# CITY OF RINGGOLD, GEORGIA

## ANNUAL FINANCIAL REPORT

## YEAR ENDED DECEMBER 31, 2021

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

# I. INTRODUCTORY SECTION

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**December 31, 2021**


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**CITY OF RINGGOLD, GEORGIA**
**Council Members and Management**
**December 31, 2021**

Mayor ..... Nick Millwood

Mayor Pro-Tem ..... Sara Clark

Council Member ..... Jake Haynes

Council Member ..... Rhonda Swaney

Council Member ..... Randall Franks

Council Member ..... Kelly Bomar

City Manager ..... Mark Vaughn

City Judge ..... Robert Stultz

Interim Financial Director ..... Gina Wilson

# II. FINANCIAL SECTION

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# INDEPENDENT AUDITOR'S REPORT

Mayor and Council Members
City of Ringgold, Georgia

## Report on the Audit of the Financial Statements

### Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the City of Ringgold, Georgia's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ringgold, Georgia, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Hotel/Motel Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

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

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

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Management's Corrective Action Plan but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Ringgold, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ringgold, Georgia's internal control over financial reporting and compliance.

Johnson, Mungaley & Wright, P.C.

Chattanooga, Tennessee
May 13, 2022

## 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, 2021. 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, 2021, by $33,639,459 (net position). Of this amount, $9,289,228 (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 $128,343. The City's business-type activities operated at a surplus of $202,844.

As of the close of the current fiscal year, the City of Ringgold, Georgia's governmental funds reported combined ending fund balances of $5,271,492.

At the end of the current fiscal year, unassigned fund balance for the General Fund was $4,783,099, or 120.06%, of total General Fund expenditures. Expenditures do not include transfers to and from other funds, which netted to $274,195 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 $21,102,821. Of that balance, $5,826,425 is unrestricted and the remaining $15,276,396 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 through 17 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 and Hotel/Motel Tax Fund, which are considered to be major funds. Individual fund data for 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 66.

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 18 and 20 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 30 through 32 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 35 through 64 of this report.

**Other Information**
Non-major fund statements and schedules can be found on pages 66 through 76 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 $33,639,459 at the close of this fiscal year.

The largest portion of the City of Ringgold, Georgia's net position (71.00%) 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, 1.38%, or $464,956, represents resources that are subject to external restrictions on how they may be used. The remaining 27.62% of unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors.

At December 31, 2021, 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 | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Capital assets | $ 8,608,916 | $ 8,819,194 | $ 20,503,650 | $ 21,227,495 | $ 29,112,566 | $ 30,046,689 |
| Other assets | 6,295,524 | 5,265,750 | 6,651,711 | 6,068,777 | 12,947,235 | 11,334,527 |
| Total assets | $ 14,904,440 | $ 14,084,944 | $ 27,155,361 | $ 27,296,272 | $ 42,059,801 | $ 41,381,216 |
| Deferred outflows of resources | $ 244,440 | $ 240,241 | $ 90,409 | $ 88,856 | $ 334,849 | $ 329,097 |
| Long-term liabilities | $ 1,499,406 | $ 1,386,158 | $ 5,458,325 | $ 5,863,961 | $ 6,957,731 | $ 7,250,119 |
| Other liabilities | 999,265 | 408,982 | 642,619 | 576,160 | 1,641,884 | 985,142 |
| Total liabilities | $ 2,498,671 | $ 1,795,140 | $ 6,100,944 | $ 6,440,121 | $ 8,599,615 | $ 8,235,261 |
| Deferred inflows of resources | $ 113,571 | $ 121,750 | $ 42,005 | $ 45,030 | $ 155,576 | $ 166,780 |
| Net investment in capital assets | $ 8,608,879 | $ 8,807,634 | $ 15,276,396 | $ 15,560,701 | $ 23,885,275 | $ 24,368,335 |
| Restricted | 464,956 | 413,368 | - | - | 464,956 | 413,368 |
| Unrestricted | 3,462,803 | 3,187,293 | 5,826,425 | 5,339,276 | 9,289,228 | 8,526,569 |
| Total net position | $ 12,536,638 | $ 12,408,295 | $ 21,102,821 | $ 20,899,977 | $ 33,639,459 | $ 33,308,272 |

**Changes in Net Position**

Governmental activities increased the City's net position by $128,343, and business-type activities increased the City's net position by $202,844. 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.

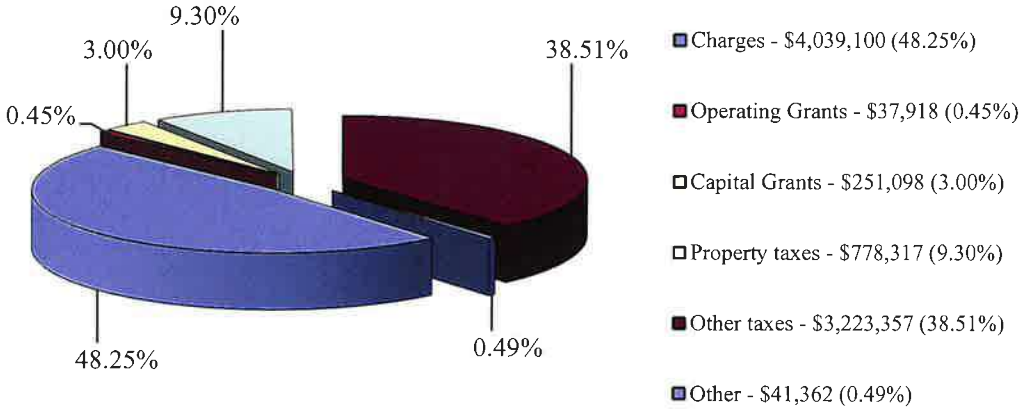
The table below provides a summary of the City's net position broken down by governmental and business-type activities.

**City of Ringgold, Georgia's Changes in Net Position**

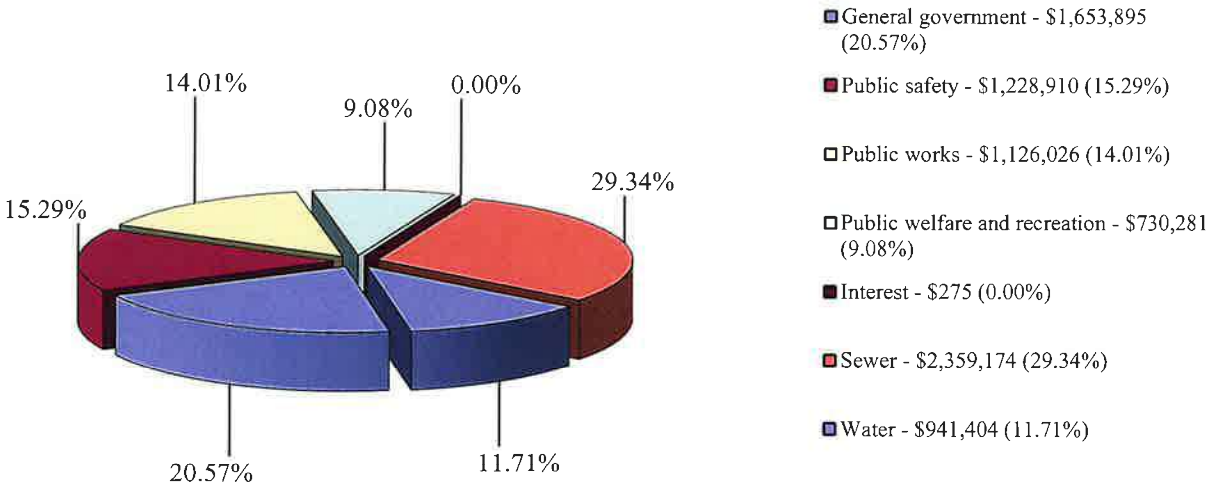
| | Governmental Activities | | Business-type Activities | | Totals | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 666,532 | $ 446,201 | $ 3,372,568 | $ 2,887,298 | $ 4,039,100 | $ 3,333,499 |
| Operating grants and contributions | 37,918 | 13,541 | - | - | 37,918 | 13,541 |
| Capital grants and contributions | 251,098 | 432,103 | - | 10,967 | 251,098 | 443,070 |
| General revenues: | | | | | | |
| Property taxes | 778,317 | 730,218 | - | - | 778,317 | 730,218 |
| Other taxes | 3,223,357 | 2,790,601 | - | - | 3,223,357 | 2,790,601 |
| Other income | 41,362 | 427,953 | - | 5,297 | 41,362 | 433,250 |
| Total revenues | 4,998,584 | 4,840,617 | 3,372,568 | 2,903,562 | 8,371,152 | 7,744,179 |
| Expenses: | | | | | | |
| General government | 1,653,895 | 1,346,840 | - | - | 1,653,895 | 1,346,840 |
| Public safety | 1,228,910 | 1,176,254 | - | - | 1,228,910 | 1,176,254 |
| Public works | 1,126,026 | 660,845 | - | - | 1,126,026 | 660,845 |
| Public welfare and recreation | 730,281 | 648,303 | - | - | 730,281 | 648,303 |
| Interest on long-term debt | 275 | 1,436 | - | - | 275 | 1,436 |
| Sewer | - | - | 2,359,174 | 2,347,006 | 2,359,174 | 2,347,006 |
| Water | - | - | 941,404 | 822,056 | 941,404 | 822,056 |
| Total expenses | 4,739,387 | 3,833,678 | 3,300,578 | 3,169,062 | 8,039,965 | 7,002,740 |
| Excess (deficiency) before transfers | 259,197 | 1,006,939 | 71,990 | ( 265,500) | 331,187 | 741,439 |
| Interfund transfers | ( 130,854) | ( 464,347) | 130,854 | 464,347 | - | - |
| Change in net position | 128,343 | 542,592 | 202,844 | 198,847 | 331,187 | 741,439 |
| Net position - beginning | 12,408,295 | 11,865,703 | 20,899,977 | 20,701,130 | 33,308,272 | 32,566,833 |
| Net position - end | $ 12,536,638 | $12,408,295 | $ 21,102,821 | $ 20,899,977 | $ 33,639,459 | $ 33,308,272 |

The graphs below summarize the $8,371,152 of city-wide revenues by source, and the associated $8,039,965 of expense by program. The graphs combine data from both governmental and business-type activities.

## City-Wide Sources of Revenue



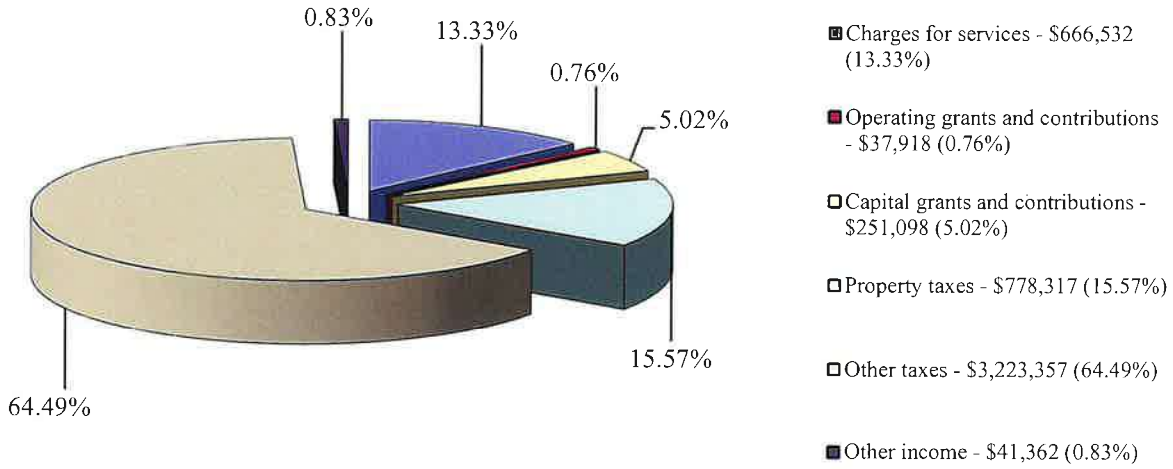

## City-Wide Program Expenses



**Governmental Activities**

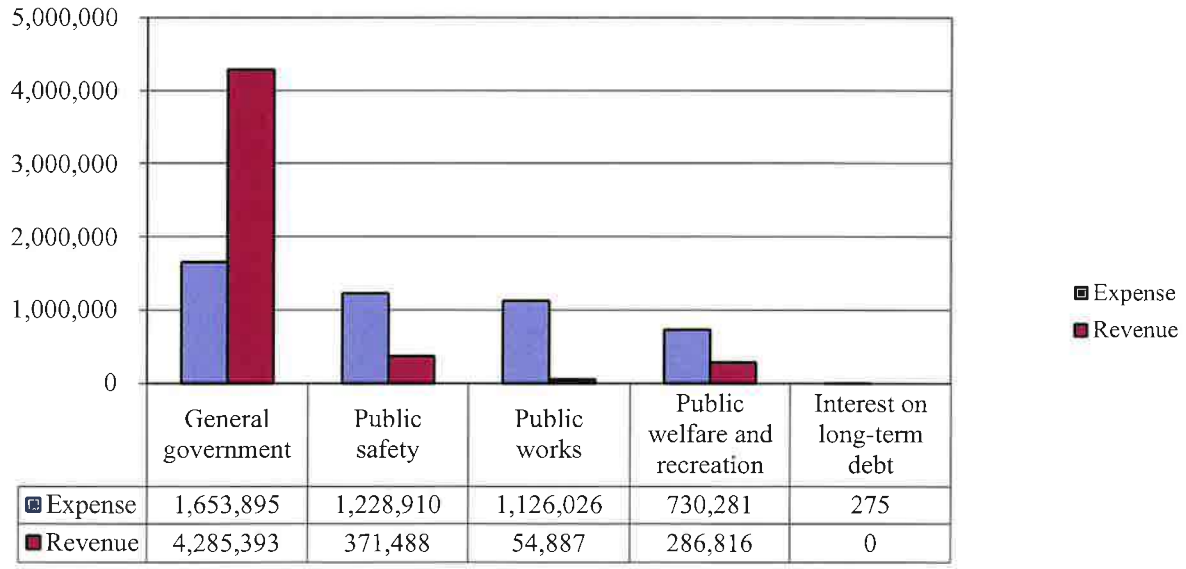
Governmental activities accounted for revenues of $4,998,584. The following graph summarizes the revenue by source.

