CITY OF RINGGOLD, GEORGIA

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2024

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

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CITY OF RINGGOLD, GEORGIA
Council Members and Management
December 31, 2024

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

To the Mayor and Council Members of
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, 2024, 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, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Downtown Development Authority 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, financial schedules, and Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* 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, financial schedules, and the Schedule of Expenditures of Federal and State Awards 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 5, 2025, 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, Murphey & Wright, P.C.

Chattanooga, Tennessee
April 5, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Ringgold, Georgia (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at December 31, 2024, by $43,334,346 (net position). Of this amount, $10,162,360 (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 $1,836,381. The City's business-type activities operated at a surplus of $2,767,039.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $5,249,566. Approximately 0.70% is nonspendable due to form, 13.12% is restricted for specific purposes, and the remaining 86.18%, or $4,524,037 is available for spending at the City's discretion (unassigned fund balance).

At the end of the current fiscal year, unassigned fund balance for the General Fund was 92.32%, of total General Fund expenditures. Expenditures do not include transfers to and from other funds, which netted to $(608,044) in the City's General Fund.

As of the close of the current fiscal year, the City's enterprise funds reported combined ending net position of $25,375,710. Of that balance, $7,130,034, or 28.10%, is unrestricted.

The City received $2,435,731 in federal and state awards, including $591,389 of loan proceeds in the Water Fund.

During the year, the City transferred $1,556,054 from the Capital Projects Fund into the Sewer and Water funds to complete SPLOST projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: (1) government-wide financial statements; (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information, supplementary information, and other 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's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as *net position*. Over time, increases and decreases in net position are one indicator of whether the financial position of the City 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 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 include general government, public safety, public works, and public welfare and recreation. The business-type activities of the City 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, 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 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 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, Downtown Development Authority Fund, and Capital Projects Fund, which are considered to be major funds. Data from the other seven governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided on pages 68 through 77 of this report.

The City 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 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 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.

The basic proprietary fund financial statements can be found on pages 33 through 35 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 38 through 66 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, assets and deferred outflows exceeded liabilities and deferred inflows by $43,334,346 at the close of this fiscal year.

The largest portion of the City's net position (74.96%) 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 uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City'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.

Approximately 1.59%, or $688,924, of the City's net position represents resources that are subject to external restrictions on how they may be used.

The remaining $10,162,360, or 23.45% is unrestricted net position which may be used to meet the government's ongoing obligations to its citizens and creditors.

At December 31, 2024, the City 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:

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Capital assets	$ 14,288,047	$12,012,379	$ 23,774,541	$ 21,877,829	$ 38,062,588	$ 33,890,208
Other assets	7,208,274	8,232,007	8,304,984	7,329,307	15,513,258	15,561,314
Total assets	$ 21,496,321	$20,244,386	$ 32,079,525	$ 29,207,136	$ 53,575,846	$ 49,451,522
Deferred outflows of resources	$ 252,541	$ 214,809	$ 135,984	$ 115,665	$ 388,525	$ 330,474
Long-term liabilities	$ 1,308,430	$ 1,256,398	$ 5,807,639	$ 5,697,724	$ 7,116,069	$ 6,954,122
Other liabilities	1,920,431	2,669,881	729,886	795,282	2,650,317	3,465,163
Total liabilities	$ 3,228,861	$ 3,926,279	$ 6,537,525	$ 6,493,006	$ 9,766,386	$ 10,419,285
Deferred inflows of resources	$ 561,365	$ 410,661	$ 302,274	$ 221,124	$ 863,639	$ 631,785
Net investment in capital assets	$ 14,237,386	$11,949,779	$ 18,245,676	$ 16,461,353	$ 32,483,062	$ 28,411,132
Restricted	688,924	687,484	-	-	688,924	687,484
Unrestricted	3,032,326	3,484,992	7,130,034	6,147,318	10,162,360	9,632,310
Total net position	$ 17,958,636	$16,122,255	$ 25,375,710	$ 22,608,671	$ 43,334,346	$ 38,730,926

Change in Net Position

Governmental activities increased the City's net position by $1,836,381, while business-type activities increased the City's net position by $2,767,039. 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 City's main revenue source for 2024 was local option sales tax. This tax helped to grow the City's net position since the related expense for this revenue is very low.

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

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 800,312	$ 897,065	$ 4,021,632	$ 3,668,856	$ 4,821,944	$ 4,565,921
Operating grants and contributions	35,033	4,000	-	-	35,033	4,000
Capital grants and contributions	2,768,969	2,415,402	983,717	599,000	3,752,686	3,014,402
General revenues:						
Local option sales tax	1,585,558	1,522,815	-	-	1,585,558	1,522,815
Other taxes	3,069,291	3,264,265	-	-	3,069,291	3,264,265
Other	645,996	471,163	2,080	939	648,076	472,102
Total revenues	8,905,159	8,574,710	5,007,429	4,268,795	13,912,588	12,843,505
Expenses:						
General government	1,931,076	1,731,555	-	-	1,931,076	1,731,555
Public safety	1,472,029	1,410,412	-	-	1,472,029	1,410,412
Public works	1,016,026	922,533	-	-	1,016,026	922,533
Public welfare and recreation	1,092,105	1,274,638	-	-	1,092,105	1,274,638
Interest on long-term debt	1,488	-	-	-	1,488	-
Sewer	-	-	2,715,995	2,582,390	2,715,995	2,582,390
Water	-	-	1,080,449	998,826	1,080,449	998,826
Total expenses	5,512,724	5,339,138	3,796,444	3,581,216	9,309,168	8,920,354
Excess (deficiency) before transfers	3,392,435	3,235,572	1,210,985	687,579	4,603,420	3,923,151
Interfund transfers	(1,556,054)	(437,990)	1,556,054	437,990	-	-
Change in net position	1,836,381	2,797,582	2,767,039	1,125,569	4,603,420	3,923,151
Net position - beginning	16,122,255	13,324,673	22,608,671	21,483,102	38,730,926	34,807,775
Net position - end	$17,958,636	$16,122,255	$25,375,710	$22,608,671	$43,334,346	$38,730,926

Net position for governmental activities increased $1,836,381, or 11.39%, largely due to the following key factors:

Interest revenue totaled $538,494, an increase of $130,493 from 2023.

Capital grant and contribution revenue increased $353,567 from 2023.

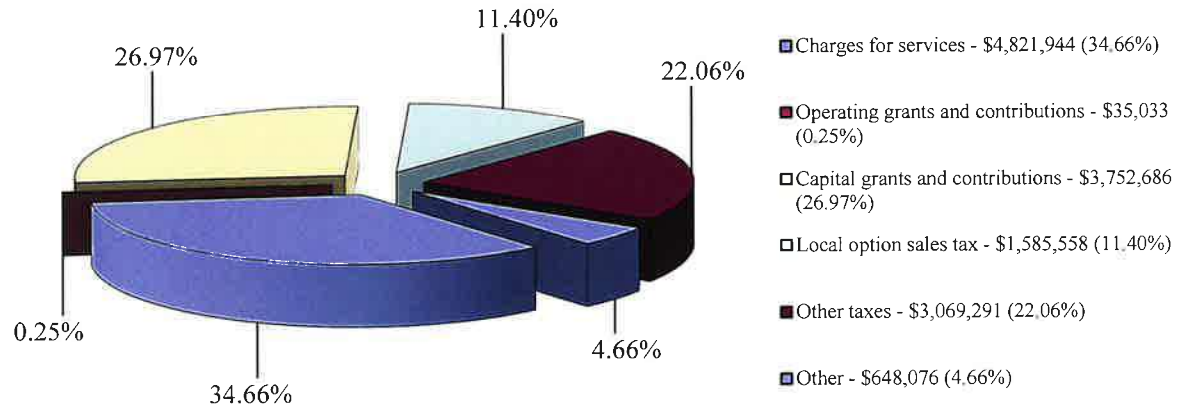
Net position for business-type activities increased by $2,767,039, or 12.24%, largely due to the following key factors:

The Capital Projects Fund transferred $1,556,054 into the Sewer and Water funds.

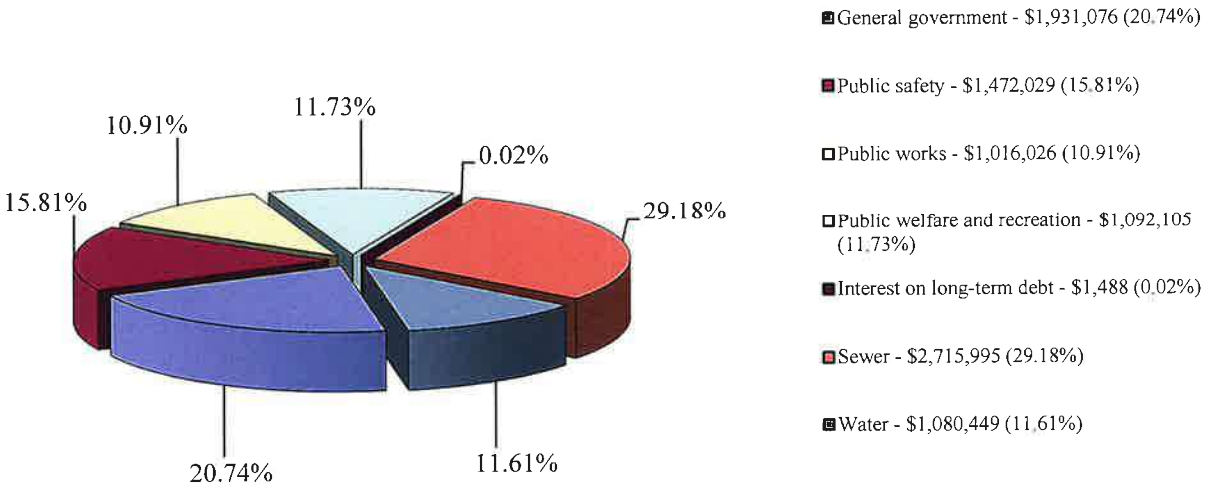
Grant revenue for the Sewer Fund totaled $798,204.

The graphs below summarize the $13,912,588 of city-wide revenues by source and the associated $9,309,168 of expense by program. The graphs combine data from both governmental and business-type activities.

City-Wide Sources of Revenue



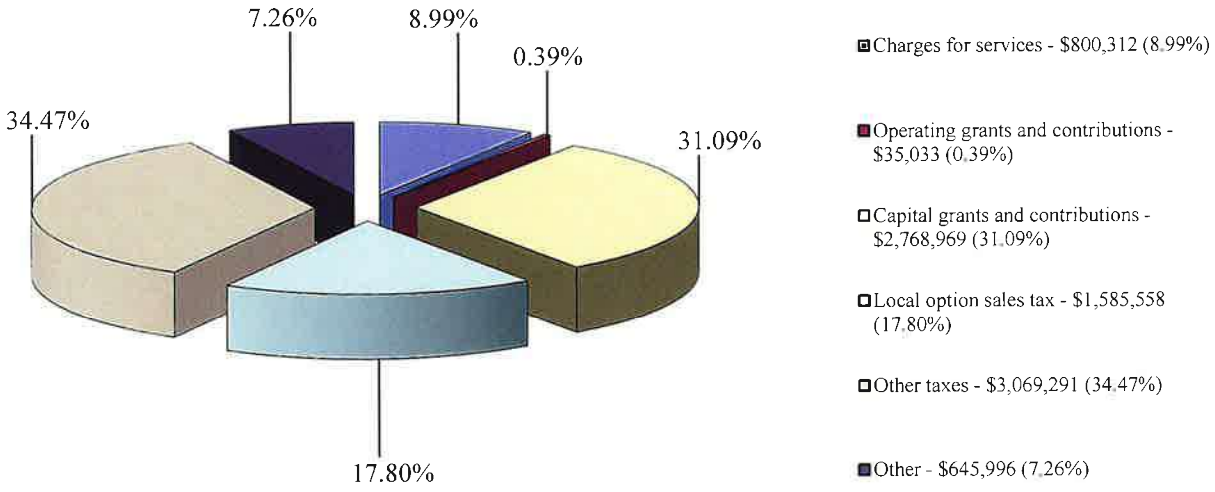
City-Wide Program Expenses



Governmental Activities

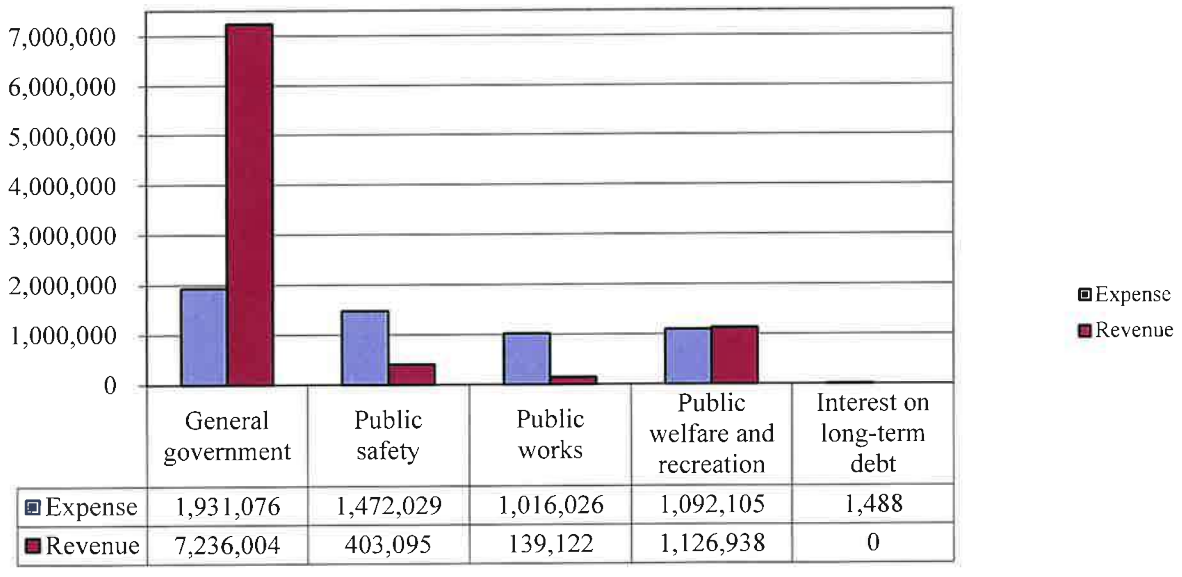
Governmental activities accounted for revenues of $8,905,159. The following graph summarizes the revenue by source.

