CITY OF HAWKINSVILLE, GEORGIA
FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022
AND
INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
City of Hawkinsville, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hawkinsville, 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 Hawkinsville, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hawkinsville, Georgia, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows 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 Hawkinsville, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of July 1, 2021. This standard significantly changed the accounting for the City's leases and related disclosures. Our opinions are not modified with respect to this matter.

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 Hawkinsville, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted 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 Hawkinsville, 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 Hawkinsville, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the pension information as listed in the table of contents 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.

The City 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 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. 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 Hawkinsville, Georgia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, the schedules to meet regulatory requirements, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedules to meet regulatory requirements, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2022, on our consideration of the City of Hawkinsville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Hawkinsville'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 the City of Hawkinsville, Georgia's internal control over financial reporting and compliance.



August 29, 2023
Hawkinsville, Georgia

BASIC FINANCIAL STATEMENTS

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2022

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	HAWKINSVILLE DOWNTOWN DEVELOPMENT AUTHORITY
ASSETS:				
Cash and cash equivalents	$ 1,775,679	$ 1,020,716	$ 2,796,395	$ 24,529
Receivables (net of allowance, where applicable):				
Accounts	- - -	779,532	779,532	- - -
Interest	2	- - -	2	2,478
Taxes	24,379	- - -	24,379	- - -
Accounts receivable - fines	- - -	- - -	- - -	- - -
Notes	- - -	- - -	- - -	88,802
Other	438,087	248,359	686,446	- - -
Intergovernmental	230,192	- - -	230,192	- - -
Prepaid items	28,071	40,825	68,896	1,179
Restricted cash	71,068	75,003	146,071	- - -
Deposits	- - -	50	50	- - -
Investments	1,436,851	802,228	2,239,079	- - -
Net pension asset	- - -	3,622	3,622	- - -
Nondepreciable capital assets	3,842,368	446,835	4,289,203	- - -
Depreciable capital assets, net	4,224,929	11,028,451	15,253,380	188,106
Total assets	12,071,626	14,445,621	26,517,247	305,094
DEFERRED OUTFLOWS OF RESOURCES -				
Pensions	156,506	125,735	282,241	- - -
LIABILITIES:				
Accounts payable	518,234	570,281	1,088,515	209
Interest payable	253	5,266	5,519	93
Other payables	- - -	82,286	82,286	- - -
Unearned revenue	448,733	600	449,333	39
Accrued liabilities	38,796	34,832	73,628	- - -
Noncurrent liabilities:				
Due within one year:				
Compensated absences	47,406	35,963	83,369	- - -
Notes payable	138,783	225,139	363,922	6,700
Leases payable	1,063	- - -	1,063	- - -
Post-closure care costs	- - -	5,421	5,421	- - -
Due in more than one year:				
Notes payable	2,092,961	1,946,754	4,039,715	73,382
Leases payable	1,875	- - -	1,875	- - -
Post-closure care costs	- - -	48,794	48,794	- - -
Net pension liability	155,075	143,687	298,762	- - -
Total liabilities	3,443,179	3,099,023	6,542,202	80,423
DEFERRED INFLOWS OF RESOURCES -				
Pensions	305,943	202,050	507,993	- - -
NET POSITION:				
Net investment in capital assets	6,425,583	9,303,393	15,728,976	188,106
Restricted for:				
Debt service	8,934	- - -	8,934	- - -
Capital projects	1,202,245	- - -	1,202,245	- - -
Public works	71,068	- - -	71,068	- - -
Community and economic development	2,000	- - -	2,000	- - -
Cemetery:				
Expendable	12	- - -	12	- - -
Nonexpendable	5,000	- - -	5,000	- - -
Unrestricted	764,168	1,966,890	2,731,058	36,565
Total net position	$ 8,479,010	$11,270,283	$19,749,293	$224,671

The notes are an integral part of these financial statements.

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

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT: TOTAL	COMPONENT UNIT HAWKINSVILLE DOWNTOWN DEVELOPMENT AUTHORITY
Primary Government								
Governmental activities:								
General government	$ 1,162,653	$ 123,340	$ - - -	$ 342,233	$ (697,080)	$ - - -	$ (697,080)	$ - - -
Judicial	5,020	2,882	- - -	- - -	(2,138)	- - -	(2,138)	- - -
Public safety:								
Fire protection	159,040	- - -	- - -	5,509	(153,531)	- - -	(153,531)	- - -
Law enforcement	594,298	- - -	- - -	8,264	(586,034)	- - -	(586,034)	- - -
E-911	100,588	- - -	- - -	- - -	(100,588)	- - -	(100,588)	- - -
Animal control	116,036	- - -	6,236	- - -	(109,800)	- - -	(109,800)	- - -
Public works	978,403	- - -	71,068	631,685	(275,650)	- - -	(275,650)	- - -
Culture and recreation	94,500	- - -	- - -	143,242	48,742	- - -	48,742	- - -
Community and economic development	199,572	36,000	43,822	66,115	(53,635)	- - -	(53,635)	- - -
Interest on long-term debt	21,871	- - -	- - -	- - -	(21,871)	- - -	(21,871)	- - -
Total governmental activities	3,431,981	162,222	121,126	1,197,048	(1,951,585)	- - -	(1,951,585)	- - -
Business-type activities:								
Water and Sewerage	2,324,680	1,643,093	- - -	49,512	- - -	(632,075)	(632,075)	- - -
Gas	4,982,308	5,470,581	- - -	- - -	- - -	488,273	488,273	- - -
Training Facility	132,190	21,009	- - -	- - -	- - -	(111,181)	(111,181)	- - -
Sanitation	609,304	675,431	- - -	- - -	- - -	66,127	66,127	- - -
Total business-type activities	8,048,482	7,810,114	- - -	49,512	- - -	(188,856)	(188,856)	- - -
Total primary government	$11,480,463	$7,972,336	$121,126	$1,246,560	(1,951,585)	(188,856)	(2,140,441)	- - -
Component unit -								
Hawkinsville Downtown Development Authority	$ 22,673	$ - - -	$ 31,598	$ - - -	- - -	- - -	- - -	8,925
General revenues:								
Taxes:								
Property taxes, levied for general purposes					743,635	- - -	743,635	- - -
Sales taxes					661,121	- - -	661,121	- - -
Franchise taxes					317,669	- - -	317,669	- - -
Insurance premium taxes					473,842	- - -	473,842	- - -
Alcoholic beverage taxes					77,192	- - -	77,192	- - -
Hotel / motel taxes					71,636	- - -	71,636	- - -
Financial institutions taxes					18,360	- - -	18,360	- - -
Interest and investment earnings					2,475	20	2,495	4,793
Miscellaneous					400,393	94,329	494,722	1
Transfers					(4,366)	4,366	- - -	- - -
Total general revenues and transfers					2,761,957	98,715	2,860,672	4,794
Change in net position					810,372	(90,141)	720,231	13,719
Net position - beginning					7,668,638	11,360,424	19,029,062	210,952
Net position - ending					$ 8,479,010	$11,270,283	$19,749,293	$224,671

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL FUND	UDAG GRANT FUND	AMERICAN RESCUE PLAN FUND	2017 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
ASSETS:						
Cash on hand	$ 600	$ - - -	$ - - -	$ - - -	$ - - -	$ 600
Cash - financial institutions	5,087	165,066	458,673	957,196	189,057	1,775,079
Receivables (net of allowance, where applicable):						
Interest	- - -	- - -	- - -	- - -	2	2
Property taxes	24,379	- - -	- - -	- - -	- - -	24,379
Accounts receivable - fines	- - -	- - -	- - -	- - -	- - -	- - -
Notes	- - -	- - -	- - -	- - -	- - -	- - -
Other	52,311	- - -	- - -	351,792	- - -	404,103
Intergovernmental	108,744	- - -	- - -	121,448	- - -	230,192
Interfund balances	- - -	- - -	- - -	- - -	7,601	7,601
Prepaid items	24,446	3,625	- - -	- - -	- - -	28,071
Restricted cash	71,068	- - -	- - -	- - -	- - -	71,068
Investments	- - -	1,436,851	- - -	- - -	- - -	1,436,851
Total assets	$286,635	$1,605,542	$458,673	$1,430,436	$196,660	$3,977,946

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL FUND	UDAG GRANT FUND	AMERICAN RESCUE PLAN FUND	2017 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES:						
Accounts payable	$ 98,779	$ - - -	$ 10,550	$ 401,304	$ 7,601	$ 518,234
Interfund balances	7,601	- - -	- - -	- - -	- - -	7,601
Unearned revenue	- - -	- - -	448,733	- - -	- - -	448,733
Accrued liabilities	38,796	- - -	- - -	- - -	- - -	38,796
Total liabilities	145,176	- - -	459,283	401,304	7,601	1,013,364
DEFERRED INFLOWS OF RESOURCES -						
Unavailable revenue - property tax	20,506	- - -	- - -	- - -	- - -	20,506
Total deferred inflows of resources	20,506	- - -	- - -	- - -	- - -	20,506
FUND BALANCES:						
Nonspendable:						
Prepaid items	24,446	- - -	- - -	- - -	- - -	24,446
Cemetery fund principal	- - -	- - -	- - -	- - -	5,000	5,000
Restricted:						
Public works	71,068	- - -	- - -	- - -	- - -	71,068
Community and economic development	- - -	- - -	- - -	- - -	2,000	2,000
Capital projects	- - -	- - -	- - -	1,029,132	173,113	1,202,245
Debt service	- - -	- - -	- - -	- - -	8,934	8,934
Cemetery improvements	- - -	- - -	- - -	- - -	12	12
Assigned to -						
Community and economic development	- - -	1,605,542	- - -	- - -	- - -	1,605,542
Unassigned	25,439	- - -	(610)	- - -	- - -	24,829
Total fund balances	120,953	1,605,542	(610)	1,029,132	189,059	2,944,076
Total liabilities, deferred inflows of resources, and fund balances	$286,635	$1,605,542	$458,673	$1,430,436	$196,660	$3,977,946

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 2,944,076
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 Governmental Funds Balance Sheet:		
Governmental capital assets	$12,543,581	
Less: accumulated depreciation and amortization	(4,476,284)	8,067,297
Other receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the Governmental Funds Balance Sheet -		
Property taxes		20,506
Other receivables are not available to pay for current period expenditures -		
Contract revenues		33,984
Interfund receivables and payables between governmental funds are reported on the Governmental Funds Balance Sheet but are eliminated on the Statement of Net Position:		
Interfund receivables	$ 7,601	
Interfund payables	(7,601)	- - -
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods, and, therefore, are not reported on the Governmental Funds Balance Sheet:		
Deferred outflows	$ 156,506	
Deferred inflows	(305,943)	(149,437)
Long-term liabilities, including notes payable, compensated absences, capital leases payable, and pensions, are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet:		
Accrued compensated absences	$ (47,406)	
Notes payable	(2,231,744)	
Lease liability	(2,938)	
Net Pension Liability	(155,075)	
Accrued interest payable	(253)	(2,437,416)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 8,479,010

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL FUND	UDAG GRANT FUND	AMERICAN RESCUE PLAN FUND	2017 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:						
Taxes	$2,291,494	$ - - -	$ - - -	$ - - -	$ 71,636	$ 2,363,130
Licenses and permits	126,819	- - -	- - -	- - -	- - -	126,819
Intergovernmental	190,246	- - -	535,272	661,116	3,125	1,389,759
Fines and forfeitures	2,882	- - -	- - -	- - -	- - -	2,882
Interest	2,049	26	390	556	114	3,135
Miscellaneous	72,358	84,083	- - -	- - -	179,200	335,641
Total revenues	2,685,848	84,109	535,662	661,672	254,075	4,221,366
EXPENDITURES:						
Current:						
General government	862,146	- - -	- - -	- - -	44,771	906,917
Judicial	5,020	- - -	- - -	- - -	- - -	5,020
Public safety:						
Fire protection	159,040	- - -	- - -	- - -	- - -	159,040
Law enforcement	594,298	- - -	- - -	- - -	- - -	594,298
E-911	77,331	- - -	- - -	- - -	- - -	77,331
Animal control	108,361	- - -	- - -	- - -	- - -	108,361
Emergency Management Agency	23,257	- - -	- - -	- - -	- - -	23,257
Public works	884,438	- - -	510,604	- - -	- - -	1,395,042
Culture and recreation	94,500	- - -	- - -	- - -	- - -	94,500
Community and economic development	181,390	20,367	- - -	- - -	- - -	201,757
Capital outlay:						
General government	- - -	- - -	- - -	2,115,324	64,832	2,180,156
Public safety - fire	- - -	- - -	- - -	- - -	20,000	20,000
Public works	- - -	- - -	- - -	196,693	- - -	196,693
Culture and recreation	- - -	- - -	- - -	3,180	- - -	3,180
Debt service:						
Principal	118,870	- - -	- - -	- - -	30,215	149,085
Interest	20,970	- - -	- - -	- - -	1,346	22,316
Total expenditures	3,129,621	20,367	510,604	2,315,197	161,164	6,136,953
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(443,773)	63,742	25,058	(1,653,525)	92,911	(1,915,587)

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
JUNE 30, 2022

	GENERAL FUND	UDAG GRANT FUND	AMERICAN RESCUE PLAN FUND	2017 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES (from previous page)	$(443,773)	$ 63,742	$ 25,058	$(1,653,525)	$ 92,911	$(1,915,587)
OTHER FINANCING SOURCES (USES):						
Operating leases	5,715	- - -	- - -	- - -	- - -	5,715
Loan proceeds	- - -	- - -	- - -	1,638,776	- - -	1,638,776
Transfers in	654,006	13,232	- - -	- - -	10,744	677,982
Transfers out	(559,099)	- - -	(25,668)	- - -	(27,025)	(611,792)
Total other financing sources (uses)	100,622	13,232	(25,668)	1,638,776	(16,281)	1,710,681
NET CHANGE IN FUND BALANCES	(343,151)	76,974	(610)	(14,749)	76,630	(204,906)
FUND BALANCE - BEGINNING	464,104	1,528,568	- - -	1,043,881	112,429	3,148,982
FUND BALANCE - ENDING	$ 120,953	$1,605,542	$ (610)	$ 1,029,132	$189,059	$ 2,944,076

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, 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

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ (204,906)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Expenditures for capital assets	$ 2,811,283	
SPLOST and Grant assets transferred to Enterprise Funds	(70,556)	
Less: current year depreciation	(325,890)	2,414,837
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in Governmental Funds:		
Property taxes	$ (1,036)	
Grant revenues	(4,525)	
Other revenues	30,914	25,353
Long-term compensated absences are reported in the Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds.		(7,153)
City pension contributions are reported as expenditures in the Governmental Funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension liability is measured nine months prior to the City's report date. Pension expense which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities:		
City pension contributions	$ 77,991	
Pension expense	(56,682)	21,309
Issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal of long-term debt consumes current financial resources of Governmental Funds. Neither transaction, however, has any effect on net position:		
Notes principal payments	$ 132,398	
Financed purchases principal payments	69,792	
Lease liability payments	2,777	
Issuance of long-term debt - notes payable	(1,638,776)	
Issuance of long-term debt - lease liabilities	(5,715)	
Interest paid	456	(1,439,068)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 810,372

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
ASSETS:					
Current assets:					
Cash - financial institutions	$ 718,005	$ 153,024	$ 67,478	$ 82,209	$ 1,020,716
Receivables:					
Accounts	192,351	510,501	- - -	76,680	779,532
Other	217,456	26,636	- - -	4,267	248,359
Prepaid items	29,607	1,354	6,865	2,999	40,825
Restricted cash	75,003	- - -	- - -	- - -	75,003
Total current assets	1,232,422	691,515	74,343	166,155	2,164,435
Long-term assets:					
Deposits	- - -	50	- - -	- - -	50
Investments	- - -	802,228	- - -	- - -	802,228
Net pension asset	- - -	3,622	- - -	- - -	3,622
Capital assets:					
Land	49,407	- - -	327,875	11,484	388,766
Construction in progress	46,018	12,051	- - -	- - -	58,069
Buildings	2,770,889	12,250	2,285,313	- - -	5,068,452
Improvements other than buildings	- - -	1,462,761	277,049	- - -	1,739,810
Machinery and equipment	28,667,942	536,963	304,001	333,033	29,841,939
Accumulated depreciation	(23,266,777)	(781,572)	(1,283,717)	(289,684)	(25,621,750)
Total long-term assets	8,267,479	2,048,353	1,910,521	54,833	12,281,186
Total assets	9,499,901	2,739,868	1,984,864	220,988	14,445,621
DEFERRED OUTFLOWS OF RESOURCES -					
Pensions	85,360	7,689	4,437	28,249	125,735

