CITY OF RINGGOLD, GEORGIA

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2022

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

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CITY OF RINGGOLD, GEORGIA
Council Members and Management
December 31, 2022

Mayor	Nick Millwood
Mayor Pro-Tem	Kelly Bomar
Council Member	Jake Haynes
Council Member	Rhonda Swaney
Council Member	Sara Clark
Council Member	Earl Henderson
City Manager	Mark Vaughn
City Judge	Robert Stultz
Finance 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, 2022, 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, 2022, 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 is the responsibility of management and, 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 April 3, 2023, 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, Mesmer & Wright, P.C.

Chattanooga, Tennessee
April 3, 2023

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, 2022. 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, 2022, by $34,807,775 (net position). Of this amount, $10,573,902 (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 $834,836. The City's business-type activities operated at a surplus of $380,281.

As of the close of the current fiscal year, the City of Ringgold, Georgia's governmental funds reported combined ending fund balances of $6,125,508.

At the end of the current fiscal year, unassigned fund balance for the General Fund was $5,506,342, or 142.89%, of total General Fund expenditures. Expenditures do not include transfers to and from other funds, which netted to $55,154 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 $21,483,102. Of that balance, $6,485,096 is unrestricted and the remaining $14,998,006 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 16 through 18 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 19 and 21 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 31 through 33 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 36 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 $34,807,775 at the close of this fiscal year.

The largest portion of the City of Ringgold, Georgia's net position (67.92%) 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, 1.70%, or $591,369, represents resources that are subject to external restrictions on how they may be used. The remaining 30.38% of unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors.

At December 31, 2022, 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	
	2022	2021	2022	2021	2022	2021
Capital assets	$ 8,644,498	$ 8,608,916	$ 19,760,796	$ 20,503,650	$ 28,405,294	$ 29,112,566
Other assets	7,864,395	6,295,524	7,416,928	6,651,711	15,281,323	12,947,235
Total assets	$ 16,508,893	$ 14,904,440	$ 27,177,724	$ 27,155,361	$ 43,686,617	$ 42,059,801
Deferred outflows of resources	$ 193,616	$ 244,440	$ 73,921	$ 90,409	$ 267,537	$ 334,849
Long-term liabilities	$ 1,180,902	$ 1,499,406	$ 4,872,006	$ 5,458,325	$ 6,052,908	$ 6,957,731
Other liabilities	1,700,768	999,265	713,023	642,619	2,413,791	1,641,884
Total liabilities	$ 2,881,670	$ 2,498,671	$ 5,585,029	$ 6,100,944	$ 8,466,699	$ 8,599,615
Deferred inflows of resources	$ 496,166	$ 113,571	$ 183,514	$ 42,005	$ 679,680	$ 155,576
Net investment in capital assets	$ 8,644,498	$ 8,608,879	$ 14,998,006	$ 15,276,396	$ 23,642,504	$ 23,885,275
Restricted	591,369	464,956	-	-	591,369	464,956
Unrestricted	4,088,806	3,462,803	6,485,096	5,826,425	10,573,902	9,289,228
Total net position	$ 13,324,673	$ 12,536,638	$ 21,483,102	$ 21,102,821	$ 34,807,775	$ 33,639,459

Changes in Net Position

Governmental activities increased the City's net position by $834,836, and business-type activities increased the City's net position by $380,281. 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.

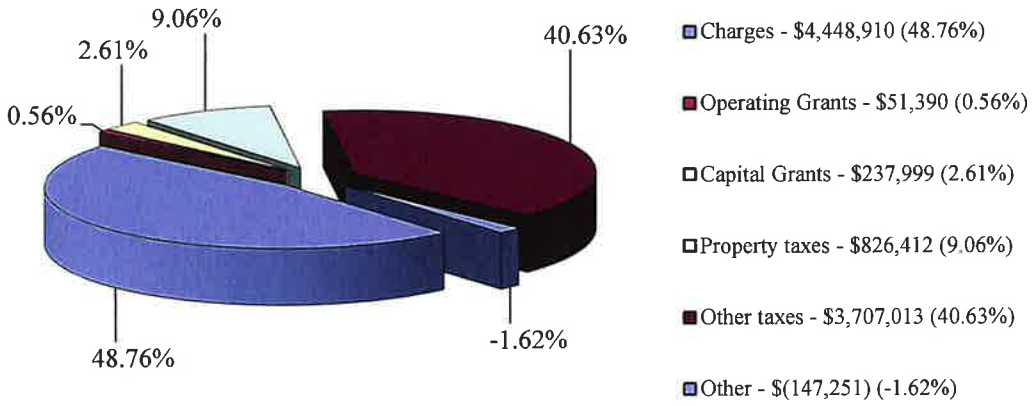
The table below provides a summary of the City's net position broken down by governmental and business-type activities.

City of Ringgold, Georgia's Changes in Net Position

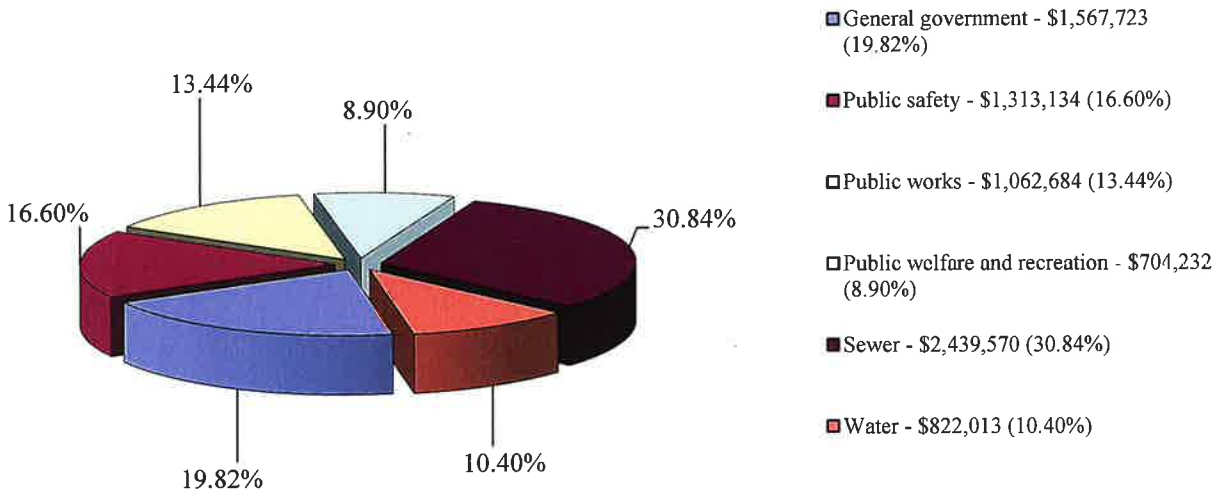
	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	$ 963,681	$ 666,532	$ 3,485,229	$ 3,372,568	$ 4,448,910	$ 4,039,100
Operating grants and contributions	51,390	37,918	-	-	51,390	37,918
Capital grants and contributions	237,999	251,098	-	-	237,999	251,098
General revenues:						
Property taxes	826,412	778,317	-	-	826,412	778,317
Other taxes	3,707,013	3,223,357	-	-	3,707,013	3,223,357
Other income	(147,251)	41,362	-		(147,251)	41,362
Total revenues	5,639,244	4,998,584	3,485,229	3,372,568	9,124,473	8,371,152
Expenses:						
General government	1,567,723	1,653,895	-	-	1,567,723	1,653,895
Public safety	1,313,134	1,228,910	-	-	1,313,134	1,228,910
Public works	1,062,684	1,126,026	-	-	1,062,684	1,126,026
Public welfare and recreation	704,232	730,281	-	-	704,232	730,281
Interest on long-term debt	-	275	-	-	-	275
Sewer	-	-	2,439,570	2,359,174	2,439,570	2,359,174
Water	-	-	822,013	941,404	822,013	941,404
Total expenses	4,647,773	4,739,387	3,261,583	3,300,578	7,909,356	8,039,965
Excess (deficiency) before transfers	991,471	259,197	223,646	71,990	1,215,117	331,187
Interfund transfers	(156,635)	(130,854)	156,635	130,854	-	-
Change in net position	834,836	128,343	380,281	202,844	1,215,117	331,187
Net position - beginning (as restated)	12,489,837	12,408,295	21,102,821	20,899,977	33,592,658	33,308,272
Net position - end	$13,324,673	$12,536,638	$21,483,102	$21,102,821	$34,807,775	$33,639,459

The graphs below summarize the $9,124,473 of city-wide revenues by source, and the associated $7,909,351 of expense by program. The graphs combine data from both governmental and business-type activities.

City-Wide Sources of Revenue



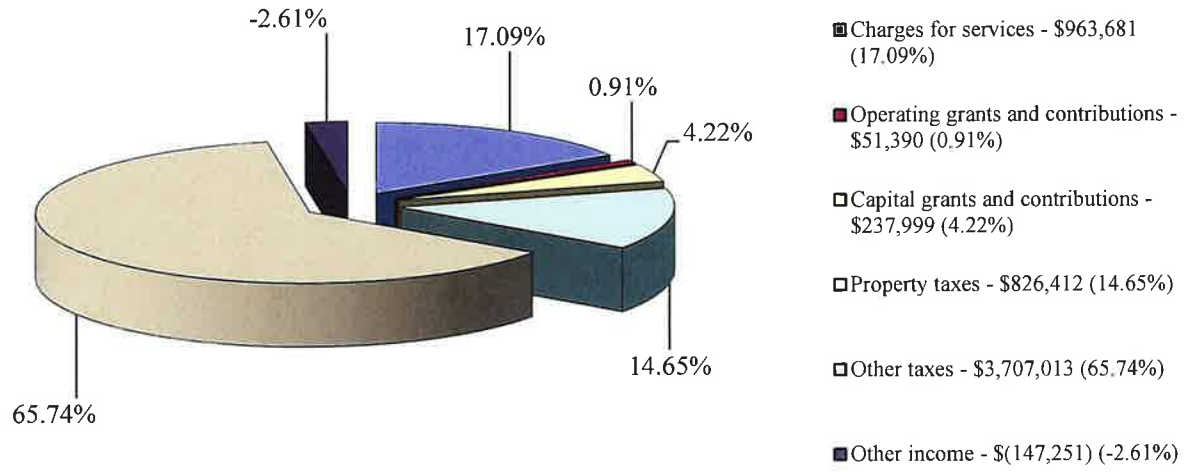
City-Wide Program Expenses



Governmental Activities

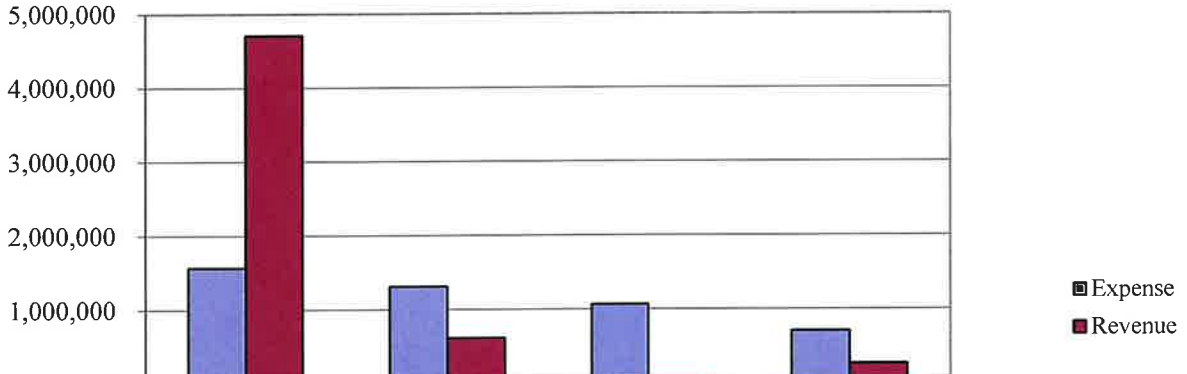
Governmental activities accounted for revenues of $5,639,244. The following graph summarizes the revenue by source.

