CITY OF HOBOKEN, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia

CITY OF HOBOKEN, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

City of Hoboken, Georgia
Financial Statements
For the Fiscal Year Ended December 31, 2021

Table of Contents

	Page
Introductory Section	
Organization Chart	5
Financial Section	
Independent Auditor's Report	8-10
Management's Discussion and Analysis	11-19
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	21
Statement of Activities	22
Fund Financial Statements	
Governmental Funds	
Balance Sheet-Governmental Funds	23
Reconciliation of total governmental fund balances to Net Position of Governmental Activities	24
Statements of Revenues, Expenditures, and Changes in Fund Balance	25-26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Proprietary Funds	
Statement of Net Position	28
Statement of Revenues, Expenses, and Changes in Net Position	29
Statement of Cash Flows	30-31
Notes to the Financial Statements	
Index to Notes to Financial Statements	33
Notes to Financial Statements	34-56
Required Supplementary Information Other Than MD & A:	
Budgetary comparison schedule General Fund	58-59
Notes to required supplementary information	60
Major Capital Project fund:	
Schedule of Revenues, Espenditures, and Changes in Fund Balance:	
SPLOST Fund	62
Nonmajor Governmental Funds:	
Combining Balance Sheet	65
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	66

Table of Contents (continued)

	Page
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	70
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	71-72
Mobile Home Park:	
Balance Sheet	73
Schedule of Revenues, Expenditures, and Changes in Fund Balance	74
Community Center:	
Balance Sheet	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance	76
Police Seized Funds	
Balance Sheet	77
Schedule of Revenues, Expenditures, and Changes in Fund Balance	78
Nonmajor Capital Project Funds:	
Combining Balance Sheet	82
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	83-84
Dot LMIG:	
Balance Sheet	85
Schedule of Revenues, Expenditures, and Changes in Fund Balance	86
Transporation SPLOST	
Balance Sheet	87
Schedule of Revenues, Expenditures, and Changes in Fund Balance	88
Proprietary Fund	
Statement of Revenues, Expenses, and Changes in Net Position Budget to Actual	90
State Compliance Section:	
Independent Auditor's Report	93
Schedule of projects constructed with Special Purpose Local Option Sales Tax	94-95
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	96-97

Introductory Section

CITY OFFICIALS

MAYOR
Joey C. Crews

MAYOR PRO-TEM
Robin Helmuth

COUNCIL
Greg Buie
Mary Stone
Kenneth Jordan, Jr.
Amy Lee
James "Jimmy" Ray

CITY CLERK / PERSONNEL DIRECTOR
Linda Henderson, Certified MC/FO

CITY JUDGE
Bradley Collins

CITY ATTORNEY
Adam Ferrell

FINANCIAL SECTION

Independent Auditor's Report

Earl A. Lawson, CPA
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the City Council
Hoboken, Georgia

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Hoboken, Georgia, as of and for the year ended December 31, 2021, and the related notes which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

1025 Elizabeth St
Blackshear, GA 31516
912-449-5485
earlcpa@bellsouth.net

Opinions

In my 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, each major fund, and the aggregate remaining fund information of the City of Hoboken, Georgia, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison information on pages 11-19 and 57-60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Hoboken, Georgia's basic financial statements. The combining, individual nonmajor fund financial statements and the proprietary fund budget to actual, are presented for purposes of additional analysis and are not a required part of the basis financial statements.

The combining, individual nonmajor fund financial statements and the proprietary budget to actual 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements, themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In my opinion, the combining and individual nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated January 23, 2022 on my consideration of the City of Hoboken Georgia's internal controls over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of my testing, of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Hoboken's internal control over financial reporting.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia
January 23, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the basic financial statements prepared by the City.

City of Hoboken, Georgia
Management's Discussion and Analysis
For the Year Ended December 31, 2021

Our discussion and analysis of the City of Hoboken's financial performance provides an overview of the City's financial activities for the year ended December 31, 2021. Please read it in conjunction with the City's financial statements, which begins on page 20.

FINANCIAL HIGHLIGHTS

The assets of the City of Hoboken exceeded its liabilities at December 31, 2021 by $2,379,752. Of this amount unrestricted net position of $444,495 may be used to meet the government's ongoing obligations to citizens and creditors.

The total net position increased by $195,566. Of this amount a increase of $192,461 was associated with governmental and an increase of $3,105 with business-type activities.

As of the close of the current year, the City of Hoboken governmental funds reported combined ending fund balances of $454,469 a increase of $145,578 in comparison with the prior year. Of this amount $125,233 is restricted and $48,814 is committed.

At the end of the current year, unassigned fund balance for the general fund was $280,422, or 65.61% of the total general fund expenditures.

The City's capital outlay during 2021 at a cost of $97,897 of which $32,981 was financed with a bank and recorded in the General Fund. The expenditure recorded in the General Fund is $34,911, $24,315 was paid with SPLOST Funds, $25,135 with LMIG DOT funds and $13,536 was paid by the Transporation SPLOST Fund.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on page 21-22 provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements on page 23. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 21. One of the most important questions asked about the City's finances is , "Is the City as whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis* of accounting, which are similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. You can think of the City's net position--the difference between assets and liabilities--as one way to measure *the City's financial health, or of financial position.* Over time, increases or decreases in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's *property tax base and the condition of the City's roads, to assess the overall health* of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

Governmental activities--Most of the City's basic services are reported here, including the police, fire, public works, and general administration. Property taxes, franchise fees, and state and federal grants finance most of these activities.

Business--type activities--The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water system is its business type activity.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 23. The fund financial statement begins on page 23 and provides detailed information about the most significant funds--not the City as a whole. Some funds are required to be establishes by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or the show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds--*governmental* and *proprietary*--use different accounting approaches.

Governmental funds--Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an *accounting method called modified accrua*l accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental *fund statements provide a detailed short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statements of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

Proprietary funds--When the City charges customers for the services it provides these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

In fact, the City's enterprise funds are the same as the business-type in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE CITY AS A WHOLE

The City's combined net position were $2,184,186 at the end of 2020 and $2,379,752 at the end of 2021 for a increase of $195,566 during the year. The net position belongs to the governmental $1,444,812 and business type activities $934,940.

Table 1

	Governmental Activities		Business-type Activities		Total Primary Government	
	December '31		December '31		December '31	
	2020	2021	2020	2021	2020	2021
Current & other assets	$ 371,244	$ 518,570	$ 187,824	$ 110,604	$ 559,068	$ 629,174
Capital assets	1,031,164	1,084,216	756,356	837,464	1,787,520	1,921,680
Total assets	1,402,408	1,602,786	944,180	948,068	2,346,588	2,550,854
Long-term debt outstanding	82,579	84,614	-	-	82,579	84,614
Other liabilities	25,865	34,497	12,345	13,128	38,210	47,625
Total liabilities	108,444	119,111	12,345	13,128	120,789	132,239
Deferred Inflows of Resources	41,613	38,863	-	-	41,613	38,863
Net position:						
Net Investment in Capital Assets	930,120	972,560	756,356	837,464	1,686,476	1,810,024
Restrictede	112,449	125,233	-	-	112,449	125,233
Unrestricted (deficit)	209,782	347,019	175,479	97,476	385,261	444,495
Total net position	$ 1,252,351	$ 1,444,812	$ 931,835	$ 934,940	$ 2,184,186	$ 2,379,752

Net position of the City's governmental activities increased by 8.95 percent or $192,461. *Unrestricted* Net position--the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirement--changed from a $209,782 at December 31, 2020, to $347,019 at December 31, 2021.

The unrestricted net position of our business type activities decreased by 44.52% percent, $97,476 compared to $175,479. This decrease resulted primarily from the purchase of capital assets of $98,608 with cash which resulted in an increase in the Net Investment in capital assets and a decrese in the unrestricted net position.