**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**

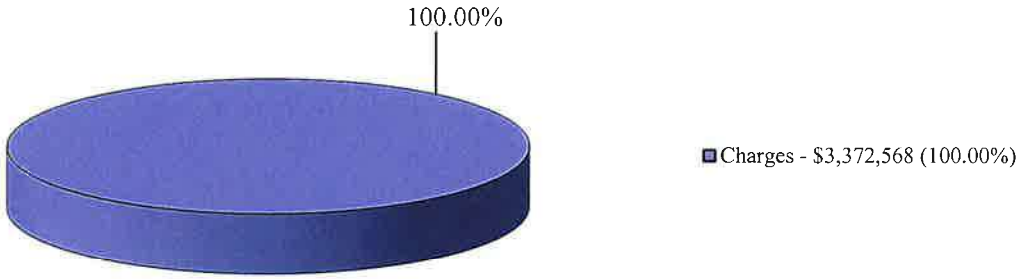



| | General government | Public safety | Public works | Public welfare and recreation | Interest on long-term debt |
|---|---|---|---|---|---|
| Expense | 1,653,895 | 1,228,910 | 1,126,026 | 730,281 | 275 |
| Revenue | 4,285,393 | 371,488 | 54,887 | 286,816 | 0 |

**Business-type activities**

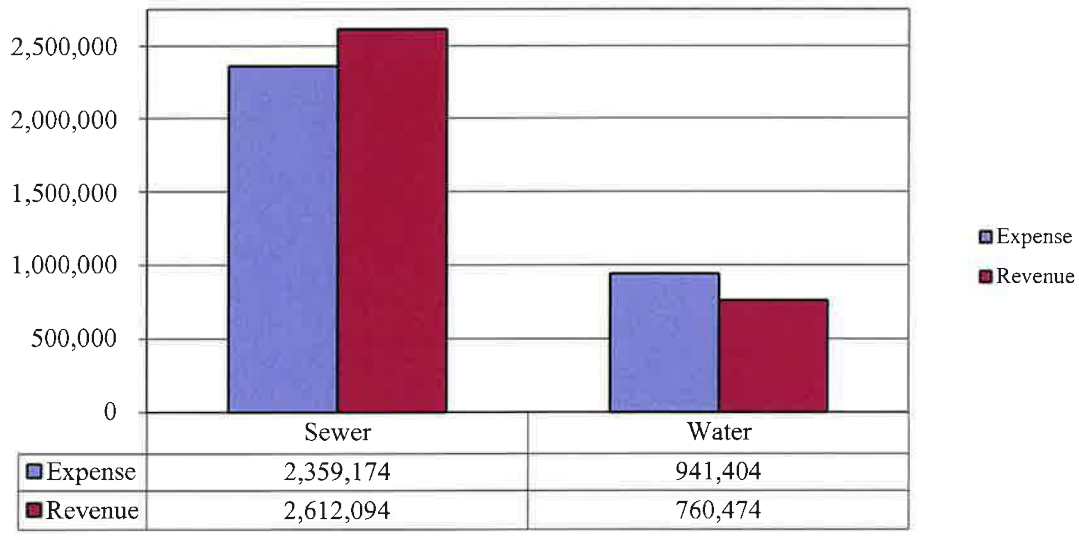
Business-type activities accounted for revenues of $3,372,568. The following graph summarizes the revenue by source.

**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 | 2,359,174 | 941,404 |
| Revenue | 2,612,094 | 760,474 |

## 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 $5,271,492.

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 $4,783,099. 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 120.06% 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 $5,567,455 for the Sewer Fund and $258,970 for the Water Fund.

### General Fund Budgetary Highlights

Differences between the original budget and the final amended budget netted to $(400) in fund balance change. The offsetting changes are listed below:

Current expenditures were increased by $400.

## 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, 2021, amounts to $29,112,566 (net of accumulated depreciation). Major capital asset events during the current fiscal year included the following:

| | |
|---|---|
| Golden Mile | $ 176,221 |
| Two (2) Dodge Durangos | $ 57,231 |
| Leaf Vac | $ 89,500 |
| Slip lining | $ 61,117 |
| 2021 Ford Interceptor | $ 33,501 |

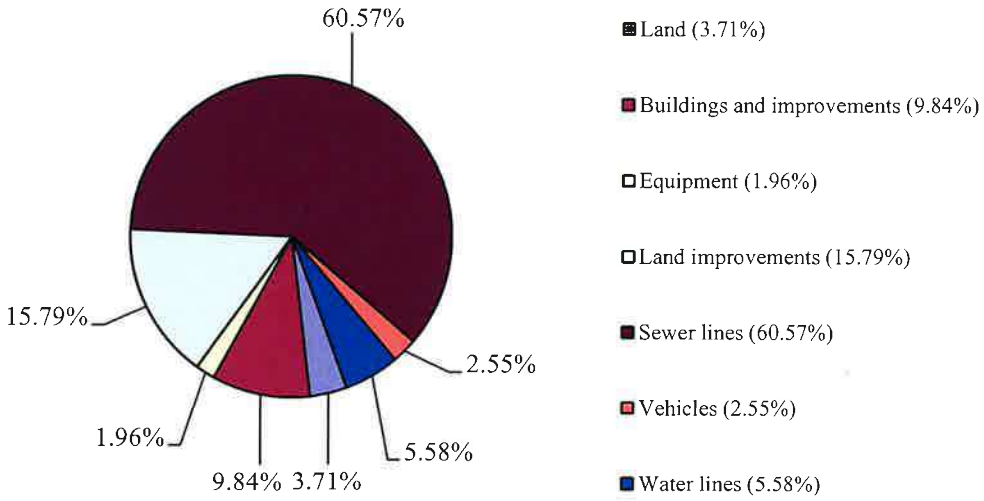
The table below summarizes the City's investment in capital assets and is broken down by governmental and business-type activities.

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

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| Land | $ 813,766 | $ 265,815 | $ 1,079,581 |
| Buildings and improvements | 2,584,443 | 279,235 | 2,863,678 |
| Equipment | 243,927 | 325,225 | 569,152 |
| Land improvements | 4,595,500 | - | 4,595,500 |
| Sewer lines | - | 17,634,805 | 17,634,805 |
| Vehicles | 371,280 | 371,505 | 742,785 |
| Water lines | - | 1,627,065 | 1,627,065 |
| Total capital assets | $ 8,608,916 | $ 20,503,650 | $ 29,112,566 |

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**



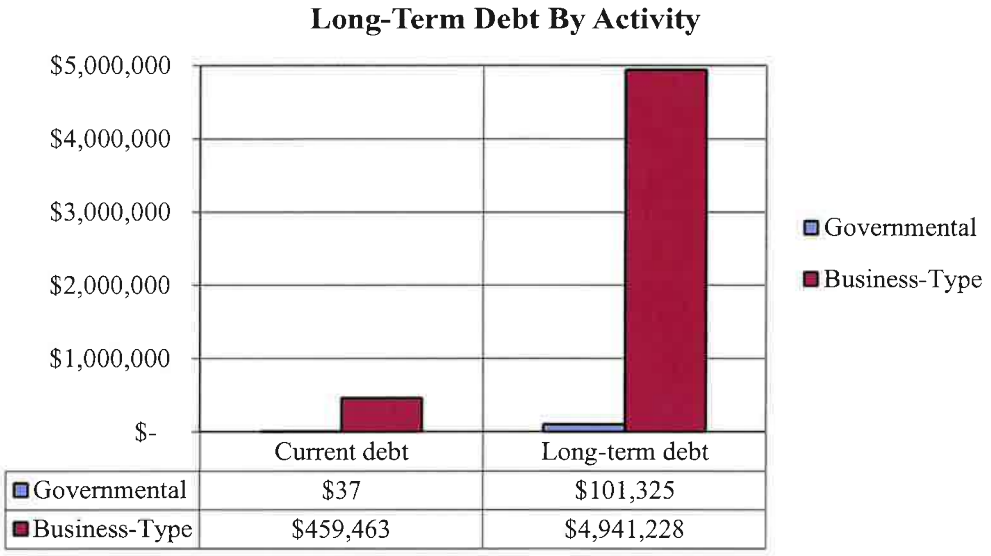

Additional information on the City of Ringgold, Georgia's capital assets can be found in Note 8 on pages 44 and 45.

**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 $5,502,053. Of that amount $459,500 is 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 | $ 37 | $ 36,253 | $ 36,290 |
| Bond payable | - | 5,191,000 | 5,191,000 |
| Compensated absences | 101,325 | 77,082 | 178,407 |
| Customer deposits | - | 96,356 | 96,356 |
| Total | 101,362 | 5,400,691 | 5,502,053 |
| Less current portion | ( 37) | ( 459,463) | ( 459,500) |
| Total long-term debt | $ 101,325 | $ 4,941,228 | $ 5,042,553 |

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 1.88% of total long-term debt.




Additional information on outstanding debt can be found in Note 11 on pages 46 through 49 of this report.

**Currently Known Conditions Affecting Future Years**

City Manager, Dan Wright, retired in May of 2021. Ringgold Mayor and Council appointed Mark Vaughn to serve as City Manager.

Finance Director, Jama House, left the City of Ringgold in 2021. This position is currently being held by Interim Finance Director, Gina Wilson.

In response to COVID 19, Ringgold was awarded Georgia OPEB and ARPA funds for a total of $1,100,000. Half of the allotted funds were received in 2021 and the City is expecting the remaining half to be received in June of 2022.

CVB:

The Convention and Visitor's Bureau applied for and received a grant from Georgia Council for Arts for a mural located at Tennessee and Nashville Street. Permits were obtained from the property owner and an artist was commissioned for the artwork. Completion is expected in May of 2022.

DDA:
The Downtown Development Authority applied for an ARC grant of $750,000 for the renovation of Historic Benton Coal building and Depot Square project. Awarding of this grant is expected in June 2022. City staff are currently working to provide underground stormwater retention for the proposed Depot Square site. One of the funding sources for the materials was through SPLOST.

Recreation:
The Ringgold Recreation Department applied for a grant through the DNR for the Land Water Conservation Fund of $250,000 to extend the paved potion of the Golden Mile phase 2. Awarding of this grant is expected in June 2022.

Ringgold is looking to replace the outdated playground equipment at the current Little Generals Playground. The materials will be funded through General Fund and TPD Hotel Motel Tax.

City staff and officials are beginning the redevelopment of the Ringgold Recreation Complex design.

Streets:
Phase 2 of the Boynton Drive Sidewalk project is expected to begin in 2022, to extend this project up to Kristen Drive.

This department is also applying for the Rural Downtown redevelopment grant through Georgia Department of Community Affairs at a proposed $3,000,000 opportunity at a 10% match to provide beautification and sidewalks for our downtown area.

Police Department:
The City of Ringgold has purchased two new patrol vehicles for its fleet and will be purchasing one additional vehicle for CID. 2022 will also bring the new school safety zone with increased speed detection and enforcement provided by Blue Line Solutions in the Tennessee Street School Zone.

Sewer:
The sewer department has planned to begin a rehabilitation project of nearly 10,000 feet of existing sewer line in Ringgold. The budget amount for this project is $750,000.

Sewer rates are currently being reviewed for evidence of needed adjustment.

Water:
Taylor's Ridge water tank project is scheduled to begin in 2022. This project is an estimated $3,000,000 project funded by a GEFA loan, SPLOST, and a $600,000 ARC Grant.

A water line replacement project is scheduled for 2022. The Coined Peters Lane Water Line Replacement project is to be funded from the General Fund.

The use of the ARPA funds has been allocated to the design and creation of the Poplar Springs Well Site. City staff is currently obtaining task order pricing for this design.

**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, 2021**

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| **ASSETS** | | | |
| Current assets | | | |
| Cash | $ 1,283,784 | $ 1,768,284 | $ 3,052,068 |
| Investments | 8,455,071 | - | 8,455,071 |
| Accounts receivable - net | 406,569 | 264,679 | 671,248 |
| Grants receivable | 46,514 | - | 46,514 |
| Property tax receivable - net | 48,006 | - | 48,006 |
| Prepaid expenses | 23,790 | - | 23,790 |
| Due from other governments | 650,538 | - | 650,538 |
| Internal balances | (4,618,748) | 4,618,748 | - |
| Total current assets | 6,295,524 | 6,651,711 | 12,947,235 |
| Non-current assets | | | |
| Capital assets | | | |
| Land and construction in progress | 813,766 | 265,815 | 1,079,581 |
| Other capital assets - net of accumulated depreciation | 7,795,150 | 20,237,835 | 28,032,985 |
| Total non-current assets | 8,608,916 | 20,503,650 | 29,112,566 |
| **TOTAL ASSETS** | $ 14,904,440 | $ 27,155,361 | $ 42,059,801 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Deferred outflows related to OPEB | $ 244,440 | $ 90,409 | $ 334,849 |

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

**CITY OF RINGGOLD, GEORGIA**
**Statement of Net Position** (Continued)
**December 31, 2021**

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable | $ 99,671 | $ 11,808 | $ 111,479 |
| Accrued wages | 16,889 | - | 16,889 |
| Accrued liabilities | 144,382 | 171,348 | 315,730 |
| Accrued grant revenue | 677,787 | - | 677,787 |
| Unearned revenue | 60,499 | - | 60,499 |
| Note payable - due in one year | 37 | 26,463 | 26,500 |
| Bond payable - due in one year | - | 433,000 | 433,000 |
| Total current liabilities | 999,265 | 642,619 | 1,641,884 |
| Non-current liabilities | | | |
| Compensated absences | 101,325 | 77,082 | 178,407 |
| Customer deposits | - | 96,356 | 96,356 |
| Note payable | - | 9,790 | 9,790 |
| Bond payable | - | 4,758,000 | 4,758,000 |
| Net OPEB liability | 1,398,081 | 517,097 | 1,915,178 |
| Total non-current liabilities | 1,499,406 | 5,458,325 | 6,957,731 |
| **TOTAL LIABILITIES** | $ 2,498,671 | $ 6,100,944 | $ 8,599,615 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred inflows related to OPEB | $ 113,571 | $ 42,005 | $ 155,576 |
| **NET POSITION** | | | |
| Net investment in capital assets | $ 8,608,879 | $ 15,276,396 | $ 23,885,275 |
| Restricted for: | | | |
| Downtown development | 109,418 | - | 109,418 |
| Haunted depot | 77,410 | - | 77,410 |
| Ringgold depot | 88,905 | - | 88,905 |
| Tourism | 171,283 | - | 171,283 |
| Technology | 17,940 | - | 17,940 |
| Unrestricted | 3,462,803 | 5,826,425 | 9,289,228 |
| **TOTAL NET POSITION** | $ 12,536,638 | $ 21,102,821 | $ 33,639,459 |

