



City of Hogansville

City Council

Public Hearing & **AMENDED** Regular Meeting Agenda

**Meeting will be held at Hogansville City Hall,
111 High Street, Hogansville, GA 30230**

Mayor: Jake Ayers	2025	City Manager: Lisa E. Kelly
Council Post 1: Michael Taylor, Jr	2025	Assistant City Manager: Niles Ford
Council Post 2: Matthew Morgan	2025	City Attorney: Alex Dixon
Council Post 3: Mandy Neese*	2023	Chief of Police: Jeffrey Sheppard
Council Post 4: Mark Ayers	2023	City Clerk: LeAnn Lehigh
Council Post 5: Toni Striblin	2023	* Mayor Pro-Tem

Public Hearing – 7:00 pm

Public Hearing to Hear Citizen Comments on the Millage Rate

Regular Meeting – Immediately Following Public Hearing

1. Call to Order – Mayor Jake Ayers
2. Invocation & Pledge

Consent Agenda

All items listed under the Consent Agenda are considered to be routine in nature and will be approved by one blanket motion.

1. Approval of Agenda: Regular Meeting September 5, 2023
2. Approval of Minutes: Regular Meeting August 21, 2023
3. Approval of Minutes: Work Session Meeting August 21, 2023

Presentations

1. Employee Service Award – Mark Hammond – 15 Years
2. Employee Service Award – Angelita Lynn – 6 Years
3. Mallett Consulting – Parks Plan Update
4. Niles Ford – LCRR

New Business

1. Bid Award – Demolition of 209 & 211 West Boyd Road
2. Audit Services

City Manager's Report

Chief of Police Report

Council Member Reports

1. Council Member Taylor
2. Council Member Morgan
3. Council Member Neese
4. Council Member Ayers
5. Council Member Striblin

Mayor's Report

Adjourn

Upcoming Dates & Events

- September 16, 2023 | Hogansville Alive After Five
- September 18, 2023 – 10:00 am | Public Hearing to Hear Citizen Comments on the Millage Rate at Hogansville City Hall
- September 18, 2023 – 7:00 pm | Public Hearing to Hear Citizen Comments on the Millage Rate at Hogansville City Hall
- September 18, 2023 – Immediately Following Public Hearing at 7:00 pm | Regular Meeting of the Mayor and Council at Hogansville City Hall

NOTICE

The Hogansville City Council does hereby announce that the millage rate will be set at a meeting to be held at City Hall, 111 High Street, Hogansville, GA 30230 on September 18, 2023 at 7:00 pm. Three Public Hearings will be held to hear public comments regarding the mil rate; 7:00 pm on 9/05/23; 10:00 am on 9/18/23; and 7:00 pm on 9/18/23. The final adoption will be during the regular meeting on September 18, 2023.

Pursuant to the requirements of O.C.G.A. Section 48-05-32 the City does hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five (5) years.

CURRENT 2023 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY

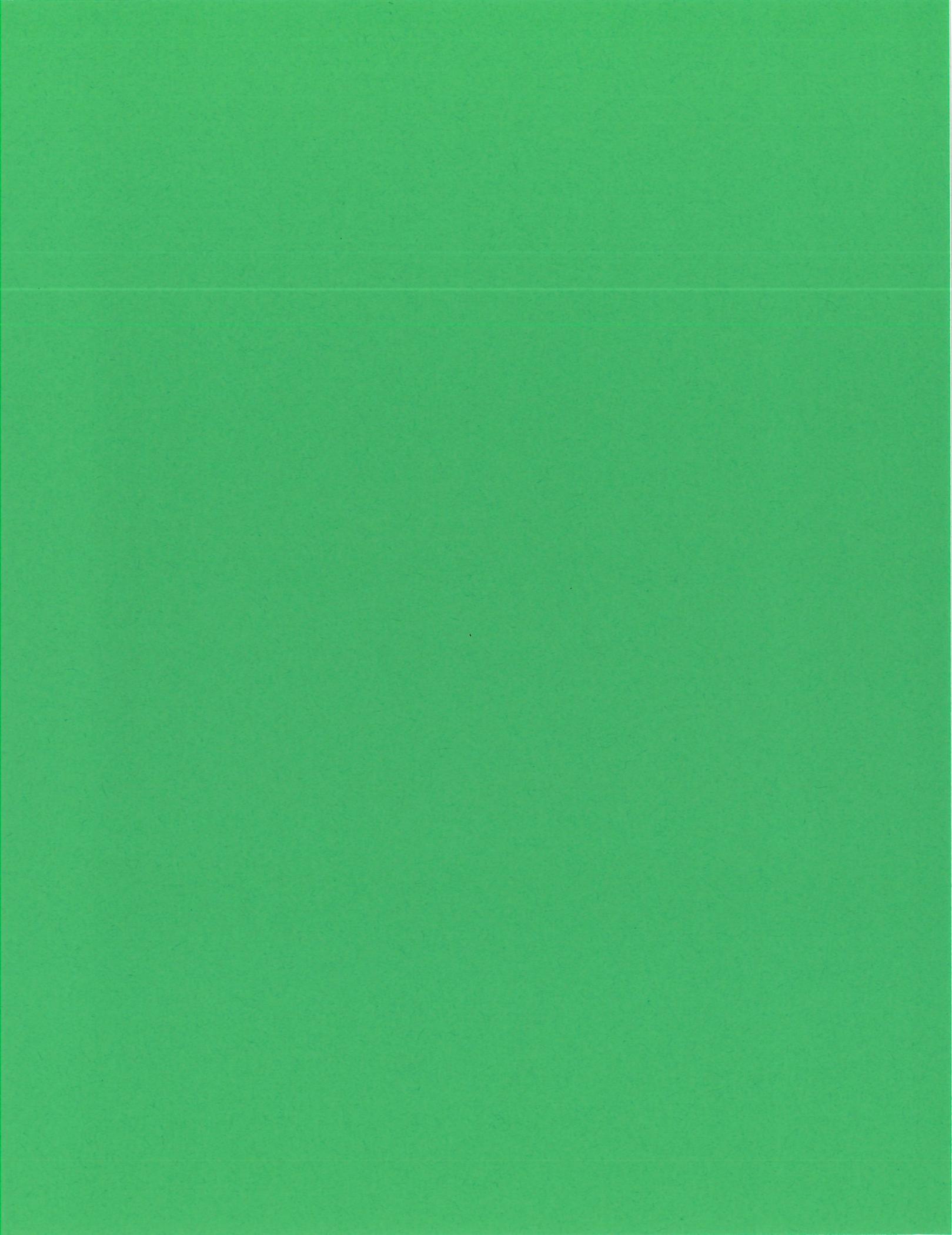
City of Hogansville		2018	2019	2020	2021	2022	2023
V A L U E	Real & Personal	\$ 58,802,812	\$ 69,886,275	\$ 77,064,367	\$ 76,110,753	\$ 101,801,021	\$ 138,312,673
	Motor Vehicles	\$ 924,660	\$ 848,890	\$ 848,890	\$ 569,630	\$ 474,380	\$ 496,010
	Mobile Homes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Timber - 100%	\$ -	\$ -	\$ -	\$ 327,027	\$ -	\$ -
	Heavy Duty Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Gross Digest	\$ 59,727,472	\$ 70,735,165	\$ 77,913,257	\$ 77,007,410	\$ 102,275,401	\$ 138,808,683
	Less Exemptions	\$ (4,914,246)	\$ (2,501,624)	\$ (10,083,563)	\$ (6,704,141)	\$ (9,462,406)	\$ (34,633,898)
	Net Digest Value	\$ 54,813,226	\$ 68,233,541	\$ 67,829,694	\$ 70,303,269	\$ 92,822,995	\$ 104,174,785
	State Forest Land Assistance Grant Value	\$ 14,553	\$ -	\$ -	\$ -	\$ -	\$ -
	Adjusted Net M&O Digest	\$ 54,827,779	\$ 68,233,541	\$ 67,829,694	\$ 70,303,269	\$ 92,822,995	\$ 104,174,785
Gross M&O Millage	15.867	16.520	15.785	15.418	14.232	15.286	
Less Rollbacks	7.917	8.570	7.835	7.468	6.282	7.336	
R A T E	MILLAGE RATE (Maintenance & Operation)	7.950	7.950	7.950	7.950	7.950	7.950
T A X	TOTAL M&O TAXES LEVIED	\$ 435,881	\$ 542,457	\$ 539,246	\$ 558,911	\$ 737,943	\$ 828,190
	Net Taxes \$ Increase / (Decrease)	\$ (2,702)	\$ 106,692	\$ (3,813)	\$ 19,665	\$ 179,032	\$ 90,247
	Net Taxes % Increase / (Decrease)	-0.04%	24.48%	-0.70%	3.65%	32.03%	12.23%

NOTICE OF PROPERTY TAX INCREASE

The City of Hogansville intends to adopt a millage rate which will require an increase in property taxes by 12.23%. All concerned citizens are invited to the Public Hearings on this tax increase to be held at Hogansville City Hall, 111 High Street, Hogansville, Georgia at 7:00 pm on September 18, 2023.

Times and places of additional public hearings on this tax increase are: 10:00 am and 7:00 pm on September 18, 2023. All meetings will be held in the Council Chamber at Hogansville City Hall, 111 High Street, Hogansville, Georgia 30230.

This tentative increase will result in a millage rate of 7.95 mills. The proposed tax increase for a home with a fair market value of \$140,000 is approximately \$136.12.





08/21/2023

Meeting held at Hogansville City Hall, 111 High Street, Hogansville GA 30230

Regular Meeting

Call to Order: Mayor Jake Ayers called the meeting to order at 7:12 pm. Present were Council Member Michael Taylor, Jr., Council Member Matthew Morgan, Council Member Mandy Neese, Council Member Mark Ayers, and Council Member Toni Striblin. Also present were Assistant City Manager Niles Ford, City Attorney Alex Dixon, Police Chief Jeff Sheppard, and City Clerk LeAnn Lehigh. City Manager Lisa Kelly was not present at tonight's meeting.

Council Member Morgan gave an invocation and Mayor Ayers led the Pledge of Allegiance.

CONSENT AGENDA

Motion: Council Member Neese moved to amend the agenda adding a Presentation – Life Saver Award – Officer McKinney. Council Member Morgan seconded the motion. Council Member Striblin then moved to approve the Consent Agenda with the amendment. The motion was seconded by Council Member Neese.

