CITY OF RINGGOLD, GEORGIA

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2020

JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE

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CITY OF RINGGOLD, GEORGIA
Council Members and Management
December 31, 2020

Mayor ..... Nick Millwood

Mayor Pro Tem ..... Sara S. Clark

Council Member ..... Jake Haynes

Council Member ..... Kelly Bomar

Council Member ..... Randall Franks

Council Member ..... Rhonda Swaney

City Manager ..... Dan Wright

City Judge ..... Robert Stultz

Financial Director ..... Jama House

II. FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Mayor and Council Members
City of Ringgold, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Ringgold, Georgia, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ringgold, Georgia, as of December 31, 2020, and, the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Changes in Total OPEB Liability and Related Ratios listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ringgold, Georgia's basic financial statements. The Introductory Section, non-major governmental fund financial statements and financial schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The non-major governmental fund financial statements and financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the non-major governmental fund financial statements and financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2021, on our consideration of the City of Ringgold, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ringgold, Georgia's internal control over financial reporting and compliance.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
June 7, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Ringgold, Georgia, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Ringgold, Georgia for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the City of Ringgold, Georgia exceeded its liabilities and deferred inflows of resources at December 31, 2020, by $33,308,272 (net position). Of this amount, $8,526,569 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.

The City's governmental activities operated at a surplus of $542,592. The City's business-type activities operated at a surplus of $198,847.

As of the close of the current fiscal year, the City of Ringgold, Georgia's governmental funds reported combined ending fund balances of $4,845,240.

At the end of the current fiscal year, unassigned fund balance for the General Fund was $4,407,637, or 118.74%, of total General Fund expenditures. Expenditures do not include transfers to and from other funds, which netted to $31,700 in the City's General Fund.

As of the close of the current fiscal year, the City of Ringgold, Georgia's enterprise funds reported combined ending net position of $20,899,977. Of that balance, $5,339,276 is unrestricted and the remaining $15,560,701 of net position is net investment in capital assets.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction of the City of Ringgold, Georgia's basic financial statements. The City of Ringgold, Georgia's basic financial statements comprise three components: (1) government-wide financial statements; (2) fund financial statements, and (3) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Ringgold, Georgia's finances, in a manner similar to a private-sector business.

The government-wide financial statements are:

The *Statement of Net Position* presents information on all of the City of Ringgold, Georgia's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Ringgold, Georgia is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Ringgold, Georgia that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Ringgold, Georgia include general government, public safety, public works, and public welfare and recreation. The business-type activities of the City of Ringgold, Georgia include the Sewer Fund and the Water Fund.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements
A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Ringgold, Georgia, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Ringgold, Georgia can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds
Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand that long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between the governmental funds and governmental activities.

The City of Ringgold, Georgia maintains ten individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, which is considered to be a major fund. Individual fund data for the Hotel/Motel Tax, the Downtown Development Fund, Haunted Depot, Confiscated Assets, Ringgold Depot, Visitor Center, Capital Projects Grant, Technology Fee and Capital Projects funds are provided later in this report beginning on page 63.

The City of Ringgold, Georgia adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17 and 19 of this report.

Proprietary Funds
The City of Ringgold, Georgia maintains one type of proprietary fund: enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Ringgold, Georgia uses enterprise funds to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Fund and Water Fund, which are considered to be major funds of the City of Ringgold, Georgia.

The basic proprietary fund financial statements can be found on pages 28 through 30 of this report.

Notes to the Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 33 through 61 of this report.

Other Information
Non-major fund statements and schedules can be found on pages 63 through 74 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Ringgold, Georgia, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $33,308,272 at the close of this fiscal year.

The largest portion of the City of Ringgold, Georgia's net position (73.16%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure, etc.); less any related debt used to acquire those assets that are still outstanding. The City of Ringgold, Georgia uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Ringgold, Georgia's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, 1.24%, or $413,368, represents resources that are subject to external restrictions on how they may be used. The remaining 25.60% of unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors.

At December 31, 2020, the City of Ringgold, Georgia is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The table below provides a summary of the City's net position broken down by governmental and business type activities.

City of Ringgold, Georgia's Net Position

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Capital assets	$ 8,819,194	$ 8,456,051	$ 21,227,495	$ 20,923,370	$ 30,046,689	$ 29,379,421
Other assets	5,265,750	4,840,293	6,068,777	6,554,239	11,334,527	11,394,532
Total assets	$ 14,084,944	$13,296,344	$ 27,296,272	$ 27,477,609	$ 41,381,216	$ 40,773,953
Deferred outflows of resources	$ 240,241	$ 196,779	$ 88,856	$ 72,781	$ 329,097	$ 269,560
Long-term liabilities	$ 1,386,158	$ 1,290,822	$ 5,863,961	$ 6,264,681	$ 7,250,119	$ 7,555,503
Other liabilities	408,982	266,240	576,160	558,557	985,142	824,797
Total liabilities	$ 1,795,140	$ 1,557,062	$ 6,440,121	$ 6,823,238	$ 8,235,261	$ 8,380,300
Deferred inflows of resources	$ 121,750	$ 70,358	$ 45,030	$ 26,022	$ 166,780	$ 96,380
Net investment in capital assets	$ 8,807,634	$ 8,433,236	$ 15,560,701	$ 14,824,377	$ 24,368,335	$ 23,257,613
Restricted	413,368	461,896	-	-	413,368	461,896
Unrestricted	3,187,293	2,970,571	5,339,276	5,876,753	8,526,569	8,847,324
Total net position	$ 12,408,295	$11,865,703	$ 20,899,977	$ 20,701,130	$ 33,308,272	$ 32,566,833

Changes in Net Position

Governmental activities increased the City's net position by $542,592, and business-type activities increased the City's net position by $198,847. However, the City can only use the net position obtained through business-type activities to finance the continuing operations of the sewer and water systems.

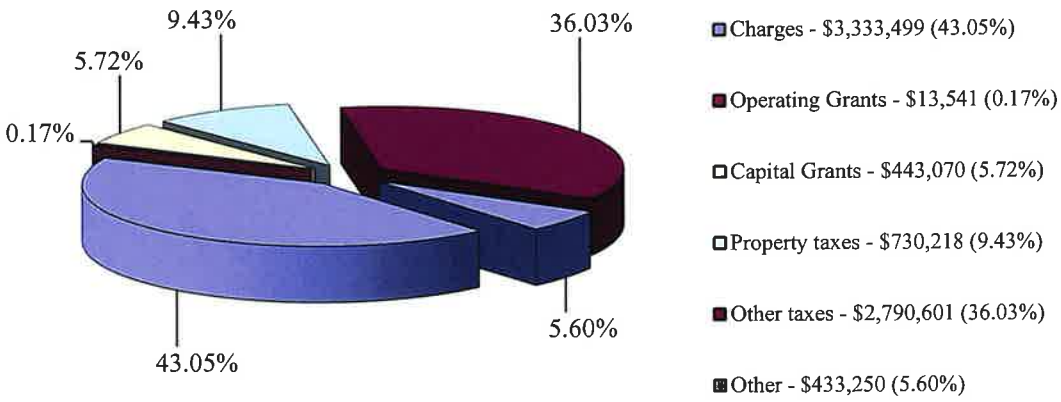
The table below provides a summary of the City's net position broken down by governmental and business-type activities.

City of Ringgold, Georgia's Changes in Net Position

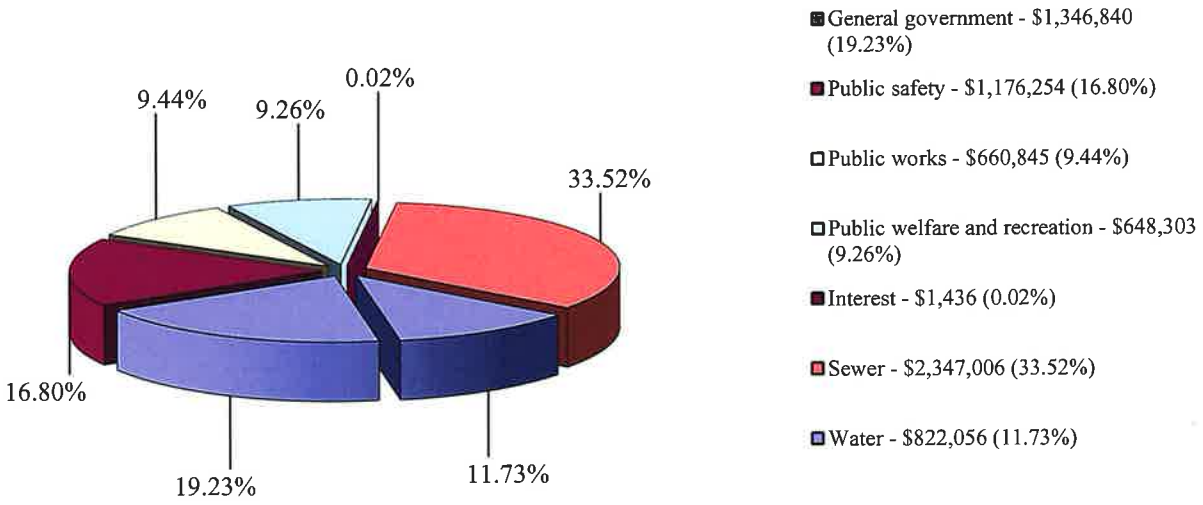
	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	$ 446,201	$ 759,055	$ 2,887,298	$ 2,907,816	$ 3,333,499	$ 3,666,871
Operating grants and contributions	13,541	9,575	-	-	13,541	9,575
Capital grants and contributions	432,103	515,090	10,967	19,302	443,070	534,392
General revenues:						
Property taxes	730,218	686,311	-	-	730,218	686,311
Other taxes	2,790,601	2,884,208	-	-	2,790,601	2,884,208
Other income	427,953	317,911	5,297	4,778	433,250	322,689
Total revenues	4,840,617	5,172,150	2,903,562	2,931,896	7,744,179	8,104,046
Expenses:						
General government	1,346,840	1,397,494	-	-	1,346,840	1,397,494
Public safety	1,176,254	1,122,767	-	-	1,176,254	1,122,767
Public works	660,845	686,747	-	-	660,845	686,747
Public welfare and recreation	648,303	679,939	-	-	648,303	679,939
Interest on long-term debt	1,436	395	-	-	1,436	395
Sewer	-	-	2,347,006	2,360,265	2,347,006	2,360,265
Water	-	-	822,056	776,988	822,056	776,988
Total expenses	3,833,678	3,887,342	3,169,062	3,137,253	7,002,740	7,024,595
Excess (deficiency) before transfers	1,006,939	1,284,808	(265,500)	(205,357)	741,439	1,079,451
Interfund transfers	(464,347)	(501,711)	464,347	501,711	-	-
Change in net position	542,592	783,097	198,847	296,354	741,139	1,079,451
Net position - beginning	11,865,703	11,082,606	20,701,130	20,404,776	32,566,833	31,487,382
Net position - end	$12,408,295	$11,865,703	$20,899,977	$20,701,130	$33,308,272	$32,566,833

The graphs below summarize the $7,744,179 of city-wide revenues by source, and the associated $7,002,740 of expense by program. The graphs combine data from both governmental and business-type activities.

City-Wide Sources of Revenue



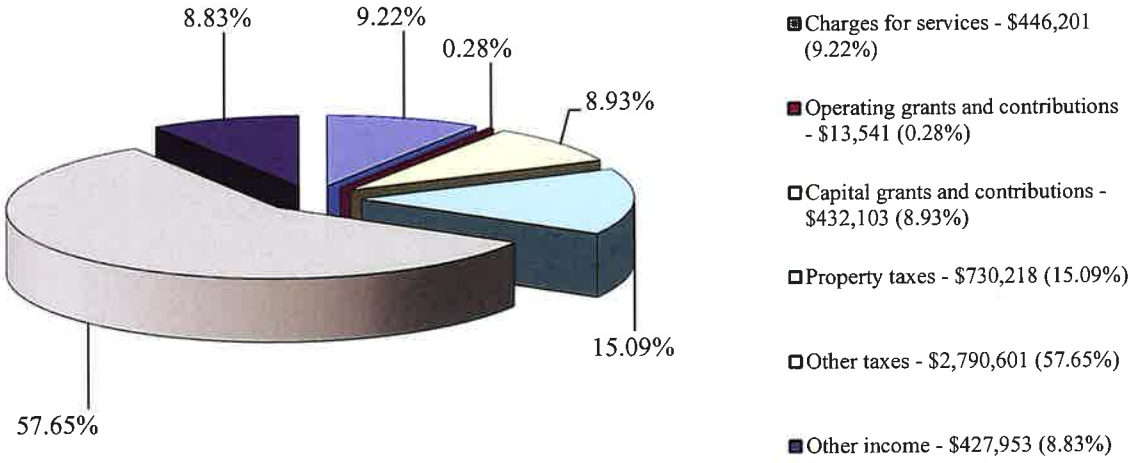
City-Wide Program Expenses



Governmental Activities

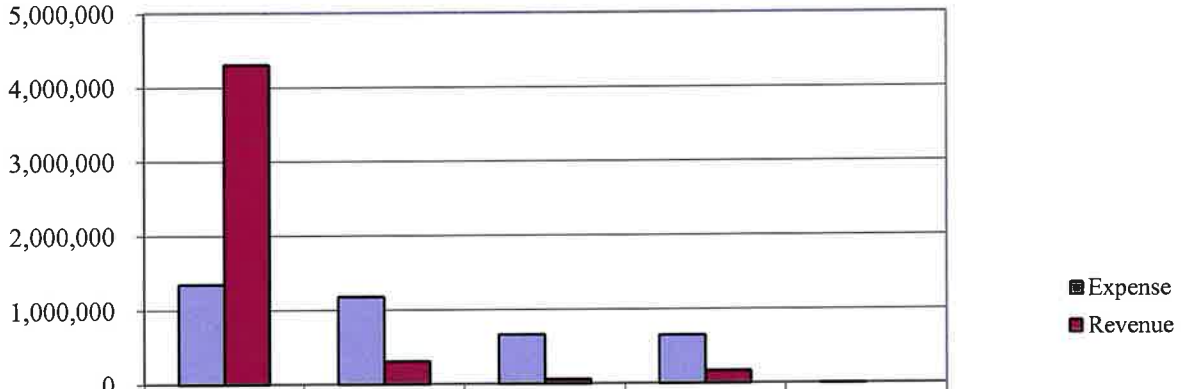
Governmental activities accounted for revenues of $4,840,617. The following graph summarizes the revenue by source.