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

**CITY OF RINGGOLD, GEORGIA**
**Statement of Activities**
**Year Ended December 31, 2021**

| 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 | $ 1,653,895 | $ 82,780 | $ 16,600 | $ 142,977 | $ (1,411,538) | $ - | $ (1,411,538) |
| Public safety | 1,228,910 | 327,186 | - | 44,302 | (857,422) | - | (857,422) |
| Public works | 1,126,026 | 10,980 | - | 43,907 | (1,071,139) | - | (1,071,139) |
| Public welfare and recreation | 730,281 | 245,586 | 21,318 | 19,912 | (443,465) | - | (443,465) |
| Interest on long-term debt | 275 | - | - | - | (275) | - | (275) |
| Total governmental activities | 4,739,387 | 666,532 | 37,918 | 251,098 | (3,783,839) | - | (3,783,839) |
| Business-type activities: | | | | | | | |
| Sewer | 2,359,174 | 2,612,094 | - | - | - | 252,920 | 252,920 |
| Water | 941,404 | 760,474 | - | - | - | (180,930) | (180,930) |
| Total business-type activities | 3,300,578 | 3,372,568 | - | - | - | 71,990 | 71,990 |
| Total primary government | $ 8,039,965 | $ 4,039,100 | $ 37,918 | $ 251,098 | (3,783,839) | 71,990 | (3,711,849) |
| General revenues: | | | | | | | |
| Property tax | | | | | 778,317 | - | 778,317 |
| Franchise tax | | | | | 443,972 | - | 443,972 |
| Local option sales tax | | | | | 1,333,413 | - | 1,333,413 |
| Motor vehicle tax | | | | | 96,190 | - | 96,190 |
| Occupational tax | | | | | 196,512 | - | 196,512 |
| Hotel/motel tax | | | | | 524,145 | - | 524,145 |
| Payment in lieu of taxes - TVA | | | | | 9,393 | - | 9,393 |
| Other taxes | | | | | 619,732 | - | 619,732 |
| Interest revenue | | | | | (20,030) | - | (20,030) |
| Other revenue | | | | | 61,392 | - | 61,392 |
| Transfers | | | | | (130,854) | 130,854 | - |
| Total general revenues and transfers | | | | | 3,912,182 | 130,854 | 4,043,036 |
| Change in net position | | | | | 128,343 | 202,844 | 331,187 |
| Net position - beginning | | | | | 12,408,295 | 20,899,977 | 33,308,272 |
| Net position - end | | | | | $ 12,536,638 | $ 21,102,821 | $ 33,639,459 |

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

**CITY OF RINGGOLD, GEORGIA**
**Governmental Funds**
**Balance Sheet**
**December 31, 2021**

| | General Fund | Hotel/Motel Tax Fund | Other Governmental Fund | Total Governmental Funds |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 736,138 | $ - | $ 547,646 | $ 1,283,784 |
| Investments | 8,455,071 | - | - | 8,455,071 |
| Accounts receivable - net | 365,723 | 40,846 | - | 406,569 |
| Grants receivable | 25,000 | - | 21,514 | 46,514 |
| Property tax receivable - net | 48,006 | - | - | 48,006 |
| Prepaid expenses | 23,790 | - | - | 23,790 |
| Due from other governments | 650,538 | - | - | 650,538 |
| **TOTAL ASSETS** | $ 10,304,266 | $ 40,846 | $ 569,160 | $ 10,914,272 |
| **LIABILITIES** | | | | |
| Accounts payable | $ 88,366 | $ - | $ 11,305 | $ 99,671 |
| Accrued wages | 16,889 | - | - | 16,889 |
| Accrued liabilities | 122,411 | - | 21,971 | 144,382 |
| Accrued grant revenue | 677,787 | - | - | 677,787 |
| Unearned revenue | - | - | 60,499 | 60,499 |
| Due to other funds | 4,567,120 | 40,846 | 10,782 | 4,618,748 |
| **TOTAL LIABILITIES** | $ 5,472,573 | $ 40,846 | $ 104,557 | $ 5,617,976 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Deferred revenue - property taxes | $ 24,804 | $ - | $ - | $ 24,804 |
| **FUND BALANCES** | | | | |
| Nonspendable | $ 23,790 | $ - | $ - | $ 23,790 |
| Restricted | - | - | 464,956 | 464,956 |
| Unassigned | 4,783,099 | - | (353) | 4,782,746 |
| **TOTAL FUND BALANCES** | $ 4,806,889 | $ - | $ 464,603 | $ 5,271,492 |

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, 2021**

| | |
|---|---|
| Total fund balances per governmental funds balance sheet | $ 5,271,492 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 8,608,916 |
| 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. | ( 101,362) |
| 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. | ( 1,267,212) |
| 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. | 24,804 |
| Net position of governmental activities | $ 12,536,638 |

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, 2021**

| | General Fund | Hotel/Motel Tax Fund | Other Governmental Fund | Total Governmental Funds |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes | $ 3,467,555 | $ 524,145 | $ - | $ 3,991,700 |
| License and permits | 70,197 | - | - | 70,197 |
| Intergovernmental | 114,202 | - | 162,828 | 277,030 |
| Fines and forfeitures | 321,095 | - | 6,091 | 327,186 |
| Interest revenue | (20,030) | - | - | (20,030) |
| Charges for services | 91,221 | - | 8,473 | 99,694 |
| Other revenue | 40,523 | - | 202,814 | 243,337 |
| **TOTAL REVENUES** | 4,084,763 | 524,145 | 380,206 | 4,989,114 |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| General government | 1,248,751 | - | - | 1,248,751 |
| Public safety | 1,277,546 | - | 13,952 | 1,291,498 |
| Public works | 1,104,035 | - | - | 1,104,035 |
| Public welfare and recreation | 341,812 | - | 441,872 | 783,684 |
| **Debt service** | 11,797 | - | - | 11,797 |
| **TOTAL EXPENDITURES** | 3,983,941 | - | 455,824 | 4,439,765 |
| Excess (deficiency) of revenues over (under) expenditures | 100,822 | 524,145 | (75,618) | 549,349 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Insurance reimbursement | - | - | 7,757 | 7,757 |
| Transfers in | 402,902 | - | 302,306 | 705,208 |
| Transfers out | (128,707) | (524,145) | (183,210) | (836,062) |
| Total other financing sources (uses) | 274,195 | (524,145) | 126,853 | (123,097) |
| Net changes in fund balances | 375,017 | - | 51,235 | 426,252 |
| **Fund balances** - beginning | 4,431,872 | - | 413,368 | 4,845,240 |
| **Fund balances** - end | $ 4,806,889 | $ - | $ 464,603 | $ 5,271,492 |

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, 2021**

| | |
|---|---|
| Net change in fund balances for total governmental funds | $ 426,252 |
| 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 depreciation exceeds capital outlay in the current period. | ( 210,278) |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | 1,716 |
| 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. | 11,523 |
| 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. | ( 112,595) |
| 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 | 11,725 |
| Change in net position of governmental activities | $ 128,343 |

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**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance |
| **REVENUES** | | | | |
| Taxes | | | | |
| City property tax | $ 780,000 | $ 780,000 | $ 804,931 | $ 24,931 |
| Premium tax | 260,000 | 260,000 | 277,801 | 17,801 |
| Franchise tax | 475,000 | 475,000 | 443,972 | (31,028) |
| Excise tax | 80,000 | 80,000 | 100,909 | 20,909 |
| Local option sales tax | 1,100,000 | 1,100,000 | 1,310,676 | 210,676 |
| Local option mixed drink tax | 15,600 | 15,600 | 22,737 | 7,137 |
| Alcoholic beverage tax | 180,000 | 180,000 | 176,727 | (3,273) |
| Motor vehicle tax | 75,000 | 75,000 | 96,190 | 21,190 |
| Occupational tax | 155,000 | 155,000 | 196,512 | 41,512 |
| Intangible tax | 20,000 | 20,000 | 26,653 | 6,653 |
| Pawnbroker fees | 1,500 | 1,500 | 1,134 | (366) |
| Other taxes | 1,500 | 1,500 | 1,332 | (168) |
| Real estate transfer tax | 3,000 | 3,000 | 7,981 | 4,981 |
| Total taxes | 3,146,600 | 3,146,600 | 3,467,555 | 320,955 |
| License and permits | | | | |
| Malt beverage and liquor license | 53,000 | 53,000 | 62,487 | 9,487 |
| Insurance license | - | - | 5,120 | 5,120 |
| Other licenses | 1,500 | 1,500 | 2,590 | 1,090 |
| Total license and permits | 54,500 | 54,500 | 70,197 | 15,697 |
| Intergovernmental | | | | |
| Payment in lieu of taxes - TVA | 10,000 | 10,000 | 9,393 | (607) |
| Other awards | 543,700 | 543,700 | 35,902 | (507,798) |
| Grant revenue | 43,900 | 43,900 | 68,907 | 25,007 |
| Total intergovernmental | 597,600 | 597,600 | 114,202 | (483,398) |
| Fines and forfeitures | | | | |
| Police and courts | 326,000 | 326,000 | 321,095 | (4,905) |
| Interest revenue | | | | |
| Interest | 160,000 | 160,000 | (20,030) | (180,030) |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Charges for services | | | | |
| Other fees | $ 13,300 | $ 13,300 | $ 13,355 | $ 55 |
| Solid waste fees | 9,000 | 9,000 | 10,676 | 1,676 |
| Pool fees and pool concessions | 51,000 | 51,000 | 54,004 | 3,004 |
| Flag charges | 7,000 | 7,000 | 10,496 | 3,496 |
| Rental | 1,500 | 1,500 | 1,975 | 475 |
| Vending | 500 | 500 | 715 | 215 |
| Total charges for services | 82,300 | 82,300 | 91,221 | 8,921 |
| Other revenue | | | | |
| Sale of equipment | 1,000 | 1,000 | - | (1,000) |
| Contributions and donations | 4,000 | 4,000 | 2,366 | (1,634) |
| Insurance recoveries | 2,000 | 2,000 | 35,627 | 33,627 |
| Miscellaneous | - | - | 2,530 | 2,530 |
| Total other revenue | 7,000 | 7,000 | 40,523 | 33,523 |
| **TOTAL REVENUES** | 4,374,000 | 4,374,000 | 4,084,763 | (289,237) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| General government | | | | |
| Financial administration | | | | |
| Administrative salaries | 381,000 | 381,000 | 434,623 | (53,623) |
| Payroll taxes | 28,000 | 28,000 | 31,525 | (3,525) |
| Administrative | 2,500 | 2,500 | 7,064 | (4,564) |
| Advertising | 2,000 | 2,000 | - | 2,000 |
| Drug testing fees | 1,000 | 1,000 | 35 | 965 |
| Dues and subscriptions | 27,000 | 27,000 | 30,350 | (3,350) |
| Education and travel | 9,000 | 9,000 | 5,206 | 3,794 |
| Insurance | 125,300 | 125,300 | 175,949 | (50,649) |
| Miscellaneous | 3,000 | 3,000 | 4,210 | (1,210) |
| Printing and postage | 7,500 | 7,500 | 5,553 | 1,947 |
| Professional services | 34,600 | 34,600 | 32,380 | 2,220 |
| Repairs and maintenance | 4,000 | 4,000 | 5,095 | (1,095) |
| Retirement | 30,000 | 30,000 | 37,129 | (7,129) |
| Supplies and materials | 18,000 | 18,000 | 17,384 | 616 |
| Telephone | 16,500 | 16,500 | 14,700 | 1,800 |
| Vehicles | 2,700 | 2,700 | 1,848 | 852 |
| Total financial administration | 692,100 | 692,100 | 803,051 | (110,951) |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **EXPENDITURES** (Continued) | | | | |
| **Current expenditures** (Continued) | | | | |
| General government (Continued) | | | | |
| Buildings and plant | | | | |
| Salaries | $ 43,000 | $ 43,000 | $ 34,615 | $ 8,385 |
| Payroll taxes | 3,100 | 3,100 | 2,261 | 839 |
| Dues and subscriptions | 1,000 | 1,000 | 5,736 | (4,736) |
| Insurance | 54,000 | 54,000 | 46,136 | 7,864 |
| Professional services | 2,500 | 2,500 | 2,270 | 230 |
| Repairs and maintenance | 9,000 | 9,000 | 10,763 | (1,763) |
| Retirement | 3,500 | 3,500 | - | 3,500 |
| Supplies and materials | 18,000 | 18,000 | 118,460 | (100,460) |
| Travel | 500 | 500 | - | 500 |
| Uniforms | 1,000 | 1,000 | 1,160 | (160) |
| Utilities | 25,000 | 25,000 | 21,018 | 3,982 |
| Vehicles | 2,000 | 2,000 | 1,380 | 620 |
| Total buildings and plant | 162,600 | 162,600 | 243,799 | (81,199) |
| Council | | | | |
| Council salaries | 18,300 | 18,300 | 18,300 | - |
| Payroll taxes | 1,500 | 1,500 | 1,399 | 101 |
| Dues and subscriptions | 100 | 100 | 34 | 66 |
| Education and travel | 23,000 | 23,000 | 18,350 | 4,650 |
| Insurance | - | - | 60 | (60) |
| Professional services | 1,000 | 1,000 | 1,282 | (282) |
| Supplies and materials | 1,500 | 1,900 | 1,705 | 195 |
| Total council | 45,400 | 45,800 | 41,130 | 4,670 |
| Municipal court | | | | |
| City judge | 52,100 | 52,100 | 36,337 | 15,763 |
| Payroll taxes | 4,300 | 4,300 | 2,745 | 1,555 |
| Dues and subscriptions | - | - | 48 | (48) |
| Education and travel | 3,000 | 3,000 | 1,625 | 1,375 |
| Insurance | 6,350 | 6,350 | 6,316 | 34 |
| Postage | 100 | 100 | 134 | (34) |
| Professional services | 1,750 | 1,750 | 2,540 | (790) |
| Retirement | 2,400 | 2,400 | 2,175 | 225 |
| Supplies and materials | 1,400 | 1,400 | 1,281 | 119 |
| Total municpial court | 71,400 | 71,400 | 53,201 | 18,199 |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **EXPENDITURES** (Continued) | | | | |
| **Current expenditures** (Continued) | | | | |
| General government (Continued) | | | | |
| Elections | | | | |
| Printing and postage | $ 1,000 | $ 1,000 | $ - | $ 1,000 |
| Professional services | 14,000 | 14,000 | 14,903 | (903) |
| Total elections | 15,000 | 15,000 | 14,903 | 97 |
| Legal and auditing services | | | | |
| Professional services | 61,000 | 61,000 | 84,486 | (23,486) |
| Mayor | | | | |
| Mayor salaries | 6,000 | 6,000 | 6,000 | - |
| Payroll taxes | 500 | 500 | 459 | 41 |
| Education and travel | 5,000 | 5,000 | 1,690 | 3,310 |
| Insurance | - | - | 32 | (32) |
| Professional services | 100 | 100 | - | 100 |
| Supplies and materials | 200 | 200 | - | 200 |
| Total mayor | 11,800 | 11,800 | 8,181 | 3,619 |
| Total general government | 1,059,300 | 1,059,700 | 1,248,751 | (189,051) |
| Public safety | | | | |
| Police department | | | | |
| Salaries | 647,500 | 647,500 | 479,363 | 168,137 |
| Payroll taxes | 48,000 | 48,000 | 34,511 | 13,489 |
| Dues and subscriptions | 3,500 | 3,500 | 5,247 | (1,747) |
| Education and travel | 11,000 | 11,000 | 4,237 | 6,763 |
| Insurance | 280,600 | 280,600 | 196,750 | 83,850 |
| Miscellaneous | 9,500 | 9,500 | 11,100 | (1,600) |
| Printing and postage | 2,000 | 2,000 | 1,338 | 662 |
| Professional services | 10,600 | 10,600 | 17,429 | (6,829) |
| Repairs and maintenance | 24,000 | 24,000 | 26,796 | (2,796) |
| Retirement | 46,150 | 46,150 | 14,709 | 31,441 |
| Supplies and materials | 13,500 | 13,500 | 160,598 | (147,098) |
| Telephone | 1,350 | 1,350 | 16 | 1,334 |
| Uniforms | 9,000 | 9,000 | 7,011 | 1,989 |
| Utilities | 2,500 | 2,500 | 2,291 | 209 |
| Vehicles | 41,000 | 41,000 | 38,349 | 2,651 |
| Total police department | 1,150,200 | 1,150,200 | 999,745 | 150,455 |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **EXPENDITURES** (Continued) | | | | |
| **Current expenditures** (Continued) | | | | |
| Public safety (Continued) | | | | |
| Fire department | | | | |
| Operations | $ 260,000 | $ 260,000 | $ 277,801 | $ (17,801) |
| Total public safety | 1,410,200 | 1,410,200 | 1,277,546 | 132,654 |
| Public works | | | | |
| Street department | | | | |
| Salaries | 140,000 | 140,000 | 116,041 | 23,959 |
| Payroll taxes | 10,500 | 10,500 | 8,762 | 1,738 |
| Dues and subscriptions | 1,000 | 1,000 | 640 | 360 |
| Education and travel | 2,000 | 2,000 | 544 | 1,456 |
| Insurance | 74,500 | 74,500 | 88,321 | (13,821) |
| Professional services | 4,000 | 4,000 | 30,582 | (26,582) |
| Repairs and maintenance | 180,000 | 180,000 | 121,091 | 58,909 |
| Retirement | 13,000 | 13,000 | 9,810 | 3,190 |
| Site purchases | 814,700 | 814,700 | 326,730 | 487,970 |
| Stormwater mapping | 1,000 | 1,000 | 2,400 | (1,400) |
| Street lights | 41,000 | 41,000 | 52,860 | (11,860) |
| Supplies and materials | 49,500 | 49,500 | 140,259 | (90,759) |
| Telephone | 1,800 | 1,800 | 1,418 | 382 |
| Uniforms | 2,400 | 2,400 | 3,773 | (1,373) |
| Utilities | 11,300 | 11,300 | 8,801 | 2,499 |
| Vehicles | 6,000 | 6,000 | 5,109 | 891 |
| Total street department | 1,352,700 | 1,352,700 | 917,141 | 435,559 |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **EXPENDITURES** (Continued) | | | | |
| **Current expenditures** (Continued) | | | | |
| Public works (Continued) | | | | |
| Solid waste department | | | | |
| Salaries | $ 57,500 | $ 57,500 | $ 43,607 | $ 13,893 |
| Payroll taxes | 4,300 | 4,300 | 3,037 | 1,263 |
| Dues and subscriptions | 200 | 200 | - | 200 |
| Insurance | 28,000 | 28,000 | 29,648 | (1,648) |
| Landfill fees | 75,000 | 75,000 | 77,599 | (2,599) |
| Professional services | 500 | 500 | 322 | 178 |
| Recycling disposal | 2,000 | 2,000 | 378 | 1,622 |
| Repairs and maintenance | 15,000 | 15,000 | 3,717 | 11,283 |
| Retirement | 5,000 | 5,000 | 4,378 | 622 |
| Supplies and materials | 1,000 | 1,000 | 9,738 | (8,738) |
| Uniforms | 1,000 | 1,000 | 945 | 55 |
| Vehicles | 11,500 | 11,500 | 13,525 | (2,025) |
| Total solid waste department | 201,000 | 201,000 | 186,894 | 14,106 |
| Total public works | 1,553,700 | 1,553,700 | 1,104,035 | 449,665 |
| Public welfare and recreation | | | | |
| Pool operations | | | | |
| Salaries | 36,000 | 36,000 | 37,165 | (1,165) |
| Payroll taxes | 3,100 | 3,100 | 2,844 | 256 |
| Concessions | 2,800 | 2,800 | 3,834 | (1,034) |
| Dues and subscriptions | 200 | 200 | 315 | (115) |
| Insurance | 2,600 | 2,600 | 2,344 | 256 |
| Professional services | 100 | 100 | 360 | (260) |
| Repairs and maintenance | 5,500 | 5,500 | 534 | 4,966 |
| Supplies and materials | 17,000 | 17,000 | 3,304 | 13,696 |
| Telephone | 1,800 | 1,800 | 1,559 | 241 |
| Utilitics | 5,000 | 5,000 | 4,631 | 369 |
| Total pool operations | 74,100 | 74,100 | 56,890 | 17,210 |