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
LIABILITIES:					
Current liabilities:					
Accounts payable	$ 53,352	$ 456,110	$ 424	$ 60,395	$ 570,281
Interest payable	131	5,135	- - -	- - -	5,266
Other payables	38	- - -	- - -	- - -	38
Customer deposits	52,823	29,425	- - -	- - -	82,248
Accrued expenses	16,575	16,543	- - -	1,714	34,832
Unearned revenue	- - -	- - -	600	- - -	600
Compensated absences	31,171	4,039	- - -	753	35,963
Notes payable	197,564	27,575	- - -	- - -	225,139
Post-closure care costs	- - -	- - -	- - -	5,421	5,421
Total current liabilities	351,654	538,827	1,024	68,283	959,788
Long-term liabilities:					
Notes payable	1,792,571	154,183	- - -	- - -	1,946,754
Post-closure care cost	- - -	- - -	- - -	48,794	48,794
Net pension liability	85,859	- - -	26,112	31,716	143,687
Total long-term liabilities	1,878,430	154,183	26,112	80,510	2,139,235
Total liabilities	2,230,084	693,010	27,136	148,793	3,099,023
DEFERRED INFLOWS OF RESOURCES -					
Pensions	137,542	20,214	3,044	41,250	202,050
NET POSITION:					
Net investment in capital assets	6,277,344	1,060,695	1,910,521	54,833	9,303,393
Unrestricted	940,291	973,638	48,600	4,361	1,966,890
Total net position	$7,217,635	$2,034,333	$1,959,121	$ 59,194	$11,270,283

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, 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 SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
OPERATING REVENUES:					
Charges for services	$1,643,093	$5,470,581	$ - - -	$675,431	$7,789,105
Rents	- - -	- - -	21,009	- - -	21,009
Miscellaneous	1,392	81,274	- - -	- - -	82,666
Total operating revenues	1,644,485	5,551,855	21,009	675,431	7,892,780
OPERATING EXPENSES:					
Salaries	370,830	146,829	15,998	29,794	563,451
Insurance	155,474	22,640	21,993	22,337	222,444
Taxes	28,233	59,467	1,595	2,563	91,858
Retirement	33,358	2,187	6,408	6,835	48,788
Uniforms	800	740	- - -	- - -	1,540
Administrative services	199	12,904	- - -	- - -	13,103
Professional fees	32,430	102,305	- - -	- - -	134,735
Technical services	67,711	- - -	- - -	15,476	83,187
Repairs and maintenance	42,124	760	757	- - -	43,641
Equipment rentals	92,964	14,941	- - -	- - -	107,905
Utilities	270,167	7,179	12,135	1,687	291,168
Advertising	843	864	500	- - -	2,207
Travel	1,912	- - -	1,938	- - -	3,850
Dues and fees	9,058	667	400	- - -	10,125
Education and training	1,155	750	- - -	- - -	1,905
Contract labor	69,313	47,486	3,000	501,893	621,692
Office expense	451	66	- - -	147	664
Vehicle expense	33,332	9,953	1,532	10,486	55,303
Purchases	- - -	4,452,813	- - -	- - -	4,452,813
Parts and supplies	175,414	45,587	4,616	5,725	231,342
Miscellaneous	123	- - -	- - -	2	125
Depreciation	910,110	46,729	61,318	12,359	1,030,516
Total operating expenses	2,296,001	4,974,867	132,190	609,304	8,012,362
OPERATING INCOME (LOSS)	(651,516)	576,988	(111,181)	66,127	(119,582)

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, 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 SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
OPERATING INCOME (LOSS) (from previous page)	$ (651,516)	$ 576,988	$ (111,181)	$ 66,127	$ (119,582)
NONOPERATING REVENUES (EXPENSES):					
Interest income	20	- - -	- - -	- - -	20
Interest charges	(28,679)	(7,062)	- - -	- - -	(35,741)
Gain (loss) on disposition of assets	- - -	(379)	- - -	- - -	(379)
GEFA loan forgiveness	49,512	- - -	- - -	- - -	49,512
Undistributed income (loss) from joint venture	- - -	11,663	- - -	- - -	11,663
Total nonoperating revenues (expenses)	20,853	4,222	- - -	- - -	25,075
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(630,663)	581,210	(111,181)	66,127	(94,507)
CAPITAL GRANTS AND CONTRIBUTIONS	29,970	40,586	- - -	- - -	70,556
TRANSFERS IN	46,867	467,162	57,423	21,810	593,262
TRANSFERS OUT	(75,159)	(525,997)	- - -	(58,296)	(659,452)
CHANGE IN NET POSITION	(628,985)	562,961	(53,758)	29,641	(90,141)
TOTAL NET POSITION - BEGINNING	7,846,620	1,471,372	2,012,879	29,553	11,360,424
TOTAL NET POSITION - ENDING	$7,217,635	$2,034,333	$1,959,121	$ 59,194	$11,270,283

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	$ 1,639,959	$ 5,220,325	$ 21,727	$ 667,214	$ 7,549,225
Payments to suppliers	(1,088,530)	(5,009,356)	(62,842)	(577,588)	(6,738,316)
Payments to employees	(375,811)	(136,915)	(17,221)	(32,505)	(562,452)
Other receipts (payments)	1,241,372	201,341	4,693	365	1,447,771
Net cash provided (used) by operating activities	1,416,990	275,395	(53,643)	57,486	1,696,228
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	46,867	467,162	57,423	21,810	593,262
Transfers out	(75,159)	(525,997)	- - -	(58,296)	(659,452)
Net cash provided (used) by noncapital financing activities	(28,292)	(58,835)	57,423	(36,486)	(66,190)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from notes payable	330,083	- - -	- - -	- - -	330,083
Purchases of capital assets	(373,329)	(65,759)	- - -	- - -	(439,088)
Principal paid on capital debt	(1,358,198)	(26,578)	- - -	- - -	(1,384,776)
Interest paid on capital debt	(28,851)	(7,813)	- - -	- - -	(36,664)
Net cash provided (used) by capital and related financing activities	(1,430,295)	(100,150)	- - -	- - -	(1,530,445)
CASH FLOWS FROM INVESTING ACTIVITIES -					
Interest and dividends	20	- - -	- - -	- - -	20
Net cash provided (used) by investing activities	20	- - -	- - -	- - -	20
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(41,577)	116,410	3,780	21,000	99,613

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (from previous page)	$ (41,577)	$ 116,410	$ 3,780	$ 21,000	$ 99,613
CASH AND CASH EQUIVALENTS - BEGINNING	834,585	36,614	63,698	61,209	996,106
CASH AND CASH EQUIVALENTS - ENDING	$ 793,008	$ 153,024	$ 67,478	$ 82,209	$1,095,719
CASH AND CASH EQUIVALENTS CLASSIFICATION:					
Cash - financial institutions	$ 718,005	$ 153,024	$ 67,478	$ 82,209	
Restricted cash	75,003	- - -	- - -	- - -	
Total cash and cash equivalents	$ 793,008	$ 153,024	$ 67,478	$ 82,209	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	$ (651,516)	$ 576,988	$(111,181)	$ 66,127	$ (119,582)
Adjustments to reconcile operating income to net cash provided (used) by operating activities -					
Depreciation expense	910,110	46,729	61,318	12,359	1,030,516
Change in assets and liabilities:					
Receivables, net	(5,991)	(248,362)	- - -	(8,217)	(262,570)
Other receivables	1,241,372	120,223	4,811	365	1,366,771
Prepaid items	(20,190)	(1,354)	(4,688)	(2,388)	(28,620)
Net pension asset	- - -	(3,622)	- - -	- - -	(3,622)
Deferred outflows of resources - pensions	6,457	(3,586)	4,598	3,017	10,486
Accounts and other payables	(53,261)	(227,642)	(3,280)	(2,106)	(286,289)
Deposits	1,465	(2,050)	- - -	- - -	(585)
Unearned revenue	- - -	- - -	600	- - -	600
Accrued expenses	(18)	949	- - -	(5,943)	(5,012)
Accrued salaries	(1,175)	11,689	(3,328)	(976)	6,210
Accrued compensated absences	874	4,039	(1,529)	(2,869)	515
Net pension liability	(104,107)	(16,078)	(5,759)	(14,447)	(140,391)
Deferred inflows of resources - pensions	92,970	17,472	4,795	12,564	127,801
Net cash provided (used) by operating activities	$1,416,990	$ 275,395	$ (53,643)	$ 57,486	$1,696,228

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWERAGE FUND	GAS FUND	TRAINING FACILITY FUND	SANITATION FUND	TOTAL
NONCASH CAPITAL FINANCING ACTIVITIES:					
Contributions of capital assets	$29,970	$40,586	$- - -	$- - -	$70,556
Debt forgiveness from GEFA	$49,512	$ - - -	$- - -	$- - -	$49,512

The notes are an integral part of these financial statements.

CITY OF HAWKINSVILLE, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - CUSTODIAL FUND
JUNE 30, 2022

	MUNICIPAL COURT
ASSETS -	
Fines receivable	$1,950
Total assets	1,950
LIABILITIES -	
Due to other agencies	- - -
Total liabilities	- - -
NET POSITION -	
Restricted for individuals, organizations, and other governments	1,950
Total net position	$1,950

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - CUSTODIAL FUNDS
JUNE 30, 2022

	MUNICIPAL COURT
ADDITIONS:	
Court revenues	$ 3,100
Interest	1
Total additions	3,101
DEDUCTIONS:	
Payments to others	1,219
Fine revenue - General Fund	2,882
Total deductions	4,101
CHANGE IN NET POSITION	(1,000)
NET POSITION - beginning	2,950
NET POSITION - ending	$ 1,950

The notes are an integral part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. THE REPORTING ENTITY: The City is an incorporated municipality under the provisions of Georgia law. The City operates under a commissioner-manager form of government in lieu of a Mayor and Council. The Commissioners have all the rights and powers of a Mayor and Council and additional administrative powers as provided by the City Charter. The City provides various services, levies taxes, and issues licenses as provided by the Charter. These services include public safety, highways and streets, sanitation, wastewater treatment, water, gas, municipal court, and administrative services.

As required by GAAP, the financial reporting entity consists of (1) the primary government, (2) organizations for which the City is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the City are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. The financial statements presented herein do not include agencies that have been formed under applicable state laws or separate and distinct units of government apart from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Some component units, because of the closeness of their relationship with the City, should be blended as though they are part of the City. Otherwise, most component units should be discretely presented. At present, there are two organizations which would be considered component units:

Hawkinsville Downtown Development Authority - Management has determined that the Hawkinsville Downtown Development Authority is considered to be a discretely presented component unit of the City. The Hawkinsville Downtown Development Authority (the Authority) is governed by seven directors appointed by the City of Hawkinsville's Board of Commissioners. The Authority's purpose is to revitalize and redevelop the central business district of the City of Hawkinsville, Georgia. The Authority's financial statements are available from the City of Hawkinsville, 56 Broad Street, Hawkinsville, Georgia.

Hawkinsville Urban Redevelopment Agency - Management has determined that the Hawkinsville Urban Redevelopment Agency is considered to be a blended component unit of the City and is included as a Special Revenue Fund. The Hawkinsville Urban Redevelopment Agency (HURA), an entity legally separate from the City, is governed by an eleven member board appointed by the City Commission. HURA's purpose is to facilitate improvement of substandard buildings within the City. On December 2, 2013, the City suspended operations of HURA indefinitely.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. RELATED ORGANIZATIONS: The City's officials are responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making these appointments. The City commissioners appoint the board members of the Hawkinsville Historical Commission, Hawkinsville Housing Authority, Planning and Zoning Commission, and the Board of Registrars.

C. JOINT VENTURES:

Mid-State Energy Commission - In 1953, the City entered into a joint venture with the Cities of Warner Robins, Perry, Cochran, and Byron, Georgia known as Jointly Owned Natural Gas (JONG). The JONG was established with the purpose of providing maintenance and related services for a natural gas transmission line serving the member cities and their customers. Effective January 1, 2021, JONG was eliminated. The operations were reestablished under a charter as the Mid-State Energy Commission (MSE). A board of directors, composed of one member from each of the cities, manages MSE. Mid-State Energy Commission contracts directly with its suppliers and certain other operational changes are required under the newly formed commission. The investment is accounted for using the equity method.

Under the terms of the joint venture contract, each member owns its own separate section of the transmission line and maintains the cost of operating the particular section. Income earned by MSE is allocated to each member based on various percentages as specified in the joint venture contract. Each member's equity share in the income and retained earnings of this joint venture is reported in the audited financial statements of MSE. The equity interest from MSE as of and for the year ended December 31, 2021, is reported in the Proprietary Funds Statement of Net Position in the Gas Fund.

Income of $11,663 was reported in the Gas Fund for the year ended June 30, 2022. Total investment in MSE recorded as an investment by the Gas Fund totaled $802,228 at June 30, 2022. The City’s equity interest in MSE is approximately 18.88% of the total assets of MSE.

The audited financial statements of the Mid-State Energy Commission are on file with the City and copies are available upon request.

Middle Georgia Regional Commission - Under Georgia law, the City, in conjunction with municipalities and counties in the eleven (11) county Middle Georgia area is a member of the Middle Georgia Regional Commission (MGRC) and is required to pay annual dues thereto. During the year ended June 30, 2022, the City paid $13,350 in such dues. Membership in MGRC is required by the Official Code of Georgia Annotated (OCGA) section 50-8-34 which provides for the organizational structure of the MGRC. The MGRC Board membership includes the chief elected official of each county and municipality of the area. The City board members and municipal board members from the same county elect one Member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as a nonpublic member and a minority member who must be an elected official to serve as board members from a County. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the MGRC. Separate financial statements for the MGRC are available from:

Middle Georgia Regional Commission
175 Emery Highway, Suite C
Macon, GA 31217

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

D. JOINTLY GOVERNED ORGANIZATIONS: The City, in connection with Pulaski County, has created the Library Board, Hawkinsville-Pulaski County Recreation Board, and the Pulaski County-Hawkinsville Development Authority. The board members for each organization are composed as follows:

Library Board - 6 appointed by City, 6 appointed by Pulaski County; Hawkinsville-Pulaski County Recreation Board - 4 appointed by City, 5 appointed by Pulaski County; Pulaski County-Hawkinsville Development Authority - 2 appointed by City, with Commission Chairman, 3 appointed by Pulaski County along with sole Commissioner of Pulaski County, and 1 member at large.

The City's expenditures for June 30, 2022, were $19,500 and $75,000 to the Library Board and Hawkinsville-Pulaski County Recreation Board, respectively.

E. BASIC FINANCIAL STATEMENTS: The basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. Both the government-wide financial statements and the fund financial statements categorize activities as either governmental activities or business-type activities. These statements provide valuable information that can be analyzed and compared.

Government-Wide Financial Statements - The government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements display information about the reporting government as a whole and provide a consolidated financial picture of the government. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and the component unit are presented separately within the financial statements with the focus on the primary government. In the government-wide Statement of Net Position, both governmental and business-type activities and the component unit columns are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities, for each identifiable activity of the business-type activities of the City, and for each component unit of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the Statement of Activities.

The government-wide Statement of Activities also reports functional categories of programs provided by the City and demonstrates how and to what degree those programs are supported by specific revenues. Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services relate to charges to customers who purchase, use, or directly benefit from goods or services provided by a given function. Grants and contributions refer to revenues restricted for specific functions for operational or capital requirements. The general revenues section displays revenues collected that help support all functions of the government and contribute to the change in the net position for the fiscal year. The gross expenses (including depreciation) are reduced by related program revenues, operating grants, and capital grants. The net costs (by function and business-type activity) are normally covered by general revenue.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Fund Financial Statements - Fund financial statements for the government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental and proprietary funds. The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. The proprietary funds and custodial fund statements are presented on a full accrual, economic resources basis. The fiduciary fund includes financial information for the custodial fund. This fund represents assets held by the City in a custodial capacity for individuals or other governments. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following the statement which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

F. BASIS OF PRESENTATION: The financial transactions of the City are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which the resources are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at a more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. The non-major funds are combined in a column in the fund financial statements and detailed in the supplementary information section of this report.

