

**CITY OF BARWICK,  
GEORGIA**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2023**

**CITY OF BARWICK, GEORGIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2023**

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Audit of the Financial Statements Opinions**

***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City of Barwick, Georgia as of June 30, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, and the American Rescue Plan Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Barwick, Georgia's basic financial statements. The non-major fund financial statements found on pages 26-29 and the supplementary information found on pages 30-37 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the non-major fund financial statements and supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2023, on our consideration of the City of Barwick, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Barwick, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Barwick, Georgia's internal control over financial reporting and compliance.

***Burke, Worsham & Harrell, LLC***

Burke, Worsham & Harrell, LLC  
Bainbridge, Georgia  
December 15, 2023



## **BASIC FINANCIAL STATEMENTS**



**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,338,880	\$ 295,023	\$ 1,633,903
Receivables (net of allowance for uncollectibles)	290	16,607	16,897
Intergovernmental	24,560	-	24,560
Internal balances	30,225	(30,225)	-
Prepaid items	3,708	13,014	16,722
Restricted assets:			
Cash and cash equivalents	1,981	19,360	21,341
Capital assets (net of accumulated depreciation):			
Land	33,665	1,000	34,665
Buildings	30,593	-	30,593
Improvements	81,399	-	81,399
Infrastructure	-	371,326	371,326
Machinery and equipment	44,331	142,455	186,786
Construction in progress	-	319,516	319,516
<b>TOTAL ASSETS</b>	<b>1,589,632</b>	<b>1,148,076</b>	<b>2,737,708</b>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	8,587	11,043	19,630
Liabilities payable from restricted assets	-	19,360	19,360
Unearned revenues	138,918	-	138,918
Noncurrent liabilities:			
Due within one year	-	-	-
Due in more than one year	-	270,580	270,580
<b>TOTAL LIABILITIES</b>	<b>147,505</b>	<b>300,983</b>	<b>448,488</b>
<b>NET POSITION</b>			
Investment in capital assets	189,988	563,717	753,705
Restricted:			
ARPA purposes	1,675	-	1,675
Public Safety	13,957	-	13,957
Capital projects	814,985	-	814,985
Unrestricted	421,522	283,376	704,898
<b>TOTAL NET POSITION</b>	<b>\$ 1,442,127</b>	<b>\$ 847,093</b>	<b>\$ 2,289,220</b>

The notes to the financial statements  
are an integral part of this statement.

**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government	
						Business type Activities	Total
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 76,186	\$ 3,015	\$ -	\$ 122,824	\$ 49,653	\$ -	\$ 49,653
Public safety	3,574	-	-	-	(3,574)	-	(3,574)
Public works	77,364	-	9,790	-	(67,574)	-	(67,574)
Culture and recreation	16,630	-	13,633	-	(2,997)	-	(2,997)
<b>Total governmental activities</b>	<b>173,754</b>	<b>3,015</b>	<b>23,423</b>	<b>122,824</b>	<b>(24,492)</b>	<b>-</b>	<b>(24,492)</b>
<b>Business-type activities:</b>							
Water and garbage	189,128	166,833	-	-	-	(22,295)	(22,295)
<b>Total business-type activities</b>	<b>189,128</b>	<b>166,833</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,295)</b>	<b>(22,295)</b>
<b>Total primary government</b>	<b>\$ 362,882</b>	<b>\$ 169,848</b>	<b>\$ 23,423</b>	<b>\$ 122,824</b>	<b>(24,492)</b>	<b>(22,295)</b>	<b>(46,787)</b>
<b>General revenues:</b>							
Property taxes					74,977	-	74,977
Sales and use taxes					50,824	-	50,824
Alcohol beverage taxes					1,814	-	1,814
Other taxes					35,718	-	35,718
Franchise fees					20,661	-	20,661
Investment earnings					3,712	342	4,054
Miscellaneous					2,508	180,080	182,588
<b>Total general revenues and transfers</b>					<b>190,214</b>	<b>180,422</b>	<b>370,636</b>
<b>Change in net position</b>					<b>165,722</b>	<b>158,127</b>	<b>323,849</b>
Net position - beginning					1,276,405	688,966	1,965,371
<b>Net position - ending</b>					<b>\$ 1,442,127</b>	<b>\$ 847,093</b>	<b>\$ 2,289,220</b>