(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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **EXPENDITURES** (Continued) | | | | |
| **Current expenditures** (Continued) | | | | |
| Public welfare and recreation (Continued) | | | | |
| Parks and recreation | | | | |
| Salaries | $ 145,000 | $ 145,000 | $ 124,173 | $ 20,827 |
| Payroll taxes | 10,500 | 10,500 | 9,476 | 1,024 |
| Education and travel | 1,000 | 1,000 | 60 | 940 |
| Flag supplies | 11,000 | 11,000 | 11,320 | (320) |
| Insurance | 46,300 | 46,300 | 51,672 | (5,372) |
| Professional services | 6,000 | 6,000 | 586 | 5,414 |
| Property rental | 1,500 | 1,500 | 1,035 | 465 |
| Repairs and maintenance | 18,500 | 18,500 | 16,075 | 2,425 |
| Retirement | 9,000 | 9,000 | 9,221 | (221) |
| Supplies and materials | 185,000 | 185,000 | 52,355 | 132,645 |
| Uniforms | 2,000 | 2,000 | 2,123 | (123) |
| Utilities | 2,700 | 2,700 | 1,976 | 724 |
| Vehicles | 6,000 | 6,000 | 4,850 | 1,150 |
| Total parks and recreation | 444,500 | 444,500 | 284,922 | 159,578 |
| Total public welfare and recreation | 518,600 | 518,600 | 341,812 | 176,788 |
| **Debt service** | | | | |
| Retirement of debt | 24,000 | 24,000 | 11,797 | 12,203 |
| **TOTAL EXPENDITURES** | 4,565,800 | 4,566,200 | 3,983,941 | 582,259 |
| Excess (deficiency) of revenues over (under) expenditures | (191,800) | (192,200) | 100,822 | 293,022 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 200,000 | 200,000 | 402,902 | 202,902 |
| Transfers out | (158,200) | (158,200) | (128,707) | 29,493 |
| Total other financing sources (uses) | 41,800 | 41,800 | 274,195 | 232,395 |
| Net changes in fund balances | (150,000) | (150,400) | 375,017 | 525,417 |
| **Fund balances** - beginning | 4,431,872 | 4,431,872 | 4,431,872 | - |
| **Fund balances** - end | $ 4,281,872 | $ 4,281,472 | $ 4,806,889 | $ 525,417 |

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

**CITY OF RINGGOLD, GEORGIA**
**Hotel/Motel Tax Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Taxes | | | | |
| Hotel/motel tax | $ 400,000 | $ 400,000 | $ 524,145 | $ 124,145 |
| **TOTAL REVENUES** | 400,000 | 400,000 | 524,145 | 124,145 |
| Excess (deficiency) of revenue over (under) expenditures | 400,000 | 400,000 | 524,145 | 124,145 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (400,000) | (400,000) | (524,145) | (124,145) |
| Net changes in fund balances | - | - | - | - |
| **Fund balances** - beginning | - | - | - | - |
| **Fund balances** - end | $ - | $ - | $ - | $ - |

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

**CITY OF RINGGOLD, GEORGIA**
**Proprietary Funds**
**Statement of Net Position**
**December 31, 2021**

| | Enterprise | | |
|---|---|---|---|
| | **Sewer Fund** | **Water Fund** | **Totals** |
| **ASSETS** | | | |
| Current assets | | | |
| Cash | $ 1,122,398 | $ 645,886 | $ 1,768,284 |
| Accounts receivable | 264,679 | - | 264,679 |
| Due from other funds | 4,618,748 | - | 4,618,748 |
| Total current assets | 6,005,825 | 645,886 | 6,651,711 |
| Non-current assets | | | |
| Capital assets | | | |
| Land and construction in progress | 204,415 | 61,400 | 265,815 |
| Other capital assets - net of accumulated depreciation | 18,334,306 | 1,903,529 | 20,237,835 |
| Total capital assets | 18,538,721 | 1,964,929 | 20,503,650 |
| **TOTAL ASSETS** | $ 24,544,546 | $ 2,610,815 | $ 27,155,361 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Deferred outflows related to OPEB | $ 46,879 | $ 43,530 | $ 90,409 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable | $ 7,394 | $ 4,414 | $ 11,808 |
| Accrued liabilities | 168,356 | 2,992 | 171,348 |
| Note payable - due in one year | - | 26,463 | 26,463 |
| Bonds payable - due in one year | 433,000 | - | 433,000 |
| Total current liabilities | 608,750 | 33,869 | 642,619 |
| Non-current liabilities | | | |
| Compensated absences | 19,594 | 57,488 | 77,082 |
| Customer deposits | - | 96,356 | 96,356 |
| Note payable | - | 9,790 | 9,790 |
| Bonds payable | 4,758,000 | - | 4,758,000 |
| Net OPEB liability | 268,124 | 248,973 | 517,097 |
| Total non-current liabilities | 5,045,718 | 412,607 | 5,458,325 |
| **TOTAL LIABILITIES** | $ 5,654,468 | $ 446,476 | $ 6,100,944 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred inflows related to OPEB | $ 21,781 | $ 20,224 | $ 42,005 |
| **NET POSITION** | | | |
| Net investment in capital assets | $ 13,347,721 | $ 1,928,675 | $ 15,276,396 |
| Unrestricted | 5,567,455 | 258,970 | 5,826,425 |
| **TOTAL NET POSITION** | $ 18,915,176 | $ 2,187,645 | $ 21,102,821 |

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, 2021**

| | Enterprise | | |
|---|---|---|---|
| | **Sewer Fund** | **Water Fund** | **Totals** |
| **OPERATING REVENUES** | | | |
| Sewer charges | $ 2,507,454 | $ - | $ 2,507,454 |
| Water sales | - | 728,914 | 728,914 |
| Installation charges | 104,640 | 5,600 | 110,240 |
| Penalties | - | 25,960 | 25,960 |
| Total operating revenues | 2,612,094 | 760,474 | 3,372,568 |
| **OPERATING EXPENSES** | | | |
| Operating and maintenance | 1,449,960 | 739,786 | 2,189,746 |
| Administration and general | 13,821 | 47,307 | 61,128 |
| Depreciation | 668,987 | 154,038 | 823,025 |
| Total operating expenses | 2,132,768 | 941,131 | 3,073,899 |
| Operating income (loss) | 479,326 | (180,657) | 298,669 |
| **NON-OPERATING REVENUES (EXPENSES)** | | | |
| Interest expense | (226,406) | (273) | (226,679) |
| Income (loss) before transfers | 252,920 | (180,930) | 71,990 |
| Transfers in | - | 130,854 | 130,854 |
| Changes in net position | 252,920 | (50,076) | 202,844 |
| **Total net position** - beginning | 18,662,256 | 2,237,721 | 20,899,977 |
| **Total net position** - end | $ 18,915,176 | $ 2,187,645 | $ 21,102,821 |