Revenue by Source - Governmental Activities



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

Expenses and Program Revenues - Governmental Activities

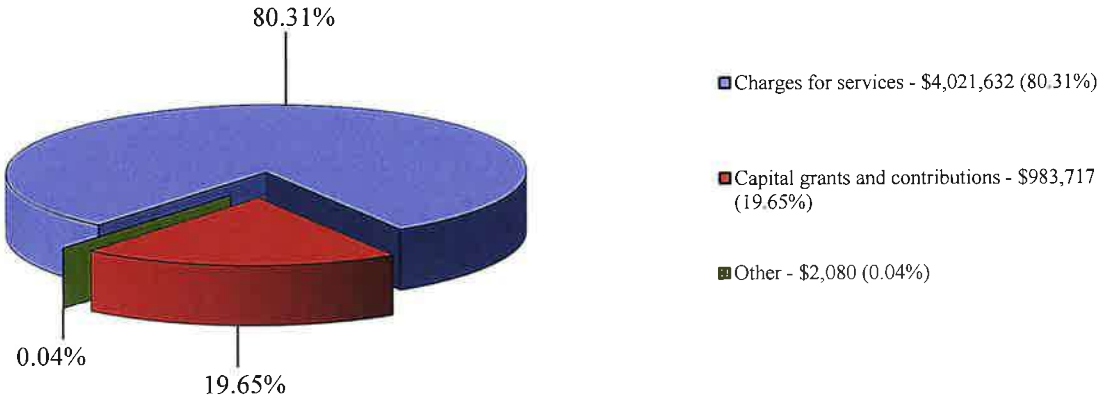


	General government	Public safety	Public works	Public welfare and recreation	Interest on long-term debt
Expense	1,931,076	1,472,029	1,016,026	1,092,105	1,488
Revenue	7,236,004	403,095	139,122	1,126,938	0

Business-type Activities

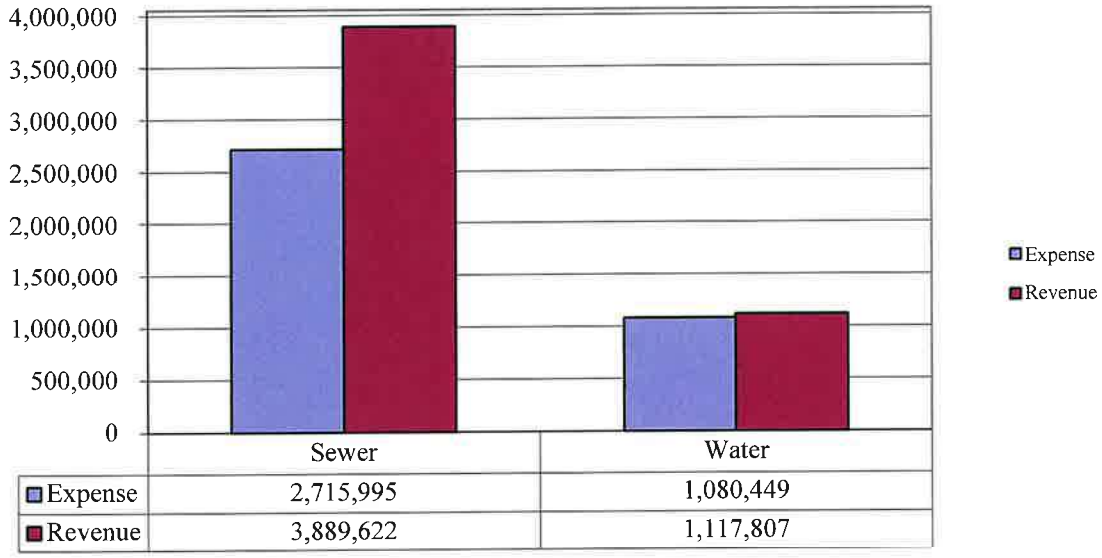
Business-type activities accounted for revenues of $5,007,429. The following graph summarizes the revenue by source.

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	2,715,995	1,080,449
Revenue	3,889,622	1,117,807

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds
The focus of the City'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'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's governmental funds reported combined ending fund balances of $5,249,566. Approximately 86.18% of this total amount, or $4,524,037, constitutes unassigned fund balance. Within the governmental funds, $174,749 is restricted for future depot expenditures in the Haunted Depot Fund, $15,946 is restricted for future confiscation expenditures in the Confiscated Assets Fund, $207,031 in restricted for the Ringgold Depot facility in the Ringgold Depot Fund, $194,087 is restricted to promote tourism in the Ringgold area in the Visitor Center Fund, $82,033 of grant funds is restricted for future capital projects in the Capital Projects Grant Fund, and $15,078 is restricted for electronic citation program expenditures in the Technology Fund. Only $36,605 is nonspendable due to its form.

The fund balance decreased by $(312,650), which was largely due to the following:

The Capital Projects Fund transferred out $1,556,054 to the Sewer and Water funds.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $4,543,834. 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 92.32% of total General Fund expenditures, excluding transfers.

Proprietary Funds
The City'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 $6,457,859 for the Sewer Fund and $672,175 for the Water Fund.

General Fund Budgetary Highlights
Differences between the original budget and the final amended budget netted to $0. Details of the amendments are listed below:

There was a $2,674 increase in the budget for opioid settlement revenues and expenditures in the police department, due to purchases of supplies.

Departmental budget officers closely monitored expenditures during the fiscal year in order to minimize budget amendments.

Details of the larger differences between the final amended budget and actual amounts are as follows:

The City received $538,495 of investment gains revenue but had only budgeted to receive $195,000.

Site improvement expenditures for the parks and recreation department were budgeted at $130,000 but $732,327 was spent during the year, due to unbudgeted recreation complex expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of December 31, 2024, amounts to $38,062,588 (net of accumulated depreciation).

During the year ended December 31, 2024, the City acquired $5,931,085 in additions to capital assets. The most significant of those additions are as follows:

Benton coal project	$1,312,541
Vessel Building - gym/rec center	$ 552,129
Sewer lines	$ 947,148
Water lines	$1,179,512
Pickleball/rec complex	$ 503,957

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

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	$ 933,420	$ 824,677	$ 473,585	$ 287,905	$ 1,407,005	$ 1,112,582
Construction in progress	-	413,934	-	-	-	413,934
Land improvements	5,227,611	4,525,644	-	-	5,227,611	4,525,644
Building and improvements	7,386,836	5,613,458	1,427,752	1,454,625	8,814,588	7,068,083
Vehicles	395,825	338,281	367,721	329,296	763,546	667,577
Equipment	344,355	296,385	662,468	376,170	1,006,823	672,555
Sewer lines	-	-	17,861,542	17,474,798	17,861,542	17,474,798
Water lines	-	-	2,981,473	1,955,035	2,981,473	1,955,035
Total	$14,288,047	$12,012,379	$23,774,541	$21,877,829	$38,062,588	$33,890,208

Additional information on the City's capital assets can be found in Note 8 on pages 48 and 49 of this report.

Long-term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of $5,903,364. $511,222 of that amount is due in the next fiscal year.

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Note payable	$ 50,661	$ 62,600	$ 1,717,865	$ 1,126,476	$ 1,768,526	$ 1,189,076
Bonds payable	-	-	3,811,000	4,290,000	3,811,000	4,290,000
Compensated absences	149,438	129,881	70,838	75,050	220,276	204,931
Customer deposits	-	-	103,562	100,892	103,562	100,892
Less: current portion	(12,222)	(11,939)	(499,000)	(474,000)	(511,222)	(485,939)
Long-term portion of debt	$ 187,877	$ 180,542	$ 5,204,265	$ 5,118,418	$ 5,392,142	$ 5,298,960

Additional information on outstanding debt can be found in Note 11 on pages 50 through 53.

CURRENTLY KNOWN CONDITIONS EFFECTING FUTURE YEARS

Utilities:
Wastewater service - Due to continual increases from the City of Chattanooga for the treatment of all wastewater from Ringgold and Catoosa county, there is a consistent need to increase sewer rates to maintain the current bond covenant of 20% above expenses. In the past 2 years there has been a very low margin in obtaining this and sometimes required a fund balance transfer to meet this requirement. There has also been much discussion about removing revenue sources from the billing process by way of removing 394 customers that are not connected to sewer but are charged, made possible by an IGA. Couple this with the present need for continual rehabilitation of the system to help eliminate excessive costs born from rainwater entering our system and there seems to be very little opportunities to invest back into the system without a major reduction in fund balance. Therefore, it is planned to conduct contracted rehabilitation projects every 3 years to allow a larger scale project to take place hopefully receiving financial benefit from economy of scale.

Drinking water service - There has been a glimmer of hope to make the water department profitable within the next 2 years by way of utilizing another water source in groundwater. The City has obtained a principal forgiveness loan and grant from GEFA to assist in water line replacement and in the development of a well. The lower cost of treatment from this well source will provide relief to the current surface water treatment plant high operational costs. Capital will still be utilized from SPLOST funds to replace aging water infrastructure.

Recreation:
There remains a large desire from elected officials to expand recreation facilities. Currently, property leased to the Downtown Development Authority and future location of Creekside Park is undergoing improvements to expand this facility to serve as soccer fields in addition to the current pickleball and basketball services. This project will result in use of the ARPA funds of $1.3 million plus an additional $800,000 financed through the DDA.

Public Works:
2024 has found more interest in stormwater and sidewalk improvements. The use of LMIG and LRA funds assisted with these improvements. 2025 is looking to utilize the same funding and a prospective grant from GDOT as well to continue these amenities.

Police Department:
The City's Police Department has found interest in applicants recently and are now nearly at full staff. This comes by way of additional benefits available: FOP, POAB, and health insurance opt out plan. These benefits help increase the salary for officers. Additionally, the average hiring hourly rate has increased by $2.00 per hour in the previous two years. This is in retaliation of other agencies drastically increasing their officer's salary. There is concern about being able to maintain market wages for our area without additional funding from property tax increases.

CVB:
The CVB has become progressive with expenditure of fund balance funds. This is due to the knowledge coming that this department is not permitted to hold a fund balance. These funds have been utilized to attract visitors and improve visitor/resident experience while in our town.

DDA:
The Downtown Development Authority has completed the construction of the Benton Coal project and the Depot Square project. The $2,000,000 project came way by grant funds and General Fund balance. The DDA continues to build out the commercial space to facilitate accelerator business.

Solid Waste:
The City is adding this new section to the report, as there are concerns that have been provided to the elected officials for years to treat this department as a true Enterprise department as determined by State law. A little traction has been obtained to begin collecting a user fee for this service, however there is still concern.

Summary:
There have been several large capital expenditures in recent years. This has brought concern of losing the financial position currently held by the City in its investments. Due to this concern, a proposal was made and approved in February of 2025 at the Council retreat to implement a policy to hold at least 12 months budget in reserve. This policy, if followed by the elected officials, will provide financial surety moving forward.