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.

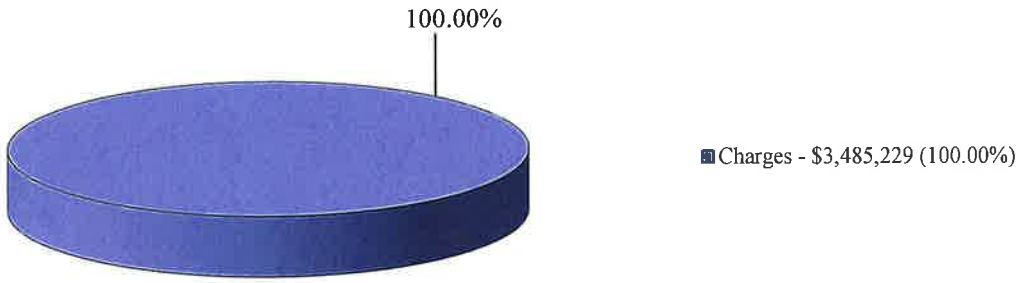
Expenses and Program Revenues - Governmental Activities



	General government	Public safety	Public works	Public welfare and recreation
Expense	1,567,723	1,313,134	1,062,684	704,232
Revenue	4,707,211	611,648	57,379	263,006

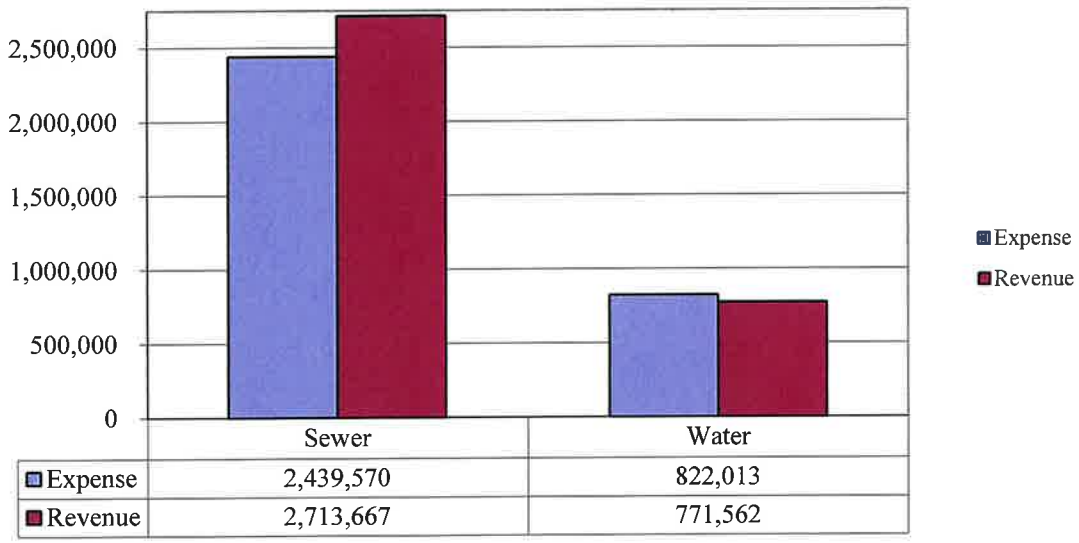
Business-type activities
Business-type activities accounted for revenues of $3,485,229. The following graph summarizes the revenue by source.

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	2,439,570	822,013
Revenue	2,713,667	771,562

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 $6,125,508.

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 $5,506,342. 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 142.89% 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 $6,059,860 for the Sewer Fund and $425,236 for the Water Fund.

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

Total revenues were increased by $1,000.
Current expenditures were increased by $1,000.

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, 2022, amounts to $28,405,294 (net of accumulated depreciation). Major capital asset events during the current fiscal year included the following:

Stormwater - Depot Square	$ 191,817
Playground	$ 178,632
Two (2) 2022 Ford Explorers	$ 93,307
Downtown redevelopment streets	$ 68,469
City historical lights	$ 37,320

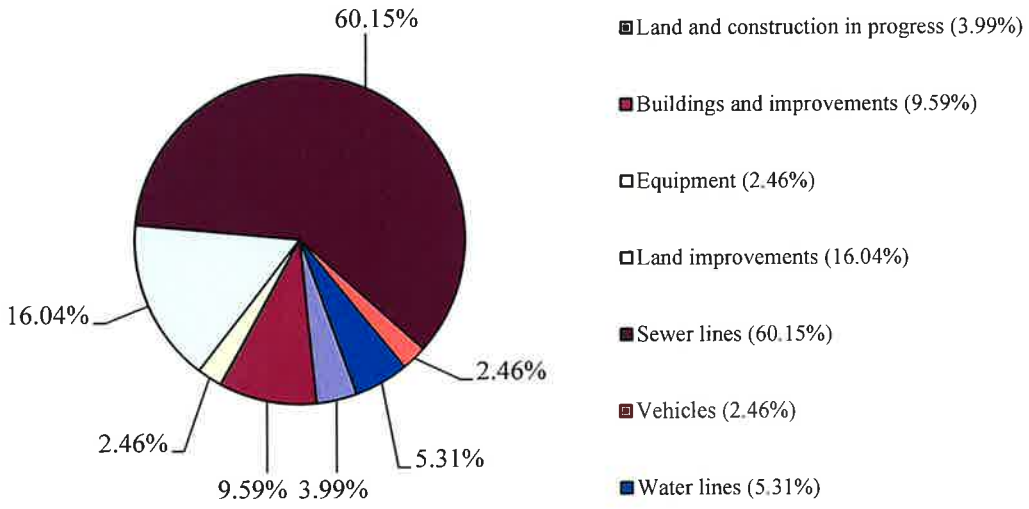
The table below summarizes the City's investment in capital assets and is broken down by governmental and business-type activities.

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

	Governmental Activities	Business-type Activities	Total
Land and construction in progress	$ 813,766	$ 320,794	$ 1,134,560
Buildings and improvements	2,461,948	261,521	2,723,469
Equipment	420,960	278,841	699,801
Land improvements	4,556,986	-	4,556,986
Sewer lines	-	17,084,683	17,084,683
Vehicles	390,838	308,296	699,134
Water lines	-	1,506,661	1,506,661
Total capital assets	$ 8,644,498	$ 19,760,796	$ 28,405,294

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



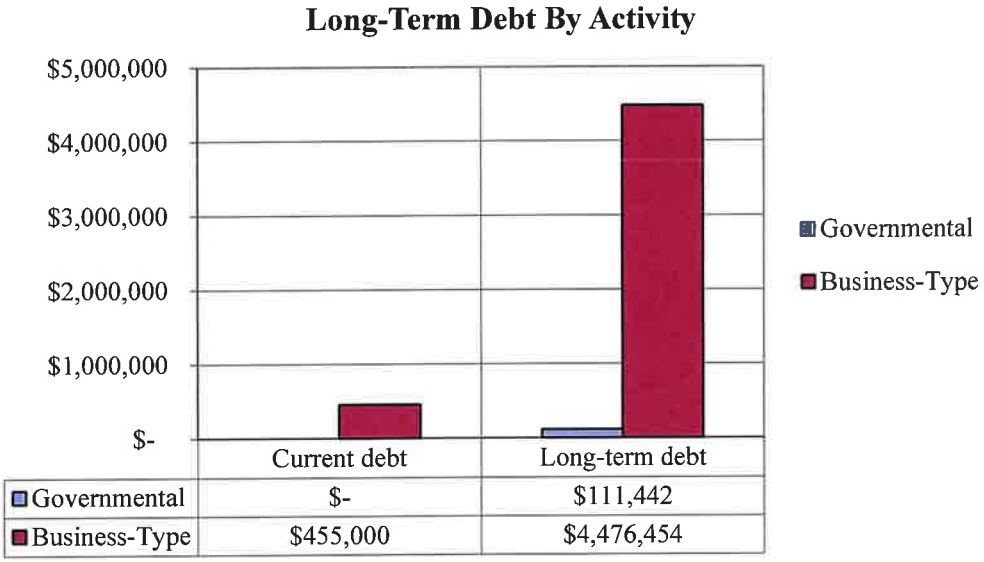
Additional information on the City of Ringgold, Georgia's capital assets can be found in Note 8 on pages 45 and 46.

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 $5,042,896. Of that amount $455,000 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	$ -	$ 9,790	$ 9,790
Bond payable	-	4,753,000	4,753,000
Compensated absences	111,442	66,892	178,334
Customer deposits	-	101,772	101,772
Total	111,442	4,931,454	5,042,896
Less current portion	-	(455,000)	(455,000)
Total long-term debt	$ 111,442	$ 4,476,454	$ 4,587,896

As shown in the graph below, long-term debt is attributed greatly to the City's business-type activities. Long-term debt of governmental activities only accounts for 2.21% of total long-term debt.



Additional information on outstanding debt can be found in Note 11 on pages 47 through 49 of this report.

Currently Known Conditions Affecting Future Years

Utilities:

The City of Ringgold has begun to see the need to increase water rates as the cost to treat potable water has continued to increase. The City increased rates effective May 1, 2023 by 10% to assist in satisfying this enterprise fund.

The Water Department has also requested design for the introduction of a well water system capable of 1,000,000 gallons per day. This project will utilize ARPA funds and general fund to connect this source to our water system. This will lower the cost to produce water, as well water has a lower cost to produce.

In 2024 the water department will also be installing a critical component of the water distribution system that connects the water plant to the main storage facility for our city on Peters Lane. This project is estimated at $1.2 million and funding is currently being sought.

The City of Ringgold also has found an additional increase to cost of treatment of wastewater with a 6% increase from the City of Chattanooga. It is expected to continue to increase at this amount annually. Currently the City of Ringgold has debt forgiveness on construction cost that lowers the cost of treatment from the City of Chattanooga. This debt forgiveness will expire in 2031.

Recreation:
The City of Ringgold has began to look at the development of the Ringgold Recreation complex. The estimate for the development/rehabilitation is $1,400,000 with the addition of pickleball courts. This will also be funded bi annually by the LWCF grant of a max award of $200,000.

The City has also awarded the contract to finish the concrete path of the Golden Mile Phase 2. This has an awarded grant of $200,000 with a project cost of $447,250.

Public Works:
The City of Ringgold's Public Works department has partnered with GDOT with the Transportation Improvement Program TIP, to pave 6 of our city streets with a $500,000 grant and 10% match. This project will be bid in April of 2023.