**CITY OF BARWICK, GEORGIA**  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	MAJOR FUNDS				NONMAJOR FUNDS		TOTAL GOVERNMENTAL FUNDS
	GENERAL	SPLOST THOMAS CO 2012	SPLOST THOMAS CO 2017	ARPA	OTHER GOVERNMENTAL FUNDS		
<b>ASSETS</b>							
Cash and cash equivalents	\$ 389,234	\$ 335,455	\$ 329,175	\$ 140,593	\$ 144,423	\$	\$ 1,338,880
Prepaid items	3,708	-	-	-	-	-	3,708
Receivables	290	-	-	-	-	-	290
Due from other funds	30,225	-	-	-	-	-	30,225
Intergovernmental	4,671	-	15,208	-	4,681	-	24,560
Restricted assets	1,981	-	-	-	-	-	1,981
Cash and cash equivalents	1,981	-	-	-	-	-	1,981
<b>TOTAL ASSETS</b>	<b>430,109</b>	<b>335,455</b>	<b>344,383</b>	<b>140,593</b>	<b>149,104</b>		<b>1,399,644</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	810	-	-	-	-	-	810
Accrued liabilities	7,777	-	-	-	-	-	7,777
<b>Total liabilities</b>	<b>8,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,587</b>
<b>Deferred inflows of resources:</b>							
Unearned revenues	-	-	-	138,918	-	-	138,918
<b>Total liabilities and deferred inflows of resources</b>	<b>8,587</b>	<b>-</b>	<b>-</b>	<b>138,918</b>	<b>-</b>	<b>-</b>	<b>147,505</b>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	3,708	-	-	-	-	-	3,708
Restricted for:							
ARPA purposes	-	-	-	1,675	-	13,957	1,675
Promotion of tourism	-	-	-	-	-	-	13,957
Volunteer fire department	1,981	-	-	-	-	-	1,981
Capital project expenditures	-	335,455	344,383	-	135,147	-	814,985
Unassigned:							
General fund	415,833	-	-	-	-	-	415,833
<b>TOTAL FUND BALANCES</b>	<b>421,522</b>	<b>335,455</b>	<b>344,383</b>	<b>1,675</b>	<b>149,104</b>		<b>1,252,139</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 430,109</b>	<b>\$ 335,455</b>	<b>\$ 344,383</b>	<b>\$ 140,593</b>	<b>\$ 149,104</b>		<b>\$ 1,442,127</b>

3364.83 BC  
632.07 BCT  
684.03 H/M

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.

**NET POSITION OF GOVERNMENTAL ACTIVITIES**

189,988  
**\$ 1,442,127**

**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS			NONMAJOR FUNDS		TOTAL GOVERNMENTAL FUNDS
	SPLOST THOMAS CO 2012	SPLOST THOMAS CO 2017	ARPA	OTHER GOVERNMENTAL FUNDS		
<b>REVENUES</b>						
General property taxes	\$ 96,513	\$ -	\$ -	\$ -	\$ -	\$ 96,513
Sales and use taxes	50,824	-	-	-	-	50,824
Alcoholic beverage excise	1,814	-	-	-	-	1,814
Other taxes	32,942	-	-	2,776	-	35,718
Licenses and permits	3,015	-	-	-	-	3,015
Intergovernmental income	23,423	96,864	-	25,960	-	146,247
Interest income	438	114	1,639	851	-	3,712
Miscellaneous revenue	2,509	-	-	-	-	2,509
<b>TOTAL REVENUES</b>	<b>211,478</b>	<b>96,978</b>	<b>1,639</b>	<b>29,587</b>		<b>340,352</b>
<b>EXPENDITURES</b>						
Current:						
General government	64,816	-	-	2,156	-	66,972
Public safety	2,188	-	-	-	-	2,188
Public works	66,696	-	-	-	-	66,696
Culture and recreation	14,839	-	-	-	-	14,839
Capital outlay:						
Culture and recreation	6,758	-	-	-	-	6,758
<b>TOTAL EXPENDITURES</b>	<b>155,297</b>	<b>-</b>	<b>-</b>	<b>2,156</b>		<b>157,453</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>56,181</b>	<b>96,978</b>	<b>1,639</b>	<b>27,431</b>		<b>182,899</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>56,181</b>	<b>96,978</b>	<b>1,639</b>	<b>27,431</b>		<b>182,899</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>365,341</b>	<b>247,405</b>	<b>36</b>	<b>121,673</b>		<b>1,069,240</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 421,522</b>	<b>\$ 344,383</b>	<b>\$ 1,675</b>	<b>\$ 149,104</b>		<b>\$ 1,252,139</b>

**CITY OF BARWICK, GEORGIA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR YEAR ENDED JUNE 30, 2023**

Amounts reported for governmental activities in the statement of activities (pages 10 and 11) are different because:

**Net change in fund balances - total governmental funds (page 13) \$ 182,899**

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 in the current period.

