CITY OF RINGGOLD, GEORGIA

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025

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

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CITY OF RINGGOLD, GEORGIA
Council Members and Management
December 31, 2025

Mayor	Nicholas Millwood
Mayor Pro-Tem	Sara S. Clark
Council Member	Jake Haynes
Council Member	Rhonda Swaney
Council Member	Kelly Bomar
Council Member	Earl Henderson
City Manager	Mark Vaughn
City Judge	Michael Caldwell
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, 2025, 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, 2025, 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 2, 2026, 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 2, 2026

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, 2025. 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, 2025, by $48,090,329 (net position). Of this amount, $11,096,836 (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 $2,247,160. The City's business-type activities operated at a surplus of $2,508,823.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $6,045,496. Approximately 0.63% is nonspendable due to form, 14.84% is restricted for specific purposes, and the remaining 84.53%, or $5,110,215 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 83.97%, of total General Fund expenditures. Expenditures do not include transfers to and from other funds, which netted to $(360,274) 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 $27,884,533. Of that balance, $7,635,226, or 27.38%, is unrestricted.

The City received $3,241,382 in federal and state awards, including $174,922 of loan proceeds in the Water Fund.

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 70 through 79 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 68 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 $48,090,329 at the close of this fiscal year.

The largest portion of the City's net position (75.06%) 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 1.87%, or $897,396, of the City's net position represents resources that are subject to external restrictions on how they may be used.

The remaining $11,096,836, or 23.07% is unrestricted net position which may be used to meet the government's ongoing obligations to its citizens and creditors.

At December 31, 2025, 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	
	2025	2024	2025	2024	2025	2024
Capital assets	$ 16,386,075	$14,288,047	$ 25,400,240	$ 23,774,541	$41,786,315	$38,062,588
Other assets	7,074,784	7,208,274	8,859,023	8,304,984	15,933,807	15,513,258
Total assets	$ 23,460,859	$21,496,321	$ 34,259,263	$ 32,079,525	$57,720,122	$53,575,846
Deferred outflows of resources	$ 254,122	$ 252,541	$ 98,825	$ 135,984	$ 352,947	$ 388,525
Long-term liabilities	$ 1,802,915	$ 1,308,430	$ 5,241,489	$ 5,807,639	$ 7,044,404	$ 7,116,069
Other liabilities	880,111	1,920,431	966,951	729,886	1,847,062	2,650,317
Total liabilities	$ 2,683,026	$ 3,228,861	$ 6,208,440	$ 6,537,525	$ 8,891,466	$ 9,766,386
Deferred inflows of resources	$ 826,159	$ 561,365	$ 265,115	$ 302,274	$ 1,091,274	$ 863,639
Net investment in capital assets	$ 15,846,790	$14,237,386	$ 20,249,307	$ 18,245,676	$36,096,097	$32,483,062
Restricted	897,396	688,924	-	-	897,396	688,924
Unrestricted	3,461,610	3,032,326	7,635,226	7,130,034	11,096,836	10,162,360
Total net position	$ 20,205,796	$17,958,636	$ 27,884,533	$ 25,375,710	$48,090,329	$43,334,346

Change in Net Position

Governmental activities increased the City's net position by $2,247,160, while business-type activities increased the City's net position by $2,508,823. 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 2025 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	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 710,309	$ 800,312	$ 4,131,972	$ 4,021,632	$ 4,842,281	$ 4,821,944
Operating grants and contributions	54,723	35,033	24,501	-	79,224	35,033
Capital grants and contributions	2,598,475	2,768,969	1,574,302	983,717	4,172,777	3,752,686
General revenues:						
Local option sales tax	1,676,086	1,585,558	-	-	1,676,086	1,585,558
Other taxes	3,506,790	3,069,291	-	-	3,506,790	3,069,291
Other	579,501	645,996	3,639	2,080	583,140	648,076
Total revenues	9,125,884	8,905,159	5,734,414	5,007,429	14,860,298	13,912,588
Expenses:						
General government	1,758,481	1,931,076	-	-	1,758,481	1,931,076
Public safety	1,932,954	1,472,029	-	-	1,932,954	1,472,029
Public works	1,192,012	1,016,026	-	-	1,192,012	1,016,026
Public welfare and recreation	1,370,809	1,092,105	-	-	1,370,809	1,092,105
Interest on long-term debt	19,070	1,488	-	-	19,070	1,488
Sewer	-	-	2,632,234	2,715,995	2,632,234	2,715,995
Water	-	-	1,198,755	1,080,449	1,198,755	1,080,449
Total expenses	6,273,326	5,512,724	3,830,989	3,796,444	10,104,315	9,309,168
Excess (deficiency) before transfers	2,852,558	3,392,435	1,903,425	1,210,985	4,755,983	4,603,420
Interfund transfers	(605,398)	(1,556,054)	605,398	1,556,054	-	-
Change in net position	2,247,160	1,836,381	2,508,823	2,767,039	4,755,983	4,603,420
Net position - beginning	17,958,636	16,122,255	25,375,710	22,608,671	43,334,346	38,730,926
Net position - end	$20,205,796	$17,958,636	$27,884,533	$25,375,710	$48,090,329	$43,334,346

Net position for governmental activities increased $2,247,160, or 12.51%, largely due to the following key factors:

City property tax revenue totaled $1,070,037, an increase of $191,519 from 2024.

Other post-employment benefits expense decreased $127,477 from the prior year.

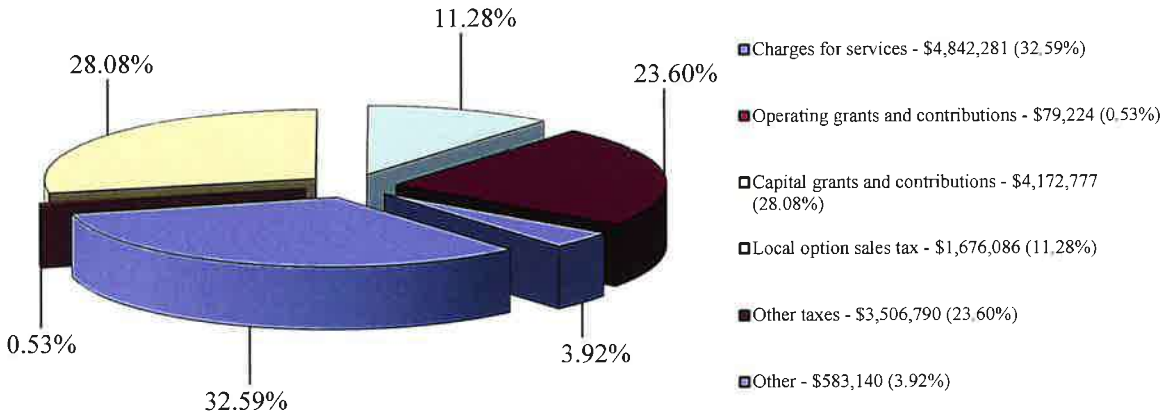
Net position for business-type activities increased by $2,508,823, or 9.89%, largely due to the following key factors:

Sewer charges to customers increased by $117,938 due to a rate increase during 2025.

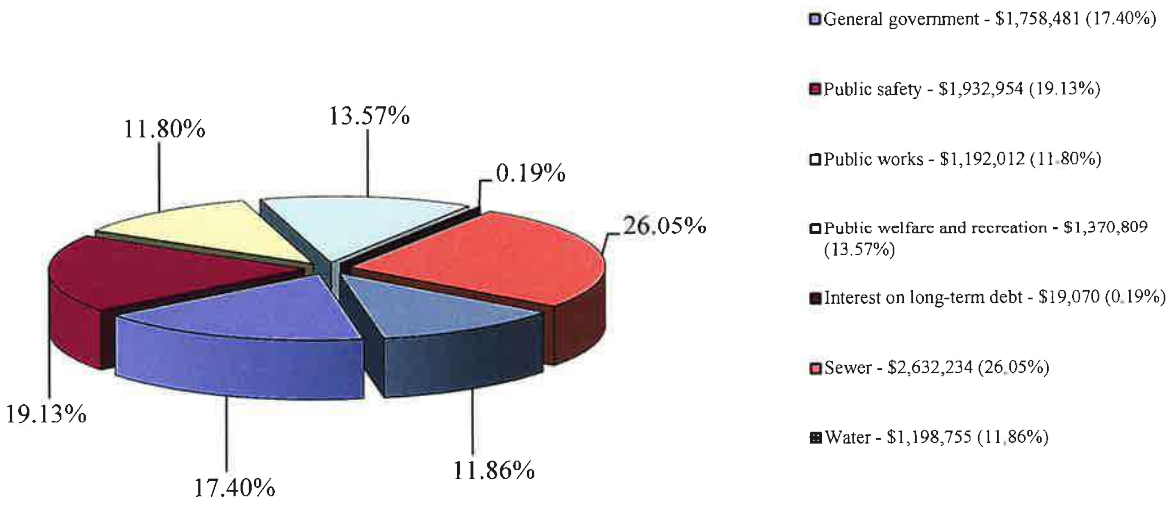
The Water Fund received a $1,574,302 grant from the U.S. Environmental Protection Agency.

The graphs below summarize the $14,860,298 of city-wide revenues by source and the associated $10,104,315 of expense by program. The graphs combine data from both governmental and business-type activities.

City-Wide Sources of Revenue



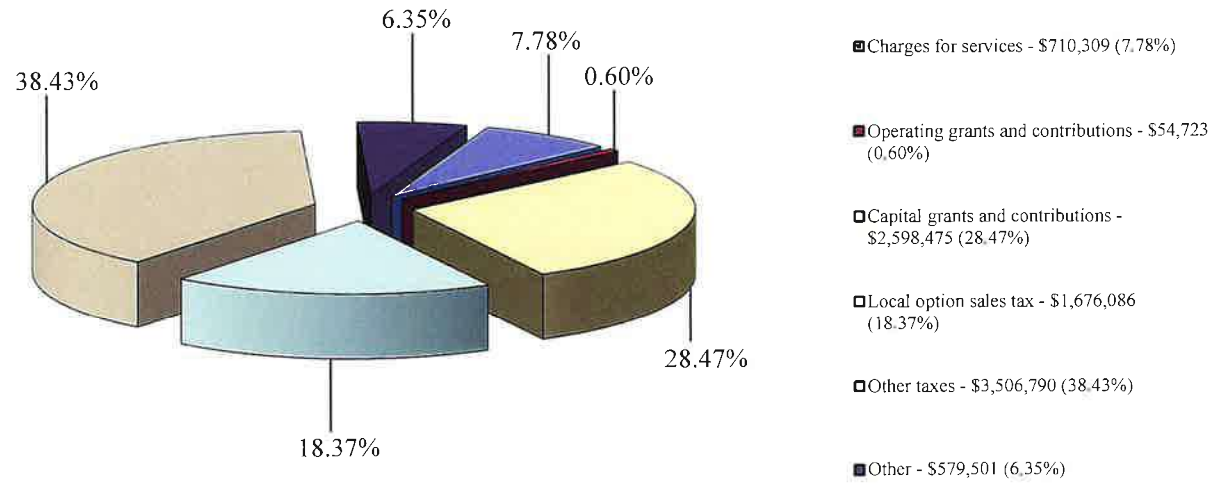
City-Wide Program Expenses



Governmental Activities

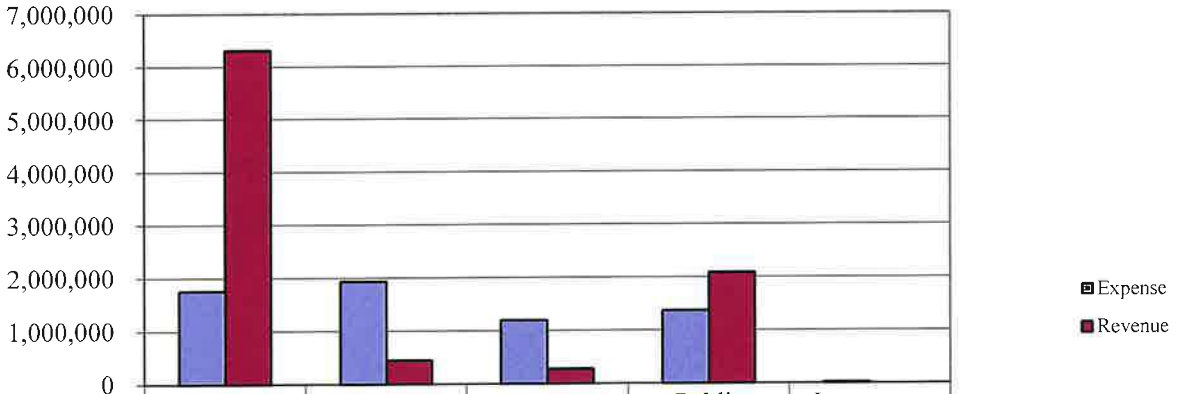
Governmental activities accounted for revenues of $9,125,884. The following graph summarizes the revenue by source.

