CITY OF HOMELAND, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

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City of Homeland, Georgia
Financial Statements
For the Fiscal Year Ended December 31, 2019

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INTRODUCTORY SECTION

CITY OFFICIALS

MAYOR
Ouida Johnson

COUNCIL
Joseph K. Taylor, Post 1
Leroy C. Guinn, Post 2
Jon Finsness, Post 3
Mark Williams, Post 4
Richard Gwaltney, Post 5
Lisa Nettles, Post 6

CITY CLERK
Bernice Pascal

FINANCIAL SECTION

DONALD G. CREWS, CPA, PC
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements
I have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund, of the City of Homeland, Georgia, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
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 basic financial statements are free of 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.

Member
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants

Opinions
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund for the City of Homeland, Georgia, as of December 31, 2019, 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
Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information. However, the budgetary comparison information is presented, as required by generally accepted accounting principles in the United States of America, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, 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.

Other Information
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information in the Georgia Grant Certification Schedule, Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Georgia Grant Certification Schedule, Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, and Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to 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 above described supplemental information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated September 16, 2020, on my consideration of the City's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Homeland, Georgia's internal control over financial reporting and compliance.

Donald G. Crews, CPA

Donald G. Crews, CPA
Folkston, Georgia
September 16, 2020

CITY OF HOMELAND, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	$ 256,181	$ 102,203	$ 358,384
Receivables	63,341	4,019	67,360
Inventories	0	0	0
Capital Assets (Note 5)			
Land and improvements	196,000	5,000	201,000
Other capital assets, net of depreciation	1,648,786	$ 472,472	2,121,258
Total capital assets	1,844,786	477,472	2,322,258
Total assets	$2,164,308	$ 583,694	$2,748,002
LIABILITIES			
Accounts payable and accrued expenses	$ 10,902	$ 1,442	$ 12,344
Deposits	0	25,970	25,970
Long-term liabilities (Note 7)			
Due within one year	4,043	11,780	15,823
Due in more than one year	12,184	195,070	207,254
Total liabilities	27,129	234,262	261,391
NET POSITION			
Net invested in capital assets	$1,828,559	$ 270,622	$2,099,181
Restricted for:			
Debt service	0	40,110	40,110
Capital Projects	37,375	0	37,375
Unrestricted (deficit)	271,245	38,700	309,945
Total net position	2,137,179	349,432	2,486,611
Total liabilities and net position	$2,164,308	$ 583,694	$2,748,002

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

CITY OF HOMELAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

		PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION Primary Government		
Functions/Programs	Expense	Charges For Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:						
Government activities						
General government	$ 114,697	$ 9,267	$ 0	$ (105,430)		$ (105,430)
Public safety	72,272	75,299	0	3,027		3,027
Public works	232,813	37,613	67,102	(128,098)		(128,098)
Culture & recreation	17,477	0	0	(17,477)		(17,477)
Community development	0	0	0	0		0
Total	437,259	122,179	67,102	(247,978)		$ (247,978)
Business-type activities						
Water & sewer	129,888	148,652	0		18,764	18,764
Total	129,888	148,652	0	0	18,764	18,764
Total primary government	$ 567,147	270,831	$ 67,102	$ (247,978)	18,764	(229,214)
General revenues:						
Taxes:						
Property taxes				$ 35,345		35,345
Sales taxes				146,033		146,033
Insurance premium tax				69,968		69,968
Franchise taxes				28,606		28,606
Unrestricted investment earnings				466	64	530
Total General revenues				280,418	64	280,482
Transfers				5,425	(5,425)	0
Total General revenues and transfers				285,843	(5,361)	280,482
Change in net position				37,865	13,403	51,268
Net position - beginning				2,099,314	336,029	2,435,343
Net position - ending				$2,137,179	$349,432	$2,486,611