Revenue by Source - Governmental Activities



The following graph summarizes the revenue and related expense for each government program of the City. The difference between expense and revenue is the financial burden placed on the City's taxpayers for each program.

Expenses and Program Revenues - Governmental Activities

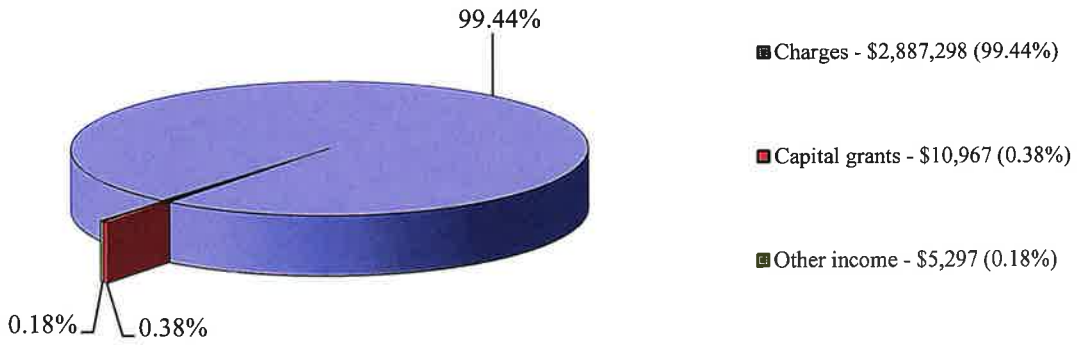


	General government	Public safety	Public works	Public welfare and recreation	Interest on long-term debt
Expense	1,346,840	1,176,254	660,845	648,303	1,436
Revenue	4,305,673	306,579	60,970	167,395	0

Business-type activities

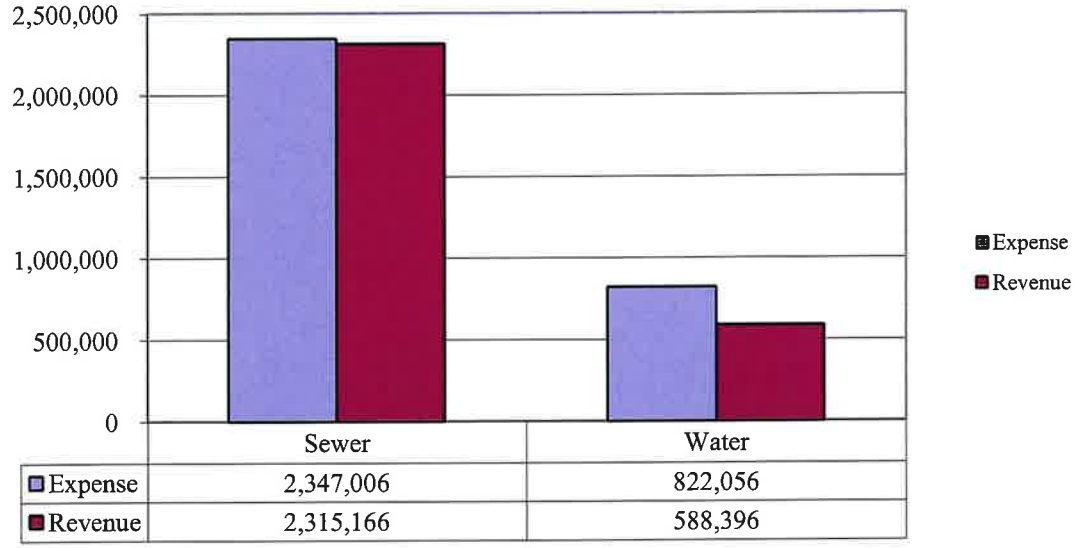
Business-type activities accounted for revenues of $2,903,562. The following graph summarizes the revenue by source.

Revenue by Source - Business-Type Activities



The following graph summarizes the revenue and related expense of operating the water and sewer systems.

Expenses and Program Revenues - Business-Type Activities



	Sewer	Water
Expense	2,347,006	822,056
Revenue	2,315,166	588,396

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Ringgold, Georgia uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds
The focus of the City of Ringgold, Georgia's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Ringgold, Georgia's financing requirements. The unassigned fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year for future unforeseen emergencies.

As of the end of the current fiscal year, the City of Ringgold, Georgia's governmental funds reported combined ending fund balances of $4,845,240.

The General Fund is the chief operating fund of the City of Ringgold, Georgia. At the end of the current fiscal year, unassigned fund balance of the General Fund was $4,407,637. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total General Fund expenditures. Unassigned fund balance represents 118.74% of total General Fund expenditures, excluding transfers.

Proprietary Funds
The City of Ringgold, Georgia's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the year amounted to $5,167,728 for the Sewer Fund and $171,548 for the Water Fund.

General Fund Budgetary Highlights
Differences between the original budget and the final amended budget netted to $0 in fund balance change. The offsetting changes are listed below:

There was $163,950 in various increases in revenues.
Current expenditures were increased by $79,650.
Transfers out were increased by $84,300.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
The City of Ringgold, Georgia's investment in capital assets for its governmental and business type activities as of December 31, 2020, amounts to $30,046,689 (net of accumulated depreciation). Major capital asset events during the current fiscal year included the following:

Sewer lines	$342,268
Water lines	$252,186
Jet Vac Truck	$346,138
Peterbilt 520	$280,072
Nature trail	$222,510

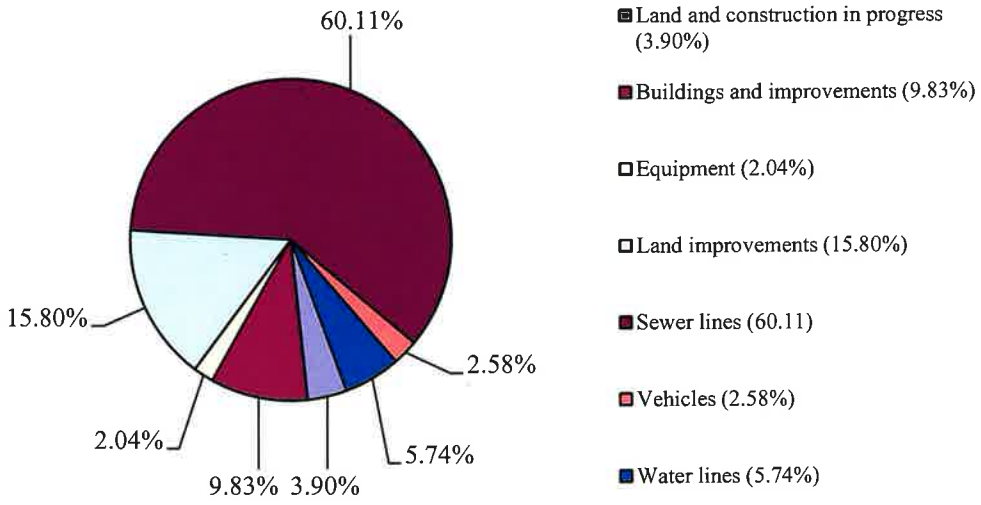
The table below summarizes the City's investment in capital assets and is broken down by governmental and business-type activities.

City of Ringgold, Georgia's Capital Assets
(Net of Depreciation)

	Governmental Activities	Business-type Activities	Total
Land and construction progress	$ 813,766	$ 356,983	$ 1,170,749
Buildings and improvements	2,655,497	296,950	2,952,447
Equipment	230,501	383,733	614,234
Land improvements	4,748,587	-	4,748,587
Sewer lines	-	18,061,201	18,061,201
Vehicles	370,843	404,216	775,059
Water lines	-	1,724,412	1,724,412
Total capital assets	$ 8,819,194	$ 21,227,495	$ 30,046,689

The following graph provides a breakdown of which assets make up the largest portion of the City's total investment in capital assets. The graph combines assets used in both governmental and business-type activities.

City-Wide Capital Assets



Additional information on the City of Ringgold, Georgia's capital assets can be found in Note 8 on pages 43 and 44.

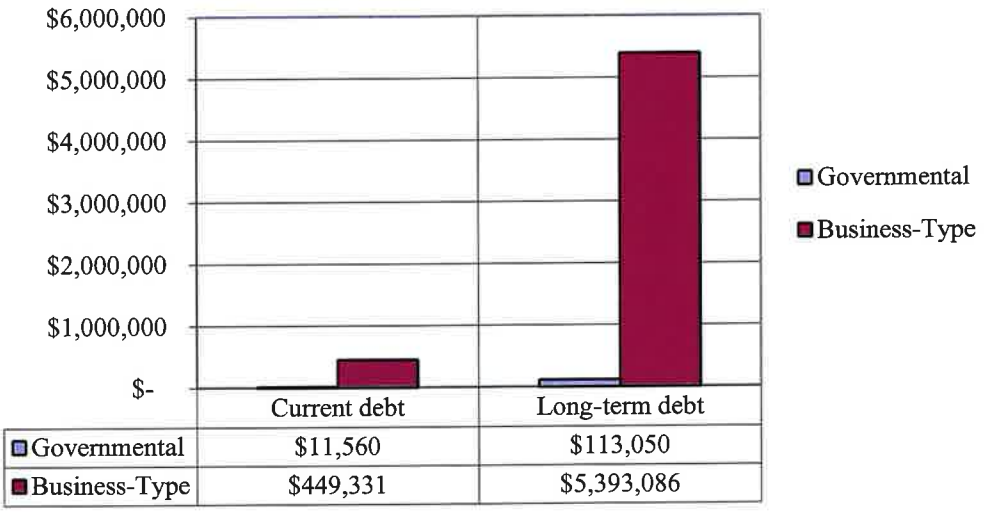
City of Ringgold, Georgia's Outstanding Debt

At the end of the current fiscal year, the City of Ringgold, Georgia had total debt outstanding of $5,967,027. Of that amount $460,891is due in the next fiscal year. The table below summarizes outstanding debt broken down by governmental and business type activities.

	Governmental Activities	Business-type Activities	Total
Note payable	$ 11,560	$ 52,794	$ 64,354
Bond payable	-	5,614,000	5,614,000
Compensated absences	113,050	82,341	195,391
Customer deposits	-	93,282	93,282
Total	124,610	5,842,417	5,967,027
Less current portion	(11,560)	(449,331)	(460,891)
Total long-term debt	$ 113,050	$ 5,393,086	$ 5,506,136

As shown in the graph below, long-term debt is attributed greatly to the City's business-type activities. Long-term debt of governmental activities only accounts for 2.09% of total long-term debt.

Long-Term Debt By Activity



	Current debt	Long-term debt
Governmental	$11,560	$113,050
Business-Type	$449,331	$5,393,086

Additional information on outstanding debt can be found in Note 10 on pages 45 through 48 of this report.

Currently Known Conditions Affecting Future Years

Our City Manager, Dan Wright, retired in May of 2021. The city council appointed Mark Vaughn as our Interim City Manager. The council will soon begin the search for a permanent replacement.

In response to Covid 19, the federal government has awarded approximately $1,100,000 to the City of Ringgold. These funds will be received half in 2021 and half in 2022.

During 2020, several projects were completed, and more planned in the 2021 capital improvement plan of approximately $1.24 million.

Tourism and Development:

The Convention and Visitors Bureau launched a new website www.nothinlikeringgold.com which will be used to promote events and new tourism.

The Downtown Development Authority is in the design phase and will soon begin renovation and construction on the "Ringgold Depot Square Project".

Recreation:
The Golden Mile Train Phase II Project estimated at $250,000 will be completed in 2021.

Streets:
Sidewalks for a section of Boynton Drive are in the capital budget for 2021 costing around $110,000. TIP Paving will be delayed until 2022. With additional assistance from an LMIG grant, the city plans to spend $150,000 in paving costs.

Police Department:
Three new vehicles will be placed in service in 2021. Two new vehicles are funded through an USDA Financing agreement. Additionally, a new Ford Explorer has been purchased in 2021. The fleet will continue to be evaluated for future purchases. The department will continue upgrades on software and hardware that improve and streamline communications within the city and throughout county agencies.

Sewer:
Sewer rates to customers increased 10% in January 2021.

Water:
In May 2021, water rates to customers increased 6.91% on a minimum bill and 8.14% on all amounts above the minimum.

Requests for Information
This financial report is designed to provide a general overview of the City of Ringgold, Georgia's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the City of Ringgold, Georgia, P.O. Box 579, Ringgold, GA 30736

BASIC FINANCIAL STATEMENTS

CITY OF RINGGOLD, GEORGIA
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash	$ 908,436	$ 1,185,012	$ 2,093,448
Investments	7,792,072	-	7,792,072
Accounts receivable - net	369,262	231,669	600,931
Grants receivable	100,000	30,269	130,269
Property tax receivable - net	46,290	-	46,290
Prepaid expenses	24,235	-	24,235
Due from other governments	647,282	-	647,282
Internal balances	(4,621,827)	4,621,827	-
Total current assets	5,265,750	6,068,777	11,334,527
Non-current assets			
Capital assets			
Land and construction in progress	813,766	356,983	1,170,749
Other capital assets - net of accumulated depreciation	8,005,428	20,870,512	28,875,940
Total non-current assets	8,819,194	21,227,495	30,046,689
TOTAL ASSETS	$ 14,084,944	$ 27,296,272	$ 41,381,216
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 240,241	$ 88,856	$ 329,097
LIABILITIES			
Current liabilities			
Accounts payable	$ 223,943	$ 14,230	$ 238,173
Accrued wages	21,568	13,481	35,049
Accrued liabilities	82,605	99,118	181,723
Unearned revenue	69,306	-	69,306
Note payable - due in one year	11,560	26,331	37,891
Bond payable - due in one year	-	423,000	423,000
Total current liabilities	408,982	576,160	985,142
Non-current liabilities			
Compensated absences	113,050	82,341	195,391
Customer deposits	-	93,282	93,282
Note payable	-	26,463	26,463
Bond payable	-	5,191,000	5,191,000
Net OPEB liability	1,273,108	470,875	1,743,983
Total non-current liabilities	1,386,158	5,863,961	7,250,119
TOTAL LIABILITIES	$ 1,795,140	$ 6,440,121	$ 8,235,261
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 121,750	$ 45,030	$ 166,780
NET POSITION			
Net investment in capital assets	$ 8,807,634	$ 15,560,701	$ 24,368,335
Restricted for:			
Downtown development	83,789	-	83,789
Haunted depot	61,158	-	61,158
Confiscated assets	429	-	429
Ringgold depot	88,905	-	88,905
Tourism	154,068	-	154,068
Technology	25,019	-	25,019
Unrestricted	3,187,293	5,339,276	8,526,569
TOTAL NET POSITION	$ 12,408,295	$ 20,899,977	$ 33,308,272