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

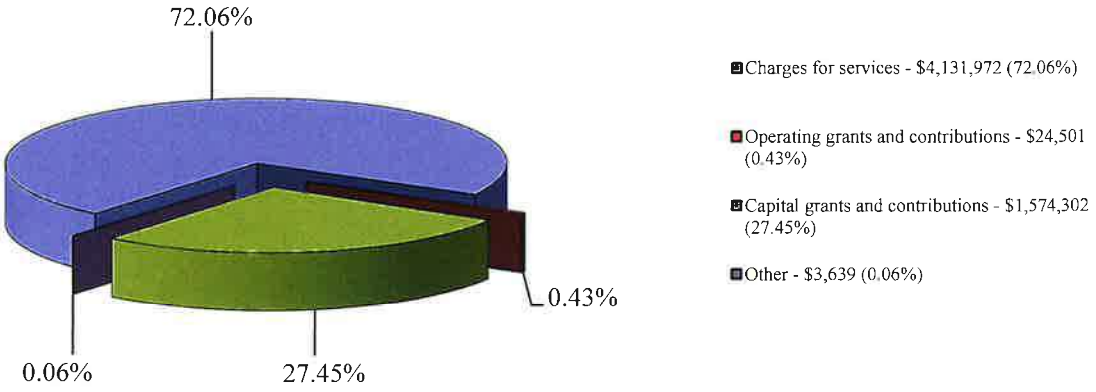


	General government	Public safety	Public works	Public welfare and recreation	Interest on long-term debt
Expense	1,758,481	1,932,954	1,192,012	1,370,809	19,070
Revenue	6,312,481	450,971	278,431	2,084,001	0

Business-type Activities

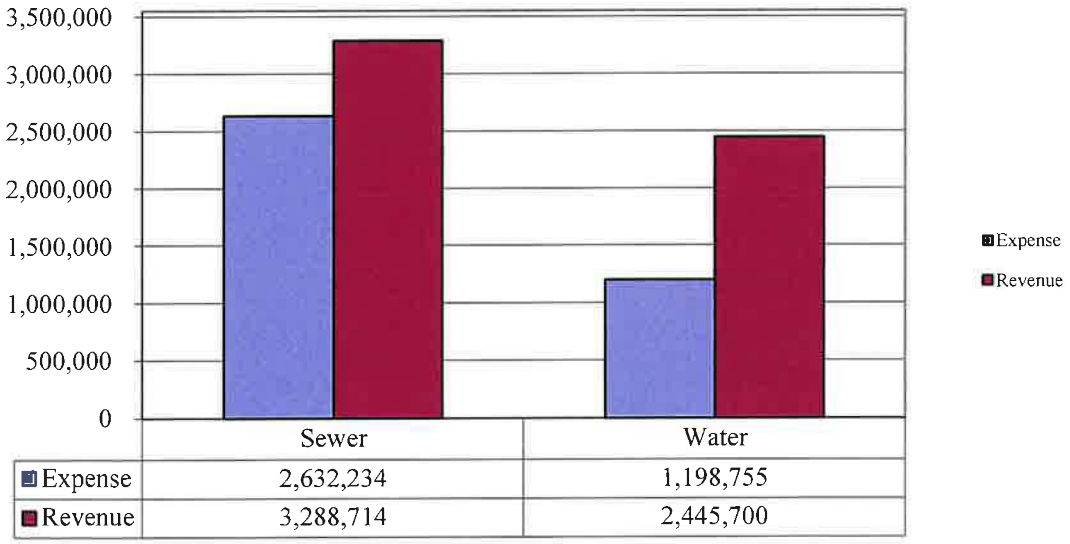
Business-type activities accounted for revenues of $5,734,414. The following graph summarizes the revenue by source.

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	2,632,234	1,198,755
Revenue	3,288,714	2,445,700

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 $6,045,496. Approximately 84.53% of this total amount, or $5,110,215, constitutes unassigned fund balance. Within the governmental funds, $255,870 is restricted for future downtown development expenditures in the Downtown Development Authority Fund, $201,320 is restricted for future depot expenditures in the Haunted Depot Fund, $13,912 is restricted for future confiscation expenditures in the Confiscated Assets Fund, $159,412 in restricted for the Ringgold Depot facility in the Ringgold Depot Fund, $167,488 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 $17,361 is restricted for electronic citation program expenditures in the Technology Fund. Only $37,885 is nonspendable due to its form.

The fund balance increased by $795,930, which was largely due to the following:

> The Downtown Development Authority Fund issued a $500,846 note to construct a recreation complex.

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 $5,110,215. 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 83.97% 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 $7,325,542 for the Sewer Fund and $309,684 for the Water Fund.

General Fund Budgetary Highlights
Differences between the original budget and the final amended budget netted to $(1,355,574). Details of the larger amendments are listed below:

> The parks and recreation department increased budgeted expenditures by $552,714 to include site improvements for the Creekside Phase II project.
>
> There was an amendment to transfer out $377,419 to the Downtown Development Authority Fund to help construct a recreation complex.

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 $1,355,574 of grant funding from the Department of Human Services that had not been budgeted.

Site improvement expenditures for the parks and recreation department were budgeted at $1,914,014 but only $1,386,474 was spent during the year.

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, 2025, amounts to $41,786,315 (net of accumulated depreciation).

During the year ended December 31, 2025, the City acquired $5,740,940 in additions to capital assets. The most significant of those additions are as follows:

Water tank construction	$1,925,150
Recreation complex	$2,334,610
Taylor's Ridge water tank	$ 466,296
Pool house roof	$ 151,845
Water line additions	$ 55,945

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	
	2025	2024	2025	2024	2025	2024
Land	$ 933,420	$ 933,420	$ 508,136	$ 473,585	$ 1,441,556	$ 1,407,005
Construction in progress	-	-	2,036,405	-	2,036,405	-
Land improvements	7,376,231	5,227,611	-	-	7,376,231	5,227,611
Building and improvements	7,308,058	7,386,836	1,379,138	1,427,752	8,687,196	8,814,588
Vehicles	310,374	395,825	294,972	367,721	605,346	763,546
Equipment	457,992	344,355	557,540	662,468	1,015,532	1,006,823
Sewer lines	-	-	17,293,730	17,861,542	17,293,730	17,861,542
Water lines	-	-	3,330,319	2,981,473	3,330,319	2,981,473
Total	$16,386,075	$14,288,047	$25,400,240	$23,774,541	$41,786,315	$38,062,588

Additional information on the City's capital assets can be found in Note 9 on pages 49 and 50 of this report.

Long-term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of $5,873,551. $569,180 of that amount is due in the next fiscal year.

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Note payable	$ 539,285	$ 50,661	$ 1,838,933	$ 1,717,865	$ 2,378,218	$ 1,768,526
Bonds payable	-	-	3,312,000	3,811,000	3,312,000	3,811,000
Compensated absences	123,819	149,438	59,514	70,838	183,333	220,276
Less: current portion	(37,277)	(12,222)	(531,903)	(499,000)	(569,180)	(511,222)
Long-term portion of debt	$ 625,827	$ 187,877	$ 4,678,544	$ 5,100,703	$ 5,304,371	$ 5,288,580

Additional information on outstanding debt can be found in Note 11 on pages 51 through 55.

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 few 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 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 few 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 is a large desire from elected officials to expand recreation facilities. Currently, property leased to the Downtown Development Authority and the 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 has resulted in use of the ARPA funds of $1.3 million plus an additional $800,000 financed through the DDA.

Public Works:
There is continued interest in stormwater and sidewalk improvements. The use of LMIG and LRA funds assisted with these improvements. 2026 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 past few 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 continues to build out commercial space to facilitate accelerator business. The DDA is also focused on the expansion of the recreation facilities.

Solid Waste:
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 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.

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BASIC FINANCIAL STATEMENTS

CITY OF RINGGOLD, GEORGIA
Statement of Net Position
December 31, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash	$ 1,488,883	$ 2,828,292	$ 4,317,175
Investments	8,881,040	-	8,881,040
Accounts receivable - net	476,898	511,024	987,922
Property tax receivable - net	85,095	-	85,095
Grants receivable	-	137,632	137,632
Interest receivable on leases	526	-	526
Lease receivable	40,981	-	40,981
Prepaid expenses	37,885	-	37,885
Due from other governments	1,237,436	-	1,237,436
Internal balances	(5,276,887)	5,276,887	-
Total current assets	6,971,857	8,753,835	15,725,692
Non-current assets			
Restricted assets			
Customer deposits	-	105,188	105,188
Other assets			
Lease receivable	102,927	-	102,927
Capital assets			
Land and construction in progress	933,420	2,544,541	3,477,961
Other capital assets - net of accumulated depreciation	15,452,655	22,855,699	38,308,354
Total capital assets	16,386,075	25,400,240	41,786,315
Total non-current assets	16,489,002	25,505,428	41,994,430
TOTAL ASSETS	$ 23,460,859	$ 34,259,263	$ 57,720,122
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 254,122	$ 98,825	$ 352,947

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

CITY OF RINGGOLD, GEORGIA
Statement of Net Position (Continued)
December 31, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities			
Accounts payable	$ 255,277	$ 114,988	$ 370,265
Accrued wages	62,063	22,573	84,636
Accrued liabilities	29,411	297,487	326,898
Unearned revenue	95,994	-	95,994
Due to other governments	400,089	-	400,089
Note payable - due in one year	12,513	-	12,513
Bonds payable - due in one year	-	520,000	520,000
Compensated absences - due in one year	24,764	11,903	36,667
Total current liabilities	880,111	966,951	1,847,062
Non-current liabilities			
Note payable	526,772	1,838,933	2,365,705
Bonds payable	-	2,792,000	2,792,000
Compensated absences	99,055	47,611	146,666
Customer deposits	-	105,188	105,188
Net OPEB liability	1,177,088	457,757	1,634,845
Total non-current liabilities	1,802,915	5,241,489	7,044,404
TOTAL LIABILITIES	$ 2,683,026	$ 6,208,440	$ 8,891,466
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	$ 144,434	$ -	$ 144,434
Deferred inflows related to OPEB	681,725	265,115	946,840
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 826,159	$ 265,115	$ 1,091,274
NET POSITION			
Net investment in capital assets	$ 15,846,790	$ 20,249,307	$ 36,096,097
Restricted for downtown development	255,870	-	255,870
Restricted for haunted depot	201,320	-	201,320
Restricted for confiscated assets	13,912	-	13,912
Restricted for Ringgold depot	159,412	-	159,412
Restricted for tourism	167,488	-	167,488
Restricted for capital projects grant	82,033	-	82,033
Restricted for technology	17,361	-	17,361
Unrestricted	3,461,610	7,635,226	11,096,836
TOTAL NET POSITION	$ 20,205,796	$ 27,884,533	$ 48,090,329