Governmental Funds - Governmental Funds are those through which most governmental functions typically are financed. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities - except those accounted for in other funds - are accounted for through governmental funds. The flow of current financial resources measurement focus is used for governmental funds. It is based on the determination of financial position, rather than on net income determination. Major Governmental Funds used by the City include:

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

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources and grants that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Restricted or committed specific revenue sources should comprise a substantial portion of fund's resources. The proceeds from these special revenue sources should be expected to continue to comprise a substantial portion of inflows.

UDAG Grant - This fund is used to account for and report economic development revenues and expenditures.

American Rescue Plan - This fund is used to account for and report revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

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

2017 SPLOST - This fund is used to account for and report SPLOST revenues and expenditures to be used for improvements or purchase of City property and equipment, new City Hall, recreational facilities and improvements, economic development, City streets improvements, grant matching funds, public safety and public works equipment, and renovation of the Old Firehouse.

Additionally, the City reports the following nonmajor governmental fund types:

Special Revenue Funds:

Hotel / Motel Tax Fund - This fund is used to account for and report the hotel / motel taxes collected as required by law.

Cemetery Fund - This fund is used to account for and report revenues and expenditures for the maintenance of the City Cemetery.

Mill Project - This fund is used to account for and report revenues and expenditures related to the Cotton Mill Lofts Project. During the year ended June 30, 2022, this fund had no financial activity; therefore, a budget was not prepared or adopted for this fund. The only financial items to note of this fund are two notes receivable and the related allowances as discussed in Note 4.

HOPE VI - This fund is used to account for and report revenues and expenditures of a Hope VI Main Street Grant for 11 housing units in the River Market Lofts Project. During the year ended June 30, 2022, this fund had no financial activity; therefore, a budget was not prepared or adopted for this fund. The only financial items to note of this fund are a note receivable and the related allowance as discussed in Note 5.

2014 CHIP Grant - This fund is used to account for and report revenue and expenditures of a Community Home Investment Program Grant for housing rehabilitation. During the year ended June 30, 2022, this fund had no financial activity; therefore, a budget was not prepared or adopted for this fund. The only financial items to note of this fund are transfers out and fund balance. This fund will be closed during the year end June 30, 2023.

2020 CDBG Grant - This fund is used to account for and report revenue and expenditures of the CDBG Grant for sanitary sewer infrastructure improvements.

2021 CDBG Grant - This fund is used to account for and report revenue and expenditures of the CDBG Grant for sanitary sewer infrastructure improvements.

Hawkinsville Urban Redevelopment Agency - This fund is a blended component unit of the City and is used to account for and report revenues and expenditures related to improvement of substandard buildings within the City. During the year ended June 30, 2022, this fund had no financial activity; therefore, a budget was not prepared or adopted for this fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Debt Service Funds - Debt Service Funds are used to account for and report the accumulation of financial resources that are restricted, committed, or assigned to expenditure for general long-term debt principal, interest, and related costs, other than those payable from Proprietary Funds and Special Assessment Funds.

Workforce Development Center - This fund is used to account for and report the collection and disbursement of the 2004 1% Special Purpose Local Option Sales Tax (SPLOST) needed to comply with the interest and principal requirements of the debt related to the construction of the Workforce Development Center.

City Hall - This fund is used to account for and report the collection and disbursement of the 2023 1% Special Purpose Local Option Sales Tax (SPLOST) needed to comply with the interest and principal requirements of the debt related to the construction of the new City Hall.

Capital Projects Fund:

2010 SPLOST - This fund is used to account for and report SPLOST revenues and expenditures to be used for a new City Hall, upgrading City property and equipment, Opera House repairs, renovation of the Old Firehouse, public safety, and grant matching funds.

Proprietary Funds - Proprietary Funds are accounted for using a flow of economic resources measurement focus. This measurement focus utilizes the accrual basis of accounting which recognizes revenues when earned and expenses when incurred without regard to the timing of receipt or payment. Proprietary Fund types include -

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Major Enterprise Funds used by the City include:

Water and Sewerage Fund - This fund was established for the control of the operating revenue and expenses of the water distribution system and sewerage processing system.

Gas Fund - This fund was established for control of the operating revenue and expenses of the natural gas distribution system.

Sanitation Fund - This fund was established for control of the operating revenue and expenses relating to garbage pickup and disposal.

Training Facility Fund - This fund was established for control of the operating revenues and expenses of the City’s harness racing track facility.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Fiduciary Funds - Fiduciary Funds are used to account for resources held by a governmental unit in a trustee capacity or as an agent on behalf of others. Fiduciary funds are accounted for using a flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds used by the City include -

Custodial Funds - Custodial Funds are used to account for resources held for others. The City acts a custodian, collecting and then disbursing these monies to the appropriate agencies.

Municipal Court - This fund is used to account for municipal ordinance violations resulting in fines for offenses occurring in the City.

G. BASIS OF ACCOUNTING: Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase, "available for exchange transaction" means expected to be received within 60 days after year end.

Revenues - Nonexchange Transactions - Nonexchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days after year end) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: grants, interest on investments, and property taxes.

Fines and a related allowance are recorded as assessed, and fine revenue is recognized when collected.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as unearned revenue (i.e., they are measurable but not available) rather than as revenue. Sales taxes collected by the State of Georgia, Department of Revenue, for the December sales are reported as unearned revenue at year end. Property taxes receivable not collected within 60 days of year end have been recorded as unearned revenue. Grants received before the eligibility requirements are met also are recorded as unearned revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Interfund Activity - The City has two types of interfund transactions. Services rendered transactions are accounted for as revenues and expenditures in the funds involved and operating appropriations are accounted as transfers in the funds involved. Intrafund transfers, except interfund services provided and used and reimbursements, are reported as transfers in or out in the funds involved as other financing sources. However, as a general rule, recorded intrafund revenues and expenditures have been eliminated in the GAAP-basis government-wide financial statements.

H. CASH AND CASH EQUIVALENTS: The City follows the practice of pooling cash of the General Fund and the Enterprise Funds. Each fund's portion of the pool is displayed on its respective balance sheet as cash and cash equivalents and includes non-pooled cash and investments separately held. Interest earned by the pooled cash is allocated to each of the funds based on its average monthly balance.

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

For purposes of the Statement of Cash Flows, the proprietary fund types consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

I. CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS: Various restrictions on deposits and investments, including repurchase agreements, are imposed by State statutes. These restrictions are summarized below:

Deposits - All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. However, the City may waive the collateral requirement for operating funds placed in demand deposit accounts.

Investments - The City may invest and reinvest funds subject to its control and jurisdiction in obligations of the United States and of its agencies and instrumentalities; and in bonds or certificates of indebtedness of this State and of its agencies and instrumentalities; and certificates of deposit of banks that have deposits insured by the Federal Deposit Insurance Corporation. The City may also invest through the Georgia Fund 1 state investment pool and other specific Georgia and Georgia related financial instruments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

J. RECEIVABLES: The City does not normally record an allowance for doubtful accounts. The City has established an accounts receivable write off policy for its Enterprise Funds where all accounts over 180 days old are considered uncollectible for financial reporting purposes. The City recorded a receivable of uncollected fines in the amount of $51,219. Due to the delinquent nature of these fines, the City recorded an allowance for uncollectibles in the amount of $51,219.

K. INTERFUND RECEIVABLES/PAYABLES: Outstanding balances resulting in transactions between funds are reported as "due to/from other funds." To the extent that these balances are between governmental funds, they have been eliminated on the government-wide financial statements. Any residual balances between the governmental activities and the business-type activities are reported on the government-wide financial statements as "internal balances" and eliminated in the total primary government column.

L. PROPERTY TAXES: Property taxes attach as an enforceable lien on property as of December 2. Taxes are levied on October 1, and are due and payable by December 1. All unpaid taxes become delinquent after December 1, and fifa's are recorded on or after March 1.

M. INVENTORIES: Effective June 30, 2018, the City wrote off all inventory due to obsolescence and adopted the policy of recording items as expenditures or expenses as purchased. Inventoriable items are no longer maintained on hand but are purchased as necessary and immediately placed in service.

N. PREPAID ITEMS: Payments made to vendors for services that benefit periods beyond June 30, 2022, are recorded as prepaid items. The consumption method is used by recording an asset for the prepaid amount and by recording the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is denoted as nonspendable, as this amount is not available for general appropriation.

O. RESTRICTED CASH: Restricted cash consists of certain resources restricted by funding source or required to be set aside for the repayment of debt on the Governmental Funds Balance Sheet and the Statement of Net Position.

P. DEPOSITS: Deposits at June 30, 2022, consisted of a $50 utility deposit paid by the Gas Fund.

Q. INVESTMENTS:

Governmental Activities - These investments are held in the Special Revenue Fund - UDAG Grant and consist of investment property purchased for economic development purposes. This investment property is carried at cost.

Business-type Activities - This investment is the City's investment in Mid-State Energy Commission which is discussed in Note 1-C.

R. CAPITAL ASSETS: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, water and sewerage distribution systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized to the extent the City's capitalization threshold of $5,000 is met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

All capital assets acquired after June 30, 1981, are valued at historical cost or estimated historical cost if actual historical cost is not available. Assets acquired before June 30, 1981, are recorded at appraised values which is a departure from GAAP. Donated capital assets are valued at the estimated fair value on the date donated. General infrastructure assets acquired or constructed prior to July 1, 2003 are not reported in the financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired or constructed subsequent to July 1, 2003. The City reports intangible assets in accordance with GASB Statement No. 51.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The City follows the policy of capitalizing interest as a component of the cost of property, plant, and equipment constructed for its own use. During the current fiscal year, no interest was capitalized.

Land and construction in progress are not depreciated. Depreciation for capital assets is computed using the straight-line method over the assets estimated useful lives. The estimated useful lives for governmental and business-type activities are as follows:

	Governmental Activities	Business-Type Activities
Buildings	20-40 years	20-40 years
Improvements other than buildings	20-50 years	20-50 years
Machinery and equipment	5-10 years	5-10 years
Infrastructure	20-50 years	N/A

When capital assets are disposed of, the cost and accumulated depreciation or amortization are removed from the accounts, and any resulting gain or loss is recognized in the government-wide and proprietary fund financial statements.

S. RIGHT-TO-USE LEASE ASSETS: The City has recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, *Leases*. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement of the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use lease assets are amortized on a straight-line bases over the shorter of the lease term or the useful life of the underlying asset.

T. 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items related to the City's pension plan, which arise under the accrual basis of accounting, that qualify for reporting in this category and are reported on the government-wide statement of net position for governmental activities and business-type activities, and on the proprietary funds statements of net position for the Water and Sewerage Fund, Gas Fund, Training Facility Fund, and the Sanitation Fund. These pension plan items are discussed below.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

In addition to liabilities, the statement of net position and the balance sheet for governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items that qualify for reporting in this category. Under the modified accrual basis of accounting, unavailable revenue from property taxes is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Under the accrual basis of accounting, three items related to the City's pension plan are reported on the government-wide statement of net position for governmental activities and business-type activities, and on the proprietary funds statements of net position for the Water and Sewerage Fund, Gas Fund, Training Facility Fund, and the Sanitation Fund. These pension plan items are discussed below.

The City has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement for plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Finally, any pension plan contributions made by the City before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

U. COMPENSATED ABSENCES: Vacation leave is earned by all permanent City employees at the rate of twelve days per year for the first ten years of service. After ten years of service, the employees earn at a rate of fifteen days per year. Vacation leave may be accumulated and carried over to a maximum of forty-five days per employee. Upon separation from the City, employees are entitled to accumulated vacation leave. At June 30, 2022, accrued vacation leave of $47,406 has been recorded in the government-wide Statement of Net Position in the Governmental Activities and $35,963 in the proprietary fund financial statements, which represents the City's commitment to fund such cost from future operations. In governmental fund financial statements, the cost of vacation leave is recognized when due to employees.

V. LONG-TERM OBLIGATIONS: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types, the face amount of debt issued is reported as an other financing source. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

W. PENSIONS: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Hawkinsville Retirement Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

X. FUND EQUITY: Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance - Fund balance represents the difference between the assets and deferred outflows of resources and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Commission through the adoption of a resolution. Only the City Commission may modify or rescind a commitment.

Assigned - Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted or committed.

Unassigned - Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Fund balance flow assumption - When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed, then assigned, and finally unassigned funds, as needed.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Net Position - Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources under the economic resources measurement focus of accounting. Net position is categorized as follows:

Net Investment in Capital Assets - This category consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding balances for debt that attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position - This category results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position is often designated to indicate that management does not consider it to be available for general operations. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

Net position flow assumption - When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to apply restricted net position first.

Y. OPERATING/NONOPERATING ITEMS: Proprietary funds distinguish between operating and nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Z. CONTRIBUTED CAPITAL: Contributions of capital reported in proprietary fund financial statements and the government-wide financial statements arise from outside contributions of capital assets and grants or outside contributions of resources restricted to capital acquisition and construction.

AA. POST EMPLOYMENT HEALTH CARE BENEFITS: Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. This program is offered for a duration of 18 months after the termination date. There is no cost to the City under this program. There were no former employees participating in this plan as of June 30, 2022.

AB. TAX ABATEMENT AGREEMENTS: During the year ended June 30, 2017, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures. This statement requires the City to disclose information for any tax abatement agreements either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenues. As of June 30, 2022, the City did not have any such agreements, either entered into by the City or by other governments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

AC. ADOPTION OF NEW ACCOUNTING STANDARDS: During the year ended June 30, 2022, the City adopted GASB Statement No. 87, *Leases*. GASB No. 87 increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

2. DEPOSITS - CUSTODIAL CREDIT RISK: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

Primary Government

The City does not have a deposit policy for custodial credit risk. As of June 30, 2022, $2,501,482 of the City's bank balance of $3,010,416 was exposed to custodial credit risk as follows:

Uninsured and collateralized with securities held in the pledging financial institution's trust department or agent but not in the City's name	$2,501,482
Total	$2,501,482

Discretely Presented Component Unit

The Hawkinsville Downtown Development Authority does not have a deposit policy for custodial credit risk. As of June 30, 2022, The Hawkinsville Downtown Development Authority's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

Fiduciary Funds - Custodial Fund

The Municipal Court does not have a deposit policy for custodial credit risk. As of June 30, 2022, The Municipal Court's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

3. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS:

Interfund balances at June 30, 2022, consisted of the following amounts and represent charges for services or reimbursable expenses or expenditures. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City's intention is to repay interfund balances within one year from the date of the financial statements.

	Payable from:	
Payable to:	**General Fund**	**Total**
Nonmajor Governmental Fund - Hotel / Motel Tax	$7,601	$7,601
Total	$7,601	$7,601

3. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS: (continued)

Interfund transfers for the year ended June 30, 2022, consisted of the following:

	Transfers from:						
Transfers to:	General Fund	American Rescue Plan Fund	Nonmajor Governmental Fund	Water and Sewerage Fund	Gas Fund	Sanitation Fund	Total
General Fund	$ - - -	$25,668	$27,025	$52,647	$513,812	$34,854	$ 654,006
Special Revenue Fund - UDAG Grant	13,232	- - -	- - -	- - -	- - -	- - -	13,232
Nonmajor Governmental Funds	10,744	- - -	- - -	- - -	- - -	- - -	10,744
Water and Sewerage Fund	19,320	- - -	- - -	- - -	9,982	17,565	46,867
Gas Fund	441,410	- - -	- - -	21,011	- - -	4,741	467,162
Training Facility Fund	53,393	- - -	- - -	811	2,083	1,136	57,423
Sanitation Fund	21,000	- - -	- - -	690	120	- - -	21,810
Total	$559,099	$25,668	$27,025	$75,159	$525,997	$58,296	$1,271,244

Transfers are used to move unrestricted revenues collected in various funds to finance various programs accounted for in other funds in accordance with budgetary authorizations and to return money to the fund from which it was originally provided, once a project is completed.

The transfers on the government-wide Statement of Activities differ from the transfers on the fund level Statement of Revenues, Expenditures, and Changes in Fund Balance by $70,556 which is the cost of SPLOST assets and CDBG grant assets transferred to Enterprise Funds.