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

CITY OF RINGGOLD, GEORGIA
Statement of Activities
Year Ended December 31, 2020

Functions/Programs		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Primary Government	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	$ 1,346,840	$ 67,446	$ 7,873	$ 281,582	$ (989,939)	$ -	$ (989,939)
Public safety	1,176,254	306,579	-	-	(869,675)	-	(869,675)
Public works	660,845	10,449	-	50,521	(599,875)	-	(599,875)
Public welfare and recreation	648,303	61,727	5,668	100,000	(480,908)	-	(480,908)
Interest on long-term debt	1,436	-	-	-	(1,436)	-	(1,436)
Total governmental activities	3,833,678	446,201	13,541	432,103	(2,941,833)	-	(2,941,833)
Business-type activities:							
Sewer	2,347,006	2,302,942	-	10,967	-	(33,097)	(33,097)
Water	822,056	584,356	-	-	-	(237,700)	(237,700)
Total business-type activities	3,169,062	2,887,298	-	10,967	-	(270,797)	(270,797)
Total primary government	$ 7,002,740	$ 3,333,499	$ 13,541	$ 443,070	(2,941,833)	(270,797)	(3,212,630)
General revenues:							
Property tax					730,218	-	730,218
Franchise tax					464,984	-	464,984
Local option sales tax					1,207,559	-	1,207,559
Motor vehicle tax					83,006	-	83,006
Occupational tax					138,312	-	138,312
Hotel/motel tax					302,130	-	302,130
Payment in lieu of taxes - TVA					8,729	-	8,729
Other taxes					585,881	-	585,881
Interest revenue					230,140	-	230,140
Other revenue					11,827	1,260	13,087
Cares Act funding					185,986	4,037	190,023
Transfers					(464,347)	464,347	-
Total general revenues and transfers					3,484,425	469,644	3,954,069
Change in net position					542,592	198,847	741,439
Net position - beginning					11,865,703	20,701,130	32,566,833
Net position - end					$ 12,408,295	$ 20,899,977	$ 33,308,272

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

CITY OF RINGGOLD, GEORGIA
Governmental Funds
Balance Sheet
December 31, 2020

	General Fund	Other Governmental Fund	Total Governmental Funds
ASSETS			
Cash	$ 311,750	$ 596,686	$ 908,436
Investments	7,792,072	-	7,792,072
Accounts receivable - net	340,164	29,098	369,262
Grants receivable	-	100,000	100,000
Property tax receivable - net	46,290	-	46,290
Prepaid expenses	24,235	-	24,235
Due from other governments	647,282	-	647,282
TOTAL ASSETS	$ 9,161,793	$ 725,784	$ 9,887,577
LIABILITIES			
Accounts payable	$ 34,886	$ 189,057	$ 223,943
Accrued wages	20,083	1,485	21,568
Accrued liabilities	69,135	13,470	82,605
Unearned revenue	-	69,306	69,306
Due to other funds	4,582,729	39,098	4,621,827
TOTAL LIABILITIES	$ 4,706,833	$ 312,416	$ 5,019,249
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	$ 23,088	$ -	$ 23,088
FUND BALANCES			
Nonspendable	$ 24,235	$ -	$ 24,235
Restricted	-	413,368	413,368
Unassigned	4,407,637	-	4,407,637
TOTAL FUND BALANCES	$ 4,431,872	$ 413,368	$ 4,845,240

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

CITY OF RINGGOLD, GEORGIA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2020

Total fund balances per governmental funds balance sheet	$ 4,845,240
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	8,819,194
Long-term liabilities, including notes payable and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(124,610)
OPEB liabilities, including deferred inflows and deferred outflows, are not due and payable in the current period and, therefore, are not reported in the funds.	(1,154,617)
Some of the City's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	23,088
Net position of governmental activities	$ 12,408,295

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

CITY OF RINGGOLD, GEORGIA
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2020

	General Fund	Other Governmental Fund	Total Governmental Funds
REVENUES			
Taxes	$ 3,198,288	$ 302,130	$ 3,500,418
License and permits	56,627	-	56,627
Intergovernmental	67,123	381,582	448,705
Fines and forfeitures	292,416	14,163	306,579
Interest revenue	230,140	-	230,140
Charges for services	34,776	4,537	39,313
Other revenue	3,770	56,062	59,832
TOTAL REVENUES	3,883,140	758,474	4,641,614
EXPENDITURES			
Current expenditures			
General government	935,163	-	935,163
Public safety	1,114,192	9,956	1,124,148
Public works	1,070,760	-	1,070,760
Public welfare and recreation	579,347	371,136	950,483
Debt service	12,691	-	12,691
TOTAL EXPENDITURES	3,712,153	381,092	4,093,245
Excess (deficiency) of revenues over (under) expenditures	170,987	377,382	548,369
OTHER FINANCING SOURCES (USES)			
Cares Act funding	179,249	6,737	185,986
Transfers in	151,065	151,065	302,130
Transfers out	(182,765)	(583,712)	(766,477)
Total other financing sources (uses)	147,549	(425,910)	(278,361)
Net changes in fund balances	318,536	(48,528)	270,008
Fund balances - beginning	4,113,336	461,896	4,575,232
Fund balances - end	$ 4,431,872	$ 413,368	$ 4,845,240

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

CITY OF RINGGOLD, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2020

Net change in fund balances for total governmental funds	$ 270,008
Governmental funds report capital outlay as expenditures, however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.	363,143
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	13,012
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	11,255
OPEB expense from the prior year is not reported in the governmental funds but is reported in the Statement of Activities. Current year OPEB contributions are reported as an expense in the governmental funds but are not reported in the Statement of Activities.	(94,680)
Some items reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:	
Compensated absences	(20,146)
Change in net position of governmental activities	$ 542,592

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
City property tax	$ 717,000	$ 732,000	$ 735,610	$ 3,610
Premium tax	260,000	275,500	280,438	4,938
Franchise tax	465,000	465,000	464,984	(16)
Excise tax	87,000	87,000	81,466	(5,534)
Local option sales tax	1,090,000	1,192,450	1,194,141	1,691
Local option mixed drink tax	12,000	12,000	13,418	1,418
Alcoholic beverage tax	150,000	181,000	181,712	712
Motor vehicle tax	75,000	75,000	83,006	8,006
Occupational tax	152,000	152,000	138,312	(13,688)
Intangible tax	20,000	20,000	17,613	(2,387)
Pawnbroker fees	2,000	2,000	1,340	(660)
Other taxes	1,000	1,000	1,369	369
Real estate transfer tax	3,000	3,000	4,879	1,879
Total taxes	3,034,000	3,197,950	3,198,288	338
License and permits				
Malt beverage and liquor license	48,000	48,000	37,674	(10,326)
Pouring license	4,000	4,000	1,879	(2,121)
Other licenses	2,000	2,000	17,074	15,074
Total license and permits	54,000	54,000	56,627	2,627
Intergovernmental				
Payment in lieu of taxes - TVA	10,000	10,000	8,729	(1,271)
Other awards	9,900	9,900	7,873	(2,027)
Grant revenue	-	-	50,521	50,521
Total intergovernmental	19,900	19,900	67,123	47,223
Fines and forfeitures				
Police and courts	356,000	356,000	292,416	(63,584)
Interest revenue				
Interest	125,000	125,000	230,140	105,140

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Charges for services				
Other fees	$ 20,000	$ 20,000	$ 11,762	$ (8,238)
Solid waste fees	9,000	9,000	10,181	1,181
Pool fees and pool concessions	52,000	52,000	7,598	(44,402)
Flag charges	7,000	7,000	3,860	(3,140)
Rental	3,000	3,000	1,025	(1,975)
Vending	-	-	350	350
Total charges for services	91,000	91,000	34,776	(56,224)
Other revenue				
Sale of equipment	-	-	830	830
Contributions and donations	5,000	5,000	1,140	(3,860)
Insurance recoveries	2,000	2,000	1,800	(200)
Total other revenue	7,000	7,000	3,770	(3,230)
TOTAL REVENUES	3,686,900	3,850,850	3,883,140	32,290
EXPENDITURES				
Current expenditures				
General government				
Financial administration				
Administrative salaries	366,600	366,600	378,864	(12,264)
Payroll taxes	25,600	25,600	27,735	(2,135)
Administrative	5,000	5,000	929	4,071
Advertising	2,500	2,500	-	2,500
Drug testing fees	1,000	1,000	105	895
Dues and subscriptions	27,000	27,000	28,385	(1,385)
Education and travel	11,000	11,000	3,924	7,076
Insurance	115,300	115,300	115,682	(382)
Miscellaneous	3,000	3,000	2,551	449
Printing and postage	14,000	14,000	6,003	7,997
Professional services	33,000	33,000	26,711	6,289
Repairs and maintenance	5,000	5,000	4,199	801
Retirement	29,000	29,000	34,225	(5,225)
Supplies and materials	37,000	37,000	23,814	13,186
Telephone	13,000	13,000	15,659	(2,659)
Vehicles	3,200	3,200	903	2,297
Total financial administration	691,200	691,200	669,689	21,511

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Buildings and plant				
Salaries	$ 42,500	$ 42,500	$ 13,915	$ 28,585
Payroll taxes	3,100	3,100	913	2,187
Dues and subscriptions	1,000	1,000	1,235	(235)
Insurance	49,000	49,000	34,480	14,520
Professional services	3,000	3,000	674	2,326
Repairs and maintenance	53,000	53,000	12,257	40,743
Retirement	3,500	3,500	12	3,488
Supplies and materials	18,000	18,000	30,859	(12,859)
Travel	500	500	-	500
Uniforms	1,000	1,000	690	310
Utilities	25,000	25,000	23,812	1,188
Vehicles	2,000	2,000	2,131	(131)
Total buildings and plant	201,600	201,600	120,978	80,622
Council				
Council salaries	18,300	18,300	18,369	(69)
Payroll taxes	1,500	1,500	1,405	95
Education and travel	23,200	23,200	4,121	19,079
Insurance	-	-	10	(10)
Professional services	1,000	1,000	654	346
Supplies and materials	1,500	1,500	528	972
Total council	45,500	45,500	25,087	20,413
Municipal court				
City judge	45,500	45,500	35,838	9,662
Payroll taxes	3,700	3,700	2,706	994
Education and travel	3,000	3,000	280	2,720
Insurance	6,300	6,300	6,097	203
Postage	-	-	13	(13)
Professional services	1,750	1,750	1,393	357
Retirement	2,500	2,500	2,151	349
Supplies and materials	1,500	1,500	1,706	(206)
Total municpial court	64,250	64,250	50,184	14,066

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Elections				
Printing and postage	$ 1,000	$ 1,000	$ -	$ 1,000
Legal and auditing services				
Professional services	59,000	59,300	59,298	2
Mayor				
Mayor salaries	6,000	6,000	6,000	-
Payroll taxes	500	500	459	41
Education and travel	4,300	4,300	3,468	832
Professional services	100	100	-	100
Supplies and materials	200	200	-	200
Total mayor	11,100	11,100	9,927	1,173
Total general government	1,073,650	1,073,950	935,163	138,787
Public safety				
Police department				
Salaries	569,200	569,200	492,883	76,317
Payroll taxes	40,700	40,700	36,574	4,126
Dues and subscriptions	3,000	3,000	3,338	(338)
Education and travel	11,000	11,000	2,157	8,843
Insurance	252,700	252,700	177,668	75,032
Miscellaneous	6,900	6,900	7,373	(473)
Printing and postage	2,000	2,000	344	1,656
Professional services	10,200	10,200	3,192	7,008
Repairs and maintenance	21,800	21,800	21,582	218
Retirement	43,500	43,500	24,085	19,415
Supplies and materials	92,000	92,000	25,324	66,676
Telephone	1,350	1,350	55	1,295
Uniforms	5,000	5,000	5,901	(901)
Utilities	3,000	3,000	1,887	1,113
Vehicles	41,000	41,000	31,381	9,619
Total police department	1,103,350	1,103,350	833,744	269,606

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public safety (Continued)				
Fire department				
Operations	$ 265,000	$ 280,500	$ 280,448	$ 52
Total public safety	1,368,350	1,383,850	1,114,192	269,658
Public works				
Street department				
Salaries	137,000	137,000	122,810	14,190
Payroll taxes	10,000	10,000	9,293	707
Dues and subscriptions	2,000	2,000	-	2,000
Education and travel	4,000	4,000	-	4,000
Insurance	69,500	69,500	66,241	3,259
Professional services	2,000	2,000	14,501	(12,501)
Repairs and maintenance	197,000	197,000	92,805	104,195
Retirement	12,000	12,000	12,220	(220)
Site purchases	138,100	138,100	210,699	(72,599)
Stormwater mapping	1,400	1,400	4,790	(3,390)
Street lights	33,500	33,500	42,220	(8,720)
Supplies and materials	151,500	151,500	32,138	119,362
Telephone	1,500	1,500	1,549	(49)
Uniforms	3,500	3,500	2,417	1,083
Utilities	10,000	10,000	9,892	108
Vehicles	8,000	8,000	4,149	3,851
Total street department	781,000	781,000	625,724	155,276

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public works (Continued)				
Solid waste department				
Salaries	$ 55,000	$ 55,000	$ 44,533	$ 10,467
Payroll taxes	4,300	4,300	3,336	964
Dues and subscriptions	-	-	121	(121)
Insurance	27,000	27,000	21,482	5,518
Landfill fees	65,000	65,000	70,889	(5,889)
Professional services	500	500	194	306
Recycling disposal	-	-	608	(608)
Repairs and maintenance	18,000	18,000	2,353	15,647
Retirement	4,500	4,500	4,436	64
Supplies and materials	1,000	1,000	6,597	(5,597)
Uniforms	1,000	1,000	724	276
Vehicles	11,500	11,500	289,763	(278,263)
Total solid waste department	187,800	187,800	445,036	(257,236)
Total public works	968,800	968,800	1,070,760	(101,960)
Public welfare and recreation				
Pool operations				
Salaries	35,500	35,500	25,406	10,094
Payroll taxes	2,800	2,800	1,943	857
Concessions	2,800	2,800	743	2,057
Dues and subscriptions	-	-	192	(192)
Insurance	2,200	2,200	1,671	529
Professional services	100	100	-	100
Repairs and maintenance	161,800	161,800	10,945	150,855
Supplies and materials	13,000	14,700	179,840	(165,140)
Telephone	1,500	1,500	1,434	66
Utilities	5,000	5,000	4,224	776
Total pool operations	224,700	226,400	226,398	2

(Continued)