Table 2
Changes in Net Position of
Government and Business Type Activities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December '31		December '31		December '31	
Revenues:	2020	2021	2020	2021	2020	2021
Program Revenues						
Charges for services	$ 130,121	$ 74,198	$ 87,881	$ 92,338	$ 218,002	$ 166,536
Grants and entitlements	133,130	191,914	-	-	133,130	191,914
General Revenues						
Property taxes	110,002	120,925	-	-	110,002	120,925
Other taxes	233,440	237,597	-	-	233,440	237,597
Grants and entitlements	-	-	-	-	-	-
Other Revenues	24	27	755	681	779	708
Total Revenues	606,717	624,661	88,636	93,019	695,353	717,680
Expenses						
General government	166,664	188,898	-	-	166,664	188,898
Public safety	212,097	130,259	-	-	212,097	130,259
Public works	88,228	112,860	-	-	88,228	112,860
Culture and recreation	-	-	-	-	-	-
Community development	8,976	1,881	-	-	8,976	1,881
Interest	2,783	3,498	-	-	2,783	3,498
Water	-	-	85,363	89,914	85,363	89,914
Total expense	478,748	437,396	85,363	89,914	564,111	527,310
Excess (deficiency) before transfers and contributions	127,969	187,265	3,273	3,105	131,242	190,370
Sale of Capital Assets	19,000	5,196	-	-	19,000	5,196
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	$ 146,969	$ 192,461	$ 3,273	$ 3,105	$ 150,242	$ 195,566

The cost of all governmental activities this year was $437,396 compared to $478,748 last year. However, as shown in the Statement of Activities on page 22, the amount that our taxpayers ultimately financed for these activities through City taxes was $171,284 because some of the cost was paid by those who directly benefited from the programs $74,198 or by other governments and organizations that subsidized certain programs with grants and contribution $191,914. The City paid for the remaining "public benefit" portion of governmental activities with taxes and with other revenues.

Table 3 presents the cost of each of the City's three largest programs--police, fire, public works, as well as each program's *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2020	2021	2020	2021
Public safety	$ 212,097	$ 130,259	$ 67,693	$ 80,179
Public works	88,228	112,860	21,331	(74,518)
All others	-	-	-	-
Totals	$ 300,325	$ 243,119	$ 89,024	$ 5,661

THE CITY'S FUNDS

As the City completed the year, its governmental funds as presented in the balance sheet on page 23 reported a combined fund balance of $454,469, which is a increase from last year's total of $308,891 Included in this year's total change in fund balance.

General Fund Budgetary Highlights

The City Council did not amend the budget during the year ended December 31, 2020.

The City had a variance of $135,756 in the revenue in the general fund. The budget had total revenue of $383,420 The actual revenue was $519,175

The City had a variance of $(43,985) in expenditures in the general fund. The budget had total expenditures of $383,420 the actual expenditures were $427,405

The variance in expenditures was caused by the increase in utilities, fuel, repairs and supplies, and the purchase of capital assets.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021 the City had $1,921,680 invested in a broad range of capital assets, including police and fire equipment, buildings, roads, bridges, and water lines. (See Table 4 below.) This amount represents a net increase (including additions and deductions) of $134,160, or 7.75 percent, over last year. The increase in capital assets was the result of the purchasing equipment and infrastructure at a rate greater than depreciation.

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Primary Government	
	December '31		December '31		December '31	
	2020	2020	2020	2020	2020	2020
Land	$ 115,550	$ 115,550	$ 3,687	$ 3,687	$ 119,237	$ 119,237
Building and Improvements	200,472	190,335	-	-	200,472	190,335
Equipment	177,675	189,355	752,669	833,777	930,344	1,023,132
Infrastructure	537,467	588,976	-	-	537,467	588,976
Totals	$ 1,031,164	$ 1,084,216	$ 756,356	$ 837,464	$ 1,787,520	$ 1,921,680

For more information on the changes in capital assets, see Note 5 on page 45 & 46.

Debt

At year-end, the City had $0.00 in capital lease outstanding compared to $0.00 last year a decrease of $0.00 as shown in Table 5. The City had $101,044 in note payable in 2020 compared to $111,657 in 2021 for a increase of $10,523.

Table 5
Outstanding Debt at Year-end

	Governmental Activities		Business-type Activities		Primary Government	
	December '31		December '31		December '31	
	2020	2021	2020	2021	2020	2021
Leases	$ -	$ -	$ -	$ -	$ -	$ -
Revenue bonds (backed by water & sewer fee revenues)	-	-	-	-	-	-
Note payable	101,044	111,657	-	-	101,044	111,657
Totals	$ 101,044	$ 111,657	$ -	$ -	$ 101,044	$ 111,657

The City issued $32,982 in new debt during the year ended December 31, 2021. The City does not plan to issue any new debt during the year ended December 31, 2022.

For more information on the City's long-term debt, see Note 7 on page 48-51.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the year December 31, 2022 budget, tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. The Mayor and City Council also considered the expected increase in the cost of goods and services during 2022.

These indicators were taken into account when adopting the General Fund budget is expected to increase modestly by the close of 2022. More importantly, however, this will have been accomplished without selling capital assets or incurring long-term debt.

As for the City's business-type activities, we expect that the 2022 results will also improve based on these recent decisions:

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditor with a general overview of the City's finances and to show the City's adjustability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk's Office at City Hall, Hoboken, Georgia.

Basic Financial Statements

The basic financial statements include the government-wide statement of net position and government-wide statement of activities which include all of the primary government's governmental activities and business-type activities. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements.

City of Hoboken, Georgia
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash	$ 382,820	$ 102,829	$ 485,649
Receivables (net)	125,250	7,775	133,025
Receivable - intergovernmental	10,500	-	10,500
Prepaid	-	-	-
Inventories	-	-	-
Total Current Assets	518,570	110,604	629,174
Non-Current Assets			
Capital assets (Note 1):			
Land	115,550	3,687	119,237
Other capital assets, net of depreciation	968,666	833,777	1,802,443
Total Non-Current Assets	1,084,216	837,464	1,921,680
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	1,602,786	948,068	2,550,854
Liabilities and Deferred Inflows of Resources			
Current Liabilities			
Accounts payable and accrued expenses	7,455	3,971	11,426
Lease purchase agreement	-	-	-
Note payable	27,042	-	27,042
Deposits	-	9,157	9,157
Total Current Liabilities	34,497	13,128	47,625
Long-term liabilities :			
Note payable	84,614	-	84,614
Total Long-term Liabilities	84,614	-	84,614
Deferred Inflows of Resources	38,863	-	38,863
Total Liabilities and Deferred Inflows of Resources	157,974	13,128	171,102
NET POSITION			
Net Investment in capital assets	972,560	837,464	1,810,024
Restricted for:			
Capital projects	125,233	-	125,233
Debt service	-	-	-
Community development projects	-	-	-
Other purposes	-	-	-
Unrestricted (deficit)	347,019	97,476	444,495
Total net position	$ 1,444,812	$ 934,940	$ 2,379,752

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

City of Hoboken, Georgia
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Expense	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
PRIMARY GOVERNMENT:							
Government activities:							
General government	$ 188,898	$ 9,874	$ -	$ -	$ (179,024)	$ -	$ (179,024)
Public safety	130,259	50,080	-	-	(80,179)	-	(80,179)
Public works	112,860	549	-	186,829	74,518	-	74,518
Community development	1,881	13,695	5,085	-	16,899	-	16,899
Interest on long-term debt	3,498	-	-	-	(3,498)	-	(3,498)
Total governmental activities	437,396	74,198	5,085	186,829	(171,284)	-	(171,284)
Business-type activities:							
Water	89,914	92,338	-	-	-	2,424	2,424
Total business-type activities	89,914	92,338	-	-	-	2,424	2,424
Total primary government	$ 527,310	166,536	5,085	186,829	(171,284)	2,424	(168,860)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					120,925	-	120,925
Sales Taxes					117,026	-	117,026
Insurance Premium Tax					44,042	-	44,042
Franchise taxes					65,666	-	65,666
Alcohol Tax					10,863	-	10,863
Other Revenues					-	-	-
Gain on sale of capital assets					5,196	-	5,196
Grants and contributions not restricted to specific programs					-	-	-
Unrestricted Investment earnings					27	681	708
Transfers					-	-	-
Total general revenues and transfers					363,745	681	364,426
Change in net position					192,461	3,105	195,566
Net position---beginning					1,252,351	931,835	2,184,186
Net position---ending					$ 1,444,812	934,940	$ 2,379,752