4. NOTES RECEIVABLE - MILL PROJECT:

During the year ended June 30, 2010, the City obtained a $485,000 note receivable from Cotton Mill Lofts, LLC (formerly Landmark Properties, LLC). This note represents grant proceeds loaned to the developer to pay for environmental studies and testing and or environmental clean-up costs for the Mill Project. During the year ended June 30, 2013, the maturity date of the note was modified. The maturity date was extended to December 31, 2042. As of June 30, 2022, $485,000 has been advanced. Unadvanced funds on this note at June 30, 2022, were $-0-. Due to the terms of this note, the City has recorded an allowance in the amount of $485,000.

The City also received a note receivable from Cotton Mill Lofts, LLC for funds expended by the City and for in kind services provided by the City for demolition, up-fit, appraisal and low income housing tax credit application costs of $148,800. During the year ended June 30, 2013, the maturity date of the note was modified. The maturity date was extended to December 31, 2042. As of June 30, 2022, $148,800 has been advanced. Unadvanced funds on this note at June 30, 2022, were $-0-. Due to the terms of this note, the City has recorded an allowance in the amount of $148,800.

A description of the notes outstanding is as follows:

	Amount Due
Cotton Mill Lofts, LLC :	
The note is a single payment note deferred for twenty nine years including interest at 0% per annum. Payment in full will be due December 31, 2042.	$ 485,000
Allowance	(485,000)
The note is a single payment note deferred for twenty nine years including interest at 0% per annum. Payment in full will be due December 31, 2042.	148,800
Allowance	(148,800)
Total notes receivable, net of allowance	$ - - -

5. NOTE RECEIVABLE - RIVER MARKET LOFTS, LLC:

During the year ended June 30, 2012, the City obtained a $1,000,000 note receivable from River Market Lofts, LLC (River Market). This note represents grant proceeds loaned to the developer, River Market, to pay for renovation of a building located at the Farmers Market into 11 apartments. As of June 30, 2022, $1,000,000 has been advanced to River Market. There were no unadvanced funds on this note at June 30, 2022. Due to the terms of this note, the City has recorded an allowance in the amount of $1,000,000. During the year ended June 30, 2013, the due date of this note was extended to February 21, 2052.

A description of the note outstanding is as follows:

	Amount Due
River Market -	
The note is a single payment note deferred for forty years including interest at 0% per annum. Payment in full will be due February 21, 2052.	$ 1,000,000
Allowance	(1,000,000)
Total notes receivable, net of allowance	$ - - -

6. NOTE RECEIVABLE - COTTON MILL LOFTS, LLC:

During the year ended June 30, 2012, the Hawkinsville Downtown Development Authority, a discretely presented component unit, obtained a $160,000 note receivable from Cotton Mill Lofts, LLC, (Cotton Mill). This note represents monies loaned to the developer, Cotton Mill, to pay for environmental studies and testing at the Cotton Mill Lofts. As of June 30, 2022, $160,000 has been advanced to Cotton Mill. There were no unadvanced funds on this note at June 30, 2022.

A description of the note outstanding is as follows:

	Amount Due
Cotton Mill -	
The note is due in 19 annual installments of $12,938 including interest at 5.25% per annum.	$85,383

7. NOTES RECEIVABLE - FACADE:

During the year ended June 30, 2018, the Hawkinsville Downtown Development Authority, a discretely presented component unit, loaned monies to business owners in the City to pay for store facade improvements. As of June 30, 2022, $15,195 has been advanced to three individual business owners. There were no unadvanced funds on these notes at June 30, 2022. Each of these notes have a repayment term of 60 months with a required minimum monthly payment of $75 per month. These notes are zero interest bearing notes. As of June 30, 2022, the balance outstanding is $5,869. Due to the delinquency of one of the notes, the City has recorded an allowance in the amount of $2,450. The balance of the facade notes receivable, net of allowance, at June 30, 2022 is $3,419.

8. CAPITAL ASSETS:

Primary Government

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 959,346	$ - - -	$- - -	$ - - -	$ 959,346
Construction in progress	740,601	2,588,031	- - -	(445,610)	2,883,022
Total capital assets, not being depreciated	1,699,947	2,588,031	- - -	(445,610)	3,842,368
Capital assets, being depreciated and amortized:					
Buildings	3,956,395	3,180	- - -	(11,875)	3,947,700
Improvements other than buildings	1,154,779	49,501	- - -	- - -	1,204,280
Infrastructure	2,174,125	- - -	- - -	445,610	2,619,735
Machinery and equipment	812,184	153,356	- - -	(58,681)	906,859
Intangible assets	5,424	11,500	- - -	- - -	16,924
Right-to-use - leased equipment	- - -	5,715	- - -	- - -	5,715
Total capital assets, being depreciated and amortized	8,102,907	223,252	- - -	375,054	8,701,213
Less accumulated depreciation and amortization for:					
Buildings	1,704,547	97,395	- - -	(722)	1,801,220
Improvements other than buildings	694,016	43,928	- - -	- - -	737,944
Infrastructure	1,231,386	113,745	- - -	- - -	1,345,131
Machinery and equipment	515,021	67,777	- - -	722	583,520
Intangible assets	5,424	233	- - -	- - -	5,657
Right-to-use - leased equipment	- - -	2,812	- - -	- - -	2,812
Total accumulated depreciation	4,150,394	325,890	- - -	- - -	4,476,284
Total capital assets, being depreciated, net	3,952,513	(102,638)	- - -	375,054	4,224,929
Governmental activities capital assets, net	$5,652,460	$2,485,393	$- - -	$ (70,556)	$8,067,297

8. CAPITAL ASSETS: (continued)

	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 388,766	$ - - -	$- - -	$ - - -	$ 388,766
Construction in progress	3,518,523	354,023	- - -	(3,814,477)	58,069
Total capital assets, not being depreciated	3,907,289	354,023	- - -	(3,814,477)	446,835
Capital assets, being depreciated:					
Buildings	4,469,213	8,500	- - -	590,739	5,068,452
Improvements other than buildings	1,690,352	49,458	- - -	- - -	1,739,810
Machinery and equipment	26,521,294	27,107	756	3,294,294	29,841,939
Total capital assets, being depreciated	32,680,859	85,065	756	3,885,033	36,650,201
Less accumulated depreciation for:					
Buildings	2,871,630	51,098	- - -	- - -	2,922,728
Improvements other than buildings	514,487	41,323	- - -	- - -	555,810
Machinery and equipment	21,205,494	938,095	377	- - -	22,143,212
Total accumulated depreciation	24,591,611	1,030,516	377	- - -	25,621,750
Total capital assets, being depreciated, net	8,089,248	(945,451)	379	3,885,033	11,028,451
Business-type activities capital assets, net	$11,996,537	$ (591,428)	$ 379	$ 70,556	$11,475,286

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 245,057
Public safety -	
Animal control	10,559
Public works	70,274
Total depreciation and amortization expense - governmental activities	$ 325,890
Business-type activities:	
Water and Sewerage	$ 910,110
Gas	46,729
Training Facility	61,318
Sanitation	12,359
Total depreciation expense - business-type activities	$1,030,516

8. CAPITAL ASSETS: (continued)

Discretely Presented Component Unit

Capital asset activity for the year ended June 30, 2022, was as follows:

	Hawkinsville Downtown Development Authority				
	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets, not being depreciated - Buildings	$ 5,000	$ - - -	$5,000	$- - -	$ - - -
Total capital assets, not being depreciated	5,000	- - -	5,000	- - -	- - -
Capital assets, being depreciated - Buildings	65,122	126,240	- - -	- - -	191,362
Total capital assets, being depreciated	65,122	126,240	- - -	- - -	191,362
Less accumulated depreciation for - Buildings	1,628	1,628	- - -	- - -	3,256
Total accumulated depreciation	1,628	1,628	- - -	- - -	3,256
Total capital assets, being depreciated,	63,494	124,612	- - -	- - -	188,106
Hawkinsville Downtown Development Authority capital assets, net	$68,494	$124,612	$5,000	$- - -	$188,106

9. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES:

The following table provides detail regarding the deferred outflows and inflows of resources on the government-wide Statement of Net Position for governmental activities and business-type activities, and on the proprietary funds statements of net position for the Water and Sewerage Fund, Gas Fund, Training Facility Fund, and the Sanitation Fund:

	Government-Wide		Proprietary Funds			
	Governmental Activities	Business-Type Activities	Water and Sewerage Fund	Gas Fund	Training Facility Fund	Sanitation Fund
Deferred Outflows						
Pensions:						
City contributions subsequent to measurement date	$ 77,990	$ 39,466	$ 28,530	$ 5,399	$1,578	$ 3,959
Differences between expected and actual experience	59,178	44,939	30,207	3,362	2,602	8,768
Change in assumptions	(7,132)	7,132	5,433	(1,709)	(952)	4,360
Net differences between projected and actual earnings on pension plan investments	26,470	34,198	21,190	637	1,209	11,162
Total deferred outflows	$156,506	$125,735	$ 85,360	$ 7,689	$4,437	$28,249
Deferred Inflows						
Pensions -						
Net differences between projected and actual earnings on pension plan investments	$305,943	$202,050	$137,542	$20,214	$3,044	$41,250
Total deferred inflows	$305,943	$202,050	$137,542	$20,214	$3,044	$41,250

10. LONG-TERM OBLIGATIONS:

Primary Government

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Governmental activities:					
Compensated absences	$ 40,253	$ 7,153	$ - - -	$ 47,406	$ 47,406
Note payable - Workforce Development Center	30,215	- - -	30,215	- - -	- - -
Notes payable - Hawkinsville-Pulaski County Development Authority	695,151	- - -	102,183	592,968	98,229
Note payable - City Hall	- - -	1,638,776	- - -	1,638,776	40,554
Financed purchases	69,792	- - -	69,792	- - -	- - -
Leases payable	- - -	5,715	2,777	2,938	1,063
Net pension liability	439,663	441,735	726,323	155,075	- - -
Total governmental activities	$1,275,074	$2,093,379	$ 931,290	$2,437,163	$187,252
Business-type activities:					
Compensated absences	$ 35,448	$ 515	$ - - -	$ 35,963	$ 35,963
Note payable - BB&T	208,336	- - -	26,578	181,758	27,575
Note payable - GEFA	351,964	- - -	37,969	313,995	38,735
Note payable - GEFA CWSRF	1,986,348	- - -	1,294,978	691,370	108,328
Note payable - GEFA CWDRA	729,450	330,083	74,763	984,770	50,501
Post-closure care costs	60,135	- - -	5,920	54,215	5,421
Net pension liability (asset)	284,078	223,535	367,548	140,065	- - -
Total business-type activities	$3,655,759	$ 554,133	$1,807,756	$2,402,136	$266,523

The net pension liability for governmental activities will be paid by the General Fund and is shown as a liability in the Primary Government - Governmental Activities column on the Statement of Net Position. The net pension liability for business-type activities will be paid by the proprietary funds and is shown as a liability in the Primary Government - Business-Type Activities column on the Statement of Net Position and the Proprietary Funds Statement of Net Position. The net pension asset for the Gas Fund, a business-type activity, is shown as an asset in the Primary Government - Business-Type Activities column on the Statement of Net Position and the Proprietary Funds Statement of Net Position. Leases payable will be paid by the General Fund and are discussed in Note 11.

A. LONG-TERM OBLIGATIONS FOR GOVERNMENTAL ACTIVITIES:

Compensated Absences - Compensated absences for governmental activities are generally liquidated by the General Fund.

Note payable - Workforce Development Center - The City of Hawkinsville entered into a loan agreement with the United States Department of Agriculture (USDA) to finance the construction of the Workforce Development Center on December 29, 2006. This note payable was liquidated by the Workforce Development Center Debt Service Fund. The note required the City to accumulate a reserve of one year's note payment of $27,224. This note payable was paid in full during the year ended June 30, 2022.

10. LONG-TERM OBLIGATIONS: (continued)

Notes payable - Hawkinsville-Pulaski County Development Authority - The City of Hawkinsville signed an intergovernmental contract with the Hawkinsville-Pulaski County Development Authority (Authority) to provide assistance with economic development opportunities. The Authority was authorized to borrow funds for the purpose of funding a portion of the proposed expansion of Hollingsworth & Vose Company. The Authority disbursed these funds to Hollingsworth & Vose Company immediately upon receipt of the loan proceeds. The City signed the notes as guarantor and will provide the funds as needed to repay the notes payable. These notes will be liquidated by the General Fund of the City. The notes at June 30, 2022, consisted of the following:

PlantersFirst - $500,000 note payable in twenty semiannual installments of $30,697,including interest at a variable rate of 4.25%.	$295,690
SunMark - $500,000 note payable in twenty semiannual installments of $30,863,including interest at a variable rate of 4.25%.	297,278
Total	592,968
Less current portion	98,229
Total long-term portion	$494,739

The annual debt service requirements to maturity, including principal and interest, for the Hawkinsville-Pulaski County Development Authority note payable as of June 30, 2022, are as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 98,229	$24,890	$123,119
2024	102,998	20,121	123,119
2025	107,461	15,658	123,119
2026	112,118	11,001	123,119
2027	116,977	6,142	123,119
2028	55,185	1,183	56,368
Total	$592,968	$78,995	$671,963

Note payable - City Hall - The City of Hawkinsville entered into a loan agreement in the amount of $3,080,000 with the United States Department of Agriculture (USDA) to finance the construction of the City Hall on November 17, 2021. This note payable will be liquidated by the City Hall Debt Service Fund. The note requires the City to accumulate a reserve of $119,016. As of June 30, 2022, the City has funded $8,934 of the reserve which is maintained in a separate bank account. This note requires an interest only payment on November 17, 2022. Beginning December 17, 2022, this note will be payable in monthly payments of principal plus interest so that the final payment shall be due no later than November 17, 2061. The balance outstanding was $1,638,776 as of June 30, 2022. Unadvanced loan funds totaled $1,441,224 as of June 30, 2022.

United States Department of Agriculture (USDA) - $1,638,776 note due in 202 annual installments of approximately $9,702, including interest at 2.125%.	$1,638,776
Less current portion	40,554
Total long-term portion	$1,598,222

10. LONG-TERM OBLIGATIONS: (continued)

The annual debt service requirements to maturity, including principal and interest, for the City Hall note payable as of June 30, 2022, are as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 40,554	$ 38,239	$ 78,793
2024	83,270	33,154	116,424
2025	85,057	31,367	116,424
2026	86,882	29,542	116,424
2027	88,746	27,678	116,424
2028-2032	473,125	108,995	582,120
2033-2037	526,113	56,007	582,120
2038-2040	255,029	6,359	261,388
Total	$1,638,776	$331,341	$1,970,117

Financed purchase - During May 2017, the City entered into a financed purchase agreement, formerly known as a capital lease, with BancorpSouth Equipment Finance (BancorpSouth) for the purchase of a Caterpillar 308E2 mini excavator with a torrent mulching head. This financed purchase was liquidated by the General Fund. This financed purchase was paid in full at June 30, 2022. The asset is recorded as machinery and equipment and totaled $127,972 at June 30, 2022. Depreciation expense for the year ended June 30, 2022 is $12,797. Total accumulated depreciation for the year ended June 30, 2022 is $65,353. This asset under a financed purchase agreement is depreciated under the City's capital asset depreciation policy and the resulting expense is reported as a component of depreciation expense.

B. LONG-TERM OBLIGATIONS FOR BUSINESS-TYPE ACTIVITIES:

Compensated Absences - Compensated absences for business-type activities are generally liquidated by the applicable Proprietary Fund.

Note payable - BB&T - During September 2017, the City entered into a multi year purchase agreement with the Georgia Municipal Association (GMA), a Georgia nonprofit corporation, to provide financing for the Natural Gas Line Extension Project for Hollingsworth & Vose. The City through an installment sale with the GMA, on September 27, 2017, borrowed the funds necessary to allow the City to complete the Natural Gas Line Extension Project. GMA, pursuant to an Assignment and Transfer agreement dated September 27, 2017 between GMA and Branch Banking and Trust Company, sold its interest in and service of the Installment Sale Agreement. This note payable will be liquidated by the Gas Fund.