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

CITY OF RINGGOLD, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public welfare and recreation (Continued)				
Parks and recreation				
Salaries	$ 158,400	$ 158,400	$ 125,183	$ 33,217
Payroll taxes	11,600	11,600	9,554	2,046
Education and travel	500	500	-	500
Flag supplies	11,000	11,000	2,698	8,302
Insurance	35,450	35,450	32,108	3,342
Professional services	6,000	6,000	524	5,476
Property rental	1,500	1,500	1,035	465
Repairs and maintenance	20,000	20,000	31,617	(11,617)
Retirement	8,100	8,100	8,040	60
Supplies and materials	36,000	98,150	134,933	(36,783)
Uniforms	2,000	2,000	1,571	429
Utilities	2,600	2,600	2,594	6
Vehicles	6,000	6,000	3,092	2,908
Total parks and recreation	299,150	361,300	352,949	8,351
Total public welfare and recreation	523,850	587,700	579,347	8,353
Debt service				
Retirement of debt	24,000	24,000	12,691	11,309
TOTAL EXPENDITURES	3,958,650	4,038,300	3,712,153	326,147
Excess (deficiency) of revenues over (under) expenditures	(271,750)	(187,450)	170,987	358,437
OTHER FINANCING SOURCES (USES)				
Cares Act funding	-	-	179,249	179,249
Transfers in	210,000	210,000	151,065	(58,935)
Transfers out	(98,550)	(182,850)	(182,765)	85
Total other financing sources (uses)	111,450	27,150	147,549	120,399
Net changes in fund balances	(160,300)	(160,300)	318,536	478,836
Fund balances - beginning	4,113,336	4,113,336	4,113,336	-
Fund balances - end	$ 3,953,036	$ 3,953,036	$ 4,431,872	$ 478,836

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

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Statement of Net Position
December 31, 2020

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
ASSETS			
Current assets			
Cash	$ 700,333	$ 484,679	$ 1,185,012
Accounts receivable	181,088	50,581	231,669
Grants receivable	30,269	-	30,269
Due from other funds	4,621,827	-	4,621,827
Total current assets	5,533,517	535,260	6,068,777
Non-current assets			
Capital assets			
Land and construction in progress	267,773	89,210	356,983
Other capital assets - net of accumulated depreciation	18,840,755	2,029,757	20,870,512
Total capital assets	19,108,528	2,118,967	21,227,495
TOTAL ASSETS	$ 24,642,045	$ 2,654,227	$ 27,296,272
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 46,073	$ 42,783	$ 88,856
LIABILITIES			
Current liabilities			
Accounts payable	$ 7,078	$ 7,152	$ 14,230
Accrued wages	5,256	8,225	13,481
Accrued liabilities	92,319	6,799	99,118
Note payable - due in one year	-	26,331	26,331
Bonds payable - due in one year	423,000	-	423,000
Total current liabilities	527,653	48,507	576,160
Non-current liabilities			
Compensated absences	39,703	42,638	82,341
Customer deposits	-	93,282	93,282
Note payable	-	26,463	26,463
Bonds payable	5,191,000	-	5,191,000
Net OPEB liability	244,157	226,718	470,875
Total non-current liabilities	5,474,860	389,101	5,863,961
TOTAL LIABILITIES	$ 6,002,513	$ 437,608	$ 6,440,121
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 23,349	$ 21,681	$ 45,030
NET POSITION			
Net investment in capital assets	$ 13,494,528	$ 2,066,173	$ 15,560,701
Unrestricted	5,167,728	171,548	5,339,276
TOTAL NET POSITION	$ 18,662,256	$ 2,237,721	$ 20,899,977

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

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2020

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
OPERATING REVENUES			
Sewer charges	$ 2,227,402	$ -	$ 2,227,402
Water sales	-	568,162	568,162
Installation charges	75,540	2,450	77,990
Penalties	-	13,744	13,744
Other operating	380	880	1,260
Total operating revenues	2,303,322	585,236	2,888,558
OPERATING EXPENSES			
Operating and maintenance	1,447,955	652,256	2,100,211
Administration and general	11,468	22,849	34,317
Depreciation	644,043	146,616	790,659
Total operating expenses	2,103,466	821,721	2,925,187
Operating income (loss)	199,856	(236,485)	(36,629)
NON-OPERATING REVENUES (EXPENSES)			
Cares Act funding	877	3,160	4,037
Intergovernmental revenue	10,967	-	10,967
Interest expense	(243,540)	(335)	(243,875)
Total non-operating revenues (expenses)	(231,696)	2,825	(228,871)
Income (loss) before transfers	(31,840)	(233,660)	(265,500)
Transfers in	22,130	442,217	464,347
Changes in net position	(9,710)	208,557	198,847
Total net position - beginning	18,671,966	2,029,164	20,701,130
Total net position - end	$ 18,662,256	$ 2,237,721	$ 20,899,977

The accompanying notes are in integral part of the financial statements.

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Statement of Cash Flows
Year Ended December 31, 2020

	Enterprise		
	Sewer Fund	Water Fund	Totals
Cash Flows from Operating Activities			
Receipts from customers	$ 2,310,300	$ 572,364	$ 2,882,664
Payments to suppliers	(1,201,726)	(339,146)	(1,540,872)
Payments to employees	(247,769)	(304,839)	(552,608)
Net cash provided (used) by operating activities	860,805	(71,621)	789,184
Cash Flows from Capital and Related Financing Activities			
SPLOST transfers	22,130	259,452	281,582
Transfers	-	182,765	182,765
Acquiring and construction of capital assets	(792,422)	(302,362)	(1,094,784)
Cares Act funding	877	3,160	4,037
Intergovernmental revenue	10,967	-	10,967
Principal paid on long-term debt	(406,000)	(26,199)	(432,199)
Interest paid on long-term debt	(243,540)	(335)	(243,875)
Net cash provided (used) for capital and related financing activities	(1,407,988)	116,481	(1,291,507)
Cash Flows from Non-Capital Financing Activities			
(Increase) in due from other funds	415,257	-	415,257
Net increase (decrease) in cash	(131,926)	44,860	(87,066)
Cash - beginning	832,259	439,819	1,272,078
Cash - end	$ 700,333	$ 484,679	$ 1,185,012
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ 199,856	$ (236,485)	$ (36,629)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	644,043	146,616	790,659
(Increase) decrease in deferred outflows related to OPEB	(8,335)	(7,740)	(16,075)
Increase (decrease) in deferred inflows related to OPEB	9,856	9,152	19,008
Increase (decrease) in net OPEB liability	16,636	15,449	32,085
(Increase) decrease in accounts receivable	6,978	(12,872)	(5,894)
(Increase) decrease in grants receivable	(10,967)	-	(10,967)
Increase (decrease) in accounts payable	(2,461)	(7,481)	(9,942)
Increase (decrease) in accrued wages	(975)	1,084	109
Increase (decrease) in accrued liabilities	3,505	6,799	10,304
Increase (decrease) in customer deposits	-	4,275	4,275
Increase (decrease) in compensated absences	2,669	9,582	12,251
Net cash provided (used) by operating activities	$ 860,805	$ (71,621)	$ 789,184

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

CITY OF RINGGOLD, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2020

	Custodial Funds
ASSETS	
Cash	$ 37,145
Due from other governments	107,912
TOTAL ASSETS	$ 145,057
LIABILITIES	
Surety bonds payable	$ 17,663
Due to other governments	19,482
TOTAL LIABILITIES	$ 37,145
NET POSITION	
Restricted for:	
Baxter addition	107,912
TOTAL NET POSITION	$ 107,912

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

CITY OF RINGGOLD, GEORGIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended December 31, 2020

	Custodial Funds
ADDITIONS	
Court fines	$ 95,640
Donations	9,934
Total additions	105,574
DEDUCTIONS	
Court fines remitted	95,640
Cemetery care	2,500
Total deductions	98,140
Net increase (decrease) in fiduciary net position	7,434
Net position - beginning	100,478
Net position - ending	$ 107,912

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ringgold, Georgia operates under the City Manager - Council form of government within the following departments: general government, public safety, public works and public welfare and recreation.

The financial statements of the City of Ringgold, Georgia have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies:

A. Reporting Entity

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP and GASB issued Statement No. 14, *The Financial Reporting Entity*. This statement requires that the financial statements present the City of Ringgold, Georgia (the primary government) and any component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting one of the following criteria; the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board and the primary government is able to impose its will upon the potential component unit); or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government.

Based on the foregoing criteria, there is one entity, which meets the above criteria for inclusion in the City of Ringgold, Georgia's financial statements:

The Downtown Development Authority and Visitors Center

The Downtown Development Authority (DDA) and Visitors Center are considered to be blended component units according to GASB Statement No. 14. The DDA and Visitors Center are legally separate entities having boards composed of members appointed by the City of Ringgold, Georgia. There is a financial benefit/burden relationship and the DDA and Visitors Center provide services directly to the City of Ringgold, Georgia. There are no separate financial statements available.

Related Organizations

The Housing Authority of the City of Ringgold, Georgia is considered a related organization based upon the criteria in GASB Statement No. 14. The Housing Authority is a legally separate entity having a board composed of members appointed by the City of Ringgold, Georgia. The City of Ringgold, Georgia is not able to impose its will upon the Housing Authority and a financial benefit/burden relationship does not exist between them. Therefore, based upon the criteria above, the Housing Authority of the City of Ringgold, Georgia is a related organization.

B. Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basic Financial Statements (Continued)

Government-wide Statements - The Statement of Net Position and the Statement of Activities display information about the primary government. These statements include the financial activities of the overall government. Neither fiduciary nor component units that are fiduciary in nature are included. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis for column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents both a gross and net cost comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. The net cost (by function or business-type activity) is normally covered by general revenue (property or sales taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is designed to view the City as a complete entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Fund Financial Statements - The fund financial statements provide information about the City's funds, including its governmental funds and enterprise funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Enterprise fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental fund:

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

The City reports the following major enterprise funds:

Water Fund - This fund is used to account for the provision of water services to the City.

Sewer Fund - This fund is used to account for the provision of sewer services to the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus - Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, gasoline taxes, wholesale beer taxes, income taxes, mixed drink taxes, and in-lieu of taxes are susceptible to accrual. Licenses and permits, fines and forfeitures, gross receipts taxes and excise taxes are recorded as revenue when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the governmental activities column in the government-wide financial statements, a reconciliation is presented on the page following each statement which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental activities column of the government-wide presentation.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the enterprise fund's principal ongoing operation. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The agency funds have no measurement focus, but utilize the accrual basis of accounting for reporting their assets and liabilities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Data

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

In accordance with OCGA 36-81-3, budgets are legally adopted for the general, special revenue and capital projects funds.

During the last weeks of the year, budget requests are prepared for each department based on the activities of the current year with anticipated changes for the next year including needed capital expenditures. The budget requests are submitted to the Council at a scheduled meeting. The Council formally adopts an annual appropriated budget for the General and special revenue funds. These budgets are adopted on a departmental basis. The City Manager is authorized to transfer budgeted amounts within departments. The Council adopts a flexible budget for the Water and Sewer Funds. The expense estimates of the flexible budget are not appropriations but approved plans.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Therefore, no adjustments are necessary to convert to the actual GAAP data from the budgetary basis. Budgeted amounts reflected in the accompanying budget and actual comparison are as originally adopted or as amended by the Council. Individual amendments are not material in relation to the original appropriations. All annual appropriations, which are not expended, lapse at year-end.

E. Cash and Cash Equivalents

For purposes of reporting cash on the Statement of Net Position, the City considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash consists of cash-on-hand and on deposit with financial institutions. These are classified on the Statement of Cash Flows as "Cash".

F. Investments

Investments are reported at fair value, which is based on quoted market price. The City is authorized by Georgia statutes to invest in the following:

1. Deposit accounts with eligible depository institutions.
2. Obligations of the State of Georgia or of other states.
3. Obligations issued by the United States government.
4. Obligations fully insured or guaranteed by the United States government or a United States government agency.
5. Obligations of any corporation of the United States government.
6. Prime bankers' acceptance.
7. The local government investment pool established by Georgia Code Section 36-83-8.
8. Repurchase agreements.
9. Obligations of other political subdivisions of the State of Georgia.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes

Property taxes levied by the City are assessed by the Assessor of Property in Catoosa County and collected by the Catoosa County Tax Commissioner and remitted to the City. Property tax revenues are recognized on the modified accrual basis on the governmental fund financial statements.

The property tax calendar applicable to the current fiscal year is as follows:

Lien date	October 20, 2020
Levy date	October 20, 2020
Tax bills mailed	October 20, 2020
Payment due date	October 20, 2020 through February 28, 2021
Delinquency date	March 1, 2021

H. Interfund Transactions

Interfund Receivables and Payables

Short-term advances between funds are not eliminated but accounted for in the appropriate interfund receivable and payable accounts classified as due to other funds and due from other funds in the fund financial statements, and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Transactions between Funds

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expense in the fund that is reimbursed. All other legally authorized transfers are not eliminated but treated as operating transfers and are included as other financing sources or uses in the governmental funds and reported after non-operating revenues or expenses in the enterprise funds.

I. Prepayment of Expenditures

Government fund expenditures for insurance and similar services extending over more than one accounting period are allocated between accounting periods.

J. Inventories

Supplies and materials are recorded as expenditures/expenses at the time items are purchased and are not inventoried at year-end due to lack of materiality.

K. Restricted Assets

Certain resources can be classified as restricted assets on the Statement of Net Position because their use is limited. At year-end, there were no restricted assets to be reported.

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., primary roads, secondary roads, drainage), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Land improvements	20
Buildings and improvements	5-40
Vehicles	4-15
Equipment	3-20

Capital assets of the proprietary funds are accounted for in the proprietary fund and are stated at cost or estimated fair value when original cost is not available. Major additions are capitalized while maintenance and repairs, including the cost of minor items of property, are expensed as incurred. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in income. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are as follows:

Asset Class	Years
Buildings	5-40
Equipment	5-40
Sewer lines	4-50
Vehicles	3-10
Water lines	5-40

Donated capital assets are valued at their estimated fair value on the date donated. The City's policy is to capitalize the net interest cost incurred during the year resulting from borrowings utilized to finance the construction of assets.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Entity has one item that qualifies for reporting in this category: deferred outflows related to OPEB.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Currently, the Entity has two types of items that qualify for reporting in this category: deferred revenue - property taxes and deferred inflows related to OPEB.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Compensated Absences

Accruals include both sick and vacation time earned. Employees are allowed to carry over half of any current unused sick leave. Employees of the City under an earlier sick leave plan are allowed to carry banked sick leave up to 240 hours. Employees are allowed to carry over vacation time up to 40 hours at the end of each year provided that they have used at least that much time during the current year. Some employees have vacation leave remaining since their anniversary dates cross the fiscal year-end. Vacation and sick leave for employees of governmental funds is recorded as an expenditure in the period it is used and considered payable from current financial resources. Government-wide proprietary funds accrue vacation benefits in the period they are earned. A liability for these amounts is reported in governmental funds only if they have matured.

O. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position.

P. Net Position

Net position is the residual of all elements presented in the Statement of Financial Position (i.e., assets + deferred outflows - liabilities - deferred inflows). Net investment in capital assets represent capital assets reduced by accumulated depreciation and by any outstanding debt related to the acquisition, construction or improvement of those assets. Restricted net position represents restricted assets reduced by any related outstanding debt.

Q. Fund Balance

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* established standards for fund balance classifications for state and local governments and requires that resources be classified for accounting reporting purposes into the following fund balances:

Nonspendable: The City cannot spend these amounts due to form.

Restricted: The State or other sources can restrict funds to specific purposes by externally imposing restrictions or imposing by law through constitutional provisions or enabling legislation.

Committed: The City Council has the authority to commit funds for a specific purpose. Any funds set aside as committed fund balance requires, at a minimum, the passage of a resolution by a simple majority vote. An ordinance may also be used.

Assigned: The City Council has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as assigned fund balance requires a simple majority vote and must be recorded in the minutes.

Unassigned: Amounts not classified as nonspendable, restricted, committed, or assigned.

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When restricted, committed, assigned and unassigned funds are available for use, restricted funds should be spent first, committed funds second, assigned funds third and unassigned funds last.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

S. Events Occurring after Reporting Date

The City has evaluated events and transactions that occurred between December 31, 2020, and June 7, 2021, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

At year-end, the carrying amount of the City's deposits and investments was $9,883,945. The financial institution balance was $10,015,070. Custodial credit risk is the risk that in the event of a bank failure the City's deposits may not be returned to it. The City does not have a policy for custodial risk. As of December 31, 2020, none of the City's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

The carrying amount of the City's deposits is classified as follows on the Statement of Net Position:

Cash	$ 2,093,448
Investments	7,792,072
Less: Petty cash	(1,575)
Total	$ 9,883,945

Investments

The City's investments are carried at fair value, and consist of certificates-of-deposit at nationwide banks. The City's investments are classified as follows on the Statement of Net Position:

Investments	$ 7,792,072

NOTE 3 - ACCOUNTS RECEIVABLE - NET

Accounts receivable at December 31, 2020, consist of the following:

	General Fund	Hotel/Motel Tax Fund	Sewer Fund	Water Fund	Total
Franchise taxes	$ 249,361	$ -	$ -	$ -	$ 249,361
Local beer/beverage tax	17,127	-	-	-	17,127
Business license	50	-	-	-	50
Hotel/motel tax	-	29,098	-	-	29,098
Customer receivables	-	-	196,242	53,602	249,844
Motor vehicle tax	9,032	-	-	-	9,032
Energy excise tax	6,806	-	-	-	6,806
Interest	23,855	-	-	-	23,855
Other	33,933	-	-	-	33,933
Less: allowance for doubtful accounts	-	-	(15,154)	(3,021)	(18,175)
Total	$ 340,164	$ 29,098	$ 181,088	$ 50,581	$ 600,931

NOTE 4 - GRANTS RECEIVABLE

Due from grantor at December 31, 2020, consist of the following:

Georgia Department of Transportation	$ 30,269
Georgia Department of Natural Resources	100,000
Total	$ 130,269

NOTE 5 - PROPERTY TAXES RECEIVABLE - NET

Property taxes receivable as of December 31, 2020, consist of the following:

Year of Levy	
2020	$ 47,183
2019	5,476
2018	1,598
2017	115
2016	31
2015	30
2014	30
	54,463
Less: allowance for uncollectibles	(8,173)
Property taxes receivable - net	$ 46,290

NOTE 6 - DUE FROM OTHER GOVERNMENTS

Due from other governments at December 31, 2020, consists of the following:

	Governmental Activities
Property tax collected by Catoosa County	$ 534,086
Local Option Sales Tax receivable	113,196
Total	$ 647,282

NOTE 7 - INTERNAL BALANCES

The City of Ringgold maintains a combined checking account for the General, Hotel/Motel Tax, and Confiscated Assets funds. Balances due to and from each fund for reimbursement of expenses are classified as internal balances. The Capital Projects Fund maintains its own checking account. Its balance will be repaid during the year.

	Due from:				
Due to:	General Fund	Hotel/Motel Tax Fund	Confiscated Assets Fund	Capital Projects Fund	Total
Sewer Fund	$ 4,582,729	$ 29,098	$ 5,000	$ 5,000	$ 4,621,827

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 808,387	$ 5,379	$ -	$ 813,766
Capital assets being depreciated:				
Land improvements	6,076,302	432,651	-	6,508,953
Building and improvements	4,173,361	198,657	(5,669)	4,366,349
Vehicles	1,100,792	280,072	-	1,380,864
Equipment	1,205,132	41,053	(27,496)	1,218,689
Total capital assets being depreciated	12,555,587	952,433	(33,165)	13,474,855
Less accumulated depreciation for:				
Land improvements	1,446,280	314,086	-	1,760,366
Buildings and improvements	1,603,579	112,942	(5,669)	1,710,852
Vehicles	930,476	79,545	-	1,010,021
Equipment	927,588	88,096	(27,496)	988,188
Total accumulated depreciation	4,907,923	594,669	(33,165)	5,469,427
Total capital assets being depreciated - net	7,647,664	357,764	-	8,005,428
Governmental activities capital assets - net	$ 8,456,051	$ 363,143	$ -	$ 8,819,194

NOTE 8 - CAPITAL ASSETS (Continued)

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

General government	$ 330,990
Public safety	78,476
Public welfare and recreation	100,590
Public works	84,613
Total	$ 594,669

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 265,815	$ -	$ -	$ 265,815
Construction in progress	-	91,168	-	91,168
Total capital assets not being depreciated	265,815	91,168	-	356,983
Capital assets being depreciated:				
Buildings	819,938	19,750	(6,550)	833,138
Equipment	1,252,067	43,274	-	1,295,341
Sewer lines	25,844,166	342,268	-	26,186,434
Vehicles	467,000	346,138	-	813,138
Water lines	2,961,203	252,186	-	3,213,389
Total capital assets being depreciated	31,344,374	1,003,616	(6,550)	32,341,440
Less accumulated depreciation for:				
Buildings	526,011	16,727	(6,550)	536,188
Equipment	843,525	68,083	-	911,608
Sewer lines	7,578,725	546,508	-	8,125,233
Vehicles	368,565	40,357	-	408,922
Water lines	1,369,993	118,984	-	1,488,977
Total accumulated depreciation	10,686,819	790,659	(6,550)	11,470,928
Total capital assets being depreciated - net	20,657,555	212,957	-	20,870,512
Business-type activities capital assets - net	$ 20,923,370	$ 304,125	$ -	$21,227,495

NOTE 9 - DEFERRED OUTFLOWS RELATED TO OPEB

Deferred outflows related to OPEB at December 31, 2020, consists of the following:

Beginning balance	$ 269,560
Assumption changes	66,128
Amortization of deferrals	(19,205)
Prepayments	42,343
Reverse prior year payments	(29,729)
Total	$ 329,097

NOTE 10 - LONG-TERM DEBT

A. Governmental Debt

Long-term debt, payable by the governmental funds, which consists of a note payable and compensated absences is summarized as follows:

	Principal Balance
USDA Rural Development note, issued October 31, 2016, 2.375%, due 2021, original balance $55,000, direct borrowing	$ 11,560
Compensated absences	113,050
	124,610
Less: current portion of governmental debt	(11,560)
Total governmental long-term debt	$ 113,050

A summary of changes in governmental long-term debt for the year ended December 31, 2020, are as follows:

	Balance 12-31-19	Additions	Retirements	Balance 12-31-20	Due Within One Year
Direct borrowings:					
USDA Note	$ 22,815	$ -	$(11,255)	$ 11,560	$ 11,560
Other debt:					
Compensated absences	92,904	20,146	-	113,050	-
Total	$ 115,719	$ 20,146	$(11,255)	124,610	$ 11,560
Less: current portion of governmental long-term debt				(11,560)	
Total governmental long-term debt				$ 113,050	

The USDA Rural Development Note is payable from the taxes levied by the City. The City's full faith and credit are irrevocably pledged as collateral. If in default and there are insufficient funds from the taxes levied, the principal and interest will be paid from the current funds of the City.

The City does not have unused lines of credit.

Governmental debt service requirements to maturity, including interest of $290, are as follows:

Year ended	Direct Borrowings		
December 31,	Principal	Interest	Total
2021	$ 11,560	$ 290	$ 11,850

Note: The above debt service schedule does not include compensated absences. Governmental debt is generally liquidated by the General Fund.

Interest paid during the year ended December 31, 2020, on governmental long-term debt was $1,436.

NOTE 10 - LONG-TERM DEBT (Continued)

B. Business-Type Debt

Sewer Fund

Long-term debt, payable by the Sewer Fund, which consists of revenue bonds and compensated absences is summarized as follows:

	Principal Balance
Sewer System Revenue Improvement Bonds, Series 2005, 4.15%, due April 1, 2031, original balance $9,600,000, direct borrowing	$ 5,614,000
Compensated absences	39,703
	5,653,703
Less: current portion of sewer debt	(423,000)
Total sewer long-term debt	$ 5,230,703

A summary of changes in sewer long-term debt, not including compensated absences, for the year ended December 31, 2020, are as follows:

	Balance 12-31-19	Additions	Retirements	Balance 12-31-20	Amount Due Within One Year
Direct borrowings:					
Revenue bonds	$ 6,020,000	$ -	$ (406,000)	$ 5,614,000	$ 423,000
Other debt:					
Compensated absences	37,034	2,669	-	39,703	-
Total	$ 6,057,034	$ 2,669	$ (406,000)	5,653,703	$ 423,000
Less: current portion of Sewer Fund long-term debt				(423,000)	
Total Sewer Fund long-term debt				$ 5,230,703	

The Sewer System Revenue Improvement Bonds have the same terms as the governmental debt's USDA Rural Development Note but are also payable from, but not secured by, the income and revenues derived from the operation of the sewer system.

Sewer Fund debt service requirements to maturity, including interest of $1,426,579, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
2021	$ 423,000	$ 230,802	$ 653,802
2022	436,000	213,134	649,134
2023	455,000	194,759	649,759
2024	474,000	175,566	649,566
2025	494,000	155,583	649,583
2026-2030	2,800,000	447,599	3,247,599
2031	532,000	9,136	541,136
Total	$ 5,614,000	$ 1,426,579	$7,040,579

Note: The above debt service requirements schedule does not include compensated absences.

NOTE 10 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Sewer Fund (Continued)
Interest paid during the year ended December 31, 2020, on sewer long-term debt was $243,540.

Water Fund
Long-term debt, payable by the Water Fund, which consists of a note payable, customer deposits and compensated absences is summarized as follows:

Georgia Environmental Facilities Administration Loan, .5%, due 2022, original balance $131,000, direct borrowing	$ 52,794
Customer deposits	93,282
Compensated absences	42,638
	188,714
Less: current portion of water debt	(26,331)
Total water long-term debt	$ 162,383

A summary of changes in water long-term debt for the year ended December 31, 2020, are as follows:

	Balance 12-31-19	Additions	Retirements	Balance 12-31-20	Amount Due Within One Year
Direct borrowings:					
GEFA loan	$ 78,993	$ -	$ (26,199)	$ 52,794	$ 26,331
Other debt:					
Customer deposits	89,007	4,275	-	93,282	-
Compensated absences	33,056	9,582	-	42,638	-
Total other debt	122,063	13,857	-	135,920	-
Total	$ 201,056	$ 13,857	$ (26,199)	188,714	$ 26,331
Less: current portion of Water Fund long-term debt				(26,331)	
Total Sewer Fund long-term debt				$ 162,383	

The Georgia Environmental Facilities Administration Loan has the same terms as the governmental debt's USDA Rural Development Note but is also payable from, but not secured by, the income and revenue derived from the operation of the water system.

Water Fund debt service requirements to maturity, including interest of $278, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
2021	$ 26,331	$ 204	$ 26,535
2022	26,463	74	26,537
Total	$ 52,794	$ 278	$ 53,072

Note: The above debt service requirements schedule does not include customer deposits or compensated absences.

NOTE 10 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Water Fund (Continued)
Interest paid during the year ended December 31, 2020, on water long-term debt was $335.

NOTE 11 - NET OPEB LIABILITY

Net OPEB liability at December 31, 2020 consists of the following:

Beginning balance	$ 1,625,148
Service cost	129,367
Interest expense	43,554
Differences between expected and actual experience	(81,604)
Assumption changes	66,128
Benefit payments	(38,610)
Total	$ 1,743,983

NOTE 12 - DEFERRED INFLOWS RELATED TO OPEB

Deferred inflows related to OPEB at December 31, 2020, consists of the following:

Beginning balance	$ 96,380
Differences between expected and actual experience	81,604
Amortization of deferrals	(11,204)
Total	$ 166,780

NOTE 13 - DEFERRED REVENUE - PROPERTY TAXES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds as deferred inflows were as follows:

	Unavailable	Total
Property taxes	$ 23,088	$ 23,088

Funds that are earned, but not available, are realized as revenue under GASB No. 33.

NOTE 14 - NET POSITION / FUND BALANCE RESTRICTIONS

The City can restrict net position and fund balances to be maintained for specific purposes. The nature and purpose of these are explained as follows:

Downtown Development Authority Fund restricts $83,789 for future downtown development expenditures.

Haunted Depot Fund restricts $61,158 for future depot expenditures.

Confiscated Assets Fund restricts $429 for future confiscation expenditures.

Ringgold Depot Fund restricts $88,905 for the Ringgold Depot facility.

Visitor Center Fund restricts $154,068 to promote tourism in the Ringgold area.

Technology Fund restricts $25,019 for police expenditures.

The City also has $24,235 of nonspendable fund balance related to prepaid expenses.

NOTE 15 - TRANSFERS

Interfund transfers as of December 31, 2020, consist of the following:

	Transfers to					
	General Fund	Ringgold Depot Fund	Visitor Center Fund	Sewer Fund	Water Fund	Total
Transfer from						
General Fund	$ -	$ -	$ -	$ -	$182,765	$182,765
Hotel/Motel Fund	151,065	13,596	137,469	-	-	302,130
Capital Projects Fund	-	-	-	22,130	259,452	281,582
Total	$151,065	$ 13,596	$ 137,469	$ 22,130	$442,217	$766,477

Transfers from the General Fund and Capital Projects Fund were transferred to supplement operations.