Depreciation expense	\$ (23,059)	
Capital outlays	<u>6,758</u>	(16,301)

Net change in revenues reported in the Statement of Activities that are earned but unavailable and are not reported in the governmental funds

Change in deferred inflows		(876)
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**Change in net position of governmental activities (pages 10 and 11) \$ 165,722**

**CITY OF BARWICK, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL**  
**FOR YEAR ENDED JUNE 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
<b>REVENUES</b>				
General property taxes	\$ 81,000	\$ 89,000	\$ 96,513	\$ 7,513
Sales and use taxes	35,000	42,000	50,824	8,824
Alcoholic beverage excise	3,000	1,600	1,814	214
Other taxes	26,000	29,000	32,942	3,942
Licenses and permits	3,500	3,000	3,015	15
Intergovernmental income	5,000	5,000	23,423	18,423
Interest income	250	300	438	138
Miscellaneous revenue	250	2,450	2,509	59
<b>TOTAL REVENUES</b>	<u>154,000</u>	<u>172,350</u>	<u>211,478</u>	<u>39,128</u>
<b>EXPENDITURES</b>				
Current:				
General government	81,800	71,000	64,816	6,184
Judicial	100	100	-	100
Public safety	6,700	4,000	2,188	1,812
Public works	80,200	80,200	66,696	13,504
Culture and recreation	14,000	23,242	14,839	8,403
Capital outlay:				
Culture and recreation	50,000	6,758	6,758	-
<b>TOTAL EXPENDITURES</b>	<u>232,800</u>	<u>185,300</u>	<u>155,297</u>	<u>30,003</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(78,800)</u>	<u>(12,950)</u>	<u>56,181</u>	<u>69,131</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Reserves	78,800	12,950	-	(12,950)
<b>TOTAL FINANCING USES</b>	<u>78,800</u>	<u>12,950</u>	<u>-</u>	<u>(12,950)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	<b>56,181</b>	<b>56,181</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>365,341</u>	<u>365,341</u>	<u>365,341</u>	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 365,341</u>	<u>\$ 365,341</u>	<u>\$ 421,522</u>	<u>\$ 56,181</u>

**CITY OF BARWICK, GEORGIA**  
**ARPA FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL**  
**FOR YEAR ENDED JUNE 30, 2023**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 69,459	\$ -	\$ (69,459)
Investment income	30	1,050	1,639	589
<b>TOTAL REVENUES</b>	<u>30</u>	<u>70,509</u>	<u>1,639</u>	<u>(68,870)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>30</u>	<u>70,509</u>	<u>1,639</u>	<u>(68,870)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Reserves	(30)	(70,509)	-	70,509
<b>TOTAL FINANCING USES</b>	<u>(30)</u>	<u>(70,509)</u>	<u>-</u>	<u>70,509</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	1,639	1,639
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>36</u>	<u>36</u>	<u>36</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 36</u>	<u>\$ 36</u>	<u>\$ 1,675</u>	<u>\$ 1,639</u>

**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2023**

	<b>Business-type Activities</b>
	<b>Enterprise Fund</b>
	<b>Water and Garbage Fund</b>
<b>ASSETS</b>	
<b>Current assets:</b>	
Cash	\$ 295,023
Accounts receivable (net of allowance for doubtful accounts)	16,607
Prepaid items	13,014 ✓
Restricted cash - customer deposits	19,360 ✓
<b>Total current assets</b>	<b>344,004</b>
Capital assets:	
Land	1,000
Buildings	14,450
Equipment	255,996
Infrastructure	996,919
Construction in progress	319,516
Less accumulated depreciation	(753,584)
Total capital assets (net of accumulated depreciation)	834,297
<b>Total capital assets</b>	<b>834,297</b> ✓
<b>Total assets</b>	<b>1,178,301</b>
<b>LIABILITIES</b>	
<b>Current liabilities:</b>	
Accounts payable	11,014
Due to General Fund	30,225
Accrued interest payable	29
Current liabilities payable from restricted assets:	
Customer deposits	19,360
<b>Total current liabilities</b>	<b>60,628</b> ✓
<b>Noncurrent liabilities</b>	
Note payable	270,580
<b>Total liabilities</b>	<b>331,208</b> ✓
<b>NET POSITION</b>	
Investment in capital assets	563,717
Unrestricted	283,376
<b>Total net position</b>	<b>\$ 847,093</b>



**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**FOR YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities</b>
	<b>Enterprise Fund</b>
	<b>Water and Garbage Fund</b>
<b>Operating revenues:</b>	
Charges for services - water	\$ 108,579✓
Charges for services - solid waste	49,768✓
Miscellaneous	8,486✓
<b>Total operating revenues</b>	<b>166,833</b>
<b>Operating expenses:</b>	
Water:	
Personal services	46,256✓
Purchased/contracted services	18,013✓
Supplies	27,191✓
Depreciation	47,517✓
Solid waste:	
Purchased/contracted services	50,151✓
<b>Total operating expenses</b>	<b>189,128</b>
<b>Operating income</b>	<b>(22,295)</b>
<b>Non-operating revenues (expenses):</b>	
Interest income	342✓
Interest expense	(307)✓
GEFA loan forgiveness	180,387✓
<b>Total non-operating revenues (expenses)</b>	<b>180,422</b>
<b>Change in net position</b>	<b>158,127✓</b>
Total net position beginning of the year	688,966
<b>Total net position ending of the year</b>	<b>\$ 847,093</b>