We are continually using the LMIG grant from GDOT to help with paving needs. The intention of the use of funds this year are related to the needs of sidewalk around the Ringgold High school area. Annually Ringgold receives nearly $50,000 to utilize for transportation.

This department also has a focus this year to continue to improve stormwater with a project on Meadow Lane, estimated at $100,000 and to utilize in house personnel.

Police:
Much as with most police departments, Ringgold has faced the issue of finding qualified officers to work within this department. This department has lost 4 officers since October, but greater benefits have been provided to attract new employees. This department began offering membership within the Fraternal Order of Police with legal defense, Peace Officer's Annuity Benefit, and we are currently looking at providing sponsorship to a POST certification. All to attract individuals to this profession that has become less than attractive from a national view in recent years.

CVB:
The Convention and Visitor's Bureau has began to find greater funding through an excise change on the Hotel/ Motel Tax moving from 6% to 8%. This has allowed the board to begin to utilize these funds for TPD projects such as pickle ball courts and a dog park.

DDA:
The DDA is taking on a project in 2023 that has been planned since 2017, The Strategic Vision Plan is a community wide project to bring beautification to our downtown. This project has a contract cost of $2,546,748 with a grant of $1,421,316 from the DCA.

Summary:
The City of Ringgold has a large amount of capital expenditures being utilized over the next 2 years on projects. Yet there has been a shift in focus to allow enterprise funds to be self-sufficient or become this way over time.

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, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash	$ 2,108,106	$ 1,693,694	$ 3,801,800
Investments	9,946,475	-	9,946,475
Accounts receivable - net	441,987	273,718	715,705
Grants receivable	25,000	-	25,000
Property tax receivable - net	66,228	-	66,228
Prepaid expenses	27,797	-	27,797
Due from other governments	698,318	-	698,318
Internal balances	(5,449,516)	5,449,516	-
Total current assets	7,864,395	7,416,928	15,281,323
Non-current assets			
Capital assets			
Land and construction in progress	813,766	320,794	1,134,560
Other capital assets - net of accumulated depreciation	7,830,732	19,440,002	27,270,734
Total non-current assets	8,644,498	19,760,796	28,405,294
TOTAL ASSETS	$ 16,508,893	$ 27,177,724	$ 43,686,617
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 193,616	$ 73,921	$ 267,537

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

CITY OF RINGGOLD, GEORGIA
Statement of Net Position (Continued)
December 31, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities			
Accounts payable	$ 215,591	$ 102,548	$ 318,139
Accrued wages	18,765	7,555	26,320
Accrued liabilities	56,715	147,920	204,635
Accrued grant revenue	1,355,574	-	1,355,574
Unearned revenue	54,123	-	54,123
Bond payable - due in one year	-	455,000	455,000
Total current liabilities	1,700,768	713,023	2,413,791
Non-current liabilities			
Compensated absences	111,442	66,892	178,334
Customer deposits	-	101,772	101,772
Note payable	-	9,790	9,790
Bond payable	-	4,298,000	4,298,000
Net OPEB liability	1,069,460	395,552	1,465,012
Total non-current liabilities	1,180,902	4,872,006	6,052,908
TOTAL LIABILITIES	$ 2,881,670	$ 5,585,029	$ 8,466,699
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 496,166	$ 183,514	$ 679,680
NET POSITION			
Net investment in capital assets	$ 8,644,498	$ 14,998,006	$ 23,642,504
Restricted for:			
Downtown development	109,418	-	109,418
Haunted depot	120,415	-	120,415
Confiscated assets	4,512	-	4,512
Ringgold depot	121,170	-	121,170
Tourism	200,716	-	200,716
Technology	35,138	-	35,138
Unrestricted	4,088,806	6,485,096	10,573,902
TOTAL NET POSITION	$ 13,324,673	$ 21,483,102	$ 34,807,775

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

CITY OF RINGGOLD, GEORGIA
Statement of Activities
Year Ended December 31, 2022

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	$ 1,567,723	$ 123,220	$ 6,000	$ 191,817	$ (1,246,686)	$ -	$ (1,246,686)
Public safety	1,313,134	604,148	7,500	-	(701,486)	-	(701,486)
Public works	1,062,684	11,197	-	46,182	(1,005,305)	-	(1,005,305)
Public welfare and recreation	704,232	225,116	37,890	-	(441,226)	-	(441,226)
Total governmental activities	4,647,773	963,681	51,390	237,999	(3,394,703)	-	(3,394,703)
Business-type activities:							
Sewer	2,439,570	2,713,667	-	-	-	274,097	274,097
Water	822,013	771,562	-	-	-	(50,451)	(50,451)
Total business-type activities	3,261,583	3,485,229	-	-	-	223,646	223,646
Total primary government	$ 7,909,356	$ 4,448,910	$ 51,390	$ 237,999	(3,394,703)	223,646	(3,171,057)
General revenues:							
Property tax					826,412	-	826,412
Franchise tax					602,442	-	602,442
Local option sales tax					1,496,090	-	1,496,090
Motor vehicle tax					95,493	-	95,493
Occupational tax					165,331	-	165,331
Hotel/motel tax					668,727	-	668,727
Payment in lieu of taxes - TVA					9,540	-	9,540
Other taxes					669,390	-	669,390
Interest revenue					(210,387)	-	(210,387)
Other revenue					63,136	-	63,136
Transfers					(156,635)	156,635	-
Total general revenues and transfers					4,229,539	156,635	4,386,174
Change in net position					834,836	380,281	1,215,117
Net position - beginning (as restated)					12,489,837	21,102,821	33,592,658
Net position - end					$ 13,324,673	$ 21,483,102	$ 34,807,775

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

CITY OF RINGGOLD, GEORGIA
Governmental Funds
Balance Sheet
December 31, 2022

	General Fund	Hotel/Motel Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	$ 1,417,399	$ -	$ 690,707	$ 2,108,106
Investments	9,946,475	-	-	9,946,475
Accounts receivable - net	390,642	51,345	-	441,987
Grants receivable	25,000	-	-	25,000
Property tax receivable - net	66,228	-	-	66,228
Prepaid expenses	27,797	-	-	27,797
Due from other governments	698,318	-	-	698,318
Due from other funds	62,252	-	-	62,252
TOTAL ASSETS	$ 12,634,111	$ 51,345	$ 690,707	$ 13,376,163
LIABILITIES				
Accounts payable	$ 196,930	$ -	$ 18,661	$ 215,591
Accrued wages	17,774	-	991	18,765
Accrued liabilities	42,059	-	14,656	56,715
Accrued grant revenue	1,355,574	-	-	1,355,574
Unearned revenue	-	-	54,123	54,123
Due to other funds	5,449,516	51,345	10,907	5,511,768
TOTAL LIABILITIES	$ 7,061,853	$ 51,345	$ 99,338	$ 7,212,536
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	$ 38,119	$ -	$ -	$ 38,119
FUND BALANCES				
Nonspendable	$ 27,797	$ -	$ -	$ 27,797
Restricted	-	-	591,369	591,369
Unassigned	5,506,342	-	-	5,506,342
TOTAL FUND BALANCES	$ 5,534,139	$ -	$ 591,369	$ 6,125,508

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, 2022

Total fund balances per governmental funds balance sheet	$ 6,125,508
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	8,644,498
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.	(111,442)
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.	(1,372,010)
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.	38,119
Net position of governmental activities	$ 13,324,673

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, 2022

	General Fund	Hotel/Motel Tax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 3,843,613	$ 668,727	$ -	$ 4,512,340
License and permits	108,120	-	-	108,120
Intergovernmental	68,722	-	191,817	260,539
Fines and forfeitures	573,597	-	30,551	604,148
Interest revenue	(210,387)	-	-	(210,387)
Charges for services	97,573	-	3,032	100,605
Other revenue	44,462	-	199,861	244,323
TOTAL REVENUES	4,525,700	668,727	425,261	5,619,688
EXPENDITURES				
Current expenditures				
General government	1,118,857	-	-	1,118,857
Public safety	1,403,330	-	8,488	1,411,818
Public works	809,169	-	-	809,169
Public welfare and recreation	522,211	-	561,374	1,083,585
Capital outlay	-	-	191,817	191,817
Debt service	37	-	-	37
TOTAL EXPENDITURES	3,853,604	-	761,679	4,615,283
Excess (deficiency) of revenues over (under) expenditures	672,096	668,727	(336,418)	1,004,405
OTHER FINANCING SOURCES (USES)				
Insurance reimbursement	-	-	6,246	6,246
Transfers in	342,611	-	503,788	846,399
Transfers out	(287,457)	(668,727)	(46,850)	(1,003,034)
Total other financing sources (uses)	55,154	(668,727)	463,184	(150,389)
Net changes in fund balances	727,250	-	126,766	854,016
Fund balances - beginning	4,806,889	-	464,603	5,271,492
Fund balances - end	$ 5,534,139	$ -	$ 591,369	$ 6,125,508

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, 2022

Net change in fund balances for total governmental funds	$ 854,016
Governmental funds report capital outlay as expenditures, however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.	35,582
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	13,315
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.	37
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.	(57,997)
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	(10,117)
Change in net position of governmental activities	$ 834,836

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, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
City property tax	$ 830,200	$ 830,200	$ 828,915	$ (1,285)
Premium tax	260,000	260,000	280,982	20,982
Franchise tax	600,000	600,000	602,442	2,442
Excise tax	81,000	81,000	148,570	67,570
Local option sales tax	1,260,500	1,260,500	1,468,958	208,458
Local option mixed drink tax	17,000	17,000	27,132	10,132
Alcoholic beverage tax	170,000	170,000	186,890	16,890
Motor vehicle tax	94,000	94,000	95,493	1,493
Occupational tax	125,000	125,000	165,331	40,331
Intangible tax	30,000	30,000	29,298	(702)
Pawnbroker fees	1,100	1,100	1,770	670
Other taxes	1,500	1,500	1,587	87
Real estate transfer tax	5,000	5,000	6,245	1,245
Total taxes	3,475,300	3,475,300	3,843,613	368,313
License and permits				
Malt beverage and liquor license	31,500	31,500	61,500	30,000
Insurance license	-	-	18,560	18,560
Other licenses	2,700	2,700	28,060	25,360
Total license and permits	34,200	34,200	108,120	73,920
Intergovernmental				
Payment in lieu of taxes - TVA	7,000	7,000	9,540	2,540
Other awards	10,000	11,000	6,000	(5,000)
Grant revenue	527,700	527,700	53,182	(474,518)
Total intergovernmental	544,700	545,700	68,722	(476,978)
Fines and forfeitures				
Police and courts	290,000	290,000	573,597	283,597
Investment revenue				
Investment gains (losses)	85,000	85,000	(210,387)	(295,387)