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

CITY OF RINGGOLD, GEORGIA
Statement of Activities
Year Ended December 31, 2025

Functions/Programs Primary Government	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
Governmental activities:							
General government	$ 1,758,481	$ 117,491	$ -	$ 432,613	$ (1,208,377)	$ -	$ (1,208,377)
Public safety	1,932,954	438,130	12,841	-	(1,481,983)	-	(1,481,983)
Public works	1,192,012	48,144	-	230,287	(913,581)	-	(913,581)
Public welfare and recreation	1,370,809	106,544	41,882	1,935,575	713,192	-	713,192
Interest on long-term debt	19,070	-	-	-	(19,070)	-	(19,070)
Total governmental activities	6,273,326	710,309	54,723	2,598,475	(2,909,819)	-	(2,909,819)
Business-type activities:							
Sewer	2,632,234	3,262,310	24,501	-	-	654,577	654,577
Water	1,198,755	869,662	-	1,574,302	-	1,245,209	1,245,209
Total business-type activities	3,830,989	4,131,972	24,501	1,574,302	-	1,899,786	1,899,786
Total primary government	$ 10,104,315	$ 4,842,281	$ 79,224	$ 4,172,777	(2,909,819)	1,899,786	(1,010,033)
General revenues:							
Property tax					1,070,037	-	1,070,037
Premium tax					371,065	-	371,065
Franchise and excise tax					756,609	-	756,609
Local option sales tax					1,676,086	-	1,676,086
Alcoholic beverage tax					194,427	-	194,427
Motor vehicle tax					112,834	-	112,834
Occupational tax					176,420	-	176,420
Hotel/motel tax					797,577	-	797,577
Other taxes					27,821	-	27,821
Interest revenue					372,034	-	372,034
Other revenue					207,467	3,639	211,106
Transfers					(605,398)	605,398	-
Total general revenues and transfers					5,156,979	609,037	5,766,016
Change in net position					2,247,160	2,508,823	4,755,983
Net position - beginning					17,958,636	25,375,710	43,334,346
Net position - end					$ 20,205,796	$ 27,884,533	$ 48,090,329

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

CITY OF RINGGOLD, GEORGIA
Governmental Funds
Balance Sheet
December 31, 2025

	General Fund	Downtown Development Authority Fund	Capital Projects Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 670,993	$ 84,316	$ 5,000	$ 728,574	$ 1,488,883
Investments	8,881,040	-	-	-	8,881,040
Accounts receivable - net	410,559	-	-	66,339	476,898
Property tax receivable - net	85,095	-	-	-	85,095
Interest receivable on leases	-	526	-	-	526
Lease receivable	-	143,908	-	-	143,908
Prepaid expenses	37,885	-	-	-	37,885
Due from other governments	906,479	-	330,957	-	1,237,436
Due from other funds	482,337	205,970	-	-	688,307
TOTAL ASSETS	$ 11,474,388	$ 434,720	$ 335,957	$ 794,913	$ 13,039,978
LIABILITIES					
Accounts payable	$ 165,270	$ 30,894	$ -	$ 59,113	$ 255,277
Accrued wages	54,669	1,622	-	5,772	62,063
Accrued liabilities	27,511	1,900	-	-	29,411
Unearned revenue	79,738	-	-	16,256	95,994
Due to other governments	400,089	-	-	-	400,089
Due to other funds	5,556,991	-	335,957	72,246	5,965,194
TOTAL LIABILITIES	$ 6,284,268	$ 34,416	$ 335,957	$ 153,387	$ 6,808,028
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	$ 42,020	$ -	$ -	$ -	$ 42,020
Deferred inflows related to leases	-	144,434	-	-	144,434
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 42,020	$ 144,434	$ -	$ -	$ 186,454
FUND BALANCES					
Nonspendable	$ 37,885	$ -	$ -	$ -	$ 37,885
Restricted	-	255,870	-	641,526	897,396
Unassigned	5,110,215	-	-	-	5,110,215
TOTAL FUND BALANCES	$ 5,148,100	$ 255,870	$ -	$ 641,526	$ 6,045,496

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, 2025

Total fund balances per governmental funds balance sheet	$ 6,045,496
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	16,386,075
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.	(663,104)
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.	(1,604,691)
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.	42,020
Net position of governmental activities	$ 20,205,796

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, 2025

	General Fund	Downtown Development Authority Fund	Capital Projects Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 4,393,778	$ -	$ -	$ 797,577	$ 5,191,355
License and permits	87,330	-	-	-	87,330
Intergovernmental	1,467,657	-	1,130,818	-	2,598,475
Fines and forfeitures	391,371	-	-	46,759	438,130
Interest revenue	372,034	-	-	-	372,034
Charges for services	171,533	12,824	-	492	184,849
Other revenue	130,318	33,476	-	98,396	262,190
TOTAL REVENUES	7,014,021	46,300	1,130,818	943,224	9,134,363
EXPENDITURES					
Current expenditures					
General government	1,287,473	-	-	-	1,287,473
Public safety	1,750,569	-	-	46,510	1,797,079
Public works	1,013,014	-	-	-	1,013,014
Public welfare and recreation	2,021,603	715,204	-	670,011	3,406,818
Capital outlay	-	-	698,205	-	698,205
Debt service	13,427	17,865	-	-	31,292
TOTAL EXPENDITURES	6,086,086	733,069	698,205	716,521	8,233,881
Excess (deficiency) of revenues over (under) expenditures	927,935	(686,769)	432,613	226,703	900,482
OTHER FINANCING SOURCES (USES)					
Proceeds from debt issuance	-	500,846	-	-	500,846
Transfers in	299,092	486,581	-	523,476	1,309,149
Transfers out	(659,366)	(24,991)	(432,613)	(797,577)	(1,914,547)
Total other financing sources (uses)	(360,274)	962,436	(432,613)	(274,101)	(104,552)
Net changes in fund balances	567,661	275,667	-	(47,398)	795,930
Fund balances - beginning	4,580,439	(19,797)	-	688,924	5,249,566
Fund balances - end	$ 5,148,100	$ 255,870	$ -	$ 641,526	$ 6,045,496

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, 2025

Net change in fund balances for total governmental funds	$ 795,930
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 and loss on disposal in the current period.	2,098,028
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(8,479)
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.	12,222
Notes issued are reported as a financial resource in the governmental funds. However, this is reported as an increase in long-term liabilities in the Statement of Net Position. During the current year, additional loan proceeds were drawn on notes payable.	(500,846)
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.	(175,314)
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	25,619
Change in net position of governmental activities	$ 2,247,160

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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes				
City property tax	$ 911,600	$ 911,600	$ 1,078,516	$ 166,916
Premium tax	280,000	280,000	371,065	91,065
Franchise tax	550,000	550,000	632,569	82,569
Excise tax	98,000	98,000	124,040	26,040
Local option sales tax	1,484,575	1,484,575	1,638,677	154,102
Local option mixed drink tax	28,000	28,000	37,409	9,409
Alcoholic beverage tax	200,000	200,000	194,427	(5,573)
Motor vehicle tax	107,000	107,000	112,834	5,834
Occupational tax	155,000	155,000	176,420	21,420
Intangible tax	22,000	22,000	17,859	(4,141)
Pawnbroker fees	1,000	1,000	2,844	1,844
Real estate transfer tax	10,000	10,000	5,707	(4,293)
Other taxes	-	-	1,411	1,411
Total taxes	3,847,175	3,847,175	4,393,778	546,603
License and permits				
Malt beverage and liquor license	19,000	19,000	71,800	52,800
Insurance license	16,000	16,000	15,280	(720)
Other licenses	-	-	250	250
Total license and permits	35,000	35,000	87,330	52,330
Intergovernmental				
Payment in lieu of taxes - TVA	9,550	9,550	11,805	2,255
Grant revenue	48,835	48,835	1,467,657	1,418,822
Total intergovernmental	58,385	58,385	1,479,462	1,421,077
Fines and forfeitures				
Police and courts	420,000	420,000	391,371	(28,629)
Investment revenue				
Investment gains	240,000	240,000	372,034	132,034

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES (Continued)				
Charges for services				
Solid waste fees	$ 31,350	$ 31,350	$ 25,144	$ (6,206)
Pool fees and concessions	87,000	87,000	84,978	(2,022)
Flag charges	7,000	7,000	5,336	(1,664)
Park fees and concessions	2,500	2,500	2,914	414
Sidewalk fees	-	-	23,000	23,000
Other fees	17,400	17,400	30,161	12,761
Total charges for services	145,250	145,250	171,533	26,283
Other revenue				
Sale of equipment	-	-	13,709	13,709
Contributions and donations	13,000	22,134	51,473	29,339
Insurance recoveries	2,000	2,000	53,309	51,309
Miscellaneous	-	-	22	22
Total other revenue	15,000	24,134	118,513	94,379
TOTAL REVENUES	4,760,810	4,769,944	7,014,021	2,244,077

(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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
EXPENDITURES				
Current expenditures				
General government				
Financial administration				
Administrative salaries	$ 473,000	$ 473,000	$ 477,414	$ (4,414)
Payroll taxes	36,000	36,000	34,319	1,681
Administrative	4,500	4,500	10,913	(6,413)
Advertising	1,000	1,000	200	800
Drug testing fees	500	500	1,660	(1,160)
Dues and subscriptions	24,000	24,000	35,698	(11,698)
Education and travel	25,000	25,000	24,485	515
Insurance	130,000	130,000	61,965	68,035
Miscellaneous	4,000	4,000	-	4,000
Printing and postage	11,500	11,500	7,776	3,724
Professional services	35,000	35,000	50,412	(15,412)
Repairs and maintenance	7,000	7,000	4,205	2,795
Retirement	41,000	41,000	42,117	(1,117)
Supplies and materials	23,000	23,000	21,866	1,134
Telephone	14,250	14,250	18,090	(3,840)
Uniforms	-	-	3,682	(3,682)
Vehicles	73,500	92,451	28,137	64,314
Total financial administration	903,250	922,201	822,939	99,262
Buildings and plant				
Salaries	39,497	39,497	43,606	(4,109)
Payroll taxes	2,500	2,500	2,933	(433)
Dues and subscriptions	2,000	2,000	2,434	(434)
Insurance	50,257	50,257	47,050	3,207
Professional services	4,000	4,000	5,785	(1,785)
Repairs and maintenance	86,000	86,000	27,219	58,781
Retirement	1,300	1,300	883	417
Supplies and materials	43,000	43,000	20,865	22,135
Travel	250	250	-	250
Uniforms	1,000	1,000	2,014	(1,014)
Utilities	28,000	28,000	29,382	(1,382)
Vehicles	4,000	4,000	3,708	292
Total buildings and plant	261,804	261,804	185,879	75,925