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

City of Hoboken, Georgia
Balance Sheet
Governmental Funds
December 31, 2021

	General	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 219,874	$ 62,341	$ 100,605	$ 382,820
Receivables, net	120,849	-	4,401	125,250
Due form other funds	-	-	-	-
Receivables from other governments	-	10,500	-	10,500
Prepaids	-	-	-	-
Inventories	-	-	-	-
Total assets	$ 340,723	$ 72,841	$ 105,006	$ 518,570
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	$ 5,777	$ -	$ -	$ 5,777
Accrued payroll deductions	1,186	-	-	1,186
Due to other funds	-	-	-	-
Payable to other governments	-	-	-	-
Total liabilities	6,963	-	-	6,963
Deferred inflows of Resources	53,338	3,800	-	57,138
Total Liabilities and Deferred Inflows of Resources	60,301	3,800	-	64,101
Fund balances:				
Nonspendable	-	-	-	-
Restricted				
Public works	-	69,041	56,192	125,233
Committed:				
Community development	-	-	48,814	48,814
Assigned:				
Community development	-	-	-	-
Unassigned	280,422	-	-	280,422
Total fund balances	280,422	69,041	105,006	454,469
Total liabilities, Deferred Inflow of Resources and Fund Balances	$ 340,723	$ 72,841	$ 105,006	$ 518,570

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

City of Hoboken, Georgia
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
For the Year Ended December 31, 2021

TOTAL GOVERNMENTAL FUND BALANCES		$ 454,469
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Cost	1,532,449	
Less accumulated depreciation	(448,233)	1,084,216
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Intergovernmental	3,800	
Property taxes	4,675	
Local option sales taxes	9,800	18,275
Liabilities, including notes and capital leases are not due and payable in the current period and therefore are not reported in the funds:		
Interest on Long Term Debt	(492)	
Capital leases	-	
Note payable	(111,656)	(112,148)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 1,444,812

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

City of Hoboken, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	General	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 354,272	$ -	$ -	$ 354,272
Fees and fines	49,289	-	791	50,080
Licenses and permits	9,874	-	-	9,874
Intergovernmental	100,081	46,084	40,499	186,664
Charges for services	549	-	-	549
Rents	-	-	13,695	13,695
Contributions	5,085			5,085
Interest	26	-	1	27
Other	-	-	-	-
Total revenues	519,176	46,084	54,986	620,246
EXPENDITURES				
Current:				
General government	186,502	-	-	186,502
Public safety	113,591	-	188	113,779
Public works	77,319	-	9,572	86,891
Community Development	-	-	1,881	1,881
Capital Outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	34,911	24,315	38,671	97,897
Community development	-	-	-	-
Debt service:				
Principal	13,465	8,904	-	22,369
Interest and other charges	1,617	1,909	-	3,526
Total expenditures	427,405	35,128	50,312	512,845
Excess (deficiency) of revenues over expenditures	91,771	10,956	4,674	107,401

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

City of Hoboken, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	General	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Note proceeds	32,981	-	-	32,981
Sale of Capital Assets	5,196	-	-	5,196
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	38,177	-	-	38,177
Net change in fund balance	129,948	10,956	4,674	145,578
Fund balances-beginning	150,474	58,085	100,332	308,891
Fund balances-ending	$ 280,422	$ 69,041	$ 105,006	$ 454,469

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

City of Hoboken, 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 December 31, 2021

NET CHANGES IN FUND BALANCES TOTAL GOVERNMENTAL FUNDS		$ 145,578
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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlay	97,897	
Depreciation expense	(44,845)	53,052
In the statement of activities, only the gain on the sale of asses is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold:		
Net book blance of assets sold		-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Intergovernmental	165	
Taxes	2,750	
Sales taxes	1,500	4,415
Issuance of long term debt provides current financial resources to governmental funds while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. The issuance of long term debt increases long term liabilities and the repayment of long term debt reduces long term liabilities in the statement of net position.		
Issuance of note	(32,981)	
Accrued Interest on Note	28	
Repayment of long term debt	22,369	(10,584)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 192,461

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

City of Hoboken, Georgia
Statement of Net Position
Proprietary Fund
December 31, 2021

	Enterprise Fund	
	Water	Totals
ASSETS		
Current assets:		
Cash	$ 102,829	$ 102,829
Receivables, net	7,775	7,775
Due from other governments	-	-
Inventories	-	-
Total current assets	110,604	110,604
Noncurrent assets:		
Restricted cash	-	-
Capital assets:		
Land and improvements	3,687	3,687
Construction in progress	-	-
Distribution systems	1,388,961	1,388,961
Buildings and equipment	4,108	4,108
Less: accumulated depreciation	(559,292)	(559,292)
Total noncurrent assets	837,464	837,464
Total assets	$ 948,068	$ 948,068
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 3,971	$ 3,971
Compensated absences	-	-
Customer deposits	9,157	9,157
Bonds, notes, and loans payable	-	-
Total current liabilities:	13,128	13,128
Noncurrent liabilities:		
Compensated absences	-	-
Bonds, notes, and loans payable	-	-
Total noncurrent liabilities	-	-
Total liabilities	13,128	13,128
NET POSITION		
Investment in Capital Assets	837,464	837,464
Restricted	-	-
Unrestricted	97,476	97,476
Total net Position	934,940	934,940
Total Liabilities and Net Position	$ 948,068	$ 948,068

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

City of Hoboken, Georgia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2021

	Enterprise Fund	
	Water	Totals
OPERATING REVENUES		
Charges for services	$ 92,338	$ 92,338
Miscellaneous	-	-
Total operating revenues	92,338	92,338
OPERATING EXPENSES		
Personnel services	19,146	19,146
Contractual services	38,066	38,066
Utilities	4,530	4,530
Repairs and maintenance	3,793	3,793
Other supplies and expense	3,411	3,411
Insurance claims and expenses	3,468	3,468
Depreciation	17,500	17,500
Total operating expenses	89,914	89,914
Operating income (loss)	2,424	2,424
NONOPERATING REVENUES (EXPENSES)		
Interest	681	681
Intergovernmental	-	-
Interest expense	-	-
Miscellaneous expense	-	-
Total nonoperating revenue (expenses)	681	681
Income (loss) before contributions and transfers	3,105	3,105
CONTRIBUTIONS AND TRANSFERS		
Transfers In	-	-
Transfers (Out)	-	-
Net Contributions and Transfers	-	-
Change in net position	3,105	3,105
Total net position-beginning	931,835	931,835
Total net position-ending	$ 934,940	$ 934,940

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

City of Hoboken, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2021

	Enterprise Fund	
	Water	Totals
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 94,889	$ 94,889
Payments to suppliers	(52,303)	(52,303)
Payments to employees	(19,146)	(19,146)
Other receipts (payments)	-	-
Net cash provided by operating activities	23,440	23,440
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers In (Out)	-	-
Due to Other Funds	-	-
Net cash (used) by NONCAPITAL Financing Activities	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital debt	-	-
Intergovernmental	-	-
Purchases of capital assets	(98,608)	(98,608)
Principal paid on capital debt	-	-
Interest paid on capital debt	-	-
Other receipts (payments)	-	-
Net cash (used) by capital and related financing activities	(98,608)	(98,608)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	-	-
Interest	681	681
Net cash provided by investing activities	681	681
Net (decrease) in cash and cash equivalents	(74,487)	(74,487)
Balances-beginning of the year	177,316	177,316
Balances-end of the year	$ 102,829	$ 102,829

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

City of Hoboken, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2021

	Enterprise Fund	
	Water	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED BY OPERATING ACTIVITIES		
Operating income (loss)	$ 2,424	$ 2,424
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	17,500	17,500
Change in assets and liabilities:		
Receivables, net	2,733	2,733
Inventories	-	-
Accounts and other payables	965	965
Customer deposits	(182)	(182)
Accrued expenses	-	-
Net cash provided by operating activities	$ 23,440	$ 23,440

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

NOTES TO THE FINANCIAL STATEMENTS

City of Hoboken, Georgia
Index to Notes to the Financial Statements

Note		Page
1	Summary of Significant Accounting Policies	
	A. Reporting Entity	34
	B. Basis of Financial Statement Presentation	35
	C. Measurement Focus - Basic of Accounting	36
	D. Encumbrances	37
	E. Deposits and Investments	37
	F. Prepaid Items	38
	G. Inventories	38
	H. Receivables and Payable	39
	I. Property Tax Calendar	39
	J. Capital Assets	39
	K. Accumulated unpaid vacation, sick pay and other employee benefit amounts	40
	L. Fund Equity	40-42
2	Stewardship, Compliance and Accountability	42
3	Deposits and Investments	43
4	Receivables and Payables	44
5	Capital Assets	45-46
5A	Deferred Outflows / Inflows of Resources	47
6	Interfunds Balances and Activity	48
7	Long-term Obligations	48-51
8	Retirement Benefits	51
9	Commitments and Contingencies	52
10	Risk Management	52-55
11	Commitments and Contingencies	55
12	Joint Ventures	56

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hoboken, Georgia was incorporated under the laws of the State of Georgia, and operates under a mayor-council form of government. The mayor and a six member council govern the City and are elected for four year terms. The Mayor and the Council all serve on a part-time basis. The Mayor and Council appoint a City Clerk who is responsible for the daily operations of the City.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. For its enterprise fund, the City applies any FASB statements and interpretations issued after November 30, 1989, unless they conflict with or contradict GASB pronouncements.