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, 2021**

| | Enterprise | | |
|---|---|---|---|
| | Sewer Fund | Water Fund | Totals |
| **Cash Flows from Operating Activities** | | | |
| Receipts from customers | $ 2,528,503 | $ 811,055 | $ 3,339,558 |
| Payments to suppliers | (1,131,438) | (436,736) | (1,568,174) |
| Payments to employees | (229,493) | (327,152) | (556,645) |
| Net cash provided (used) by operating activities | 1,167,572 | 47,167 | 1,214,739 |
| **Cash Flows from Capital and Related Financing Activities** | | | |
| SPLOST transfers | - | 2,147 | 2,147 |
| Transfers | - | 128,707 | 128,707 |
| Acquiring and construction of capital assets | (99,180) | - | (99,180) |
| Proceeds from debt issuance | - | 9,790 | 9,790 |
| Principal paid on long-term debt | (423,000) | (26,331) | (449,331) |
| Interest paid on long-term debt | (226,406) | (273) | (226,679) |
| Net cash provided (used) for capital and related financing activities | (748,586) | 114,040 | (634,546) |
| **Cash Flows from Non-Capital Financing Activities** | | | |
| (Increase) in due from other funds | 3,079 | - | 3,079 |
| Net increase (decrease) in cash | 422,065 | 161,207 | 583,272 |
| Cash - beginning | 700,333 | 484,679 | 1,185,012 |
| Cash - end | $ 1,122,398 | $ 645,886 | $ 1,768,284 |
| **Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:** | | | |
| Operating income (loss) | $ 479,326 | $ (180,657) | $ 298,669 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Depreciation | 668,987 | 154,038 | 823,025 |
| (Increase) decrease in deferred outflows related to OPEB | (806) | (747) | (1,553) |
| Increase (decrease) in deferred inflows related to OPEB | (1,568) | (1,457) | (3,025) |
| Increase (decrease) in net OPEB liability | 23,967 | 22,255 | 46,222 |
| (Increase) decrease in accounts receivable | (83,591) | 50,581 | (33,010) |
| (Increase) decrease in grants receivable | 30,269 | - | 30,269 |
| Increase (decrease) in accounts payable | 316 | (2,738) | (2,422) |
| Increase (decrease) in accrued wages | (5,256) | (8,225) | (13,481) |
| Increase (decrease) in accrued liabilities | 76,037 | (3,807) | 72,230 |
| Increase (decrease) in customer deposits | - | 3,074 | 3,074 |
| Increase (decrease) in compensated absences | (20,109) | 14,850 | (5,259) |
| Net cash provided (used) by operating activities | $ 1,167,572 | $ 47,167 | $ 1,214,739 |

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

**CITY OF RINGGOLD, GEORGIA**
**Statement of Fiduciary Net Position**
**Fiduciary Funds**
**December 31, 2021**

| | Custodial Funds |
|---|---|
| **ASSETS** | |
| Cash | $ 142,485 |
| Due from other governments | 112,355 |
| **TOTAL ASSETS** | $ 254,840 |
| | |
| **LIABILITIES** | |
| Surety bonds payable | $ 38,570 |
| Accounts payable | 7,687 |
| Due to other governments | 96,228 |
| **TOTAL LIABILITIES** | $ 142,485 |
| | |
| **NET POSITION** | |
| Restricted for: | |
| Baxter addition | $ 112,355 |

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, 2021**

| | Custodial Funds |
|---|---|
| **ADDITIONS** | |
| Court fines | $ 92,945 |
| Donations | 6,944 |
| Total additions | 99,889 |
| **DEDUCTIONS** | |
| Court fines remitted | 92,946 |
| Cemetery care | 2,500 |
| Total deductions | 95,446 |
| Net increase (decrease) in fiduciary net position | 4,443 |
| **Net position** - beginning | 107,912 |
| **Net position** - ending | $ 112,355 |

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 are two entities, which meet 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. One non-major fund, the Confiscated Asset Fund has a deficit fund balance.

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 funds:

**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.

**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.

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, 2021 |
| Levy date | October 20, 2021 |
| Tax bills mailed | October 20, 2021 |
| Payment due date | October 20, 2021 through February 28, 2022 |
| Delinquency date | March 1, 2022 |

### 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.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 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 | 10-40 |
| 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, 2021, and May 13, 2022, 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 $11,505,140. The financial institution balance was $11,747,081. 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, 2021, $2,464,191 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 | $ 3,052,069 |
| Investments | 8,455,071 |
| Less: Petty cash | ( 2,000) |
| Total | $ 11,505,140 |

**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 | $ 8,455,071 |

## NOTE 3 - ACCOUNTS RECEIVABLE - NET

Accounts receivable at December 31, 2021, consist of the following:

| | General Fund | Hotel/Motel Tax Fund | Sewer Fund | Total |
|---|---|---|---|---|
| Franchise taxes | $ 222,608 | $ - | $ - | $ 222,608 |
| Local beer/beverage tax | 16,776 | - | - | 16,776 |
| Business license | 198 | - | - | 198 |
| Hotel/motel tax | - | 40,846 | - | 40,846 |
| Customer receivables | - | - | 284,679 | 284,679 |
| Motor vehicle tax | 7,894 | - | - | 7,894 |
| Energy excise tax | 8,286 | - | - | 8,286 |
| Interest | 18,865 | - | - | 18,865 |
| Other | 91,096 | - | - | 91,096 |
| Less: allowance for doubtful accounts | - | - | ( 20,000) | ( 20,000) |
| Total | $ 365,723 | $ 40,846 | $ 264,679 | $ 671,248 |

## NOTE 4 - GRANTS RECEIVABLE

Due from grantor at December 31, 2021, consist of the following:

| | |
|---|---|
| United States Department of Agriculture | $ 25,000 |
| Georgia Department of Natural Resources | 21,514 |
| Total | $ 46,514 |

## NOTE 5 - PROPERTY TAXES RECEIVABLE - NET

Property taxes receivable as of December 31, 2021, consist of the following:

| Year of Levy | |
|---|---|
| 2021 | $ 49,261 |
| 2020 | 7,363 |
| 2019 | 2,592 |
| 2018 | 314 |
| 2017 | - |
| 2016 | 31 |
| 2015 | 30 |
| 2014 | 30 |
| | 59,621 |
| Less: allowance for uncollectibles | ( 11,615) |
| Property taxes receivable - net | $ 48,006 |

## NOTE 6 - DUE FROM OTHER GOVERNMENTS

Due from other governments at December 31, 2021, consists of the following:

| | Governmental Activities |
|---|---|
| Property tax collected by Catoosa County | $ 541,035 |
| Local Option Sales Tax receivable | 109,503 |
| Total | $ 650,538 |

## 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 | $ 4,567,120 | $ 40,846 | $ 5,782 | $ 5,000 | $ 4,618,748 |

## NOTE 8 - CAPITAL ASSETS

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

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| Capital assets not being depreciated: | | | | |
| Land | $ 813,766 | $ - | $ - | $ 813,766 |
| Capital assets being depreciated: | | | | |
| Land improvements | 6,508,953 | 176,221 | - | 6,685,174 |
| Building and improvements | 4,366,349 | 48,992 | - | 4,415,341 |
| Vehicles | 1,380,864 | 101,159 | (44,101) | 1,437,922 |
| Equipment | 1,218,689 | 96,401 | - | 1,315,090 |
| Total capital assets being depreciated | 13,474,855 | 422,773 | (44,101) | 13,853,527 |
| Less accumulated depreciation for: | | | | |
| Land improvements | 1,760,366 | 329,308 | - | 2,089,674 |
| Buildings and improvements | 1,710,852 | 120,046 | - | 1,830,898 |
| Vehicles | 1,010,021 | 100,722 | (44,101) | 1,066,642 |
| Equipment | 988,188 | 82,975 | - | 1,071,163 |
| Total accumulated depreciation | 5,469,427 | 633,051 | (44,101) | 6,058,377 |
| Total capital assets being depreciated - net | 8,005,428 | ( 210,278) | - | 7,795,150 |
| Governmental activities capital assets - net | $ 8,819,194 | $ ( 210,278) | $ - | $ 8,608,916 |

**NOTE 8 - CAPITAL ASSETS** (Continued)

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

| | |
|---|---|
| General government | $ 345,051 |
| Public safety | 71,216 |
| Public welfare and recreation | 108,593 |
| Public works | 108,191 |
| Total | $ 633,051 |

| | Beginning Balance | Increases | Decreases | Transfers | 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 | 356,983 | - | - | ( 91,168) | 265,815 |
| Capital assets being depreciated: | | | | | |
| Buildings | 833,138 | - | - | - | 833,138 |
| Equipment | 1,295,341 | 10,337 | - | - | 1,305,678 |
| Sewer lines | 26,186,434 | 61,117 | - | 63,358 | 26,310,909 |
| Vehicles | 813,138 | 27,726 | - | - | 840,864 |
| Water lines | 3,213,389 | - | - | 27,810 | 3,241,199 |
| Total capital assets being depreciated | 32,341,440 | 99,180 | - | 91,168 | 32,531,788 |
| Less accumulated depreciation for: | | | | | |
| Buildings | 536,188 | 17,715 | - | - | 553,903 |
| Equipment | 911,608 | 68,845 | - | - | 980,453 |
| Sewer lines | 8,125,233 | 550,871 | - | - | 8,676,104 |
| Vehicles | 408,922 | 60,437 | - | - | 469,359 |
| Water lines | 1,488,977 | 125,157 | - | - | 1,614,134 |
| Total accumulated depreciation | 11,470,928 | 823,025 | - | - | 12,293,953 |
| Total capital assets being depreciated - net | 20,870,512 | (723,845) | - | 91,168 | 20,237,835 |
| Business-type activities capital assets - net | $ 21,227,495 | $ (723,845) | $ - | $ - | $ 20,503,650 |

**NOTE 9 - DEFERRED OUTFLOWS RELATED TO OPEB**

Deferred outflows related to OPEB at December 31, 2021, consists of the following:

| | |
|---|---|
| Beginning balance | $ 329,097 |
| Assumption changes | 21,805 |
| Amortization of deferrals | ( 20,511) |
| Prepayments | 46,801 |
| Reverse prior year payments | ( 42,343) |
| Total | $ 334,849 |

## NOTE 10 - ACCRUED GRANT REVENUE

Accrued grant revenue at December 31, 2021, consist of the following:

| | |
|---|---|
| Department of Human Services | $ 677,787 |

## NOTE 11 - 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 | $ 37 |
| Compensated absences | 101,325 |
| | 101,362 |
| Less: current portion of governmental debt | ( 37) |
| Total governmental long-term debt | $ 101,325 |

A summary of changes in governmental long-term debt for the year ended December 31, 2021, are as follows:

| | Balance 12-31-20 | Additions | Retirements | Balance 12-31-21 | Due Within One Year |
|---|---|---|---|---|---|
| Direct borrowings: | | | | | |
| USDA Note | $ 11,560 | $ - | $( 11,523) | $ 37 | $ 37 |
| Other debt: | | | | | |
| Compensated absences | 113,050 | - | ( 11,725) | 101,325 | - |
| Total | $ 124,610 | $ - | $( 23,248) | 101,362 | $ 37 |
| Less: current portion of governmental long-term debt | | | | ( 37) | |
| Total governmental long-term debt | | | | $ 101,325 | |

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.

**NOTE 11 - LONG-TERM DEBT** (Continued)

**A. Governmental Debt** (Continued)

Governmental debt service requirements to maturity, including interest of $0, are as follows:

| Year ended December 31, | Direct Borrowings Principal | Interest | Total |
|---|---|---|---|
| 2022 | $ 37 | $ - | $ 37 |

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, 2021, on governmental long-term debt was $275.

**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 | $ 5,191,000 |
| Compensated absences | 19,594 |
| | 5,210,594 |
| Less: current portion of sewer debt | ( 433,000) |
| Total sewer long-term debt | $ 4,777,594 |

A summary of changes in sewer long-term debt for the year ended December 31, 2021, are as follows:

| | Balance 12-31-20 | Additions | Retirements | Balance 12-31-21 | Amount Due Within One Year |
|---|---|---|---|---|---|
| Direct borrowings: | | | | | |
| Revenue bonds | $ 5,614,000 | $ - | $ (423,000) | $ 5,191,000 | $ 433,000 |
| Other debt: | | | | | |
| Compensated absences | 39,703 | - | ( 20,109) | 19,594 | - |
| Total | $ 5,653,703 | $ - | $ (443,109) | 5,210,594 | $ 433,000 |
| Less: current portion of Sewer Fund long-term debt | | | | ( 433,000) | |
| Total Sewer Fund long-term debt | | | | $ 4,777,594 | |

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.

**NOTE 11 - LONG-TERM DEBT** (Continued)

**B. Business-Type Debt** (Continued)

**Sewer Fund** (Continued)
Sewer Fund debt service requirements to maturity, including interest of $1,195,777, are as follows:

| Year ended December 31 | Direct Borrowings Principal | Interest | Total |
|---|---|---|---|
| 2022 | $ 433,000 | $ 213,134 | $ 646,134 |
| 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 |
| 2027-2031 | 2,820,000 | 321,964 | 3,141,964 |
| Total | $ 5,191,000 | $ 1,195,777 | $6,386,777 |

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

Interest paid during the year ended December 31, 2021, on sewer long-term debt was $226,406.

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

| | |
|---|---|
| Georgia Environmental Facilities Administration Loan, .5%, due 2022, original balance $131,000, direct borrowing | $ 26,463 |
| Georgia Environmental Facilities Administration Loan, 1.56%, still in draw down phase as of December 31, 2021 | 9,790 |
| Customer deposits | 96,356 |
| Compensated absences | 57,488 |
| | 190,097 |
| Less: current portion of water debt | ( 26,463) |
| Total water long-term debt | $ 163,634 |

**NOTE 11 - LONG-TERM DEBT** (Continued)

**B. Business-Type Debt** (Continued)

**Water Fund** (Continued)
A summary of changes in water long-term debt for the year ended December 31, 2021, are as follows:

| | Balance 12-31-20 | Additions | Retirements | Balance 12-31-21 | Amount Due Within One Year |
|---|---|---|---|---|---|
| Direct borrowings: | | | | | |
| GEFA loan | $ 52,794 | $ - | $ ( 26,331) | $ 26,463 | $ 26,463 |
| GEFA loan | - | 9,790 | - | 9,790 | - |
| Total direct borrowings | 52,794 | 9,790 | ( 26,331) | 36,253 | 26,463 |
| Other debt: | | | | | |
| Customer deposits | 93,282 | 3,074 | - | 96,356 | - |
| Compensated absences | 42,638 | 14,850 | - | 57,488 | - |
| Total other debt | 135,920 | 17,924 | - | 153,844 | - |
| Total | $ 188,714 | $ 27,714 | $ ( 26,331) | 190,097 | $ 26,463 |
| Less: current portion of Water Fund long-term debt | | | | ( 26,463) | |
| Total Sewer Fund long-term debt | | | | $ 163,634 | |

The Georgia Environmental Facilities Administration Loans 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 revenue derived from the operation of the water system.

Water Fund debt service requirements to maturity, including interest of $74, are as follows:

| Year ended December 31 | Direct Borrowings Principal | Interest | Total |
|---|---|---|---|
| 2022 | $ 26,463 | $ 74 | $ 26,537 |

Note: The above debt service requirements schedule does not include customer deposits, compensated absences, or the loan in draw down.