The accompanying notes are an integral part
of these financial statements

City of Homeland, Georgia
Balance Sheet
Governmental Funds
December 31, 2019

ASSETS	General	Capital Projects TSPLOST	Capital Projects SPLOST	Total Governmental Funds
Cash and cash equivalents	$ 218,806	$36,545	$ 830	$ 256,181
Receivables, net	63,341	0	0	63,341
Total Assets	$ 282,147	$36,545	$ 830	$ 319,522
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 10,902	$ 0	$ 0	$ 10,902
Notes payable	16,227	0	0	16,227
Total liabilities	27,129	0	0	$ 27,129
Fund Balances:				
Committed	78,975	0	0	$ 78,975
Restricted	0	36,545	830	37,375
Unassigned	176,043	0	0	176,043
Total fund balances	255,018	36,545	830	
Total Liabilities and Fund Balances	$ 282,147	$36,545	$ 830	

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. Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Page 28)	1,844,786
Net position of governmental activities (Page 9)	$2,137,179

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

CITY OF HOMELAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General	Capital Projects TSPLOST	Capital Projects SPLOST	Total Governmental Funds
REVENUES				
Taxes	$ 248,258	$ 31,694	$ 0	$ 279,952
Intergovernmental	67,102	0	0	67,102
Charges for services	122,177	0	0	122,177
Interest earnings	467	0	0	467
Miscellaneous	0	0	0	0
Total Revenues	438,004	31,694	0	469,698
EXPENDITURES				
Current:				
General government	112,224	0	0	112,224
Public safety	72,272	0	0	72,272
Public works	240,831	0	50,000	290,831
Culture & recreation	17,477	0	0	17,477
Community development	0	0	0	0
Capital outlay	0	0	0	0
Total Expenditures	442,804	0	50,000	492,804
Excess (deficiency) of revenues over expenditures	(4,800)	31,694	(50,000)	(23,106)
OTHER FINANCIAL SOURCES (USES)				
Transfers in	5,425	15	0	5,440
Transfers out	(15)	0	(0)	(15)
Total Other Financial Sources (Uses)	5,410	15	0	5,425
Net change in fund balances	610	31,709	(50,000)	(17,681)
Fund balances – beginning	254,408	4,836	50,830	310,074
Fund balances – ending	$ 255,018	$36,545	$ 830	$ 292,393

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

CITY OF HOMELAND, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net change in fund balances – total governmental funds	$ (17,681)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation of $55,546 in the current period. (Page 28)	55,546
Change in net position of governmental activities (Page 10)	$ 37,865

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

CITY OF HOMELAND, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Enterprise Funds Water
ASSETS	
Current assets	
Cash	$ 102,203
Receivables, net	4,019
Total current assets	106,222
Non-current assets	
Cash	
Capital assets	
Land and improvements	5,000
Distribution and collection systems	1,073,810
Less accumulated depreciation	(601,338)
Total capital assets	477,472
Total Assets	$ 583,694
LIABILITIES	
Current liabilities	
Accounts payable	$ 1,442
Customer deposits	25,970
Notes payable	11,780
Total current liabilities	39,192
Noncurrent liabilities	
Bonds, notes and loans payable	195,070
Total noncurrent liabilities	195,070
Total Liabilities	234,262
NET POSITION	
Net invested in capital assets	270,622
Restricted for debt services	40,110
Unrestricted	38,700
Total net position	349,432
Total Liabilities and Net Position	$ 583,694

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

CITY OF HOMELAND, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Enterprise Funds Water
OPERATING REVENUES	
Charges for services	$ 148,652
Miscellaneous	0
Total operating revenues	148,652
OPERATING EXPENSES	
Personnel services	39,177
Utilities	7,273
Repairs and maintenance	29,977
Other supplies and expense	17,999
Depreciation	22,899
Total operating expenses	117,325
Operating income (loss)	31,327
NONOPERATING REVENUES (EXPENSES)	
Interest	64
Interest expense	(12,563)
Total Nonoperating revenues (expenses)	(12,499)
Income (loss) before contributions and transfers	18,828
CONTRIBUTIONS AND TRANSFERS	
Transfers in	0
Transfers out	(5,425)
Net contributions and transfers	(5,425)
Change in net position	13,403
Total net position – beginning	336,029
Total net position – ending	$ 349,432