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Council				
Council salaries	$ 18,300	$ 18,300	$ 18,300	$ -
Payroll taxes	1,500	1,500	1,400	100
Donations	5,000	5,000	5,000	-
Dues and subscriptions	2,000	2,000	887	1,113
Education and travel	37,000	37,000	31,567	5,433
Insurance	200	200	60	140
Professional services	900	900	943	(43)
Supplies and materials	12,500	12,500	17,296	(4,796)
Total council	77,400	77,400	75,453	1,947
Mayor				
Mayor salaries	6,000	6,000	6,000	-
Payroll taxes	500	500	459	41
Education and travel	6,000	6,000	5,521	479
Insurance	200	200	48	152
Professional services	100	100	-	100
Supplies and materials	200	200	-	200
Total mayor	13,000	13,000	12,028	972
Municipal court				
City judge	47,000	47,000	40,131	6,869
Payroll taxes	4,200	4,200	3,080	1,120
Dues and subscriptions	100	100	433	(333)
Education and travel	3,000	3,000	3,039	(39)
Insurance	7,500	7,500	794	6,706
Postage	100	100	289	(189)
Professional services	4,750	4,750	13,417	(8,667)
Retirement	3,000	3,000	3,539	(539)
Supplies and materials	1,000	1,000	824	176
Total municipal court	70,650	70,650	65,546	5,104
Elections				
Professional services	18,000	18,000	16,409	1,591

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
General government (Continued)				
Legal and auditing services				
Professional services	$ 141,600	$ 141,600	$ 109,219	$ 32,381
Total general government	1,485,704	1,504,655	1,287,473	217,182
Public safety				
Police department				
Salaries	708,537	891,288	891,288	-
Payroll taxes	50,000	66,576	66,576	-
Dues and subscriptions	5,200	5,200	9,582	(4,382)
Education and travel	15,000	15,000	11,952	3,048
Insurance	257,500	261,640	104,339	157,301
Miscellaneous	5,000	5,000	3,140	1,860
Printing and postage	800	800	626	174
Professional services	47,550	47,550	27,478	20,072
Repairs and maintenance	2,000	2,000	4,862	(2,862)
Retirement	45,000	45,000	42,921	2,079
Supplies and materials	26,000	26,000	17,278	8,722
Telephone	2,000	2,000	29	1,971
Uniforms	10,000	10,000	12,639	(2,639)
Utilities	1,000	1,000	522	478
Vehicles	68,500	167,887	186,272	(18,385)
Total police department	1,244,087	1,546,941	1,379,504	167,437
Fire department				
Operations	280,000	371,065	371,065	-
Total public safety	1,524,087	1,918,006	1,750,569	167,437

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public works				
Street department				
Salaries	$ 198,580	$ 198,580	$ 206,458	$ (7,878)
Payroll taxes	15,000	15,000	15,612	(612)
Dues and subscriptions	1,000	1,000	23	977
Education and travel	2,000	2,000	-	2,000
Insurance	62,446	62,446	70,928	(8,482)
Professional services	67,000	67,000	74,994	(7,994)
Repairs and maintenance	283,000	283,000	250,860	32,140
Retirement	16,000	16,000	20,732	(4,732)
Stormwater mapping	2,000	2,000	-	2,000
Street and stormwater improvements	52,000	52,000	7,740	44,260
Street lights	50,000	50,000	54,485	(4,485)
Supplies and materials	54,000	54,000	17,817	36,183
Telephone	1,900	1,900	1,991	(91)
Uniforms	4,000	4,000	4,781	(781)
Utilities	7,550	7,550	7,824	(274)
Vehicles	35,500	35,500	17,436	18,064
Total street department	851,976	851,976	751,681	100,295
Solid waste department				
Salaries	58,000	58,000	59,915	(1,915)
Payroll taxes	5,000	5,000	4,630	370
Dues and subscriptions	200	200	-	200
Insurance	39,500	39,500	26,846	12,654
Landfill fees	165,880	165,880	114,318	51,562
Professional services	300	300	346	(46)
Recycling disposal	200	200	1,749	(1,549)
Repairs and maintenance	5,000	5,000	154	4,846
Retirement	7,000	7,000	5,984	1,016
Supplies and materials	12,800	12,800	19,219	(6,419)
Uniforms	4,000	4,000	1,830	2,170
Vehicles	36,000	36,000	26,342	9,658
Total solid waste department	333,880	333,880	261,333	72,547
Total public works	1,185,856	1,185,856	1,013,014	172,842

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Current expenditures (Continued)				
Public welfare and recreation				
Pool operations				
Salaries	$ 57,400	$ 57,400	$ 63,566	$ (6,166)
Payroll taxes	3,350	3,350	4,863	(1,513)
Dues and subscriptions	200	200	-	200
Education and travel	1,200	1,200	-	1,200
Insurance	3,400	3,400	2,627	773
Professional services	2,100	2,100	-	2,100
Repairs and maintenance	8,000	8,000	167	7,833
Supplies and materials	298,800	298,800	69,889	228,911
Telephone	1,200	1,200	1,848	(648)
Utilities	5,500	5,500	6,892	(1,392)
Total pool operations	381,150	381,150	149,852	231,298
Parks and recreation				
Salaries	234,814	247,385	245,743	1,642
Payroll taxes	14,000	14,000	18,359	(4,359)
Dues and subscriptions	1,000	1,000	-	1,000
Education and travel	1,000	1,000	-	1,000
Flag supplies	11,000	20,134	19,134	1,000
Insurance	57,115	57,115	65,189	(8,074)
Professional services	26,000	26,000	4,647	21,353
Property rental	2,000	2,000	1,314	686
Repairs and maintenance	66,000	66,000	8,379	57,621
Retirement	15,000	15,000	14,031	969
Site improvements	1,361,300	1,914,014	1,386,474	527,540
Supplies and materials	54,500	54,500	70,753	(16,253)
Uniforms	4,000	4,000	7,374	(3,374)
Utilities	14,000	14,000	14,549	(549)
Vehicles	38,000	38,000	15,805	22,195
Total parks and recreation	1,899,729	2,474,148	1,871,751	602,397
Total public welfare and recreation	2,280,879	2,855,298	2,021,603	833,695

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Debt service				
Principal	$ -	$ -	$ 12,222	$ (12,222)
Interest	-	-	1,205	(1,205)
Total debt service	-	-	13,427	(13,427)
TOTAL EXPENDITURES	6,476,526	7,463,815	6,086,086	1,377,729
Excess (deficiency) of revenues over (under) expenditures	(1,715,716)	(2,693,871)	927,935	3,621,806
OTHER FINANCING SOURCES (USES)				
Transfers in	986,250	986,250	299,092	(687,158)
Transfers out	(106,585)	(484,004)	(659,366)	(175,362)
Total other financing sources (uses)	879,665	502,246	(360,274)	(862,520)
Net changes in fund balances	(836,051)	(2,191,625)	567,661	2,759,286
Fund balances - beginning	4,580,439	4,580,439	4,580,439	-
Fund balances - end	$ 3,744,388	$ 2,388,814	$ 5,148,100	$ 2,759,286

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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Advertising	$ 41,000	$ 41,000	$ 5,375	$ (35,625)
Concessions	8,500	8,500	7,449	(1,051)
Total charges for services	49,500	49,500	12,824	(36,676)
Other revenue				
Lease interest revenue	-	-	2,636	2,636
Lease revenue	24,415	24,415	18,464	(5,951)
Events	10,000	10,000	11,021	1,021
Miscellaneous	55,000	55,000	1,355	(53,645)
Total other revenue	89,415	89,415	33,476	(55,939)
TOTAL REVENUES	138,915	138,915	46,300	(92,615)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	37,500	37,500	33,747	3,753
Payroll taxes	2,500	2,500	2,667	(167)
Dues and subscriptions	1,000	1,000	1,604	(604)
Education and travel	3,500	3,500	3,538	(38)
Grant expenses	5,000	5,000	-	5,000
Insurance	5,050	5,050	12,650	(7,600)
Postage	50	50	-	50
Professional services	6,400	6,400	499	5,901
Program expenses	36,500	36,500	21,883	14,617
Repairs and maintenance	4,000	4,000	1,771	2,229
Retirement	2,000	2,000	1,814	186
Ringgold playhouse	10,000	10,000	13,492	(3,492)
Site purchases and improvements	120,500	646,377	598,865	47,512
Supplies and materials	7,500	7,500	14,599	(7,099)
Utilities	4,000	4,000	8,075	(4,075)
Total public welfare and recreation	245,500	771,377	715,204	56,173

(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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
EXPENDITURES (Continued)				
Debt service				
Interest	$ -	$ -	$ 17,865	$ (17,865)
TOTAL EXPENDITURES	245,500	771,377	733,069	38,308
Excess (deficiency) of revenue over (under) expenditures	(106,585)	(632,462)	(686,769)	(54,307)
OTHER FINANCING SOURCES (USES)				
Proceeds from debt issuance	-	525,877	500,846	(25,031)
Transfers in	106,585	106,585	486,581	379,996
Transfers out	-	-	(24,991)	(24,991)
Total other financing sources (uses)	106,585	632,462	962,436	329,974
Net changes in fund balances	-	-	275,667	275,667
Fund balances - beginning	(19,797)	(19,797)	(19,797)	-
Fund balances - end	$ (19,797)	$ (19,797)	$ 255,870	$ 275,667

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

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Statement of Net Position
December 31, 2025

	Enterprise		
	Sewer Fund	Water Fund	Totals
ASSETS			
Current assets			
Cash	$ 2,133,650	$ 694,642	$ 2,828,292
Accounts receivable - net	467,095	43,929	511,024
Grants receivable	-	137,632	137,632
Due from other funds	5,351,021	-	5,351,021
Total current assets	7,951,766	876,203	8,827,969
Non-current assets			
Restricted assets			
Customer deposits	-	105,188	105,188
Capital assets			
Land and construction in progress	204,415	2,340,126	2,544,541
Other capital assets - net of accumulated depreciation	17,784,325	5,071,374	22,855,699
Total capital assets	17,988,740	7,411,500	25,400,240
Total non-current assets	17,988,740	7,516,688	25,505,428
TOTAL ASSETS	$ 25,940,506	$ 8,392,891	$ 34,333,397
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	$ 52,942	$ 45,883	$ 98,825
LIABILITIES			
Current liabilities			
Accounts payable	$ 2,736	$ 112,252	$ 114,988
Accrued wages	11,700	10,873	22,573
Accrued liabilities	268,000	29,487	297,487
Due to other funds	-	74,134	74,134
Bonds payable - due in one year	520,000	-	520,000
Compensated absences - due in one year	1,896	10,007	11,903
Total current liabilities	804,332	236,753	1,041,085
Non-current liabilities			
Note payable	-	1,838,933	1,838,933
Bonds payable	2,792,000	-	2,792,000
Compensated absences	7,581	40,030	47,611
Customer deposits	-	105,188	105,188
Net OPEB liability	245,227	212,530	457,757
Total non-current liabilities	3,044,808	2,196,681	5,241,489
TOTAL LIABILITIES	$ 3,849,140	$ 2,433,434	$ 6,282,574
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB	$ 142,026	$ 123,089	$ 265,115
NET POSITION			
Net investment in capital assets	$ 14,676,740	$ 5,572,567	$ 20,249,307
Unrestricted	7,325,542	309,684	7,635,226
TOTAL NET POSITION	$ 22,002,282	$ 5,882,251	$ 27,884,533