Branch Banking & Trust (BB&T) - $316,228 note due in eleven annual installments of approximately $34,391, including interest at 3.75%.	$181,758
Less current portion	27,575
Total long-term portion	$154,183

10. LONG-TERM OBLIGATIONS: (continued)

The annual debt service requirements to maturity, including principal and interest, for the BB&T notes and leases payable as of June 30, 2022 are as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 27,575	$ 6,816	$ 34,391
2024	28,609	5,782	34,391
2025	29,682	4,709	34,391
2026	30,795	3,596	34,391
2027	31,950	2,441	34,391
2028	33,147	1,244	34,391
Total	$181,758	$24,588	$206,346

Note payable - GEFA - During January 2010, the City entered into a note payable with Georgia Environmental Facilities Authority (GEFA) for water and wastewater system improvements and expansion. This note payable will be liquidated by the Water and Sewerage Fund.

GEFA -	
$735,697 note due in 240 monthly installments of approximately $3,722, including interest at 2%.	$313,995
Less current portion	38,735
Total long-term portion	$275,260

The annual debt service requirements to maturity, including principal and interest, for the GEFA note payable as of June 30, 2022 is as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 38,735	$ 5,926	$ 44,661
2024	39,517	5,144	44,661
2025	40,315	4,346	44,661
2026	41,128	3,533	44,661
2027	41,958	2,703	44,661
2028-2030	112,342	3,020	115,362
Total	$313,995	$24,672	$338,667

Note payable - GEFA CWSRF - During October 2018, the City entered into a note payable in the amount of $2,500,000 with Georgia Environmental Finance Authority Clean Water State Revolving Fund (GEFA CWSRF) to rehabilitate the north wastewater treatment plant and related appurtenances. The note payable includes debt forgiveness of $500,000. GEFA is granting the forgiveness on a pro rata basis with each loan draw. This note requires monthly accrued interest payments of 1.95% of the unpaid principal balance until the Amortization Commencement Date which will be the earlier of the (1) the Completion Date, (2) May 1, 2021, or (3) the date that the loan evidenced by this note is fully disbursed. This note payable will be liquidated by the Water and Sewerage Fund. This note was fully disbursed as of June 30, 2021.

GEFA CWSRF -	
$2,500,000 note less debt forgiveness of $500,000 due in 240 monthly installments of approximately $10,070, including interest at 1.95%.	$691,370
Less current portion	108,328
Total long-term portion	$583,042

10. LONG-TERM OBLIGATIONS: (continued)

The annual debt service requirements to maturity, including principal and interest, for the GEFA note payable as of June 30, 2022 is as follows:

Year ending June 30,	Principal	Interest	Total
2023	$108,328	$12,517	$120,845
2024	110,459	10,386	120,845
2025	112,632	8,213	120,845
2026	114,848	5,997	120,845
2027	117,108	3,737	120,845
2028-2029	127,995	1,447	129,442
Total	$691,370	$42,297	$733,667

Note payable - GEFA CWDRA - During March 2021, the City entered into a note payable in the amount of $1,377,500 with Georgia Environmental Finance Authority Clean Water State Revolving Fund (GEFA CWDRA) to rehabilitate a lift station, install a SCADA system and make electrical improvements at the North WPCP. The note payable includes debt forgiveness of $206,621. GEFA is granting the forgiveness on a pro rata basis with each loan draw. This note requires monthly accrued interest payments of 0% of the unpaid principal balance until the Amortization Commencement Date which will be the earlier of the (1) the Completion Date, (2) November 1, 2021, or (3) the date that the loan evidenced by this note is fully disbursed. Following the Amortization Commencement Date, this note will be payable in 240 monthly payments of principal plus interest. As of June 30, 2022, GEFA has granted forgiveness of $178,239. Unadvanced loan funds totaled $189,241 as of June 30, 2022 and, due to project completion, will not be drawn. This note payable will be liquidated by the Water and Sewerage Fund.

GEFA CWDRA - $1,188,259 note less debt forgiveness of $178,239 due in 240 monthly installments of approximately $4,208, including interest at 0.0%.	$984,770
Less current portion	50,501
Total long-term portion	$934,269

The annual debt service requirements to maturity, including principal and interest, for the GEFA note payable as of June 30, 2022 is as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 50,501	$- - -	$ 50,501
2024	50,501	- - -	50,501
2025	50,501	- - -	50,501
2026	50,501	- - -	50,501
2027	50,501	- - -	50,501
2028-2032	252,505	- - -	252,505
2033-2037	252,505	- - -	252,505
2038-2042	227,255	- - -	227,255
Total	$984,770	$- - -	$984,770

10. LONG-TERM OBLIGATIONS: (continued)

Post-closure care costs - The City was under contract with Pulaski County to share in the cost of operating the local landfill. Therefore, the City is responsible to share in the cost of closure and post closure of the local landfill.

State and federal laws and regulations require that a final cover be placed on the landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The local landfill was closed on April 8, 1994. All requirements for closure have been met, and the Certificate of Closure (Certificate) was received as of April 19, 2002. Conditions of the Certificate include monitoring and maintenance for a period of thirty years from the Certificate date.

The City has provided one-half of the cost to place a final cover on the landfill and monitoring costs to date. The remaining cost to monitor the landfill is estimated to be $54,215 and has been included in accrued expenses of the Sanitation Fund. During the year ended June 30, 2022, these expenses were estimated by the City's outside engineering firm and do not specifically include any estimates due to the effect of inflation or deflation, technology, or changes in applicable laws or regulations. During the current year, actual postclosure expenses of $5,920 were paid. Post-closure care costs are generally liquidated by the Sanitation Fund.

The post-closure care costs requirements as of June 30, 2022 are as follows:

Year ending June 30,	
2023	$ 5,421
2024	5,421
2025	5,421
2026	5,421
2027	5,421
2028-2032	27,110
Total	$54,215

Discretely Presented Component Unit

The following is a summary of changes in long-term obligations for Hawkinsville Downtown Development Authority for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Note payable	$- - -	$84,395	$4,313	$80,082	$6,700
Total long-term liabilities	$- - -	$84,395	$4,313	$80,082	$6,700

During October 2021, the Hawkinsville Downtown Development Authority signed an unsecured note payable with PlantersFirst Bank in the amount of $84,395 to finance the remodel of the Kinard building. The note will be liquidated by the discretely presented component unit.

PlantersFirst - $84,395 note, due in 35 monthly installments of $835 and a balloon payment of $64,834, including interest at 4.25%.	$80,082
Less current portion	6,700
Total long-term portion	$73,382

10. LONG-TERM OBLIGATIONS: (continued)

The annual debt service requirements to maturity, including principal and interest, for the PlantersFirst note payable as of June 30, 2022 is as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 6,700	$3,320	$10,020
2024	6,986	3,034	10,020
2025	66,396	943	67,339
Total	$80,082	$7,297	$87,379

11. LEASES:

A. CITY AS LESSEE:

During July 2018, the City entered into a lease for a copier from Xerox requiring 60 monthly payments in the amount of $160 for lease term of 60 months. The initial lease liability was calculated as $2,055 using the 5 year Bondwave AA QCurve interest rate of 2.465% as of June 30, 2022 to value the leases.

During June 2020, the City entered into a lease with Pitney Bowes for a mailing system requiring 60 monthly payments in the amount of $80 for a lease term of 60 months. The initial lease liability was calculated as $3,660 using the 5 year Bondwave AA QCurve interest rate of 2.465% as of June 30, 2022 to value the leases.

Annual debt service requirements to maturity, including principal and interest, as of June 30, 2022 is as follows:

Year ending June 30,	Principal	Interest	Total
2023	$1,063	$ 61	$1,124
2024	926	38	964
2025	950	14	964
Total	$2,939	$113	$3,052

These assets will be amortized over the lease term, which is shorter than the useful life. These are no residual value guarantees in the lease provisions. The total of the City's right-to-use assets - equipment are recorded at a cost of $5,715, less accumulated amortization of $2,812. The leases are reported with capital assets on the Statement of Net Position in the governmental activities column.

B. SHORT-TERM LEASES:

During the year ended June 30, 2022, the City adopted GASB Statement No. 87, *Leases*. This standard defines a short-term lease as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. The City participates in multiple short-term leases as both a lessee and lessor.

As a lessor, the City leases the "Spec" building to Sider-Oxydro, Inc which requires a monthly payment of $3,000. Also, the City leases the Blount building to Agri-AFC which required a monthly lease payment of $2,200. The Blount building short-term lease ended in July 2022 as a result of Agri-AFC purchasing the building. Total amount of lease income for fiscal year 2022 totaled $38,200.

11. LEASES: (continued)

As a lessee, the City leases office space for an Economic Development employee and the Hawkinsville - Pulaski County Chamber of Commerce from D3 Management, LLC for monthly payments of $750 which ended December 2022. Also, the City maintains an annual short-term lease with Georgia Power to lease water meters and transmitters, and gas transmitters requiring monthly payments based on an average cost per meter or transmitter. The term of the agreement is 15 years and begins on the effective date of August 6, 2018. This agreement shall be automatically extended or renewed for successive one year periods, up to a maximum total of five times, on the same terms and conditions as in effect immediately prior to the then-current expiration date unless terminated by the City in writing of its election by November 1 of the contract term. The maximum term of the agreement is twenty years. Total rent expenditures for fiscal year 2022 totaled $116,904.

12. DEFICIT FUND EQUITY:

There were no deficit net positions in any individual fund for the fiscal year ended June 30, 2022.

There was a deficit fund balance for the American Rescue Plan Special Revenue Fund as a result of transfers to the General Fund for pipe replacement projects. Management expects to eliminate this deficit in subsequent years by recording transfers from the General Fund.

13. VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS:

A. **EXCESS OF EXPENDITURES OVER APPROPRIATIONS** - There were no expenditures in excess of appropriations for the year ended June 30, 2022.

14. RESTRICTED NET POSITION:

The following table provides detail regarding the restricted net position reported for the primary government on the government-wide Statement of Net Position:

	Restricted by Enabling Legislation	External or Constitutional Restrictions	Total
Governmental Activities:			
Restricted for:			
Debt Service	$ 8,934	$- - -	$ 8,934
Capital projects	1,202,245	- - -	1,202,245
Public works	71,068	- - -	71,068
Community and economic development	- - -	2,000	2,000
Cemetery:			
Expendable	- - -	12	12
Nonexpendable	- - -	5,000	5,000
Total restricted net position Governmental Activities	$1,282,247	$7,012	$1,289,259

15. SIGNIFICANT GROUP CONCENTRATIONS OF CREDIT RISK:

The City's Water and Sewerage Fund, Gas Fund, and Sanitation Fund provide utility and garbage service to the community. The City's receivable from four commercial customers amounted to $535,865. Also, these four commercial customers accounted for approximately 61.24% of the total charges for services in these funds.

16. 2010 SPECIAL PURPOSE LOCAL OPTION SALES TAX:

The residents of the City approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) on July 20, 2010, for funds to construct a new city hall, renovate the Opera House, construct a recreation department multi-purpose facility, purchase police and fire department equipment, and for various other purposes. Collections ended during September 2016.

17. 2017 SPECIAL PURPOSE LOCAL OPTION SALES TAX:

The residents of the City approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) on March 21, 2017, for funds to improve or purchase City property and equipment, new City Hall, recreational facilities and improvements, economic development, City streets improvements, grant matching funds, public safety and public works equipment, and renovation of the Old Firehouse. Collections on the SPLOST began April 1, 2017, and will continue for six years or until $3 million is collected as the City's portion, whichever comes first.

18. RETIREMENT PLANS:

A. DEFERRED COMPENSATION PLAN:

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in Internal Revenue Code Section 457, the plan has been amended to convert the deferred compensation plan to a trust. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the trust, established for the exclusive benefit of the participants and their beneficiaries. The City has no liability for these assets and they are not subject to the claims of the City's general creditors.

B. DEFINED BENEFIT PLAN:

Plan Description - The City's defined benefit plan, City of Hawkinsville Retirement Plan (Plan), is administered through the Board of Trustees of the Georgia Municipal Employees Benefit System Retirement Fund (GMEBS) an agent multi-employer pension fund. The GMEBS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained at City Hall in Hawkinsville, Georgia, or by contacting the Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Benefits - The Plan provides benefits upon retirement, death, disablement, and termination of employment to Plan participants and beneficiaries, if certain eligibility conditions are met. All employees who work at least thirty (30) hours per week and have been employed after September 1, 1970, and City officials elected since October 1, 1973, are eligible to participate. Employees were eligible to participate after completion of one year of service. Elected officials are immediately eligible to participate. Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. Employees are considered vested after 10 years and City officials are vested immediately. Effective June 6, 2016, the Plan was amended to provide for elected officials to receive in-service normal retirement benefits. Early retirement benefits are suspended after re-employment. The Plan was established by a City ordinance under authority of Georgia law. The authority to establish and amend the benefit provisions of the Plan rests with the City.

18. RETIREMENT PLANS: (continued)

Employees who retire at or after age 65 with a minimum of 5 years of service are entitled to an annual retirement benefit, payable monthly for life. Fire fighters and police officers have a normal retirement age of 62. An employee may elect early retirement at age 55 (age 52 for police and fire) with a minimum of 10 years of service to receive full benefits. Elected officials are entitled to $39 for each year of service after reaching normal retirement age. Effective October 1, 2020, the elected officials are entitled to $49 for each year of service after reaching normal retirement age. If hired prior to September 1, 1984, an employee is entitled to an amount equal to 1.0% of their final average earnings up to Covered Compensation break point plus 1.75% of their final average earnings in excess of the Covered Compensation break point multiplied by years and months of service to a maximum of 35 years. If hired on or after September 1, 1984, an employee is entitled to an amount equal to 1.25% of their final average earnings up to Covered Compensation break point plus 2.0% of their final average earnings in excess of the Dynamic break point multiplied by years and months of service to a maximum of 35 years. Final average earnings is the highest average of the participant's earnings over 5 consecutive Plan years in which the participant's earnings are the highest. The Covered Compensation break point is based on the year of the participant's birth per a table in the Plan's documents. The Dynamic break point is determined by the year of termination of employment by taking an average of the maximum amount of earnings for which Social Security taxes are payable over a period of approximately 35 years.

Plan Membership - As of January 1, 2022, the most recent actuarial valuation date, the Plan membership consisted of the following categories of participants:

Group		Number of Employees
Retirees and beneficiaries currently receiving benefits		54
Vested terminated employees not yet receiving benefits		11
Active employees:		
Vested	13	
Nonvested	23	36
Total membership in the plan		101

Contributions - The plan is noncontributory for plan members; however, the City's funding policy for the Plan is to contribute an amount equal to the recommended contribution in each year. These contributions are determined under the projected unit credit actuarial cost method. The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs, 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. These amortization periods, if applicable, are closed for this plan year. The contribution requirement for the year ended June 30, 2022, was $130,459 which was 10.04% of the covered payroll. The amount of the current year covered payroll is $1,299,858.

18. RETIREMENT PLANS: (continued)

The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The estimated minimum annual contribution under these standards is $130,459. This minimum contribution has been determined as the sum of 1) the normal cost (including administrative expenses), 2) the 30-year level percentage of payroll amortization of the unfunded actuarial accrued liability or the 10-year level percentage of payroll amortization of the surplus, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards.

Net pension liability - The City's net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation at January 1, 2022. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Projected Unit Credit
Inflation	2.25%
Salary increases	2.25% per year plus service based merit increases
Investment rate of return	7.375%, net of pension plan investment expense, including inflation

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

The mortality and economic actuarial assumptions used in the January 1, 2022, valuation were approved by the Board in December 2019 based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019 conducted by Segal in November and December 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of March 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.55%
International equity	20%	7.30%
Domestic fixed income	20%	0.40%
Real estate	10%	3.65%
Global fixed income	5%	0.50%
Total	100%	

18. RETIREMENT PLANS: (continued)

Discount rate - The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.375%) or 1 percentage point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Net pension liability	$694,201	$295,140	$(47,750)

Changes in the Net Pension Liability - The measurement date of the net pension liability was September 30, 2021. The date of the actuarial valuation on which the total pension liability is based was January 1, 2022.

	Total Pension Liability (TPL)	Fiduciary Net Position (FNP)	Net Pension Liability (NPL)
Balances at September 30, 2020	$4,082,625	$3,358,884	$ 723,741
Changes for the year:			
Service cost	56,116	- - -	56,116
Interest	294,138	- - -	294,138
Differences between expected and actual experience	134,269	- - -	134,269
Contributions - employer	- - -	124,219	(124,219)
Net investment income	- - -	803,052	(803,052)
Benefit payments, including refunds of employee contributions	(300,869)	(300,869)	- - -
Administrative expense	- - -	(14,147)	14,147
Net changes	183,654	612,255	(428,601)
Balances at September 30, 2021	$4,266,279	$3,971,139	$ 295,140

Changes of assumptions - There were no changes in assumptions for the fiscal year ending in 2022.