(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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Charges for services				
Other fees	$ 7,600	$ 7,600	$ 16,767	$ 9,167
Solid waste fees	9,000	9,000	11,073	2,073
Pool fees and pool concessions	50,300	50,300	63,343	13,043
Flag charges	7,000	7,000	4,340	(2,660)
Rental	1,900	1,900	2,050	150
Total charges for services	75,800	75,800	97,573	21,773
Other revenue				
Sale of equipment	1,000	1,000	24,771	23,771
Contributions and donations	4,000	4,000	4,680	680
Insurance recoveries	2,000	2,000	2,600	600
Miscellaneous	-	-	12,411	12,411
Total other revenue	7,000	7,000	44,462	37,462
TOTAL REVENUES	4,512,000	4,513,000	4,525,700	12,700
EXPENDITURES				
Current expenditures				
General government				
Financial administration				
Administrative salaries	410,000	410,000	393,548	16,452
Payroll taxes	28,150	28,150	29,689	(1,539)
Administrative	2,500	2,500	4,780	(2,280)
Advertising	2,000	2,000	-	2,000
Drug testing fees	1,000	1,000	490	510
Dues and subscriptions	27,000	27,000	42,862	(15,862)
Education and travel	10,000	10,000	13,019	(3,019)
Insurance	170,600	170,600	126,072	44,528
Miscellaneous	3,000	4,000	2,583	1,417
Printing and postage	7,500	7,500	8,484	(984)
Professional services	35,600	35,600	44,578	(8,978)
Repairs and maintenance	4,000	4,000	5,238	(1,238)
Retirement	30,200	30,200	30,061	139
Supplies and materials	18,000	18,000	17,906	94
Telephone	16,500	16,500	13,095	3,405
Vehicles	2,700	2,700	3,190	(490)
Total financial administration	768,750	769,750	735,595	34,155

(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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Buildings and plant				
Salaries	$ 43,000	$ 43,000	$ 30,333	$ 12,667
Payroll taxes	3,100	3,100	1,879	1,221
Dues and subscriptions	1,000	1,000	1,755	(755)
Insurance	54,000	54,000	50,927	3,073
Professional services	2,500	2,500	4,865	(2,365)
Repairs and maintenance	14,000	14,000	18,472	(4,472)
Retirement	3,500	3,500	-	3,500
Supplies and materials	15,000	15,000	7,820	7,180
Travel	500	500	51	449
Uniforms	1,000	1,000	1,385	(385)
Utilities	20,000	20,000	20,704	(704)
Vehicles	2,500	2,500	4,867	(2,367)
Total buildings and plant	160,100	160,100	143,058	17,042
Council				
Council salaries	18,500	18,500	18,300	200
Payroll taxes	1,500	1,500	1,400	100
Dues and subscriptions	100	100	102	(2)
Education and travel	25,000	25,000	22,794	2,206
Insurance	-	-	48	(48)
Professional services	1,000	1,000	752	248
Supplies and materials	1,900	11,900	1,900	10,000
Total council	48,000	58,000	45,296	12,704
Municipal court				
City judge	49,750	49,750	38,571	11,179
Payroll taxes	4,000	4,000	2,915	1,085
Dues and subscriptions	-	-	72	(72)
Education and travel	3,000	3,000	1,487	1,513
Insurance	6,350	6,350	6,490	(140)
Postage	100	100	52	48
Professional services	1,750	1,750	3,812	(2,062)
Retirement	2,400	2,400	2,307	93
Supplies and materials	2,600	2,600	747	1,853
Total municpial court	69,950	69,950	56,453	13,497

(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, 2022

	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	4,000	1,500	2,500
Total elections	15,000	5,000	1,500	3,500
Legal and auditing services				
Professional services	71,000	71,000	129,058	(58,058)
Mayor				
Mayor salaries	6,000	6,000	6,000	-
Payroll taxes	500	500	459	41
Education and travel	5,000	5,000	1,401	3,599
Insurance	-	-	37	(37)
Professional services	100	100	-	100
Supplies and materials	200	200	-	200
Total mayor	11,800	11,800	7,897	3,903
Total general government	1,144,600	1,145,600	1,118,857	26,743
Public safety				
Police department				
Salaries	675,000	675,000	586,052	88,948
Payroll taxes	38,600	38,600	43,414	(4,814)
Dues and subscriptions	5,000	5,000	4,568	432
Education and travel	11,000	11,000	4,980	6,020
Insurance	252,500	252,500	218,395	34,105
Miscellaneous	7,000	7,000	4,000	3,000
Printing and postage	1,500	1,500	1,212	288
Professional services	34,700	31,700	23,182	8,518
Repairs and maintenance	23,000	23,000	14,746	8,254
Retirement	34,000	34,000	22,346	11,654
Supplies and materials	99,600	102,600	147,296	(44,696)
Telephone	4,000	4,000	5,000	(1,000)
Uniforms	10,000	10,000	9,239	761
Utilities	2,500	2,500	1,891	609
Vehicles	41,000	41,000	57,342	(16,342)
Total police department	1,239,400	1,239,400	1,143,663	95,737

(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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public safety (Continued)				
Fire department				
Operations	$ 260,000	$ 260,000	$ 259,667	$ 333
Total public safety	1,499,400	1,499,400	1,403,330	96,070
Public works				
Street department				
Salaries	173,000	173,000	157,703	15,297
Payroll taxes	10,500	10,500	11,969	(1,469)
Dues and subscriptions	1,000	1,000	404	596
Education and travel	2,000	2,000	3,203	(1,203)
Insurance	74,500	74,500	68,294	6,206
Professional services	7,000	7,000	12,753	(5,753)
Repairs and maintenance	180,000	180,000	157,739	22,261
Retirement	13,000	13,000	11,313	1,687
Site purchases	776,000	776,000	54,173	721,827
Stormwater mapping	2,000	2,000	-	2,000
Street lights	52,000	52,000	41,000	11,000
Supplies and materials	37,500	37,500	39,088	(1,588)
Telephone	1,800	1,800	1,555	245
Uniforms	3,000	3,000	3,373	(373)
Utilities	9,000	9,000	7,661	1,339
Vehicles	7,000	7,000	11,944	(4,944)
Total street department	1,349,300	1,349,300	582,172	767,128

(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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public works (Continued)				
Solid waste department				
Salaries	$ 57,500	$ 57,500	$ 51,433	$ 6,067
Payroll taxes	4,300	4,300	3,504	796
Dues and subscriptions	200	200	-	200
Insurance	23,000	23,000	35,973	(12,973)
Landfill fees	75,000	75,000	98,172	(23,172)
Professional services	500	500	322	178
Recycling disposal	2,000	2,000	227	1,773
Repairs and maintenance	15,000	15,000	10,207	4,793
Retirement	5,000	5,000	4,825	175
Supplies and materials	1,000	1,000	63	937
Travel	-	-	60	(60)
Uniforms	1,000	1,000	980	20
Vehicles	11,500	11,500	21,231	(9,731)
Total solid waste department	196,000	196,000	226,997	(30,997)
Total public works	1,545,300	1,545,300	809,169	736,131
Public welfare and recreation				
Pool operations				
Salaries	37,500	37,500	31,219	6,281
Payroll taxes	2,800	2,800	2,389	411
Concessions	2,800	2,800	4,141	(1,341)
Dues and subscriptions	-	-	134	(134)
Insurance	2,400	2,400	2,172	228
Professional services	100	100	-	100
Repairs and maintenance	11,800	11,800	779	11,021
Supplies and materials	13,000	13,000	8,785	4,215
Telephone	1,700	1,700	1,625	75
Travel	-	-	17	(17)
Utilities	5,000	5,000	4,745	255
Total pool operations	77,100	77,100	56,006	21,094

(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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public welfare and recreation (Continued)				
Parks and recreation				
Salaries	$ 151,000	$ 151,000	$ 142,014	$ 8,986
Payroll taxes	10,700	10,700	10,793	(93)
Education and travel	1,000	1,000	900	100
Flag supplies	11,000	11,000	3,044	7,956
Insurance	46,500	46,500	42,331	4,169
Professional services	6,000	6,000	689	5,311
Property rental	2,000	2,000	1,035	965
Repairs and maintenance	33,000	33,000	12,191	20,809
Retirement	10,000	10,000	9,748	252
Supplies and materials	251,050	251,050	226,188	24,862
Uniforms	2,800	2,800	2,378	422
Utilities	2,700	2,700	7,180	(4,480)
Vehicles	6,000	6,000	7,714	(1,714)
Total parks and recreation	533,750	533,750	466,205	67,545
Total public welfare and recreation	610,850	610,850	522,211	88,639
Debt service				
Retirement of debt	48,000	48,000	37	47,963
TOTAL EXPENDITURES	4,848,150	4,849,150	3,853,604	995,546
Excess (deficiency) of revenues over (under) expenditures	(336,150)	(336,150)	672,096	1,008,246
OTHER FINANCING SOURCES (USES)				
Transfers in	261,950	261,950	342,611	80,661
Transfers out	(110,200)	(110,200)	(287,457)	(177,257)
Total other financing sources (uses)	151,750	151,750	55,154	(96,596)
Net changes in fund balances	(184,400)	(184,400)	727,250	911,650
Fund balances - beginning	4,806,889	4,806,889	4,806,889	-
Fund balances - end	$ 4,622,489	$ 4,622,489	$ 5,534,139	$ 911,650

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, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Taxes				
Hotel/motel tax	$ 470,000	$ 470,000	$ 668,727	$ 198,727
TOTAL REVENUES	470,000	470,000	668,727	198,727
Excess (deficiency) of revenue over (under) expenditures	470,000	470,000	668,727	198,727
OTHER FINANCING SOURCES (USES)				
Transfers out	(470,000)	(470,000)	(668,727)	(198,727)
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, 2022

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
ASSETS			
Current assets			
Cash	$ 941,828	$ 751,866	$ 1,693,694
Accounts receivable	221,015	52,703	273,718
Due from other funds	5,427,008	22,508	5,449,516
Total current assets	6,589,851	827,077	7,416,928
Non-current assets			
Capital assets			
Land and construction in progress	204,415	116,379	320,794
Other capital assets - net of accumulated depreciation	17,677,998	1,762,004	19,440,002
Total capital assets	17,882,413	1,878,383	19,760,796
TOTAL ASSETS	$ 24,472,264	$ 2,705,460	$ 27,177,724
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 38,330	$ 35,591	$ 73,921
LIABILITIES			
Current liabilities			
Accounts payable	$ 81,415	$ 21,133	$ 102,548
Accrued wages	3,503	4,052	7,555
Accrued liabilities	147,920	-	147,920
Bonds payable - due in one year	455,000	-	455,000
Total current liabilities	687,838	25,185	713,023
Non-current liabilities			
Compensated absences	35,226	31,666	66,892
Customer deposits	-	101,772	101,772
Note payable	-	9,790	9,790
Bonds payable	4,298,000	-	4,298,000
Net OPEB liability	205,101	190,451	395,552
Total non-current liabilities	4,538,327	333,679	4,872,006
TOTAL LIABILITIES	$ 5,226,165	$ 358,864	$ 5,585,029
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 95,156	$ 88,358	$ 183,514
NET POSITION			
Net investment in capital assets	$ 13,129,413	$ 1,868,593	$ 14,998,006
Unrestricted	6,059,860	425,236	6,485,096
TOTAL NET POSITION	$ 19,189,273	$ 2,293,829	$ 21,483,102