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, 2025

	Enterprise		
	Sewer Fund	**Water Fund**	**Totals**
OPERATING REVENUES			
Sewer charges	$ 3,134,227	$ -	$ 3,134,227
Water sales	-	825,069	825,069
Installation charges	103,110	2,000	105,110
Penalties	-	36,780	36,780
Other fees	24,973	5,813	30,786
Total operating revenues	3,262,310	869,662	4,131,972
OPERATING EXPENSES			
Operating and maintenance	1,751,064	846,045	2,597,109
Administration and general	26,577	38,091	64,668
Depreciation	704,135	286,111	990,246
Total operating expenses	2,481,776	1,170,247	3,652,023
Operating income (loss)	780,534	(300,585)	479,949
NON-OPERATING REVENUES (EXPENSES)			
Sale of assets	1,903	1,736	3,639
Intergovernmental revenue	24,501	1,574,302	1,598,803
Interest expense	(150,458)	(28,508)	(178,966)
Total non-operating revenues (expenses)	(124,054)	1,547,530	1,423,476
Income before transfers	656,480	1,246,945	1,903,425
Transfers in	17,443	587,955	605,398
Changes in net position	673,923	1,834,900	2,508,823
Total net position - beginning	21,328,359	4,047,351	25,375,710
Total net position - end	$ 22,002,282	$ 5,882,251	$ 27,884,533

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, 2025

	Enterprise		
	Sewer Fund	Water Fund	Totals
Cash Flows from Operating Activities			
Receipts from customers	$ 3,042,560	$ 876,181	$ 3,918,741
Payments to suppliers	(679,508)	(519,783)	(1,199,291)
Payments to employees	(282,818)	(284,736)	(567,554)
Net cash provided (used) by operating activities	2,080,234	71,662	2,151,896
Cash Flows from Non-Capital Financing Activities			
(Increase) in due from other funds	75,987	96,642	172,629
Cash Flows from Capital and Related Financing Activities			
SPLOST transfers	17,443	415,170	432,613
Transfers	-	172,785	172,785
Acquiring and construction of capital assets	(11,375)	(2,604,570)	(2,615,945)
Proceeds from the sale of assets	1,903	1,736	3,639
Intergovernmental revenue	24,501	1,574,302	1,598,803
Proceeds from debt issuance	-	119,922	119,922
Principal paid on long-term debt	(499,000)	-	(499,000)
Interest paid on long-term debt	(150,458)	(27,362)	(177,820)
Net cash provided (used) for capital and related financing activities	(616,986)	(348,017)	(965,003)
Net increase (decrease) in cash	1,539,235	(179,713)	1,359,522
Cash - beginning	594,415	979,543	1,573,958
Cash - end	$ 2,133,650	$ 799,830	$ 2,933,480
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ 780,534	$ (300,585)	$ 479,949
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	704,135	286,111	990,246
(Increase) decrease in accounts receivable	(219,750)	6,519	(213,231)
(Increase) decrease in grants receivable	798,204	47,881	846,085
(Increase) decrease in deferred outflows related to OPEB	16,993	20,166	37,159
Increase (decrease) in accounts payable	(7,236)	103,975	96,739
Increase (decrease) in accrued wages	8,165	5,376	13,541
Increase (decrease) in accrued liabilities	103,209	(9,327)	93,882
Increase (decrease) in compensated absences	(25,511)	14,187	(11,324)
Increase (decrease) in customer deposits	-	1,626	1,626
Increase (decrease) in net OPEB liability	(65,080)	(80,537)	(145,617)
Increase (decrease) in deferred inflows related to OPEB	(13,429)	(23,730)	(37,159)
Net cash provided (used) by operating activities	$ 2,080,234	$ 71,662	$ 2,151,896
Cash			
Cash	$ 2,133,650	$ 694,642	$ 2,828,292
Customer deposits	-	105,188	105,188
Total	$ 2,133,650	$ 799,830	$ 2,933,480

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

CITY OF RINGGOLD, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2025

	Custodial Funds
ASSETS	
Cash	$ 93,378
Due from other governments	541,401
Interest receivable	968
TOTAL ASSETS	$ 635,747
LIABILITIES	
Due to other governments	$ 491,950
NET POSITION	
Restricted for:	
Baxter addition	$ 143,797

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, 2025

	Custodial Funds
ADDITIONS	
Court fines	$ 129,898
Donations	6,460
Investment gains	6,461
Total additions	142,819
DEDUCTIONS	
Court fines remitted	129,898
Cemetery care	3,500
Total deductions	133,398
Net increase (decrease) in fiduciary net position	9,421
Net position - beginning	134,376
Net position - ending	$ 143,797

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 custodial funds use the economic resources measurement focus and the accrual basis of accounting.

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 and Statement of Cash Flows, the City considers all unrestricted highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents. Cash consists of cash on hand and on deposit with financial institutions. These are classified on the Statement of Net Position as "cash" and "customer deposits." At December 31, 2025, the City had no cash equivalents.

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.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes (Continued)

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

Lien date	October 20, 2025
Levy date	October 20, 2025
Tax bills mailed	October 20, 2025
Payment due date	October 20, 2025 through February 28, 2026
Delinquency date	March 1, 2026

H. Lease Receivable

The City's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

I. 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.

J. Prepayment of Expenditures

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

K. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Restricted Assets

Certain resources can be classified as restricted assets on the Statement of Net Position because their use is limited. When a water customer opens an account, they pay a refundable deposit to the City. When the account is closed, the deposit is repaid to the customer. The cash that will be refunded to the water customers are considered restricted assets.

M. 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	5-20
Sewer lines	20-50
Water lines	20-40

N. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. 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 is not a lessee in any lease agreement.

P. 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 statemen t 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 three types of items that qualify for reporting in this category: deferred revenue - property taxes, deferred inflows related to leases, and deferred inflows related to OPEB.

Q. Compensated Absences

All regular full-time employees are eligible for vacation benefits on the first day of employment. In the event that an employee has not used all vacation benefits by the end of the calendar year, they may choose to be paid in lieu of vacation time in December of each year. Employees may also carry forward up to 40 hours of unused vacation time from one calendar year to the next. Upon termination of employment, an employee may be paid for a portion of their unused vacation, depending upon length of employment and whether the employee is in good standing.

All regular full-time employees are also eligible for sick leave benefits of 12 days per year. Employees may carry over one half of their unused accumulated sick leave from one calendar year to the next. Unused sick leave will be paid out upon termination of employment.

The estimated liability for vacation and sick leave is recorded in the financial statements.

R. 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.

S. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Fund Balance

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

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

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

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

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

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

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

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

U. 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.

V. Events Occurring after Reporting Date

The City has evaluated events and transactions that occurred between December 31, 2025, and April 2, 2026, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

At year-end, the carrying amount of the City's deposits and investments was $13,301,003. The financial institution balance was $12,967,284. 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, 2025, none of the City's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

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

Cash	$ 4,317,175
Customer deposits	105,188
Investments	8,881,040
Less: Petty cash	(2,400)
Total	$ 13,301,003

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 certificates of deposit have been classified as Level 1 in the fair value hierarchy as the investment reflects prices quoted in active markets. The City's investments are classified as follows on the Statement of Net Position:

Investments	$ 8,881,040

NOTE 3 - ACCOUNTS RECEIVABLE - NET

Accounts receivable at December 31, 2025, consist of the following:

	General Fund	Hotel/Motel Tax Fund	Sewer Fund	Water Fund	Total
Franchise taxes	$ 319,915	$ -	$ -	$ -	$ 319,915
Local beer/beverage tax	19,393	-	-	-	19,393
Business license	76	-	-	-	76
Hotel/motel tax	-	66,339	-	-	66,339
Customer receivables	-	-	506,777	64,371	571,148
Motor vehicle tax	9,193	-	-	-	9,193
Energy excise tax	10,197	-	-	-	10,197
Interest	49,714	-	-	-	49,714
Garbage fees	2,071	-	-	-	2,071
Less: allowance for doubtful accounts	-	-	(39,682)	(20,442)	(60,124)
Total	$ 410,559	$ 66,339	$ 467,095	$ 43,929	$ 987,922

NOTE 4 - PROPERTY TAX RECEIVABLE - NET

Property taxes receivable as of December 31, 2025, consist of the following:

Year of Levy	
2025	$ 86,619
2024	10,100
2023	2,036
2022	979
2021	291
2020	42
2019	382
	100,449
Less: allowance for uncollectibles	(15,354)
Total	$ 85,095

NOTE 5 - GRANTS RECEIVABLE

Grants receivable at December 31, 2025, consist of the following:

U.S. Environmental Protection Agency	$ 137,632

NOTE 6 - LEASE RECEIVABLE

The City has entered into four leases with companies for the right to use retail spaces. The leases have no option to extend and no termination option. Each lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 4.47% for the first lease and 4.37% for the following three leases.

Under the first lease, the company pays the City $250 per month from July 2024 through June 2025, $500 per month from July 2025 through June 2026, and $1,000 per month July 2026 through June 2027. The amount the company will pay from July 2027 through June 2028 is undetermined but is estimated to be $1,000 per month. During the current year, the City recognized $959 of lease revenue and $541 of interest revenue under the lease.

Under the second lease, the company pays the City $700 per month from July 2025 through June 2028. During the current year, the Town recognized $3,804 of lease revenue and $396 of interest revenue under the lease.

Under the third lease, the company pays the City $1,400 per month from July 2025 through June 2029. During the current year, the Town recognized $7,343 of lease revenue and $1,057 of interest revenue under the lease.

Under the fourth lease, the company pays the City $1,400 per month from August 2025 through July 2028. During the current year, the Town recognized $6,358 of lease revenue and $642 of interest revenue under the lease.

NOTE 6 - LEASE RECEIVABLE (Continued)

The lease receivable is shown on the Statement of Net Position as follows:

Lease receivable - current asset	$ 40,981
Lease receivable - non-current asset	102,927
Total	$ 143,908

NOTE 7 - DUE FROM OTHER GOVERNMENTS

Due from other governments at December 31, 2025, consists of the following:

Property tax collected by Catoosa County	$ 770,574
Local Option Sales Tax receivable	135,905
Special Purpose Local Option Sales Tax receivable	330,957
Total	$ 1,237,436

NOTE 8 - INTERNAL BALANCES

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

	Due from:					
Due to:	General Fund	Hotel/Motel Tax Fund	Confiscated Assets Fund	Capital Projects Fund	Water Fund	Total
General Fund	$ -	$ 66,339	$ 5,907	$ 335,957	$ 74,134	$ 482,337
DDA Fund	205,970	-	-	-	-	205,970
Sewer Fund	5,351,021	-	-	-	-	5,351,021
Total	$ 5,556,991	$ 66,339	$ 5,907	$ 335,957	$ 74,134	$6,039,328

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 933,420	$ -	$ -	$ 933,420
Capital assets being depreciated:				
Land improvements	8,453,614	2,656,783	-	11,110,397
Buildings and improvements	9,729,316	182,629	-	9,911,945
Vehicles	1,738,267	94,387	(128,798)	1,703,856
Equipment	1,530,665	191,196	(16,869)	1,704,992
Total capital assets being depreciated	21,451,862	3,124,995	(145,667)	24,431,190
Less accumulated depreciation for:				
Land improvements	3,226,003	508,163	-	3,734,166
Buildings and improvements	2,342,480	261,407	-	2,603,887
Vehicles	1,342,442	132,247	(81,207)	1,393,482
Equipment	1,186,310	77,559	(16,869)	1,247,000
Total accumulated depreciation	8,097,235	979,376	(98,076)	8,978,535
Total capital assets being depreciated - net	13,354,627	2,145,619	(47,591)	15,452,655
Governmental activities capital assets - net	$ 14,288,047	$2,145,619	$(47,591)	$16,386,075