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, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash	$ 1,779,417	$ 1,573,958	$ 3,353,375
Investments	9,151,230	-	9,151,230
Accounts receivable - net	439,463	297,793	737,256
Grants receivable	95,000	983,717	1,078,717
Property tax receivable - net	78,536	-	78,536
Prepaid expenses	36,605	-	36,605
Due from other governments	1,077,539	-	1,077,539
Internal balances	(5,449,516)	5,449,516	-
Total current assets	7,208,274	8,304,984	15,513,258
Non-current assets			
Capital assets			
Land	933,420	473,585	1,407,005
Other capital assets - net of accumulated depreciation	13,354,627	23,300,956	36,655,583
Total non-current assets	14,288,047	23,774,541	38,062,588
TOTAL ASSETS	$ 21,496,321	$ 32,079,525	$ 53,575,846
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 252,541	$ 135,984	$ 388,525

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

CITY OF RINGGOLD, GEORGIA
Statement of Net Position (Continued)
December 31, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities			
Accounts payable	$ 240,595	$ 18,249	$ 258,844
Accrued wages	42,943	9,032	51,975
Accrued liabilities	6,043	203,605	209,648
Accrued grant revenue	1,355,574	-	1,355,574
Unearned revenue	94,994	-	94,994
Due to other governments	168,060	-	168,060
Note payable - due in one year	12,222	-	12,222
Bonds payable - due in one year	-	499,000	499,000
Total current liabilities	1,920,431	729,886	2,650,317
Non-current liabilities			
Compensated absences	149,438	70,838	220,276
Customer deposits	-	103,562	103,562
Note payable	38,439	1,717,865	1,756,304
Bonds payable	-	3,312,000	3,312,000
Net OPEB liability	1,120,553	603,374	1,723,927
Total non-current liabilities	1,308,430	5,807,639	7,116,069
TOTAL LIABILITIES	$ 3,228,861	$ 6,537,525	$ 9,766,386
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 561,365	$ 302,274	$ 863,639
NET POSITION			
Net investment in capital assets	$ 14,237,386	$ 18,245,676	$ 32,483,062
Restricted for:			
Haunted depot	174,749	-	174,749
Confiscated assets	15,946	-	15,946
Ringgold depot	207,031	-	207,031
Tourism	194,087	-	194,087
Capital projects grant	82,033	-	82,033
Technology	15,078	-	15,078
Unrestricted	3,032,326	7,130,034	10,162,360
TOTAL NET POSITION	$ 17,958,636	$ 25,375,710	$ 43,334,346

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

CITY OF RINGGOLD, GEORGIA
Statement of Activities
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Primary Government							
Governmental activities:							
General government	$ 1,931,076	$ 130,971	$ 4,588	$ 1,799,600	$ 4,083	$ -	$ 4,083
Public safety	1,472,029	403,095	-	-	(1,068,934)	-	(1,068,934)
Public works	1,016,026	28,497	-	110,625	(876,904)	-	(876,904)
Public welfare and recreation	1,092,105	237,749	30,445	858,744	34,833	-	34,833
Interest on long-term debt	1,488	-	-	-	(1,488)	-	(1,488)
Total governmental activities	5,512,724	800,312	35,033	2,768,969	(1,908,410)	-	(1,908,410)
Business-type activities:							
Sewer	2,715,995	3,091,089	-	798,204	-	1,173,298	1,173,298
Water	1,080,449	930,543	-	185,513	-	35,607	35,607
Total business-type activities	3,796,444	4,021,632	-	983,717	-	1,208,905	1,208,905
Total primary government	$ 9,309,168	$ 4,821,944	$ 35,033	$ 3,752,686	(1,908,410)	1,208,905	(699,505)
General revenues:							
Local option sales tax					1,585,558	-	1,585,558
Property tax					878,518	-	878,518
Franchise tax					482,901	-	482,901
Motor vehicle tax					96,570	-	96,570
Occupational tax					159,327	-	159,327
Hotel/motel tax					775,481	-	775,481
Payment in lieu of taxes - TVA					9,550	-	9,550
Other taxes					666,944	-	666,944
Interest revenue					538,494	-	538,494
Other revenue					107,502	2,080	109,582
Transfers					(1,556,054)	1,556,054	-
Total general revenues and transfers					3,744,791	1,558,134	5,302,925
Change in net position					1,836,381	2,767,039	4,603,420
Net position - beginning					16,122,255	22,608,671	38,730,926
Net position - end					$ 17,958,636	$ 25,375,710	$ 43,334,346

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

CITY OF RINGGOLD, GEORGIA
Governmental Funds
Balance Sheet
December 31, 2024

	General Fund	Downtown Development Authority Fund	Capital Projects Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 805,971	$ 234,325	$ 5,000	$ 734,121	$ 1,779,417
Investments	9,151,230	-	-	-	9,151,230
Accounts receivable - net	374,634	-	-	64,829	439,463
Grants receivable	-	75,000	-	20,000	95,000
Property tax receivable - net	78,536	-	-	-	78,536
Prepaid expenses	36,605	-	-	-	36,605
Due from other governments	771,808	-	305,731	-	1,077,539
Due from other funds	570,374	-	-	-	570,374
TOTAL ASSETS	$ 11,789,158	$ 309,325	$ 310,731	$ 818,950	$ 13,228,164
LIABILITIES					
Accounts payable	$ 62,543	$ 136,974	$ -	$ 41,078	$ 240,595
Accrued wages	39,678	1,341	-	1,924	42,943
Accrued liabilities	4,111	1,900	-	32	6,043
Accrued grant revenue	1,355,574	-	-	-	1,355,574
Unearned revenue	78,738	-	-	16,256	94,994
Due to other governments	168,060	-	-	-	168,060
Due to other funds	5,449,516	188,907	310,731	70,736	6,019,890
TOTAL LIABILITIES	$ 7,158,220	$ 329,122	$ 310,731	$ 130,026	$ 7,928,099
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	$ 50,499	$ -	$ -	$ -	$ 50,499
FUND BALANCES					
Nonspendable	$ 36,605	$ -	$ -	$ -	$ 36,605
Restricted	-	-	-	688,924	688,924
Unassigned	4,543,834	(19,797)	-	-	4,524,037
TOTAL FUND BALANCES	$ 4,580,439	$ (19,797)	$ -	$ 688,924	$ 5,249,566

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, 2024

Total fund balances per governmental funds balance sheet	$ 5,249,566
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,288,047
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.	(200,099)
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.	(1,429,377)
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.	50,499
Net position of governmental activities	$ 17,958,636

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, 2024

	General Fund	Downtown Development Authority Fund	Capital Projects Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 3,832,962	$ -	$ -	$ 775,480	$ 4,608,442
License and permits	91,795	-	-	-	91,795
Intergovernmental	150,334	750,000	1,799,601	-	2,699,935
Fines and forfeitures	358,706	-	-	44,389	403,095
Interest revenue	538,495	-	-	-	538,495
Charges for services	159,608	3,025	-	-	162,633
Other revenue	77,003	64,795	-	220,321	362,119
TOTAL REVENUES	5,208,903	817,820	1,799,601	1,040,190	8,866,514
EXPENDITURES					
Current expenditures					
General government	1,343,060	-	-	-	1,343,060
Public safety	1,402,589	-	-	44,265	1,446,854
Public works	912,511	-	-	-	912,511
Public welfare and recreation	1,250,276	1,914,154	-	499,281	3,663,711
Capital outlay	-	-	243,547	-	243,547
Debt service	13,427	-	-	-	13,427
TOTAL EXPENDITURES	4,921,863	1,914,154	243,547	543,546	7,623,110
Excess (deficiency) of revenues over (under) expenditures	287,040	(1,096,334)	1,556,054	496,644	1,243,404
OTHER FINANCING SOURCES (USES)					
Transfers in	379,592	987,636	-	484,675	1,851,903
Transfers out	(987,636)	-	(1,556,054)	(864,267)	(3,407,957)
Total other financing sources (uses)	(608,044)	987,636	(1,556,054)	(379,592)	(1,556,054)
Net changes in fund balances	(321,004)	(108,698)	-	117,052	(312,650)
Fund balances - beginning	4,901,443	88,901	-	571,872	5,562,216
Fund balances - end	$ 4,580,439	$ (19,797)	$ -	$ 688,924	$ 5,249,566

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, 2024

Net change in fund balances for total governmental funds	$ (312,650)
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.	2,275,668
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	38,650
Repayment of long-term debt is reported as an expenditure in governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	11,939
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.	(157,669)
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	(19,557)
Change in net position of governmental activities	$ 1,836,381

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, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
City property tax	$ 821,000	$ 821,000	$ 839,868	$ 18,868
Premium tax	280,000	280,000	324,577	44,577
Franchise tax	550,000	550,000	482,901	(67,099)
Excise tax	80,000	80,000	104,495	24,495
Local option sales tax	1,400,000	1,400,000	1,552,669	152,669
Local option mixed drink tax	25,000	25,000	32,889	7,889
Alcoholic beverage tax	180,000	180,000	208,019	28,019
Motor vehicle tax	83,000	83,000	96,570	13,570
Occupational tax	160,000	160,000	159,327	(673)
Intangible tax	22,000	22,000	21,721	(279)
Pawnbroker fees	1,200	1,200	1,794	594
Other taxes	2,000	2,000	-	(2,000)
Real estate transfer tax	8,000	8,000	8,132	132
Total taxes	3,612,200	3,612,200	3,832,962	220,762
License and permits				
Malt beverage and liquor license	11,000	11,000	74,100	63,100
Insurance license	12,000	12,000	16,620	4,620
Other licenses	-	-	1,075	1,075
Total license and permits	23,000	23,000	91,795	68,795
Intergovernmental				
Payment in lieu of taxes - TVA	9,000	9,000	9,550	550
Other awards	9,000	11,674	30,159	18,485
Grant revenue	48,835	48,835	110,625	61,790
Total intergovernmental	66,835	69,509	150,334	80,825
Fines and forfeitures				
Police and courts	574,093	574,093	358,706	(215,387)
Investment revenue				
Investment gains	195,000	195,000	538,495	343,495

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Charges for services				
Other fees	$ 18,300	$ 18,300	$ 39,176	$ 20,876
Solid waste fees	12,400	12,400	28,497	16,097
Pool fees and concessions	55,000	55,000	84,750	29,750
Flag charges	7,000	7,000	4,320	(2,680)
Park fees and concessions	1,500	1,500	2,865	1,365
Total charges for services	94,200	94,200	159,608	65,408
Other revenue				
Sale of equipment	5,000	5,000	-	(5,000)
Contributions and donations	4,000	4,000	17,584	13,584
Insurance recoveries	2,000	2,000	40,640	38,640
Miscellaneous	-	-	18,779	18,779
Total other revenue	11,000	11,000	77,003	66,003
TOTAL REVENUES	4,576,328	4,579,002	5,208,903	629,901
EXPENDITURES				
Current expenditures				
General government				
Financial administration				
Administrative salaries	492,600	492,600	475,480	17,120
Payroll taxes	35,000	35,000	37,338	(2,338)
Administrative	4,000	4,000	8,801	(4,801)
Advertising	1,000	1,000	-	1,000
Drug testing fees	500	500	-	500
Dues and subscriptions	23,000	23,000	41,542	(18,542)
Education and travel	22,000	22,000	21,568	432
Insurance	140,000	140,000	124,400	15,600
Miscellaneous	4,000	4,000	493	3,507
Printing and postage	7,000	7,000	8,596	(1,596)
Professional services	54,800	54,800	68,263	(13,463)
Repairs and maintenance	5,000	5,000	6,429	(1,429)
Retirement	45,000	45,000	41,117	3,883
Supplies and materials	21,000	21,000	20,045	955
Telephone	14,000	14,000	16,786	(2,786)
Vehicles	9,000	9,000	3,769	5,231
Total financial administration	877,900	877,900	874,627	3,273

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Buildings and plant				
Salaries	$ 38,000	$ 38,000	$ 37,471	$ 529
Payroll taxes	2,500	2,500	2,453	47
Dues and subscriptions	2,000	2,000	1,799	201
Insurance	54,500	54,500	46,542	7,958
Professional services	4,000	4,000	3,197	803
Repairs and maintenance	26,000	26,000	22,938	3,062
Retirement	1,300	1,300	-	1,300
Storage	2,000	2,000	1,321	679
Supplies and materials	43,000	43,000	36,371	6,629
Travel	250	250	-	250
Uniforms	1,000	1,000	1,193	(193)
Utilities	20,000	20,000	27,844	(7,844)
Vehicles	4,000	4,000	3,234	766
Total buildings and plant	198,550	198,550	184,363	14,187
Council				
Council salaries	18,300	18,300	18,300	-
Payroll taxes	1,500	1,500	1,400	100
Dues and subscriptions	2,000	2,000	180	1,820
Education and travel	31,000	31,000	24,443	6,557
Insurance	100	100	230	(130)
Professional services	900	900	905	(5)
Supplies and materials	12,500	12,500	11,762	738
Total council	66,300	66,300	57,220	9,080
Mayor				
Mayor salaries	6,000	6,000	6,000	-
Payroll taxes	500	500	459	41
Education and travel	5,000	5,000	5,161	(161)
Insurance	150	150	184	(34)
Professional services	100	100	-	100
Supplies and materials	200	200	-	200
Total mayor	11,950	11,950	11,804	146

(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, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Current expenditures (Continued)				
General government (Continued)				
Municipal court				
City judge	$ 58,600	$ 58,600	$ 44,900	$ 13,700
Payroll taxes	4,500	4,500	3,351	1,149
Dues and subscriptions	100	100	7	93
Education and travel	3,000	3,000	1,220	1,780
Insurance	6,300	6,300	6,354	(54)
Postage	100	100	284	(184)
Professional services	4,750	4,750	3,052	1,698
Retirement	3,000	3,000	2,889	111
Supplies and materials	2,500	2,500	9,292	(6,792)
Total municipal court	82,850	82,850	71,349	11,501
Elections				
Professional services	-	-	6,111	(6,111)
Legal and auditing services				
Professional services	126,500	126,500	137,586	(11,086)
Total general government	1,364,050	1,364,050	1,343,060	20,990
Public safety				
Police department				
Salaries	743,000	743,000	667,507	75,493
Payroll taxes	54,000	54,000	49,220	4,780
Dues and subscriptions	9,500	9,500	8,463	1,037
Education and travel	14,000	14,000	7,644	6,356
Insurance	307,000	307,000	202,063	104,937
Miscellaneous	5,000	5,000	4,588	412
Printing and postage	750	750	999	(249)
Professional services	27,600	27,600	25,238	2,362
Repairs and maintenance	2,000	2,000	751	1,249
Retirement	52,600	52,600	39,416	13,184
Supplies and materials	150,000	152,674	18,438	134,236
Telephone	2,000	2,000	31	1,969
Uniforms	10,000	10,000	6,265	3,735
Utilities	1,000	1,000	403	597
Vehicles	70,000	70,000	46,986	23,014
Total police department	1,448,450	1,451,124	1,078,012	373,112