Motion Carries 5-0

PRESENTATIONS

1. Life Saver Award – Officer Heath McKinney

Chief Sheppard recognized Officer McKinney with the Life Saver Award for his outstanding service in helping an injured citizen on June 27, 2023. Officer McKinney arrived on scene to a man with profuse bleeding from a laceration of his foot. EMS and Fire were delayed to the scene, so Officer McKinney made an assessment of the injury and began immediate life saving measures with bleeding control devices. His efforts saved the man's life.

2. Mallet Consulting – Park Plan Update

Mallet Consulting was hired to do analysis on Parks in the City, but they were unable to attend the meeting due to COVID.

NEW BUSINESS

1. Georgia Power Yard Lease

Motion: A motion was made by Council Member Striblin to approve the Yard Lease to Georgia Power to store machinery and equipment at the sprayfield property, within the existing Ga. Power easement, for a fee of \$1500 per month for a 5-month lease, but could be extended, if needed, at the same rate of \$1500 per month. The motion was seconded by Council Member Neese.

Discussion: None

Motion Passes – 5-0

2. Bid Award – Culvert Repairs Alley at Dickinson St and Sprayfield

Motion: A motion was made by Council Member Neese to approve the bid award to Crawford Grading for repairing the culverts that were damaged in the flooding back in March in the amounts of \$10,792 for the Sprayfield culvert repair and \$7,456 for the Dickinson Street alley culvert repair. The motion was seconded by Council Member Striblin.

Discussion: None

Motion Passes – 5-0

August 21, 2023

3. Special Use Permit Renewal – Family Life Center

Motion: A motion was made by Council Member Striblin to table the Special Use Permit Renewal until a future meeting. The motion was seconded by Council Member Morgan.

Vote: Taylor (No), Morgan (Yea), Neese (No), Ayers (No) Striblin, (Yea)

Motion Fails 2-3

Motion: A motion was made by Council Member Taylor to approve the renewal of the Special Use Permit for the Family Life Center. The motion was seconded by Council Member Neese.

Discussion: Council Members were concerned about the designation that would allow DJJ children at the Family Life Center located on Pine Street. Dr. Jimmy McCamey addressed the Council and made it clear that the Family Life Center would NOT accept DJJ children into the facility. He is asking for approval for the permit renewal that was originally approved by the previous Council in 2019. He was asked by Council if he could modify his designation from an MWO (Maximum Watchful Oversight) to a Traditional/Base designation? Dr. McCamey explained that the MWO designation is what he specializes in and it would not make sense to change the designation. Dr. McCamey made it clear that the center would never have DJJ children at the facility and that all kids would be monitored 24/7 with security on-site and would attend school at the facility. He pleaded with Council for a vote tonight.

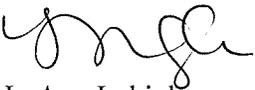
Vote: Taylor (Yea), Morgan (No), Neese (Yea), Ayers (Yea) Striblin, (No)

Motion Carries 3-2

ADJOURNMENT

On a motion made by Council Member Neese and duly seconded, Mayor Jake Ayers adjourned the meeting at 8:21 pm.

Respectfully,



LeAnn Lehigh
City Clerk



08/21/2023

Meeting held at Hogansville City Hall, 111 High Street, Hogansville GA 30230

Work Session Meeting

Call to Order: Mayor Jake Ayers called the Work Session to order at 5:38 pm. Present were Mayor Jake Ayers, Council Member Matthew Morgan, Council Member Mandy Neese, Council Member Mark Ayers, and Council Member Toni Striblin. Also present were, Assistant City Manager Niles Ford, City Attorney Alex Dixon, Police Chief Jeff Sheppard, and City Clerk LeAnn Lehigh. Council Member Michael Taylor and City Manager Lisa Kelly were not present at tonight's meeting.

DISCUSSION ITEMS

1. LCRR Update

Assistant City Manager Niles Ford spoke about the LCRR update, which requires an inventory list of all lead and copper water service pipes in the City; both on the City's side and customer's side. The City is required to have the list of inventory completed by Oct 16, 2024. He explained that the City is in the process of reviewing funding to help with the costs of the required inventory and subsequent replacement of the lines, but the funding deadline is quickly approaching at the end of Sept 2023.

Mr. Ford also said that he had contacted other local municipalities to ask how they are handling the LCRR update as it relates to customer notification. He said some weren't communicating at all with customers, and some weren't sure how they would communicate. He said it seems we will be well ahead of other local municipalities in getting the word out. The City will start letting our water customers know what will be going on by inserting a letter and FAQ in the next utility mailers, doing social media campaigns, and Public Information Meetings.

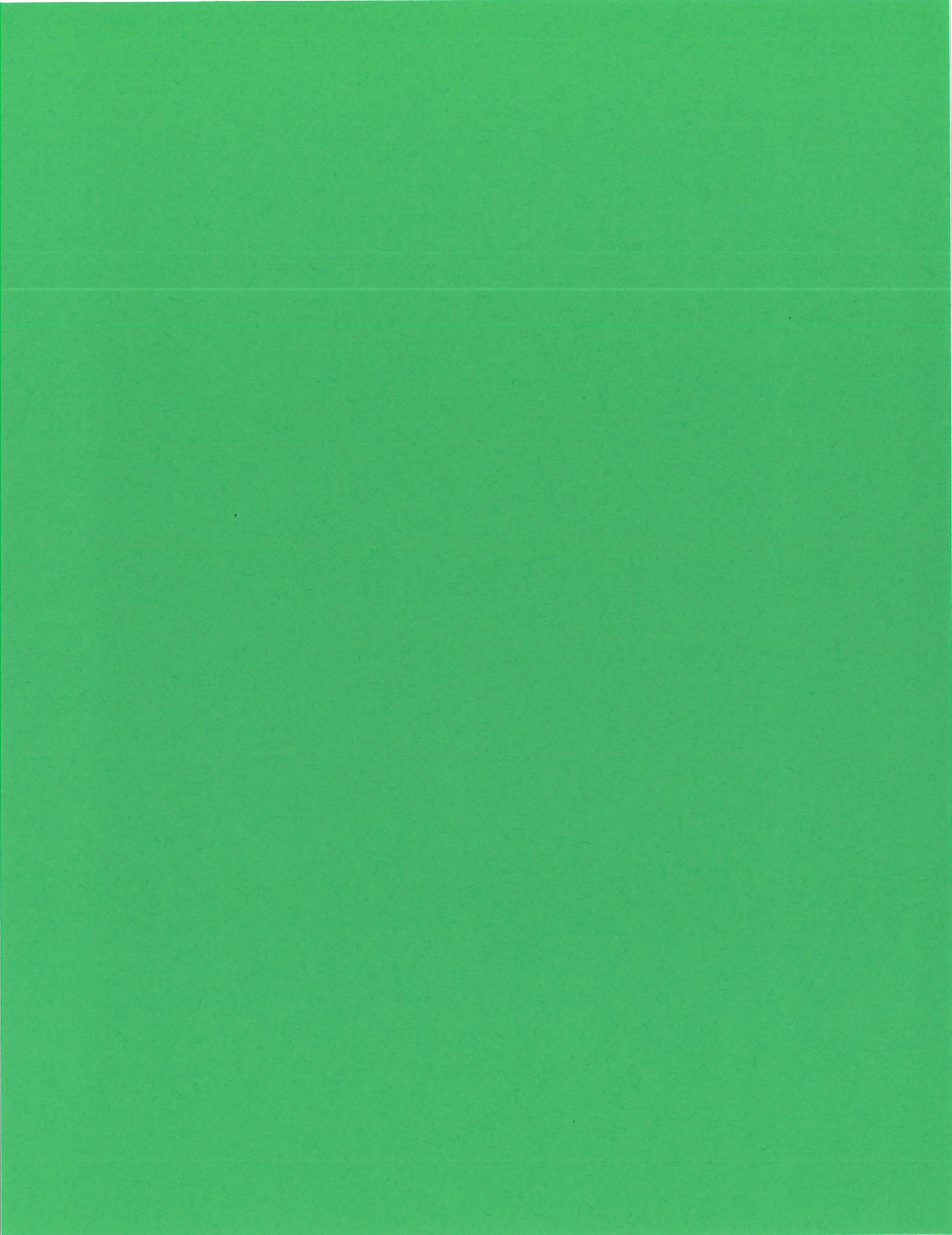
He also talked to Council about hiring a part-time employee to be the contact for customers, organize scheduling, mapping, maintaining inventory. This would be an important role. He would like to hire Acia Stephens for the position, as she is currently a contract employee for City Hall and would be a great fit for the role. Council agrees that this is an important role and if the budget allows, it would be up to the City Manager to hire.

ADJOURNMENT

Mayor Jake Ayers adjourned the Work Session at 6:44 pm.

Respectfully,

LeAnn Lehigh
City Clerk



CITY COUNCIL
Mayor Jake Ayers
Michael Taylor, Jr., Post 1
Mathew Morgan, Post 2
Mandy Neese, Post 3
Mark Ayers, Post 4
Toni Striblin, Post 5



City Manager - Open
Lisa Kelly, Interim City Manager
Alex Dixon, City Attorney

111 High St
Hogansville GA 30230-1196
706-637-8629 | cityofhogansville.org

COUNCIL ACTION FORM

MEETING DATE: September 5, 2023

SUBMITTED BY: Lisa Kelly

AGENDA TITLE: Bid Award – Demolition of 209 & 211 West Boyd Rd.

CLASSIFICATION (City Attorney must approve all ordinances, resolutions and contracts as to form)

- | | | | |
|--|-------------------------------------|---|---|
| <input type="checkbox"/> Ordinance (No. ____) | <input type="checkbox"/> Contract | <input type="checkbox"/> Information Only | <input type="checkbox"/> Public Hearing |
| <input type="checkbox"/> Resolution (No. ____) | <input type="checkbox"/> Ceremonial | <input checked="" type="checkbox"/> Discussion/Action | <input type="checkbox"/> Other |

BACKGROUND (Includes description, background, and justification)

Code Enforcement Officer Rick Milliron solicited 4 bids for the demotion of 209 & 211 West Boyd. Rd. Only one responsive bid was received.
The two structures have been through the legal nuisance abatement process. During the process, 211 West Boyd was deeded over to the City and will be added to the list of City property.

The only responsive bidder submitted a total cost of \$6,100 to demolish and clear both properties. The current fiscal year budget will support this expenditure from the demolition line item.