Benefit changes - For the fiscal year ending in 2022, effective October 1, 2020, the Officials' benefit multiplier was increased from $39 to $49.

18. RETIREMENT PLANS: (continued)

Pension expense -

Service cost	$ 56,116
Interest on TPL	294,138
Administrative expenses	14,147
Expected return on assets	(240,682)
Expensed portion of current year period differences between expected and actual experience in TPL	44,757
Expensed portion of current year period assumption changes	- - -
Current year plan changes	- - -
Expensed portion of current year period differences between projected and actual investment earnings	(112,474)
Current year recognition of deferred inflows and outflows established in prior years	57,004
Total pension expense	$ 113,006

Deferred outflows/inflows of resources related to pensions:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$164,785	$ - - -
Net difference between projected and actual earnings on pension plan investments	- - -	(507,993)
City contributions subsequent to the measurement date	117,456	- - -
Total deferred outflows/inflows of resources related to pensions	$282,241	$(507,993)

The $117,456 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Projected recognition of deferred outflows/inflows:

Year	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	$ 89,695	$142,261
2024	75,090	126,629
2025	- - -	126,629
2026	- - -	112,474
Total projected recognition of deferred outflows/inflows	$164,785	$507,993

19. RISK MANAGEMENT:

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (Fund) and Georgia Interlocal Risk Management Agency (GIRMA), public entity risk pools currently operating as common risk management and insurance programs for member local governments. This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

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

The liability of the Fund to the employees of the City is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. GIRMA members shall be jointly and severally liable for all legal obligations of the pools. Based upon the financial performance of the risk pools, the City may be liable for additional premium assessments to meet any financial deficiencies or be entitled to receive a dividend. The City's risk is constituted by a $1,000 deductible for each automobile occurrence and a $2,500 deductible each for all other occurrences.

The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the realm of the Worker's 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.

Management believes such coverage is sufficient to preclude any significant uninsured loss to the City. Settled claims have not exceeded the coverage provided in any of the past three years.

20. HOTEL/MOTEL TAX:

The City of Hawkinsville levies an 8% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the year ended June 30, 2022 is as follows:

	Amount	Percentage of Tax Receipts
Receipts:		
Lodging tax receipts	$71,636	
Expenditures:		
Hawkinsville Pulaski Chamber of Commerce, Inc.	$44,771	62.50%
General Fund	26,865	37.50%
Total expenditures	$71,636	

The City of Hawkinsville received audit verification that the expenditures by the Hawkinsville Pulaski Chamber of Commerce, Inc. were for promotion of tourism as required by OCGA 48-13-51.

21. COMMITMENTS AND CONTINGENCIES:

The City has received federal and state grant or loan monies for specific purposes that are subject to review and audit by grantor agencies to ensure compliance with the specific conditions of the grant or loan. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant or loan. Any liability for reimbursement that may arise as a result of these reviews or audits cannot be reasonably determined at this time. Management believes that the amount, if any, would be immaterial.

The City was a defendant in lawsuits at June 30, 2022. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

The City has received communication from the Environmental Protection Agency (EPA) regarding a violation of the 2008 Water Shed Protection Plan. The likelihood of an unfavorable outcome relative to these violations and an estimate of the amount or range of any fine or assessment, if any, cannot be determined at this time. The City has responded to the EPA's communication and is planning improvements to the wastewater system to remedy the violations.

During 2004, an agreement was made between the City and the Georgia Department of Community Affairs (DCA) for an EIP grant for the construction of a workforce development facility (Facility) in the City for the benefit of the citizens, businesses, and industries of the City and surrounding counties. The City agrees that, should the Facility cease to be owned by the City or to be utilized by an educational provider or other authorized user under EIP grant regulations and conditions, within twenty years from the awarding of said grant, the City, pursuant to the conditions of the grant, would repay a portion of the grant funds to DCA using the repayment formula specified in the grant.

The City and its component unit, the Hawkinsville Downtown Development Authority (HDDA) committed $808,800 of finance assistance to the Redevelopment/Adaptive reuse of the former Pillowtex plant for quality affordable housing known as the Cotton Mill Lofts. The commitment was fulfilled by the City issuing a zero rate loan of $648,800 for 30 years. The loan was funded by the City from a $500,000 Redevelopment Fund Grant, $135,300 of in-kind services for the demolition and up-fit, and $13,500 of fees paid for appraisal and low income housing tax credit application. The remainder of the commitment was funded by the HDDA issuing a loan of $160,000 with a term of 20 years and an interest rate of 5.50%.

21. COMMITMENTS AND CONTINGENCIES: (continued)

During the year ended June 30, 2010, the City entered into an agreement with Pulaski County, Georgia (County) to provide police protection within the City limits of Hawkinsville, Georgia beginning July 1, 2009. The City agreed to pay the County $49,525 per month which may be adjusted annually.

During the year ended June 30, 2011, the City entered into an agreement with Pulaski County, Georgia (County) to provide fire protection and emergency management services within the City limits of Hawkinsville, Georgia beginning July 1, 2011. The City agreed to pay the County $15,158 per month which may be adjusted annually.

During May 2014, the City entered into an agreement with Pulaski County, Georgia (County) for the provision of the services of the Hawkinsville Planning and Zoning Commission to review planning and zoning issues arising outside of the City of Hawkinsville, but within Pulaski County. The agreement began May 5, 2014 and terminated on May 5, 2015. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. The County will pay the City at the same rate and in the same amounts as paid by the City to its own Planning and Zoning Board Commission members.

During the year ended June 30, 2015, the City amended its Municipal Charter by deleting Article IV entitled "Judicial Branch" in its entirety. The City entered into an agreement with Pulaski County, Georgia (County) to handle adjudication of traffic offenses and other violations of the State and Municipal Code through its Probate Court and the Superior Court of Pulaski County. The City agreed to pay the County $1,667 per month. All fines and revenues received as a result of citations issued by the Sheriff's Department of Pulaski County in the City as determined by the Probate Court and the Superior Court shall be the sole property of the County.

During the year ended June 30, 2017, the City entered into a gas purchases contract with the Municipal Gas Authority of Georgia (MGAG) to obtain and supply the City's gas requirements for resale to its citizens, inhabitants, and customers through its gas distribution system. The MGAG provided a cash Member Return to the City in the amount of $81,118 for the year ended June 30, 2022.

During June 2018, the City entered into a solid waste collection service contract with Advanced Disposal Services Middle Georgia, LLC to collect, transport, and dispose of commercial and residential waste generated by residential and commercial premises in the incorporated areas of the City. The agreement began August 1, 2018 and shall be extended for a possible total contract of five years, consisting of five 1 year automatic annual renewal periods. This agreement shall continue unless terminated by either party upon ninety days written notice. During October 2020, Advanced Disposal Services Middle Georgia, LLC was purchased by Waste Management.

During the year ended June 30, 2019, the City received approval from Georgia Environmental Finance Authority (GEFA) for a Clean Water State Revolving Fund loan in the amount of $2,500,000 as discussed in Note 10B. In conjunction with this loan, GEFA awarded the City project principal forgiveness in the amount of $500,000, if all loan funds are drawn. Also, the City received approval from the U.S. Department of Commerce Economic Development Administration (EDA) for a $1,410,000 EDA investment for improvements and upgrades to the North Water Pollution Control Plant. This investment requires the City to provide a match of $940,000. The GEFA Clean Water State Revolving Fund loan and the EDA investment are to remedy the EPA violation discussed above.

21. COMMITMENTS AND CONTINGENCIES: (continued)

During June 2020, the City received approval from the Historic Preservation Division of the Georgia Department of Natural Resources for a grant in the amount of $14,232 to complete the second phase of a historic resources survey. The grant required the City to provide a match with local funds in the amount of $9,488. The City signed a contract with Landmark Preservation LLC for preparation of the historic resources survey in the amount of $22,980.

During March 2021, the City received approval from Georgia Environmental Finance Authority (GEFA) for a loan under the Additional Supplemental Appropriations for Disaster Relief Act (ASADRA) in the amount of $1,377,500. In conjunction with this loan, GEFA awarded the City project principal forgiveness in the amount of $206,621, if all loan funds are drawn.

On March 11, 2021, the federal government passed the American Rescue Plan (ARP) Act and established the Coronavirus State and Local Fiscal Recovery (Fund). This fund is to be used to provide funding to a) respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or to aid impacted industries such as tourism, travel, and hospitality; b) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers; c) for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and d) to make necessary investment in water, sewer, or broadband infrastructure. The City has received $1,968,010 in ARP funding as of July 15, 2022. All costs must be incurred before December 31, 2024 to qualify for funding. During November 2021, the City signed a contact with Anderson Power Services in the amount of $502,830 for generators and transfer switches for three lift stations, two water treatment plants, and a wastewater treatment plant. During December 2021, the City signed contracts with EMC Engineering Services, Inc. in the amount of $21,500 for professional engineering services related to Pulaski Street Drainage Improvements and Jordan Drive and Knotty Pine Drive Water Line Improvements. During April 2022, the City signed a contract with Tommy Gibson Builders, Inc. for construction of the Savannah Circle Storm Drainage Improvements in the amount of $66,548. During May 2022, the City signed a contract with TMT Utilities LLC for the construction of the Broad Street Water Main in the amount of $300,256. During October 2022, the City signed a change order related to the TMT Utilities LLC contract to install a new water main at Knotty Pine Drive in the amount of $73,601. During November 2022, the City signed a contract with Cornerstone H2O in the amount of $78,900 for installation of an Aerator at the South Water Treatment Plant.

During April 2021, the City signed an amended agreement with Dublin Construction, Inc. to provide design-build services for the New City Hall Complex in the amount of $3,153,546. The City applied for a USDA Community Facilities Loan and Grant to provide funding for the New City Hall Complex.

During May 2021, the City entered into a Management Agreement with the City of Cochran to manage and operate the City of Cochran’s natural gas system. The City of Cochran will retain ownership of their gas system. The City of Cochran agreed to pay the City of Hawkinsville $11,000 per month in addition to exact reimbursement of applicable costs for material and/or services provided by vendors, consultants, or contractors not covered under the terms of the agreement. This agreement shall begin on July 1, 2021 and shall continue through June 30, 2022 and will renew for successive one year periods unless terminated by either party upon thirty days written notice.

21. COMMITMENTS AND CONTINGENCIES: (continued)

During August 2021, the City entered into an agreement with Pulaski County, Georgia (County) and the Pulaski County Board of Elections and Registration (Board of Elections) relating to services of the Board of Elections for the purpose of conducting municipal elections for the City of Hawkinsville. This agreement shall commence on September 1, 2021 and continue through August 30, 2025 unless terminated by either party upon sixty days written notice. The City will pay the County 40% of the Election Superintendent's salary, all costs of poll workers, printing of ballots, publication of any required legal notices, and miscellaneous costs related to municipal elections.

During the year ended June 30, 2022, the City was awarded a FY 2022 Local Maintenance and Improvement Grant (LMIG) in the amount of $71,068. The grant requires the City to provide a match with local funds in the amount of $21,320. The City signed a contract with The Scruggs Company for completion of the FY 2022 LMIG in the amount of $181,083.

During October 2021, the City was awarded a 2021 Community Development Block Grant (CDBG) in the amount of $750,000 for repair and replacement of sanitary sewer and stormwater drainage infrastructure. The grant will require the City to provide a match with local funds and in-kind leverage in the amount of $46,540. The City signed an agreement with Ocmulgee Engineering for engineering services for the 2021 CDBG in the amount of $66,958.

During October 2021, the City signed a commercial lease agreement to lease the Hawkinsville Horse Training Center to Gerald Lilley for the period of October 1, 2022 through April 30, 2025. The lease payment will be made annually in two installments of $150 per horse after any horse has stayed on grounds for longer than 90 days between October 1, 2022 through April 30, 2025. The first payment will be due by February 1 for all horses stabled longer than 90 days of lease before February 1. The last payment will be made by April 30 of remaining horses that have stayed over 90 days.

During November 2021, the City was awarded a Land and Water Conservation Fund Grant (LWCF) in the amount of $500,000. This project will include the construction of a splashpad, pickleball courts, benches, playground set, skatepark, restroom building, and a multi-use path at Veterans Memorial Park. The grant requires the City to provide a match with local funds in the amount of $500,000. In conjunction with the LWCF, the City signed a contract in the amount of $62,500 with TSW to provide professional services for design and implementation of the Veterans Memorial Park.

During November 2021, the City was awarded an United States Department of Agriculture (USDA) for a Community Facilities Loan and Grant in the amount of $3,080,000. This funding would require the City to provide a match with local funds in the amount of $200,000. This funding would be used to construct the New City Hall Complex. The loan will require monthly payments of $9,702 of principal plus interest beginning December 17, 2022 for forty years at an interest rate of 2.125% per annum.

22. SUBSEQUENT EVENTS:

Subsequent to year end, the City signed a contract in October 2022 with Inframark, LLC d/b/a ESG Operations for the operations, maintenance, and management services of the Water and Wastewater operations. The initial term of this agreement is nine years and eight months commencing on November 1, 2022 and shall continue through June 30, 2032 for a first year Base Fee of $1,043,850. The Base Fee will be renegotiated each fiscal year and shall include a budget for annual repairs and maintenance, chemicals, and laboratory costs. The agreement may automatically renew for an additional successive term of ten years unless canceled by either party upon 120 days written notice.

22. SUBSEQUENT EVENTS: (continued)

Subsequent to year end, the City entered into a lease for a Kyocera copier in November 2022 from Middle Georgia Business Products requiring monthly payments in the amount of $110 for 48 months.

On November 8, 2022, the residents of the City approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) for funds to improve or purchase City property and equipment, recreational facilities and improvements, economic development capital projects, grant matching funds, public safety and public works equipment, and payments towards existing general obligation debt for the USDA loan of $3,080,000 and GEFA loans of $735,697 and $2,500,000. Collections on the SPLOST will begin April 1, 2023, and will continue for six years or until $4.25 million is collected as the City's portion, whichever comes first.

Subsequent to year end, the City was awarded a FY 2023 Local Maintenance and Improvement Grant (LMIG) in the amount of $72,214. The grant requires the City to provide a match with local funds in the amount of $21,664. During January 2023, the City signed a contract with The Scruggs Company for completion of the FY 2023 LMIG in the amount of $99,755.

Subsequent to year end, the City signed an agreement in March 2023 with Goodwyn Mills Cawood, LLC for airport engineering design, construction, inspection, and administration consultant services. This agreement will commence March 1, 2023 and continue for five years.

Subsequent to year end, the City was awarded the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grant in the amount of $680,316 in April 2023. This grant will be used for repair, rehabilitation, or replacement of aging, leak-prone distribution pipeline infrastructure. The City signed an agreement with Sapp Engineering & Services, LLC to provide engineering, project management, operations consulting and other services for the work on the natural gas system as approved by the PHMSA grant.

Subsequent to year end, the City terminated the waste disposal services contract with Waste Management. The City signed an agreement in August 2023 with Ryland Environmental for waste disposal services. The initial term of this agreement is two years commencing on August 1, 2023. The agreement may automatically renew for three one year annual periods unless canceled by either party upon 90 days written notice.

Subsequent to year end, the City was awarded $150,000 from GEFA to assist with the costs of completing a lead service line inventory of the City's water system. The City is required to submit a completed lead service line inventory to the U.S. Environmental Protection Agency by October 16, 2024.