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

CITY OF HOMELAND, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Enterprise Funds Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 147,634
Payments to suppliers	(53,421)
Payments to employees	(39,177)
Other receipts (payments)	0
Net cash provided by operating activities	55,036
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in (out)	(5,425)
Due to other funds	(0)
Net cash (used) by noncapital financing activities	(5,425)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(3,494)
Principal paid on capital debt	(11,630)
Interest paid on capital debt	(12,563)
Net cash (used) by capital and related financing activities	(27,687)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	64
Net cash provided by investing activities	64
Net (decrease) in cash and equivalents	21,988
Balances – beginning of the year	80,215
Balances – end of the year	$ 102,203
Displayed as:	
Cash	62,093
Restricted cash	40,110
Cash balance end of year	$ 102,203

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

CITY OF HOMELAND, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Enterprise Funds Water
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ 31,327
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	22,899
Change in assets and liabilities:	
Receivables, net	(1,018)
Accounts and other payables	198
Customer deposits	1,630
Net cash provided by operating activities	$ 55,036

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Homeland, Georgia was incorporated under the laws of the State of Georgia and operates under a mayor-council form of government. The Mayor and a five 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 Manager who is responsible for the daily operations of the City.

The accounting and reporting policies of the City Homeland, Georgia conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled "Audits of State and Local Governmental Units", and by the Financial Accounting Standards Board (when applicable), FASB Statements and Interpretations.

A. Financial Reporting Entity

Primary Government
The City of Homeland was originally incorporated by an Act of the General Assembly of Georgia. The basic charter of the City was provided in Georgia laws. The City is governed by an elected mayor and six-member council with daily operations managed by the mayor. The following services as authorized by its charter and code are provided by the City: General Administrative Services, Public Safety, and Public Works.

Discretely Presented Component Units – Using the criteria of Governmental Accounting Standards Board (GASB) Statement No. 61, management determined that no discretely presented component units were necessary.

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 organization's office. At year-end there were no receivables or payables between the City and this organization.

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 of 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 rely 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. The City has presented the following 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.

The Capital Projects Funds account for the Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax financial resources expended for purposes approved by referendum.

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 net Position, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presently the following major proprietary fund:

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 debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

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 expenditures 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 fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in 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 tax, 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgetary Control

The City Charter established the fiscal 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 December 1.

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

1. Prior to January 1, the Treasurer and the Council Budget Committee prepare a proposed budget for the fiscal year commencing January 1.

2. The Treasurer and Council Budget Committee submit the proposed budget to the Mayor and Council.

3. Public hearings are held to obtain taxpayers' 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. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the General Fund.

A project length budget is adopted for all Capital Projects Funds. An operating budget is prepared for the Enterprise Fund for planning, control, cost allocation, and evaluation purposes. Budgetary amounts are not formally integrated into the Enterprise Fund general ledgers.

7. Budgetary appropriations lapse at the end of the fiscal year.

E. 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 on the applicable appropriation.

F. Deposits and Investments

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:

a. Bonds, bills, certificates of indebtedness, notes, or other direct obligations of the United States or of the State of Georgia;
b. Bonds, bills, certificates of indebtedness, notes, or other direct obligations of the counties or municipalities of the State of Georgia;
c. 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;
d. 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
e. Bonds, 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.

Investments consist of certificates of deposit and are recorded at cost, which approximates market value.

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.

G. 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.

H. Inventories

Inventories consist of supplies and are expensed at time of purchase due to the City keeping an insignificant amount on hand at any time.

I. Receivables and Payables

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

J. Property Tax Calendar

Property taxes attach as enforceable lien on property as of January 1. Taxes are levied on or about August 26 and are due and payable on or before January 20 of the following year. The City's taxes are billed and collected by the Charlton County Tax Commissioner. City property tax revenues are recognized when received by the City from the Tax Commissioner up to 60 days beyond the year end.