BUDGETING & FINANCIAL IMPACT (Includes project costs and funding sources)

STAFF RECOMMENDATION (Include possible options for consideration)

Staff recommends approval of the bid to Platinum Services ,LLC in the amount of \$6,100.

9-5-23 mtg.

Platinum Services LLC

Platinum Demo and Grading LLC
260 Joe Cox Rd
Sharpsburg GA
30277
770-500-5445
platinumservicesofga@gmail.com

ESTIMATE

EST0021

DATE

Aug 14, 2023

TOTAL

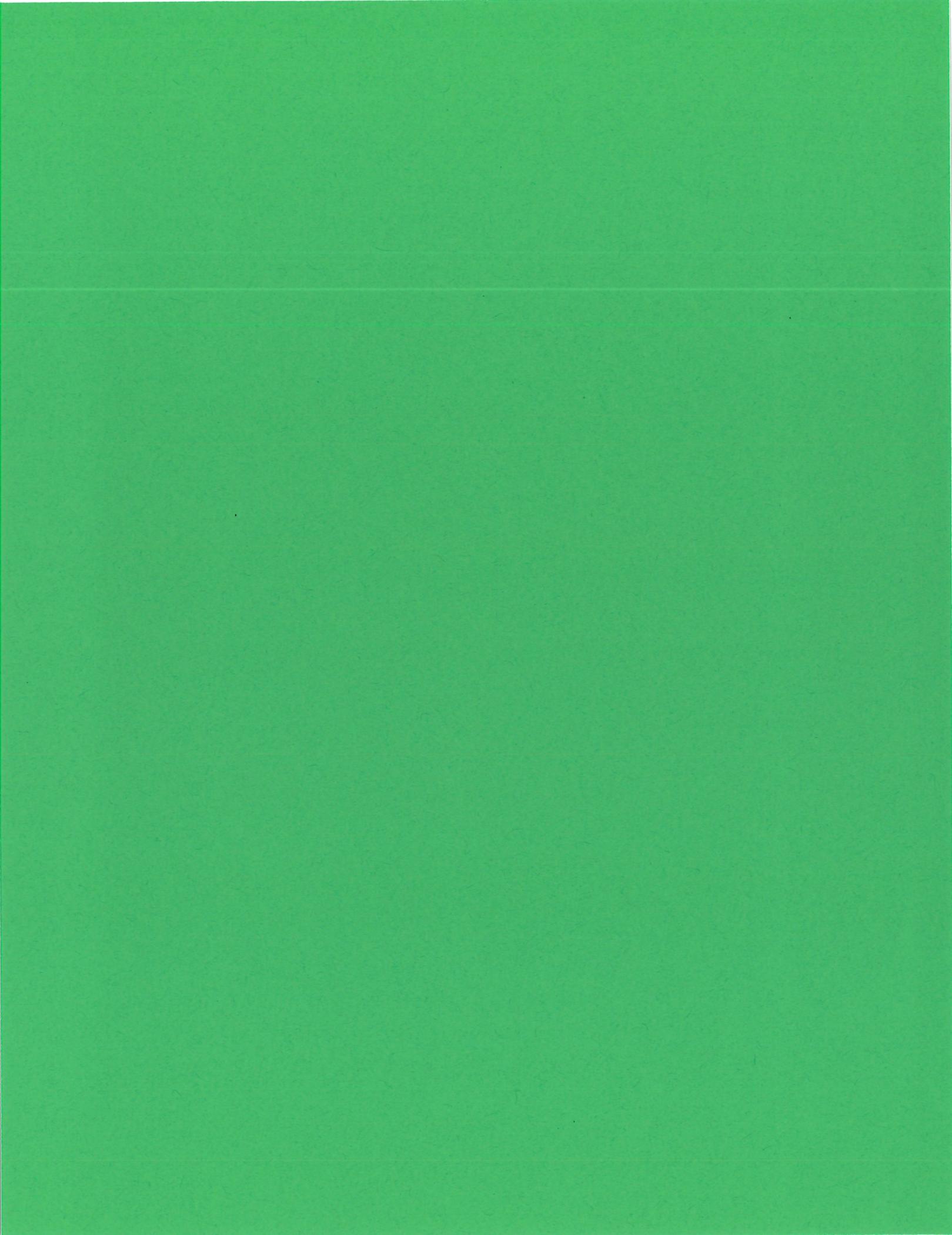
USD \$6,100.00

TO

Rick Hogansville

101 W Main st. Hogansville
Lillian.drake@cityofhogansville.org

DESCRIPTION	RATE	QTY	AMOUNT
Demo and remove structures at 209-211 W Boyd Ave. Hogansville. Included is tear down and haul off all debris grade lot back out seed and straw or hydroseed to prevent erosion and runoff into the street.	\$6,100.00	1	\$6,100.00
209. Demo cost. \$3250.00			
211. Demo cost \$2850.00			
TOTAL			USD \$6,100.00



Request for Proposal for Audit Services for the year ending June 30, 2023

Lanigan & Associates, PC	\$53,000
<u>McNair, McLemore, Middlebrooks & Co.</u>	<u>\$45,000</u>
AJK, LLC	\$42,000

Management has selected McNair, McLemore, Middlebrooks & Co. as our new auditor starting with the fiscal year ending June 30, 2023.



MCNAIR MCLEMORE
MIDDLEBROOKS & CO

CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

July 12, 2023

#1

Mrs. Annette Anderson
City of Hogansville, Georgia
111 High Street
Hogansville, Georgia 30230

We would like to offer a contract to the City of Hogansville, Georgia for the performance of the 2023 through 2027 annual audits.

The major provisions of the new contract would be as follows:

- CITY OF HOGANSVILLE, GEORGIA desires the auditor to express an opinion on the fair presentation of its financial statements in conformity with accounting principles generally accepted in the United States of America.
- The audit shall be performed in accordance with auditing standards generally accepted in the United States of America, as set forth by the American Institute of Certified Public Accountants and the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*. The audit shall be performed in accordance with American Institute of Certified Public Accountants (AICPA), Generally Accepted Auditing Standards (GAAS), and *Government Auditing Standards*. At the completion of the audit the auditor will issue the required reports in accordance with the standards listed above.
- The audit shall be performed in accordance with U.S. General Accounting Office's *Government Auditing Standards and Uniform Guidance for Federal Funds* (formerly OMB Circular A-133), *Audits of States, Local Governments and Non-Profit Organizations*.
- The audit will include a management letter of comments and recommendations, which shall contain observations noted during the examinations.

The owners and professionals employed at McNair, McLemore, Middlebrooks & Co., LLC understand the significance of quality service that is provided timely and at a fair price. Our long-standing approach to professional engagements is to ensure that we offer our clients, when needed and desired, services beyond that merely contemplated at the onset of the engagement. We can provide assistance and training regarding accounting and auditing pronouncements, audit risk alerts, newly adopted and proposed regulations, and assistance with understanding compliance requirements unique to the City's operations.

McNair, McLemore, Middlebrooks & Co., LLC, is well-qualified to provide the required services to City of Hogansville, Georgia. The audit team will include David C. McCoy as the engagement supervisor with over twenty years of governmental auditing experience as well as David P. Muse, Jr., as the engagement partner with over thirty years of governmental auditing experience.

Our proposed fee for these financial audit engagements are as follows:

<u>Audit Year</u>	<u>Total Financial Audit Fees</u>
2023	\$ 37,500
2024	37,500
2025	37,500
2026	37,500
2027	37,500

A Single Audit is required when the City's expenditures of Federal funds exceeds \$750,000 for a year. It is our understanding that the City will require a Single Audit for 2023. Our proposed fee for a Single Audit is \$7,500 for a Single Audit with one major program and, if applicable, \$2,500 for each additional major program.

In addition to the required reports, we will provide the following:

- Management letter outlining any recommendations or observations made during the audit.
- Computer printouts, which present the unadjusted balances, audit adjustments, and final audit numbers, along with any explanations for the adjustments.

McNair, McLemore, Middlebrooks & Co., LLC looks forward to establishing a professional relationship with City of Hogansville, Georgia.

Sincerely,

McNair, McLemore, Middlebrooks & Co., LLC
MCNAIR, McLEMORE, MIDDLEBROOKS & Co., LLC

37,500
7,500

45,000

Reference 1

Annette Anderson

From: Kim Bennett <kbennett@threeriversrc.com>
Sent: Friday, September 1, 2023 10:45 AM
To: Annette Anderson
Cc: Lisa Kelly
Subject: RE: Reference on McNair, McLemore, Middlebrooks & Co. LLC

Good morning Annette,

It was a pleasure speaking with you this morning regarding TRRC's experience with McNair, McLemore, Middlebrooks & Co. We're going into our 3rd audit with them and have had a positive experience.

As I said, I inherited last year's audit and it was full of problems but David helped me get through all of them. We completed the audit on time. I find David easy to work with – he's definitely not uptight – very easy to talk to and did indeed help me a great deal last year. I expect the same from him this year. The only issue I had last year with him was lack of communication for a period of time but he did have valid reasons for that and it did get much better.

I think that you and the City would find MMM & Co. to be a very professional organization with knowledgeable, professional auditors. If you need any additional information or I can help in any other way, please don't hesitate to reach out.

Best regards,

Kim Bennett

Finance Director
Three Rivers Regional Commission
P.O. Box 818
120 N. Hill Street
Griffin, GA 30224
Office: 678-692-0510 x.213
Cell: 678-972-8695
Fax: 678-692-0513



EQUAL OPPORTUNITY EMPLOYER/PROGRAM

Reference 2

Annette Anderson

From: Amanda Smith <asmith@greencountyga.gov>
Sent: Friday, September 1, 2023 10:25 AM
To: Annette Anderson
Subject: RE: Reference on McNair, McLemore, Middlebrooks & Co. LLC

I apologize for the delay – I was out of the office yesterday afternoon. I would highly recommend McNair, McLemore, Middlebrooks & Co. LLC for any auditing services that you require. Greene County started utilizing McNair, McLemore, Middlebrooks & Co. last year. However, we have had a relationship with David McCoy and his team for about twenty years. They have experience with all types and sizes of governments throughout Georgia and keep on top of the ever-changing GASB pronouncements. We have had no problems obtaining our audit prior to the state-mandated due dates throughout the years. I feel that the resources that McNair, McLemore, Middlebrooks & Co. LLC can provide have only improved our experience.