Interest paid during the year ended December 31, 2021, on water long-term debt was $273.

## NOTE 12 - NET OPEB LIABILITY

Net OPEB liability at December 31, 2021 consists of the following:

| | |
|---|---|
| Beginning balance | $ 1,743,983 |
| Service cost | 151,985 |
| Interest expense | 39,748 |
| Assumption changes | 21,805 |
| Benefit payments | ( 42,343) |
| Total | $ 1,915,178 |

## NOTE 13 - DEFERRED INFLOWS RELATED TO OPEB

Deferred inflows related to OPEB at December 31, 2021, consists of the following:

| | |
|---|---|
| Beginning balance | $ 166,780 |
| Amortization of deferrals | ( 11,204) |
| Total | $ 155,576 |

## NOTE 14 - 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 | $ 24,804 | $ 24,804 |

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

## NOTE 15 - 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 $109,418 for future downtown development expenditures.

Haunted Depot Fund restricts $77,410 for future depot expenditures.

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

Visitor Center Fund restricts $171,283 to promote tourism in the Ringgold area.

Technology Fund restricts $17,940 for police expenditures.

The City also has $23,790 of nonspendable fund balance related to prepaid expenses.

## NOTE 16 - TRANSFERS

Interfund transfers as of December 31, 2021, consist of the following:

| | Transfers to | | | | | |
|---|---|---|---|---|---|---|
| | General Fund | Downtown Development Authority Fund | Ringgold Depot Fund | Visitor Center Fund | Water Fund | Total |
| Transfer from | | | | | | |
| General Fund | $ - | $ - | $ - | $ - | $128,707 | $128,707 |
| Hotel/Motel Fund | 262,072 | - | 27,518 | 234,555 | - | 524,145 |
| Haunted Depot Fund | - | 40,233 | - | - | - | 40,233 |
| Capital Projects Fund | 140,830 | - | - | - | 2,147 | 142,977 |
| Total | $402,902 | $ 40,233 | $ 27,518 | $234,555 | $130,854 | $836,062 |

Transfers from the General Fund, Haunted Depot 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 17 - 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, 2021, is as follows:

| | |
|---|---|
| Fund Balance - January 1, 2021 | $ - |
| Lodging tax services | 524,145 |
| Amount available for disbursements | 524,145 |
| | |
| Disbursements: | |
| Transfer to General Fund | 262,072 |
| Transfer to the Ringgold Depot Fund | 27,518 |
| Transfer to Visitor Center Fund | 234,555 |
| Total disbursed | 524,145 |
| | |
| Balance - held in reserve for future hotel/motel tax projects | $ - |

## NOTE 18 - 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 $(101,362) differences are as follows:

| | |
|---|---|
| Note payable | $ ( 37) |
| Compensated absences | ( 101,325) |
| Net adjustment | $ ( 101,362) |

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 $(1,267,212) difference are as follows:

| | |
|---|---|
| Deferred outflows related to OPEB | $ 244,440 |
| Net OPEB liability | (1,398,081) |
| Deferred inflows related to OPEB | ( 113,571) |
| Net adjustment | $ (1,267,212) |

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 $(210,278) difference are as follows:

| | |
|---|---|
| Depreciation expense | $ ( 633,051) |
| Capital outlay | 422,773 |
| Net adjustment | $ ( 210,278) |

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 $(112,595) difference are as follows:

| | |
|---|---|
| OPEB expense | $ ( 146,759) |
| Contributions | 34,164 |
| Net adjustment | $ ( 112,595) |

## NOTE 19 - COMPLIANCE WITH FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

Expenditures in the Downtown Development Authority, Ringgold Depot, and Visitor Center funds exceeded the amount budgeted by $10,705, $3,887, and $27,7995, respectively.

As of December 31, 2021, $2,464,191 of the City's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

## NOTE 20 - 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 21 - 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 $1,957,979. The amount of covered payroll was $1,234,764. Total contributions required was $148,409, which was 12% of covered payroll. The City's contribution required and actual was $123,476, which was 10% of covered payroll. The mandatory employee contributions required and actual was $24,933 which was 2% of covered payroll. Employee voluntary contributions totaled $48,413, making a total employee contribution of $73,346, which is 6% of covered payroll. The total City and employee contribution actually made was $196,822, which was 16% of covered payroll. There were no current year changes in plan provisions.

## NOTE 22 - 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, 2021, 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, 2021, and is updated as of December 31, 2021 using the December 31, 2021 discount rate. The plan does not issue a stand-alone financial statement.

| Fiscal Year Ending December 31, 2021 | |
|---|---|
| Total OPEB liability | $ 1,915,178 |
| Fiduciary net position | $ 0 |
| Net OPEB liability | $ 1,915,178 |
| OPEB expense | $ 201,040 |
| Deferred (outflows)/inflows of resources | $ (132,472) |
| Expected benefit payments | $ 42,343 |

Economic Assumptions

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

| Assumption Selection Date | December 31, 2021 |
|---|---|
| Discount rate | 2.03% |
| 2021 medical trend rates | 6.50% |
| Ultimate medical trend rate | 4.50% |
| Year ultimate trend rates reached | 2025 |
| Annual payroll increase | 2.50% |

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 2021, 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, 2021

The discount rate was changed from 2.12% as of December 31, 2020 to 2.03% as of December 31, 2021, based on the Bond Buyer 20-Bond Index.

**NOTE 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (Continued)

**GASB 75 Liabilities and Expense**
**For Fiscal Year Ending December 31, 2021**

| | | |
|---|---|---|
| I. | Present value of Future Benefits | |
| | A. Retirees/Disableds | $ 447,985 |
| | B. Active Employees | 4,958,039 |
| | C. Total | $ 5,406,024 |
| II. | Total OPEB Liability | |
| | A. Retiress/Disableds | $ 447,985 |
| | B. Active Employees | 1,467,193 |
| | C. Total | $ 1,915,178 |
| III. | Fiduciary Net Position | $ - |
| IV. | Net OPEB Liability | $ 1,915,178 |
| V. | Expected Benefit Payments | |
| | A. Retirees/Disableds | $ 39,207 |
| | B. Active Employees | 3,136 |
| | C. Total | $ 42,343 |
| VI. | OPEB Expense | |
| | A. Service Cost | $ 151,985 |
| | B. Interest | 39,748 |
| | C. Changes of Benefit Terms | - |
| | D. Recognition of Deferred Outflows/Inflows of Resources | 9,307 |
| | E. OPEB Expense (A. + B. + C. + D.) | $ 201,040 |

**NOTE 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (Continued)

**GASB 75 Liabilities and Expense**
**For Fiscal Year Ending December 31, 2021** (Continued)

| | | |
|---|---|---|
| VII. | Deferred (Outflows) of Resources | |
| | A. Experience Loss | $ - |
| | B. Change in Assumptions | ( 288,048) |
| | C. Prepayments | ( 46,801) |
| | D. Total | $ ( 334,849) |
| | Deferred Inflows of Resources | |
| | A. Experience Gain | $ 72,004 |
| | B. Change in Assumptions | 83,572 |
| | C. Total | $ 155,576 |
| | Recognition in Expense | |
| | Year Ended December 31, | |
| | 2022 | $ 9,307 |
| | 2023 | $ 9,307 |
| | 2024 | $ 9,307 |
| | 2025 | $ 9,307 |
| | 2026 | $ 9,307 |
| | Thereafter | $ 85,937 |

**Census Information**

Employee Counts
As of January 1, 2021

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

**NOTE 22 - 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 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (Continued)

**Census Information** (Continued)

Average Age and Service
As of January 1, 2021

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 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (Continued)

**Required Disclosures for Fiscal Year Ending December 31, 2021**

Changes in Total OPEB Liability

| | |
|---|---|
| Balance at 12/31/2020 | $ 1,743,983 |
| Changes for the year: | |
| Service cost | 151,985 |
| Interest | 39,748 |
| Changes in benefit terms | - |
| Differences between expected and actual experience | - |
| Changes in assumptions and other inputs | 21,805 |
| Benefit payments | ( 42,343) |
| Net changes | 171,195 |
| Balance at 12/31/2021 | $ 1,915,178 |

Notes:

Plan changes - None

Assumption changes - The discount rate was 2.12% as of December 31, 2020 and 2.03% as of December 31, 2021.

Sensitivity of the Total OPEB Liability

| 1% Decrease (1.03%) | Discount Rate (2.03%) | 1% Increase (3.03%) |
|---|---|---|
| $ 2,179,675 | $ 1,915,178 | $ 1,689,300 |

| 1% Decrease (5.50% decreasing to 3.50%) | Healthcare Cost Trend Rates (6.50% decreasing to 4.50%) | 1% Increase (7.50% decreasing to 5.50%) |
|---|---|---|
| $ 1,753,743 | $ 1,915,178 | $ 2,117,395 |

**NOTE 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (Continued)

**Actuarial Assumptions and Methodology**

1. Discount Rate: A discount rate of 2.03% was used as of December 31, 2021. 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 22 - 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 |
|---|---|---|
| 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 22 - 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 year 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 22 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

**Plan Provisions** (Continued)

f. Annual Premiums: Effective January 1, 2021 - December 31, 2021

| 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 23 - 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 24 - CONTINGENT LIABILITIES

As of December 31, 2021, the City does not have any material contingent liabilities.

## NOTE 25 - 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, 2021, 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 26 - 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 27 - 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, 2021**

| | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|
| Service cost | $ 87,071 | $ 77,019 | $ 129,367 | $ 151,985 |
| Interest | 46,508 | 54,649 | 43,554 | 39,748 |
| Changes of benefit terms | - | - | - | - |
| Differences between expected and actual experience | - | - | (81,604) | - |
| Changes of assumptions and other inputs | (109,188) | 255,146 | 66,128 | 21,805 |
| Benefit payments | (32,171) | (34,745) | (38,610) | (42,343) |
| Net changes | (7,780) | 352,069 | 118,835 | 171,195 |
| Total OPEB liability - beginning | 1,280,859 | 1,273,079 | 1,625,148 | 1,743,983 |
| Total OPEB liability - ending | $ 1,273,079 | $ 1,625,148 | $ 1,743,983 | $ 1,915,178 |
| Covered-employee payroll | $ 1,453,668 | $ 1,490,010 | $ 1,691,831 | $ 1,734,127 |
| Total OPEB liability as a percentage of covered-employee payroll | 87.58% | 109.07% | 103.08% | 110.44% |

**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% | 2.03% |
| Trend rate | 8.0% initially, grading down 5.0% in 2024 | 7.5% initially, grading down 5.0% in 2024 | 7.0% initially, grading down 4.5% in 2025 | 6.5% initially, grading down 4.5% in 2025 |
| Mortality improvement scale | MP2018 | MP2018 | MP2019 | MP2019 |
| Plan changes: | None | 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.

**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, 2021**

| | Special Revenue | | | | | | | Capital Projects | Total |
|---|---|---|---|---|---|---|---|---|---|
| | 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 | $ 131,672 | $ 77,542 | $ 5,429 | $ 96,338 | $ 194,551 | $ 19,174 | $ 17,940 | $ 5,000 | $ 547,646 |
| Grants receivable | - | - | - | - | - | 21,514 | - | - | 21,514 |
| **TOTAL ASSETS** | $ 131,672 | $ 77,542 | $ 5,429 | $ 96,338 | $ 194,551 | $ 40,688 | $ 17,940 | $ 5,000 | $ 569,160 |
| **LIABILITIES** | | | | | | | | | |
| Accounts payable | $ 297 | $ 132 | $ - | $ 852 | $ 10,024 | $ - | $ - | $ - | $ 11,305 |
| Accrued liabilities | 2,146 | - | - | 6,581 | 13,244 | - | - | - | 21,971 |
| Unearned revenue | 19,811 | - | - | - | - | 40,688 | - | - | 60,499 |
| Due to other funds | - | - | 5,782 | - | - | - | - | 5,000 | 10,782 |
| **TOTAL LIABILITIES** | $ 22,254 | $ 132 | $ 5,782 | $ 7,433 | $ 23,268 | $ 40,688 | $ - | $ 5,000 | $ 104,557 |
| **FUND BALANCES** | | | | | | | | | |
| Restricted | $ 109,418 | $ 77,410 | $ - | $ 88,905 | $ 171,283 | $ - | $ 17,940 | $ - | $ 464,956 |
| Unassigned | - | - | (353) | - | - | - | - | - | (353) |
| **TOTAL FUND BALANCES** | $ 109,418 | $ 77,410 | $ (353) | $ 88,905 | $ 171,283 | $ - | $ 17,940 | $ - | $ 464,603 |

**CITY OF RINGGOLD, GEORGIA**
**Non-major Governmental Funds**
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**
**Year Ended December 31, 2021**

| | Special Revenue | | | | | | | Capital Projects | Total |
|---|---|---|---|---|---|---|---|---|---|
| | 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 |
| **REVENUES** | | | | | | | | | |
| Intergovernmental | $ - | $ - | $ - | $ - | $ - | $ 19,851 | $ - | $ 142,977 | $ 162,828 |
| Fines and forfeitures | - | - | - | - | - | - | 6,091 | - | 6,091 |
| Charges for services | 4,913 | - | - | - | 3,560 | - | - | - | 8,473 |
| Other revenue | 66,681 | 77,491 | - | 17,369 | 19,895 | 21,378 | - | - | 202,814 |
| **TOTAL REVENUES** | 71,594 | 77,491 | - | 17,369 | 23,455 | 41,229 | 6,091 | 142,977 | 380,206 |
| **EXPENDITURES** | | | | | | | | | |
| **Current expenditures** | | | | | | | | | |
| Public safety | - | - | 782 | - | - | - | 13,170 | - | 13,952 |
| Public welfare and recreation | 93,955 | 21,006 | - | 44,887 | 240,795 | 41,229 | - | - | 441,872 |
| Total current expenditures | 93,955 | 21,006 | 782 | 44,887 | 240,795 | 41,229 | 13,170 | - | 455,824 |
| **TOTAL EXPENDITURES** | 93,955 | 21,006 | 782 | 44,887 | 240,795 | 41,229 | 13,170 | - | 455,824 |
| Excess (deficiency) of revenue over (under) expenditures | (22,361) | 56,485 | (782) | (27,518) | (217,340) | - | (7,079) | 142,977 | (75,618) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | | |
| Insurance reimbursement | 7,757 | - | - | - | - | - | - | - | 7,757 |
| Transfers in | 40,233 | - | - | 27,518 | 234,555 | - | - | - | 302,306 |
| Transfers out | - | (40,233) | - | - | - | - | - | (142,977) | (183,210) |
| Total other financing sources (uses) | 47,990 | (40,233) | - | 27,518 | 234,555 | - | - | (142,977) | 126,853 |
| Net changes in fund balances | 25,629 | 16,252 | (782) | - | 17,215 | - | (7,079) | - | 51,235 |
| **Fund balances** - beginning | 83,789 | 61,158 | 429 | 88,905 | 154,068 | - | 25,019 | - | 413,368 |
| **Fund balances** - end | $ 109,418 | $ 77,410 | $ (353) | $ 88,905 | $171,283 | $ - | $ 17,940 | $ - | $ 464,603 |