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

General government	$ 504,978
Public safety	71,765
Public works	143,253
Public welfare and recreation	259,380
Total	$ 979,376

NOTE 9 - CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 473,585	$ 34,551	$ -	$ 508,136
Construction in progress	-	2,036,405	-	2,036,405
Total capital assets not being depreciated	473,585	2,070,956	-	2,544,541
Capital assets being depreciated:				
Buildings	2,050,248	-	-	2,050,248
Vehicles	1,048,812	10,000	(20,224)	1,038,588
Equipment	1,783,397	12,748	(14,073)	1,782,072
Sewer lines	28,189,106	-	-	28,189,106
Water lines	4,982,271	522,241	-	5,504,512
Total capital assets being depreciated	38,053,834	544,989	(34,297)	38,564,526
Less accumulated depreciation for:				
Buildings	622,496	48,614	-	671,110
Vehicles	681,091	82,749	(20,224)	743,616
Equipment	1,120,929	117,676	(14,073)	1,224,532
Sewer lines	10,327,564	567,812	-	10,895,376
Water lines	2,000,798	173,395	-	2,174,193
Total accumulated depreciation	14,752,878	990,246	(34,297)	15,708,827
Total capital assets being depreciated - net	23,300,956	(445,257)	-	22,855,699
Business-type activities capital assets - net	$ 23,774,541	$1,625,699	$ -	$25,400,240

NOTE 10 - UNEARNED REVENUE

Unearned revenue at December 31, 2025, consist of the following:

Lyndhurst Foundation donation to be used for Slabtown Park and South Chickamauga Creek Blueway	$ 16,256
Donations for Crossroads Park	79,738
Total	$ 95,994

NOTE 11 - LONG-TERM DEBT

A. Governmental Debt

Long-term debt payable by the governmental funds, which consists of notes 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	$ 38,439
Builtwell Bank Note, 6.00%, still in draw down phase as of December 31, 2025, used to build a recreation complex, direct borrowing	500,846
Compensated absences	123,819
	663,104
Less: current portion of governmental debt	(37,277)
Total governmental long-term debt	$ 625,827

A summary of changes in governmental long-term debt for the year ended December 31, 2025, are as follows:

	Balance 12-31-24	Additions	Retirements	Balance 12-31-25	Due Within One Year
Direct borrowings:					
USDA Note	$ 50,661	$ -	$(12,222)	$ 38,439	$ 12,513
Builtwell Bank Note	-	500,846	-	500,846	-
Total	50,661	500,846	(12,222)	539,285	12,513
Other debt:					
Compensated absences	149,438	-	(25,619)	123,819	24,764
Total	$ 200,099	$ 500,846	$(37,841)	663,104	$ 37,277
Less: current portion of governmental long-term debt				(37,277)	
Total governmental long-term debt				$ 625,827	

The change in liability for compensated absences is shown as the net change, rather than gross increases and decreases.

The USDA Rural Development Note and Builtwell Bank Note are payable from the taxes levied by the City. The USDA Rural Development Note 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.

NOTE 11 - LONG-TERM DEBT (Continued)

A. Governmental Debt (Continued)

Governmental debt service requirements to maturity, including interest of $1,842, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
2026	$ 12,513	$ 914	$ 13,427
2027	12,811	616	13,427
2028	13,115	312	13,427
Total	$ 38,439	$ 1,842	$ 40,281

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

Governmental debt is generally liquidated by the General Fund. The Builtwell Bank Note is being liquidated by the Downtown Development Authority Fund.

The City does not have unused lines of credit.

Interest paid during the year ended December 31, 2025, on governmental long-term debt was $19,070.

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	$ 3,312,000
Compensated absences	9,477
	3,321,477
Less: current portion of sewer debt	(521,896)
Total sewer long-term debt	$ 2,799,581

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Sewer Fund (Continued)
A summary of changes in sewer long-term debt for the year ended December 31, 2025, are as follows:

	Balance 12-31-24	Additions	Retirements	Balance 12-31-25	Due Within One Year
Direct borrowings:					
Revenue bonds	$ 3,811,000	$ -	$ (499,000)	$ 3,312,000	$ 520,000
Other debt:					
Compensated absences	34,988	-	(25,511)	9,477	1,896
Total	$ 3,845,988	$ -	$ (524,511)	3,321,477	$ 521,896
Less: current portion of Sewer Fund long-term debt				(521,896)	
Total Sewer Fund long-term debt				$ 2,799,581	

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.

Sewer Fund debt service requirements to maturity, including interest of $421,877, are as follows:

Year ended December 31	Direct Borrowings Principal	Interest	Total
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	$ 3,312,000	$ 421,877	$ 3,733,877

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

Interest paid during the year ended December 31, 2025, on sewer long-term debt was $150,458.

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Water Fund

Long-term debt payable by the Water Fund, which consists of notes payable 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, 2025, direct borrowing	$ 1,717,865
Georgia Environmental Facilities Administration Loan, 1.09%, still in draw down phase as of December 31, 2025, net of unamortized loan discount of $53,854, direct borrowing	174,922
Compensated absences	50,037
	1,942,824
Less: current portion of water debt	(10,007)
Total water long-term debt	$ 1,932,817

The loan discount is amortized using the straight-line method over the life of the loan. As the discount is amortized, it is charged to interest expense. Accordingly, interest expense of $1,146 has been recognized in the current year related to the loan discount.

A summary of changes in water long-term debt for the year ended December 31, 2025, are as follows:

	Balance 12-31-24	Additions	Retirements	Balance 12-31-25	Due Within One Year
Direct borrowings:					
GEFA loan	$ 1,717,865	$ -	$ -	$ 1,717,865	$ -
GEFA loan	-	174,922	-	174,922	-
Total	1,717,865	174,922	-	1,892,787	-
Other debt:					
Compensated absences	35,850	14,187	-	50,037	10,007
Total	$ 1,753,715	$ 189,109	$ -	1,942,824	$ 10,007
Less: current portion of Water Fund long-term debt				(10,007)	
Total Water Fund long-term debt				$ 1,932,817	

The change in liability for compensated absences is shown as the net change, rather than gross increases and decreases.

The Georgia Environmental Facilities Administration Loans are 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.

NOTE 11 - LONG-TERM DEBT (Continued)

B. Business-Type Debt (Continued)

Water Fund (Continued)
No debt service requirements schedule is required for compensated absences or the loans in draw down.

Interest paid during the year ended December 31, 2025, on water long-term debt was $27,362.

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	$ 42,020	$ 42,020

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:

Downtown Development Authority Fund restricted balance for future downtown development expenditures	$ 255,870
Haunted Depot Fund restricted balance for future depot expenditures	201,320
Confiscated Assets Fund restricted balance for future confiscation expenditures	13,912
Ringgold Depot Fund restricted balance for the Ringgold Depot facility	159,412
Visitor Center Fund restricted balance to promote tourism in the Ringgold area	167,488
Capital Projects Grant Fund restricted grant funds for future capital projects	82,033
Technology Fund restricted balance for police expenditures	17,361
Total restricted net position and fund balance	$ 897,396

The City also has $37,885 of nonspendable fund balance related to prepaid expenses.

NOTE 14 - TRANSFERS

Interfund transfers as of December 31, 2025, consist of the following:

Funds were transferred from the General Fund into the Downtown Development Authority Fund to aid in building a recreation complex and other building improvements.

Funds were transferred from the General Fund into the Water Fund to cover a temporary cash shortage.

Funds were transferred from the Downtown Development Authority (DDA) Fund into the Visitor Center Fund to supplement tourism 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 Sewer Fund and Water Fund to complete SPLOST projects.

	Transfers to						
	General Fund	Downtown Development Authority Fund	Ringgold Depot Fund	Visitor Center Fund	Sewer Fund	Water Fund	Total
Transfer from							
General Fund	$ -	$ 486,581	$ -	$ -	$ -	$ 172,785	$ 659,366
DDA Fund		-		24,991	-	-	24,991
Hotel/Motel Tax Fund	299,092	-	37,885	460,600	-	-	797,577
Capital Projects Fund	-	-	-	-	17,443	415,170	432,613
Total	$ 299,092	$ 486,581	$ 37,885	$ 485,591	$ 17,443	$ 587,955	$ 1,914,547

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, 2025, is as follows:

Fund Balance - January 1, 2025	$ -
Lodging tax services	797,577
Amount available for disbursements	797,577
Disbursements:	
Transfer to General Fund	299,092
Transfer to the Ringgold Depot Fund	37,885
Transfer to Visitor Center Fund	460,600
Total disbursed	797,577
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 $(1,604,691) difference are as follows:

Deferred outflows related to OPEB	$ 254,122
Net OPEB liability	(1,177,088)
Deferred inflows related to OPEB	(681,725)
Net adjustment	$ (1,604,691)

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 $2,098,028 difference are as follows:

Depreciation expense	$(979,376)
Capital outlay	3,124,995
Loss on disposal	(47,591)
Net adjustment	$ 2,098,028

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 $(175,314) difference are as follows:

OPEB expense	$ (69,458)
Contributions	48,149
Change in proportionate share	(154,005)
Net adjustment	$ (175,314)

NOTE 17 - COMPLIANCE WITH FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

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

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.

The City's total payroll for the year was $2,782,472. The amount of covered payroll was $1,794,399. Total contributions required was $215,709, which was 12% of covered payroll. The City's contribution required and actual was $179,440, which was 10% of covered payroll. The mandatory employee contributions required and actual was $36,269 which was 2% of covered payroll. Employee voluntary contributions totaled $69,512, making a total employee contribution of $105,781, which is 5.90% of covered payroll. The total City and employee contribution actually made was $285,221, which was 15.90% 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, 2025, 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 and Council Members 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 $1,314 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, 2025, 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, 2025, 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, 2025. The plan does not issue a stand-alone financial statement.