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public safety (Continued)				
Fire department				
Operations	$ 280,000	$ 280,000	$ 324,577	$ (44,577)
Total public safety	1,728,450	1,731,124	1,402,589	328,535
Public works				
Street department				
Salaries	189,000	189,000	192,337	(3,337)
Payroll taxes	15,000	15,000	14,567	433
Dues and subscriptions	1,000	1,000	-	1,000
Education and travel	2,000	2,000	241	1,759
Insurance	102,000	102,000	55,786	46,214
Professional services	32,000	32,000	43,026	(11,026)
Repairs and maintenance	271,000	271,000	205,446	65,554
Retirement	16,000	16,000	15,672	328
Stormwater mapping	2,000	2,000	-	2,000
Street and stormwater improvements	264,000	264,000	39,592	224,408
Street lights	30,000	30,000	52,701	(22,701)
Supplies and materials	112,000	112,000	28,911	83,089
Telephone	1,800	1,800	1,874	(74)
Uniforms	3,000	3,000	4,224	(1,224)
Utilities	7,500	7,500	7,396	104
Vehicles	20,000	20,000	16,056	3,944
Total street department	1,068,300	1,068,300	677,829	390,471

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public works (Continued)				
Solid waste department				
Salaries	$ 72,000	$ 72,000	$ 57,692	$ 14,308
Payroll taxes	5,000	5,000	4,253	747
Dues and subscriptions	200	200	46	154
Insurance	39,500	39,500	24,828	14,672
Landfill fees	143,000	143,000	109,789	33,211
Professional services	-	-	322	(322)
Recycling disposal	-	-	690	(690)
Repairs and maintenance	-	-	137	(137)
Retirement	7,000	7,000	5,778	1,222
Supplies and materials	12,800	12,800	10,011	2,789
Uniforms	4,000	4,000	1,417	2,583
Vehicles	30,000	30,000	19,719	10,281
Total solid waste department	313,500	313,500	234,682	78,818
Total public works	1,381,800	1,381,800	912,511	469,289
Public welfare and recreation				
Pool operations				
Salaries	43,350	43,350	56,948	(13,598)
Payroll taxes	3,350	3,350	4,357	(1,007)
Concessions	2,800	2,800	4,878	(2,078)
Dues and subscriptions	200	200	258	(58)
Education and travel	1,500	1,500	-	1,500
Insurance	3,400	3,400	1,910	1,490
Professional services	2,100	2,100	-	2,100
Repairs and maintenance	8,000	8,000	600	7,400
Supplies and materials	97,000	97,000	16,390	80,610
Telephone	1,800	1,800	1,319	481
Travel	-	-	175	(175)
Utilities	5,500	5,500	5,457	43
Total pool operations	169,000	169,000	92,292	76,708

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public welfare and recreation (Continued)				
Parks and recreation				
Salaries	$ 177,000	$ 177,000	$ 219,466	$ (42,466)
Payroll taxes	14,000	14,000	16,375	(2,375)
Dues and subscriptions	500	500	484	16
Education and travel	1,000	1,000	241	759
Flag supplies	11,000	11,000	3,774	7,226
Insurance	55,250	55,250	54,177	1,073
Professional services	26,000	26,000	35,086	(9,086)
Property rental	2,000	2,000	1,035	965
Repairs and maintenance	59,000	59,000	20,277	38,723
Retirement	15,000	15,000	9,856	5,144
Site improvements	130,000	130,000	732,327	(602,327)
Supplies and materials	49,000	49,000	31,965	17,035
Uniforms	2,800	2,800	4,177	(1,377)
Utilities	7,300	7,300	12,009	(4,709)
Vehicles	22,000	22,000	16,735	5,265
Total parks and recreation	571,850	571,850	1,157,984	(586,134)
Total public welfare and recreation	740,850	740,850	1,250,276	(509,426)
Debt service				
Principal	24,000	24,000	11,939	12,061
Interest	2,000	2,000	1,488	512
Total debt service	26,000	26,000	13,427	12,573
TOTAL EXPENDITURES	5,241,150	5,243,824	4,921,863	321,961
Excess (deficiency) of revenues over (under) expenditures	(664,822)	(664,822)	287,040	951,862

(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, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 489,822	$ 489,822	$ 379,592	$ (110,230)
Transfers out	(1,258,275)	(1,258,275)	(987,636)	270,639
Total other financing sources (uses)	(768,453)	(768,453)	(608,044)	160,409
Net changes in fund balances	(1,433,275)	(1,433,275)	(321,004)	1,112,271
Fund balances - beginning	4,901,443	4,901,443	4,901,443	-
Fund balances - end	$ 3,468,168	$ 3,468,168	$ 4,580,439	$ 1,112,271

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

CITY OF RINGGOLD, GEORGIA
Downtown Development Authority Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental				
Grant revenue	$ 750,000	$ 750,000	$ 750,000	$ -
Charges for services				
Advertising	2,500	2,500	50	(2,450)
Promotions	4,000	4,000	2,975	(1,025)
Total charges for services	6,500	6,500	3,025	(3,475)
Other revenue				
Donations	51,000	51,000	12,861	(38,139)
Rental	14,700	14,700	15,425	725
Events	13,500	13,500	15,788	2,288
Sale of equipment	-	-	631	631
Miscellaneous	-	-	20,090	20,090
Total other revenue	79,200	79,200	64,795	(14,405)
TOTAL REVENUES	835,700	835,700	817,820	(17,880)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	29,000	29,000	31,938	(2,938)
Payroll taxes	2,500	2,500	2,333	167
Dues and subscriptions	1,000	1,000	795	205
Education and travel	3,500	3,500	2,628	872
Grant expenses	5,000	5,000	-	5,000
Insurance	5,000	5,000	5,050	(50)
Postage	100	100	15	85
Professional services	-	-	3,144	(3,144)
Program expenses	6,500	6,500	4,037	2,463
Repairs and maintenance	4,800	4,800	7,351	(2,551)
Retirement	2,000	2,000	1,691	309
Ringgold playhouse	10,000	10,000	10,494	(494)
Site purchases and improvements	2,049,725	2,049,725	1,835,549	214,176
Supplies and materials	5,700	5,700	4,968	732
Utilities	750	750	4,161	(3,411)
TOTAL EXPENDITURES	2,125,575	2,125,575	1,914,154	211,421

(Continued)

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

CITY OF RINGGOLD, GEORGIA
Downtown Development Authority Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
Excess (deficiency) of revenue over (under) expenditures	$(1,289,875)	$(1,289,875)	$(1,096,334)	$ 193,541
OTHER FINANCING SOURCES (USES)				
Transfers in	1,289,875	1,289,875	987,636	(302,239)
Net changes in fund balances	-	-	(108,698)	(108,698)
Fund balances - beginning	88,901	88,901	88,901	-
Fund balances - end	$ 88,901	$ 88,901	$ (19,797)	$ (108,698)

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

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Statement of Net Position
December 31, 2024

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
ASSETS			
Current assets			
Cash	$ 594,415	$ 979,543	$ 1,573,958
Accounts receivable - net	247,345	50,448	297,793
Grants receivable	798,204	185,513	983,717
Due from other funds	5,427,008	22,508	5,449,516
Total current assets	7,066,972	1,238,012	8,304,984
Non-current assets			
Capital assets			
Land	204,415	269,170	473,585
Other capital assets - net of accumulated depreciation	18,477,085	4,823,871	23,300,956
Total capital assets	18,681,500	5,093,041	23,774,541
TOTAL ASSETS	$ 25,748,472	$ 6,331,053	$ 32,079,525
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 69,935	$ 66,049	$ 135,984
LIABILITIES			
Current liabilities			
Accounts payable	$ 9,972	$ 8,277	$ 18,249
Accrued wages	3,535	5,497	9,032
Accrued liabilities	164,791	38,814	203,605
Bonds payable - due in one year	499,000	-	499,000
Total current liabilities	677,298	52,588	729,886
Non-current liabilities			
Compensated absences	34,988	35,850	70,838
Customer deposits	-	103,562	103,562
Note payable	-	1,717,865	1,717,865
Bonds payable	3,312,000	-	3,312,000
Net OPEB liability	310,307	293,067	603,374
Total non-current liabilities	3,657,295	2,150,344	5,807,639
TOTAL LIABILITIES	$ 4,334,593	$ 2,202,932	$ 6,537,525
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 155,455	$ 146,819	$ 302,274
NET POSITION			
Net investment in capital assets	$ 14,870,500	$ 3,375,176	$ 18,245,676
Unrestricted	6,457,859	672,175	7,130,034
TOTAL NET POSITION	$ 21,328,359	$ 4,047,351	$ 25,375,710

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, 2024

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
OPERATING REVENUES			
Sewer charges	$ 3,016,289	$ -	$ 3,016,289
Water sales	-	848,336	848,336
Installation charges	73,800	600	74,400
Penalties	-	44,551	44,551
Other fees	1,000	37,056	38,056
Total operating revenues	3,091,089	930,543	4,021,632
OPERATING EXPENSES			
Operating and maintenance	1,838,500	779,834	2,618,334
Administration and general	24,670	41,171	65,841
Depreciation	682,273	240,074	922,347
Total operating expenses	2,545,443	1,061,079	3,606,522
Operating income (loss)	545,646	(130,536)	415,110
NON-OPERATING REVENUES (EXPENSES)			
Sale of assets	329	1,751	2,080
Intergovernmental revenue	798,204	185,513	983,717
Interest expense	(170,552)	(19,370)	(189,922)
Total non-operating revenues (expenses)	627,981	167,894	795,875
Income before transfers	1,173,627	37,358	1,210,985
Transfers in	331,297	1,224,757	1,556,054
Changes in net position	1,504,924	1,262,115	2,767,039
Total net position - beginning	19,823,435	2,785,236	22,608,671
Total net position - end	$ 21,328,359	$ 4,047,351	$ 25,375,710

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, 2024

	Enterprise		
	Sewer Fund	Water Fund	Totals
Cash Flows from Operating Activities			
Receipts from customers	$ 3,091,761	$ 931,038	$ 4,022,799
Payments to suppliers	(2,400,037)	(700,847)	(3,100,884)
Payments to employees	(306,582)	(267,465)	(574,047)
Net cash provided (used) by operating activities	385,142	(37,274)	347,868
Cash Flows from Capital and Related Financing Activities			
SPLOST transfers	331,297	1,224,757	1,556,054
Acquiring and construction of capital assets	(1,142,965)	(1,676,094)	(2,819,059)
Proceeds from the sale of assets	329	1,751	2,080
Intergovernmental revenue	798,204	185,513	983,717
Proceeds from debt issuance	-	591,389	591,389
Principal paid on long-term debt	(479,000)	-	(479,000)
Interest paid on long-term debt	(170,552)	(19,370)	(189,922)
Net cash provided (used) for capital and related financing activities	(662,687)	307,946	(354,741)
Net increase (decrease) in cash	(277,545)	270,672	(6,873)
Cash - beginning	871,960	708,871	1,580,831
Cash - end	$ 594,415	$ 979,543	$ 1,573,958
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ 545,646	$ (130,536)	$ 415,110
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	682,273	240,074	922,347
(Increase) decrease in accounts receivable	672	495	1,167
(Increase) decrease in grants receivable	(798,204)	(185,513)	(983,717)
(Increase) decrease in deferred outflows related to OPEB	(10,451)	(9,868)	(20,319)
Increase (decrease) in accounts payable	134	(16,464)	(16,330)
Increase (decrease) in accrued wages	(424)	3,213	2,789
Increase (decrease) in accrued liabilities	(81,170)	4,315	(76,855)
Increase (decrease) in compensated absences	(7,446)	3,234	(4,212)
Increase (decrease) in customer deposits	-	2,670	2,670
Increase (decrease) in net OPEB liability	12,377	11,691	24,068
Increase (decrease) in deferred inflows related to OPEB	41,735	39,415	81,150
Net cash provided (used) by operating activities	$ 385,142	$ (37,274)	$ 347,868

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

CITY OF RINGGOLD, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	Custodial Funds
ASSETS	
Cash	$ 81,866
Due from other governments	356,978
Interest receivable	1,227
TOTAL ASSETS	$ 440,071
LIABILITIES	
Surety bonds payable	$ 60,261
Due to other governments	245,434
TOTAL LIABILITIES	$ 305,695
NET POSITION	
Restricted for:	
Baxter addition	$ 134,376

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, 2024

	Custodial Funds
ADDITIONS	
Court fines	$ 112,920
Donations	6,350
Investment gains	5,606
Total additions	124,876
DEDUCTIONS	
Court fines remitted	112,920
Cemetery care	3,500
Total deductions	116,420
Net increase (decrease) in fiduciary net position	8,456
Net position - beginning	125,920
Net position - ending	$ 134,376

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.