Funds were transferred out of the Hotel/Motel Fund into the General, Ringgold Depot and Visitor Center funds to distribute tax revenues.

NOTE 16 - HOTEL/MOTEL LODGING TAX

The City of Ringgold levies a 6% lodging tax as authorized in Official Code of Georgia Annotated (OCGA) 48-13-50(a)(3.2). Half of the expenditures are used for the promotion of tourism and the other half are used for general expenditures. A summary of the transactions for the year ended December 31, 2020, is as follows:

Fund Balance - January 1, 2020	$ -
Lodging tax services	302,130
Amount available for disbursements	302,130
Disbursements:	
Transfer to General Fund	151,065
Transfer to the Ringgold Depot Fund	13,596
Transfer to Visitor Center Fund	137,469
Total disbursed	302,130
Balance - held in reserve for future hotel/motel tax projects	$ -

NOTE 17 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental funds Balance Sheet and the government-wide Statement of Net Position:

The governmental funds Balance Sheet includes a reconciliation between fund balance - total governmental funds and net position - government activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that, "long-term liabilities, including notes payable and compensated absences are not due and payable in the current period, and therefore, are not reported in the funds". The details of this $(124,610) differences are as follows:

Note payable	$ (11,560)
Compensated absences	(113,050)
Net adjustment	$ (124,610)

Another element of that reconciliation states that "OPEB liabilities, including deferred inflows and deferred outflows, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $(1,154,617) difference are as follows:

Deferred outflows related to OPEB	$ 240,241
Net OPEB liability	(1,273,108)
Deferred inflows related to OPEB	(121,750)
Net adjustment	$ (1,154,617)

NOTE 17 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities:

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance, includes a reconciliation between net changes in fund balances for total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that, "Governmental funds report capital outlay as expenditures, however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense". The details of this $363,143 difference are as follows:

Depreciation expense	$(594,669)
Capital outlay	957,812
Net adjustment	$ 363,143

Another element of that reconciliation states that, "OPEB expense from the prior year is not reported in the governmental funds but is reported in the Statement of Activities. Current year OPEB contributions are reported as an expense in the governmental funds but are not reported in the Statement of Activities." The details of this $(94,680) difference are as follows:

OPEB expense	$ (132,073)
Contributions	30,910
Prior year prepayment	6,483
Net adjustment	$ (94,680)

NOTE 18 - COMPLIANCE WITH FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

The City has no material violations of finance related legal and contractual provisions.

NOTE 19 - INSURANCE

The City of Ringgold is exposed to various risks of losses. These risks include loss related to torts; theft, of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the Georgia Municipal Association (self-funded and administered by Corvel). The liability to the employees of the City is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

The City is responsible for paying the prescribed premiums and cooperating with attorneys.

The City carries insurance for all other risks of loss (except employees health insurance), including general liability and property and casualty insurance through Travelers. Employee's health insurance is provided by Anthem through the Georgia Municipal Association. There have been no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

NOTE 20 - PENSION PLAN

The City of Ringgold provides pension benefits for all its full-time employees through a defined contribution pension plan the City of Ringgold Pension Plan administered by Chandler & Assoc., P.C. The plan was authorized by Council action in 1976 and amended in 1995. All fulltime employees who have attained age 18 and have completed one year of service are eligible. Vesting is 100% full and immediate, and retirement age is 65 or the fifth anniversary of participation, whichever is later.

The City contributes 10% of total compensation for each employee. Employees are required to contribute 2% and are allowed to make an additional contribution of up to 10% of total compensation. Contribution requirements were established under, and can only be amended by, the City Council.

All assets of the plan are held in individual income endowments, life contracts, individual annuities or other investments. There are no outstanding loans to any participant, fiduciary, or party of interest.

The City's total payroll for the year was $1,880,148. The amount of covered payroll was $1,298,483. Total contributions required was $155,818, which was 12% of covered payroll. The City's contribution required and actual was $129,848, which was 10% of covered payroll. The mandatory employee contributions required and actual was $25,970 which was 2% of covered payroll. Employee voluntary contributions totaled $45,756, making a total employee contribution of $71,726, which is 5% of covered payroll. The total City and employee contribution actually made was $201,574, which was 15% of covered payroll. There were no current year changes in plan provisions.

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Summary of Results

The City of Ringgold, Georgia administers a single-employer defined benefit healthcare plan. For fiscal year ending December 31, 2020, the total OPEB liability, the fiduciary net position, the net OPEB liability and deferred (outflows)/inflows of resources are based on calculations as of the valuation date projected to the end of the fiscal year. The valuation date is as of January 1, 2020, and is updated as of December 31, 2020 using the December 31, 2020 discount rate. The plan does not issue a stand-alone financial statement.

Fiscal Year Ending December 31, 2020	
Total OPEB liability	$ 1,743,983
Fiduciary net position	$ 0
Net OPEB liability	$ 1,743,983
OPEB expense	$ 180,922
Deferred (outflows)/inflows of resources	$ 162,317
Expected benefit payments	$ 38,610

Economic Assumptions

The following table details the selected and projected economic assumptions for the current fiscal year.

Assumption Selection Date	December 31, 2020
Discount rate	2.12%
2020 medical trend rates	7.00%
Ultimate medical trend rate	4.50%
Year ultimate trend rates reached	2025
Annual payroll increase	2.50%

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Experience Gains and Losses
The plan had an accumulated experience gain over the past two years primarily due to favorable demographic experience.

Assumption Changes Included in Current Valuation
The healthcare cost trend rate was set to 7.0% in 2020, grading down 0.5% per annum to an ultimate rate of 4.5% in years 2025 and later. The mortality table improvement scale was updated from MP2018 to MP2019.

Benefit Changes Included in Current Valuation
None

Changes as of December 31, 2020
The discount rate was changed from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020, based on the Bond Buyer 20-Bond Index.

GASB 75 Liabilities and Expense
For Fiscal Year Ending December 31, 2020

I.	Present value of Future Benefits	
	A. Retirees/Disableds	$ 433,015
	B. Active Employees	4,654,949
	C. Total	$ 5,087,964
II.	Total OEPB Liability	
	A. Retiress/Disableds	$ 433,015
	B. Active Employees	1,310,968
	C. Total	$ 1,743,983
III.	Fiduciary Net Position	$ -
IV.	Net OPEB Liability	$ 1,743,983
V.	Expected Benefit Payments	
	A. Retirees/Disableds	$ 37,379
	B. Active Employees	1,231
	C. Total	$ 38,610
VI.	OEPB Expense	
	A. Service Cost	$ 129,367
	B. Interest	43,554
	C. Changes of Benefit Terms	-
	D. Recognition of Deferred Outflows/Inflows of Resources	8,001
	E. OPEB Expense (A. + B. + C. + D.)	$ 180,922

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

GASB 75 Liabilities and Expense
For Fiscal Year Ending December 31, 2020 (Continued)

VII.	Deferred (Outflows) of Resources	
	A. Experience Loss	$ -
	B. Change in Assumptions	(286,754)
	C. Prepayments	(42,343)
	D. Total	$ (329,097)
	Deferred Inflows of Resources	
	A. Experience Gain	$ 76,804
	B. Change in Assumptions	89,976
	C. Total	$ 166,780
	Recognition in Expense	
	Year Ended December 31,	
	2021	$ 8,001
	2022	$ 8,001
	2023	$ 8,001
	2024	$ 8,001
	2025	$ 8,001
	Thereafter	$ 79,969

Census Information

Employee Counts
As of January 1, 2020

	Actives	Inactives Not Receiving Benefits	Inactives Receiving Benefits	Total
Male	31	-	3	34
Female	9	-	1	10
Total	40	-	4	44

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Census Information (Continued)

Counts By Age and Eligibility Status

	Active Employees			Inactive Employees Not Yet Receiving Benefits		
Age	Currently Eligible to Retire	Not Currently Eligible to Retire	Total	Currently Eligible to Retire	Not Currently Eligible to Retire	Total
29 and under	-	7	7	-	-	-
30 - 34	-	6	6	-	-	-
35 - 39	-	5	5	-	-	-
40 - 44	-	7	7	-	-	-
45 - 49	-	4	4	-	-	-
50 - 54	-	4	4	-	-	-
55 - 59	1	1	2	-	-	-
60 - 64	-	5	5	-	-	-
65 and over	-	-	-	-	-	-
Total	1	39	40	-	-	-

Inactives Receiving Benefits

Age	Retirees	Spouses	Total
54 and under	-	-	-
55-59	1	-	1
60-64	-	-	-
65-69	-	-	-
70-74	1	-	1
75-79	-	1	1
80 and over	2	-	2
Total	4	1	5

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Census Information (Continued)

Average Age and Service
As of January 1, 2020

Active Employees

A. Average age at hire	
Males	32.7
Females	44.3
Total	35.4
B. Average Service	
Males	7.4
Females	3.2
Total	6.4
C. Average Current Age	
Males	40.1
Females	47.5
Total	41.8

Inactives Not Receiving Benefits

D. Average Current Age	
Males	N/A
Females	N/A
Total	N/A

Inactives Receiving Benefits

E. Average Current Age	
Males	74.4
Females	71.2
Total	73.6

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Required Disclosures for Fiscal Year Ending December 31, 2020

Changes in Total OPEB Liability

Balance at 12/31/2019	$ 1,625,148
Changes for the year:	
Service cost	129,367
Interest	43,554
Changes in benefit terms	-
Differences between expected and actual experience	(81,604)
Changes in assumptions and other inputs	66,128
Benefit payments	(38,610)
Net changes	118,835
Balance at 12/31/2020	$ 1,743,983

Notes:

Plan changes - None

Assumption changes - The healthcare cost trends were updated. The mortality improvement scale was updated. The discount rate was 2.74% as of December 31, 2019 and 2.12% as of December 31, 2020.

Sensitivity of the Total OPEB Liability

1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
$ 1,983,018	$ 1,743,983	$ 1,539,840

1% Decrease (6.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (7.00% decreasing to 4.50%)	1% Increase (8.00% decreasing to 5.50%)
$ 1,607,943	$ 1,743,983	$ 1,912,669

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Methodology

1. Discount Rate: A discount rate of 2.74% was used as oof December 31, 2019. A discount rate of 2.12% was used as of December 31, 2020. The discount rate was based on the Bond Buyer's 20 Bond Index.

2. Mortality: RPH-2014 headcount-weighted fully generational table with projection scale MP2019

3. Retirement Rates: It was assumed that the following percentage of eligible employees would retire each year:

Age	Male	Female
55	7.0%	6.5%
56	7.0%	7.0%
57	8.0%	8.0%
58	9.0%	9.0%
59	11.0%	12.0%
60	25.0%	30.0%
62	40.0%	40.0%
64	25.0%	27.0%
66	32.0%	35.0%
68	25.0%	25.0%
70	30.0%	30.0%
75+	100.0%	100.0%

4. Disability Rates: None

5. Termination Rates:

Age	Rates
15	10.0%
20	7.8%
25	6.8%
30	4.7%
35	3.2%
40	2.2%
45	1.6%
50+	0.0%

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Methodology (Continued)

6. Health Care Trend Rates: It was assumed that health care costs would increase in accordance with the trend rates in the following table:

Year	Current Valuation	Prior Valuation
2020	7.0%	7.0%
2021	6.5%	6.5%
2022	6.0%	6.0%
2023	5.5%	5.5%
2024	5.0%	5.0%
2025+	4.5%	5.0%

7. Participation Rate: It was assumed that 100% of the current active employees covered under the active plan on the day before retirement would enroll in the retiree medical plan upon retirement.

8. Percent Married: It was assumed that 25% employees who elect retiree health care coverage for themselves would also elect coverage for their spouse upon retirement. It was assumed that male spouses are three years older than their wives and female spouses are three years younger than the retiree. For current retirees, actual census information was used.

9. Actuarial Value of Assets: N/A

10. Per Capita Claims Cost: Conventional insured equivalent premiums were age-graded on the current participants in the medical plan. Further details of the annual per capita claims cost are featured below:

Age	Male	Female
50	12,315	14,206
51	12,795	14,473
52	13,293	14,750
53	13,819	14,999
54	14,372	15,258
55	14,953	15,516
56	15,553	15,783
57	16,171	16,051
58	16,770	16,448
59	17,388	16,863
60	18,034	17,287
61	18,698	17,711
62	19,390	18,154
63	19,759	18,505
64	20,137	18,855

11. Administrative Expenses: Included in premiums used.

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions and Methodology (Continued)

12. Participant Salary Increases: 3.50% annually

13. Payroll Growth Rate: 2.50% annually

Actuarial Cost Method

An Actuarial Cost Method develops an orderly allocation of the actuarial present value of benefits payments over the working lifetime of the participants in the plan. The actuarial present value of benefits allocated to a particular fiscal year is called the Normal Cost. The actuarial present value of benefits allocated to all periods prior to a valuation date is called the Actuarial Accrued Liability. The Unfunded Actuarial Accrued Liability is amortized over future years in accordance with the employer's established accounting policy.

The Entry Age Actuarial Cost Method is used in this valuation. Under this method, the Actuarial Present Value of Projected Benefits of each individual included in the Actuarial Valuation is allocated on a level basis over future earnings of the individual between entry age and assumed exit age(s). The portion of this Actuarial Present Value allocated to a valuation is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.

Additional Comments

The values in this valuation represent a closed group and do not reflect new entrants after the census collection date.

Plan Provisions

a. Plan Types: Pre-65: Fully insured through Georgia Municipal Association
Post 65: Medicare Reimbursement Plan

b. Eligibility: Age 55 with 25 years of service

c. Benefit/Cost Sharing: The City pays 100% of the cost for the retiree and 50% of the cost for the retiree spouse until Medicare eligible.
The City reimburses $500 per month per retiree and $250 per month per retiree spouse once Medicare eligible.

d. Spouse Benefit: Yes

e. Surviving Spouse Benefit: Yes

NOTE 21 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Provisions (Continued)

f. Annual Premiums: Effective January 1, 2020 - December 31, 2020

PPO 90/70	
Employee Only	$ 11,436
Employee and Family	$ 26,856
HMO 90	
Employee Only	$ 10,656
Employee and Family	$ 25,020
POS 80/60	
Employee Only	$ 8,808
Employee and Family	$ 20,676

NOTE 22 - LITIGATION AND CLAIMS

The City is currently the defendant in certain legal actions, which are being vigorously defended. It is the opinion of management and legal counsel that these suits will not have a material effect on the financial position of the City.

NOTE 23 - CONTINGENT LIABILITIES

As of December 31, 2020, the City does not have any material contingent liabilities.