Our audit team has been extremely easy to communicate with over the years. I've never felt like I was being pushed off or ignored. In the event that the team needed to research an idea further, I was always told that they would reach out to some other individuals and do some additional research before getting back with me. I feel comfortable bouncing off my thoughts regarding new pronouncements and getting feedback from them. I also feel that any suggestions that the auditors make are to protect the assets of the County and prevent potential issues down the road.

I feel that David and his team at McNair, McLemore, Middlebrooks & Co. LLC would be a valuable asset to the City of Hogansville and would meet your needs. I highly recommend them as an audit firm. Please do not hesitate to contact me if you have any additional questions.

Thanks,
Amanda G. Smith
Finance Manager
Greene County Board of Commissioners
(706) 453-7716

From: Annette Anderson <annette.anderson@cityofhogansville.org>
Sent: Thursday, August 31, 2023 12:21 PM
To: Amanda Smith <asmith@greencountyga.gov>
Cc: Lisa Kelly <lisa.kelly@cityofhogansville.org>
Subject: Reference on McNair, McLemore, Middlebrooks & Co. LLC

External Email
Be cautious of sender, content, attachments, and links. Use caution when following links as they could open malicious web sites, malware, or viruses.

Miss Smith:

We are in need of a new auditor. We received your name as a reference from McNair, McLemore, Middlebrooks & Co. LLC.

Reference 3

Annette Anderson

From: Nan Edwards <nedwards@braselton.net>
Sent: Thursday, August 31, 2023 1:19 PM
To: Annette Anderson
Subject: RE: Reference on McNair, McLemore, Middlebrooks & Co. LLC

Miss Anderson,

I very much enjoy working with David McCoy at MMM & Co. He helps me with any questions that I may have throughout the year as well as during the audit. They are very easy going and not uptight at all. I can tell you that this has been the best auditor that I have enjoyed working with since I have been with the Town of Braselton for the last 20 years. Again, I can't express enough how much I enjoy working with them. If you have any more questions, please don't hesitate in asking. Thanks!



Nan Edwards
Finance and HR Director

☎ [706-654-5660](tel:706-654-5660)
📍 [Post Office Box 306 4982 Highway 53, Braselton, GA 30517](https://www.braselton.net/post-office)
✉ nedwards@braselton.net
🌐 www.braselton.net

From: Annette Anderson <annette.anderson@cityofhogansville.org>
Sent: Thursday, August 31, 2023 12:28 PM
To: Nan Edwards <nedwards@braselton.net>
Cc: Lisa Kelly <lisa.kelly@cityofhogansville.org>
Subject: Reference on McNair, McLemore, Middlebrooks & Co. LLC

Miss Edwards:

We are in need of a new auditor. We received your name as a reference from McNair, McLemore, Middlebrooks & Co. LLC.

We are looking for easy to work with, not uptight, helpful instead of critical and a sense we are all working together towards a common goal.

Thank you,

Annette Anderson
Finance Director

Reference 4

Annette Anderson

From: cindy grayga.us <cindy@grayga.us>
Sent: Thursday, August 31, 2023 1:32 PM
To: Annette Anderson
Cc: Lisa Kelly
Subject: Re: Reference on McNair, McLemore, Middlebrooks & Co. LLC

Ms. Anderson,

I can't say enough good things about them. They are very helpful not only during the audit but during the entire year with any questions that I have.

Cindy

[Get Outlook for iOS](#)

From: Annette Anderson <annette.anderson@cityofhogansville.org>
Sent: Thursday, August 31, 2023 12:26:01 PM
To: cindy grayga.us <cindy@grayga.us>
Cc: Lisa Kelly <lisa.kelly@cityofhogansville.org>
Subject: Reference on McNair, McLemore, Middlebrooks & Co. LLC

Miss Yancey:

We are in need of a new auditor. We received your name as a reference from McNair, McLemore, Middlebrooks & Co. LLC.

We are looking for easy to work with, not uptight, helpful instead of critical and a sense we are all working together towards a common goal.

Thank you,

Annette Anderson
Finance Director

City of Hogansville
111 High Street
Hogansville, GA

706 637 8629

AJK

AJK, LLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 609 □ 405 Second Street □ Manchester, GA 31816
(706) 846-8401 □ Fax (706) 846-3370



To the Mayor, City Council, and Management
City of Hogansville, Georgia
111 High Street
Hogansville, GA 30230

We are pleased to confirm our understanding of the services we are to provide for the City of Hogansville, Georgia for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the City of Hogansville, Georgia as of and for the year ended June 30, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Hogansville, Georgia's 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. As part of our engagement, we will apply certain limited procedures to the City of Hogansville, Georgia's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of changes in the net pension liability and related ratios – Defined benefit pension plan.
- 3) Schedule of contributions – Defined benefit pension plan.

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Hogansville, Georgia's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

- 1) Schedule of expenditures of federal awards, if applicable.
- 2) Combining comparative and individual fund financial statements and schedules, as applicable.
- 3) Budgetary schedules, as applicable.
- 4) Capital asset schedules, grant schedules, and special purpose local option sales tax schedule, as applicable.

The objectives of our audit 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 issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning:

- Segregation of duties
- Management override of controls
- Improper revenue recognition

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Hogansville, Georgia's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Hogansville, Georgia's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Hogansville, Georgia's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Hogansville, Georgia in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. We will also provide general consulting services requested by you during the year on various accounting issues; convert cash to accrual basis; maintain annual depreciation schedules for you from data you provide us, such as date acquired, cost, deprecation method, and useful life; and prepare various reports as requested by you, using your financial statements and data you provide. These nonaudit and nonattest services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes, and nonaudit and nonattest services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit and nonattest services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit and nonattest services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on December 1, 2023.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit

Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the City of Hogansville, Georgia; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of AJK, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a Cognizant or Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of AJK, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Charlie Middlebrooks is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately October 2, 2023.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed \$38,000 for the financial statement audit and \$4,000 for the Single Audit, if required. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor, City Council and management of the City of Hogansville, Georgia. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of 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, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2021 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Hogansville, Georgia and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

AJK, LLC

AJK, LLC
Manchester, Georgia

RESPONSE:

This letter correctly sets forth the understanding of the City of Hogansville, Georgia.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



Frazier
& Deeter
CPAs & ADVISORS

1230 Peachtree Street NE
Suite 1500
Atlanta, Georgia 30309
404.253.7500
www.frazierdeeter.com

Report on the Firm's System of Quality Control

November 30, 2021

To the Partners of AJK, LLC and the National Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of AJK, LLC (the firm) in effect for the year ended March 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans. As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of AJK, LLC in effect for the year ended March 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. AJK, LLC has received a peer review rating of *pass*.

Frazier & Deeter, LLC

Frazier & Deeter, L.L.C.

AJK

AJK, LLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 609 □ 405 Second Street □ Manchester, GA 31816
(706) 846-8401 □ Fax (706) 846-3370

City of Hogansville
111 High Street
Hogansville, GA 30230

To help you prepare for the upcoming audit of the year ending June 30, 2023 and assist us to plan and complete this audit most efficiently and economically, please provide us with the following:

- A current list of the names and titles of key administrative personnel, elected officials, any department committees and an organization chart
- A list of each location maintained by the governmental unit, the nature of the activity performed at each, and the approximate number of employees at each.
- A list of related parties with who business transactions were conducted during the year.
- A list of blood relationships employed by the governmental unit along with the positions held. Add to this list any other related party transactions for the City.
- An annual budget for the year ended June 30, 2023 (including any amendments). We will need to be able to reconcile the original budget approved in the minutes to the final budget shown at June 30, 2023
- A copy of the annualized general ledger of each fund maintained on a computerized system. (If possible, please email PDF copies of each annualized general ledger to mbishop@ajkllc.com).
- Trial Balance reports for all funds as of June 30, 2023 (Please email PDF copies to mbishop@ajkllc.com as soon as possible).
- A list of all bank accounts maintained by the City, including any accounts that were in use at June 30, 2022 and closed before June 30, 2023. Also include the names and addresses of the banks. Indicate on the list if the account was opened or closed during the year.
- A list of all Certificates of Deposit owned by the City at June 30, 2023 and a list of any Certificates that matured during the year ending June 30, 2023 that shows the date matured.
- All year end bank statements and bank reconciliations. Please make us a photocopy of the June 30, 2023 reconciliation for all accounts, including a list of outstanding checks for each account.
- A list of transfers between cash accounts 5 days before and after year end.

- A Utility accounts receivable aging report at 6-30-2023 (report must include all balances-current and past due). Also provide a detail by customer for any accounts written off during the year.
- An aged listing of police fines receivable from the Police Department. The list of fines receivable should indicate which fines were collected in July and August 2023
- A listing of unpaid property taxes receivable (by year) as of June 30, 2023
- A copy of the 2022 property tax digest.
- A listing of any other accounts receivable owed to the City at June 30, 2023.
- A Utility customer deposit listing as of 6/30/2023
- Utility monthly billing and consumption reports for the year
- A schedule, by location, of any significant inventory of supplies, fuel, tires, parts, food, etc. on hand at year end.
- Copies of quarterly payroll reports for the year (July 2022-September 2022; October 2022-December 2022; January 2023-March 2023; April 2023-June 2023).
- A narrative on payroll procedures, frequency of pay, and overtime policy. Also, a narrative on compensated absences policy, vacation and sick pay.
- A description of any unusual compensation agreements, if any.
- A description of any employee pension or deferred compensation plan and copy of the actuary report.
- A schedule of accrued vacation, compensatory time and sick leave by employee as of your yearend that shows name, number of hours, hourly rate, and total accrual.
- A report that shows how much vacation time was taken during the year ended June 30, 2023 and a report of vacation time taken during July and August, 2023.
- A schedule of accounts payable that you owe as of June 30, 2023. Please have these invoiced pulled
- A schedule of insurance policies in effect during the year. (Your insurance company is often willing to prepare this for you.) We will need to examine all policies in effect at June 30, 2023.
- Copies of all contracts, debt arrangements, leases, etc. entered into during the year, including grant agreements and ARPA documents.
- A complete schedule of all federal awards including amount expended during the year. The schedule should include the CFDA number, passthrough grant number, and program description.
- A calculation of the future benefit payments that the City will have for any post-employment benefits that you offer.