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

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

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, 2024
Levy date	October 20, 2024
Tax bills mailed	October 20, 2024
Payment due date	October 20, 2024 through February 28, 2025
Delinquency date	March 1, 2025

H. Interfund Transactions

Interfund Receivables and Payables

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

Transactions between Funds

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

I. Prepayment of Expenditures

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

J. Inventories

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

K. Restricted Assets

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Capital Assets

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

Asset Class	Years
Land improvements	5-20
Buildings and improvements	5-40
Vehicles	3-7
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
Vehicles	3-10
Equipment	3-20
Sewer lines	20-50
Water lines	5-40

M. Subscription IT Arrangements

The City follows GASB No. 96, *Subscription-Based Information Technology Arrangements*, (SBITA), to address the accounting treatment and financial reporting for these agreements. The SBITA asset is measured as the initial value of the subscription liability plus payments made to the vendor at the commencement of the subscription term, plus capitalizable initial implementation costs, and less any vendor incentives received at the commencement of the subscription term. The City will amortize the SBITA asset in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying asset. Currently, the City does not have any subscription IT arrangements.

N. Leases

The City follows GASB No. 87, *Leases,* to address the accounting treatment and financial reporting of leases. Leases that are not classified as short-term leases or contracts that transfer ownership are required to recognize a right to use asset and a related lease liability. Right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. Right to use leased assets are amortized on a straight-line basis over the life of the related lease. Currently, the City does not have any leases.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. 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.

P. 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.

Q. 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.

R. Net Position

Net position is the residual of all elements presented in the Statement of Net 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.

S. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balance (Continued)

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.

T. 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.

U. Events Occurring after Reporting Date

The City has evaluated events and transactions that occurred between December 31, 2024, and April 5, 2025, 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 $12,502,405. The financial institution balance was $12,691,653. 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, 2024, 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	$ 3,353,375
Investments	9,151,230
Less: Petty cash	(2,200)
Total	$ 12,502,405

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	$ 9,151,230

NOTE 3 - ACCOUNTS RECEIVABLE - NET

Accounts receivable at December 31, 2024, consist of the following:

	General Fund	Hotel/Motel Tax Fund	Sewer Fund	Water Fund	Total
Franchise taxes	$ 283,725	$ -	$ -	$ -	$ 283,725
Local beer/beverage tax	20,277	-	-	-	20,277
Business license	76	-	-	-	76
Hotel/motel tax	-	64,829	-	-	64,829
Customer receivables	-	-	267,707	64,598	332,305
Motor vehicle tax	8,191	-	-	-	8,191
Energy excise tax	8,524	-	-	-	8,524
Interest	47,161	-	-	-	47,161
Garbage fees	2,091	-	-	-	2,091
Other	4,589	-	-	-	4,589
Less: allowance for doubtful accounts	-	-	(20,362)	(14,150)	(34,512)
Total	$ 374,634	$ 64,829	$ 247,345	$ 50,448	$ 737,256

NOTE 4 - GRANTS RECEIVABLE

Grants receivable at December 31, 2024, consist of the following:

Appalachian Regional Commission through Department of Community Affairs	$ 75,000
Federal Emergency Management Agency	185,513
Georgia Department of Natural Resources	20,000
Georgia Department of Transportation	798,204
Total	$ 1,078,717

NOTE 5 - PROPERTY TAXES RECEIVABLE - NET

Property taxes receivable as of December 31, 2024, consist of the following:

Year of Levy	
2024	$ 78,914
2023	7,294
2022	1,984
2021	291
2020	42
2019	382
	88,907
Less: allowance for uncollectibles	(10,371)
Total	$ 78,536

NOTE 6 - DUE FROM OTHER GOVERNMENTS

Due from other governments at December 31, 2024, consists of the following:

Property tax collected by Catoosa County	$ 642,850
Local Option Sales Tax receivable	128,958
Special Purpose Local Option Sales Tax receivable	305,731
Total	$ 1,077,539

NOTE 7 - INTERNAL BALANCES

The City of Ringgold maintains a combined checking account for the General, Downtown Development Authority, 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	Downtown Development Authority Fund	Hotel/Motel Tax Fund	Confiscated Assets Fund	Capital Projects Fund	Total
General Fund	$ -	$ 188,907	$ 64,829	$ 5,907	$ 310,731	$ 570,374
Sewer Fund	5,427,008	-	-	-	-	5,427,008
Water Fund	22,508	-	-	-	-	22,508
Total	$ 5,449,516	$ 188,907	$ 64,829	$ 5,907	$ 310,731	$6,019,890

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 824,677	$ 108,743	$ -	$ -	$ 933,420
Construction in progress	413,934	-	-	(413,934)	-
Total capital assets not being depreciated	1,238,611	108,743	-	(413,934)	933,420
Capital assets being depreciated:					
Land improvements	7,333,185	706,495	-	413,934	8,453,614
Buildings and improvements	7,724,347	2,004,969	-	-	9,729,316
Vehicles	1,616,286	177,914	(55,933)	-	1,738,267
Equipment	1,464,865	113,905	(48,105)	-	1,530,665
Total capital assets being depreciated	18,138,683	3,003,283	(104,038)	413,934	21,451,862
Less accumulated depreciation for:					
Land improvements	2,807,541	418,462	-	-	3,226,003
Buildings and improvements	2,110,889	231,591	-	-	2,342,480
Vehicles	1,278,005	120,370	(55,933)	-	1,342,442
Equipment	1,168,480	65,935	(48,105)	-	1,186,310
Total accumulated depreciation	7,364,915	836,358	(104,038)	-	8,097,235
Total capital assets being depreciated - net	10,773,768	2,166,925	-	413,934	13,354,627
Governmental activities capital assets - net	$ 12,012,379	$2,275,668	$ -	$ -	$14,288,047

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

General government	$ 414,095
Public safety	62,043
Public works	131,504
Public welfare and recreation	228,716
Total	$ 836,358

NOTE 8 - CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 287,905	$ 185,680	$ -	$ 473,585
Capital assets being depreciated:				
Buildings	2,043,957	6,291	-	2,050,248
Vehicles	931,491	117,321	-	1,048,812
Equipment	1,409,524	383,107	(9,234)	1,783,397
Sewer lines	27,241,958	947,148	-	28,189,106
Water lines	3,802,759	1,179,512	-	4,982,271
Total capital assets being depreciated	35,429,689	2,633,379	(9,234)	38,053,834
Less accumulated depreciation for:				
Buildings	589,332	33,164	-	622,496
Vehicles	602,195	78,896	-	681,091
Equipment	1,033,354	96,809	(9,234)	1,120,929
Sewer lines	9,767,160	560,404	-	10,327,564
Water lines	1,847,724	153,074	-	2,000,798
Total accumulated depreciation	13,839,765	922,347	(9,234)	14,752,878
Total capital assets being depreciated - net	21,589,924	1,711,032	-	23,300,956
Business-type activities capital assets - net	$ 21,877,829	$1,896,712	$ -	$23,774,541

NOTE 9 - ACCRUED GRANT REVENUE

Accrued grant revenue at December 31, 2024, consist of the following:

Department of Human Services	$ 1,355,574

NOTE 10 - UNEARNED REVENUE

Unearned revenue at December 31, 2024, consist of the following:

Lyndhurst Foundation donation to be used for Slabtown Park and South Chickamauga Creek Blueway	$ 16,256
Donations for Crossroads Park	78,738
Total	$ 94,994

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 February 21, 2023, 2.378%, due February 21, 2028, original balance $62,600, used to purchase two patrol vehicles, direct borrowing	$ 50,661
Compensated absences	149,438
	200,099
Less: current portion of governmental debt	(12,222)
Total governmental long-term debt	$ 187,877

A summary of changes in governmental long-term debt for the year ended December 31, 2024, are as follows:

	Balance 12-31-23	Additions	Retirements	Balance 12-31-24	Due Within One Year
Direct borrowings:					
USDA Note	$ 62,600	$ -	$(11,939)	$ 50,661	$ 12,222
Other debt:					
Compensated absences	129,881	19,557	-	149,438	-
Total	$ 192,481	$ 19,557	$(11,939)	200,099	$ 12,222
Less: current portion of governmental long-term debt				(12,222)	
Total governmental long-term debt				$ 187,877	

In accordance with GASB No. 101, *Compensated Absences,* the change in liability for compensated absences is shown as the net change, rather than gross increases and decreases.

The USDA Rural Development Note is payable from the taxes levied by the City. The debt is guaranteed by a lien on the patrol vehicles' titles. 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.

Governmental debt service requirements to maturity, including interest of $3,047, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
2025	$ 12,222	$ 1,205	$ 13,427
2026	12,513	914	13,427
2027	12,811	616	13,427
2028	13,115	312	13,427
Total	$ 50,661	$ 3,047	$ 53,708

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

NOTE 11 - LONG-TERM DEBT (Continued)

A. Governmental Debt (Continued)

Governmental debt is generally liquidated by the General Fund.

The City does not have unused lines of credit.

Interest paid during the year ended December 31, 2024, on governmental long-term debt was $1,488.

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	$ 3,811,000
Compensated absences	34,988
	3,845,988
Less: current portion of sewer debt	(499,000)
Total sewer long-term debt	$ 3,346,988

A summary of changes in sewer long-term debt for the year ended December 31, 2024, are as follows:

	Balance 12-31-23	Additions	Retirements	Balance 12-31-24	Due Within One Year
Direct borrowings:					
Revenue bonds	$ 4,290,000	$ -	$ (479,000)	$ 3,811,000	$ 499,000
Other debt:					
Compensated absences	42,434	-	(7,446)	34,988	-
Total	$ 4,332,434	$ -	$ (486,446)	3,845,988	$ 499,000
Less: current portion of Sewer Fund long-term debt				(499,000)	
Total Sewer Fund long-term debt				$ 3,346,988	

In accordance with GASB No. 101, *Compensated Absences,* the change in liability for compensated absences is shown as the net change, rather than gross increases and decreases.

The Sewer System Revenue Improvement Bonds are payable from, but not secured by, the income and revenues derived from the operation of the sewer system. If in default and there are insufficient funds from the sewer system operations, the principal and interest will be paid from the current funds of the City.

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Sewer Fund (Continued)
Sewer Fund debt service requirements to maturity, including interest of $572,335, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
2025	$ 499,000	$ 150,458	$ 649,458
2026	520,000	129,428	649,428
2027	542,000	107,516	649,516
2028	564,000	84,670	648,670
2029	589,000	60,880	649,880
2030-2031	1,097,000	39,383	1,136,383
Total	$ 3,811,000	$ 572,335	$ 4,383,335

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

Interest paid during the year ended December 31, 2024, on sewer long-term debt was $170,552.

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

	Principal Balance
Georgia Environmental Facilities Administration Loan, 1.56%, still in draw down phase as of December 31, 2024	$ 1,717,865
Customer deposits	103,562
Compensated absences	35,850
	1,857,277
Less: current portion of water debt	-
Total water long-term debt	$ 1,857,277

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Water Fund (Continued)
A summary of changes in water long-term debt for the year ended December 31, 2024, are as follows:

	Balance 12-31-23	Additions	Retirements	Balance 12-31-24	Due Within One Year
Direct borrowings:					
GEFA loan	$ 1,126,476	$ 591,389	$ -	$ 1,717,865	$ -
Other debt:					
Customer deposits	100,892	2,670	-	103,562	-
Compensated absences	32,616	3,234	-	35,850	-
Total other debt	133,508	5,904	-	139,412	-
Total	$ 1,259,984	$ 597,293	$ -	1,857,277	$ -
Less: current portion of Water Fund long-term debt				-	
Total Water Fund long-term debt				$ 1,857,277	

In accordance with GASB No. 101, *Compensated Absences,* the change in liability for compensated absences is shown as the net change, rather than gross increases and decreases.

The Georgia Environmental Facilities Administration Loan is payable from, but not secured by, the income and revenues derived from the operation of the water system. If in default and there are insufficient funds from the water system operations, the principal and interest will be paid from the current funds of the City.

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, 2024, on water long-term debt was $19,370.

NOTE 12 - 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	$ 50,499	$ 50,499

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

NOTE 13 - 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:

Haunted Depot Fund restricts $174,749 for future depot expenditures.

Confiscated Assets Fund restricts $15,946 for future confiscation expenditures.

Ringgold Depot Fund restricts $207,031 for the Ringgold Depot facility.

Visitor Center Fund restricts $194,087 to promote tourism in the Ringgold area.

Capital Projects Grant Fund restricts $82,033 of grant funds for future capital projects.

Technology Fund restricts $15,078 for police expenditures.

The City also has $36,605 of nonspendable fund balance related to prepaid expenses.

NOTE 14 - TRANSFERS

Interfund transfers as of December 31, 2024, consist of the following:

	Transfers to						
	General Fund	Downtown Development Authority Fund	Ringgold Depot Fund	Visitor Center Fund	Sewer Fund	Water Fund	Total
Transfer from							
General Fund	$ -	$ 987,636	$ -	$ -	$ -	$ -	$ 987,636
Hotel/Motel Tax Fund	290,805	-	40,939	443,736	-	-	775,480
Visitor Center Fund	88,787	-	-	-	-	-	88,787
Capital Projects Fund	-	-	-	-	331,297	1,224,757	1,556,054
Total	$ 379,592	$ 987,636	$ 40,939	$ 443,736	$ 331,297	$1,224,757	$ 3,407,957

Funds were transferred from the General Fund into the Downtown Development Authority Fund to aid in the Benton Coal Project.