**CITY OF BARWICK, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR YEAR ENDED JUNE 30, 2023**

		<u>Business-Type Activities</u> <u>Enterprise Fund</u> <u>Water and Garbage Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$	274,047
Cash payments for goods and services		(239,494)
Cash payments to employees		(46,256)
<b>Net cash provided by operating activities</b>		<u>(11,703)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Payment for capital assets		(255,671)
Proceeds from new debt		297,663
Interest paid		(307)
<b>Net cash provided by capital and related financing activities</b>		<u>41,685</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received		342
<b>Net cash provided by investing activities</b>		<u>342</u>
<b>Net decrease in cash and cash equivalents</b>		<b>30,324</b>
Cash and cash equivalents - beginning of the year		284,059
<b>Cash and cash equivalents - ending of the year</b>	<b>\$</b>	<u><u>314,383</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH USED FOR OPERATING ACTIVITIES:</b>		
Operating income	\$	(22,295)
<b>Adjustments to reconcile operating income to net cash used for operating activities:</b>		
Depreciation		47,517
Change in assets and liabilities:		
Decrease (increase) in accounts receivable		(2,585)
Decrease (increase) in grant receivable		109,848
Decrease (increase) in prepaid items		(4,657)
Increase (decrease) in due to other funds		13,451
Increase (decrease) in accounts payable		(152,962)
Increase (decrease) in accrued expenses		30
Increase (decrease) in customer deposits		(50)
<b>Total adjustments</b>		<u>10,592</u>
<b>Net cash provided by operating activities</b>	<b>\$</b>	<u><u>(11,703)</u></u>
 <b>Note:</b>		
Cash and cash equivalents - ending of year reconciled to the Statement of Net Position, page 16.		
Cash and cash equivalents	\$	295,023
Restricted cash-customer deposits		19,360
Cash and cash equivalents - ending of year	<b>\$</b>	<u><u>314,383</u></u>

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City operates under a council/mayor form of government and provides the following services: public safety (volunteer fire department), highways and streets, culture and recreation, public improvements, and general and administrative services. In addition, the City operates a public utility (water and sanitation) for the incorporated and immediate surrounding areas.

**Component Units.** The City of Barwick has no component units, blended or discretely presented.

**B. Government- wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or to applicants that purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The City does not allocate indirect costs.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement focus, basis of accounting and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

The government reports the following *major* government funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Special Purpose Local Option Sales Tax Fund – Thomas County 2012* is a major fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The *Special Purpose Local Option Sales Tax Fund – Thomas County 2017* is a major fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The *ARPA Fund* is used for the use of the American Rescue Plan Act (ARPA) Local Fiscal Recovery Funds.

The government reports the following *nonmajor* government funds:

The *Hotel/Motel Fund* is a nonmajor fund used to account for the Hotel/Motel tax received. This tax is to be used for the promotion of tourism in the City.

The *Special Purpose Local Option Sales Tax Fund – Brooks County #5* is a nonmajor fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The *Special Purpose Local Option Sales Tax Fund – Brooks County #6* is a nonmajor fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The *Special Purpose Local Option Sales Tax Fund – Brooks County #7* is a nonmajor fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The *Transportation Special Purpose Local Option Sales Tax Fund* is a nonmajor fund that accounts for all taxes collected as well as the outlays as specified by the referendum.

The government reports the following *major* proprietary funds:

The *Water and Garbage Fund* operates the water distribution system and the sanitation collection within the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included as program revenues are reported as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. The fund 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.

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**D. Assets, liabilities and net position or equity**

**1. Deposits and investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. State statutes authorize the government and the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

The City has authorized its governing officials to maintain deposit investments with financial institutions. There were no legal or contractual violations in regard to these investments during the year.

**2. Receivables and payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied as of September 14<sup>th</sup> each year and are payable by December 20. At June 30, 2023, uncollected property taxes amounted to \$290. The City estimates that substantially all of the remaining balances will be received in the subsequent period. After December 20, applicable property will be subject to liens, penalty and interest.

**3. Inventories and prepaid items**

Expendable supplies are recorded as expenditures at the time items are purchased. The City does not record inventories or supplies on the books. At June 30, 2023, the City had prepaid items amounting to \$3,708.

**4. Restricted assets**

The City's restricted assets are cash. They consist of volunteer fire department cash and Water & Garbage customer deposits.

**5. Capital assets**

Capital Assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business type activities columns in the government-wide financial statements. The city had historical cost records of its infrastructure, thereby allowing us to record infrastructure acquired prior to implementing Statement 34. Capital assets are defined by the government as assets with a useful life of more than one year and a cost greater than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of 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 construction is not capitalized on assets.