**CITY OF RINGGOLD, GEORGIA**
**Downtown Development Authority Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance |
| **REVENUES** | | | | |
| Charges for services | | | | |
| Promotions | $ 6,500 | $ 6,500 | $ 4,913 | $ (1,587) |
| Other revenue | | | | |
| Donations | 1,000 | 1,000 | 26,620 | 25,620 |
| Rental | 25,750 | 25,750 | 25,008 | (742) |
| Program fees | 12,000 | 12,000 | 4,128 | (7,872) |
| Events | 16,000 | 16,000 | 10,925 | (5,075) |
| Total other revenue | 54,750 | 54,750 | 66,681 | 11,931 |
| **TOTAL REVENUES** | 61,250 | 61,250 | 71,594 | 10,344 |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public welfare and recreation | | | | |
| Salaries | 24,300 | 24,300 | 25,132 | (832) |
| Payroll taxes | 2,000 | 2,000 | 1,921 | 79 |
| Dues and subscriptions | 1,000 | 1,000 | 495 | 505 |
| Education and travel | 2,000 | 2,000 | 562 | 1,438 |
| Grant expenses | 5,000 | 5,000 | 5,225 | (225) |
| Insurance | 6,350 | 6,350 | 7,536 | (1,186) |
| Postage | 100 | 100 | - | 100 |
| Professional services | 1,000 | 1,000 | 2,053 | (1,053) |
| Program expenses | 4,500 | 4,500 | 609 | 3,891 |
| Repairs and maintenance | 19,500 | 19,500 | 9,931 | 9,569 |
| Retirement | 1,800 | 1,800 | 1,904 | (104) |
| Ringgold playhouse | 10,000 | 10,000 | 4,254 | 5,746 |
| Site purchases and improvements | - | - | 26,620 | (26,620) |
| Supplies and materials | 4,500 | 4,500 | 5,372 | (872) |
| Utilities | 1,200 | 1,200 | 2,341 | (1,141) |
| Total public welfare and recreation | 83,250 | 83,250 | 93,955 | (10,705) |
| **TOTAL EXPENDITURES** | 83,250 | 83,250 | 93,955 | (10,705) |
| Excess (deficiency) of revenue over (under) expenditures | (22,000) | (22,000) | (22,361) | (361) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Insurance reimbursement | - | - | 7,757 | 7,757 |
| Transfers in | 22,000 | 22,000 | 40,233 | 18,233 |
| Total other financing sources (uses) | 22,000 | 22,000 | 47,990 | 25,990 |
| Net changes in fund balances | - | - | 25,629 | 25,629 |
| **Fund balances** - beginning | 83,789 | 83,789 | 83,789 | - |
| **Fund balances** - end | $ 83,789 | $ 83,789 | $ 109,418 | $ 25,629 |

**CITY OF RINGGOLD, GEORGIA**
**Haunted Depot Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Other revenue | | | | |
| Haunted Depot | $ 44,500 | $ 44,500 | $ 77,491 | $ 32,991 |
| **TOTAL REVENUES** | 44,500 | 44,500 | 77,491 | 32,991 |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public welfare and recreation | | | | |
| Professional services | 2,500 | 2,500 | 3,200 | (700) |
| Supplies and materials | 20,000 | 20,000 | 17,806 | 2,194 |
| Total public welfare and recreation | 22,500 | 22,500 | 21,006 | 1,494 |
| **TOTAL EXPENDITURES** | 22,500 | 22,500 | 21,006 | 1,494 |
| Excess (deficiency) of revenue over (under) expenditures | 22,000 | 22,000 | 56,485 | 34,485 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (22,000) | (22,000) | (40,233) | (18,233) |
| Net changes in fund balances | - | - | 16,252 | 16,252 |
| **Fund balances** - beginning | 61,158 | 61,158 | 61,158 | - |
| **Fund balances** - end | $ 61,158 | $ 61,158 | $ 77,410 | $ 16,252 |

**CITY OF RINGGOLD, GEORGIA**
**Confiscated Assets Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Fines and forfeitures | | | | |
| Cash confiscation | $ 3,000 | $ 3,000 | $ - | $ (3,000) |
| **TOTAL REVENUES** | 3,000 | 3,000 | - | (3,000) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public safety | | | | |
| Dues | - | - | 630 | (630) |
| Payments to agencies | 1,000 | 1,000 | - | 1,000 |
| Supplies and materials | 2,000 | 2,000 | 152 | 1,848 |
| **TOTAL EXPENDITURES** | 3,000 | 3,000 | 782 | 2,218 |
| Excess (deficiency) of revenue over (under) expenditures | - | - | (782) | (782) |
| **Fund balances** - beginning | 429 | 429 | 429 | - |
| **Fund balances** - end | $ 429 | $ 429 | $ (353) | $ (782) |

**CITY OF RINGGOLD, GEORGIA**
**Ringgold Depot Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance |
| **REVENUES** | | | | |
| Other revenue | | | | |
| Rental | $ 20,000 | $ 20,000 | $ 17,369 | $ (2,631) |
| **TOTAL REVENUES** | 20,000 | 20,000 | 17,369 | (2,631) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public welfare and recreation | | | | |
| Insurance | 2,000 | 2,000 | 1,028 | 972 |
| Professional services | 1,500 | 1,500 | 885 | 615 |
| Repairs and maintenance | 11,000 | 11,000 | 9,745 | 1,255 |
| Supplies and materials | 6,000 | 6,000 | 14,895 | (8,895) |
| Telephone | 1,500 | 1,500 | 1,518 | (18) |
| Utilities | 19,000 | 19,000 | 16,816 | 2,184 |
| Total public welfare and recreation | 41,000 | 41,000 | 44,887 | (3,887) |
| **TOTAL EXPENDITURES** | 41,000 | 41,000 | 44,887 | (3,887) |
| Excess (deficiency) of revenue over (under) expenditures | (21,000) | (21,000) | (27,518) | (6,518) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 21,000 | 21,000 | 27,518 | 6,518 |
| Net changes in fund balances | - | - | - | - |
| **Fund balances** - beginning | 88,905 | 88,905 | 88,905 | - |
| **Fund balances** - end | $ 88,905 | $ 88,905 | $ 88,905 | $ - |

**CITY OF RINGGOLD, GEORGIA**
**Visitor Center Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance |
| **REVENUES** | | | | |
| Charges for services | | | | |
| Tourism | $ - | $ - | $ 3,560 | $ 3,560 |
| Other revenue | | | | |
| Rental | 34,000 | 34,000 | 19,895 | (14,105) |
| **TOTAL REVENUES** | 34,000 | 34,000 | 23,455 | (10,545) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public welfare and recreation | | | | |
| Salaries | 59,500 | 59,500 | 45,978 | 13,522 |
| Payroll taxes | 4,600 | 4,600 | 3,516 | 1,084 |
| Dues and subscriptions | 1,000 | 1,000 | 320 | 680 |
| Insurance | 8,200 | 8,200 | 9,253 | (1,053) |
| Marketing and tourism | 113,500 | 113,500 | 147,292 | (33,792) |
| Postage and printing | - | - | 136 | (136) |
| Professional services | 800 | 800 | 3,842 | (3,042) |
| Repairs and maintenance | 2,200 | 2,200 | 2,333 | (133) |
| Retirement | 1,800 | 1,800 | 1,904 | (104) |
| Supplies and materials | 11,400 | 11,400 | 15,909 | (4,509) |
| Telephone | 2,000 | 2,000 | 1,351 | 649 |
| Travel | 1,000 | 1,000 | 122 | 878 |
| Utilities | 7,000 | 7,000 | 8,839 | (1,839) |
| Total public welfare and recreation | 213,000 | 213,000 | 240,795 | (27,795) |
| **TOTAL EXPENDITURES** | 213,000 | 213,000 | 240,795 | (27,795) |
| Excess (deficiency) of revenue over (under) expenditures | (179,000) | (179,000) | (217,340) | (38,340) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 179,000 | 179,000 | 234,555 | 55,555 |
| Net changes in fund balances | - | - | 17,215 | 17,215 |
| **Fund balances** - beginning | 154,068 | 154,068 | 154,068 | - |
| **Fund balances** - end | $ 154,068 | $ 154,068 | $ 171,283 | $ 17,215 |

**CITY OF RINGGOLD, GEORGIA**
**Capital Projects Grant Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Intergovernmental | | | | |
| Grant revenue | $ 100,000 | $ 100,000 | $ 19,851 | $ (80,149) |
| Other revenue | | | | |
| Donations | - | - | 21,378 | 21,378 |
| **TOTAL REVENUES** | 100,000 | 100,000 | 41,229 | (58,771) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public welfare and recreation | | | | |
| Contract labor | 100,000 | 100,000 | 27,776 | 72,224 |
| Professional services | - | - | 4,532 | (4,532) |
| Supplies and materials | - | - | 8,921 | (8,921) |
| Total public welfare and recreation | 100,000 | 100,000 | 41,229 | 58,771 |
| **TOTAL EXPENDITURES** | 100,000 | 100,000 | 41,229 | 58,771 |
| 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, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Fines and forfeitures | | | | |
| Technology fees | $ 22,000 | $ 22,000 | $ 6,091 | $ (15,909) |
| **TOTAL REVENUES** | 22,000 | 22,000 | 6,091 | (15,909) |
| **EXPENDITURES** | | | | |
| **Current expenditures** | | | | |
| Public safety | | | | |
| Dues and subscriptions | 1,000 | 1,000 | 665 | 335 |
| Supplies and materials | 16,000 | 16,000 | 3,739 | 12,261 |
| Telephone | 5,000 | 5,000 | 8,766 | (3,766) |
| Total public safety | 22,000 | 22,000 | 13,170 | 8,830 |
| **TOTAL EXPENDITURES** | 22,000 | 22,000 | 13,170 | 8,830 |
| Excess (deficiency) of revenue over (under) expenditures | - | - | (7,079) | (7,079) |
| **Fund balances** - beginning | 25,019 | 25,019 | 25,019 | - |
| **Fund balances** - end | $ 25,019 | $ 25,019 | $ 17,940 | $ (7,079) |

**CITY OF RINGGOLD, GEORGIA**
**Capital Projects Fund**
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **REVENUES** | | | | |
| Intergovernmental | | | | |
| Special Local Option Sales Tax | $ - | $ - | $ 142,977 | $ 142,977 |
| **TOTAL REVENUES** | - | - | 142,977 | 142,977 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | 142,977 | 142,977 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | - | - | (142,977) | (142,977) |
| 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, 2021**

| Federal Grantor/Pass-Through Grantor/Program Title | Assistance Listing Number | State Grant/Program Number | Accrued (Receivable) 1/1/2021 | Grant Receipts | Grant Expenditures | Accrued (Receivable) 12/31/2021 |
|---|---|---|---|---|---|---|
| **Federal** | | | | | | |
| Department of Human Services | | | | | | |
| Cares Act Grant | 21.019 | - | $ - | $ 677,787 | $ - | $ 677,787 |
| United States Department of Agriculture | | | | | | |
| Community Facilities Grant | 10.766 | - | - | - | 25,000 | (25,000) |
| Total federal awards | | | - | 677,787 | 25,000 | 652,787 |
| **State** | | | | | | |
| Georgia Department of Transportation | | | | | | |
| Graysville Road | - | STP00-0003-00(948) | (30,269) | 30,269 | - | - |
| LMIG Street Resurfacing | - | 2021 | - | 43,907 | 43,907 | - |
| Total Georgia Department of Transportation | | | (30,269) | 74,176 | 43,907 | - |
| Georgia Department of Natural Resources | | | | | | |
| Golden Mile Trail I | - | P20AP00169 | (100,000) | 98,337 | - | (1,663) |
| Golden Mile Trail II | - | P20AP00169 | - | - | 19,851 | (19,851) |
| Total Georgia Department of Natural Resources | | | (100,000) | 98,337 | 19,851 | (21,514) |
| Total state awards | | | (130,269) | 172,513 | 63,758 | (21,514) |
| **TOTAL FEDERAL AND STATE AWARDS** | | | $ (130,269) | $ 850,300 | $ 88,758 | $ 631,273 |

**CITY OF RINGGOLD, GEORGIA**
**Notes to the Schedule of Expenditures of Federal and State Awards**
**For the Year Ended December 31, 2021**

## 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 | $ 26,463 |

**CITY OF RINGGOLD, GEORGIA**
**Sewer Fund**
**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance |
| **OPERATING REVENUES** | | | | |
| Sewer charges | $ 2,349,000 | $ 2,349,000 | $ 2,507,454 | $ 158,454 |
| Installation charges | 87,000 | 87,000 | 104,640 | 17,640 |
| Other operating | 300 | 300 | - | (300) |
| Total operating revenues | 2,436,300 | 2,436,300 | 2,612,094 | 175,794 |
| **OPERATING EXPENSE** | | | | |
| Operating and maintenance | 1,623,500 | 1,623,500 | 1,449,960 | 173,540 |
| Administration and general | 22,300 | 22,300 | 13,821 | 8,479 |
| Depreciation | 646,000 | 646,000 | 668,987 | (22,987) |
| Total operating expenses | 2,291,800 | 2,291,800 | 2,132,768 | 159,032 |
| Operating income (loss) | 144,500 | 144,500 | 479,326 | 334,826 |
| **NON-OPERATING REVENUES (EXPENSES)** | | | | |
| Intergovernmental revenue | 30,000 | 30,000 | - | (30,000) |
| Interest expense | (230,000) | (230,000) | (226,406) | 3,594 |
| Total non-operating revenues (expenses) | (200,000) | (200,000) | (226,406) | (26,406) |
| Changes in net position | (55,500) | (55,500) | 252,920 | 308,420 |
| **Total net position** - beginning | 18,662,256 | 18,662,256 | 18,662,256 | - |
| **Total net position** - end | $ 18,606,756 | $ 18,606,756 | $ 18,915,176 | $ 308,420 |