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, 2022

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
OPERATING REVENUES			
Sewer charges	$ 2,607,887	$ -	$ 2,607,887
Water sales	-	739,593	739,593
Installation charges	105,780	7,800	113,580
Penalties	-	24,169	24,169
Total operating revenues	2,713,667	771,562	3,485,229
OPERATING EXPENSES			
Operating and maintenance	1,546,715	643,579	2,190,294
Administration and general	20,846	28,058	48,904
Depreciation	663,399	150,152	813,551
Total operating expenses	2,230,960	821,789	3,052,749
Operating income (loss)	482,707	(50,227)	432,480
NON-OPERATING REVENUES (EXPENSES)			
Interest expense	(208,610)	(224)	(208,834)
Income (loss) before transfers	274,097	(50,451)	223,646
Transfers in	-	156,635	156,635
Changes in net position	274,097	106,184	380,281
Total net position - beginning	18,915,176	2,187,645	21,102,821
Total net position - end	$ 19,189,273	$ 2,293,829	$ 21,483,102

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, 2022

	Enterprise		
	Sewer Fund	Water Fund	Totals
Cash Flows from Operating Activities			
Receipts from customers	$ 2,757,331	$ 718,859	$ 3,476,190
Payments to suppliers	(1,208,764)	(363,873)	(1,572,637)
Payments to employees	(267,176)	(292,840)	(560,016)
Net cash provided (used) by operating activities	1,281,391	62,146	1,343,537
Cash Flows from Capital and Related Financing Activities			
Transfers	-	156,635	156,635
Acquiring and construction of capital assets	(7,091)	(63,606)	(70,697)
Principal paid on long-term debt	(438,000)	(26,463)	(464,463)
Interest paid on long-term debt	(208,610)	(224)	(208,834)
Net cash provided (used) for capital and related financing activities	(653,701)	66,342	(587,359)
Cash Flows from Non-Capital Financing Activities			
(Increase) in due from other funds	(808,260)	(22,508)	(830,768)
Net increase (decrease) in cash	(180,570)	105,980	(74,590)
Cash - beginning	1,122,398	645,886	1,768,284
Cash - end	$ 941,828	$ 751,866	$ 1,693,694
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ 482,707	$ (50,227)	$ 432,480
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	663,399	150,152	813,551
(Increase) decrease in deferred outflows related to OPEB	8,549	7,939	16,488
Increase (decrease) in deferred inflows related to OPEB	73,375	68,134	141,509
Increase (decrease) in net OPEB liability	(63,023)	(58,522)	(121,545)
(Increase) decrease in accounts receivable	43,664	(52,703)	(9,039)
Increase (decrease) in accounts payable	74,021	16,719	90,740
Increase (decrease) in accrued wages	3,503	4,052	7,555
Increase (decrease) in accrued liabilities	(20,436)	(2,992)	(23,428)
Increase (decrease) in customer deposits	-	5,416	5,416
Increase (decrease) in compensated absences	15,632	(25,822)	(10,190)
Net cash provided (used) by operating activities	$ 1,281,391	$ 62,146	$ 1,343,537

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

CITY OF RINGGOLD, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Custodial Funds
ASSETS	
Cash	$ 111,061
Due from other governments	116,633
TOTAL ASSETS	$ 227,694
LIABILITIES	
Surety bonds payable	$ 42,527
Due to other governments	68,534
TOTAL LIABILITIES	$ 111,061
NET POSITION	
Restricted for:	
Baxter addition	$ 116,633

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, 2022

	Custodial Funds
ADDITIONS	
Court fines	$ 128,306
Donations	6,653
Total additions	134,959
DEDUCTIONS	
Court fines remitted	128,306
Cemetery care	2,375
Total deductions	130,681
Net increase (decrease) in fiduciary net position	4,278
Net position - beginning	112,355
Net position - ending	$ 116,633

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. Certain indirect costs are included in program expenses reported for individual functions. 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. Fiduciary funds are not included in the government-wide financial statements.

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

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

The City reports the following major governmental 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basic Financial Statements (Continued)

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.

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, 2022
Levy date	October 20, 2022
Tax bills mailed	October 20, 2022
Payment due date	October 20, 2022 through February 28, 2023
Delinquency date	March 1, 2023

H. Interfund Transactions

Interfund Receivables and Payables

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

Transactions between Funds

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

I. Prepayment of Expenditures

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

J. Inventories

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

K. Restricted Assets

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

L. Capital Assets

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

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

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

Asset Class	Years
Buildings	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, 2022, and April 3, 2023, 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 $13,746,275. The financial institution balance was $14,026,736. 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, 2022, none of the City's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

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

Cash	$ 3,801,800
Investments	9,946,475
Less: Petty cash	(2,000)
Total	$ 13,746,275

Investments

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

Investments	$ 9,946,475

NOTE 3 - ACCOUNTS RECEIVABLE - NET

Accounts receivable at December 31, 2022, consist of the following:

	General Fund	Hotel/Motel Tax Fund	Sewer Fund	Water Fund	Total
Franchise taxes	$ 267,626	$ -	$ -	$ -	$ 267,626
Local beer/beverage tax	17,903	-	-	-	17,903
Business license	76	-	-	-	76
Hotel/motel tax	-	51,345	-	-	51,345
Customer receivables	-	-	233,335	62,383	295,718
Motor vehicle tax	7,786	-	-	-	7,786
Energy excise tax	12,066	-	-	-	12,066
Interest	29,683	-	-	-	29,683
Garbage fees	484	-	-	-	484
Other	55,018	-	-	-	55,018
Less: allowance for doubtful accounts	-	-	(12,320)	(9,680)	(22,000)
Total	$ 390,642	$ 51,345	$ 221,015	$ 52,703	$ 715,705

NOTE 4 - GRANTS RECEIVABLE

Grants receivable at December 31, 2022, consist of the following:

United States Department of Agriculture	$ 25,000

NOTE 5 - PROPERTY TAXES RECEIVABLE - NET

Property taxes receivable as of December 31, 2022, consist of the following:

Year of Levy	
2022	$ 67,321
2021	5,995
2020	1,717
2019	770
2018	314
2017	-
2016	31
2015	30
2014	30
	76,208
Less: allowance for uncollectibles	(9,980)
Property taxes receivable - net	$ 66,228

NOTE 6 - DUE FROM OTHER GOVERNMENTS

Due from other governments at December 31, 2022, consists of the following:

	Governmental Activities
Property tax collected by Catoosa County	$ 576,928
Local Option Sales Tax receivable	121,390
Total	$ 698,318

NOTE 7 - INTERNAL BALANCES

The City of Ringgold maintains a combined checking account for the General, Hotel/Motel Tax, Confiscated Assets, Sewer, and Water 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
General Fund	$ -	$ 51,345	$ 5,907	$ 5,000	$ 62,252
Sewer Fund	5,427,008	-	-	-	5,427,008
Water Fund	22,508	-	-	-	22,508
Total	$ 5,449,516	$ 51,345	$ 5,907	$ 5,000	$ 5,511,768

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, 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	6,685,174	302,768	-	6,987,942
Building and improvements	4,415,341	-	-	4,415,341
Vehicles	1,437,922	123,277	-	1,561,199
Equipment	1,315,090	270,335	(76,917)	1,508,508
Total capital assets being depreciated	13,853,527	696,380	(76,917)	14,472,990
Less accumulated depreciation for:				
Land improvements	2,089,674	341,282	-	2,430,956
Buildings and improvements	1,830,898	122,495	-	1,953,393
Vehicles	1,066,642	103,719	-	1,170,361
Equipment	1,071,163	93,302	(76,917)	1,087,548
Total accumulated depreciation	6,058,377	660,798	(76,917)	6,642,258
Total capital assets being depreciated - net	7,795,150	35,582	-	7,830,732
Governmental activities capital assets - net	$ 8,608,916	$ 35,582	$ -	$ 8,644,498

NOTE 8 - CAPITAL ASSETS (Continued)

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

General government	$ 345,870
Public safety	69,883
Public welfare and recreation	128,870
Public works	116,175
Total	$ 660,798

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	$ 265,815	$ 22,090	$ -	$ -	$ 287,905
Construction in progress	-	32,889	-	-	32,889
Total capital assets not being depreciated	265,815	54,979	-	-	320,794
Capital assets being depreciated:					
Buildings	833,138	-	-	-	833,138
Equipment	1,305,678	15,718	(53,704)	-	1,267,692
Sewer lines	26,310,909	-	-	-	26,310,909
Vehicles	840,864	-	-	-	840,864
Water lines	3,241,199	-	-	-	3,241,199
Total capital assets being depreciated	32,531,788	15,718	(53,704)	-	32,493,802
Less accumulated depreciation for:					
Buildings	553,903	17,714	-	-	571,617
Equipment	980,453	62,102	(53,704)	-	988,851
Sewer lines	8,676,104	550,122	-	-	9,226,226
Vehicles	469,359	63,209	-	-	532,568
Water lines	1,614,134	120,404	-	-	1,734,538
Total accumulated depreciation	12,293,953	813,551	(53,704)	-	13,053,800
Total capital assets being depreciated - net	20,237,835	(797,833)	-	-	19,440,002
Business-type activities capital assets - net	$ 20,503,650	$(742,854)	$ -	$ -	$ 19,760,796

NOTE 9 - DEFERRED OUTFLOWS RELATED TO OPEB

Deferred outflows related to OPEB at December 31, 2022, consists of the following:

Beginning balance as restated (see note 28)	$ 288,048
Amortization of deferrals	(14,270)
Prepayments	40,560
Reverse prior year payments	(46,801)
Total	$ 267,537

NOTE 10 - ACCRUED GRANT REVENUE

Accrued grant revenue at December 31, 2022, consist of the following:

Department of Human Services	$ 1,355,574

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	$ -
Compensated absences	111,442
	111,442
Less: current portion of governmental debt	(-)
Total governmental long-term debt	$ 111,442

A summary of changes in governmental long-term debt for the year ended December 31, 2022, are as follows:

	Balance 12-31-21	Additions	Retirements	Balance 12-31-22	Due Within One Year
Direct borrowings:					
USDA Note	$ 37	$ -	$(37)	$ -	$ -
Other debt:					
Compensated absences	101,325	10,117	-	111,442	-
Total	$ 101,362	$ 10,117	$(37)	111,442	$ -
Less: current portion of governmental long-term debt				-	
Total governmental long-term debt				$ 111,442	

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.

A debt service schedule is not required for compensated absences. Governmental debt is generally liquidated by the General Fund.

Interest paid during the year ended December 31, 2022, on governmental long-term debt was $0.

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt

Sewer Fund

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

	Principal Balance
Sewer System Revenue Improvement Bonds, Series 2005, 4.15%, due April 1, 2031, original balance $9,600,000, direct borrowing	$ 4,753,000
Compensated absences	35,226
	4,788,226
Less: current portion of sewer debt	(455,000)
Total sewer long-term debt	$ 4,333,226

A summary of changes in sewer long-term debt for the year ended December 31, 2022, are as follows:

	Balance 12-31-21	Additions	Retirements	Balance 12-31-22	Amount Due Within One Year
Direct borrowings:					
Revenue bonds	$ 5,191,000	$ -	$ (438,000)	$ 4,753,000	$ 455,000
Other debt:					
Compensated absences	19,594	15,632	-	35,226	-
Total	$ 5,210,594	$ 15,632	$ (438,000)	4,788,226	$ 455,000
Less: current portion of Sewer Fund long-term debt				(455,000)	
Total Sewer Fund long-term debt				$ 4,333,226	

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

Sewer Fund debt service requirements to maturity, including interest of $982,643, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
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
2028-2031	2,279,000	208,887	2,487,887
Total	$ 4,753,000	$ 982,643	$5,735,643

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

Interest paid during the year ended December 31, 2022, on sewer long-term debt was $208,610.