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

<u>Assets</u>	<u>Years</u>
Buildings/Building Improvements	15-50 years
Infrastructure	20-50 years
Machinery and Equipment	3-15 years

The water system capital assets are stated at cost. Minor renewals are expensed as incurred. Property retired or sold and the related accumulated depreciation is removed from the accounts. Depreciation is determined under the straight-line method.

**6. Compensated absences**

Cost of vacation pay is not recorded until such benefits are paid. GASB standards require that such benefits be accrued when: (1) the employer's obligation to employees' right to receive compensation for future benefits is attributable to employees' service already rendered; (2) the obligation relates to rights that vest or accumulate; (3) payment of the compensation is probable; and (4) the amount can be reasonably estimated. The City did not pay vacation pay during 2023. Accrued vacation does not accumulate.

Accumulated sick pay benefits have not been recorded as a liability because these benefits are paid only upon the illness of an employee, and the amount of such payments cannot be reasonably estimated. No sick pay was paid during 2023.

**7. Long-term obligation**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**8. Categories and classifications of Fund Balance**

GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Nonspendable, Restricted, Committed, Assigned and Unassigned.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balance, such as grant agreements that require a dollar match. Additionally, the City would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds. The City does not have a formal minimum fund balance policy.

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**9. Net position**

Investment in capital assets – This amount consists of capital assets net of accumulated depreciation.

Restricted net position – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

**10. Comparative data/reclassifications**

Comparative total data for the prior year have not been presented.

**NOTE II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and the proprietary fund. The City’s annual budget is prepared based on anticipated revenues and appropriated expenditures. Revenue anticipations, generally conservative, are designed to help insure fiscal responsibility and maintain a balanced budget.

The legal level of budgetary controls is the department level subject to approval by the Mayor and City Council Members. Budgetary appropriations lapse at the end of the fiscal year.

**B. Excess of expenditures over appropriation**

For the year ended June 30, 2023, expenditures did not exceed appropriations.

**C. Deficit fund equity**

All funds operated by the City of Barwick had positive fund balances as of June 30, 2023.

**NOTE III. DETAILED NOTES ON ALL FUNDS**

**A. Custodial Credit Risk - Deposits**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities combined in the aggregate totaling not less than 110% of the public funds held. As of June 30, 2023, the City’s bank balances of deposits are entirely covered under insurance or collateralization with securities held by the City’s agent in the City’s name.

The City does not have a formal policy addressing credit risk.

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**B. Receivables**

The receivables as of June 30, 2023 for the City's individual funds are as follows:

	General Fund	SPLOST Fund	Hotel/ Motel Tax Fund	TSPLOST Fund	Water & Garbage Fund	Total
Receivables:						
Taxes	\$ 290	\$ -	\$ -	\$ -	\$ -	\$ 290
Accounts	-	-	-	-	19,607	19,607
Intergovernmental	4,671	18,573	684	632	-	24,560
Gross receivables	4,961	18,573	684	632	19,607	44,457
Less: Allowances for doubtful accounts	-	-	-	-	3,000	3,000
Net total receivables	<u>\$ 4,961</u>	<u>\$ 18,573</u>	<u>\$ 684</u>	<u>\$ 632</u>	<u>\$ 16,607</u>	<u>\$ 41,457</u>

**C. Capital assets**

Capital assets for the year ended June 30, 2023 was as follows:

	Balance July 1	Additions	Adjustment/ Deletions	Balance June 30
Governmental activities				
Capital assets not being depreciated				
Land	\$ 33,665	\$ -	\$ -	\$ 33,665
Construction-in-progress	-	-	-	-
Total capital assets not being depreciated	<u>33,665</u>	<u>-</u>	<u>-</u>	<u>33,665</u>
Capital assets being depreciated				
Buildings	40,012	-	-	40,012
Improvements	136,969	-	-	136,969
Equipment	190,728	6,758	-	197,486
Total capital assets being depreciated	<u>367,709</u>	<u>6,758</u>	<u>-</u>	<u>374,467</u>
Less accumulated depreciation for:				
Buildings	8,418	1,001	-	9,419
Improvements	47,819	7,751	-	55,570
Equipment	138,848	14,307	-	153,155
Total accumulated depreciation	<u>195,085</u>	<u>23,059</u>	<u>-</u>	<u>218,144</u>
Total capital assets being depreciated, net	<u>172,624</u>	<u>(16,301)</u>	<u>-</u>	<u>156,323</u>
Governmental activities capital assets, net	<u>\$ 206,289</u>	<u>\$ (16,301)</u>	<u>\$ -</u>	<u>\$ 189,988</u>