A. Financial Reporting Entity

In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, the financial statements of the reporting entity include those of the City of Hoboken. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in its own name)
- The City holds the corporate powers of the organization
- The City appoints a voting majority of the organization's board
- The City is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the City
- There is fiscal dependency by the organization on the City

Discretely Presented Component Units - Based on the GASB criteria, the City has no entities that qualify as discretely presented component units.

Blended Component Units - Based on the GASB criteria, the City has no entities that qualify as blended component units.

Joint Ventures and Related Organizations: The City is required by State law to be a member of the Regional Commission (RC). The city pays its prorata share of operating costs and would be liable for a prorata share of any unpaid liabilities if the RC were to go out of existence. However, the City has no material equity interest in the RC and it is not included in these financial statements. Financial statements are available at the organizations' offices. At year-end there were no receivables or payables between the City and this organization.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government - wide Statements: The statement of net position and the statement of activities display information about the primary government (the City). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which reply to a significant extent on fees and charges for support.

Fund Financial Statements:

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Major Governmental Funds

General Fund-

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

SPLOST Fund-

The SPLOST Fund is a capital projects fund. This fund is used to account for the financial resources provided by the Special Local Option Sales Tax. The Special Purpose Local Option Sales Tax is to be used by the City in accordance with the approved projects by the voters.

Proprietary Fund-

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of operating income and changes in the net position, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Water Fund-

The Water Fund is used to account for the provision of water services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurement made, regardless of the measurement focus applied.

Government-wide and Proprietary Fund Financial Statements - The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions are transactions in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange. Nonexchange transactions include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements - Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, insurance premium tax, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other Governmental Fund Type revenues are recognized when received.

D. Encumbrances

The City does not use encumbrance accounting; under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents - Cash and cash equivalents include amounts in demand and time deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Cash and cash equivalents are reported on the balance sheets, statements of net position and cash flow statements.

Cash consists of demand and interest-bearing deposits held in banks. All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. In lieu of a surety bond, a depository of public funds may pledge as collateral any one or more of the following securities as enumerated in OCGA 50-17-59:

- Bonds, bills, certificates of indebtedness, notes, or other direct obligations of the United States or of the State of Georgia;
- Bonds, bills, certificates of indebtedness, notes, or other direct obligations of the counties or municipalities of the State of Georgia;
- Bonds of any public authority created by Georgia law, if the statue authorizes such use of the bonds and they have been duly validated and there has been no default in the payment of either principal or interest.
- Industrial revenue bonds or bonds of development authorities, created by Georgia law that have been duly validated and for which there has been no default in the payment of either principal or interest; or
- Bond, bills, certificates of indebtedness, notes, or other obligations of a subsidiary corporation of the U.S. government that are fully guaranteed by the U.S. government both as to principal and interest; and debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperative, the Farm Credit Banks, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association.

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments which original maturities of three months or less.

F. Prepaid Items

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

G. Inventories

Materials purchased are shown as expenditures when acquired and are not inventoried at year end due to the lack of materiality.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectible, when material.

I. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1. City property tax revenues are recognized when levied to the extent that they result in current receivable.

Property taxes were levied on January 1, 2021. The assessed values are an approximation of market value as determined by the Brantley County Tax Assessor. Tax bills are mailed at least 60 days prior to the due date. For the current year the mail date was of October 15, 2021. For the year ended December 31, 2021, the collection period was October 15, 2021 thru December 15, 2021.

A Special Local Option Sales Tax is in force. Proceeds for this tax are remitted to the City monthly and is utilized to give property tax owners tax relief.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant, and equipment, except for infrastructure, with individual costs that equal or exceed $1,000 are recorded as capital assets. Infrastructure with an individual cost that is equal to or exceeds $5,000 is recorded as a capital asset. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest earned, is included as part of the capitalized value of the assets constructed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	20-35
Building and improvements	20-50
Water and sewer distribution system	20-50
Vehicles	4
Furniture and fixtures	10
Equipment	10
Computer equipment	5
Heavy machinery	5

Pursuant to GASB Statement No. 34, Phase 3 governments are not required to report major general infrastructure assets retroactively. As a result, the governmental activities column in the government-wide financial statements does not reflect those infrastructure asset projects completed before January 1, 2003. However, they do not reflect those assets that were either completed during the year or considered construction in progress at year end.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

No liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Governmental activities compensated absences balances are liquidated through the General Fund. The expenses are recognized as benefits are paid.

L. Fund Equity

The City implemented GASB Statement No. 54, Fund Balance *Reporting and Governmental Fund Type Definitions*. This standard changed the overall definitions and classifications of governmental fund balances.

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."

Governmental Fund Balances

Generally, governmental fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. 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 resources can be spent. Fund balances are classified as follows:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Nonspendable--Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items 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 Council through the adoption of a resolution. Only the City Council may modify or rescind the 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 nor committed. Throuh resolution, The City Council has authorized the City Clerk to assign fund balances.

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 Assumptions

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

Committed
Assigned
Unassigned

Net Position

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position, and displayed in three components:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Invested in Capital Assets--consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position--Consists of net position with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. Net position are reported as restricted using the sale defination as used for restricted fund balance as described in the section above.

Unrestricted net position--All other net position that do not meet the defination of "restricted" of "invested in capital assets."

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balance:
The City had no material deficit fund balances at December 31, 2021.

B. Excess of expenditures over appropriations in individual departments:

The General Fund had expenditures over appropriations:

Department	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
General Government:				
Administration	$ 159,018	$ 159,018	$ 186,502	$ (27,454)
Capital Outlay	-	-	34,911	(34,911)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits and Investments

Statutes impose various restrictions on deposits and investments. These restrictions are summarized below.

Deposits: All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. A trust department must hold the collateral. During the year, the value of the collateralized property was 110% or more of insured deposits.

Investments: The City is authorized to make direct investments in U.S. government, federal agency, and instrumentality obligations. In addition, the City may invest in investment-grade bonds, commercial paper rated A-1 by Standard & Poor, or P-1 by Moody's Commercial Paper Record, repurchase agreements, and the state treasurer's investment pool. When repurchase agreements are executed, the fair value of the securities must equal or exceed the cost of the repurchase agreement.