NOTE 24 - JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Northwest Georgia area, is a member of the Northwest Georgia Regional Commission (RC) and is required to pay annual dues thereto. During its year ended December 31, 2020, the City paid $3,630 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from: Northwest Georgia Regional Commission, P.O. Box 1798, Rome, Georgia 30161.

NOTE 25 - FIDUCIARY FUNDS

The City reports on two fiduciary funds: Baxter Addition Fund and Municipal Court Fund. The City acts as fiscal agent under contract with the board of the Baxter Addition to Anderson Cemetery Care Fund. The Municipal Court Fund is used to handle the percentages of fines that are remitted to state agencies and the county. The City's portion of the fines is transferred back to the General Fund revenue each month.

NOTE 26 - RELATED PARTY TRANSACTION

City employees who live in the jurisdiction of the City are only billed the minimum water rates each month.

A council member's family owns property that is leased by the City. The City paid $1,035 during the year to lease this property.

REQUIRED SUPPLEMENTARY INFORMATION

OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in the Total OPEB
Liability and Related Ratios
December 31, 2020

	2018	2019	2020
Service cost	$ 87,071	$ 77,019	$ 129,367
Interest	46,508	54,649	43,554
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	(81,604)
Changes of assumptions and other inputs	(109,188)	255,146	66,128
Benefit payments	(32,171)	(34,745)	(38,610)
Net changes	(7,780)	352,069	118,835
Total OPEB liability - beginning	1,280,859	1,273,079	1,625,148
Total OPEB liability - ending	$ 1,273,079	$ 1,625,148	$ 1,743,983
Covered-employee payroll	$ 1,453,668	$ 1,490,010	$ 1,691,831
Total OPEB liability as a percentage of covered-employee payroll	87.58%	109.07%	103.08%

Notes to Schedule

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Assumption changes:			
Discount rate	4.10%	2.74%	2.12%
Trend rate	8.0% initially, grading down to an ulitmate rate of 5.0% in 2024	7.5% initially, grading down to an ulitmate rate of 5.0% in 2024	7.0% initially, grading down to an ulitmate rate of 4.0% in 2025
Mortality improvement scale	MP2018	MP2018	MP2019
Plan changes:	None	None	None

OTHER SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Hotel/Motel Tax Fund:

This fund is used to account for the receipt of Hotel/Motel Tax and used to promote tourism in the Ringgold area.

Downtown Development Authority Fund:

This fund is used to account for the receipts and use of funds for the Downtown Development Authority.

Haunted Depot Fund:

This fund is used to account for the receipt and use of funds for the Haunted Depot.

Confiscated Assets Fund:

This fund is used to account for the receipt and use of confiscated assets.

Ringgold Depot Fund:

This fund is used to account for the receipt and use of funds of the Ringgold Depot facility.

Visitor Center Fund:

This fund is used to account for the receipt and use of funds for the Ringgold Convention and Visitors Bureau to promote the development of tourism and the convention industry in Ringgold.

Capital Projects Grant Fund:

This fund is used to account for the receipt and use of grant funds for capital projects.

Technology Fee Fund:

This fund is used to account for the receipt and use of technology fees used for police expenditures.

Capital Projects Fund:

Capital Projects Fund:

This fund is used to account for the Special Local Option Sales Tax (SPLOST) receipts of the City.

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Balance Sheet
December 31, 2020

	Special Revenue								Capital Projects	Total
	Hotel/Motel Tax Fund	Downtown Development Authority Fund	Haunted Depot Fund	Confiscated Assets Fund	Ringgold Depot Fund	Visitor Center Fund	Capital Projects Grant Fund	Technology Fee Fund	Capital Projects Fund	Non-major Governmental Funds
ASSETS										
Cash	$ -	$ 132,726	$ 61,158	$ 5,429	$ 95,857	$ 171,860	$ 99,096	$ 25,560	$ 5,000	$ 596,686
Accounts receivable - net	29,098	-	-	-	-	-	-	-	-	29,098
Grants receivable	-	-	-	-	-	-	100,000	-	-	100,000
TOTAL ASSETS	$ 29,098	$ 132,726	$ 61,158	$ 5,429	$ 95,857	$ 171,860	$ 199,096	$ 25,560	$ 5,000	$ 725,784
LIABILITIES										
Accounts payable	$ -	$ 152	$ -	$ -	$ 1,467	$ 11,217	$ 176,221	$ -	$ -	$ 189,057
Accrued wages	-	411	-	-	-	1,074	-	-	-	1,485
Accrued liabilities	-	1,943	-	-	5,485	5,501	-	541	-	13,470
Unearned revenue	-	46,431	-	-	-	-	22,875	-	-	69,306
Due to other funds	29,098	-	-	5,000	-	-	-	-	5,000	39,098
TOTAL LIABILITIES	$ 29,098	$ 48,937	$ -	$ 5,000	$ 6,952	$ 17,792	$ 199,096	$ 541	$ 5,000	$ 312,416
FUND BALANCES										
Restricted	$ -	$ 83,789	$ 61,158	$ 429	$ 88,905	$ 154,068	$ -	$ 25,019	$ -	$ 413,368

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2020

	Special Revenue								Capital Projects	
	Hotel/Motel Tax Fund	Downtown Development Authority Fund	Haunted Depot Fund	Confiscated Assets Fund	Ringgold Depot Fund	Visitor Center Fund	Capital Projects Grant Fund	Technology Fee Fund	Capital Projects Fund	Total Non-major Governmental Funds
REVENUES										
Taxes	$ 302,130	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 302,130
Intergovernmental	-	-	-	-	-	-	100,000	-	281,582	381,582
Fines and forfeitures	-	-	-	429	-	-	-	13,734	-	14,163
Charges for services	-	2,827	-	-	-	1,710	-	-	-	4,537
Other revenue	-	30,789	-	-	15,030	9,575	668	-	-	56,062
TOTAL REVENUES	302,130	33,616	-	429	15,030	11,285	100,668	13,734	281,582	758,474
EXPENDITURES										
Current expenditures										
Public safety	-	-	-	-	-	-	-	9,956	-	9,956
Public welfare and recreation	-	40,088	195	-	58,959	171,226	100,668	-	-	371,136
Total current expenditures	-	40,088	195	-	58,959	171,226	100,668	9,956	-	381,092
TOTAL EXPENDITURES	-	40,088	195	-	58,959	171,226	100,668	9,956	-	381,092
Excess (deficiency) of revenue over (under) expenditures	302,130	(6,472)	(195)	429	(43,929)	(159,941)	-	3,778	281,582	377,382
OTHER FINANCING SOURCES (USES)										
Cares Act funding	-	6,737	-	-	-	-	-	-	-	6,737
Transfers in	-	-	-	-	13,596	137,469	-	-	-	151,065
Transfers out	(302,130)	-	-	-	-	-	-	-	(281,582)	(583,712)
Total other financing sources (uses)	(302,130)	6,737	-	-	13,596	137,469	-	-	(281,582)	(425,910)
Net changes in fund balances	-	265	(195)	429	(30,333)	(22,472)	-	3,778	-	(48,528)
Fund balances - beginning	-	83,524	61,353	-	119,238	176,540	-	21,241	-	461,896
Fund balances - end	$ -	$ 83,789	$ 61,158	$ 429	$ 88,905	$154,068	$ -	$ 25,019	$ -	$ 413,368

CITY OF RINGGOLD, GEORGIA
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Taxes				
Hotel/motel tax	$ 420,000	$ 420,000	$ 302,130	$ (117,870)
TOTAL REVENUES	420,000	420,000	302,130	(117,870)
Excess (deficiency) of revenue over (under) expenditures	420,000	420,000	302,130	(117,870)
OTHER FINANCING SOURCES (USES)				
Transfers out	(420,000)	(420,000)	(302,130)	117,870
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

CITY OF RINGGOLD, GEORGIA
Downtown Development Authority Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Promotions	$ 5,500	$ 5,500	$ 2,827	$ (2,673)
Other revenue				
Donations	1,000	1,000	5,000	4,000
Rental	23,700	23,700	23,100	(600)
Program fees	12,000	12,000	-	(12,000)
Events	17,000	17,000	2,689	(14,311)
Total other revenue	53,700	53,700	30,789	(22,911)
TOTAL REVENUES	59,200	59,200	33,616	(25,584)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	24,000	24,000	18,434	5,566
Payroll taxes	2,000	2,000	1,410	590
Dues and subscriptions	-	-	570	(570)
Education and travel	1,500	1,500	164	1,336
Grant expenses	5,000	5,000	5,100	(100)
Insurance	700	700	1,271	(571)
Postage	100	100	-	100
Professional services	1,000	1,000	272	728
Program expenses	4,500	4,500	436	4,064
Repairs and maintenance	4,500	4,500	1,808	2,692
Retirement	-	-	265	(265)
Ringgold playhouse	10,000	10,000	3,042	6,958
Site purchases and improvements	23,400	23,400	5,379	18,021
Supplies and materials	3,250	3,250	614	2,636
Utilities	1,250	1,250	1,323	(73)
Total public welfare and recreation	81,200	81,200	40,088	41,112
TOTAL EXPENDITURES	81,200	81,200	40,088	41,112
Excess (deficiency) of revenue over (under) expenditures	(22,000)	(22,000)	(6,472)	15,528
OTHER FINANCING SOURCES (USES)				
Cares Act funding	-	-	6,737	6,737
Transfers in	22,000	22,000	-	(22,000)
Total other financing sources (uses)	22,000	22,000	6,737	(15,263)
Net changes in fund balances	-	-	265	265
Fund balances - beginning	83,524	83,524	83,524	-
Fund balances - end	$ 83,524	$ 83,524	$ 83,789	$ 265

CITY OF RINGGOLD, GEORGIA
Haunted Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Other revenue				
Haunted Depot	$ 44,500	$ 44,500	$ -	$ (44,500)
TOTAL REVENUES	44,500	44,500	-	(44,500)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Professional services	2,500	2,500	-	2,500
Supplies and materials	20,000	20,000	195	19,805
Total public welfare and recreation	22,500	22,500	195	22,305
TOTAL EXPENDITURES	22,500	22,500	195	22,305
Excess (deficiency) of revenue over (under) expenditures	22,000	22,000	(195)	(22,195)
OTHER FINANCING SOURCES (USES)				
Transfers out	(22,000)	(22,000)	-	22,000
Net changes in fund balances	-	-	(195)	(195)
Fund balances - beginning	61,353	61,353	61,353	-
Fund balances - end	$ 61,353	$ 61,353	$ 61,158	$ (195)

CITY OF RINGGOLD, GEORGIA
Confiscated Assets Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Fines and forfeitures				
Cash confiscation	$ 3,000	$ 3,000	$ 429	$ (2,571)
TOTAL REVENUES	3,000	3,000	429	(2,571)
EXPENDITURES				
Current expenditures				
Public safety				
Payments to agencies	1,000	1,000	-	1,000
Supplies and materials	2,000	2,000	-	2,000
TOTAL EXPENDITURES	3,000	3,000	-	3,000
Excess (deficiency) of revenue over (under) expenditures	-	-	429	429
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ 429	$ 429

CITY OF RINGGOLD, GEORGIA
Ringgold Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Other revenue				
Rental	$ 32,000	$ 32,000	$ 15,030	$ (16,970)
TOTAL REVENUES	32,000	32,000	15,030	(16,970)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Insurance	2,000	2,000	1,873	127
Professional services	1,500	1,500	480	1,020
Repairs and maintenance	16,000	51,000	40,057	10,943
Supplies and materials	18,000	18,000	655	17,345
Telephone	1,500	1,500	1,354	146
Utilities	19,000	19,000	14,540	4,460
Total public welfare and recreation	58,000	93,000	58,959	34,041
TOTAL EXPENDITURES	58,000	93,000	58,959	34,041
Excess (deficiency) of revenue over (under) expenditures	(26,000)	(61,000)	(43,929)	17,071
OTHER FINANCING SOURCES (USES)				
Transfers in	26,000	61,000	13,596	(47,404)
Net changes in fund balances	-	-	(30,333)	(30,333)
Fund balances - beginning	119,238	119,238	119,238	-
Fund balances - end	$ 119,238	$ 119,238	$ 88,905	$ (30,333)

CITY OF RINGGOLD, GEORGIA
Visitor Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Tourism	$ 1,000	$ 1,000	$ 1,710	$ 710
Other revenue				
Rental	40,000	40,000	9,575	(30,425)
TOTAL REVENUES	41,000	41,000	11,285	(29,715)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	58,700	58,700	45,305	13,395
Payroll taxes	4,700	4,700	3,466	1,234
Dues and subscriptions	1,000	1,000	525	475
Insurance	2,900	2,900	2,755	145
Marketing and tourism	134,100	134,100	106,782	27,318
Professional services	300	300	480	(180)
Repairs and maintenance	2,200	2,200	1,068	1,132
Retirement	1,000	1,000	265	735
Supplies and materials	9,700	9,700	2,142	7,558
Telephone	1,900	1,900	1,356	544
Travel	1,500	1,500	32	1,468
Utilities	7,000	7,000	7,050	(50)
Total public welfare and recreation	225,000	225,000	171,226	53,774
TOTAL EXPENDITURES	225,000	225,000	171,226	53,774
Excess (deficiency) of revenue over (under) expenditures	(184,000)	(184,000)	(159,941)	24,059
OTHER FINANCING SOURCES (USES)				
Transfers in	184,000	184,000	137,469	(46,531)
Net changes in fund balances	-	-	(22,472)	(22,472)
Fund balances - beginning	176,540	176,540	176,540	-
Fund balances - end	$ 176,540	$ 176,540	$ 154,068	$ (22,472)

CITY OF RINGGOLD, GEORGIA
Capital Projects Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Intergovernmental				
Grant revenue	$ 100,000	$ 100,000	$ 100,000	$ -
Other revenue				
Donations	668	668	668	-
TOTAL REVENUES	100,668	100,668	100,668	-
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Contract labor	91,000	91,000	91,000	-
Professional services	9,000	9,000	9,000	-
Supplies and materials	668	668	668	-
Total public welfare and recreation	100,668	100,668	100,668	-
TOTAL EXPENDITURES	100,668	100,668	100,668	-
Excess (deficiency) of revenue over (under) expenditures	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