**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

	Balance July 1	Additions	Adjustment/ Deletions	Balance June 30
Business-type activities				
Capital assets not being depreciated				
Land	\$ 1,000	\$ -	\$ -	\$ 1,000
Construction-in-progress	63,845	255,671	-	319,516
Total capital assets not being depreciated	<u>64,845</u>	<u>255,671</u>	<u>-</u>	<u>320,516</u>
Capital assets being depreciated				
Buildings	14,450	-	-	14,450
Equipment	255,996	-	-	255,996
Infrastructure	996,919	-	-	996,919
Total capital assets being depreciated	<u>1,267,365</u>	<u>-</u>	<u>-</u>	<u>1,267,365</u>
Less accumulated depreciation for:				
Buildings	14,450	-	-	14,450
Equipment	93,775	19,766	-	113,541
Infrastructure	597,842	27,751	-	625,593
Total accumulated depreciation	<u>706,067</u>	<u>47,517</u>	<u>-</u>	<u>753,584</u>
Total capital assets being depreciated, net	<u>561,298</u>	<u>(47,517)</u>	<u>-</u>	<u>513,781</u>
Business-type activities capital assets, net	<u>\$ 626,143</u>	<u>\$ 208,154</u>	<u>\$ -</u>	<u>\$ 834,297</u>

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

Governmental activities:

General government	\$ 9,214
Public safety	1,387
Public works	10,667
Culture and recreation	1,791
Total depreciation expense - Governmental activities	<u>\$ 23,059</u>

Business-type activities:

Water & Garbage	\$ 47,517
Total depreciation expense - Business-type activities	<u>\$ 47,517</u>

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**D. Interfund receivables, payables and transfers**

The composition of interfund balances as of June 30, 2023 is as follows:

Fund	Interfund Receivables	Interfund Payables	Transfers In	Transfers Out
General Fund	\$ 30,225	\$ -	\$ -	\$ -
Water & Garbage Fund	-	30,225	-	-
<b>Total</b>	<b>\$ 30,225</b>	<b>\$ 30,225</b>	<b>\$ -</b>	<b>\$ -</b>

The interfund receivable and payable is for water & garbage fund expenditures paid out of the general fund that will be reimbursed by the water & garbage fund.

**E. Leases**

The City of Barwick has no leases.

**F. Long-term debt**

At June 30, 2023, the City had the following note payable:

**Business-type Activities**

Note Payable - Drinking Water State Revolving Fund, administered by Georgia Environmental Finance Authority (GEFA) - The City signed this note for \$500,000 dated November 17, 2020. The purpose of this loan is to finance water system infrastructure improvements. The loan requires a 1% origination fee. The loan will be scheduled for repayment over a 20-year period at an interest rate of 0.13% when construction is complete. Interest will be payable monthly. The construction period of the loan consists of drawdowns by the City. Construction interest will be charged and collected monthly only on the outstanding balance of funds distributed. As of June 30, 2023, there have been advancements made on this loan of \$270,580.

The following is a summary of changes in long-term debt for the year ended June 30, 2023:

	Balance July 1	Additions	Reductions	Balance June 30	Due Within One Year
<b><u>Business-type activities:</u></b>					
Note payable - Drinking Water State Revolving Fund	\$ 153,304	\$ 297,663	\$ 180,387	\$ 270,580	\$ -
<b>Total business-type activities</b>	<b>153,304</b>	<b>297,663</b>	<b>180,387</b>	<b>270,580</b>	<b>-</b>
<b>Total government</b>	<b>\$ 153,304</b>	<b>\$ 297,663</b>	<b>\$ 180,387</b>	<b>\$ 270,580</b>	<b>\$ -</b>

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**G. Restricted assets**

Restricted assets reported in the General fund are comprised of the following:

Cash - volunteer fire department	<u>\$ 1,981</u>
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Restricted assets reported in the Water & Garbage fund are comprised of the following

Cash - customer deposits	<u>\$ 19,360</u>
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**NOTE IV. OTHER INFORMATION**

**A. Risk management**

The City of Barwick 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 has joined together with other municipalities in the state as part of the Georgia Interlock Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage 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 events of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost 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.

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 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 of Barwick retains the first \$1,000 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 \$1,000 deductible.

No provisions have been made in the financial statements for the years ended June 30, 2023 for any estimate of potential unpaid claims.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Barwick became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The liability of the Fund to the employees of any employer (City of Barwick) is specifically limited to such

**CITY OF BARWICK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

The Fund is to defend, in the name of and on behalf of the members, any 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 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.

**B. Related party transaction**

The City of Barwick had no related party transactions.

**C. Subsequent events**

Management has evaluated subsequent events through the date on which the financial statements were available to be issued. No subsequent events have occurred that require disclosure.

**D. Contingent liabilities**

The City is not aware of any contingent liabilities.

**E. Retirement plans**

The City of Barwick has not established retirement plans for its employees.