The assessed values are an approximation of market value as determined by the Charlton County Tax Assessor.

A local option sales tax is in force. Proceeds for this tax are remitted to the City monthly and are utilized to give property tax owners tax relief.

K. Capital Assets

General capital assets are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets used by the enterprise fund are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

The cost of infrastructure assets, including road, bridges, curbs and gutters, streets, sidewalks, drainage systems and lighting systems acquired during the current fiscal year is recorded in the government-wide financial statements. The City recorded acquisitions prior to December 31, 2006, based on historical value per the City engineer.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

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	20-50
Building and improvements	20-50
Water and sewer distribution system	20-50
Vehicles	7
Furniture and fixtures	10
Equipment	10
Computer equipment	5
Heavy machinery	5

L. Accumulated Unpaid Vacation and Other Employee Benefit Amounts

The 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, since no sick pay is allowed. Governmental activities compensated absences balances are liquidated through the General Fund. It is the City's policy to pay all annual vacation prior to year end so no compensated absences are recorded.

M. Restricted Net Position

The City has restricted amounts for the payment of revenue bonds.

N. Fund Balance Presentation

Fund balances of the Governmental Funds are classified as follows:

Nonspendable. This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted. This classification includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed. This classification includes amounts that can be spent only for specific purposes pursuant to constraints imposed by formal action of the City. Such formal action may be in the form of an ordinance or resolution and may only be modified or rescinded by a subsequent formal action.

Assigned. This classification includes amounts that are intended by the City to be used for specific purposes, but are neither restricted nor committed. Assignments may be made only by the governing body or official.

Unassigned. This classification represents the residual positive balance within the General Fund, which has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

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: 1) committed, 2) assigned, and 3) unassigned.

O. Deferred Outflows/Inflows of Resources

During the year ended December 31, 2013, the City implemented GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB 65, *Items Previously Reported as Assets and Liabilities.* No items were required to be considered Deferred Outflows or Deferred Inflows using this criteria.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balances:

The City had no deficit fund balances at December 31, 2019.

B. Excess of expenditures over appropriations in individual departments:

The City had no departments with excess expenditures.

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 uninsured 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.

The bank balances of the City's deposits with financial institutions were $358,384. The bank balances are categorized as follows:

Deposits: The City's deposits are categorized to give an indication of the level of risk assumed by the City at fiscal year-end. The categories are described as follows:

Category 1 – Insured or collateralized with securities held by the City or by its agent in the City's name.

Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

Category 3 – Uncollateralized, including those collateralized with securities held by the pledging financial institution, not in the City's name.

Deposits, categorized by level of risk are:

	Bank Balance	Category 1	Category 2	Category 3
General Fund	$256,181	$256,181	$0	$0
Enterprise Fund	102,203	102,203	0	0
Total	$358,384	$358,384	$0	$0

Restricted cash in the Enterprise Fund totaled $40,110 for debt service.

NOTE 4: RECEIVABLES AND PAYABLES

Receivables

Receivables at December 31, 2019 were as follows:

	Accounts	Taxes	Total
Governmental activities:			
General	$ 0	$63,341	$ 63,341
Total governmental activities	$ 0	$63,341	$ 63,341
Business-type activities:			
Water	$ 4,019		$ 4,019
Total business-type activities	$ 4,019		$ 4,019

Payables at December 31, 2019 were as follows:

	Vendors Total
Governmental activities:	
General	$ 10,902
Total governmental activities	$ 10,902
Business-type activities:	
Water	$ 1,442
Total business-type activities	$ 1,442

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

Primary Government

Government activities – Net Assets Invested in Capital Assets Net of Related Debts:

	Beginning Balance	Increase	Decrease	Ending Balance
Not Being Depreciated:				
Land	$ 196,000	$ 0	$ 0	$ 196,000
Being Depreciated:				
Streets & Sidewalks	3,812,873	124,089	0	3,936,962
Buildings	123,650	0	0	123,650
Equipment	389,160	19,050	0	408,210
Vehicles	73,568	0	0	73,568
Totals	4,399,251	143,139	0	4,542,390
Less Accumulated Depreciation for:				
Streets & Sidewalks	2,313,880	78,740	0	2,392,620
Buildings	48,799	2,473	0	51,272
Equipment	369,764	6,380	0	376,144
Vehicles	73,568	0	0	73,568
Totals	2,806,011	87,593	0	2,893,604
Depreciable – Net	1,593,240	55,546	0	1,648,786
Capital Assets – Net	1,789,240	55,546	0	1,844,786
Notes Payable	0	16,227	0	16,227
Capital Assets Net of Related Debt	$1,789,240	$ 39,319	$ 0	$1,828,559

Depreciation expense was charged to functions/programs of the City as follows:

General government	$ 2,473
Public safety	0
Public works	85,120
Total	$ 87,593

Business-type activities – Net Assets Invested in Capital Assets Net of Related Debts:

	Beginning Balance	Increase	Decrease	Ending Balance
Not Being Depreciated:				
Land	$ 5,000	$ 0	$ 0	$ 5,000
Being Depreciated:				
System Improvements	1,070,316	3,494	0	1,073,810
Totals	1,070,316	3,494	0	1,073,810
Less Accumulated Depreciation for:				
System Improvements	578,439	22,899	0	601,338
Totals	578,439	22,899	0	601,338
Depreciable – Net	491,877	(19,405)	0	472,472
Capital Assets – Net	496,877	(19,405)	0	477,472
Notes Payable	0	0	0	0
Revenue Bonds	218,480	0	11,630	206,850
Totals	218,480	0	11,630	206,850
Capital Assets Net of Related Debt	$ 278,397	$(19,405)	$ 11,630	$ 270,622

Construction commitments

As of December 31, 2019, the City had no commitments with respect to unfinished capital projects.

NOTE 6: INTERFUND BALANCES AND ACTIVITY

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources to provide services. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and reported as other financial sources (uses) in the Governmental Funds and transfers section in the Proprietary Funds.

Transfers between funds during the year

Transfer to General Fund	$ 5,425
Transfer from Proprietary Fund	(5,425)
	$ 0
Transfer to TSPLOST Fund	$ 15
Transfer from General Fund	(15)
	$ 0

Interfund balances

Interfund balances at December 31, 2019 consist of the following:

There were no Interfund balances at December 31, 2019.

NOTE 7: LONG-TERM OBLIGATIONS

Long-term debt of the proprietary fund outstanding at December 31, 2019, consisted of a 1992 Revenue Bond, 5.75%, original amount of $393,200 with a balance of $206,850.

Change in long term debt:

Bonds Payable at 1/01/2019	$ 218,480
Bonds Retired	11,630
Bonds Payable at 12/31/2019	$ 206,850
Due within the next year	$ 11,780

The annual requirements to amortize all debt outstanding as December 31, 2019, including interest, are as follows:

1992 Bonds

	Beginning Balance	Principal	Interest	Total
	$	$	$	$
2020	206,850	11,780	12,291	24,071
2021	195,070	12,852	11,219	24,071
2022	182,218	13,591	10,480	24,071
2023	168,627	14,373	9,698	24,071
2024	154,254	15,199	8,872	24,071
2025	139,055	16,073	7,998	24,071
2026	122,982	16,997	7,074	24,071
2027	105,985	17,975	6,096	24,071
2028	88,010	19,008	5,063	24,071
2029	69,002	20,101	3,970	24,071
2030	48,901	21,257	2,814	24,071
2031	27,644	22,479	1,592	24,071
2032	5,165	5,165	299	5,464
Total		$206,850	$ 87,466	$294,316

Original Bond Amount	$ 393,200
Interest Rate	5.75%
Date of Bond	04/15/1992

The bonds were sold for the purpose of financing the construction of the water system for the City.

