Facilities, Public Safety, Waste Water Treatment Facilities, Recreational and Parks, Waste and Water Systems and Management and/or Acquisition of Vehicles for Law Enforcement, Emergency Services and/or City Departments:	$ 237,000	$ -	$ -	$ -	-
Streets:					
Lawnmower	-	-	8,530	8,530	-
Sidewalk Project	-	-	2,234	2,234	-
Police:					
18 Ford F150	-	30,172	-	30,172	-
18 Dodge Charger	-	38,609	-	38,609	-
Water & Sewer:					
Refurbish Jet Cleaner	-	-	14,671	14,671	-
Flowmeter	-	3,350	-	3,350	-
Total Projects	237,000	72,131	25,435	97,566	41.17%
Amounts to Reconcile to Expenditures Reported in Financial Statements:					
Principal Paid on Debt	-	39,326	23,458	62,784	-
Interest Paid on Debt	-	3,040	751	3,791	-
Totals	$ 474,000	$ 114,497	$ 49,644	$ 164,141	34.63%

* There have been no changes in original estimated costs.

CITY OF ARLINGTON, GEORGIA
Schedule of Projects Constructed With
2018-2023 Transportation Special Purpose Local Option Sales Tax
For the Year Ended June 30, 2022

Project	Original Estimated Cost *	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Transportation Projects:	$ 130,350	$ -	$ -	$ -	0.00%
Totals	$ 130,350	$ -	$ -	$ -	0.00%

* There have been no changes in original estimated costs.

CITY OF ARLINGTON, GEORGIA
Schedule of Projects Constructed With
2019-2024 Transportation Special Purpose Local Option Sales Tax
For the Year Ended June 30, 2022

Project	Original Estimated Cost *	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Transportation Projects:	$ 97,500	$ -	$ -	$ -	-
Sidewalk Project	-	-	71,382	71,382	-
Totals	$ 97,500	$ -	$ 71,382	$ 71,382	73.21%

* There have been no changes in original estimated costs.

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

To the City Council
City of Arlington, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Arlington, 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 Arlington, Georgia's basic financial statements and have issued our report thereon dated December 19, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Arlington, 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 of the effectiveness of the City of Arlington, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Arlington, 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 have not been 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 responses as items 2022-001 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Arlington, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2022-002.

City of Arlington, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Arlington, Georgia's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City of Arlington, 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 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.

/s/ Brown and McDaniel, CPAs

Albany, Georgia
December 19, 2022

CITY OF ARLINGTON, GEORGIA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

FINANCIAL STATEMENT FINDINGS:

Internal Control Over Financial Reporting

2021-001. Prior Audit Finding: Segregation of Duties

Status and/or Corrective Action: This condition remains present.

Compliance

2021-002. Prior Audit Finding: Expenditures over Appropriations

Status and/or Corrective Action: The City concurred with this finding and continues to address the need for budget-actual comparisons for the purpose of determining whether, or not, budget revisions are necessary.

2021-003. Prior Audit Finding: Comingled SPLOST Funds

Status and/or Corrective Action: This finding has been resolved.

CITY OF ARLINGTON, GEORGIA
Schedule of Findings and Responses
For the Year Ended June 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes __x__ no
Significant deficiencies identified?	__x__ yes ____ none reported
Noncompliance material to financial statements noted?	__x__ yes ____ no

Section II – Financial Statement Findings

INTERNAL CONTROL OVER FINANCIAL REPORTING – Significant Deficiencies

2022-001. Segregation of Duties (repeat finding)

Criteria: Segregation of conflicting duties (i.e., custody of assets, authorization of transactions, and recording of transactions) is a basic internal control designed to safeguard assets and facilitate proper recording of transactions.

Condition: During the performance of our audit, we noted that due to economic reasons the City of Arlington, Georgia is limited in the number of personnel that are employed and that personnel exercise a high degree of control over individual transactions and must perform duties inconsistent with proper segregation of accounting functions.

Context: Not applicable.

Effect: Failure to adequately segregate accounting functions can adversely affect the City of Arlington, Georgia's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause: The City of Arlington, Georgia is a small entity with limited financial resources and the benefits to be gained by proper segregation of the accounting functions do not justify the costs.

Recommendation: Those charged with governance should be mindful of the inherent risks involved with this condition and should both require and monitor periodic financial reports; questioning any transaction(s) or account balances that are not fully understood.

Views of Responsible Officials and Planned Corrective Action: The City of Arlington, Georgia agrees with this finding and will continue its present efforts, believing them to be sufficient, to monitor closely the financial activities of the City of Arlington, Georgia to ensure accurate financial processing of transactions and safeguarding of the City of Arlington, Georgia's assets.

Section II – Financial Statement Findings (continued)

COMPLIANCE

2020-002. Expenditures Over Appropriations (repeat finding)

Criteria: Local governments are required by law to adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government. This does not preclude the government from amending its budget to adapt to changing governmental needs during the budget period.

Condition: While the City of Arlington, Georgia's internal control over financial reporting to ensure that expenditures do not exceed appropriations appears to be operating as designed and is therefore generally effective in meeting the above criteria, the following funds/departments exceeded their appropriations by the corresponding amounts:

General Government	$	80,291
Judicial		2,266
Public Works		164,208
Culture and Recreation		14,441

Context: Not applicable.

Effect: The City is violating state statutes.

Cause: The General Government department's overage is primarily due to significantly higher costs related to the City's elections, while the overage in the Public Works department stems from a failure to reappropriate resources received in the previous year for activities and/or projects to be completed during this fiscal year.

Recommendation: We recommend the City continue its present efforts to ensure that expenditures do not exceed appropriations in accordance with the foregoing criteria.

Views of Responsible Officials and Planned Corrective Action: The City of Arlington, Georgia agrees with this finding and will continue to address the need for regular reviews of budget-actual comparisons of financial data for each City department and recommend amendments, when necessary, whether the result of reallocating existing budgetary line items or incorporating the availability of additional resources not anticipated when the original budget was adopted.