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Hotel/Motel Fund-** This fund is used to account for the monies received in taxes from the local hotels and motels. These taxes are used for economic development.

### **Capital Project Funds**

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds

**SPLOST BROOKS CO #5** - This fund is used for the collection of special purpose local option sales tax to be used on capital purchases for the city.

**SPLOST BROOKS CO #6** - This fund is used for the collection of special purpose local option sales tax to be used on capital purchases for the city.

**SPLOST BROOKS CO #7** - This fund is used for the collection of special purpose local option sales tax to be used on capital purchases for the city.

**TSPLOST** - This fund is used for the collection of transportation special purpose local option sales tax to be used on capital purchases for the city.

CITY OF BARWICK, GEORGIA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2023

	CAPITAL PROJECT FUNDS					TOTAL NONMAJOR GOVERNMENTAL FUNDS
	HOTEL/MOTEL	SPLOST BROOKS CO #5	SPLOST BROOKS CO #6	SPLOST BROOKS CO #7	TSPLOST	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 13,273	\$ 34,752	\$ 28,871	\$ 38,124	\$ 29,403	\$ 144,423
Receivables	684	-	-	3,365	632	4,681
<b>TOTAL ASSETS</b>	<u>13,957</u>	<u>34,752</u>	<u>28,871</u>	<u>41,489</u>	<u>30,035</u>	<u>149,104</u>
<b>FUND BALANCES</b>						
Restricted for:						
Promotion of tourism	13,957	-	-	-	-	13,957
Capital project expenditures	-	34,752	28,871	41,489	30,035	135,147
<b>TOTAL FUND BALANCES</b>	<u>13,957</u>	<u>34,752</u>	<u>28,871</u>	<u>41,489</u>	<u>30,035</u>	<u>149,104</u>
<b>TOTAL FUND BALANCES</b>	<u>\$ 13,957</u>	<u>\$ 34,752</u>	<u>\$ 28,871</u>	<u>\$ 41,489</u>	<u>\$ 30,035</u>	<u>\$ 149,104</u>

**CITY OF BARWICK, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR YEAR ENDED JUNE 30, 2023**

	SPECIAL REVENUE FUNDS				CAPITAL PROJECT FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	HOTEL/MOTEL	SPLOST BROOKS CO #5	SPLOST BROOKS CO #6	SPLOST BROOKS CO #7	TSPLOST	TOTAL		
<b>REVENUES</b>								
Hotel/Motel taxes	\$ 2,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,776
Intergovernmental income	-	-	-	18,666	7,294	-	25,960	
Investment income	14	212	29	365	231	-	851	
<b>TOTAL REVENUES</b>	<b>2,790</b>	<b>212</b>	<b>29</b>	<b>19,031</b>	<b>7,525</b>		<b>29,587</b>	
<b>EXPENDITURES</b>								
Current:								
General Government	2,156	-	-	-	-	-	2,156	
<b>TOTAL EXPENDITURES</b>	<b>2,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,156</b>	
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>634</b>	<b>212</b>	<b>29</b>	<b>19,031</b>	<b>7,525</b>		<b>27,431</b>	
<b>NET CHANGE IN FUND BALANCES</b>	<b>634</b>	<b>212</b>	<b>29</b>	<b>19,031</b>	<b>7,525</b>		<b>27,431</b>	
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>13,323</b>	<b>34,540</b>	<b>28,842</b>	<b>22,458</b>	<b>22,510</b>		<b>121,673</b>	
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 13,957</b>	<b>\$ 34,752</b>	<b>\$ 28,871</b>	<b>\$ 41,489</b>	<b>\$ 30,035</b>		<b>\$ 149,104</b>	

**CITY OF BARWICK, GEORGIA**  
**SPECIAL REVENUE FUND - HOTEL/MOTEL TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR YEAR ENDED JUNE 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUE</b>				
Hotel/Motel taxes	\$ 2,000	\$ 2,000	\$ 2,776	\$ 776
Investment income	10	10	14	4
<b>Total Revenue</b>	<u>2,010</u>	<u>2,010</u>	<u>2,790</u>	<u>780</u>
<b>EXPENDITURES</b>				
Economic development	<u>2,400</u>	<u>2,200</u>	<u>2,156</u>	<u>44</u>
<b>Total Expenditures</b>	<u>2,400</u>	<u>2,200</u>	<u>2,156</u>	<u>44</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Reserves	<u>390</u>	<u>190</u>	<u>-</u>	<u>(190)</u>
<b>Total other financing sources (uses)</b>	<u>390</u>	<u>190</u>	<u>-</u>	<u>(190)</u>
<b>Excess (deficient) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>634</u>	<u>634</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>634</u>	<u>634</u>
<b>Fund balances - beginning</b>	<u>-</u>	<u>-</u>	<u>13,323</u>	<u>(13,323)</u>
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,957</u>	<u>\$ (12,689)</u>