Funds were transferred from the Visitor Center Fund to the General Fund to supplement operations.

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

Funds were transferred out of the Capital Projects Fund into the enterprise funds to complete SPLOST projects.

NOTE 15 - HOTEL/MOTEL LODGING TAX

The City of Ringgold levies an 8% lodging tax as authorized in Official Code of Georgia Annotated (OCGA) 48-13-50. 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, 2024, is as follows:

Fund Balance - January 1, 2024	$ -
Lodging tax services	775,480
Amount available for disbursements	775,480
Disbursements:	
Transfer to General Fund	290,805
Transfer to the Ringgold Depot Fund	40,939
Transfer to Visitor Center Fund	443,736
Total disbursed	775,480
Balance - held in reserve for future hotel/motel tax projects	$ -

NOTE 16 - 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 $(1,429,377) difference are as follows:

Deferred outflows related to OPEB	$ 252,541
Net OPEB liability	(1,120,553)
Deferred inflows related to OPEB	(561,365)
Net adjustment	$ (1,429,377)

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 $2,275,668 difference are as follows:

Depreciation expense	$(836,358)
Capital outlay	3,112,026
Net adjustment	$ 2,275,668

NOTE 16 - 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 $(157,669) difference are as follows:

OPEB expense	$ (196,935)
Contributions	39,266
Net adjustment	$ (157,669)

NOTE 17 - COMPLIANCE WITH FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

Expenditures in the Capital Projects Fund exceeded the amount budgeted by $7,246.

NOTE 18 - 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 19 - 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.

NOTE 19 - PENSION PLAN (Continued)

The City's total payroll for the year was $2,502,293. The amount of covered payroll was $1,664,173. Total contributions required was $200,320, which was 12% of covered payroll. The City's contribution required and actual was $166,417, which was 10% of covered payroll. The mandatory employee contributions required and actual was $33,903 which was 2% of covered payroll. Employee voluntary contributions totaled $57,201, making a total employee contribution of $91,104, which is 5.47% of covered payroll. The total City and employee contribution actually made was $257,521, which was 15.47% of covered payroll. There were no current year changes in plan provisions.

NOTE 20 - 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, 2024, the City paid $3,435 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 21 - 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 22 - 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 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, 2024, the City does not have any material contingent liabilities.

NOTE 25 - 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, 2024, 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, 2024. The plan does not issue a stand-alone financial statement.

Fiscal Year Ending December 31, 2024	
Total OPEB liability	$ 1,723,927
Fiduciary net position	$ 0
Net OPEB liability	$ 1,723,927
OPEB expense	$ 302,977
Deferred (outflows)/inflows of resources	$ 475,114
Expected benefit payments	$ 60,309

Economic Assumptions

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

Assumption Selection Date	January 1, 2024	December 31, 2024
Discount rate	3.26%	4.08%
2024 medical trend rates	8.00%	8.00%
Ultimate medical trend rate	5.00%	5.00%
Year ultimate trend rates reached	2030	2030
Annual payroll increase	2.50%	2.50%

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. 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 8.00% in 2024, grading down 0.5% per annum to an ultimate rate of 5.0% in years 2030 and later. The mortality improvement scale was updated to use the PUB-2010 tables. The demographic assumptions were updated to be consistent with the Georgia State Employees Post-Employment Health Benefit Fund GASB 75 Valuation report, prepared by Cavanaugh Macdonald as of June 30, 2023. The impact on the total OPEB liability is provided later in this section.

Benefit Changes Included in Current Valuation

This valuation reflects the change to medicare reimbursement amounts for the retiree and the retiree spouse. The impact on the total OPEB liability is provided later in this section.

Changes as of December 31, 2024

The discount rate was changed from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. The discount rate is based on the Bond Buyer's 20 Bond Index.

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

GASB 75 Liabilities and Expense
For Fiscal Year Ending December 31, 2024

I.	Present Value of Future Benefits	
	A. Retirees/Disableds	$ 442,439
	B. Active Employees	2,340,887
	C. Total	$ 2,783,326
II.	Total OPEB Liability	
	A. Retiress/Disableds	$ 442,439
	B. Active Employees	1,281,488
	C. Total	$ 1,723,927
III.	Fiduciary Net Position	$ -
IV.	Net OPEB Liability	$ 1,723,927
V.	Expected Benefit Payments	
	A. Retirees/Disableds	$ 55,534
	B. Active Employees	4,775
	C. Total	$ 60,309
VI.	OPEB Expense	
	A. Service Cost	$ 100,645
	B. Interest	62,148
	C. Expected Return	-
	D. Changes of Benefit Terms	182,779
	E. Recognition of Deferred Outflows/Inflows of Resources	(42,595)
	F. OPEB Expense (A. + B. + C. + D. + E.)	$ 302,977
VII.	Deferred (Outflows) of Resources	
	A. Experience Loss	$ -
	B. Change in Assumptions	(388,525)
	C. Investment Loss	-
	D. Total	$ (388,525)
	Deferred Inflows of Resources	
	A. Experience Gain	$ 547,313
	B. Change in Assumptions	316,326
	C. Investment Gain	-
	D. Total	$ 863,639
	Recognition in Expense	
	Year Ended December 31,	
	2025	$ (42,595)
	2026	$ (42,595)
	2027	$ (42,595)
	2028	$ (42,595)
	2029	$ (42,595)
	Thereafter	$ (262,239)

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Census Information

Employee Counts
As of January 1, 2024

	Actives	Inactives Not Receiving Benefits	Inactives Receiving Benefits	Total
Male	32	-	3	35
Female	11	-	1	12
Total	43	-	4	47

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

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	-	13	13	-	-	-
30 - 34	-	3	3	-	-	-
35 - 39	-	8	8	-	-	-
40 - 44	-	3	3	-	-	-
45 - 49	-	3	3	-	-	-
50 - 54	-	7	7	-	-	-
55 - 59	1	2	3	-	-	-
60 - 64	-	3	3	-	-	-
65 and over	-	-	-	-	-	-
Total	1	42	43	-	-	-

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	Inactives Receiving Benefits		
Age	Retirees	Spouses	Total
54 and under	-	-	-
55-59	1	-	1
60-64	-	1	1
65-69	-	-	-
70-74	-	-	-
75-79	1	-	1
80 and over	2	1	3
Total	4	2	6

	Average Age and Service	
	As of January 1, 2024	As of January 1, 2022
Active Employees		
A. Average age at hire		
Males	31.3	32.6
Females	42.5	44.3
Total	34.1	35.7
B. Average Service		
Males	7.1	10.0
Females	4.3	5.2
Total	6.4	8.7
C. Average Current Age		
Males	38.4	42.6
Females	46.8	49.5
Total	40.5	44.4
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	78.0	76.4
Females	75.2	73.2
Total	77.3	75.6

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Required Disclosures for Fiscal Year Ending December 31, 2024

Changes in Total OPEB Liability

Balance at 12/31/2023	$ 1,655,162
Changes for the year:	
Service cost	100,645
Interest	62,148
Changes in benefit terms	182,779
Differences between expected and actual experience	(309,927)
Changes in assumptions and other inputs	93,429
Benefit payments	(60,309)
Net changes	68,765
Balance at 12/31/2024	$ 1,723,927

Notes:

Plan changes - The Medicare reimbursement was increased.

Assumption changes - The healthcare cost trend rates were reset.
The mortality table was updated.
The demographic assumptions were updated.
The discount rate was 3.26% as of December 31, 2023 and 4.08% as of December 31, 2024.

Sensitivity of the Total OPEB Liability

1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
$ 1,989,951	$ 1,723,927	$ 1,504,668

1% Decrease (7.00% decreasing to 4.00%)	Healthcare Cost Trend Rates (8.00% decreasing to 5.00%)	1% Increase (9.00% decreasing to 6.00%)
$ 1,597,641	$ 1,723,927	$ 1,879,142

Actuarial Assumptions and Methodology

1. Discount Rate: A discount rate of 3.26% was used as of December 31, 2023. A discount rate of 4.08% was used as of December 31, 2024. The discount rate was based on the Bond Buyer's 20 Bond Index.

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

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	Current Valuation	Prior Valuation
2024	8.00%	6.00%
2025	7.50%	5.50%
2026	7.00%	5.00%
2027	6.50%	5.00%
2028	6.00%	5.00%
2029	5.50%	5.00%
2030+	5.00%	5.00%

3. Mortality:

Current Valuation:
PUB-2010 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-2021.

The following demographic assumptions are based on the Georgia State Employees Post-Employment Health Benefit Fund GASB 75 Valuation report, prepared by Cavanaugh Macdonald as of June 30, 2023:

4. Retirement Rates:

Current Valuation:
It was assumed that the following percentage of eligible employees would retire each year:

	Non-Police: Male/Female		
	Years of Service		
Age	0-9	10-29	30+
50	0.0%	2.0% / 2.0%	60.0% / 42.0%
55	0.0%	3.0% / 3.5%	50.0% / 40.0%
60	0.0%	25.0% / 28.0%	25.0% / 28.0%
65	0.0%	32.0% / 33.0%	32.0% / 33.0%
70	0.0%	30.0% / 30.0%	30.0% / 30.0%
75+	100.0%	100.0%	100.0%

Police	
Age	Rates
50	75.0%
55	15.0%
60	30.0%
65	25.0%
70+	100.0%

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

4. Retirement Rates:

Prior Valuation:
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:

Current Valuation:

Non-Police: Male			
	Years of Service		
Age	0-4	5-9	10+
20	40.00%		
25	30.00%	16.25%	
30	25.00%	12.50%	8.00%
35	23.00%	10.50%	6.25%
40	20.00%	9.50%	4.75%
45	20.00%	8.50%	4.00%
50	17.00%	7.25%	4.50%
55	15.00%	6.75%	4.75%
60	14.50%	5.50%	-
65+	14.50%	12.50%	-

Non-Police: Female			
	Years of Service		
Age	0-4	5-9	10+
20	35.00%		
25	27.00%	18.00%	
30	23.00%	12.50%	9.00%
35	20.00%	10.25%	6.50%
40	18.00%	9.00%	5.25%
45	17.00%	8.00%	4.25%
50	16.00%	7.50%	4.25%
55	15.00%	7.25%	4.25%
60	15.50%	7.00%	-
65+	16.50%	12.50%	-

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

5. Termination Rates:

Prior Valuation:

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

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
55	13,966	14,492
56	14,526	14,742
57	15,103	14,991
58	15,664	15,362
59	16,241	15,750
60	16,844	16,146
61	17,464	16,542
62	18,110	16,956
63	18,455	17,283
64	18,808	17,611

11. Administrative Expenses: Included in premiums used.

12. Participant Salary Increases: 3.50% annually

13. Payroll Growth Rate: 2.50% annually

NOTE 25 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

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 CIGNA Healthcare 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 $650 per month per retiree and $287.50 per month per retiree spouse once Medicare eligible.
d.	Spouse Benefit:	Yes
e.	Surviving Spouse Benefit:	Yes
f.	Annual Premiums:	Effective January 1, 2024 - December 31, 2024

OAP 500	
Employee Only	$ 10,844.76
Employee and Family	$ 25,268.04

OAP 1000	
Employee Only	$ 11,118.60
Employee and Family	$ 25,906.20

OAP 1500	
Employee Only	$ 10,364.28
Employee and Family	$ 24,148.68

REQUIRED SUPPLEMENTARY INFORMATION

OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Total OPEB Liability and Related Ratios
December 31, 2024

	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability							
Service cost	$ 87,071	$ 77,019	$ 129,367	$ 151,985	$ 126,095	$ 88,952	$ 100,645
Interest	46,508	54,649	43,554	39,748	36,298	56,976	62,148
Changes in benefit terms	-	-	-	-	-	-	182,779
Differences between expected and actual experience	-	-	(81,604)	-	(259,991)	-	(309,927)
Changes in assumptions and other inputs	(109,188)	255,146	66,128	21,805	(312,008)	89,317	93,429
Benefit payments	(32,171)	(34,745)	(38,610)	(42,343)	(40,560)	(45,095)	(60,309)
Net change in total OPEB liability	(7,780)	352,069	118,835	171,195	(450,166)	190,150	68,765
Total OPEB liability - beginning	1,280,859	1,273,079	1,625,148	1,743,983	1,915,178	1,465,012	1,655,162
Total OPEB liability - ending	$ 1,273,079	$ 1,625,148	$ 1,743,983	$ 1,915,178	$ 1,465,012	$ 1,655,162	$ 1,723,927
Covered-employee payroll	$ 1,453,668	$ 1,490,010	$ 1,691,831	$ 1,734,127	$ 1,516,951	$ 1,554,875	$ 2,142,735
Total OPEB liability as a percentage of covered-employee payroll	87.58%	109.07%	103.08%	110.44%	96.58%	106.45%	80.45%
Notes to Schedule:							
Plan changes:							
Medicare reimbursement	No change	No change	No change	No change	No change	The City reimburses $500/month for the retiree and $250/month for the spouse	The City reimburses $650/month for the retiree and $287.50/month for the spouse
Assumption changes:							
Discount rate	4.10%	2.74%	2.12%	2.03%	3.72%	3.26%	4.08%
Trend rate	8.0% initially, grading down to 5.0% in 2024	7.5% initially, grading down to 5.0% in 2024	7.0% initially, grading down to 4.5% in 2025	6.5% initially, grading down to 4.5% in 2025	7.0% initially, grading down to 4.5% in 2027	6.5% initially, grading down to 4.5% in 2027	8.0% initially, grading down to 5.0% in 2030
Demographic assumptions	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2016	From the Georgia State Valuation dated June 30, 2023
Mortality table	RPH-2014 total dataset table with scale MP-2018	RPH-2014 total dataset table with scale MP-2018	RPH-2014 total dataset table with scale MP-2019	RPH-2014 total dataset table with scale MP-2019	RPH-2014 total dataset table with scale MP-2021	RPH-2014 total dataset table with scale MP-2021	PUB-2010 table with scale MP-2021

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

OTHER SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

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

Hotel/Motel Tax Fund:

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

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.