We ask that you please also have available the following for our inspection at the time we begin our audit fieldwork:

- Minutes of board meeting not available on the City's website
- Paid bills/invoices for the year.
- General ledgers, journals and financial statements prepared during the year.
- Bank statements with cancelled checks for the year.
- All receipt books for the year.
- Copies of correspondence with regulatory agencies reporting violation, penalties or possible corrective action regarding the governmental unit's activities

At the conclusion of fieldwork, the City will need to provide us with the Management's Discussion and Analysis which is required supplementary information.

The above list is not all inclusive, but will enable us to begin the audit effectively. If you have any questions regarding the above items, please give us a call.

Thank you,

Melissa Bishop
AJK, LLC
Manchester, Georgia
August 10, 2023

Add to City's
letterhead.
Sign + give
to AJK.

August 10, 2023

Wilcox & Bivings, P.C.
4485 Tench Road, Suite 1320
Suwanee, GA 30024

We have engaged AJK, LLC to audit our financial statements for the year ended June 30, 2023. In connection with their audit, they would like to make inquiries and examine your workpapers for the audit of our financial statements for the year ended June 30, 2022. We hereby authorize you to respond fully and without limitation to their inquiries.

Please allow our auditors to copy any information needed from files related to our financial statements that they request (unless proprietary in nature), and bill us for the reproduction costs.

We have represented to our auditors that we are not involved with your firm in any disputes about accounting policies, auditing procedures, or similarly significant matters and that we have paid in full for all services rendered by you to date. You will be contacted by Charlie Middlebrooks of this audit firm concerning these matters.

Very truly yours,

City of Hogansville, Georgia

CITY OF HOGANSVILLE, GEORGIA

Proposal for Professional Audit Services



Presented by

Lanigan & Associates, P.C.

Certified Public Accountants & Management Consultants

2630 Centennial Place

Tallahassee, FL 32308

August 23, 2023

John Keillor, CPA

jkeillor@lanigancpa.com

(850) 893-8418

Proposal for Professional Audit Services

TABLE OF CONTENTS

	Page No.
Cover Letter	2
Firm Overview	3
Our Engagement Team	6
Statement of Auditor's Independence	8
Our Experience (Governments and Other Entities Served)	9
Scope of this Engagement	10
Our Approach for Performing this Engagement	11
Timeline for Performing this Engagement	14
Information Technology.....	15
Quality Control and Peer Review	16
<u>Appendix</u>	
A – Peer Review Report	17
B – Team Resumes.....	20
C – Client References.....	27
D – Fee Proposal.....	28

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
www.lanigancpa.com

Bernard Lanigan (1918-1982)
Bernard Lanigan, Jr., CPA
Frank J. Mercer, CPA, CFP
C. Bradford Jackson, CPA, CFA
D. Mark Fletcher, CPA, CFE
G. Thomas Harrison, Jr., CPA, CFP
John W. Keillor, CPA
James S. Shaw, III, CPA, CGMA
Dona N. Reetz, CPA
David F. Strange, CPA
W. Walker Bridges, CPA

Please reply to:
Tallahassee

314 Gordon Avenue
Thomasville, GA 31792
(229) 226-8320
(229) 226-0038 Fax

2630 Centennial Place, Suite 1
Tallahassee, FL 32308
(850) 893-8418
(850) 893-9745 Fax

3353 Peachtree Road, NE
North Tower, Suite 535
Atlanta, GA 30326
(404) 891-6966

August 23, 2023

Ms. Annette Anderson
Finance Director
City of Hogansville, Georgia
111 High Street
Hogansville, Georgia

Re: Proposal for Professional Audit Services

Dear Ms. Anderson:

We are pleased to present our proposal to provide professional services to the City of Hogansville, Georgia (the "City"). We are confident that we have the optimal mix of experience, resources, knowledge, and independence needed to deliver our proactive, industry-specific service. Our goal is not only to be your auditor, we also want to be your trusted advisor. We want to "add value" and help the City and staff achieve its mission in a cost-effective manner.

We understand your engagement objectives and the scope of work to be performed and are committed to meeting your engagement needs in a practical manner. We will give you and your staff our personal attention. Our firm will perform the engagement as outlined in the Request for Proposal (RFP) and will meet all required deadlines. This proposal is a firm and irrevocable offer for a period of 90 days. John Keillor, partner and engagement head of our governmental audit area, listed on this proposal, is authorized to make representations for and to bind our firm. If you have any questions or need additional information, please contact him at (850)-893-8418 or jkeillor@lanigancpa.com and he will be happy to assist you.

We would be honored to have City of Hogansville, Georgia as a client, and are excited about the opportunity to be a partner in your success. Thank you for your consideration of Lanigan & Associates, P.C.

Sincerely,

John Keillor
John Keillor, CPA

Proposal for Professional Audit Services

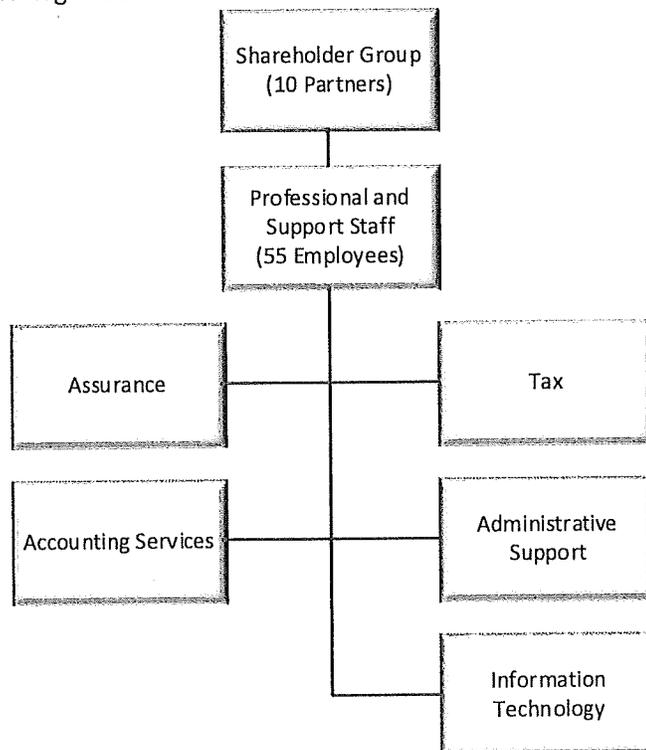
FIRM OVERVIEW

Firm Profile

Lanigan & Associates, P.C. was established in 1973 by Bernard Lanigan. Our firm has achieved a reputation for high quality auditing, accounting, tax and consulting services to clients throughout the southeast. Our knowledge of the business environment in which our clients operate enables us to thoroughly understand each client's needs and to tailor our services to meet their expectations.

Our firm has licensed offices in Tallahassee, Thomasville and Atlanta. Each office provides a full range of services, including accounting, audit, tax, investment management, estate planning, employee benefit plan administration, and consulting and advisory services. The firm specializes in servicing closely held businesses, professional service organizations, government agencies, and tax-exempt entities.

Lanigan & Associates, P.C. has ten (10) partners and fifty-five (55) professionals and support staff who have extensive experience in providing quality services to a variety of clients. Through a close, professional relationship with a diverse client base, our firm has gained a wealth of experience in helping organizations like the City of Hogansville, Georgia reach their goals and objectives. Our firm structure along with the number of employees assigned to each function is presented below in the organizational chart.



Firm Profile (Continued)

The firm's organizational structure is designed to provide maximum flexibility and efficiency, while encouraging growth and development from within. Each engagement, regardless of size, is assigned a minimum of two partners and an accounting manager. Specific objectives and complexities dictate the number of additional staff assigned to the engagement team.

We are committed to providing expert service to our clients. All of our team members attend timely continuing education that provides them with the knowledge and resources to continually exceed clients' expectations and meet the ever-changing demands of the marketplace.

Member of the American Institute of Certified Public Accountants' Private Companies Practice Section

Control over the quality of our service is of paramount importance to us. To ensure our standards of working excellence, we are a member of the Private Companies Practice Section of the American Institute of Certified Public Accountants. This membership requires triennial peer review of the firm's quality control system. Our commitment to excellence is evident in the unqualified opinions we have always received from our peers, the most recent of which was issued in 2020 (See Appendix A).

Member of the American Institute of Certified Public Accountants' Government (Not-For-Profit) Quality Center

Our firm is a member of the American Institute of Certified Public Accountants' Governmental Quality Center (AICPA-GAQC). This is a firm-based, voluntary membership center designed to promote the importance of quality governmental/not-for-profit engagements and the value of such engagements to clients of governmental/not-for-profit services and certain other entities.

Customer Service Philosophy

We take great pride in our hands-on, service oriented business philosophy, a function of quality controls and processes, superior talent and a passionate responsiveness to your needs. Our results-oriented approach is structured to help you achieve your goals and objectives in addition to strengthening your management systems and processes. L&A has several attributes that are critical to executing our role of providing the necessary assurance to our clients:

➤ We have the right mix of firm size, diversity of practice and expertise.

Our firm is large enough to have the resources available to take on new complex engagements. However, we have not grown so large that our team has lost our personal touch and relationship driven process. Our firm has made a concerted effort to organically grow our client base through a methodical selection process. This enables us to only select engagements where we can add value to our clients above and beyond our fees. Strictly adhering to this philosophy throughout the last 40 years has allowed our firm to develop niche practice groups. These practice groups have accumulated a wealth of diverse expertise that allows us to add value and "go beyond recording history." We feel this separates our firm from the typical regional CPA firm.

Customer Service Philosophy (Continued)

➤ **We demand excellence in the services we provide:**

Independence, integrity and professional competence are the cornerstones of our approach to doing business. We have developed an excellent reputation in the southeast due to the quality of the services we offer and the satisfaction of our clients.

➤ **We sincerely care about the clients we serve:**

We care about our clients and want to see them succeed. We are collaborators who believe working together towards our clients' success is a privilege. Not only is it a privilege, it's our stated purpose. Should we be retained as your auditors and advisors, you will quickly see that we will provide value beyond accounting.

➤ **Information is useful only if it is timely.**

We understand the need to produce timely reports to meet the needs of the Organization.

➤ **We take every opportunity to add value to our clients.**

We recognize the importance of accurate and meaningful financial statements. However, we strive to provide proactive services and information which can assist you in planning and decision making. We are business people, not bean counters.

➤ **We are effective and efficient with the services we provide.**

We're different because we have the resources to provide a wide array of services, but we are not burdened with the cost structure or bureaucracy of the large national firms. These factors translate into world-class service at rates that are commensurate with the local market.