## **SUPPLEMENTARY INFORMATION**

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX - BROOKS COUNTY #5**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Special Purpose Local Option Sales Tax

Project No.	Project Description	Original Estimated Costs	Current Estimated Costs	Prior Years	Current Year	Total	Percentage of Completion
1	Government buildings capital outlay	140,000	140,000	103,952	-	103,952	74%
		<u>\$ 140,000</u>	<u>\$ 140,000</u>	<u>\$ 103,952</u>	<u>\$ -</u>	<u>\$ 103,952</u>	<u>74%</u>

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX - BROOKS COUNTY #6**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Special Purpose Local Option Sales Tax

Project No.	Project Description	Original Estimated Costs	Current Estimated Costs	Prior Years	Current Year	Total	Percentage of Completion
1	Municipal buildings	\$ 36,128	\$ 36,128	\$ 31,348	\$ -	\$ 31,348	87%
2	Streets and sidewalks	15,000	15,000	-	-	-	0%
		<u>\$ 51,128</u>	<u>\$ 51,128</u>	<u>\$ 31,348</u>	<u>\$ -</u>	<u>\$ 31,348</u>	<u>61%</u>

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX - BROOKS COUNTY #7**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Special Purpose Local Option Sales Tax

<u>Project No.</u>	<u>Project Description</u>	<u>Original Estimated Costs</u>	<u>Current Estimated Costs</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Percentage of Completion</u>
1	Roads/Streets/Drainage	\$ 7,205	\$ 7,205	-	-	\$ -	0%
2	Water System Improvements	100,000	100,000	-	-	-	0%
		<u>\$ 107,205</u>	<u>\$ 107,205</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0%</u>

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX - THOMAS COUNTY 2012**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Special Purpose Local Option Sales Tax

Project No.	Project Description	Original Estimated Costs	Current Estimated Costs	Prior Years	Current Year	Total	Percentage of Completion
1	Government Buildings	\$ 315,000	\$ 77,500	\$ 47,012	-	\$ 47,012	61%
2	Roads & street projects	-	77,500	5,827	-	5,827	8%
3	Misc Water & Sanitation Projects	-	160,000	-	-	-	0%
		<u>\$ 315,000</u>	<u>\$ 315,000</u>	<u>\$ 52,839</u>	<u>\$ -</u>	<u>\$ 52,839</u>	<u>17%</u>

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX - THOMAS COUNTY 2017**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Special Purpose Local Option Sales Tax

<u>Project No.</u>	<u>Project Description</u>	<u>Original Estimated Costs</u>	<u>Current Estimated Costs</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Percentage of Completion</u>
1	Street repairs	\$ 75,000	\$ 75,000	-	-	\$ -	0%
2	Public works equipment	78,000	78,000	39,413	-	39,413	51%
3	Water system	225,000	225,000	-	-	-	0%
		<u>\$ 378,000</u>	<u>\$ 378,000</u>	<u>\$ 39,413</u>	<u>-</u>	<u>\$ 39,413</u>	<u>10%</u>

**CITY OF BARWICK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX - BROOKS COUNTY**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Transportation Special Purpose Local Option Sales Tax

<u>Project No.</u>	<u>Project Description</u>	<u>Original Estimated Costs</u>	<u>Current Estimated Costs</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Percentage of Completion</u>
1	Road improvements	\$ 63,214	\$ 63,214	-	-	\$ -	0%
		<u>\$ 63,214</u>	<u>\$ 63,214</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	

## **COMPLIANCE SECTION**



William R. Burke, CPA, MAcc  
Rebecca B. Worsham, CPA  
John S. Buckhaultner, CPA, CFE  
William J. Walker, Jr., CPA  
Margaret B. Harrell, CPA, CFE  
Kayla K. Calhoun, CPA

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

Honorable Mayor and Members  
Of the City Council  
City of Barwick, Georgia

We 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 United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Barwick, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Barwick, Georgia's basic financial statements and have issued our report thereon dated December 15, 2023.

**Report on Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses and significant deficiencies may exist that were not identified. However, as described below we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

**Item 2023-1**

**Finding:** Inadequate separation of duties in the Governmental Funds and the Proprietary Fund.

**Cause:** The City does not have enough staff to segregate the various functions.

**Effect:** This could result in misappropriation of assets.

**Planned Corrective Action:** The Mayor and Council take an active role in reviewing the monthly financials and other monthly checks and balances.

**Response by Responsible Officials:** The Mayor and Council are aware of this issue, but it is not economically feasible to correct.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Barwick, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## City of Barwick, Georgia's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Barwick, Georgia's responses to the findings identified in our audit and described previously. The City of Barwick, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

*Burke, Worsham & Harrell, LLC*

Burke, Worsham & Harrell, LLC

December 15, 2023