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Revenue							
	Hotel/Motel Tax Fund	Haunted Depot Fund	Confiscated Assets Fund	Ringgold Depot Fund	Visitor Center Fund	Capital Projects Grant Fund	Technology Fee Fund	Total Non-major Governmental Funds
ASSETS								
Cash	$ -	$ 174,781	$ 21,853	$ 216,027	$ 228,093	$ 78,289	$ 15,078	$ 734,121
Accounts receivable	64,829	-	-	-	-	-	-	64,829
Grants receivable	-	-	-	-	-	20,000	-	20,000
TOTAL ASSETS	$ 64,829	$ 174,781	$ 21,853	$ 216,027	$ 228,093	$ 98,289	$ 15,078	$ 818,950
LIABILITIES								
Accounts payable	$ -	$ -	$ -	$ 8,996	$ 32,082	$ -	$ -	$ 41,078
Accrued wages	-	-	-	-	1,924	-	-	1,924
Accrued liabilities	-	32	-	-	-	-	-	32
Unearned revenue	-	-	-	-	-	16,256	-	16,256
Due to other funds	64,829	-	5,907	-	-	-	-	70,736
TOTAL LIABILITIES	$ 64,829	$ 32	$ 5,907	$ 8,996	$ 34,006	$ 16,256	$ -	$ 130,026
FUND BALANCES								
Restricted	$ -	$ 174,749	$ 15,946	$ 207,031	$ 194,087	$ 82,033	$ 15,078	$ 688,924

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2024

	Special Revenue							Total Non-major Governmental Funds
	Hotel/Motel Tax Fund	Haunted Depot Fund	Confiscated Assets Fund	Ringgold Depot Fund	Visitor Center Fund	Capital Projects Grant Fund	Technology Fee Fund	
REVENUES								
Taxes	$ 775,480	$ -	$ -	$ -	$ -	$ -	$ -	$ 775,480
Fines and forfeitures	-	-	10,000	-	-	-	34,389	44,389
Other revenue	-	57,066	-	23,035	31,476	108,744	-	220,321
TOTAL REVENUES	775,480	57,066	10,000	23,035	31,476	108,744	34,389	1,040,190
EXPENDITURES								
Current expenditures								
Public safety	-	-	2,009	-	-	-	42,256	44,265
Public welfare and recreation	-	24,331	-	45,699	429,251	-	-	499,281
TOTAL EXPENDITURES	-	24,331	2,009	45,699	429,251	-	42,256	543,546
Excess (deficiency) of revenue over (under) expenditures	775,480	32,735	7,991	(22,664)	(397,775)	108,744	(7,867)	496,644
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	40,939	443,736	-	-	484,675
Transfers out	(775,480)	-	-	-	(88,787)	-	-	(864,267)
Total other financing sources (uses)	(775,480)	-	-	40,939	354,949	-	-	(379,592)
Net changes in fund balances	-	32,735	7,991	18,275	(42,826)	108,744	(7,867)	117,052
Fund balances - beginning	-	142,014	7,955	188,756	236,913	(26,711)	22,945	571,872
Fund balances - end	$ -	$ 174,749	$ 15,946	$ 207,031	$194,087	$ 82,033	$ 15,078	$ 688,924

CITY OF RINGGOLD, GEORGIA
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Taxes				
Hotel/motel tax	$ 725,000	$ 775,480	$ 775,480	$ -
TOTAL REVENUES	725,000	775,480	775,480	-
Excess (deficiency) of revenue over (under) expenditures	725,000	775,480	775,480	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(725,000)	(775,480)	(775,480)	-
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

CITY OF RINGGOLD, GEORGIA
Haunted Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Promotions	$ 500	$ 500	$ -	$ (500)
Other revenue				
Haunted Depot	57,000	57,000	57,066	66
Donations	2,000	2,000	-	(2,000)
Total other revenue	59,000	59,000	57,066	(1,934)
TOTAL REVENUES	59,500	59,500	57,066	(2,434)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Professional services	5,400	5,400	5,000	400
Supplies and materials	22,500	22,500	19,331	3,169
TOTAL EXPENDITURES	27,900	27,900	24,331	3,569
Excess (deficiency) of revenue over (under) expenditures	31,600	31,600	32,735	1,135
OTHER FINANCING SOURCES (USES)				
Transfers out	(31,600)	(31,600)	-	31,600
Net changes in fund balances	-	-	32,735	32,735
Fund balances - beginning	142,014	142,014	142,014	-
Fund balances - end	$ 142,014	$ 142,014	$ 174,749	$ 32,735

CITY OF RINGGOLD, GEORGIA
Confiscated Assets Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Fines and forfeitures				
Cash confiscation	$ 3,000	$ 3,000	$ 10,000	$ 7,000
TOTAL REVENUES	3,000	3,000	10,000	7,000
EXPENDITURES				
Current expenditures				
Public safety				
Dues	-	-	150	(150)
Payments to agencies	1,000	1,000	1,859	(859)
Supplies and materials	2,000	2,000	-	2,000
TOTAL EXPENDITURES	3,000	3,000	2,009	991
Excess (deficiency) of revenue over (under) expenditures	-	-	7,991	7,991
Fund balances - beginning	7,955	7,955	7,955	-
Fund balances - end	$ 7,955	$ 7,955	$ 15,946	$ 7,991

CITY OF RINGGOLD, GEORGIA
Ringgold Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Rental	$ 27,000	$ 27,000	$ 23,035	$ (3,965)
TOTAL REVENUES	27,000	27,000	23,035	(3,965)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Insurance	2,500	2,500	1,814	686
Professional services	1,000	1,000	2,998	(1,998)
Repairs and maintenance	74,000	74,000	9,936	64,064
Supplies and materials	26,000	26,000	7,190	18,810
Telephone	2,000	2,000	2,250	(250)
Utilities	16,000	16,000	21,511	(5,511)
TOTAL EXPENDITURES	121,500	121,500	45,699	75,801
Excess (deficiency) of revenue over (under) expenditures	(94,500)	(94,500)	(22,664)	71,836
OTHER FINANCING SOURCES (USES)				
Transfers in	94,500	94,500	40,939	(53,561)
Net changes in fund balances	-	-	18,275	18,275
Fund balances - beginning	188,756	188,756	188,756	-
Fund balances - end	$ 188,756	$ 188,756	$ 207,031	$ 18,275

CITY OF RINGGOLD, GEORGIA
Visitor Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Rental	$ 31,000	$ 93,386	$ 31,476	$ (61,910)
TOTAL REVENUES	31,000	93,386	31,476	(61,910)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	117,000	117,000	120,207	(3,207)
Payroll taxes	8,750	8,750	9,105	(355)
Dues and subscriptions	1,800	1,800	2,970	(1,170)
Education and travel	1,200	1,200	2,634	(1,434)
Insurance	27,200	27,200	20,843	6,357
Marketing and tourism	260,388	322,774	240,578	82,196
Postage and printing	-	-	3	(3)
Professional services	3,800	3,800	2,520	1,280
Repairs and maintenance	5,750	5,750	5,569	181
Retirement	10,000	10,000	5,168	4,832
Supplies and materials	8,800	8,800	16,630	(7,830)
Telephone	1,500	1,500	1,413	87
Utilities	3,500	3,500	1,611	1,889
TOTAL EXPENDITURES	449,688	512,074	429,251	82,823
Excess (deficiency) of revenue over (under) expenditures	(418,688)	(418,688)	(397,775)	20,913
OTHER FINANCING SOURCES (USES)				
Transfers in	418,688	418,688	443,736	25,048
Transfers out	-	-	(88,787)	(88,787)
Total other financing sources (uses)	418,688	418,688	354,949	(63,739)
Net changes in fund balances	-	-	(42,826)	(42,826)
Fund balances - beginning	236,913	236,913	236,913	-
Fund balances - end	$ 236,913	$ 236,913	$ 194,087	$ (42,826)

CITY OF RINGGOLD, GEORGIA
Capital Projects Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Other revenue				
Contributions and donations	$ -	$ -	$ 108,744	$ 108,744
TOTAL REVENUES	-	-	108,744	108,744
Excess (deficiency) of revenue over (under) expenditures	-	-	108,744	108,744
Fund balances - beginning	(26,711)	(26,711)	(26,711)	-
Fund balances - end	$ (26,711)	$ (26,711)	$ 82,033	$ 108,744

CITY OF RINGGOLD, GEORGIA
Technology Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Fines and forfeitures				
Technology fees	$ 22,000	$ 42,256	$ 34,389	$ (7,867)
TOTAL REVENUES	22,000	42,256	34,389	(7,867)
EXPENDITURES				
Current expenditures				
Public safety				
Dues and subscriptions	2,000	2,000	1,560	440
Professional services	-	20,256	19,200	1,056
Supplies and materials	10,000	10,000	1,821	8,179
Telephone	10,000	10,000	19,675	(9,675)
TOTAL EXPENDITURES	22,000	42,256	42,256	-
Excess (deficiency) of revenue over (under) expenditures	-	-	(7,867)	(7,867)
Fund balances - beginning	22,945	22,945	22,945	-
Fund balances - end	$ 22,945	$ 22,945	$ 15,078	$ (7,867)

FINANCIAL SCHEDULES

CITY OF RINGGOLD, GEORGIA
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Intergovernmental				
Special Local Option Sales Tax	$ 1,781,247	$ 1,799,601	$ 1,799,601	$ -
TOTAL REVENUES	1,781,247	1,799,601	1,799,601	-
EXPENDITURES				
Capital outlay				
Public safety	120,000	120,000	118,612	1,388
Public works	97,947	116,301	122,786	(6,485)
Public welfare and recreation	-	-	2,149	(2,149)
TOTAL EXPENDITURES	217,947	236,301	243,547	(7,246)
Excess (deficiency) of revenues over (under) expenditures	1,563,300	1,563,300	1,556,054	(7,246)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,563,300)	(1,563,300)	(1,556,054)	7,246
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - end	$ -	$ -	$ -	$ -

CITY OF RINGGOLD, GEORGIA
Sewer Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OPERATING REVENUES				
Sewer charges	$ 2,771,450	$ 2,771,450	$ 3,016,289	$ 244,839
Installation charges	90,000	90,000	73,800	(16,200)
Other fees	6,000	6,000	1,000	(5,000)
Total operating revenues	2,867,450	2,867,450	3,091,089	223,639
OPERATING EXPENSE				
Operating and maintenance	3,141,200	3,141,200	1,838,500	1,302,700
Administration and general	26,250	26,250	24,670	1,580
Depreciation	650,000	650,000	682,273	(32,273)
Total operating expenses	3,817,450	3,817,450	2,545,443	1,272,007
Operating income (loss)	(950,000)	(950,000)	545,646	1,495,646
NON-OPERATING REVENUES (EXPENSES)				
Sale of assets	-	-	329	329
Intergovernmental revenue	1,200,000	1,200,000	798,204	(401,796)
Interest expense	(250,000)	(250,000)	(170,552)	79,448
Total non-operating revenues (expenses)	950,000	950,000	627,981	(322,019)
Income before transfers	-	-	1,173,627	1,173,627
Transfers in	-	-	331,297	331,297
Changes in net position	-	-	1,504,924	1,504,924
Total net position - beginning	19,823,435	19,823,435	19,823,435	-
Total net position - end	$ 19,823,435	$ 19,823,435	$ 21,328,359	$ 1,504,924

CITY OF RINGGOLD, GEORGIA
Water Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
OPERATING INCOME				
Water sales	$ 770,000	$ 770,000	$ 848,336	$ 78,336
Installation charges	9,000	9,000	600	(8,400)
Penalties	31,500	31,500	44,551	13,051
Other fees	-	-	37,056	37,056
Total operating revenues	810,500	810,500	930,543	120,043
OPERATING EXPENSES				
Operating and maintenance	4,178,074	4,178,074	779,834	3,398,240
Administration and general	31,300	31,300	41,171	(9,871)
Depreciation	150,000	150,000	240,074	(90,074)
Total operating expenses	4,359,374	4,359,374	1,061,079	3,298,295
Operating income (loss)	(3,548,874)	(3,548,874)	(130,536)	3,418,338
NON-OPERATING REVENUES (EXPENSES)				
Sale of assets	-	-	1,751	1,751
Intergovernmental revenue	600,000	600,000	185,513	(414,487)
Interest expense	(10,000)	(10,000)	(19,370)	(9,370)
Total non-operating revenue (expenses)	590,000	590,000	167,894	(422,106)
Income (loss) before transfers	(2,958,874)	(2,958,874)	37,358	2,996,232
Transfers in	2,958,874	2,958,874	1,224,757	(1,734,117)
Changes in net position	-	-	1,262,115	1,262,115
Total net position - beginning	2,785,236	2,785,236	2,785,236	-
Total net position - end	$ 2,785,236	$ 2,785,236	$ 4,047,351	$ 1,262,115