Subsequent to year end, the City received notification from the Pulaski County Board of Education of their donation to the City of Hawkinsville of 2 new pumps at the Forest Hill lift station installed to service the new construction of a combined K-12 facility to serve the students of Pulaski County, Georgia.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS -
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE YEAR ENDED JUNE 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	$ 56,116	$ 41,984	$ 59,059	$ 48,509	$ 49,869	$ 41,315	$ 49,560	$ 51,430	$ 46,003
Interest	294,138	284,963	269,351	268,333	264,658	254,288	243,829	240,806	233,260
Differences between expected and actual experience	134,269	43,815	164,250	(26,006)	5,005	97,536	66,508	(41,825)	(8,382)
Changes of assumptions	- - -	- - -	87,768	- - -	69,908	- - -	- - -	(19,534)	- - -
Changes of benefit terms	- - -	33,348	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Benefit payments, including refunds of employee contributions	(300,869)	(286,821)	(294,756)	(280,868)	(269,377)	(249,279)	(200,608)	(183,134)	(163,886)
Net change in total pension liability	183,654	117,289	285,672	9,968	120,063	143,860	159,289	47,743	106,995
Total pension liability - beginning	4,082,625	3,965,336	3,679,664	3,669,696	3,549,633	3,405,773	3,246,484	3,198,741	3,091,746
Total pension liability - ending	$4,266,279	$4,082,625	$3,965,336	$3,679,664	$3,669,696	$3,549,633	$3,405,773	$3,246,484	$3,198,741
Plan fiduciary net position									
Contributions - employer	$ 124,219	$ 125,327	$ 113,273	$ 110,703	$ 83,965	$ 88,212	$ 100,594	$ 117,623	$ 118,378
Net investment income	803,052	302,685	91,266	311,952	433,701	309,285	36,574	304,694	389,345
Benefit payments, including refunds of employee contributions	(300,869)	(286,821)	(294,756)	(280,868)	(269,377)	(249,279)	(200,608)	(183,134)	(163,886)
Administrative expense	(14,147)	(15,152)	(13,595)	(14,820)	(15,667)	(9,128)	(10,325)	(8,202)	(15,316)
Net change in fiduciary net position	612,255	126,039	(103,812)	126,967	232,622	139,090	(73,765)	230,981	328,521
Plan fiduciary net position - beginning	3,358,884	3,232,845	3,336,657	3,209,690	2,977,068	2,837,978	2,911,743	2,680,762	2,352,241
Plan fiduciary net position - ending	$3,971,139	$3,358,884	$3,232,845	$3,336,657	$3,209,690	$2,977,068	$2,837,978	$2,911,743	$2,680,762
Net pension liability - ending	$ 295,140	$ 723,741	$ 732,491	$ 343,007	$ 460,006	$ 572,565	$ 567,795	$ 334,741	$ 517,979
Plan's fiduciary net position as a percentage of the total pension liability	93.08%	82.27%	81.53%	90.68%	87.46%	83.87%	83.33%	89.69%	83.81%
Covered employee payroll	$1,299,858	$1,173,460	$973,683	$1,182,000	$ 934,449	$ 888,341	$ 760,130	$ 867,622	$ 854,946
Net pension liability as a percentage of covered employee payroll	22.71%	61.68%	75.23%	29.02%	49.23%	64.45%	74.70%	38.58%	60.59%

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF CITY CONTRIBUTIONS -
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE YEAR ENDED JUNE 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 156,610	$ 135,512	$120,398	$ 110,898	$ 99,574	$ 89,826	$ 87,674	$104,901	$109,677
Contributions in relation to the actuarially determined contribution	156,610	135,512	120,398	110,898	99,574	89,826	87,674	104,901	109,677
Contribution deficiency (excess)	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
Covered employee payroll	$1,299,858	$1,173,460	$973,683	$1,182,000	$934,449	$888,341	$760,130	$867,622	$854,946
Contributions as a percentage of covered employee payroll	12.05%	11.55%	12.37%	9.38%	10.66%	10.11%	11.53%	12.09%	12.82%

CITY OF HAWKINSVILLE, GEORGIA
NOTES TO SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY -
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
JUNE 30, 2022

Valuation Date: Actuarially determined contribution was determined as of January 1, 2022, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending June 30, 2023.

Methods and assumptions used to determine contribution rates:

Actuarial cost method		Projected unit credit
Amortization method		Closed level dollar for remaining unfunded liability
Remaining amortization period		Remaining amortization period varies for the bases, with a net effective amortization period of 11 years
Asset valuation method		Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Net investment rate of return		7.375%
Projected salary increases		2.25% per year plus service based merit increases
Retirement age		Class 0 - age 65 plus 5 years of service; Class 1 - age 62 plus 5 years of service; Elected officials - age 65
Mortality Rates:	Healthy retirees and beneficiaries	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
	Disabled participants	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
	Active participants, terminated vested participants, and deferred beneficiaries	Sex-distinct Pri-2012 head-count weighted Employee Mortality Table
	Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

The mortality tables (other than the one used for the plan termination basis) are adjusted from 2012 to future years using 60% sex-distinct improvement rates under the 2019 OASDI Trustees Report used for the intermediate alternative.

See Note 18 for changes in assumptions and benefit changes.

NOTE: The methods and assumptions used in the January 1, 2022 valuation were approved by the Board in December 2019 based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019 conducted by Segal in November and December of 2019.

The above information should include 10 years, if available, per GASB Statement No. 68; however, during the transition period, information should be presented for as many years as are available. The year ended June 30, 2014 is the first year that data has been measured in accordance with GASB Statement No. 68.

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	$2,070,600	$2,070,600	$2,291,494	$ 220,894
Licenses and permits	85,796	85,796	126,819	41,023
Intergovernmental	162,250	162,250	190,246	27,996
Fines and forfeitures	- - -	- - -	2,882	2,882
Interest	2,500	2,500	2,049	(451)
Miscellaneous	48,270	48,270	72,358	24,088
Total revenues	2,369,416	2,369,416	2,685,848	316,432
EXPENDITURES:				
General government	769,310	869,285	862,146	7,139
Judicial	- - -	5,025	5,020	5
Public safety:				
Fire protection	159,040	159,040	159,040	- - -
Law enforcement	594,300	594,300	594,298	2
E-911	120,000	90,000	77,331	12,669
Animal control	131,858	128,196	108,361	19,835
Emergency Management Agency	22,860	23,260	23,257	3
Public works	897,852	897,852	884,438	13,414
Culture and recreation:				
Recreation board	75,000	75,000	75,000	- - -
Library Board	19,500	19,500	19,500	- - -
Community and economic development	223,995	193,995	181,390	12,605
Debt service:				
Principal	160,537	120,537	118,870	1,667
Interest	36,145	21,145	20,970	175
Total expenditures	3,210,397	3,197,135	3,129,621	67,514
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(840,981)	(827,719)	(443,773)	383,946
OTHER FINANCING SOURCES (USES):				
Operating leases	- - -	- - -	5,715	5,715
Sale of capital assets	6,000	6,000	- - -	(6,000)
Transfers in	862,205	862,205	654,006	(208,199)
Transfers out	(27,224)	(40,486)	(559,099)	(518,613)
Total other financing sources (uses)	840,981	827,719	100,622	(727,097)
NET CHANGE IN FUND BALANCES	- - -	- - -	(343,151)	(343,151)
FUND BALANCE - BEGINNING	464,104	464,104	464,104	- - -
FUND BALANCE - ENDING	$ 464,104	$ 464,104	$ 120,953	$(343,151)

See notes to required supplementary information.

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - UDAG GRANT
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Interest	$ 300	$ 300	$ 26	$ (274)
Miscellaneous	36,000	36,000	84,083	48,083
Total revenues	36,300	36,300	84,109	47,809
EXPENDITURES -				
Community and economic development	36,300	36,300	20,367	15,933
Total expenditures	36,300	36,300	20,367	15,933
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	- - -	- - -	63,742	63,742
OTHER FINANCING SOURCES -				
Transfers in	- - -	- - -	13,232	13,232
Total other financing sources	- - -	- - -	13,232	13,232
NET CHANGE IN FUND BALANCES	- - -	- - -	76,974	76,974
FUND BALANCE - BEGINNING	1,528,568	1,528,568	1,528,568	- - -
FUND BALANCE - ENDING	$1,528,568	$1,528,568	$1,605,542	$76,974

See notes to required supplementary information.

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - AMERICAN RESCUE PLAN
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental	$535,000	$535,000	$535,272	$ 272
Interest	500	500	390	(110)
Total revenues	535,500	535,500	535,662	162
EXPENDITURES -				
Public works	535,500	535,500	510,604	24,896
Total expenditures	535,500	535,500	510,604	24,896
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	- - -	- - -	25,058	25,058
OTHER FINANCING SOURCES (USES) -				
Transfers out	- - -	- - -	(25,668)	(25,668)
Total other financing sources (uses)	- - -	- - -	(25,668)	(25,668)
NET CHANGE IN FUND BALANCES	- - -	- - -	(610)	(610)
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ - - -	$ - - -	$ (610)	$ (610)

See notes to required supplementary information.

1. BUDGETARY POLICY:

The budget is prepared by City management using generally accepted accounting principles. It is presented in an advertised public hearing forum for discussion. The budget for the fiscal year ending June 30 is then adopted by ordinance by the Board of Commissioners, as required by generally accepted accounting principles.

Annual budgets are prepared and adopted for the General Fund, Special Revenue Funds, Debt Service Fund, and the Proprietary Funds. Capital Projects Funds are prepared and adopted on a total project or project-length basis rather than on an annual basis.

The legal level of budgetary control is at the department level within individual funds. Increases in the total appropriations of a department, whether accomplished through an increase in estimated revenues or through a transfer of appropriations among departments, require the approval of the Board of Commissioners. As stated by the adopted ordinance, the amount budgeted for specific items or purposes is not required to be utilized for such items or purposes and may be spent by the City manager for other items within the same department for which allocations are originally made.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS:

No individual major fund had expenditures in excess of appropriations for the year ended June 30, 2022.

SUPPLEMENTARY INFORMATION

CITY OF HAWKINSVILLE, GEORGIA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	MILL PROJECT	HOPE IV MAIN STREET GRANT	2014 CHIP GRANT	2020 CDBG GRANT	2021 CDBG GRANT	HOTEL / MOTEL TAX	CEMETERY FUND	2010 SPLOST	CITY HALL	WORKFORCE DEVELOPMENT CENTER	
ASSETS											
Cash - financial institutions	$- - -	$- - -	$- - -	$1,000	$1,000	$- - -	$5,010	$173,113	$8,934	$- - -	$189,057
Receivables:											
Interest	- - -	- - -	- - -	- - -	- - -	- - -	2	- - -	- - -	- - -	2
Notes, net of allowance	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Interfund balances	- - -	- - -	- - -	- - -	- - -	7,601	- - -	- - -	- - -	- - -	7,601
Total assets	$- - -	$- - -	$- - -	$1,000	$1,000	$7,601	$5,012	$173,113	$8,934	$- - -	$196,660
LIABILITIES AND FUND BALANCES											
LIABILITIES -											
Accounts payable	$- - -	$- - -	$- - -	$- - -	$- - -	$7,601	$- - -	$ - - -	$- - -	$- - -	$ 7,601
Total liabilities	- - -	- - -	- - -	- - -	- - -	7,601	- - -	- - -	- - -	- - -	7,601
FUND BALANCE:											
Nonspendable -											
Cemetery fund principal	- - -	- - -	- - -	- - -	- - -	- - -	5,000	- - -	- - -	- - -	5,000
Restricted for:											
Community and economic development	- - -	- - -	- - -	1,000	1,000	- - -	- - -	- - -	- - -	- - -	2,000
Capital projects	- - -	- - -	- - -	- - -	- - -	- - -	- - -	173,113	- - -	- - -	173,113
Debt service	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	8,934	- - -	8,934
Cemetery improvements	- - -	- - -	- - -	- - -	- - -	- - -	12	- - -	- - -	- - -	12
Total fund balances	- - -	- - -	- - -	1,000	1,000	- - -	5,012	173,113	8,934	- - -	189,059
Total liabilities and fund balances	$- - -	$- - -	$- - -	$1,000	$1,000	$7,601	$5,012	$173,113	$8,934	$- - -	$196,660

CITY OF HAWKINSVILLE, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	MILL PROJECT	HOPE IV MAIN STREET GRANT	2014 CHIP GRANT	2020 CDBG GRANT	2021 CDBG GRANT	HOTEL / MOTEL TAX	CEMETERY FUND	2010 SPLOST	CITY HALL	WORKFORCE DEVELOPMENT CENTER	
REVENUES:											
Taxes	$- - -	$- - -	$- - -	$ - - -	$- - -	$ 71,636	$- - -	$ - - -	$- - -	$ - - -	$ 71,636
Intergovernmental	- - -	- - -	- - -	3,125	- - -	- - -	- - -	- - -	- - -	- - -	3,125
Interest	- - -	- - -	- - -	- - -	- - -	- - -	10	101	- - -	3	114
Miscellaneous	- - -	- - -	- - -	- - -	- - -	- - -	- - -	179,200	- - -	- - -	179,200
Total revenues	- - -	- - -	- - -	3,125	- - -	71,636	10	179,301	- - -	3	254,075
EXPENDITURES:											
Current -											
General government	- - -	- - -	- - -	- - -	- - -	44,771	- - -	- - -	- - -	- - -	44,771
Capital outlay:											
General government	- - -	- - -	- - -	- - -	- - -	- - -	- - -	64,832	- - -	- - -	64,832
Public safety -											
Fire protection	- - -	- - -	- - -	- - -	- - -	- - -	- - -	20,000	- - -	- - -	20,000
Debt service:											
Principal	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	30,215	30,215
Interest	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,346	1,346
Total expenditures	- - -	- - -	- - -	- - -	- - -	44,771	- - -	84,832	- - -	31,561	161,164
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	- - -	- - -	- - -	3,125	- - -	26,865	10	94,469	- - -	(31,558)	92,911
OTHER FINANCING SOURCES (USES):											
Transfers in	- - -	- - -	- - -	- - -	1,000	- - -	- - -	- - -	8,934	810	10,744
Transfers out	- - -	- - -	(160)	- - -	- - -	(26,865)	- - -	- - -	- - -	- - -	(27,025)
Total other financing sources (uses)	- - -	- - -	(160)	- - -	1,000	(26,865)	- - -	- - -	8,934	810	(16,281)
NET CHANGE IN FUND BALANCES	- - -	- - -	(160)	3,125	1,000	- - -	10	94,469	8,934	(30,748)	76,630
FUND BALANCE - BEGINNING	- - -	- - -	160	(2,125)	- - -	- - -	5,002	78,644	- - -	30,748	112,429
FUND BALANCE - ENDING	$- - -	$- - -	$- - -	$ 1,000	$1,000	$ - - -	$5,012	$173,113	$8,934	$ - - -	$189,059

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - 2020 CDBG GRANT
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Intergovernmental	$ 3,125	$ 3,125	$ 3,125	$- - -
Total revenues	3,125	3,125	3,125	- - -
EXPENDITURES -				
Public works	3,125	3,125	- - -	3,125
Total expenditures	3,125	3,125	- - -	3,125
NET CHANGE IN FUND BALANCES	- - -	- - -	3,125	3,125
FUND BALANCE - BEGINNING	(2,125)	(2,125)	(2,125)	- - -
FUND BALANCE - ENDING	$(2,125)	$(2,125)	$ 1,000	$3,125

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - 2021 CDBG GRANT
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Intergovernmental	$750,000	$750,000	$- - -	$(750,000)
Total revenues	750,000	750,000	- - -	(750,000)
EXPENDITURES -				
Public works	727,500	727,500	- - -	727,500
Total expenditures	727,500	727,500	- - -	727,500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	22,500	22,500	- - -	(22,500)
OTHER FINANCING SOURCES -				
Transfers in	- - -	- - -	1,000	1,000
Total other financing sources	- - -	- - -	1,000	1,000
NET CHANGE IN FUND BALANCES	22,500	22,500	1,000	(21,500)
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ 22,500	$ 22,500	$1,000	$ (21,500)

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - HOTEL / MOTEL TAX
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Taxes	$ 50,000	$ 60,000	$ 71,636	$ 11,636
Total revenues	50,000	60,000	71,636	11,636
EXPENDITURES -				
General government	36,800	46,800	44,771	2,029
Total expenditures	36,800	46,800	44,771	2,029
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	13,200	13,200	26,865	13,665
OTHER FINANCING SOURCES (USES) -				
Transfers out	(13,200)	(13,200)	(26,865)	(13,665)
Total other financing sources (uses)	(13,200)	(13,200)	(26,865)	(13,665)
NET CHANGE IN FUND BALANCES	- - -	- - -	- - -	- - -
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ - - -	$ - - -	$ - - -	$ - - -