NOTE 4. RECEIVABLES AND PAYABLES

Receivables

Receivables at December 31, 2021 were as follows:

	Accounts	Taxes	Due from Other Gov't	Other	Interest	Total
Governmental activities:						
General	$ -	$ 58,749	$ 28,620	$ 33,480	$ -	$ 120,849
Capital project	-	-	10,500	-	-	10,500
Special revenue	4,401	-	-	-	-	4,401
Total governmental activities	$ 4,401	$ 58,749	$ 39,120	$ 33,480	$ -	$ 135,750
Business-type activities:						
Water	$ 7,775	$ -	$ -	$ -	$ -	$ 7,775
Total business-type activities	$ 7,775	$ -	$ -	$ -	$ -	$ 7,775

Payables at December 31, 2021 were as follows:

Governmental activities:	Vendors	Accruals Payroll Deduct	Accrued Interest	Other	Total Payables
General	$ 5,777	$ 1,186	$ -	$ -	$ 6,963
Capital project	-	-	-	-	-
Special revenue	-	-	-	-	-
Total governmental activities	$ 5,777	$ 1,186	$ -	$ -	$ 6,963
Business-type activities:					
Water	$ 3,971	$ -	$ -	$ -	$ 3,971
Total business-type activities	$ 3,971	$ -	$ -	$ -	$ 3,971

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

Primary Government

Governmental activities--Net Position Invested in Capital Assets:

	Beginning Balance	Increase	Decrease	Ending Balance
Not being depreciated:				
Land	$ 115,550	$ -	$ -	$ 115,550
Being depreciated:				
Buildings	363,962	-	-	363,962
Equipment	370,690	34,911	15,971	389,630
Infrastructure	600,321	62,986	-	663,307
Totals	1,334,973	97,897	15,971	1,416,899
Less accumulated depreciation for:				
Buildings	163,490	10,137	-	173,627
Equipment	193,015	23,231	15,971	200,275
Infrastructure	62,854	11,477	-	74,331
Totals	419,359	44,845	15,971	448,233
Depreciable-net	915,614	53,052	-	968,666
Investment in capital assets	1,031,164	53,052	-	1,084,216
Leases Payable	-	-	-	-
Note Payable	101,044	32,982	22,369	111,657
Totals	101,044	32,982	22,369	111,657
Net Investment in Capital Assets	$ 930,120			$ 972,559

Current year increases in the accumulated depreciation of the capital assets were allocated to the governmental functional activities as follows:

General government	$ 2,396
Public Safety	16,480
Public Works	25,969
Total	$ 44,845

NOTE 5. CAPITAL ASSETS (CONT'D)

Business-type activities-Net Position Invested in Capital Assets:

	Beginning Balance	Increase	Decrease	Ending Balance
Not being depreciation:				
Construction	$ -	$ -	$ -	$ -
Land	3,687	-	-	3,687
Total	3,687	-	-	3,687
Being depreciated:				
Buildings	4,108	-	-	4,108
System Improvements	1,290,353	98,608	-	1,388,961
Total	1,294,461	98,608	-	1,393,069
Less accumulated depreciation for:				
Buildings	4,108	-	-	4,108
Systems Improvements	537,684	17,500	-	555,184
Total	541,792	17,500	-	559,292
Depreciable-net	752,669	-	-	833,777
Investment in capital assets	756,356	-	-	837,464
Notes Payable	-	-	-	-
Capital Leases	-	-	-	-
Revenue Bonds	-	-	-	-
Total	-	-	-	-
Investment in Capital Assets	$ 756,356	$ -	$ -	$ 837,464

Note 5 A Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports 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 (expenses/expenditures) until then. The City reports the deferred charge of $38,863. reported in the government-wide statement of net position .

In addition to liabilities, the statement of net position reports 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 reports one of these items.

Deferred Property Taxes	$38,863

In addition to liabilities, the Governmental Funds Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund 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 reports three of these items.

The first item, property taxes, are reported as deferred inflows of resources since they are recognized as receivables before the period for which the taxes are levied.

The second item, Special Local Option Sales Tax, are reported as deferred inflows of resources since they are recognized as receivables before the period for which the funds are received.

These funds are reported as follows:

Fund	Amount
General:	
Property taxes	$ 53,338
Total General Fund	$ 53,338
SPLOST Fund	3,800
Total	$ 57,138

NOTE 6. INTERFUND BALANCES AND ACTIVITY

Interfund Balances

Interfund balances at December 31, 2021 consist of the following:

Transfer to/from Other Funds

Transfer Out	Transfers In			
	Capital Project		Nonmajor	Totals
Governmental Funds				
General Fund	$ -	$ -	$ -	$ -
Special Revenue funds	-	-	-	-
Totals	$ -	$ -	$ -	$ -

NOTE 7. LONG-TERM OBLIGATIONS

Governmental Activities

Changes in long-term obligations for the year ended December 31,2021 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within one Year
Governmental Activities:					
Capital Lease Obligations	$ -	-	-	-	$ -
Note Payable	51,044	-	8,904	42,140	9,272
Note Payable	50,000	-	9,561	40,439	9,776
Note Payable	-	32,982	3,904	29,078	7,994
Total Governmental Activities	$ 101,044	$ 32,982	$ 22,369	$ 111,657	$ 27,042

NOTE 7. LONG-TERM OBLIGATIONS

Governmentsl Activities:
Capital Lease:

Note Payable:
The City entered into a Note with a bank on March 5, 2019 for the Public Works Department to purchase a 2019 John Deere 310L Backhoe. The original principal portion of the note $65,782 at 4.00% interest. The repayment is as follows $901.06 due monthly for 84 equal Payments. The payments will begin on April 20, 2019. The backhoe is being depreciated using the straight line method of depreciation over 7 years. The original purchase price of the Backhoe is $80,500 the accumulated depreciation on the backhoe is $30,188 the remaining book basis of the backhoe is $50,312.

Year Ended	Principal	Interest	Total Princ & Interest
2/1/2022	9,272	1,541	10,813
2/1/2023	9,656	1,157	10,813
2/1/2024	10,056	757	10,813
2/1/2025	13,156	359	13,515
2/1/2026	-	-	-
02/01/2027-2031	-	-	-
02/01/2032-2036	-	-	-
Totals	42,140	3,814	45,954

The City entered into a Note with a USDA on August 5, 2020 for the Public Safety Department to purchase Police Vehicles. The original principal portion of the note $50,000 at 2.25% interest. The repayment is as follows $10,686 due annual for 5 equal payments. The payments will begin on August 5, 2021. The police vehicles is being depreciated using the straight line method of depreciation over 7 years. The original purchase price of the Police Vehicles is $75,000 the accumulated depreciation on the police vehicles is $16,115 the remaining book basis of the backhoe is $58,885.

Year Ended	Principal	Interest	Total Princ & Interest
8/5/2022	9,776	910	10,686
8/5/2023	9,996	690	10,686
2/1/2024	10,221	465	10,686
2/1/2025	10,446	235	10,681
2/1/2026	-	-	-
02/01/2027-2031	-	-	-
02/01/2032-2036	-	-	-
Totals	40,439	2,300	42,739

NOTE 7. LONG-TERM OBLIGATIONS

The City entered into a Note with a Bank on June 3, 2021 for the Public Works Department to purchase F 150 Pick up Truck. The original principal portion of the note $32,982 at 3.14% interest. The repayment is as follows $732.74 due monthlyl for 48 equal payments. The payments will begin on July 3, 2021. The Public Works Truck is being depreciated using the straight line method of depreciation over 7 years. The original purchase price of the Police Vehicles is $32,982 the accumulated depreciation on the police vehicles is $2,356 the remaining book basis of the backhoe is $30,626.

Year Ended	Principal	Interest	Total Princ & Interest
8/5/2022	7,994	799	8,793
8/5/2023	8,249	544	8,793
2/1/2024	8,512	281	8,793
2/1/2025	4,323	39	4,362
2/1/2026	-	-	-
02/01/2027-2031	-	-	-
02/01/2032-2036	-	-	-
Totals	29,078	1,663	30,741

Water

Notes Payable	$ -	-	-	-	$ -
Total Business Type Activities	$ -	-	-	-	$ -

NOTE 7. LONG-TERM OBLIGATIONS (CONT'D)

Capitalization of Interest

Interest costs incurred in the Water Fund during construction are not capitalized.

NOTE 8. RETIREMENT BENEFITS

The City has established a Defined Contribution Plan that is available to eligible city employees, pursuant to Federal legislation permitting such plans. The plan is administered by Nationwide Retirement Solutions, Inc. The 2021 covered payroll was $175,427 and the total 2021 payroll was $201,127. The plan is open to all full time employees with more than one year service.

Employees are 100% vested in the City contribution after seven years of service. The contribution for 2021 to the City funded plan was $1,056 which was 0.60% of the covered payroll.

Employees do not contribute to this plan and the City does not have a required contribution. Contributions are established by the City council on an annual basis.

Contingent Liabilities

The City participates in a number of federal and state assisted grant programs. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. The amount, if any, of disallowed expenditures discovered in future audits is expected to be immaterial.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Litigation

Based on the advice of the City attorney, there were no material claims outstanding against the City at December 31, 2021.

The City has assumed direct liability for its unemployment compensation claims. The experience rate for the City is immaterial in relation to the size of its payroll. Future claims would not have a material effect on the financial statements of the City. Therefore, no liability has been accrued.