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

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	$ -
Georgia Environmental Facilities Administration Loan, 1.56%, still in draw down phase as of December 31, 2022	9,790
Customer deposits	101,772
Compensated absences	31,666
	143,228
Less: current portion of water debt	-
Total water long-term debt	$ 143,228

A summary of changes in water long-term debt for the year ended December 31, 2022, are as follows:

	Balance 12-31-21	Additions	Retirements	Balance 12-31-22	Amount Due Within One Year
Direct borrowings:					
GEFA loan	$ 26,463	$ -	$ (26,463)	$ -	$ -
GEFA loan	9,790	-	-	9,790	-
Total direct borrowings	36,253	-	(26,463)	9,790	-
Other debt:					
Customer deposits	96,356	5,416	-	101,772	-
Compensated absences	57,488	-	(25,822)	31,666	-
Total other debt	153,844	5,416	(25,822)	133,438	-
Total	$ 190,097	$ 5,416	$ (52,285)	143,228	$ -
Less: current portion of Water Fund long-term debt				-	
Total Sewer Fund long-term debt				$ 143,228	

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.

No debt service requirements schedule is required for customer deposits, compensated absences, or the loan in draw down.

Interest paid during the year ended December 31, 2022, on water long-term debt was $224.

NOTE 12 - NET OPEB LIABILITY

Net OPEB liability at December 31, 2022 consists of the following:

Beginning balance	$ 1,915,178
Service cost	126,095
Interest expense	36,298
Differences between expected and actual experience	(259,991)
Assumption changes	(312,008)
Benefit payments	(40,560)
Total	$ 1,465,012

NOTE 13 - DEFERRED INFLOWS RELATED TO OPEB

Deferred inflows related to OPEB at December 31, 2022, consists of the following:

Beginning balance	$ 155,576
Differences between expected and actual experience	259,991
Changes of assumptions	312,008
Amortization of deferrals	(47,895)
Total	$ 679,680

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	$ 38,119	$ 38,119

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 $120,415 for future depot expenditures.

Confiscated Assets Fund restricts $4,512 for future confiscation expenditures.

Ringgold Depot Fund restricts $121,170 for the Ringgold Depot facility.

Visitor Center Fund restricts $200,716 to promote tourism in the Ringgold area.

Technology Fund restricts $35,138 for police expenditures.

The City also has $27,797 of nonspendable fund balance related to prepaid expenses.

NOTE 16 - TRANSFERS

Interfund transfers as of December 31, 2022, 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	$ -	$ 130,822	$ -	$ -	$156,635	$ 287,457
Hotel/Motel Fund	295,761	-	49,005	323,961	-	668,727
Visitor Center Fund	46,850	-	-	-	-	46,850
Total	$342,611	$ 130,822	$49,005	$323,961	$156,635	$ 1,003,034

Transfers from the General Fund and Visitor Center 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, 2022, is as follows:

Fund Balance - January 1, 2022	$ -
Lodging tax services	668,727
Amount available for disbursements	668,727
Disbursements:	
Transfer to General Fund	295,761
Transfer to the Ringgold Depot Fund	49,005
Transfer to Visitor Center Fund	323,961
Total disbursed	668,727
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 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 $(1,372,010) difference are as follows:

Deferred outflows related to OPEB	$ 193,616
Net OPEB liability	(1,069,460)
Deferred inflows related to OPEB	(496,166)
Net adjustment	$ (1,372,010)

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 $35,582 difference are as follows:

Depreciation expense	$(660,798)
Capital outlay	696,380
Net adjustment	$ 35,582

NOTE 18 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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 $(57,997) difference are as follows:

OPEB expense	$ (98,557)
Contributions	40,560
Net adjustment	$ (57,997)

NOTE 19 - COMPLIANCE WITH FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

Expenditures in the Haunted Depot Fund, Capital Projects Grant Fund, and Capital Projects Fund exceeded the amount budgeted by $632, $32,890, and $191,817, respectively.

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 $2,102,047. The amount of covered payroll was $1,256,752. Total contributions required was $150,845, which was 12% of covered payroll. The City's contribution required and actual was $125,675, which was 10% of covered payroll. The mandatory employee contributions required and actual was $25,170 which was 2% of covered payroll. Employee voluntary contributions totaled $49,050, making a total employee contribution of $74,220, which is 5.91% of covered payroll. The total City and employee contribution actually made was $199,895, which was 15.91% 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, 2022, 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, 2022, and is updated as of December 31, 2022 using the December 31, 2022 discount rate. The plan does not issue a stand-alone financial statement.

Fiscal Year Ending December 31, 2022	
Total OPEB liability	$ 1,465,012
Fiduciary net position	$ 0
Net OPEB liability	$ 1,465,012
OPEB expense	$ 135,009
Deferred (outflows)/inflows of resources	$ 412,143
Expected benefit payments	$ 40,560

Economic Assumptions

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

Assumption Selection Date	January 1, 2022	December 31, 2022
Discount rate	2.03%	3.72%
2022 medical trend rates	7.00%	7.00%
Ultimate medical trend rate	4.50%	4.50%
Year ultimate trend rates reached	2027	2027
Annual payroll increase	2.50%	2.50%

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

Experience Gains and Losses
The plan had an accumulated experience gain over the past two years primarily due to healthcare costs increasing less than assumed and favorable demographic experience. The impact on the total OPEB liability is provided later in this section.

Assumption Changes Included in Current Valuation
The healthcare cost trend rate was reset at 7.0% in 2022, grading down 0.5% per annum to an ultimate rate of 4.5% in years 2027 and later. The mortality table improvement scale was updated to MP-2021. The impact on the total OPEB liability is provided later in this section.

Benefit Changes Included in Current Valuation
None

Changes as of December 31, 2022
The discount rate was 2.03% as of December 31, 2021 and 3.72% as of December 31, 2022. The discount rate is based on the Bond Buyer's 20 Bond Index.

GASB 75 Liabilities and Expense
For Fiscal Year Ending December 31, 2022

I.	Present value of Future Benefits	
	A. Retirees/Disableds	$ 347,948
	B. Active Employees	2,635,876
	C. Total	$ 2,983,824
II.	Total OPEB Liability	
	A. Retiress/Disableds	$ 347,948
	B. Active Employees	1,117,064
	C. Total	$ 1,465,012
III.	Fiduciary Net Position	$ -
IV.	Net OPEB Liability	$ 1,465,012
V.	Expected Benefit Payments	
	A. Retirees/Disableds	$ 37,410
	B. Active Employees	3,150
	C. Total	$ 40,560
VI.	OPEB Expense	
	A. Service Cost	$ 126,095
	B. Interest	36,298
	C. Expected Return	-
	D. Changes of Benefit Terms	-
	E. Recognition of Deferred Outflows/Inflows of Resources	(27,384)
	F. OPEB Expense (A. + B. + C. + D. + E.)	$ 135,009

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

GASB 75 Liabilities and Expense
For Fiscal Year Ending December 31, 2022 (Continued)

VII.	Deferred (Outflows) of Resources	
	A. Experience Loss	$ -
	B. Change in Assumptions	(226,977)
	C. Prepayments	(40,560)
	D. Total	$ (267,537)
	Deferred Inflows of Resources	
	A. Experience Gain	$ 310,518
	B. Change in Assumptions	369,162
	C. Investment Gain	-
	D. Total	$ 679,680
	Recognition in Expense	
	Year Ended December 31,	
	2023	$ (27,384)
	2024	$ (27,384)
	2025	$ (27,384)
	2026	$ (27,384)
	2027	$ (27,384)
	Thereafter	$ (275,223)

The amount shown for prepayments (contributions subsequent to the measurement date) will be recognized as a reduction of the net OPEB liability.

Census Information

Employee Counts
As of January 1, 2020

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

Employee Counts
As of January 1, 2022

	Actives	Inactives Not Receiving Benefits	Inactives Receiving Benefits	Total
Male	25	-	3	28
Female	9	-	1	10
Total	34	-	4	38

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	-	4	4	-	-	-
30 - 34	-	4	4	-	-	-
35 - 39	-	4	4	-	-	-
40 - 44	-	7	7	-	-	-
45 - 49	-	3	3	-	-	-
50 - 54	-	5	5	-	-	-
55 - 59	2	2	4	-	-	-
60 - 64	-	3	3	-	-	-
65 and over	-	-	-	-	-	-
Total	2	32	34	-	-	-

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, 2022	As of January 1, 2020
Active Employees		
A. Average age at hire		
Males	32.6	32.7
Females	44.3	44.3
Total	35.7	35.4
B. Average Service		
Males	10.0	7.4
Females	5.2	3.2
Total	8.7	6.4
C. Average Current Age		
Males	42.6	40.1
Females	49.5	47.5
Total	44.4	41.8
Inactives Not Receiving Benefits		
D. Average Current Age		
Males	N/A	N/A
Females	N/A	N/A
Total	N/A	N/A
Inactives Receiving Benefits		
E. Average Current Age		
Males	76.4	74.4
Females	73.2	71.2
Total	75.6	73.6

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

Required Disclosures for Fiscal Year Ending December 31, 2022

Changes in Total OPEB Liability

Balance at 12/31/2021	$ 1,915,178
Changes for the year:	
Service cost	126,095
Interest	36,298
Changes in benefit terms	-
Differences between expected and actual experience	(259,991)
Changes in assumptions and other inputs	(312,008)
Benefit payments	(40,560)
Net changes	(450,166)
Balance at 12/31/2022	$ 1,465,012

Notes:

Plan changes - None

Assumption changes - The healthcare cost trend rates were reset.
The mortality improvement scale was updated.
The discount rate was 2.03% as of December 31,2021 and 3.72% as of December 31, 2022.

Sensitivity of the Total OPEB Liability

1% Decrease (2.72%)	Discount Rate (3.72%)	1% Increase (4.72%)
$ 1,654,936	$ 1,465,012	$ 1,301,708

1% Decrease (6.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (7.00% decreasing to 4.50%)	1% Increase (8.00% decreasing to 5.50%)
$ 1,358,510	$ 1,465,012	$ 1,595,446

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. A discount rate of 3.72% was used as of December 31, 2022. The discount rate was based on the Bond Buyer's 20 Bond Index.

2. Health Care Trend Rates:

It was assumed that health care costs would increase in accordance with the trend rates in the following table:

Year	Rates
2022	7.00%
2023	6.50%
2024	6.00%
2025	5.50%
2026	5.00%
2027+	4.50%

3. Mortality:

Current Valuation:
RPH-2014 Total Dataset Headcount-Weighted Fully Generational Mortality Table using Projection Scale MP-2021.

Prior Valuation:
RPH-2014 Total Dataset Headcount-Weighted Fully Generational Mortality Table using Projection Scale MP-2019.