CITY OF RINGGOLD, GEORGIA
Technology Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Fines and forfeitures				
Technology fees	$ 22,000	$ 22,000	$ 13,734	$ (8,266)
TOTAL REVENUES	22,000	22,000	13,734	(8,266)
EXPENDITURES				
Current expenditures				
Public safety				
Dues and subscriptions	1,000	1,000	4,500	(3,500)
Professional services	2,000	2,000	-	2,000
Repairs and maintenance	3,000	3,000	-	3,000
Supplies and materials	11,000	11,000	69	10,931
Telephone	5,000	5,000	5,387	(387)
Total public safety	22,000	22,000	9,956	12,044
TOTAL EXPENDITURES	22,000	22,000	9,956	12,044
Excess (deficiency) of revenue over (under) expenditures	-	-	3,778	3,778
Fund balances - beginning	21,241	21,241	21,241	-
Fund balances - end	$ 21,241	$ 21,241	$ 25,019	$ 3,778

CITY OF RINGGOLD, GEORGIA
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Intergovernmental				
Special Local Option Sales Tax	$ -	$ -	$ 281,582	$ 281,582
TOTAL REVENUES	-	-	281,582	281,582
Excess (deficiency) of revenues over (under) expenditures	-	-	281,582	281,582
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(281,582)	(281,582)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

FINANCIAL SCHEDULES

CITY OF RINGGOLD, GEORGIA
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Grant/Program Number	Accrued (Receivable) 1/1/2020	Grant Receipts	Grant Expenditures	Accrued (Receivable) 12/31/2020
Federal						
Cares Act - General Fund	21.019		$ -	$ 179,249	$ 179,249	$ -
Cares Act - Water Fund	21.019		-	3,160	3,160	-
Cares Act - Sewer Fund	21.019		-	877	877	-
Cares Act - Downtown Development Authority Fund	21.019		-	6,737	6,737	-
Total federal awards			-	190,023	190,023	-
State						
Georgia Department of Transportation						
Graysville Road	-	STP00-0003-00(948)	(19,302)	-	10,967	(30,269)
LMIG Street Resurfacing	-	2020	-	50,521	50,521	-
Total Georgia Department of Transportation			(19,302)	50,521	61,488	(30,269)
Georgia Department of Natural Resources						
Recreational Trails Program	-	NRT-15(17)	(25,000)	25,000	-	-
Golden Mile Trail	-	P20AP00169	-	-	100,000	(100,000)
Total Georgia Department of Natural Resources			(25,000)	25,000	100,000	(100,000)
Total state awards			(44,302)	75,521	161,488	(130,269)
TOTAL FEDERAL AND STATE AWARDS			$ (44,302)	$ 265,544	$ 351,511	$ (130,269)

CITY OF RINGGOLD, GEORGIA
Notes to the Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2020

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards includes the federal and state grant activity of the City of Ringgold, Georgia and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance.

NOTE 2 - INDIRECT COST RATE

The City of Ringgold, Georgia has not elected to use the 10-percent de minimis indirect cost rate or to allocate any indirect cost.

NOTE 3 - LOAN BALANCE

	Balance
GEFA-Loan	$ 52,794

CITY OF RINGGOLD, GEORGIA
Sewer Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OPERATING REVENUES				
Sewer charges	$ 2,354,900	$ 2,354,900	$ 2,227,402	$ (127,498)
Installation charges	124,000	124,000	75,540	(48,460)
Other operating	-	-	380	380
Total operating revenues	2,478,900	2,478,900	2,303,322	(175,578)
OPERATING EXPENSE				
Operating and maintenance	1,586,900	1,586,900	1,447,955	138,945
Administration and general	16,000	16,000	11,468	4,532
Depreciation	616,000	616,000	644,043	(28,043)
Total operating expenses	2,218,900	2,218,900	2,103,466	115,434
Operating income (loss)	260,000	260,000	199,856	(60,144)
NON-OPERATING REVENUES (EXPENSES)				
Cares Act funding	-	-	877	877
Intergovernmental revenue	-	-	10,967	10,967
Interest expense	(260,000)	(260,000)	(243,540)	16,460
Total non-operating revenues (expenses)	(260,000)	(260,000)	(231,696)	28,304
Income (loss) before transfers	-	-	(31,840)	(31,840)
Transfers in	-	-	22,130	22,130
Changes in net position	-	-	(9,710)	(9,710)
Total net position - beginning	18,671,966	18,671,966	18,671,966	-
Total net position - end	$ 18,671,966	$ 18,671,966	$ 18,662,256	$ (9,710)

CITY OF RINGGOLD, GEORGIA
Water Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
OPERATING INCOME				
Water sales	$ 652,250	$ 607,950	$ 568,162	$ (39,788)
Installation charges	10,000	10,000	2,450	(7,550)
Penalties	21,000	21,000	13,744	(7,256)
Other operating	-	-	880	880
Total operating revenues	683,250	638,950	585,236	(53,714)
OPERATING EXPENSES				
Operating and maintenance	615,800	655,800	652,256	3,544
Administration and general	30,000	30,000	22,849	7,151
Depreciation	135,000	135,000	146,616	(11,616)
Total operating expenses	780,800	820,800	821,721	(921)
Operating income (loss)	(97,550)	(181,850)	(236,485)	(54,635)
NON-OPERATING REVENUES (EXPENSES)				
Cares Act funding	-	-	3,160	3,160
Interest expense	(1,000)	(1,000)	(335)	665
Total non-operating revenue (expenses)	(1,000)	(1,000)	2,825	3,825
Income (loss) before transfers	(98,550)	(182,850)	(233,660)	(50,810)
Transfers in	98,550	182,850	442,217	259,367
Changes in net position	-	-	208,557	208,557
Total net position - beginning	2,029,164	2,029,164	2,029,164	-
Total net position - end	$ 2,029,164	$ 2,029,164	$ 2,237,721	$ 208,557

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Schedule of Operating Expenses
Year Ended December 31, 2020

	Enterprise		
Operating Expenses	**Sewer Fund**	**Water Fund**	**Totals**
Operating and maintenance			
Salaries	$ 247,769	$ 304,839	$ 552,608
Payroll taxes	17,872	22,702	40,574
Chemicals	-	16,990	16,990
Drinking water program	-	4,340	4,340
Equipment	2,073	2,714	4,787
Fuel	9,127	8,511	17,638
Insurance	85,682	113,835	199,517
Plant supplies	18,752	37,211	55,963
Post-employment benefits	25,329	23,520	48,849
Professional services	1,982	10,094	12,076
Repairs and maintenance	30,971	16,338	47,309
Retirement	17,231	24,763	41,994
Sewer treatment charges	964,277	-	964,277
Telephone	1,389	1,307	2,696
Uniforms	3,468	3,718	7,186
Utilities	22,033	47,394	69,427
Water line repairs	-	13,980	13,980
Total operating and maintenance	1,447,955	652,256	2,100,211
Administration and general			
Education and travel	90	967	1,057
Insurance	9,452	7,752	17,204
Licenses and dues	1,926	4,388	6,314
Printing and postage	-	9,742	9,742
Total administration and general	11,468	22,849	34,317
Depreciation	644,043	146,616	790,659
Total operating expenses	$ 2,103,466	$ 821,721	$ 2,925,187

CITY OF RINGGOLD, GEORGIA
Schedule of Property Taxes Receivable
General Fund
December 31, 2020

Year of Levy	
2020	$ 47,183
2019	5,476
2018	1,598
2017	115
2016	31
2015	30
2014	30
Total property taxes receivable	54,463
Less: allowance for uncollectibles	(8,173)
Net property taxes receivable	$ 46,290

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Property Taxes Receivable
General Fund
Year Ended December 31, 2020

	Taxes Receivable December 31, 2019	Taxes Levied	Pickups and (Releases)	Collections	Taxes Receivable December 31, 2020
2020	$ -	$ 734,454	$ (4,821)	$ (682,450)	$ 47,183
2019	43,203	-	19,772	(57,499)	5,476
2018	4,375	-	-	(2,777)	1,598
2017	755	-	115	(755)	115
2016	31	-	-	-	31
2015	30	-	-	-	30
2014	30	-	-	-	30
Total	$ 48,424	$ 734,454	$ 15,066	$ (743,481)	$ 54,463

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
General Fund
December 31, 2020

USDA RURAL DEVELOPMENT NOTE

Maturing December 31,	Principal	Interest	Total Requirements
2021	$ 11,560	$ 290	$ 11,850
Total	$ 11,560	$ 290	$ 11,850

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
Sewer Fund
December 31, 2020

SEWER SYSTEM REVENUE IMPROVEMENT BONDS

Maturing December 31,	Principal	Interest	Total Requirements
2021	$ 423,000	$ 230,802	$ 653,802
2022	436,000	213,134	649,134
2023	455,000	194,759	649,759
2024	474,000	175,566	649,566
2025	494,000	155,583	649,583
2026	515,000	134,771	649,771
2027	536,000	113,077	649,077
2028	559,000	90,470	649,470
2029	583,000	66,929	649,929
2030	607,000	42,352	649,352
2031	532,000	9,136	541,136
Total	$ 5,614,000	$ 1,426,579	$ 7,040,579

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
Water Fund
December 31, 2020

GEORGIA ENVIRONMENTAL FACILITIES ADMINISTRATION LOAN

Maturing December 31,	Principal	Interest	Total Requirements
2021	$ 26,331	$ 204	$ 26,535
2022	26,463	74	26,537
Total	$ 52,794	$ 278	$ 53,072

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Long-term Debt by Individual Issue
December 31, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 1/1/2020	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 12/31/2020
Governmental Activities									
Notes Payable through General Fund									
USDA Rural Development Note	$ 55,000	2.375%	10/31/16	10/31/21	$ 22,815	$ -	$ (11,255)	$ -	$ 11,560
Business-Type Activities									
Bonds Payable through Sewer Fund									
Revenue Improvement Bond, Series 2005	$9,600,000	4.15%	04/01/05	04/01/31	$6,020,000	$ -	$(406,000)	$ -	$5,614,000
Notes Payable through Water Fund									
Georgia Environmental Facilities Administration Note	$ 131,000	0.50%	12/11/17	12/08/22	$ 78,993	$ -	$ (26,199)	$ -	$ 52,794

CITY OF RINGGOLD, GEORGIA
Schedules of Statistical Information
December 31, 2020

I. SCHEDULE OF TAX RATES AND ASSESSMENTS

Tax Year	City Tax Rate	Assessment	Levy
2020	.3100	$ 236,920,495	$ 734,454
2019	.3110	$ 219,343,408	$ 682,158
2018	.3110	$ 201,788,103	$ 627,561
2017	.3110	$ 185,088,424	$ 575,625
2016	.3150	$ 187,579,365	$ 590,875
2015	.3000	$ 182,547,000	$ 547,641
2014	.2763	$ 179,560,261	$ 496,125
2013	.2683	$ 170,606,411	$ 457,737
2012	.2680	$ 169,020,896	$ 452,976
2011	.2707	$ 165,931,289	$ 449,176

II. SCHEDULE OF BILLING RATES

The water and sewer rates for the City of Ringgold for the year ended December 31, 2020, were:

Water Rates

Meter Size	Minimum Usage (Gallons)	Minimum Monthly Bill
3/4" meter	0-2,000	$ 14.03 plus $3.81/1,000 gal.
1" meter	0-8,000	$ 36.82 plus $3.81/1,000 gal.
1-1/2" meter	0-17,000	$ 70.98 plus $3.81/1,000 gal.
2" meter	0-25,000	$ 101.35 plus $3.81/1,000 gal.
3" meter	0-45,000	$ 315.13 plus $3.81/1,000 gal.
4" meter	0-60,000	$ 420.17 plus $3.81/1,000 gal.
6" meter	0-90,000	$ 630.22 plus $3.81/1,000 gal.
8" meter	0-120,000	$ 840.32 plus $3.81/1,000 gal.
10" meter	0-150,000	$1,050.40 plus $3.81/1,000 gal.

Sewer Rates

Meter Size	Minimum Usage (Gallons)	Minimum Monthly Bill
3/4" meter	0-2,000	$ 15.29 plus $3.81/1,000 gal.
1" meter	0-8,000	$ 38.12 plus $3.81/1,000 gal.
1-1/2" meter	0-17,000	$ 72.38 plus $3.81/1,000 gal.
2" meter	0-25,000	$ 102.88 plus $3.81/1,000 gal.
3" meter	0-45,000	$ 344.08 plus $3.81/1,000 gal.
4" meter	0-60,000	$ 458.61 plus $3.81/1,000 gal.
6" meter	0-90,000	$ 687.92 plus $3.81/1,000 gal.
8" meter	0-120,000	$ 917.22 plus $3.81/1,000 gal.
10" meter	0-150,000	$1,147.65 plus $3.81/1,000 gal.

As of December 31, 2020 the City had 1,186 water customers and 1,123 sewer customers.

III. INTERNAL CONTROL AND COMPLIANCE SECTION

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

To the Mayor and Council Members
City of Ringgold, Georgia

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ringgold, Georgia as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Ringgold, Georgia's basic financial statements, and have issued our report thereon dated June 7, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
June 7, 2021

CITY OF RINGGOLD, GEORGIA
Schedule of Findings and Responses
December 31, 2020

SUMMARY OF AUDITOR'S RESULTS

Opinion on Financial Statements

Unmodified opinion issued on the financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States of America.

Internal Control Significant Deficiencies:

During the audit of the financial statements, no deficiencies in internal controls were disclosed.

Material Noncompliance:

No instances of noncompliance or other matters were disclosed.

CITY OF RINGGOLD, GEORGIA
Schedule of Prior Audit Findings
December 31, 2020

Finding Number	Finding Title	Status
2019-001	Approvals and Documentation (Original finding 2008-002)	Corrected

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INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX

Independent Auditor's Report

Honorable Mayor and Council Members
City of Ringgold, Georgia
Ringgold, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Ringgold, Georgia for the year ended December 31, 2020. This schedule is the responsibility of the City of Ringgold, Georgia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

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

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

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in the City of Ringgold, Georgia's resolution or ordinance calling for the tax for the year ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
June 7, 2021

CITY OF RINGGOLD, GEORGIA
Schedule of Special Purpose Local Option Sales Tax
Year Ended December 31, 2020

Project	Original Estimated Cost	Expenditures			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
2009 SPLOST -					
Ringgold water and sewer projects	$ 13,270,000	$ 8,972,931	$ 281,582	$ 9,254,513	70%
Ringgold projects -					
Vehicles and equipment	$ 520,000	$ 478,306	$ -	$ 478,306	92%
Government buildings	$ 1,500,000	$ 556,405	$ -	$ 556,405	37%
Streets, sidewalks & parks	$ 500,000	$ 704,673	$ -	$ 704,673	100%
2014 SPLOST					
Ringgold SPLOST Projects	$ 2,500,000	$ 1,497,279	$	$ 1,497,279	60%
Ringgold Water/Sewer Projects	$ 7,400,000	$ 564,859	$	$ 564,859	8%