➤ **We believe in communication.**

We regard open lines of communication among all members of the engagement team and the client as imperative to the successful performance of our job. You will have continuous access to us and our resources.

➤ **We use and share the latest technology.**

We take pride in our commitment to train both our staff and our clients in the effective use of information technology. We use technology in every aspect of our work and seek out best practices to facilitate greater efficiencies.

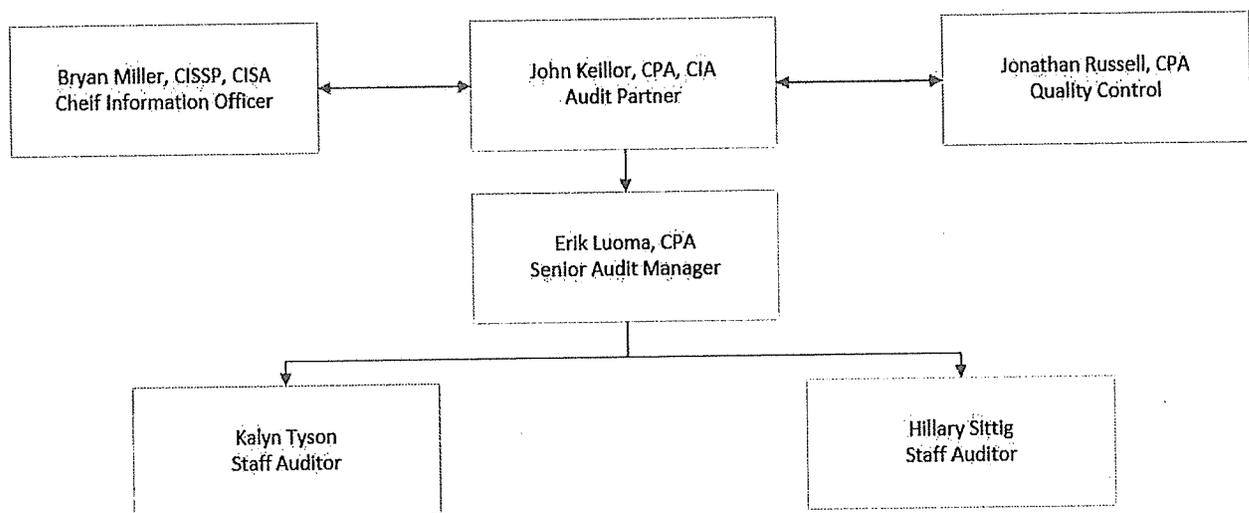
OUR ENGAGEMENT TEAM

Successful engagement performance requires a strong functional organization. Our basic approach to selecting an engagement team is based on the need for close coordination, carefully defined responsibilities and lines of communication and constant quality control throughout all phases of the engagement. These objectives can only be accomplished using a strong engagement team with effective management and control features.

The team assigned to perform our audit is composed of highly trained professionals with extensive experience in audit engagements. Our small, efficient working group will maintain a knowledgeable, yet non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the City's on-going operations.

Our firm is structured to be able to continuously provide the City with the most qualified, experienced professionals for your engagement. None of the team members have had complaints against them by the state board of accountancy or other regulatory authority. Furthermore, no corrective actions have been taken by the firm with respect to these people.

Your engagement team will include an engagement partner, quality control partner, audit manager, senior auditor, staff auditors and paraprofessionals and will be structured as follows:



Listed below is a summary of the City's audit team. Complete biographical information for each engagement team member has been included in **Appendix B**.

1. John Keillor, CPA

Engagement Audit Partner

Phone: 850-893-8418

Email: jkeillor@lanigancpa.com

Years of Experience: 21

Engagement Role: John will be responsible for the overall engagement. He will assess risk, design audit procedures, manage preparation of financial statements, offer quality management advice, advise the City on accounting policies and technical issues, and oversee all non-audit work assignments and projects.

OUR ENGAGEMENT TEAM - CONTINUED

2. Jonathan Russell, CPA

Quality Control

Phone: 850-893-8418

Email: fjmercer@lanigancpa.com

Years of Experience: 15

Engagement Role: Jonathan will be responsible for providing a “cold” technical review of the audited financial statements, reports to be issued and the work papers supporting of opinion.

3. Bryan Miller, CISSP, CISA

IT Director

Phone: 850-893-8418

Email: bmiller@lanigancpa.com

Years of Professional Experience: 18

Engagement Role: Bryan is in charge of the Information Technology Department at Lanigan & Associates. He has over 18 years of experience in network administration and information technology consulting. He has been instrumental with the firm’s migration to a virtualized and paperless office environment. He will be responsible for ensuring that our firm’s IT is working effectively and efficiently during the engagement. He will also assist us with the general IT controls assessment of the City.

4. Erik Luoma

Senior Audit Manager

Phone: 850-893-8418

Email: eluoma@lanigancpa.com

Years of Experience: 15

Engagement Role: Erik will have the responsibility of planning and conducting the audit including the daily supervision and technical support.

5. Kalyn Tyson

Audit Staff

Phone: 850-893-8418

Email: ndobson@lanigancpa.com

Years of Experience: 5

Engagement Role: Kalyn will be directly involved in the performance of audit programs and procedures. Kalyn has experience with organizations comparable to the City.

OUR ENGAGEMENT TEAM – CONTINUED

6. Hillary Sittig

Audit Staff

Phone: 850-893-8418

Email: ndobson@lanigancpa.com

Years of Experience: 2

Engagement Role: Hillary will be directly involved in the performance of audit programs and procedures. Hillary has experience with organizations comparable to the City.

All audit team members comply with the continuing professional education requirements of the AICPA, FICPA, the firm's quality control policies, and the continuing professional education requirements of Governmental Auditing Standards.

Commitment to Staff Continuity

We strive to maintain the same team each year so that you do not have to "train the auditor". We understand that the best way to provide the City with responsive, quality services is to assign the most qualified individuals to the engagement and maintain continuity of staff on successive engagements. We are committed to maintaining the same staff on engagements year-after-year.

Each member listed above has been with our firm for several years and we anticipate each will be with our firm for many years to come. However, if a situation should arise where there is a key personnel change, we will notify appropriate management as soon as possible. As changes in key personnel cannot always be prevented, it is important that competent replacements are available. Due to our extensive involvement with similar organizations, we have a wealth of professionals available with the requisite industry experience and training to provide you with quality service on an ongoing basis.

Continuing Professional Education

Our firm's team members exceed the biennial 80 hours continuing education requirements of the State Board of Accountancy, the American Institute of Certified Public Accountants, the firm's quality control policies, and the continuing professional education requirements of Governmental Auditing Standards. The continuing education is geared towards learning and applying new accounting pronouncements that affect our clients.

STATEMENT OF AUDITOR'S INDEPENDENCE

Based on our review of professional standards, we are not aware of any matters that would be deemed to impair independence. We are also not aware of any possible conflicts with the Organization's key personnel. In the event a conflict arises or if we become aware of a matter affecting our independence, we will notify you of the situation immediately. For purposes of quality control and compliance with professional standards, we will evaluate our independence with the Organization annually.

OUR EXPERIENCE (GOVERNMENTS AND OTHER ENTITIES SERVED)

Our firm serves many commercial entities, governments, and not-for-profit organizations in North Florida and South Georgia. The experience we have gained in practical situations of assisting our clients allows us to better address issues facing your organization. We understand these issues and we have the requisite skill level to do more than provide the routine compliance services—we will add incremental value to the relationship. We have worked with our clients to validate critical processes that must be addressed in order to achieve and maximize business objectives. Our approach identifies areas of risk in the governmental industry and develops procedures to evaluate these risks in order for us to address all pertinent compliance issues.

Our services range from single audits performed under the requirements of the Office of Management and Budget Unified Circular (formerly OMB Circular A-133) to consulting and business advisory engagements. Our engagements with both governmental and not-for-profit organizations have achieved notable results for our clients. For example, our governmental audits have resulted in the prestigious ***“Certificate of Achievement for Excellence in Financial Reporting”*** awarded by the Government Finance Officers Association.

We believe our vast experience of auditing local governments, not-for-profits and commercial entities (manufacturing, distributors, and dealerships, and service providers) makes our firm uniquely qualified to audit the City. A select list of both governmental clients is listed below:

Government

- Thomas County, Georgia
- Madison County, Florida
- City of Bainbridge, Georgia
- Thomas University
- Florida Courts E-file Authority (Special District)
- Town of Greensboro, Florida
- Various Authorities and Special Districts
- City of Thomasville, Georgia
- Gulf County, Florida
- Monroe County, Florida (*Consulting*)
- Florida Local Government Investment Trust
- Fish & Wildlife Foundation of Florida (Component Unit – State of Florida)
- Desoto County, Florida (*Consulting*)
- Florida Clerk of Courts Operation Corporation (Component Unit State of Florida)

OUR EXPERIENCE (GOVERNMENTS AND OTHER ENTITIES SERVED) – CONTINUED

Commercial and Other Engagements

We believe our commercial auditing experience (manufacturing, distributors, services providers, etc) also provides us critical experience when auditing governmental entities.

We will furnish an expansive list of audit engagements upon request.

Additional Client Services

Although our firm's core services include audit, tax preparation, and accounting services, we also provide the following additional services:

- Comprehensive Annual Financial Reports
- Budget Compliance and Development
- Financial forecasts and projections
- Indirect cost plans
- Internal control review and best practices implementation
- Financial Condition Assessments
- Policy and procedure manuals
- Landfill Compliance
- Cost allocation plans
- New Accounting Standard Adoption and Implementation

SCOPE OF THIS ENGAGEMENT

Our audit will be conducted in accordance with generally accepted auditing standards, promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with Government Auditing Standards issued by the Comptroller General of the United States of America and the Official Code of Georgia Annotated. A Single Audit is required as part of the annual audit which means this audit shall be performed in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Listed below are the deliverables for the annual audit all of which are due by June 30th each year:

1. Annual Financial Report:
 - Title Page
 - Financial Section
 - Independent Auditor's Report
 - Management Discussion and Analysis

- Basic Financial Statements
 - Statement of Net Position
 - Statement of Activities
 - Statement of Cashflows
 - Major Program Financial Statement
 - Notes to the Financial Statements
 - Required Supplemental Schedules
 - Compliance Section
 - 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
 - Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by Uniform Guidance
 - Schedule of Findings and Questioned Costs
 - Schedule of Expenditures of Federal Awards
2. Preparation and submittal of the Federal Data Collection for submitted to the Federal Audit Clearinghouse (if applicable)
 3. Governance Communication Letter
 4. We are also available to present the audit to the City Council or a designated committee upon completion of the audit.