4. 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%

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%

6. Disability Rates:

None Assumed

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

Actuarial Assumptions and Methodology (Continued)

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	11,593	13,373
51	12,045	13,625
52	12,513	13,886
53	13,008	14,120
54	13,529	14,363
55	14,077	14,606
56	14,641	14,858
57	15,223	15,110
58	15,787	15,483
59	16,369	15,874
60	16,977	16,274
61	17,602	16,673
62	18,254	17,090
63	18,601	17,420
64	18,957	17,750

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, 2022 - December 31, 2022

PPO 90/70	
Employee Only	$ 11,556.00
Employee and Family	$ 27,132.00
HMO 90	
Employee Only	$ 11,928.00
Employee and Family	$ 23,184.00
POS 80/60	
Employee Only	$ 10,584.00
Employee and Family	$ 19,162.80

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, 2022, 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, 2022, the City paid $3,429 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.

NOTE 28 - PRIOR PERIOD ADJUSTMENT

The prior year's OPEB valuation was an estimate, therefore, the current year's beginning balances required a restatement. This restatement resulted in the following adjustment:

	Governmental Activities
Prior year ending net position	$ 12,536,638
OPEB adjustment	(46,801)
Current year beginning net position	$ 12,489,837

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, 2022

	2018	2019	2020	2021	2022
Service cost	$ 87,071	$ 77,019	$ 129,367	$ 151,985	$ 126,095
Interest	46,508	54,649	43,554	39,748	36,298
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	(81,604)	-	(259,991)
Changes of assumptions and other inputs	(109,188)	255,146	66,128	21,805	(312,008)
Benefit payments	(32,171)	(34,745)	(38,610)	(42,343)	(40,560)
Net changes	(7,780)	352,069	118,835	171,195	(450,166)
Total OPEB liability - beginning	1,280,859	1,273,079	1,625,148	1,743,983	1,915,178
Total OPEB liability - ending	$ 1,273,079	$ 1,625,148	$ 1,743,983	$ 1,915,178	$ 1,465,012
Covered-employee payroll	$ 1,453,668	$ 1,490,010	$ 1,691,831	$ 1,734,127	$ 1,516,951
Total OPEB liability as a percentage of covered-employee payroll	87.58%	109.07%	103.08%	110.44%	96.58%

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%	3.72%
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	7.0% initially, grading down 4.5% in 2027
Mortality improvement scale	MP2018	MP2018	MP2019	MP2019	MP2021
Plan changes:	None	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, 2022

	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	$ 134,816	$ 125,199	$ 10,419	$ 130,206	$ 214,532	$ 35,397	$ 35,138	$ 5,000	$ 690,707
LIABILITIES									
Accounts payable	$ 2,357	$ -	$ -	$ 1,986	$ 13,233	$ 1,085	$ -	$ -	$ 18,661
Accrued wages	408	-	-	-	583	-	-	-	991
Accrued liabilities	2,822	4,784	-	7,050	-	-	-	-	14,656
Unearned revenue	19,811	-	-	-	-	34,312	-	-	54,123
Due to other funds	-	-	5,907	-	-	-	-	5,000	10,907
TOTAL LIABILITIES	$ 25,398	$ 4,784	$ 5,907	$ 9,036	$ 13,816	$ 35,397	$ -	$ 5,000	$ 99,338
FUND BALANCES									
Restricted	$ 109,418	$ 120,415	$ 4,512	$ 121,170	$ 200,716	$ -	$ 35,138	$ -	$ 591,369

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2022

	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	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 191,817	$ 191,817
Fines and forfeitures	-	-	4,990	-	-	-	25,561	-	30,551
Charges for services	2,305	-	-	-	727	-	-	-	3,032
Other revenue	34,898	66,637	-	27,636	37,800	32,890	-	-	199,861
TOTAL REVENUES	37,203	66,637	4,990	27,636	38,527	32,890	25,561	191,817	425,261
EXPENDITURES									
Current expenditures									
Public safety	-	-	125	-	-	-	8,363	-	8,488
Public welfare and recreation	168,025	23,632	-	50,622	286,205	32,890	-	-	561,374
Total current expenditures	168,025	23,632	125	50,622	286,205	32,890	8,363	-	569,862
Capital outlay	-	-	-	-	-	-	-	191,817	191,817
TOTAL EXPENDITURES	168,025	23,632	125	50,622	286,205	32,890	8,363	191,817	761,679
Excess (deficiency) of revenue over (under) expenditures	(130,822)	43,005	4,865	(22,986)	(247,678)	-	17,198	-	(336,418)
OTHER FINANCING SOURCES (USES)									
Insurance reimbursement	-	-	-	6,246	-	-	-	-	6,246
Transfers in	130,822	-	-	49,005	323,961	-	-	-	503,788
Transfers out	-	-	-	-	(46,850)	-	-	-	(46,850)
Total other financing sources (uses)	130,822	-	-	55,251	277,111	-	-	-	463,184
Net changes in fund balances	-	43,005	4,865	32,265	29,433	-	17,198	-	126,766
Fund balances - beginning	109,418	77,410	(353)	88,905	171,283	-	17,940	-	464,603
Fund balances - end	$ 109,418	$ 120,415	$ 4,512	$ 121,170	$200,716	$ -	$ 35,138	$ -	$ 591,369

CITY OF RINGGOLD, GEORGIA
Downtown Development Authority Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Promotions	$ 5,000	$ 5,000	$ 2,305	$ (2,695)
Other revenue				
Donations	1,000	1,000	-	(1,000)
Rental	25,200	25,200	23,651	(1,549)
Program fees	800	800	86	(714)
Events	17,500	17,500	9,493	(8,007)
Sale of equipment	-	-	1,668	1,668
Total other revenue	44,500	44,500	34,898	(9,602)
TOTAL REVENUES	49,500	49,500	37,203	(12,297)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	25,500	26,130	37,241	(11,111)
Payroll taxes	1,900	1,900	2,839	(939)
Dues and subscriptions	1,000	1,000	972	28
Education and travel	2,000	2,000	1,130	870
Grant expenses	5,000	5,000	4,838	162
Insurance	6,600	6,600	11,147	(4,547)
Postage	100	100	41	59
Professional services	-	-	337	(337)
Program expenses	4,500	4,500	4,375	125
Repairs and maintenance	16,000	16,000	824	15,176
Retirement	2,000	2,000	2,715	(715)
Ringgold playhouse	8,600	8,600	8,201	399
Site purchases and improvements	-	87,895	87,895	-
Supplies and materials	4,300	4,300	4,105	195
Utilities	2,000	2,000	1,365	635
Total public welfare and recreation	79,500	168,025	168,025	-
TOTAL EXPENDITURES	79,500	168,025	168,025	-
Excess (deficiency) of revenue over (under) expenditures	(30,000)	(118,525)	(130,822)	(12,297)
OTHER FINANCING SOURCES (USES)				
Transfers in	30,000	118,525	130,822	12,297
Net changes in fund balances	-	-	-	-
Fund balances - beginning	109,418	109,418	109,418	-
Fund balances - end	$ 109,418	$ 109,418	$ 109,418	$ -

CITY OF RINGGOLD, GEORGIA
Haunted Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Other revenue				
Haunted Depot	$ 53,000	$ 53,000	$ 66,637	$ 13,637
TOTAL REVENUES	53,000	53,000	66,637	13,637
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Professional services	3,000	3,000	3,600	(600)
Supplies and materials	20,000	20,000	20,032	(32)
Total public welfare and recreation	23,000	23,000	23,632	(632)
TOTAL EXPENDITURES	23,000	23,000	23,632	(632)
Excess (deficiency) of revenue over (under) expenditures	30,000	30,000	43,005	13,005
OTHER FINANCING SOURCES (USES)				
Transfers out	(30,000)	(30,000)	-	30,000
Net changes in fund balances	-	-	43,005	43,005
Fund balances - beginning	77,410	77,410	77,410	-
Fund balances - end	$ 77,410	$ 77,410	$ 120,415	$ 43,005

CITY OF RINGGOLD, GEORGIA
Confiscated Assets Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Fines and forfeitures				
Cash confiscation	$ 3,000	$ 3,000	$ 4,990	$ 1,990
TOTAL REVENUES	3,000	3,000	4,990	1,990
EXPENDITURES				
Current expenditures				
Public safety				
Dues	-	-	125	(125)
Payments to agencies	1,000	1,000	-	1,000
Supplies and materials	2,000	2,000	-	2,000
TOTAL EXPENDITURES	3,000	3,000	125	2,875
Excess (deficiency) of revenue over (under) expenditures	-	-	4,865	4,865
Fund balances - beginning	(353)	(353)	(353)	-
Fund balances - end	$ (353)	$ (353)	$ 4,512	$ 4,865

CITY OF RINGGOLD, GEORGIA
Ringgold Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Rental	$ 20,000	$ 20,000	$ 27,636	$ 7,636
TOTAL REVENUES	20,000	20,000	27,636	7,636
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Insurance	2,000	2,000	1,861	139
Professional services	600	600	822	(222)
Repairs and maintenance	13,500	17,172	22,585	(5,413)
Supplies and materials	13,150	13,150	6,508	6,642
Telephone	1,500	1,500	1,728	(228)
Utilities	16,200	16,200	17,118	(918)
Total public welfare and recreation	46,950	50,622	50,622	-
TOTAL EXPENDITURES	46,950	50,622	50,622	-
Excess (deficiency) of revenue over (under) expenditures	(26,950)	(30,622)	(22,986)	7,636
OTHER FINANCING SOURCES (USES)				
Insurance reimbursement	-	-	6,246	6,246
Transfers in	26,950	30,622	49,005	18,383
Total other financing sources (uses)	26,950	30,622	55,251	24,629
Net changes in fund balances	-	-	32,265	32,265
Fund balances - beginning	88,905	88,905	88,905	-
Fund balances - end	$ 88,905	$ 88,905	$ 121,170	$ 32,265

CITY OF RINGGOLD, GEORGIA
Visitor Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Concessions	$ -	$ -	$ 727	$ 727
Other revenue				
Contributions and donations	-	-	5,000	5,000
Rental	30,000	30,000	32,800	2,800
Total other revenue	30,000	30,000	37,800	7,800
TOTAL REVENUES	30,000	30,000	38,527	8,527
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	68,500	68,500	49,617	18,883
Payroll taxes	5,100	5,100	3,670	1,430
Dues and subscriptions	1,000	1,000	1,621	(621)
Insurance	8,800	8,800	14,478	(5,678)
Marketing and tourism	129,050	178,968	202,765	(23,797)
Professional services	300	300	994	(694)
Repairs and maintenance	2,200	2,200	4,148	(1,948)
Retirement	1,800	1,800	2,678	(878)
Supplies and materials	11,300	21,886	1,805	20,081
Telephone	1,500	1,500	1,413	87
Travel	1,000	1,000	190	810
Utilities	7,500	7,500	2,826	4,674
Total public welfare and recreation	238,050	298,554	286,205	12,349
TOTAL EXPENDITURES	238,050	298,554	286,205	12,349
Excess (deficiency) of revenue over (under) expenditures	(208,050)	(268,554)	(247,678)	20,876
OTHER FINANCING SOURCES (USES)				
Transfers in	208,050	315,404	323,961	8,557
Transfers out	-	(46,850)	(46,850)	-
Total other financing sources (uses)	208,050	268,554	277,111	8,557
Net changes in fund balances	-	-	29,433	29,433
Fund balances - beginning	171,283	171,283	171,283	-
Fund balances - end	$ 171,283	$ 171,283	$ 200,716	$ 29,433