NOTE 7: LONG-TERM OBLIGATIONS – CONT'D

Long-term debt of the general fund outstanding at December 31, 2019, consisted of a 2019 Note Payable, 5.00%, original amount of $17,206 with a balance of $16,227.

Change in long term debt:

Note Payable at 10/10/2019	$ 17,206
Note Retired	979
Note Payable at 12/31/2019	$ 16,227
Due within the next year	$ 4,043

The annual requirements to amortize all debt outstanding as December 31, 2019, including interest, are as follows:

2019 Note

	Beginning Balance	Principal	Interest	Total
	$	$	$	$
2020	16,227	4,043	719	4,762
2021	12,184	4,249	513	4,762
2022	7,935	4,466	296	4,762
2023	3,469	3,469	72	3,541
Total		$ 16,227	$ 1,600	$ 17,827

Original Bond Amount	$ 17,206
Interest Rate	5.00%
Date of Bond	10/10/2019

The note was for the purpose of financing the purchase of two Bad Boy Rogue mowers at $8,450 each.

NOTE 8: RETIREMENT BENEFITS

The City has no pension plan.

NOTE 9: RISK MANAGEMENT

The City maintains third party coverage for claims arising from property and casualty claims, general liability claims, and medical claims.

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City has joined the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

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

The City 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 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 when such loss or injury is within the scope of the protection of a fund or funds in which the City participates.

The City retains the first $5,000 of each risk of loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to the $5,000 deductible.

Pursuant to the official Code of Georgia Annotated, the City of Homeland became a member of GIRMA Workers' Compensation Self-Insurance Fund (WCSIF). The liability of the fund to the employees of the City of Homeland is specifically limited to such obligations as are imposed by applicable state laws against the employer or workers' compensation and/or employer's liability.

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 Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

As a part of the WCSIF, the City is obligated to pay all contributions and assessments as prescribed by the risk pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund 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 any investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of protection furnished by the fund.

Settled claims in the past three years have not exceeded the coverages.

NOTE 10: COMMITMENTS AND CONTINGENCIES

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.

Litigation

There were no material claims outstanding against the City at December 31, 2019, according to the Mayor. The City has no attorney under contract.

NOTE 11: RECONCILIATION OF TOTAL EXPENDITURES TO TOTAL EXPENSES GOVERNMENTAL ACTIVITIES

"Total expenditures" for governmental funds $492,804 differs from "Total expenses" for activities $437,259 reported in the Statement of Activities. The differences primarily arise from the long-term economic focus of the Statement of Activities versus the current spending focus of the governmental funds and expenses in the Statement of Activities are revealed in the table below.

	Government Fund Expenditures	Capital Related Items	Statement of Activities Expenses
Current Operating:			
General government	$ 112,224	$ 2,473	$ 114,697
Public safety	72,272	0	72,272
Public works	290,831	(58,018)	232,813
Culture and recreation	17,477	0	17,477
Community development	0	0	0
Capital Outlay	0	0	0
Totals	$ 492,804	$ (55,545)	$ 437,259
	(Page 12)	(Page 28)	(Page 10)

NOTE 12: JOINT VENTURES

Southern Georgia Regional Commission (SGRC)

The City of Homeland, Georgia, along with the cities and counties in the eight county Southeast Georgia area, is a member of the Southern Georgia Regional Commission (SGRC). Membership in a 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 the RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The Board of the RC is comprised of not less than two or more than five representatives of each member county served by the RC. The manner of selecting such representatives from each member county is as follows:

a. The chief elected official or the chair of the board of commissioners of each county served by the RC shall be a member (or a designated government official).
b. One elected or appointed municipal government official from each city served by the RC. The mayors of the municipalities in such county shall select the municipal representative of that county.
c. Not less than ten or more than twenty public members.
d. 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 RC's as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of a RC beyond its resources. (OCGA 50-8-39.1)

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

NOTE 12: FUND BALANCE

The City records five categories of fund balance as defined in Note 1. The five types are: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable Fund Balance is classified by amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