Fiscal Year Ending December 31, 2025	
Total OPEB liability	$ 1,634,845
Fiduciary net position	$ 0
Net OPEB liability	$ 1,634,845
OPEB expense	$ 96,470
Deferred (outflows)/inflows of resources	$ 593,893
Expected benefit payments	$ 66,873

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

Economic Assumptions

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

Assumption Selection Date	December 31, 2025
Discount rate	4.83%
2025 medical trend rates	7.50%
Ultimate medical trend rate	5.00%
Year ultimate trend rates reached	2030
Annual payroll increase	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, 2025

The discount rate was 4.08% as of December 31, 2024 and 4.83% as of December 31, 2025. 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, 2025

I.	Present Value of Future Benefits	
	A. Retirees/Disableds	$ 417,411
	B. Active Employees	2,118,688
	C. Total	$ 2,536,099
II.	Total OPEB Liability	
	A. Retiress/Disableds	$ 417,411
	B. Active Employees	1,217,434
	C. Total	$ 1,634,845
III.	Fiduciary Net Position	$ -
IV.	Net OPEB Liability	$ 1,634,845
V.	Expected Benefit Payments	
	A. Retirees/Disableds	$ 61,340
	B. Active Employees	5,533
	C. Total	$ 66,873
VI.	OPEB Expense	
	A. Service Cost	$ 83,695
	B. Interest	72,400
	C. Expected Return	-
	D. Changes of Benefit Terms	-
	E. Recognition of Deferred Outflows/Inflows of Resources	(59,625)
	F. OPEB Expense (A. + B. + C. + D. + E.)	$ 96,470
VII.	Deferred (Outflows) of Resources	
	A. Experience Loss	$ -
	B. Change in Assumptions	(352,947)
	C. Investment Loss	-
	D. Total	$ (352,947)
	Deferred Inflows of Resources	
	A. Experience Gain	$ 495,658
	B. Change in Assumptions	451,182
	C. Investment Gain	-
	D. Total	$ 946,840
	Recognition in Expense	
	Year Ended December 31,	
	2026	$ (59,625)
	2027	$ (59,625)
	2028	$ (59,625)
	2029	$ (59,625)
	2030	$ (59,625)
	Thereafter	$ (295,768)

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

Census Information

Employee Counts
As of January 1, 2025

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

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, 2025

Active Employees

A.	Average age at hire	
	Males	31.3
	Females	42.5
	Total	34.1
B.	Average Service	
	Males	7.1
	Females	4.3
	Total	6.4
C.	Average Current Age	
	Males	38.4
	Females	46.8
	Total	40.5

Inactives Not Receiving Benefits

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

Inactives Receiving Benefits

E.	Average Current Age	
	Males	78.0
	Females	75.2
	Total	77.3

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

Required Disclosures for Fiscal Year Ending December 31, 2025

Changes in Total OPEB Liability

Balance at 12/31/2024	$ 1,723,927
Changes for the year:	
Service cost	83,695
Interest	72,400
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions and other inputs	(178,304)
Benefit payments	(66,873)
Net changes	(89,082)
Balance at 12/31/2025	$ 1,634,845

Notes:

Plan changes - None

Assumption changes - The discount rate was 4.08% as of December 31, 2024 and 4.83% as of December 31, 2025.

Sensitivity of the Total OPEB Liability

1% Decrease (3.83%)	Discount Rate (4.83%)	1% Increase (5.83%)
$ 1,878,499	$ 1,634,845	$ 1,433,042

1% Decrease (6.50% decreasing to 4.00%)	Healthcare Cost Trend Rates (7.50% decreasing to 5.00%)	1% Increase (8.50% decreasing to 6.00%)
$ 1,507,649	$ 1,634,845	$ 1,791,786

Actuarial Assumptions and Methodology

1. Discount Rate: A discount rate of 4.08% was used as of December 31, 2024. A discount rate of 4.83% was used as of December 31, 2025. 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, 2025 - December 31, 2025

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, 2025

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB liability								
Service cost	$ 87,071	$ 77,019	$ 129,367	$ 151,985	$ 126,095	$ 88,952	$ 100,645	$ 83,695
Interest	46,508	54,649	43,554	39,748	36,298	56,976	62,148	72,400
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	(178,304)
Benefit payments	(32,171)	(34,745)	(38,610)	(42,343)	(40,560)	(45,095)	(60,309)	(66,873)
Net change in total OPEB liability	(7,780)	352,069	118,835	171,195	(450,166)	190,150	68,765	(89,082)
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	1,723,927
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	$ 1,634,845
Covered-employee payroll	$ 1,453,668	$ 1,490,010	$ 1,691,831	$ 1,734,127	$ 1,516,951	$ 1,554,875	$ 2,142,735	$ 2,196,303
Total OPEB liability as a percentage of covered-employee payroll	87.58%	109.07%	103.08%	110.44%	96.58%	106.45%	80.45%	74.44%
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	No change
Assumption changes:								
Discount rate	4.10%	2.74%	2.12%	2.03%	3.72%	3.26%	4.08%	4.83%
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	7.5% 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	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	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, 2025

	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	
ASSETS								
Cash	$ -	$ 201,492	$ 19,819	$ 173,816	$ 217,797	$ 98,289	$ 17,361	$ 728,574
Accounts receivable	66,339	-	-	-	-	-	-	66,339
TOTAL ASSETS	$ 66,339	$ 201,492	$ 19,819	$ 173,816	$ 217,797	$ 98,289	$ 17,361	$ 794,913
LIABILITIES								
Accounts payable	$ -	$ 172	$ -	$ 14,404	$ 44,537	$ -	$ -	$ 59,113
Accrued wages	-	-	-	-	5,772	-	-	5,772
Unearned revenue	-	-	-	-	-	16,256	-	16,256
Due to other funds	66,339	-	5,907	-	-	-	-	72,246
TOTAL LIABILITIES	$ 66,339	$ 172	$ 5,907	$ 14,404	$ 50,309	$ 16,256	$ -	$ 153,387
FUND BALANCES								
Restricted	$ -	$ 201,320	$ 13,912	$ 159,412	$ 167,488	$ 82,033	$ 17,361	$ 641,526

CITY OF RINGGOLD, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2025

	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	$ 797,577	$ -	$ -	$ -	$ -	$ -	$ -	$ 797,577
Fines and forfeitures	-	-	-	-	-	-	46,759	46,759
Charges for services	-	492	-	-	-	-	-	492
Other revenue	-	49,136	-	23,609	25,651	-	-	98,396
TOTAL REVENUES	797,577	49,628	-	23,609	25,651	-	46,759	943,224
EXPENDITURES								
Current expenditures								
Public safety	-	-	2,034	-	-	-	44,476	46,510
Public welfare and recreation	-	23,057	-	109,113	537,841	-	-	670,011
TOTAL EXPENDITURES	-	23,057	2,034	109,113	537,841	-	44,476	716,521
Excess (deficiency) of revenue over (under) expenditures	797,577	26,571	(2,034)	(85,504)	(512,190)	-	2,283	226,703
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	37,885	485,591	-	-	523,476
Transfers out	(797,577)	-	-	-	-	-	-	(797,577)
Total other financing sources (uses)	(797,577)	-	-	37,885	485,591	-	-	(274,101)
Net changes in fund balances	-	26,571	(2,034)	(47,619)	(26,599)	-	2,283	(47,398)
Fund balances - beginning	-	174,749	15,946	207,031	194,087	82,033	15,078	688,924
Fund balances - end	$ -	$ 201,320	$ 13,912	$159,412	$167,488	$ 82,033	$ 17,361	$ 641,526

CITY OF RINGGOLD, GEORGIA
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Taxes				
Hotel/motel tax	$ 750,000	$ 797,577	$ 797,577	$ -
TOTAL REVENUES	750,000	797,577	797,577	-
Excess (deficiency) of revenue over (under) expenditures	750,000	797,577	797,577	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(750,000)	(797,577)	(797,577)	-
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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services				
Concessions	$ 1,500	$ 1,500	$ 492	$ (1,008)
Other revenue				
Haunted Depot	55,000	55,000	45,886	(9,114)
Donations	2,000	2,000	3,250	1,250
Total other revenue	57,000	57,000	49,136	(7,864)
TOTAL REVENUES	58,500	58,500	49,628	(8,872)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Professional services	5,000	5,000	4,000	1,000
Supplies and materials	20,000	20,000	19,057	943
TOTAL EXPENDITURES	25,000	25,000	23,057	1,943
Excess (deficiency) of revenue over (under) expenditures	33,500	33,500	26,571	(6,929)
OTHER FINANCING SOURCES (USES)				
Transfers out	(33,500)	(33,500)	-	33,500
Net changes in fund balances	-	-	26,571	26,571
Fund balances - beginning	174,749	174,749	174,749	-
Fund balances - end	$ 174,749	$ 174,749	$ 201,320	$ 26,571

CITY OF RINGGOLD, GEORGIA
Confiscated Assets Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Fines and forfeitures				
Cash confiscation	$ 5,000	$ 5,000	$ -	$ (5,000)
TOTAL REVENUES	5,000	5,000	-	(5,000)
EXPENDITURES				
Current expenditures				
Public safety				
Payments to agencies	1,000	1,000	-	1,000
Supplies and materials	4,000	4,000	2,034	1,966
TOTAL EXPENDITURES	5,000	5,000	2,034	2,966
Excess (deficiency) of revenue over (under) expenditures	-	-	(2,034)	(2,034)
Fund balances - beginning	15,946	15,946	15,946	-
Fund balances - end	$ 15,946	$ 15,946	$ 13,912	$ (2,034)

CITY OF RINGGOLD, GEORGIA
Ringgold Depot Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Rental	$ 25,000	$ 25,000	$ 23,609	$ (1,391)
TOTAL REVENUES	25,000	25,000	23,609	(1,391)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Insurance	2,200	2,200	2,325	(125)
Professional services	1,000	1,000	695	305
Repairs and maintenance	129,000	129,000	69,797	59,203
Supplies and materials	21,700	21,700	10,640	11,060
Telephone	2,300	2,300	2,252	48
Utilities	18,000	18,000	23,404	(5,404)
TOTAL EXPENDITURES	174,200	174,200	109,113	65,087
Excess (deficiency) of revenue over (under) expenditures	(149,200)	(149,200)	(85,504)	63,696
OTHER FINANCING SOURCES (USES)				
Transfers in	94,200	94,200	37,885	(56,315)
Net changes in fund balances	(55,000)	(55,000)	(47,619)	7,381
Fund balances - beginning	207,031	207,031	207,031	-
Fund balances - end	$ 152,031	$ 152,031	$ 159,412	$ 7,381

CITY OF RINGGOLD, GEORGIA
Visitor Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Rental	$ 36,000	$ 36,000	$ 25,651	$ (10,349)
TOTAL REVENUES	36,000	36,000	25,651	(10,349)
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Salaries	123,500	131,843	128,750	3,093
Payroll taxes	8,900	8,900	10,075	(1,175)
Dues and subscriptions	1,800	1,800	2,496	(696)
Education and travel	3,400	3,400	3,741	(341)
Insurance	27,000	31,292	24,236	7,056
Marketing and tourism	271,525	319,512	333,613	(14,101)
Professional services	2,500	2,500	2,248	252
Repairs and maintenance	6,100	11,048	10,775	273
Retirement	10,000	10,000	5,440	4,560
Supplies and materials	9,300	9,300	7,598	1,702
Telephone	1,500	1,500	1,415	85
Utilities	3,600	6,746	7,454	(708)
TOTAL EXPENDITURES	469,125	537,841	537,841	-
Excess (deficiency) of revenue over (under) expenditures	(433,125)	(501,841)	(512,190)	(10,349)
OTHER FINANCING SOURCES (USES)				
Transfers in	433,125	467,906	485,591	17,685
Transfers out	-	(19,072)	-	19,072
Total other financing sources (uses)	433,125	448,834	485,591	36,757
Net changes in fund balances	-	(53,007)	(26,599)	26,408
Fund balances - beginning	194,087	194,087	194,087	-
Fund balances - end	$ 194,087	$ 141,080	$ 167,488	$ 26,408

CITY OF RINGGOLD, GEORGIA
Capital Projects Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Other revenue				
Contributions and donations	$ -	$ -	$ -	$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Current expenditures				
Public welfare and recreation				
Supplies and materials	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (deficiency) of revenue over (under) expenditures	-	-	-	-
Fund balances - beginning	82,033	82,033	82,033	-
Fund balances - end	$ 82,033	$ 82,033	$ 82,033	$ -