OUR APPROACH FOR PERFORMING THIS ENGAGEMENT

Our audit approach places a heavy emphasis on early planning and a continued understanding of the County and its operations. This will enable us to identify critical audit components, provide your staff with a better understanding of what assistance is expected of them, and tailor our procedures to the unique aspects of the City. The benefit to you is a more efficient audit approach, performed within your time requirements while minimizing disruptions to your staff’s daily work schedule. Listed below are the key stages of our approach to the City audit:

Stage 1: Preliminary Phase

- Collaborate with management to agree to expectations, scope and timing for fieldwork.
- Assign staff to engagement based on timing for fieldwork, to meet client needs and over assessed risk.
- Provide the Organization’s management with an “information request list” so that they can start compiling the documentation needed to start the audit.

Stage 2: Risk Assessment Phase

- Interview client personnel and others, as necessary to understand client-specific objectives and risks.
- Assess other external risks and potential impact on the audit planning.
- Assess entity level controls including: control environment, risk assessment, information & communication, and monitoring controls.
- Assess management's fraud and IT risk assessment models. Develop independent fraud and IT risk assessment.
- Assess IT General Computer (ITGC) controls, such as IT Environment, Development and Change Management, Operating IT & Monitoring IT.
- Assess materiality for the Organization.
- Perform preliminary analytical procedures.
- Map financial statements to significant transactions, processes, IT systems and related controls.
- Develop understanding of significant processes and related controls.
- Test the Organization's controls based on the assessment during the planning process. Test of controls will include the following:
 - inquiry
 - observation
 - examination and
 - performance
- Finalize the risk assessments and develop a final audit strategy.

Stage 3: Audit Field Work (Substantive and Analytical Procedures) Phase

- Perform testing of account balances.
- Perform test of details, including sampling, if applicable or necessary.
- Where possible, develop detailed analytical procedures to use as substantive tests to reduce tests of details. Examples include:
 - ratio analysis
 - regression analysis
 - trend analysis
 - predictive tests and
 - reasonableness tests
- Perform general audit procedures as deemed necessary. Such testing related to the following:
 - confirmations with third parties
 - search for commitments and contingencies
 - legal representations
 - management representations
 - review of Board minutes
 - search for related parties
 - reportable transactions

Stage 4: Conclusion and Reporting Phase

- Monitor audit progress and provide feedback to management.
- Conduct L&A firm internal meeting to discuss the audit and any issues identified during the audit.
- Conclude on the audit.
- Issuance of audit reports.
- Prepare required communications and management letter comments.
- Conduct an exit meeting with key management.
- Present results of audit to the Board of Directors or designated Committee.

Sample Sizes and Extent of Use of Statistical Sampling

Audit sampling provides the auditor an appropriate basis on which to conclude on an audit area by examining evidence from a sample of a population. We utilize both statistical and non-statistical sampling techniques as described in the AICPA's Audit Sampling Guide, depending on the type of testing being performed. Internal control, substantive and compliance testing samples are generally selected using nonstatistical techniques. Sample sizes are determined by risk assessment and nature of the population. We may use statistical sampling to assist with forensic testing in areas which have a higher risk of misstatement due to fraud.

The initial sample size to be used will range from 25 to 60 and depends on the number of transactions in the transaction class, the level of assurance the auditor wishes to obtain as a result of the test, the stratification of the population which can be achieved and, most importantly, the preliminary assessment of the level of control risk for the transaction class. The audit sample sizes will be determined during the risk assessment and audit strategy portion of our engagement.

Work Paper Retention

Audit programs, workpapers and reports will be retained for a period of seven (7) years after the completion of the audit and made available for inspection by the City, oversight or cognizant agencies, parties designated by the federal or state governments, auditors of entities of which the City is a sub recipient of grant funds or component unit, and additional auditors if requested by them.

TIMELINE FOR PERFORMING OUR ENGAGEMENT

We are committed to meeting the schedule for the audit as outlined below. The following depicts the key elements of our audit process, as well as the planned timing of our procedures for the year ended June 30 and each year thereafter:

TASK	TIMETABLE OF WORK
Engagement Planning:	
Execute engagement letter (contract)	July
Develop a detailed audit plan	August
Lanigan & Associates, PC internal planning meeting	August
Send the client a detailed information request list for the audit	August
Hold an entrance meeting with management	August
Risk Assessment & Audit Strategy:	
Gain understanding of significant processes and key internal controls. Document this information in accordance with professional standards.	September
Perform testing of key controls to reduce substantive testing	September
Obtain trial balances and perform preliminary analytics	September
Determine the nature, timing, and extent of our audit procedures.	September
Prepare and send independent third-party confirmations	September
Audit Execution – Field Work	
Conduct audit field work detailed procedures.	September - November
Provide progress report CFO or designee during field work.	September - November
Report Issuance	
Prepare drafts of the financial statements and other deliverables	December
Technical Review by 2 nd Partner	December
Issue final reports and other deliverables	December
Communication of Audit Results with Governance	
Present the audit to the Audit Committee	December/January

INFORMATION TECHNOLOGY

We use the latest technological tools on all of our audits. These tools enable us to achieve maximum efficiency and productivity for each project, allowing us to spend less time compiling and processing information and more time on analysis and assisting our clients with process improvement. Our goal is for our services to complement and support your business, not slow it down.

Prosystem Engagement Software

The firm uses ProSystem Engagement on all audits performed, which means we are completely electronic ("paperless"). This software provides powerful tools to help us prepare audit and tax workpapers and reports in Microsoft Office Programs. It extends the capabilities of these Microsoft Office applications and provides powerful tools for organizing and managing our engagement files electronically.

The core of the Engagement system is the trial balance. We use the Engagement extensions in Word and Excel to integrate trial balance data into our workpapers. Changes that we make to the trial balance are automatically updated in our workpapers. This software has Engagement Administrator Workpaper Management modules that provide powerful tools for organizing, reviewing, and sharing workpapers.

IDEA Data Extraction and Analysis Software

IDEA is a computer based file interrogation tool for use by auditors, accountants and IT staff. It allows extraction, sampling, and manipulation of data in order to identify errors, problems, specific issues, and trends. The following are some of the main areas where IDEA can be used:

- ✓ Identifying exceptions and discrepancies
- ✓ Performing financial trend analysis
- ✓ Cross matching data between two systems
- ✓ Testing for gaps and duplicates in transactional data
- ✓ Sampling

Our Information Technology Professionals

Our Information Systems Consulting professionals provide our engagement teams with support not only to operate internally, but to work with us to more fully understand your computer environment (i.e. hardware, software, network environment). The importance of understanding your technological environment cannot be stressed enough. In addition to being required under U.S. Auditing Standards, this knowledge enables us to fully consider the security of your technological environment, the integrity of data, and the most efficient manner in which to audit individual transactions as well as the financial statements overall.

QUALITY CONTROL

The firm has quality control procedures for independence, integrity and objectivity that we adhere to in our performance of engagements. Partner involvement ensures quality control in every audit we conduct. Partners are involved in all critical decisions, conduct on-site work with staff, meet with your personnel and review the staff auditor's work-papers. Lanigan & Associates further ensures quality control by requiring a final review of critical accounting and auditing issues and financial statement disclosures by a partner that has no direct involvement in the audit.

As previously mentioned, our firm is a member of the American Institute of Certified Public Accountants' Governmental Quality Center (AICPA-GAQC). This is a firm-based, voluntary membership center designed to promote the importance of quality governmental/not-for-profit engagements and the value of such engagements to clients of governmental/not-for-profit services and certain other entities.

PEER REVIEW

Lanigan & Associates, P.C.'s most recent peer review report dated November 19, 2020 can be found as Appendix A. In the peer review process, the peer review team evaluates and tests compliance with the Firm's system of quality control. As reflected in our peer review report, ***we received a "pass" rating***. We are strong advocates of the peer review process and self-regulation within the profession.

In addition to our external peer review, our firm conducts quality control reviews of our audits. Each year we randomly select a cross section from all our engagements and perform a thorough inspection of the audit work papers, financial statements, and audit reports. The inspection process also includes periodic testing of the effectiveness of our quality controls and a continuous improvement program.

APPENDIX A
(PEER REVIEW REPORT)



Report on the Firm's System of Quality Control

November 19, 2020

To the Shareholders of Lanigan & Associates, P.C. and the
Peer Review Committee of the Georgia Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Lanigan & Associates, P.C. (the firm) in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants.

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; an audit of an employee benefit plan, and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

To the Shareholders of Lanigan & Associates, P.C. and the
Peer Review Committee of the Georgia Society of Certified Public Accountants
Page Two

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Lanigan & Associates, P.C. in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Lanigan & Associates, P.C. has received a peer review rating of *pass*.

BKHM, P.A.

APPENDIX B
(TEAM RESUMES)

John W. Keillor, CPA

Lead Engagement Partner

Office Phone: 850-298-6682

Fax Number: 850-893-9745

jkeillor@lanigancpa.com

Summary of Experience

John has 24 years of professional experience in accounting and auditing. He works with a variety of clients ranging from not-for-profit to commercial entities. He has a specific interest and dedication in governmental accounting and auditing. He possesses an excellent understanding of internal control structures, compliance with grants, laws, federal guidelines, financial reporting, and cost allocation. He is a lecturer on accounting, auditing, fraud and other related topics. John serves on the firm's audit committee.

Education

- B.S. in Accounting, Florida State University
- Certified Public Accountant (CPA) – registered and licensed in Florida
- Certified Internal Auditor (CIA)
- Bi-annually obtains more than 80 hours of Continuing Professional Education. These hours are devoted towards education in the areas of Government Audit Standards and Federal Single Audit Requirements.

Professional Affiliations and Community Involvement

- Florida Institute of Certified Public Accountants (FICPA)
- American Institute of Certified Public Accountants (AICPA)
- Institute of Internal Auditors (IIA)
- Florida Society of Association Executives
- Leadership Tallahassee, Class 29

License Number: AC35539

Relative Government/Other Audit Experience (Sample List–Cross Section)

- Thomas County, Georgia
- Madison County, Florida
- Florida Local Government Investment Trust
- City of Bainbridge, Georgia
- Florida Clerks of Courts Operation Corporation (Component Unit – State of Fl.)
- Tall Timbers Research
- Goodwill Industries of the Big Bend
- Ag-Pro Companies
- City of Thomasville, Georgia **
- Gulf County, Florida
- Florida Courts E-file Authority (special district)
- Monroe County, Florida (*consulting*) **
- Town of Greensboro, Florida
- Fish & Wildlife Foundation of Florida (Component Unit – State of Florida)
- Municipal Code Corporation
- Funeral Services Inc.