**CITY OF RINGGOLD, GEORGIA**
**Water Fund**
**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual**
**Year Ended December 31, 2021**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance** |
| **OPERATING INCOME** | | | | |
| Water sales | $ 605,000 | $ 605,000 | $ 728,914 | $ 123,914 |
| Installation charges | 5,000 | 5,000 | 5,600 | 600 |
| Penalties | 16,000 | 16,000 | 25,960 | 9,960 |
| Other operating | 1,000 | 1,000 | - | (1,000) |
| Total operating revenues | 627,000 | 627,000 | 760,474 | 133,474 |
| **OPERATING EXPENSES** | | | | |
| Operating and maintenance | 607,200 | 607,200 | 739,786 | (132,586) |
| Administration and general | 30,000 | 30,000 | 47,307 | (17,307) |
| Depreciation | 147,000 | 147,000 | 154,038 | (7,038) |
| Total operating expenses | 784,200 | 784,200 | 941,131 | (156,931) |
| Operating income (loss) | (157,200) | (157,200) | (180,657) | (23,457) |
| **NON-OPERATING REVENUES (EXPENSES)** | | | | |
| Interest expense | (1,000) | (1,000) | (273) | 727 |
| Income (loss) before transfers | (158,200) | (158,200) | (180,930) | (22,730) |
| Transfers in | 158,200 | 158,200 | 130,854 | (27,346) |
| Changes in net position | - | - | (50,076) | (50,076) |
| **Total net position** - beginning | 2,237,721 | 2,237,721 | 2,237,721 | - |
| **Total net position** - end | $ 2,237,721 | $ 2,237,721 | $ 2,187,645 | $ (50,076) |

**CITY OF RINGGOLD, GEORGIA**
**Proprietary Funds**
**Schedule of Operating Expenses**
**Year Ended December 31, 2021**

| | Enterprise | | |
|---|---|---|---|
| **Operating Expenses** | **Sewer Fund** | **Water Fund** | **Totals** |
| Operating and maintenance | | | |
| Salaries | $ 229,493 | $ 327,152 | $ 556,645 |
| Payroll taxes | 18,001 | 23,254 | 41,255 |
| Chemicals | 209 | 27,555 | 27,764 |
| Drinking water program | - | 4,340 | 4,340 |
| Equipment | 4,339 | 7,877 | 12,216 |
| Fuel | 12,185 | 8,293 | 20,478 |
| Insurance | 107,816 | 128,711 | 236,527 |
| Plant supplies | 29,238 | 38,950 | 68,188 |
| Post-employment benefits | 28,146 | 26,135 | 54,281 |
| Professional services | 3,802 | 39,984 | 43,786 |
| Repairs and maintenance | 33,513 | 11,758 | 45,271 |
| Retirement | 13,152 | 26,521 | 39,673 |
| Sewer treatment charges | 942,374 | - | 942,374 |
| Telephone | 1,389 | 1,305 | 2,694 |
| Uniforms | 4,793 | 5,173 | 9,966 |
| Utilities | 21,510 | 48,665 | 70,175 |
| Water line repairs | - | 14,113 | 14,113 |
| Total operating and maintenance | 1,449,960 | 739,786 | 2,189,746 |
| Administration and general | | | |
| Education and travel | 5,195 | 5,055 | 10,250 |
| Insurance | 7,156 | 5,357 | 12,513 |
| Licenses and dues | 1,144 | 9,339 | 10,483 |
| Printing and postage | 326 | 7,536 | 7,862 |
| Fees | - | 20,020 | 20,020 |
| Total administration and general | 13,821 | 47,307 | 61,128 |
| Depreciation | 668,987 | 154,038 | 823,025 |
| Total operating expenses | $ 2,132,768 | $ 941,131 | $ 3,073,899 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Property Taxes Receivable**
**General Fund**
**December 31, 2021**

| Year of Levy | |
|---|---|
| 2021 | $ 49,261 |
| 2020 | 7,363 |
| 2019 | 2,592 |
| 2018 | 314 |
| 2017 | - |
| 2016 | 31 |
| 2015 | 30 |
| 2014 | 30 |
| Total property taxes receivable | 59,621 |
| Less: allowance for uncollectibles | ( 11,615) |
| Net property taxes receivable | $ 48,006 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Changes in Property Taxes Receivable**
**General Fund**
**Year Ended December 31, 2021**

| | Taxes Receivable December 31, 2020 | Taxes Levied | Pickups and (Releases) | Collections | Taxes Receivable December 31, 2021 |
|---|---|---|---|---|---|
| 2021 | $ - | $ 780,261 | $ 197 | $ ( 731,197) | $ 49,261 |
| 2020 | 47,183 | - | - | ( 39,820) | 7,363 |
| 2019 | 5,476 | - | - | ( 2,884) | 2,592 |
| 2018 | 1,598 | - | - | ( 1,284) | 314 |
| 2017 | 115 | - | - | ( 115) | - |
| 2016 | 31 | - | - | - | 31 |
| 2015 | 30 | - | - | - | 30 |
| 2014 | 30 | - | - | - | 30 |
| Total | $ 54,463 | $ 780,261 | $ 197 | $ ( 775,300) | $ 59,621 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Debt Service Requirements**
**General Fund**
**December 31, 2021**

**USDA RURAL DEVELOPMENT NOTE**

| Maturing December 31, | Principal | Interest | Total Requirements |
|---|---|---|---|
| 2022 | $ 37 | $ - | $ 37 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Debt Service Requirements**
**Sewer Fund**
**December 31, 2021**

## SEWER SYSTEM REVENUE IMPROVEMENT BONDS

| Maturing December 31, | Principal | Interest | Total Requirements |
|---|---|---|---|
| 2022 | $ 433,000 | $ 213,134 | $ 646,134 |
| 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 | 535,000 | 9,136 | 544,136 |
| Total | $ 5,191,000 | $ 1,195,777 | $ 6,386,777 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Debt Service Requirements**
**Water Fund**
**December 31, 2021**

## GEORGIA ENVIRONMENTAL FACILITIES ADMINISTRATION LOAN

| Maturing December 31, | Principal | Interest | Total Requirements |
|---|---|---|---|
| 2022 | $ 26,463 | $ 74 | $ 26,537 |

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Changes in Long-term Debt by Individual Issue**
**December 31, 2021**

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 1/1/2021 | Issued During Period | Paid and/or Matured During Period | Refunded During Period | Outstanding 12/31/2021 |
|---|---|---|---|---|---|---|---|---|---|
| **Governmental Activities** | | | | | | | | | |
| Notes Payable through General Fund | | | | | | | | | |
| USDA Rural Development Note | $ 55,000 | 2.375% | 10/31/16 | 10/31/21 | $ 11,560 | $ - | $ (11,523) | $ - | $ 37 |
| **Business-Type Activities** | | | | | | | | | |
| Bonds Payable through Sewer Fund | | | | | | | | | |
| Revenue Improvement Bond, Series 2005 | $9,600,000 | 4.15% | 04/01/05 | 04/01/31 | $5,614,000 | $ - | $(423,000) | $ - | $5,191,000 |
| Notes Payable through Water Fund | | | | | | | | | |
| Georgia Environmental Facilities Administration Note | $ 131,000 | 0.50% | 12/11/17 | 12/08/22 | $ 52,794 | $ - | $ (26,331) | $ - | $ 26,463 |
| Georgia Environmental Facilities Administration Note | * | 1.56% | * | * | $ - | $ 9,790 | $ - | $ - | $ 9,790 |

* Note is still in draw down phase as of December 31, 2021

**CITY OF RINGGOLD, GEORGIA**
**Schedules of Statistical Information**
**December 31, 2021**

## I. SCHEDULE OF TAX RATES AND ASSESSMENTS

| Tax Year | City Tax Rate | Assessment | Levy |
|---|---|---|---|
| 2021 | .3100 | $ 251,697,244 | $ 780,261 |
| 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 |

## II. SCHEDULE OF BILLING RATES

The water and sewer rates for the City of Ringgold for the year ended December 31, 2021, were:

Water Rates

| Meter Size | Minimum Usage (Gallons) | Minimum Monthly Bill |
|---|---|---|
| 3/4" meter | 0-2,000 | $ 15.00 plus $4.12/1,000 gal. |
| 1" meter | 0-8,000 | $ 39.36 plus $4.12/1,000 gal. |
| 1-1/2" meter | 0-17,000 | $ 75.88 plus $4.12/1,000 gal. |
| 2" meter | 0-25,000 | $ 108.35 plus $4.12/1,000 gal. |
| 3" meter | 0-45,000 | $ 336.89 plus $4.12/1,000 gal. |
| 4" meter | 0-60,000 | $ 449.20 plus $4.12/1,000 gal. |
| 6" meter | 0-90,000 | $ 673.77 plus $4.12/1,000 gal. |
| 8" meter | 0-120,000 | $ 898.39 plus $4.12/1,000 gal. |
| 10" meter | 0-150,000 | $1,122.98 plus $4.12/1,000 gal. |

Sewer Rates

| Meter Size | Minimum Usage (Gallons) | Minimum Monthly Bill |
|---|---|---|
| 3/4" meter | 0-2,000 | $ 16.83 plus $4.19/1,000 gal. |
| 1" meter | 0-8,000 | $ 41.93 plus $4.19/1,000 gal. |
| 1-1/2" meter | 0-17,000 | $ 79.62 plus $4.19/1,000 gal. |
| 2" meter | 0-25,000 | $ 113.17 plus $4.19/1,000 gal. |
| 3" meter | 0-45,000 | $ 378.49 plus $4.19/1,000 gal. |
| 4" meter | 0-60,000 | $ 504.47 plus $4.19/1,000 gal. |
| 6" meter | 0-90,000 | $ 756.71 plus $4.19/1,000 gal. |
| 8" meter | 0-120,000 | $1,008.94 plus $4.19/1,000 gal. |
| 10" meter | 0-150,000 | $1,262.42 plus $4.19/1,000 gal. |

As of December 31, 2021 the City had 1,377 water customers, 1,194 City sewer customers, and 4,756 County 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, 2021, 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 May 13, 2022.

**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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2021-001 that we consider to be a significant deficiency.

**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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Responses as items 2021-002 and 2021-003.

**City of Ringgold, Georgia's Response to Findings**

The City of Ringgold, Georgia's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. The City of Ringgold, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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
May 13, 2022

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Findings and Responses**
**December 31, 2021**

## 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, a deficiency in internal controls was disclosed.

**Material Noncompliance:**

Two instances of noncompliance or other matters were disclosed.

## FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS*

## INTERNAL CONTROL:

**Finding 2021-001 - Approvals and Documentation**

**Criteria:**
Government Auditing Standards Chapter A.06 (h) states that "inadequate controls for safeguarding of assets" is a control deficiency.

**Condition:**
The Judge is not always signing tickets for dismissed and reduced charge tickets.

**Cause:**
City policies are not being followed so that every ticket is being signed by the Judge.

**Effect:**
Without following proper procedures for all tickets, court fines could be uncollected.

**Management's Response:**
We concur. We will make every effort to correct this issue as noted.

## FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS* (Continued)

## COMPLIANCE:

### Finding 2021-002 - Expenditures Exceeded Budget

**Criteria:**
O.C.G.A. Section 36-81-3 states that, "Each unit of local government shall adopt and operate under an annual balanced budget for … each special revenue fund."

**Condition:**
Expenditures in the Downtown Development Authority, Ringgold Depot, and Visitor Center funds exceeded the amount budgeted by $10,705, $3,887, and $27,795, respectively.

**Cause:**
The City's budget was not amended to account for all expenditures.

**Effect:**
Without following proper procedures, the City has failed to authorize all expenditures by the end of the fiscal year.

**Management's Response:**
We concur. We will make every effort in the future to provide for all expenditures in our budget.

### Finding 2021-003 - Uncollateralized Bank Balance

**Criteria:**
The State of Georgia requires that municipalities maintain collateralization of 110% on all deposits above the FDIC insured amounts.

**Condition:**
As of December 31, 2021, $2,464,191 of the City's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

**Cause:**
The City's pledged collateral agreements were under the necessary amount to fully collateralize all deposits.

**Effect:**
A portion of the City's deposits were exposed to custodial credit risk.

**Management's Response:**
We concur. We will review our pledged collateral agreements to ensure our deposits are held in accordance with all applicable legal provisions.

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Prior Audit Findings**
**December 31, 2021**

| Prior Year Finding Number | Finding Title | Current Year Finding Number/Status |
|---|---|---|

None noted.

City of Ringgold

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**Management's Corrective Action Plan**
**December 31, 2021**

Management's corrective action plan for our December 31, 2021 audit is as follows:

**2021-001 Approvals and Documentation**
We concur. Mark Vaughn, City Manager, will ensure for the upcoming fiscal year that the City Judge is signing all tickets.

**2021-002 Expenditures Exceeded Budget**
We concur. Gina Wilson, Interim Financial Director, will ensure as of the date of this letter that all necessary budget amendments have been made prior to the end of the fiscal year.

**2021-003 Uncollateralized Bank Balance**
We concur. As of the date of this letter, Gina Wilson, Interim Financial Director, will review our pledged collateral agreements to ensure our deposits are held in accordance with all applicable legal provisions.

Respectfully submitted,

City of Ringgold, Georgia

Nick Millwood, Mayor

Certified Public Accountants

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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, 2021. 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, 2021, in conformity with accounting principles generally accepted in the United States of America.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
May 13, 2022

**CITY OF RINGGOLD, GEORGIA**
**Schedule of Special Purpose Local Option Sales Tax**
**Year Ended December 31, 2021**

| Project | Original Estimated Cost | Expenditures | | | Estimated Percentage of Completion |
|---|---|---|---|---|---|
| | | Prior Years | Current Year | Total | |
| 2009 SPLOST - | | | | | |
| Ringgold water and sewer projects | $ 13,270,000 | $ 9,254,513 | $ - | $ 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 | $ 2,147 | $ 567,006 | 8% |
| Stormwater Projects | $ 140,829 | $ - | $ 140,829 | $ 140,829 | 100% |