NOTE 10. RISK MANAGEMENT

The City's risk management is associated with the following risks employee life, health, property, and liability, worker's compensation, unemployment, and disability.

Significant losses are covered by commercial insurance for all major programs except unemployment which is covered by the City's participation in the States Unemployment insurance program. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The City of Hoboken is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City joined the Georgia Interlocal Risk Management Agency. This membership to share liability, crime, motor vehicle and property damage risks.

NOTE 10. RISK MANAGEMENT (CONT'D)

Coverage of follows:

COVERAGE DESCRIPTION - PROPERTY:	
Buildings and Contents Automobile Physical Damage	$ 245,175 Per application on file with GIRMA
COVERAGE DESCRIPTION - CASUALTY:	
Comprehensive General Liability and Law Enforcement Liability	$ 600,000
Automobile Liability	$ 600,000
Errors and Omissions (Public Officials) Liability	$ 600,000
Employee Benefits Liability	$ 600,000
COVERAGE DESCRIPTION - CRIME:	
Blanket Bond	$ 500,000
Depositors Forgery	$ 500,000
Money in Securities Loss Inside of Premises	$ 500,000
Loss Outside of Premises	$ 500,000
DEDUCTIBLE:	
All coverage's are subject to a per occurrence deductible of	$ 1,000

NOTE 10. RISK MANAGEMENT (CONT'D)

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated non-profit instrumentality of its member municipalities - GIRMA establishes and administers one or lessen the incident 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 of loss.

The City of Hoboken must participate at all times in at least one fund which is established by GIRMA. Other responsibilities of the City are as follows:

To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.

To select a person to serve as a Member representative.

To allow GIRMA and its agents reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.

To allow attorneys appointed by GIRMA 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 protection furnished by the Fund or Funds established by GIRMA.

To assist and cooperate in the defense and settlement of claims against the City.

To furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.

To follow all loss reduction and prevention procedures established by GIRMA.

To furnish to GIRMA such budget, operating and underwriting information as may be requested.

To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in GIRMA or any Fund established by GIRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the City participates.

NOTE 10. RISK MANAGEMENT (CONT'D)

The City of Hoboken retains the first $1,000 of each risk of loss in the form of deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to the $1,000 deductible.

The basic for estimating the liabilities for unpaid claims is "IBNR" established by an actuary.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Hoboken became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The effective date membership was December 1, 1986. The liability of the fund to the employees of any employer (City of Hoboken) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

As part of these risk pools, the City is obligated to pay all contributions and assessments as described by the pools. To cooperate with the pool's agents and attorneys. To follow loss reduction procedures established by 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 pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigations arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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 preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding or 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.

NOTE 12. JOINT VENTURES

Southern Georgia Regional Commission:

The City of Hoboken, Georgia, along with the cities and counties in the Southern Georgia area is a member of the Southen Georgia Regional Commission (SGRC). Membership in an SGRC is automatic for each municipality and county in the state. The Official code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provided for the organizational structure of theSGRC. Each county and municipality in the state is required by law to pay minimum annual dues to the SGRC. The Board is comprised of not less than two (2) or more than five (5) representatives of each member county served by the SGRC. The manner of selecting such representatives from each member county is as follows:

> The chief elected official or the Chair of the Board of Commissioners of each county served by the Center shall be a member (or a designated government Official).
>
> One elected or appointed municipal government official from each city served by the Center. The mayors of the municipal government official from each served by the municipal representative of that city.
>
> Not less than ten (10) of more than twenty (20) public members.
>
> A minority representation, the percentage of which is at least equal to the minority population of the geographical region served by the Board, as established by the latest United States Census.

The Georgia Planning Act of 1989 (OCGA 50-8-34) defines SGRC's as "public agencies and instrumentalities of their member". Georgia laws also provide that the member governments are liable for any debts of obligations of an SGRC beyond its resources. (OCGA 50-8-39.1)

Complete financial statements of the Southern Georgia Regional commission can be obtained directly from the SGRC's administrative office at 3395 Harris Road, Waycross, GA 31503.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

City of Hoboken, Georgia
Budgetary Comparison Schedule--General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 329,820	$ 329,820	$ 354,272	$ 24,452
Licenses and permits	5,500	5,500	9,874	4,374
Fines and forfeitures	48,000	48,000	49,289	1,289
Charges for services	100	100	549	449
Intergovernmental	-	-	100,081	100,081
Other	-	-	-	-
Contributions	-	-	5,085	5,085
Interest received	-	-	26	26
Total revenues	383,420	383,420	519,176	135,756
Expenditures:				
Current:				
General government:				
Administration	159,018	159,018	186,502	(27,484)
Public safety:				
Police	123,070	123,070	105,111	17,959
Fire department	8,800	8,800	8,480	320
Public works:				
Street	77,450	77,450	77,319	131
Capital Outlay	-	-	34,911	(34,911)
Debt Service				
Principal	13,465	13,465	13,465	-
Interest	1,617	1,617	1,617	-
Total Expenditures	383,420	383,420	427,405	(43,985)
Excess of revenues over (under) expenditures before other financing sources (uses)	-	-	91,771	91,771

City of Hoboken, Georgia
Budgetary Comparison Schedule--General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses)				
Contingencies	-	-	-	-
Note Proceeds	-	-	32,981	32,981
Sale of Capital Assets	-	-	5,196	5,196
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing Sources (Uses)	-	-	38,177	38,177
Net change in fund balance	$ -	$ -	129,948	$ 129,948
Fund balance beginning			150,474	
Fund balance ending			$ 280,422	

City of Hoboken, Georgia
Notes to Required Supplementary Information
For the Year Ended December 31, 2021

The City Charter established the year as the twelve-month period beginning January 1. The departments submit to the City Clerk a budget of estimated expenditures for the ensuing fiscal year after which the City Clerk subsequently submits a budget of estimated expenditures and revenues to the city Council by October 15.

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

1. Prior to October 1, the City Clerk and the Council prepare a proposed budget for the year commencing January 1.

2. The City Clerk and Council present the proposed budget at a public hearing.

3. Public hearings are held to obtain taxpayer's comments.

4. The budget is legally enacted through the passage of a resolution.

5. All revisions to the budget must be submitted to the city Council for approval.

6. budgetary appropriations lapse at the end of the year.

7. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the General fund, Special Revenue funds. A project length budget is adopted for all Capital Projects Funds. An operating budget is prepared for each Enterprise fund for planning, control, cost allocation, and evaluation purposes. Budgetary amounts are formally integrated into the general ledgers.

Expenditures exceeded appropriations:

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
General government:				
Administration	159,018	159,018	186,502	(27,484)
Capital Outlay	-	-	34,911	(34,911)
	-	-	-	-

Major Capital Project Fund

The Capital Project Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The City's Major Capital Project funds are as follows:

SPLOST Fund

City of Hoboken, Georgia
SPLOST Fund
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Intergovernmental	$ 45,000	$ 45,000	$ 46,084	$ 1,084
Other Revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	45,000	45,000	46,084	1,084
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Public Works	25,000	25,000	24,315	685
Debt Service:				
Principal	8,904	8,904	8,904	-
Interest	1,909	1,909	1,909	-
Total Expenditures	35,813	35,813	35,128	685
Excess (deficiency) of revenues over (under) expenditures	9,187	9,187	10,956	1,769
Net charge in Fund Balance	9,187	9,187	10,956	1,769
Fund balance beginning			58,085	
Fund balance ending			$ 69,041	

Governmental Funds

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds: To account for and report the proceeds of specific revenue sources that are restricted, or committed to expenditures for specified purposes other than debt service or capital projects.

Mobile Home Park - To account for the operations of the Mobile Home Park.

Community Center - To account for the operations of the Community Center.

Police Siezed Property -- To account for property seized by the police department

CAPITAL PROJECT FUNDS

Capital Project Funds: To account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

DOT LMIG Fund: To account for the revenues and expenditures of the DOT funds in accordance with the directive.

Transportation SPLOST--To account for Transportation Capital Projects financed by the Transportation Special Local Option Sales Tax in accordance with enabling legislation.