** Assisted client is preparation of CAFR that received the prestigious *Certificate of Achievement of Excellence in Financial Reporting*.

Bryan Miller, CISSP, CISA
Information Technology Director

Office Phone:850-893-8418

Fax Number: 850-893-9745

bmill@lanigan CPA.com

Summary of Experience

Bryan is in charge of the Information Technology Department at Lanigan & Associates. He has over 18 years of experience in network administration and information technology consulting. He has been instrumental with the firm's migration to a virtualized and paperless office environment. He is responsible for planning and supervising the firm's IT related engagements (financial statement audits, internal control reviews, SOC engagements, accounting systems, consulting, etc.). Bryan has developed a niche in the field of cyber security including performing lectures and presentations on the topic.

He possesses the Certified Information Systems Security Professional (CISSP) designation. This designation is a globally recognized certification by IT security professionals requiring a deep knowledge and understanding of new threats, technologies, regulations, standards, and practices.

He recently received the Certified Information Systems Auditor (CISA) designation. This is a globally recognized certification for IS audit control, assurance, and security professionals.

Certifications

Certified Information Systems Security Professional

Certified Information Systems Auditor

Jonathan Russell, CPA

Quality Control

Office Phone: 850-298-6767

Fax Number: 850-893-9745

jrussell@lanigancpa.com

Summary of Experience

Jonathan started his career with TJS Deemer Dana in their Atlanta Office. Jonathan has a total of 15 years of public accounting experience with a strong emphasis in auditing higher education and not-for-profit entities. He has a strong background in internal controls and compliance with grants and other applicable accounting laws and regulations.

Public Speaking - Jonathan was an instructor with SFA Seminars for three years during his time at TJS Deemer Dana. The SFA Seminar focused on educating and training other auditors on Student Financial Assistance grants which are subject to Single Audit. The SFA Seminars is recognized by NASBA and is qualified for yellow book continuing professional education hours for CPAs.

Published – Jonathan’s article, “Riding the Wave of Change in Lease Accounting, Without Getting Wet”, was published in *The Georgia Engineer*, April/May 2011 edition.

Education

- B.S. in Accounting and Finance, Florida State University
- Master of Accounting, Florida State University
- Certified Public Accountant – registered and licensed in Georgia
- Bi-annually obtains more than 80 hours of Continuing Professional Education. These hours are devoted towards education in the areas of Government Audit Standards and Federal Single Audit Requirements.

Professional Affiliations and Community Involvement

- Georgia Society of Certified Public Accountants (GSCPA)
- American Institute of Certified Public Accountants (AICPA)

License Number: CPA030114

Relative Government/Other Audit Experience (Sample List–Cross Section)

- Madison County, Florida
- Gulf County, Florida
- Florida Local Government Investment Trust
- City of Bainbridge, Georgia
- Florida Clerks of Courts Operation Corporation (Component Unit – State of Fl.)
- Tall Timbers Research
- City of Thomasville, Georgia **
- Thomas County, Georgia
- Florida Courts E-file Authority (special district)
- Monroe County, Florida (*consulting*) **
- Town of Greensboro, Florida
- Fish & Wildlife Foundation of Florida (Component Unit – State of Florida)

Erik Luoma, CPA

Audit Senior Manager

Office Phone: 850-298-6773

Fax Number: 850-893-9745

eluoma@lanigancpa.com

Summary of Experience

Erik started his career with Ernst & Young in their Atlanta Office. Erik has a total of 15 years of public accounting experience with a strong emphasis in auditing. Some of the industries in which he has experience include: governmental, not-for-profit, and commercial. He has a strong background in internal controls and compliance with grants and other applicable accounting laws and regulations.

Education

- B.S. in Accounting (Magna Cum Laude), Florida State University
- Masters of Accounting, Florida State University
- Certified Public Accountant
- Bi-annually obtains more than 80 hours of Continuing Professional Education. These hours are devoted towards education in the areas of Government Audit Standards and Federal Single Audit Requirements.

Professional Affiliations and Community Involvement

- Florida Institute of Certified Public Accountants (FICPA)
- American Institute of Certified Public Accountants (AICPA)
- Florida Society of Association Executives

License Number: AC40556

Relative Government/Other Audit Experience (Sample List–Cross Section)

- Madison County, Florida
- Gulf County, Florida
- Florida Local Government Investment Trust
- City of Bainbridge, Georgia
- Florida Clerks of Courts Operation Corporation (Component Unit – State of Fl.)
- Tall Timbers Research
- Goodwill Industries of the Big Bend
- Ag-Pro Companies
- City of Thomasville, Georgia **
- Thomas County, Georgia
- Florida Courts E-file Authority (special district)
- Monroe County, Florida (*consulting*) **
- Town of Greensboro, Florida
- Fish & Wildlife Foundation of Florida (Component Unit – State of Florida)
- Southern Valley Fruit and Vegetable
- Funeral Services Inc.

** Assisted client is preparation of CAFR that received the prestigious *Certificate of Achievement of Excellence in Financial Reporting*.

Kalyn Tyson

Staff Auditor

Office Phone:850-298-6701

Fax Number: 850-893-9745

ktyson@lanigancpa.com

Summary of Experience

Kalyn has a total of 3 years of public accounting experience with a strong emphasis in auditing. As Staff Auditor, she provides audit services to a wide range of industries, including special districts, governmental, not-for-profit, and for-profit entities.

Education

- B.S. in Accounting, Florida State University
- Bi-annually obtains more than 80 hours of Continuing Professional Education. These hours are devoted towards education in the areas of Government Audit Standards and Federal Single Audit Requirements.

Government/Not-for-Profit Experience ***

- Georgia Society of Health-System Pharmacists
- Florida Local Government Investment Trust
- Thomas University
- Madison County, Florida
- Florida Association of Court Clerks
- Florida Courts E-file Authority
- City of Bainbridge, Georgia
- Tall Timbers Research and Foundation
- Florida Clerks Operation Corporation
- Fish & Wildlife Foundation of Florida
- Town of Greensboro, Florida
- Monroe County, Florida
- Association for Institutional Research
- Goodwill Industries of the Big Bend
- City of Thomasville, Georgia
- Brookwood School and Foundation
- Thomasville Payroll Development Authority
- Thomasville Downtown Development Authority
- Capital Area Community Action Agency
- Flowers Employee Credit League

**** This is just a select list (cross section) of clients served. She serves many other clients.*

Hilary Sittig

Audit Staff

Office Phone:850-298-6701

Fax Number: 850-893-9745

hsittig@lanigancpa.com

Summary of Experience

Hilary has 4 years of public accounting experience with a strong emphasis in auditing. Some of the industries in which she has experience include: governmental, not-for-profit, and commercial. She has a strong background in internal controls and compliance with grants and other applicable accounting laws and regulations.

Education

- B.S. in Accounting, Flagler College
- Bi-annually obtains more than 80 hours of Continuing Professional Education. These hours are devoted towards education in the areas of Government Audit Standards and Federal Single Audit Requirements.

Relative Government/Other Audit Experience (Sample List–Cross Section)

- Madison County, Florida
- Florida Local Government Investment Trust
- Florida Clerks of Courts Operation Corporation (Component Unit – State of Fl.)
- Tall Timbers Research
- Goodwill Industries of the Big Bend
- Town of Greensboro, Florida
- Southern Valley Fruit and Vegetable
- Funeral Services Inc.
- Ag-Pro Companies

APPENDIX C
(CLIENT REFERENCES)

CLIENT REFERENCES

Below are clients we have served and that can attest to our services performed on their behalf. We welcome the City to contact any of our references listed below.

<u>CLIENT NAME</u>	<u>CONTACT INFORMATION</u>
Madison County, Florida	Billy Washington Clerk of Courts Phone: 850-973-1500 Email: bwashington@madisonclerk.com
Thomas County, Georgia	Michael Stephenson County Manager Phone: 229-225-4100 Mike Stephenson Email: michael.stephenson@thomascountyga.gov
City of Thomasville, Georgia	Ashley Cason Chief Financial Officer Phone: 229-227-4019 Email: ashleyca@thomasville.org
City of Bainbridge, Georgia	Lisa Taylor Director of Finance Phone: 229-248-2000 Email: lisat@bainbridgcity.com
Florida Clerk of Courts Operation Corporation (Component Unit of State of Florida)	John Dew Executive Director Phone: 850-386-2223 Email: jdew@flccoc.org
Town of Greensboro, Florida	Dennis Henderson City Manager Phone: 850-442-6215 Email: greensboromgr@tds.net
Fish and Wildlife Foundation of Florida (Component Unite of State of Florida)	Will Bradford Chief Financial Officer Phone: 850-921-1144 Email: will.bradford@myfwc.com

APPENDIX D
(FEE PROPOSAL)

LANIGAN & ASSOCIATES, PC
FEE PROPOSAL

TOTAL MAXIMUM PRICE (ALL INCLUSIVE):

In accordance with the Request for Proposal for Audit Services issued by City of Hogansville, we hereby submit the following cost proposal:

SERVICES TO BE PERFORMED	<u>6/30/23</u>	<u>6/30/24</u>	<u>6/30/25</u>
Annual financial statement audit (as outlined in the request for proposal)	\$53,000	\$53,500	\$54,000

Our proposed fees are based on the following assumptions:

- The overall condition of your financial and accounting records is good.
- The year-end books have been closed and material balances have been reconciled.
- We will receive support from your accounting personnel necessary for the preparation of requested schedules and other supporting documentation before we commence fieldwork.
- There will not be a need for substantial research of any unforeseen technical issues or new accounting or auditing pronouncements in order for us to complete our audit.

Should additional services be requested, this work will only be performed if agreed-to by both our firm and the County. This additional work will be billed based on the time spent times our firm's standard hourly rates as listed below:

Title	Hourly Rate
Engagement Partner/Technical Review Partner	\$250
Engagement Managers	\$185
Senior Accountant	\$145
Staff Accountants	\$110

Note: We will not charge for routine phone calls throughout the year.