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Schedule of Operating Expenses
Year Ended December 31, 2024

	Enterprise		
Operating Expenses	**Sewer Fund**	**Water Fund**	**Totals**
Operating and maintenance			
Salaries	$ 306,582	$ 267,465	$ 574,047
Payroll taxes	22,304	20,024	42,328
Chemicals	-	15,428	15,428
Drinking water program	-	4,774	4,774
Equipment	1,966	9,505	11,471
Fuel	15,669	13,500	29,169
Insurance	90,448	49,640	140,088
Post-employment benefits	54,536	51,506	106,042
Professional services	129,026	19,930	148,956
Repairs and maintenance	58,535	37,258	95,793
Retirement	25,606	22,906	48,512
Sewer treatment charges	1,068,216	-	1,068,216
Supplies and materials	35,709	41,555	77,264
Telephone	1,548	2,318	3,866
Uniforms	6,302	4,945	11,247
Utilities	22,053	54,152	76,205
Water line repairs	-	2,556	2,556
Water purchases	-	162,372	162,372
Total operating and maintenance	1,838,500	779,834	2,618,334
Administration and general			
Education and travel	1,673	7,544	9,217
Insurance	17,225	12,736	29,961
Licenses and dues	5,511	10,614	16,125
Printing and postage	261	10,277	10,538
Total administration and general	24,670	41,171	65,841
Depreciation	682,273	240,074	922,347
Total operating expenses	$ 2,545,443	$ 1,061,079	$ 3,606,522

CITY OF RINGGOLD, GEORGIA
Schedule of Property Taxes Receivable
General Fund
December 31, 2024

Year of Levy	
2024	$ 78,914
2023	7,294
2022	1,984
2021	291
2020	42
2019	382
2018	-
2017	-
2016	-
2015	-
Total property taxes receivable	88,907
Less: allowance for uncollectibles	(10,371)
Property taxes receivable - net	$ 78,536

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Property Taxes Receivable
General Fund
Year Ended December 31, 2024

	Taxes Receivable December 31, 2023	Taxes Levied	Pickups and (Releases)	Collections	Taxes Receivable December 31, 2024
2024	$ -	$ 1,007,200	$ (49,460)	$ (878,826)	$ 78,914
2023	51,217	-	-	(43,923)	7,294
2022	6,067	-	-	(4,083)	1,984
2021	2,753	-	-	(2,462)	291
2020	483	-	-	(441)	42
2019	770	-	-	(388)	382
2018	314	-	-	(314)	-
2017	-	-	-	-	-
2016	31	-	-	(31)	-
2015	30	-	-	(30)	-
2014	30	-	(30)	-	-
Total	$ 61,695	$ 1,007,200	$ (49,490)	$ (930,498)	$ 88,907

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
General Fund
December 31, 2024

USDA RURAL DEVELOPMENT NOTE

Maturing December 31,	Principal	Interest	Total Requirements
2025	$ 12,222	$ 1,205	$ 13,427
2026	12,513	914	13,427
2027	12,811	616	13,427
2028	13,115	312	13,427
Total	$ 50,661	$ 3,047	$ 53,708

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
Sewer Fund
December 31, 2024

SEWER SYSTEM REVENUE IMPROVEMENT BONDS

Maturing December 31,	Principal	Interest	Total Requirements
2025	$ 499,000	$ 150,458	$ 649,458
2026	520,000	129,428	649,428
2027	542,000	107,516	649,516
2028	564,000	84,670	648,670
2029	589,000	60,880	649,880
2030	776,000	36,053	812,053
2031	321,000	3,330	324,330
Total	$ 3,811,000	$ 572,335	$ 4,383,335

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Long-term Debt by Individual Issue
December 31, 2024

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 1/1/2024	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 12/31/2024
Governmental Activities									
Notes Payable through General Fund									
USDA Rural Development Note	$ 62,600	2.378%	02/21/23	02/21/28	$ 62,600	$ -	$ (11,939)	$ -	$ 50,661
Business-Type Activities									
Bonds Payable through Sewer Fund									
Revenue Improvement Bond, Series 2005	$9,600,000	4.15%	04/01/05	04/01/31	$4,290,000	$ -	$(479,000)	$ -	$3,811,000
Notes Payable through Water Fund									
Georgia Environmental Finance Authority Note	*	1.56%	*	*	$1,126,476	$591,389	$ -	$ -	$1,717,865

* Note is still in draw down phase as of December 31, 2024

CITY OF RINGGOLD, GEORGIA
Schedules of Statistical Information
December 31, 2024

I. SCHEDULE OF TAX RATES AND ASSESSMENTS

Tax Year	City Tax Rate	Assessment	Levy
2024	.2364	$ 426,057,421	$1,007,200
2023	.3094	$ 297,348,093	$ 919,995
2022	.3094	$ 266,120,233	$ 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

II. SCHEDULE OF BILLING RATES

The water and sewer rates for the City of Ringgold for the year ended December 31, 2024, were:

Water Rates

Meter Size	Minimum Usage (Gallons)	Minimum Monthly Bill
3/4" meter	0-2,000	$ 16.00 plus $4.41/1,000 gal.
1" meter	0-8,000	$ 40.36 plus $4.53/1,000 gal.
1-1/2" meter	0-17,000	$ 76.88 plus $4.53/1,000 gal.
2" meter	0-25,000	$ 109.35 plus $4.53/1,000 gal.
3" meter	0-45,000	$ 337.89 plus $4.53/1,000 gal.
4" meter	0-60,000	$ 450.20 plus $4.53/1,000 gal.
6" meter	0-90,000	$ 674.77 plus $4.53/1,000 gal.
8" meter	0-120,000	$ 899.39 plus $4.53/1,000 gal.
10" meter	0-150,000	$1,123.98 plus $4.53/1,000 gal.

Sewer Rates

Meter Size	Minimum Usage (Gallons)	Minimum Monthly Bill
3/4" meter	0-2,000	$ 18.79 plus $4.68/1,000 gal.
1" meter	0-8,000	$ 46.82 plus $4.68/1,000 gal.
1-1/2" meter	0-17,000	$ 88.90 plus $4.68/1,000 gal.
2" meter	0-25,000	$ 126.36 plus $4.68/1,000 gal.
3" meter	0-45,000	$ 422.66 plus $4.68/1,000 gal.
4" meter	0-60,000	$ 563.28 plus $4.68/1,000 gal.
6" meter	0-90,000	$ 844.93 plus $4.68/1,000 gal.
8" meter	0-120,000	$1,126.57 plus $4.68/1,000 gal.
10" meter	0-150,000	$1,409.60 plus $4.68/1,000 gal.

As of December 31, 2024 the City had 1,412 water accounts, 1,273 City sewer accounts, and 4,355 County sewer customers.

III. SINGLE AUDIT SECTION

CITY OF RINGGOLD, GEORGIA
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2024

Federal Grantor/Pass-through Agency	Assistance Listing Number	State Grant/ Program Number	Accrued (Receivable) 1/1/2024	Grant Receipts	Grant Expenditures	Accrued (Receivable) 12/31/2024
Federal						
Department of Human Services						
Cares Act Grant	21.019	-	$ 1,355,574	$ -	$ -	$ 1,355,574
Appalachian Regional Commission						
through Department of Community Affairs	23.001	GA20805	-	675,000	750,000	(75,000)
Georgia Environmental Finance Authority	23.001	GF2020006	-	591,389	591,389	-
Total Appalachian Regional Commission			-	1,266,389	1,341,389	(75,000)
Federal Emergency Management Agency						
Hazard Mitigation Grant Program	97.039	HMGP-4579-0009	-	-	185,513	(185,513)
Total federal awards			1,355,574	1,266,389	1,526,902	1,095,061
State						
Georgia Department of Transportation						
LMIG Street Resurfacing	-	2023	49,421	61,204	110,625	-
Georgia Department of Natural Resources						
Golden Mile Trail II	-	P22AP01128	(200,000)	180,000	-	(20,000)
Georgia Department of Community Affairs						
Rural Downtown Development	-	22dg-023-2-5102	(57,212)	57,212	-	-
Georgia Department of Transportation						
Sewer Relocation	-	0015538	-	-	798,204	(798,204)
Total state awards			(207,791)	298,416	908,829	(818,204)
TOTAL FEDERAL AND STATE AWARDS			$ 1,147,783	$1,564,805	$2,435,731	$ 276,857

CITY OF RINGGOLD, GEORGIA
Notes to the Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2024

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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - LOAN BALANCE

	Balance
Georgia Environmental Finance Authority	$ 1,717,865

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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, 2024, 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 5, 2025.

Report on 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a significant deficiency.

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 financial statements. 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 Questioned Costs as item 2024-002.

City of Ringgold, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Ringgold, Georgia's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City of Ringgold, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 5, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Council Members
City of Ringgold, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Ringgold, Georgia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Ringgold, Georgia's major federal programs for the year ended December 31, 2024. The City of Ringgold, Georgia's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Ringgold, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Ringgold, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Ringgold, Georgia's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Ringgold, Georgia's compliance based on our audit. 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, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City of Ringgold, Georgia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 City of Ringgold, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City of Ringgold, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Ringgold, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
April 5, 2025

CITY OF RINGGOLD, GEORGIA
Schedule of Findings and Questioned Costs
December 31, 2024

SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Opinion:
Our report on the financial statements of the City of Ringgold, Georgia is unmodified.

Internal control over financial reporting:
Material weakness identified? No

Significant deficiency identified? One instance reported

Noncompliance material to the financial statements noted:
One instance disclosed

Federal Awards:

Internal control over major federal programs:
Material weakness identified? No

Significant deficiency identified? None reported

Type of report auditor issued on compliance for major programs:
Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):
No

Identification of major federal programs:
Assistance Listing Number: 23.001 Appalachian Regional Commission

Dollar threshold used to distinguish between Type A and Type B Programs:
$750,000

Auditee qualified as low-risk auditee:
No

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

INTERNAL CONTROL:

Finding 2024-001 - Ticket Procedures

Criteria:
Government Auditing Standards Chapter 8.58(d) states that "inadequate controls for the safeguarding of assets" is a deficiency in internal controls.

Condition:
The City Judge did not sign all tickets.

Cause:
If a case is settled outside of court, the City Judge did not sign the ticket.

Effect:
Without following proper procedures, not all tickets are being signed by the City Judge.

Management's Response:
We concur. We will ensure that the City Judge signs all tickets going forward.

COMPLIANCE:

Finding 2024-002 - Expenditures Exceeded Budget

Criteria:
Georgia Code Section 36-81-3 states in part that expenditures should not exceed appropriations at the legal level of control.

Condition:
Expenditures in the Capital Projects Fund exceeded the amount budgeted by $7,246.

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.

FINDINGS RELATING TO FEDERAL AWARDS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE

There were no findings and questioned costs related to the federal awards for the year ended December 31, 2024.

CITY OF RINGGOLD, GEORGIA
Schedule of Prior Audit Findings
December 31, 2024

Prior Year Finding Number	Finding Title	Status/ Current Year Finding Number
2023-001	Expenditures Exceeded Budget (original finding 2021-002)	Still in effect/ 2024-002

City of Ringgold

150 Tennessee Street
Post Office Box 579
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Management's Corrective Action Plan

Management's corrective action plan for our December 31, 2024 audit is as follows:

Finding 2024-001 - Ticket Procedures
Auditor's Condition Found: For cases settled outside of court, the City Judge did not sign the tickets.

Corrective Action Planned: We will make sure going forward that the City Judge signs all tickets.

Name of Responsible Official: Nick Millwood, Mayor

Anticipated Completion Date: June 30, 2025

Finding 2024-002 - Expenditures Exceeded Budget
Auditor's Condition Found: Expenditures in the Capital Projects Fund exceeded the amount budgeted by $7,246.

Corrective Action Planned: The City's December 31, 2025 budget will provide for all expenditures.

Name of Responsible Official: Gina Wilson, Finance Director

Anticipated Completion Date: December 31, 2025

Respectfully submitted,

Nick Millwood, Mayor
City of Ringgold, Georgia

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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, 2024. 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, 2024, in conformity with accounting principles generally accepted in the United States of America.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
April 5, 2025

CITY OF RINGGOLD, GEORGIA
Schedule of Special Purpose Local Option Sales Tax
Year Ended December 31, 2024

Project	Original Estimated Cost	Expenditures			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
2019 SPLOST					
Ringgold Water/Sewer Projects		$ 945,894	$ 1,533,899	$ 2,479,793	
Recreational Complex Phase 1		100,000	-	100,000	
Emergency Vehicles		28,274	177,558	205,832	
Sidewalks		200,000	65,989	265,989	
2019 SPLOST Totals	$ 7,400,000	$ 1,274,168	$ 1,777,446	$ 3,051,614	41%
2024 SPLOST					
SPLOST Projects	$ 4,828,800	$ -	$ 22,155	$ 22,155	1%

NOTE A - BASIS OF ACCOUNTING

This schedule of Special Purpose Local Option Sales Tax has been prepared under the modified accrual basis of accounting.