	General Fund	Capital Projects
Committed: The following Fund Balances are committed for		
Cemetery improvements	$ 8,479	
Police Department Equipment	5,038	
Maintenance Department Equipment	62,454	
Health Care Expense	3,004	
Total	$ 78,975	
Restricted: The following Fund Balances are restricted for		
SPLOST Capital Projects		$ 830
TSPLOST Capital Projects		36,545
Unassigned: The following Fund Balances are unassigned:	$ 176,043	

NOTE 13: SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 16, 2020, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HOMELAND, GEORGIA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual (Budgetary	Variance with
	Original	Final	Basis)	Final
Revenues				
Taxes	$ 199,498	$ 199,498	$ 248,258	$ 48,760
Intergovernmental	31,000	31,000	67,102	36,102
Charges for services	88,721	88,721	122,177	33,456
Interest received	257	257	467	210
Miscellaneous	260,348	260,348	0	(260,348)
Total Revenues	579,824	579,824	438,004	(141,820)
Expenditures				
Current:				
General government	221,731	221,731	112,224	109,507
Public safety	72,967	72,967	72,272	695
Public works	264,267	264,267	240,831	23,436
Culture & recreation	20,859	20,859	17,477	3,382
Community development	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	579,824	579,824	442,804	137,020
Excess of revenues over (under) expenditures	0	0	(4,800)	(4,800)
Other Financing Sources (Uses)				
Transfers in	0	0	5,425	5,425
Transfers (out)	0	0	(15)	(15)
Total Other Financing	0	0	5,410	5,410
Net Change in Fund Balance	0	0	610	$ 610
Fund Balance beginning	0	0	254,408	
Fund Balance ending	$ 0	$ 0	$ 255,018	

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

Independent Auditors' Report

City Council
City of Homeland
Homeland, Georgia

I have audited, 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, the financial statements of the governmental activities, the business-type activities, and each major fund of City of Homeland, Georgia as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise City of Homeland's basic financial statements and have issued my report thereon dated September 16, 2020.

Internal Control over Financial Reporting

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

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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 over financial reporting 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 significant deficiencies or material weaknesses, and therefore material weaknesses or significant deficiencies, may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Homeland, Georgia'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.

Donald G. Crews, CPA

Donald G. Crews, CPA
Folkston, Georgia
September 16, 2020

CITY OF HOMELAND, GEORGIA
FOR THE YEAR ENDED DECEMBER 31, 2019

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION
SALES TAX PROCEEDS

PROJECT	Budget	Beginning	Additions	Ending	Percentage Complete
Recreational (Historical/ Cultural Facilities)	$ 50,000	$ 49,170	$ 0	$ 49,170	49%
Streets	50,000	0	50,000	50,000	100%
Total	$ 100,000	$ 49,170	$ 50,000	$ 99,170	
Projects:					
Waughtel Park		$ 49,170	$ 0	$ 49,170	
Streets					
Pennslyvania Ave		$ 0	$ 25,000	$ 25,000	
Old Dixie Hwy		$ 0	$ 25,000	$ 25,000	

$100,000 was received from Charlton County in 2014, for the entire amount of the SPLOST funds. The SPLOST proceeds are to be used for renovation, improvement, expansion and purchase of personal property relating to streets, sidewalks, and other public facilities in the City of Homeland.

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 HOMELAND, GEORGIA
FOR THE YEAR ENDED DECEMBER 31, 2019

SCHEDULE OF PROJECTS CONSTRUCTED
WITH TRANSPORTATION SPECIAL PURPOSE
LOCAL OPTION SALES TAX PROCEEDS

PROJECT	Budget	Beginning	Additions	Ending	Percentage Complete
Public Works Road Projects					
Bowery Lane (Widening & Resurfacing)	$150,000	$ 0	$ 0	$ 0	0%
Broadway (Resurfacing)	$161,000	$ 0	$ 0	$ 0	0%
Paxton Road (Resurfacing)	$120,600	$ 0	$ 0	$ 0	0%

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.