City of Hoboken, Georgia
All Nonmajor Governmental Funds
Combining Balance Sheets
December 31, 2021

	Governmental Funds		Total
Assets	Special Revenue	Capital Project	Nonmajor Governmental Funds
Cash	$ 46,383	$ 54,222	$ 100,605
Receivables	2,431	1,970	4,401
Total Assets	$ 48,814	$ 56,192	$ 105,006
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	$ -	$ -	$ -
Total Liabilities	-	-	-
Fund Balances			
Restricted:			
Public Works		56,192	56,192
Committed:			
Community Development	48,814	-	48,814
Total Fund Balances	48,814	56,192	105,006
Total Liabilities and Fund Balances	$ 48,814	$ 56,192	$ 105,006

City of Hoboken, Georgia
All Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	Governmental Funds		Total Nonmajor Governmental Funds
	Special Revenue	Capital Project	
Revenues			
Rental	$ 13,695	$ -	$ 13,695
Fines and forfeitures	791		791
Intergovernmental	-	40,499	40,499
Other	-	-	-
Interest	1	-	1
Total Revenues	14,487	40,499	54,986
Expenditures			
Current:			
Public Safety	188	-	188
Public Works	9,572	-	9,572
Community Development	1,881	-	1,881
Capital Outlay:			
Public Works	-	38,671	38,671
Total Expenditures	11,641	38,671	50,312
Excess (deficiency) of revenues over (under) expenditures before other sources (uses)	2,846	1,828	4,674
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers (Out)	-	-	-
Total other financing sources (Uses)	-	-	-
Net charge in Fund balances	2,846	1,828	4,674
Fund balance beginning	45,968	54,364	100,332
Fund balance ending	$ 48,814	$ 56,192	$ 105,006

NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital outlay.

The City's Non-Major Special Revenue Funds are as follows:

Mobile Home Park
Community Center
Police Seized Property

NON-MAJOR SPECIAL REVENUE FUNDS

Mobile Home Park: To account for the for the rental of and maintenance of the lots at the mobile home park.

Community Center: To account for the for the rental of and maintenance of the community center.

Police Siezed Property: To account for the funds siezed by the police

Non-Major Special Revenue Funds

City of Hoboken, Georgia
All Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2021

	Mobile Home Park	Community Center	Police Siezed Property	Total Nonmajor Special Revenue Funds
ASSETS				
Cash	$ 21,599	$ 23,575	$ 1,209	$ 46,383
Receivable - Other	2,431	-	-	2,431
TOTAL ASETS	$ 24,030	$ 23,575	$ 1,209	$ 48,814
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable and accruals	$ -	$ -	$ -	$ -
Due to Others	-	-	-	-
Deferred Revenues	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
FUND BALANCES				
Committed:				
Community Development	24,030	23,575	1,209	48,814
TOTAL FUND BALANCES	24,030	23,575	1,209	48,814
TOTAL LIABILITIES & FUND BALANCE	$ 24,030	$ 23,575	$ 1,209	$ 48,814

City of Hoboken, Georgia
All Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	Mobile Home Park	Community Center	Police Siezed Property	Total Nonmajor Special Revenue Funds
REVENUES				
Rental	$ 9,795	$ 3,900	$ -	$ 13,695
Fines and Forfeitures	-	-	791	791
Interest	1	-	-	1
TOTAL REVENUES	9,796	3,900	791	14,487
EXPENDITURES				
Current:				
Administritive	-	-	-	-
Public Works	4,120	5,452	-	9,572
Public Safety	-	-	188	188
Community Development	1,881	-	-	1,881
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	6,001	5,452	188	11,641
Excess (Deficiency) of Revenues over (under) Expenditures	3,795	(1,552)	603	2,846

City of Hoboken, Georgia
All Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	Mobile Home Park	Community Center	Community Center	Total Nonmajor Special Revenue Funds
OTHER FINANCIAL SOURCES (USES)				
Proceeds from capital leases	-	-	-	-
Operating Transfer In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Excess Revenues Over (under) Expenditures and Other Financial Sources (uses)	3,795	(1,552)	603	2,846
NET CHARGE IN FUND BALANCES	3,795	(1,552)	603	2,846
FUND BALANCE BEGINNING	20,235	25,127	606	45,968
FUND BALANCE ENDING	$ 24,030	$ 23,575	$ 1,209	$ 48,814

City of Hoboken, Georgia
Mobile Home Park
Balance Sheet
December 31, 2021

ASSETS	
Cash	$ 21,599
Receivable	2,431
TOTAL ASSETS	$ 24,030
Liabilities and	
Fund Balance	
Liabilities	
Accounts Payable	$ -
TOTAL LIABILITIES	-
Fund Balances	
Committed	
Community Development	24,030
Total Fund Balances	24,030
Total Liabilities and Fund Balances	$ 24,030

City of Hoboken, Georgia
Mobile Home Park
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Rent & Late Charges	$ 9,399	$ 9,399	$ 9,795	$ 396
Other Revenue	-	-	-	-
Interest	1	1	1	(0)
Total Revenues	9,400	9,400	9,796	396
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Public Works	4,500	4,500	4,120	380
Community Development	4,900	4,900	1,881	3,019
Total Expenditures	9,400	9,400	6,001	3,399
Excess (deficiency) of revenues over (under) expenditures before other sources (uses)	-	-	3,795	3,795
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net charge in Fund Balance	$ -	$ -	3,795	$ 3,795
Fund balance beginning			20,235	
Fund balance ending			$ 24,030	

City of Hoboken, Georgia
Community Center
Balance Sheet
December 31, 2021

ASSETS	
Cash	$ 23,575
Receivable	-
TOTAL ASSETS	$ 23,575
Liabilities and	
Fund Balance	
Liabilities	
Accounts Payable	$ -
TOTAL LIABILITIES	-
Fund Balances	
Committed	
Community development	23,575
Total Fund Balances	23,575
Total Liabilities and Fund Balances	$ 23,575

City of Hoboken, Georgia
Community Center
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Rent	$ 5,500	$ 5,500	$ 3,900	$ (1,600)
Other Revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	5,500	5,500	3,900	(1,600)
EXPENDITURES				
Current:				
Public Safety	-	-	-	
Public Works	5,500	5,500	5,452	48
Capital Outlay				
Public Works	-	-	-	-
Total Expenditures	5,500	5,500	5,452	48
Excess (deficiency) of revenues over (under) expenditures before other sources (uses)	-	-	(1,552)	(1,552)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net charge in Fund Balance	$ -	$ -	(1,552)	$ (1,552)
Fund balance beginning			25,127	
Fund balance ending			$ 23,575	

City of Hoboken, Georgia
Police Seized Funds
Balance Sheet
December 31, 2021

ASSETS	
Cash	$ 1,209
Receivable	-
TOTAL ASSETS	$ 1,209
Liabilities and	
Fund Balance	
Liabilities	
Accounts Payable	$ -
TOTAL LIABILITIES	-
Fund Balances	
Committed	
Community development	1,209
Total Fund Balances	1,209
Total Liabilities and Fund Balances	$ 1,209

City of Hoboken, Georgia
Police Seized Funds
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Fines and Seized Property	$ 1,000	$ 1,000	$ 791	$ (209)
Other Revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	1,000	1,000	791	(209)
EXPENDITURES				
Current:				
Public Safety	1,000	1,000	188	812
Capital Outlay				
Public Safety	-	-	-	-
Total Expenditures	1,000	1,000	188	812
Excess (deficiency) of revenues over (under) expenditures before other sources (uses)	-	-	603	603
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net charge in Fund Balance	$ -	$ -	603	$ 603
Fund balance beginning			606	
Fund balance ending			$ 1,209	

NON-MAJOR CAPITAL PROJECT FUNDS

Capital Projects Funds are to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The City's Non-Major Capital Project Funds are as follows:

DOT LMIG
Transporation SPLOST

NON-MAJOR CAPITAL PROJECT FUNDS

DOT LMIG: To account for the for the road project paid for out of the Revenue from the Georgia Department of Transporation

Transporation SPLOST: To account for the road projects paid for out of the Transporation SPLOST money.