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - CEMETERY FUND
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Interest	$ 40	$ 40	$ 10	$ (30)
Total revenues	40	40	10	(30)
EXPENDITURES -				
Public works	- - -	- - -	- - -	- - -
Total expenditures	- - -	- - -	- - -	- - -
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	40	40	10	(30)
OTHER FINANCING SOURCES (USES) -				
Transfers out	(40)	(40)	- - -	40
Total other financing sources (uses)	(40)	(40)	- - -	40
NET CHANGE IN FUND BALANCES	- - -	- - -	10	10
FUND BALANCE - BEGINNING	5,002	5,002	5,002	- - -
FUND BALANCE - ENDING	$5,002	$5,002	$5,012	$ 10

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - 2010 SPLOST
FOR THE PERIOD ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL TO DATE	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental	$3,600,000	$3,600,000	$2,289,881	$(1,310,119)
Interest	12,000	12,000	9,148	(2,852)
Miscellaneous	- - -	- - -	315,750	315,750
Total revenues	3,612,000	3,612,000	2,614,779	(997,221)
EXPENDITURES -				
Capital outlay:				
General government	2,662,000	1,012,000	766,930	245,070
Public safety	325,000	250,000	191,660	58,340
Public works	- - -	1,650,000	1,315,834	334,166
Culture and recreation	625,000	625,000	133,795	491,205
Community and economic development	- - -	75,000	33,447	41,553
Total expenditures	3,612,000	3,612,000	2,441,666	1,170,334
NET CHANGES IN FUND BALANCES	- - -	- - -	173,113	173,113
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ - - -	$ - - -	$ 173,113	$ 173,113

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - 2017 SPLOST
FOR THE PERIOD ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL TO DATE	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental	$3,000,000	$ 3,000,000	$2,800,551	$ (199,449)
Interest	1,000	1,000	4,157	3,157
Miscellaneous	- - -	- - -	31,293	31,293
Total revenues	3,001,000	3,001,000	2,836,001	(164,999)
EXPENDITURES -				
Capital outlay:				
General government	1,550,000	2,689,776	2,225,270	464,506
Public safety	100,000	100,000	88,659	11,341
Public works	401,000	900,000	890,734	9,266
Culture and recreation	650,000	650,000	153,752	496,248
Community and economic development	300,000	300,000	87,230	212,770
Total expenditures	3,001,000	4,639,776	3,445,645	1,194,131
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	- - -	(1,638,776)	(609,644)	1,029,132
OTHER FINANCING SOURCES -				
Loan proceeds	- - -	1,638,776	1,638,776	- - -
Total other financing sources	- - -	1,638,776	1,638,776	- - -
NET CHANGES IN FUND BALANCES	- - -	- - -	1,029,132	1,029,132
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ - - -	$ - - -	$1,029,132	$1,029,132

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
DEBT SERVICE FUND - WORKFORCE DEVELOPMENT CENTER
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Interest	$ 10	$ 10	$ 3	$ (7)
Total revenues	10	10	3	(7)
EXPENDITURES -				
Debt service:				
Principal	25,902	30,215	30,215	- - -
Interest	1,332	1,347	1,346	1
Total expenditures	27,234	31,562	31,561	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,224)	(31,552)	(31,558)	(6)
OTHER FINANCING SOURCES -				
Transfers in	27,224	31,552	810	(30,742)
Total other financing sources	27,224	31,552	810	(30,742)
NET CHANGES IN FUND BALANCES	- - -	- - -	(30,748)	(30,748)
FUND BALANCE - BEGINNING	30,748	30,748	30,748	- - -
FUND BALANCE - ENDING	$ 30,748	$ 30,748	$ - - -	$(30,748)

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
DEBT SERVICE FUND - CITY HALL
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES -				
Interest	$ - - -	$ - - -	$- - -	$- - -
Total revenues	- - -	- - -	- - -	- - -
EXPENDITURES -				
Debt service:				
Principal	- - -	- - -	- - -	- - -
Interest	8,934	8,934	- - -	8,934
Total expenditures	8,934	8,934	- - -	8,934
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,934)	(8,934)	- - -	8,934
OTHER FINANCING SOURCES -				
Transfers in	8,934	8,934	8,934	- - -
Total other financing sources	8,934	8,934	8,934	- - -
NET CHANGES IN FUND BALANCES	- - -	- - -	8,934	8,934
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	$ - - -	$ - - -	$8,934	$8,934

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DISCRETELY PRESENTED COMPONENT UNIT - HAWKINSVILLE DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Interest	$ 7,000	$ 7,000	$ 4,793	$(2,207)
Miscellaneous	24,000	24,000	31,599	7,599
Total revenues	31,000	31,000	36,392	5,392
EXPENDITURES -				
Community and economic development	31,000	31,000	22,673	8,327
Total expenditures	31,000	31,000	22,673	8,327
NET CHANGE IN FUND BALANCES	- - -	- - -	13,719	13,719
FUND BALANCE - BEGINNING	210,952	210,952	210,952	- - -
FUND BALANCE - ENDING	$210,952	$210,952	$224,671	$13,719

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF PROJECTS - 2010 SPLOST
FOR THE YEAR ENDED JUNE 30, 2022

	Original Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	Estimated Percentage of Completion
Fire and Police Department equipment	$ 250,000	$ 169,339	$ 20,000	$ 189,339	75.74%
New City Hall	1,000,000	391,478	(114,368)	277,110	27.71%
Upgrade of City property and equipment	1,500,000	1,422,399	- - -	1,422,399	94.83%
Opera House repairs	250,000	98,747	- - -	98,747	39.50%
Renovation of the old firehouse on Broad Street	75,000	2,900	- - -	2,900	3.87%
Capital projects matching grant funds	150,000	135,421	- - -	135,421	90.28%
Totals	$3,225,000	$2,220,284	$ (94,368)	$2,125,916	

NOTE: Pulaski County, Georgia serves as fiscal agent for the distribution of the jointly owned Recreation Board SPLOST proceeds in accordance with an intergovernmental agreement. Accordingly, all expenditures are shown as culture and recreation expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds of Pulaski County, Georgia only.

Reconciliation of SPLOST schedule to Governmental Funds Expenditures:

Total expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - 2010 SPLOST Capital Projects Fund		$ 84,832
Less -		
Rent income received on Blount building	$ 2,200	
Sales proceeds received on Blount building	177,000	(179,200)
Total Current Year Expenditures per Schedule of Projects - 2010 SPLOST		$ (94,368)

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF PROJECTS - 2017 SPLOST
FOR THE YEAR ENDED JUNE 30, 2022

	Original Estimated Cost	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
City improvements	$1,050,000	$ 577,768	$ - - -	$ 577,768	55.03%
New City Hall	500,000	55,484	2,104,852	2,160,336	432.07%
Economic development	300,000	58,934	- - -	58,934	19.64%
Recreation Department	300,000	79,425	- - -	79,425	26.48%
Roads and streets	250,000	76,394	- - -	76,394	30.56%
City recreation facilities	200,000	39,620	3,180	42,800	21.40%
Track improvements	150,000	9,027	- - -	9,027	6.02%
Capital projects matching grant funds	150,000	201,503	58,079	259,582	173.05%
Public safety / Public works equipment	75,000	- - -	149,086	149,086	198.78%
Renovation of the old firehouse on Broad Street	25,000	1,000	- - -	1,000	4.00%
Totals	$3,000,000	$1,099,155	$2,315,197	$3,414,352	

NOTE: Pulaski County, Georgia serves as fiscal agent for the distribution of the jointly owned Recreation Board SPLOST proceeds in accordance with an intergovernmental agreement. Accordingly, all expenditures are shown as culture and recreation expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds of Pulaski County, Georgia only.

Pulaski County, Georgia has received a USDA loan for the construction of a City Hall. These proceeds are included in the SPLOST 2017 Capital Projects Fund and will be included in the expenditures on this schedule for the New City Hall.

CITY OF HAWKINSVILLE, GEORGIA
SOURCE AND APPLICATION OF FUNDS SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 14p-x-116-2-5673
FOR THE PERIOD ENDED JUNE 30, 2022

Total Fiscal Year 2014 CDBG Funds Awarded to Recipient	$500,000
Total Amount Drawdown by Recipient from DCA	$500,000
Less: CDBG Funds Expended by Recipient	500,000
Amount of Fiscal Year 2014 CDBG Funds held by Recipient	$ - - -

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
PROJECT COST SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 14p-x-116-2-5673
FOR THE PERIOD ENDED JUNE 30, 2022

Program Activity	CDBG Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG Expenditures to Date	Accumulative Expenditures to Date (Other Funds)	Grand Total of Expenditures to Date	Questioned Costs (Explain in Remarks)
Professional services Engineering	T-03J-00	$ 39,840	$ 39,840	$ - - -	$ 39,840	NONE
Public Water Sewer	P-03J-01	43,300	43,300	- - -	43,300	NONE
Public Sanitary Sewer	P-03J-02	372,090	386,860	10,000	396,860	NONE
Contingencies	C-022-00	14,770	- - -	- - -	- - -	NONE
Administration	A-21A-00	30,000	30,000	- - -	30,000	NONE
		$500,000	$500,000	$10,000	$510,000	

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
SOURCE AND APPLICATION OF FUNDS SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 19p-x-116-2-6067
FOR THE PERIOD ENDED JUNE 30, 2022

Total Fiscal Year 2019 CDBG Funds Awarded to Recipient	$750,000
Total Amount Drawdown by Recipient from DCA	$750,000
Less: CDBG Funds Expended by Recipient	750,000
Amount of Fiscal Year 2019 CDBG Funds held by Recipient	$ - - -

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
PROJECT COST SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 19p-x-116-2-6067
FOR THE PERIOD ENDED JUNE 30, 2022

Program Activity	CDBG Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG Expenditures to Date	Accumulative Expenditures to Date (Other Funds)	Grand Total of Expenditures to Date	Questioned Costs (Explain in Remarks)
Professional services						
Engineering	T-03J-00	$ 65,109	$ 65,109	$ - - -	$ 65,109	NONE
Public Sanitary Sewer	P-03J-02	639,891	639,891	44,271	684,162	NONE
Administration	A-21A-00	45,000	45,000	- - -	45,000	NONE
		$750,000	$750,000	$44,271	$794,271	

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
SOURCE AND APPLICATION OF FUNDS SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 19p-x-116-2-6137
FOR THE PERIOD ENDED JUNE 30, 2022

Total Fiscal Year 2019 CDBG Funds Awarded to Recipient	$344,792
Total Amount Drawdown by Recipient from DCA	$344,792
Less: CDBG Funds Expended by Recipient	344,792
Amount of Fiscal Year 2019 CDBG Funds held by Recipient	$ - - -

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
PROJECT COST SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 19p-x-116-2-6137
FOR THE PERIOD ENDED JUNE 30, 2022

Program Activity	CDBG Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG Expenditures to Date	Accumulative Expenditures to Date (Other Funds)	Grand Total of Expenditures to Date	Questioned Costs (Explain in Remarks)
Professional services						
Engineering	T-03J-00	$ 29,765	$ 29,765	$ - - -	$ 29,765	NONE
Public Sanitary Sewer	P-03J-02	290,027	290,027	26,340	316,367	NONE
Administration	A-21A-00	25,000	25,000	- - -	25,000	NONE
		$344,792	$344,792	$26,340	$371,132	

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
SOURCE AND APPLICATION OF FUNDS SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 21p-x-116-2-6190
FOR THE PERIOD ENDED JUNE 30, 2022

Total Fiscal Year 2021 CDBG Funds Awarded to Recipient	$750,000
Total Amount Drawdown by Recipient from DCA	$ - - -
Less: CDBG Funds Expended by Recipient	- - -
Amount of Fiscal Year 2021 CDBG Funds held by Recipient	$ - - -

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

CITY OF HAWKINSVILLE, GEORGIA
PROJECT COST SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITIES PROGRAM
GRANT NUMBER 21p-x-116-2-6190
FOR THE PERIOD ENDED JUNE 30, 2022

Program Activity	CDBG Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG Expenditures to Date	Accumulative Expenditures to Date (Other Funds)	Grand Total of Expenditures to Date	Questioned Costs (Explain in Remarks)
Professional services - Engineering:						
Water/Sewer Improvements	T-03J-00	$ 44,958	$- - -	$- - -	$- - -	NONE
Street Improvements / Flood & Drainage	T-03K-00	22,000	- - -	- - -	- - -	NONE
Acquisition of Property	P-001-01	5,000	- - -	- - -	- - -	NONE
Sewer Facilities	P-03J-02	425,042	- - -	- - -	- - -	NONE
Flood and Drainage Facilities	P-03K-02	208,000	- - -	- - -	- - -	NONE
Administration	A-21A-00	45,000	- - -	- - -	- - -	NONE
		$750,000	$- - -	$- - -	$- - -	

NOTE: This schedule is included in response to the grant Audit Requirements until receipt of a formal close out letter.

SINGLE AUDIT INFORMATION

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*

D. M. Vickers & Assoc., P.C.

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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*

Board of Commissioners
City of Hawkinsville, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hawkinsville, 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 Hawkinsville, Georgia's basic financial statements and have issued our report thereon dated August 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Hawkinsville, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Hawkinsville, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Hawkinsville, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-1 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Hawkinsville, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Hawkinsville, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hawkinsville, Georgia
August 29, 2023

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

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

Board of Commissioners
City of Hawkinsville, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Hawkinsville, Georgia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Hawkinsville, Georgia's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Hawkinsville, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Hawkinsville, Georgia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Hawkinsville, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Hawkinsville, Georgia's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Hawkinsville, Georgia's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Hawkinsville, Georgia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance 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 City of Hawkinsville, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Hawkinsville, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Hawkinsville, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

H. M. Vickers & Associates, P.C.

Hawkinsville, Georgia
August 29, 2023

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASSED THROUGH TO SUBRECIPIENTS	FEDERAL EXPENDITURES
U.S. Department of Agriculture				
Communities Facilities Loans and Grants	10.766	11-016-586000591	$- - -	$1,638,776
Total U.S. Department of Agriculture			- - -	1,638,776
U.S. Department of the Interior				
Passed through Georgia Department of Community Affairs:				
Historic Preservation Fund: Grants-in-Aid Phase 2	15.904	1/42920	- - -	10,300
Total U.S. Department of the Interior			- - -	10,300
U.S. Department of the Treasury				
Passed through State of Georgia Office of Planning and Budget:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		- - -	535,272
Total U.S. Department of the Treasury			- - -	535,272
U.S. Environmental Protection Agency				
Passed through Georgia Environmental Finance Authority:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	CWDRA20021	- - -	330,083
Total U.S. Environmental Protection Agency			- - -	330,083
Total Expenditures of Federal Awards			$- - -	$2,514,431

See accompanying notes to schedule of expenditures of federal awards.

CITY OF HAWKINSVILLE, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Hawkinsville, Georgia and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Hawkinsville, Georgia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Hawkinsville, Georgia.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. USDA COMMUNITY FACILITIES LOAN

Federal expenditures under loan programs include any new loans made or received during the year and loans outstanding at the beginning of the year for which there are continuing compliance requirements. For the year ended June 30, 2022, loan proceeds were drawn in the amount of $1,638,776. The balance of the loan outstanding as of June 30, 2022 is $1,638,776.

CITY OF HAWKINSVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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?	No
Significant deficiency(ies) identified?	Segregation of Duties
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of Major Federal Program:

CFDA Number	Name of Federal Program or Cluster
10.766	Communities Facilities Loans and Grants

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as a low-risk auditee?	No

SECTION II - FINANCIAL STATEMENT FINDINGS

2022-1 Segregation of Duties

Condition: There is not appropriate segregation of duties between initiation, authorization, recording, processing, and reconciliation of transactions and other operational functions and the custody of related assets in the various funds possessed by the City.

Cause: The City of Hawkinsville, Georgia does not have enough employees in the accounting department to achieve adequate segregation of duties.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate assets without such actions being detected during the normal course of business.

Effect: Failure to properly segregate duties between initiation, authorization, recording, processing, and reconciliation of transactions and the custody of related assets can lead to misappropriation of assets that is not detected during the normal course of business.

Recommendation: The duties of initiation, authorization, recording, processing, and reconciliation of transactions and the custody of related assets should be segregated between employees.

Views of Responsible Officials: The City concurs with the recommendation. Due to the size of the City's staff, this condition can not be totally addressed; however, this condition is minimized due to the involvement of the City Manager.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.