CITY OF RINGGOLD, GEORGIA
Capital Projects Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Other revenue				
Donations	$ -	$ -	$ 32,890	$ 32,890
TOTAL REVENUES	-	-	32,890	32,890
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Contract labor	-	-	9,460	(9,460)
Professional services	-	-	2,884	(2,884)
Supplies and materials	-	-	20,546	(20,546)
Total public welfare and recreation	-	-	32,890	(32,890)
TOTAL EXPENDITURES	-	-	32,890	(32,890)
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, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Fines and forfeitures				
Technology fees	$ 22,000	$ 22,000	$ 25,561	$ 3,561
TOTAL REVENUES	22,000	22,000	25,561	3,561
EXPENDITURES				
Current expenditures				
Public safety				
Dues and subscriptions	1,000	1,000	-	1,000
Supplies and materials	16,000	16,000	4,490	11,510
Telephone	5,000	5,000	3,873	1,127
Total public safety	22,000	22,000	8,363	13,637
TOTAL EXPENDITURES	22,000	22,000	8,363	13,637
Excess (deficiency) of revenue over (under) expenditures	-	-	17,198	17,198
Fund balances - beginning	17,940	17,940	17,940	-
Fund balances - end	$ 17,940	$ 17,940	$ 35,138	$ 17,198

CITY OF RINGGOLD, GEORGIA
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Intergovernmental				
Special Local Option Sales Tax	$ -	$ -	$ 191,817	$ 191,817
TOTAL REVENUES	-	-	191,817	191,817
EXPENDITURES				
Capital outlay				
Public works	-	-	191,817	(191,817)
TOTAL EXPENDITURES	-	-	191,817	(191,817)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

FINANCIAL SCHEDULES

CITY OF RINGGOLD, GEORGIA
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	State Grant/Program Number	Accrued (Receivable) 1/1/2022	Grant Receipts	Grant Expenditures	Accrued (Receivable) 12/31/2022
Federal						
Department of Human Services						
Cares Act Grant	21.019	-	$ 677,787	$ 677,787	$ -	$ 1,355,574
United States Department of Agriculture						
Community Facilities Grant	10.766	-	(25,000)	-	-	(25,000)
Total federal awards			652,787	677,787	-	1,330,574
State						
Georgia Department of Transportation						
Public Safety Grant	-	PA-0011290	-	7,000	7,000	-
LMIG Street Resurfacing	-	2022	-	46,182	46,182	-
Total Georgia Department of Transportation			-	53,182	53,182	-
Georgia Department of Natural Resources						
Golden Mile Trail I	-	P20AP00169	(1,663)	1,663 (1)	-	-
Golden Mile Trail II	-	P20AP00169	(19,851)	19,851 (1)	-	-
Total Georgia Department of Natural Resources			(21,514)	21,514	-	-
Total state awards			(21,514)	74,696	53,182	-
TOTAL FEDERAL AND STATE AWARDS			$ 631,273	$ 752,483	$ 53,182	$ 1,330,574

(1) Grantor denied payment

CITY OF RINGGOLD, GEORGIA
Notes to the Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2022

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.

CITY OF RINGGOLD, GEORGIA
Sewer Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OPERATING REVENUES				
Sewer charges	$ 2,458,000	$ 2,458,000	$ 2,607,887	$ 149,887
Installation charges	117,000	117,000	105,780	(11,220)
Total operating revenues	2,575,000	2,575,000	2,713,667	138,667
OPERATING EXPENSE				
Operating and maintenance	1,655,500	1,655,500	1,546,715	108,785
Administration and general	22,300	22,300	20,846	1,454
Depreciation	646,000	646,000	663,399	(17,399)
Total operating expenses	2,323,800	2,323,800	2,230,960	92,840
Operating income (loss)	251,200	251,200	482,707	231,507
NON-OPERATING REVENUES (EXPENSES)				
Interest expense	(230,000)	(230,000)	(208,610)	21,390
Changes in net position	21,200	21,200	274,097	252,897
Total net position - beginning	18,915,176	18,915,176	18,915,176	-
Total net position - end	$ 18,936,376	$ 18,936,376	$ 19,189,273	$ 252,897

CITY OF RINGGOLD, GEORGIA
Water Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OPERATING INCOME				
Water sales	$ 720,000	$ 720,000	$ 739,593	$ 19,593
Installation charges	5,000	5,000	7,800	2,800
Penalties	31,000	31,000	24,169	(6,831)
Other operating	500	500	-	(500)
Total operating revenues	756,500	756,500	771,562	15,062
OPERATING EXPENSES				
Operating and maintenance	681,700	681,700	643,579	38,121
Administration and general	34,000	34,000	28,058	5,942
Depreciation	150,000	150,000	150,152	(152)
Total operating expenses	865,700	865,700	821,789	43,911
Operating income (loss)	(109,200)	(109,200)	(50,227)	58,973
NON-OPERATING REVENUES (EXPENSES)				
Interest expense	(1,000)	(1,000)	(224)	776
Income (loss) before transfers	(110,200)	(110,200)	(50,451)	59,749
Transfers in	110,200	110,200	156,635	46,435
Changes in net position	-	-	106,184	106,184
Total net position - beginning	2,187,645	2,187,645	2,187,645	-
Total net position - end	$ 2,187,645	$ 2,187,645	$ 2,293,829	$ 106,184

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Schedule of Operating Expenses
Year Ended December 31, 2022

	Enterprise		
Operating Expenses	**Sewer Fund**	**Water Fund**	**Totals**
Operating and maintenance			
Salaries	$ 267,176	$ 292,840	$ 560,016
Payroll taxes	20,687	26,143	46,830
Chemicals	-	29,832	29,832
Drinking water program	-	4,340	4,340
Equipment	2,553	878	3,431
Fuel	18,211	12,099	30,310
Insurance	92,004	101,754	193,758
Plant supplies	14,575	33,457	48,032
Post-employment benefits	18,901	17,551	36,452
Professional services	6,892	21,652	28,544
Repairs and maintenance	26,780	14,416	41,196
Retirement	14,540	26,301	40,841
Sewer treatment charges	1,036,601	-	1,036,601
Telephone	1,437	1,300	2,737
Uniforms	3,161	5,026	8,187
Utilities	23,197	51,420	74,617
Water line repairs	-	4,570	4,570
Total operating and maintenance	1,546,715	643,579	2,190,294
Administration and general			
Education and travel	2,505	6,208	8,713
Insurance	11,725	9,418	21,143
Licenses and dues	5,564	5,613	11,177
Printing and postage	1,052	6,819	7,871
Total administration and general	20,846	28,058	48,904
Depreciation	663,399	150,152	813,551
Total operating expenses	$ 2,230,960	$ 821,789	$ 3,052,749

CITY OF RINGGOLD, GEORGIA
Schedule of Property Taxes Receivable
General Fund
December 31, 2022

Year of Levy	
2022	$ 67,321
2021	5,995
2020	1,717
2019	770
2018	314
2017	-
2016	31
2015	30
2014	30
Total property taxes receivable	76,208
Less: allowance for uncollectibles	(9,980)
Net property taxes receivable	$ 66,228

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Property Taxes Receivable
General Fund
Year Ended December 31, 2022

	Taxes Receivable December 31, 2021	Taxes Levied	Pickups and (Releases)	Collections	Taxes Receivable December 31, 2022
2022	$ -	$ 823,376	$ (183)	$ (755,872)	$ 67,321
2021	49,261	-	-	(43,266)	5,995
2020	7,363	-	-	(5,646)	1,717
2019	2,592	-	-	(1,822)	770
2018	314	-	-	-	314
2017	-	-	-	-	-
2016	31	-	-	-	31
2015	30	-	-	-	30
2014	30	-	-	-	30
Total	$ 59,621	$ 823,376	$ (183)	$ (806,606)	$ 76,208

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
Sewer Fund
December 31, 2022

SEWER SYSTEM REVENUE IMPROVEMENT BONDS

Maturing December 31,	Principal	Interest	Total Requirements
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	530,000	9,136	539,136
Total	$ 4,753,000	$ 982,643	$ 5,735,643

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Long-term Debt by Individual Issue
December 31, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 1/1/2022	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 12/31/2022
Governmental Activities									
Notes Payable through General Fund									
USDA Rural Development Note	$ 55,000	2.375%	10/31/16	10/31/21	$ 37	$ -	$ (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	$5,191,000	$ -	$(438,000)	$ -	$4,753,000
Notes Payable through Water Fund									
Georgia Environmental Facilities Administration Note	$ 131,000	0.50%	12/11/17	12/08/22	$ 26,463	$ -	$ (26,463)	$ -	$ -
Georgia Environmental Facilities Administration Note	*	1.56%	*	*	$ 9,790	$ -	$ -	$ -	$ 9,790

* Note is still in draw down phase as of December 31, 2022

CITY OF RINGGOLD, GEORGIA
Schedules of Statistical Information
December 31, 2022

I. SCHEDULE OF TAX RATES AND ASSESSMENTS

Tax Year	City Tax Rate	Assessment	Levy
2022	.3094	$ 269,029,106	$ 823,376
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

II. SCHEDULE OF BILLING RATES

The water and sewer rates for the City of Ringgold for the year ended December 31, 2022, 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, 2022 the City had 1,382 water accounts, 1,221 City sewer accounts, and 4,920 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, 2022, 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 April 3, 2023.

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

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

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

Report on 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Responses as item 2022-001.

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
April 3, 2023

CITY OF RINGGOLD, GEORGIA
Schedule of Findings and Responses
December 31, 2022

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:

None disclosed.

Material Noncompliance:

One instance of noncompliance or other matters was disclosed.

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

COMPLIANCE:

Finding 2022-001 - 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 Haunted Depot Fund, Capital Projects Grant Fund, and Capital Projects Fund exceeded the amount budgeted by $632, $32,890, and $191,817, 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.

CITY OF RINGGOLD, GEORGIA
Schedule of Prior Audit Findings
December 31, 2022

Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2021-001	Approvals and Documentation (Original finding 2021-001)	Corrected
2021-002	Expenditures Exceeded Budget (Original finding 2021-002)	Still in effect/2022-001
2021-003	Uncollateralized Bank Balance (Original finding 2021-003)	Corrected

City of Ringgold

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Management's Corrective Action Plan
December 31, 2022

Management's corrective action plan for our December 31, 2022 audit is as follows:

2022-001 Expenditures Exceeded Budget
We concur. Gina Wilson, Finance 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.

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, 2022. 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, 2022, in conformity with accounting principles generally accepted in the United States of America.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
April 3, 2023

CITY OF RINGGOLD, GEORGIA
Schedule of Special Purpose Local Option Sales Tax
Year Ended December 31, 2022

Project	Original Estimated Cost	Expenditures			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
2014 SPLOST					
Ringgold SPLOST Projects	$ 2,500,000	$ 1,497,279	$ 191,817	$ 1,689,096	68%
Ringgold Water/Sewer Projects	$ 7,400,000	$ 567,006	$ -	$ 567,006	8%
Stormwater Projects	$ 140,829	$ 140,829	$ -	$ 140,829	100%