Non-Major Capital Project Funds

City of Hoboken, Georgia
All Nonmajor Capital Projct Funds
Combining Balance Sheet
December 31, 2021

	DOT LMIG	Transporation SPLOST	Total Nonmajor Capital Project Funds
ASSETS			
Cash	$ 22,722	$ 31,500	$ 54,222
Receivable - Other	-	1,970	1,970
TOTAL ASETS	$ 22,722	$ 33,470	$ 56,192
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable and accruals	$ -	$ -	$ -
Due to Others	-	-	-
Deferred Revenues	-	-	-
TOTAL LIABILITIES	-	-	-
FUND BALANCES			
Restricted:			
Capital Projcts Public Works	22,722	33,470	56,192
TOTAL FUND BALANCES	22,722	33,470	56,192
TOTAL LIABILITIES & FUND BALANCE	$ 22,722	$ 33,470	$ 56,192

City of Hoboken, Georgia
All Nonmajor Capital Project Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	DOT LMIG	Transporation SPLOST	Total Nonmajor Capital Project Funds
REVENUES			
Intergovernmental	$ 18,636	$ 21,863	$ 40,499
Other revenue	-	-	-
Interest	-	-	-
	-		
TOTAL REVENUES	18,636	21,863	40,499
EXPENDITURES			
Current:			
Administritive	-	-	-
Public Works	-	-	-
Culture & Recreation	-	-	-
Other	-	-	-
Capital Outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	25,135	13,536	38,671
Debt Service			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	25,135	13,536	38,671
Excess (Deficiency) of Revenues over (under) Expenditures	(6,499)	8,327	1,828
OTHER FINANCIAL SOURCES (USES)			
Operating Transfer In	-	-	-
Operating Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-

City of Hoboken, Georgia
All Nonmajor Capital Project Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	DOT LMIG	Transporation SPLOST	Total Nonmajor Capital Project Funds
Excess Revenues Over (under) Expenditures and Other Financial Sources (uses)	(6,499)	8,327	1,828
NET CHARGE IN FUND BALANCES	(6,499)	8,327	1,828
FUND BALANCE BEGINNING	29,221	25,143	54,364
FUND BALANCE ENDING	$ 22,722	$ 33,470	$ 56,192

City of Hoboken, Georgia
DOT LMIG Fund
Balance Sheet
December 31, 2021

ASSETS	
Cash	$ 22,722
Receivable	-
TOTAL ASSETS	$ 22,722
Liabilities and	
Fund Balance	
Liabilities	
Accounts Payable	$ -
TOTAL LIABILITIES	-
Fund Balances	
Restricted:	
DOT LMIG	22,722
Total Fund Balances	22,722
Total Liabilities and Fund Balances	$ 22,722

City of Hoboken, Georgia
DOT LMIG Fund
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Intergovernmental	$ 25,000	$ 25,000	$ 18,636	$ (6,364)
Other Revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	25,000	25,000	18,636	(6,364)
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Capital Outlay	25,000	25,000	25,135	(135)
Total Expenditures	25,000	25,000	25,135	(135)
Excess (deficiency) of revenues over (under) expenditures	-	-	(6,499)	(6,499)
Net charge in Fund Balance	$ -	$ -	(6,499)	$ (6,499)
Fund balance beginning			29,221	
Fund balance ending			$ 22,722	

City of Hoboken, Georgia
Transporation SPLOST
Balance Sheet
December 31, 2021

ASSETS	
Cash	$ 31,500
Receivable	1,970
TOTAL ASSETS	$ 33,470
Liabilities and	
Fund Balance	
Liabilities	
Accounts Payable	$ -
TOTAL LIABILITIES	-
Fund Balances	
Restricted:	
Transporation Capital Projects	33,470
Total Fund Balances	33,470
Total Liabilities and Fund Balances	$ 33,470

City of Hoboken, Georgia
Transporation SPLOST
Schedule of Revenues, Expenditures, and Charges in Fund Balance - Budget and Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Intergovernmental	$ 20,000	$ 20,000	$ 21,863	$ 1,863
Other Revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	20,000	20,000	21,863	1,863
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Capital Outlay	20,000	20,000	13,536	6,464
Total Expenditures	20,000	20,000	13,536	6,464
Excess (deficiency) of revenues over (under) expenditures	-	-	8,327	8,327
Net charge in Fund Balance	$ -	$ -	8,327	$ 8,327
Fund balance beginning			25,143	
Fund balance ending			$ 33,470	

Water Fund

A Proprietary Fund

Statement of Revenues, Expenses, and Changes in Net Position

Budget to Actual

City of Hoboken, Georgia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund Budget to Actual
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES				
Charges for services	$ 91,850	$ 91,850	$ 92,338	$ 488
Miscellaneous	-	-	-	-
Total operating revenues	91,850	91,850	92,338	488
OPERATING EXPENSES				
Personnel services	19,500	19,500	19,146	354
Contractual services	38,800	38,800	38,066	734
Utilities	5,500	5,500	4,530	970
Repairs and maintenance	4,000	4,000	3,793	207
Other supplies and expense	3,900	3,900	3,411	489
Insurance claims and expenses	3,500	3,500	3,468	32
Depreciation	17,500	17,500	17,500	-
Total operating expenses	92,700	92,700	89,914	2,786
Operating income (loss)	(850)	(850)	2,424	3,274
NONOPERATING REVENUES (EXPENSES)				
Interest	850	850	681	(169)
Intergovernmental	-	-	-	-
Interest expense	-	-	-	-
Miscellaneous expense	-	-	-	-
Total nonoperating revenue (expenses)	850	850	681	(169)
Income (loss) before contributions and transfers	-	-	3,105	3,105
CONTRIBUTIONS AND TRANSFERS				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Net Contributions and Transfers	-	-	-	-
Change in net position	-	-	3,105	3,105
Total net position-beginning	931,835	931,835	931,835	-
Total net position-ending	931,835	931,835	934,940	3,105

STATE COMPLIANCE SECTION

SPECIAL REPORTS

The Special Report is applicable to the Special 1 Percent Sales and Use Tax required by the State of Georgia.

Earl A. Lawson, CPA
Certified Public Accountant

INDEPENDENT AUDITORS' REPORT ON SPECIAL 1 PERCENT SALES AND USE TAX

City Council
Hoboken, Georgia

I have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Hoboken, Georgia for the year ended December 31, 2021. This schedule is the responsibility of the City of Hoboken, management. My responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. I believe that my audit provides a reasonable basis for my opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 pm the modified accrual basis of accounting used form the Special Purpose Local Option Sales Tax schedule as described in Note 1-D and is not intended to be a complete presentation of the City of Hoboken's revenues and expenditures.

In my opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in the City of Hoboken's resolution or ordinance calling for the tax for the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia 31516
January 23, 2022

1025 Elizabeth St
Blackshear, GA 31516
912-449-5485
earlcpa@bellsouth.net

City of Hoboken, Georgia
Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2007					
Public Works:					
Roads and Drainage	175,000	162,136	-	162,136	92.65%
TOTAL	175,000	162,136	-	162,136	
2013					
Public Works:					
Roads and Drainage	170,000	192,697	72,485	265,182	155.99%
TOTAL	170,000	192,697	72,485	265,182	
Total Expenditures		354,833	72,485	427,318	

Note (1): Estimated percentage of completion is based on expenditures by the City to date in relation to total estimated expenditures, which have been provided by City management.

City of Hoboken, Georgia
Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Transporation SPLOST					
Public Works:					
Roads and Drainage	175,000	17,190	35,127	52,317	29.90%
TOTAL	175,000	17,190	35,127	52,317	

Note (1): Estimated percentage of completion is based on expenditures by the City to date in relation to total estimated expenditures, which have been provided by City management.

Earl A. Lawson, CPA
Certified Public Accountant

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*

Independent Auditor's Report

To The City Council
City of Hoboken, Georgia

I 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, each major fund, and the aggregate remaining fund information of the City of Hoboken, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements which collectively comprise the City of Hoboken's basic financial statements, and have issued my report thereon dated January 23, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the City of Hoboken's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Hoboken's internal control. Accordingly, I do not express an opinion on the effectiveness to the City of Hoboken'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 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.

My 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. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

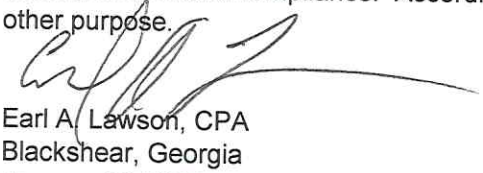
1025 Elizabeth St
Blackshear, GA 31516
912-449-5485
earlcpa@bellsouth.net

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Hoboken's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.



Earl A. Lawson, CPA
Blackshear, Georgia
January 23, 2022