CITY OF RINGGOLD, GEORGIA
Technology Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
REVENUES				
Fines and forfeitures				
Technology fees	$ 39,000	$ 45,927	$ 46,759	$ 832
TOTAL REVENUES	39,000	45,927	46,759	832
EXPENDITURES				
Current expenditures				
Public safety				
Professional services	19,200	19,200	21,336	(2,136)
Repairs and maintenance	-	-	665	(665)
Supplies and materials	6,000	6,000	1,748	4,252
Telephone	13,800	20,727	20,727	-
TOTAL EXPENDITURES	39,000	45,927	44,476	1,451
Excess (deficiency) of revenue over (under) expenditures	-	-	2,283	2,283
Fund balances - beginning	15,078	15,078	15,078	-
Fund balances - end	$ 15,078	$ 15,078	$ 17,361	$ 2,283

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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, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
REVENUES				
Intergovernmental				
Special Local Option Sales Tax	$ 1,707,500	$ 1,707,500	$ 1,130,818	$ (576,682)
TOTAL REVENUES	1,707,500	1,707,500	1,130,818	(576,682)
EXPENDITURES				
Capital outlay				
Public works	-	118,204	118,204	-
Public welfare and recreation	-	580,001	580,001	-
TOTAL EXPENDITURES	-	698,205	698,205	-
Excess (deficiency) of revenues over (under) expenditures	1,707,500	1,009,295	432,613	(576,682)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,707,500)	(1,009,295)	(432,613)	576,682
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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance
OPERATING REVENUES				
Sewer charges	$ 2,818,233	$ 2,880,899	$ 3,134,227	$ 253,328
Installation charges	105,000	105,000	103,110	(1,890)
Other fees	7,300	7,300	24,973	17,673
Total operating revenues	2,930,533	2,993,199	3,262,310	269,111
OPERATING EXPENSE				
Operating and maintenance	2,515,449	2,515,449	1,751,064	764,385
Administration and general	48,250	48,250	26,577	21,673
Depreciation	650,000	650,000	704,135	(54,135)
Total operating expenses	3,213,699	3,213,699	2,481,776	731,923
Operating income (loss)	(283,166)	(220,500)	780,534	1,001,034
NON-OPERATING REVENUES (EXPENSES)				
Sale of assets	-	-	1,903	1,903
Intergovernmental revenue	-	-	24,501	24,501
Interest expense	(250,000)	(250,000)	(150,458)	99,542
Total non-operating revenues (expenses)	(250,000)	(250,000)	(124,054)	125,946
Income (loss) before transfers	(533,166)	(470,500)	656,480	1,126,980
Transfers in	23,500	470,500	17,443	(453,057)
Changes in net position	(509,666)	-	673,923	673,923
Total net position - beginning	21,328,359	21,328,359	21,328,359	-
Total net position - end	$ 20,818,693	$ 21,328,359	$ 22,002,282	$ 673,923

CITY OF RINGGOLD, GEORGIA
Water Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance**
OPERATING INCOME				
Water sales	$ 678,467	$ 678,467	$ 825,069	$ 146,602
Installation charges	900	900	2,000	1,100
Penalties	31,500	31,500	36,780	5,280
Other fees	185,513	185,513	5,813	(179,700)
Total operating revenues	896,380	896,380	869,662	(26,718)
OPERATING EXPENSES				
Operating and maintenance	6,440,680	6,440,680	846,045	5,594,635
Administration and general	49,200	49,200	38,091	11,109
Depreciation	170,000	170,000	286,111	(116,111)
Total operating expenses	6,659,880	6,659,880	1,170,247	5,489,633
Operating income (loss)	(5,763,500)	(5,763,500)	(300,585)	5,462,915
NON-OPERATING REVENUES (EXPENSES)				
Sale of assets	-	-	1,736	1,736
Intergovernmental revenue	3,413,926	3,413,926	1,574,302	(1,839,624)
Interest expense	-	-	(28,508)	(28,508)
Total non-operating revenue (expenses)	3,413,926	3,413,926	1,547,530	(1,866,396)
Income (loss) before transfers	(2,349,574)	(2,349,574)	1,246,945	3,596,519
Transfers in	2,349,574	2,349,574	587,955	(1,761,619)
Changes in net position	-	-	1,834,900	1,834,900
Total net position - beginning	4,047,351	4,047,351	4,047,351	-
Total net position - end	$ 4,047,351	$ 4,047,351	$ 5,882,251	$ 1,834,900

CITY OF RINGGOLD, GEORGIA
Proprietary Funds
Schedule of Operating Expenses
Year Ended December 31, 2025

	Enterprise		
Operating Expenses	**Sewer Fund**	**Water Fund**	**Totals**
Operating and maintenance			
Salaries	$ 282,818	$ 284,736	$ 567,554
Payroll taxes	24,819	20,924	45,743
Chemicals	2,440	19,463	21,903
Drinking water program	-	4,774	4,774
Fuel	8,701	12,960	21,661
Insurance	76,758	72,954	149,712
Post-employment benefits	14,471	12,541	27,012
Professional services	95,032	86,344	181,376
Repairs and maintenance	28,299	40,223	68,522
Retirement	24,287	19,960	44,247
Sewer treatment charges	1,112,995	-	1,112,995
Supplies and materials	45,142	38,161	83,303
Telephone	1,625	2,321	3,946
Uniforms	6,326	5,718	12,044
Utilities	27,351	57,271	84,622
Water line repairs	-	3,000	3,000
Water purchases	-	164,695	164,695
Total operating and maintenance	1,751,064	846,045	2,597,109
Administration and general			
Education and travel	4,107	4,538	8,645
Insurance	16,843	12,902	29,745
Licenses and dues	5,610	10,592	16,202
Printing and postage	17	10,059	10,076
Total administration and general	26,577	38,091	64,668
Depreciation	704,135	286,111	990,246
Total operating expenses	$ 2,481,776	$ 1,170,247	$ 3,652,023

CITY OF RINGGOLD, GEORGIA
Schedule of Property Taxes Receivable
General Fund
December 31, 2025

Year of Levy	
2025	$ 86,619
2024	10,100
2023	2,036
2022	979
2021	291
2020	42
2019	382
2018	-
2017	-
2016	-
Total property taxes receivable	100,449
Less: allowance for uncollectibles	(15,354)
Property taxes receivable - net	$ 85,095

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Property Taxes Receivable
General Fund
Year Ended December 31, 2025

	Taxes Receivable December 31, 2024	Taxes Levied	Pickups and (Releases)	Collections	Taxes Receivable December 31, 2025
2025	$ -	$ 1,101,285	$ -	$ (1,014,666)	$ 86,619
2024	78,914	-	-	(68,814)	10,100
2023	7,294	-	-	(5,258)	2,036
2022	1,984	-	-	(1,005)	979
2021	291	-	-	-	291
2020	42	-	-	-	42
2019	382	-	-	-	382
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
Total	$ 88,907	$ 1,101,285	$ -	$ (1,089,743)	$ 100,449

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
General Fund
December 31, 2025

USDA RURAL DEVELOPMENT NOTE

Maturing December 31,	Principal	Interest	Total Requirements
2026	$ 12,513	$ 914	$ 13,427
2027	12,811	616	13,427
2028	13,115	312	13,427
Total	$ 38,439	$ 1,842	$ 40,281

CITY OF RINGGOLD, GEORGIA
Schedule of Debt Service Requirements
Sewer Fund
December 31, 2025

SEWER SYSTEM REVENUE IMPROVEMENT BONDS

Maturing December 31,	Principal	Interest	Total Requirements
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	$ 3,312,000	$ 421,877	$ 3,733,877

CITY OF RINGGOLD, GEORGIA
Schedule of Changes in Long-term Debt by Individual Issue
December 31, 2025

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 1/1/2025	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 12/31/2025
Governmental Activities									
Notes Payable through General Fund									
USDA Rural Development Note	$ 62,600	2.378%	02/21/23	02/21/28	$ 50,661	$ -	$ (12,222)	$ -	$ 38,439
Notes Payable through Downtown Development Authority Fund									
Builtwell Bank Note	*	6.00%	*	*	$ -	$ 500,846	$ -	$ -	$ 500,846
Business-Type Activities									
Bonds Payable through Sewer Fund									
Revenue Improvement Bond, Series 2005	$ 9,600,000	4.15%	04/01/05	04/01/31	$ 3,811,000	$ -	$ (499,000)	$ -	$ 3,312,000
Notes Payable through Water Fund									
Georgia Environmental Finance Authority Note	*	1.56%	*	*	$ 1,717,865	$ -	$ -	$ -	$ 1,717,865
Notes Payable through Water Fund									
Georgia Environmental Finance Authority Note	*	1.09%	*	*	$ -	$ 174,922	$ -	$ -	$ 174,922

* Note is still in draw down phase as of December 31, 2025

CITY OF RINGGOLD, GEORGIA
Schedules of Statistical Information
December 31, 2025

I. SCHEDULE OF TAX RATES AND ASSESSMENTS

Tax Year	City Tax Rate	Assessment	Levy
2025	.2445	$ 450,423,387	$1,101,285
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

II. SCHEDULE OF BILLING RATES

The water and sewer rates for the City of Ringgold for the year ended December 31, 2025, 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	$ 20.82 plus $5.18/1,000 gal.
1" meter	0-8,000	$ 51.86 plus $5.18/1,000 gal.
1-1/2" meter	0-17,000	$ 98.47 plus $5.18/1,000 gal.
2" meter	0-25,000	$ 139.97 plus $5.18/1,000 gal.
3" meter	0-45,000	$ 468.18 plus $5.18/1,000 gal.
4" meter	0-60,000	$ 623.95 plus $5.18/1,000 gal.
6" meter	0-90,000	$ 935.93 plus $5.18/1,000 gal.
8" meter	0-120,000	$1,247.90 plus $5.18/1,000 gal.
10" meter	0-150,000	$1,561.42 plus $5.18/1,000 gal.

As of December 31, 2025 the City had 1,317 water accounts, 1,163 City sewer accounts, and 4,234 County sewer customers.

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III. SINGLE AUDIT SECTION

CITY OF RINGGOLD, GEORGIA
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2025

Federal Grantor/Pass-through Agency	Assistance Listing Number	State Grant/ Program Number	Accrued (Receivable) 1/1/2025	Grant Receipts	Grant Expenditures	Cost Disallowed Adjustment	Accrued (Receivable) 12/31/2025
Federal							
Department of Human Services							
Cares Act Grant	21.019	-	$ 1,355,574	$ -	$1,355,574	$ -	$ -
U.S. Environmental Protection Agency							
through Georgia Environmental Finance Authority							
Drinking Water State Revolving Fund	66.468	-	-	1,436,670	1,574,302	-	(137,632)
DWSRF Loan	66.468	-	-	174,922	174,922	-	-
Total U.S. Environmental Protection Agency			-	1,611,592	1,749,224	-	(137,632)
Appalachian Regional Commission							
through Department of Community Affairs	23.001	GA20805	(75,000)	75,000	-	-	-
Georgia Environmental Finance Authority	23.001	-	-	24,501	24,501	-	-
Total Appalachian Regional Commission			(75,000)	99,501	24,501	-	-
Federal Emergency Management Agency							
Hazard Mitigation Grant Program	97.039	HMGP-4579-0009	(185,513)	185,513	-	-	-
Total federal awards			1,095,061	1,896,606	3,129,299	-	(137,632)
State							
Georgia Department of Transportation							
LMIG Street Resurfacing	-	2025	-	61,750	61,750	-	-
LMIG Street Resurfacing	-	2025	-	50,333	50,333	-	-
Total Georgia Department of Transportation			-	112,083	112,083	-	-
Georgia Department of Natural Resources							
Golden Mile Trail II	-	P22AP01128	(20,000)	20,000	-	-	-
Georgia Department of Transportation							
Sewer Relocation	-	0015538	(798,204)	784,419	-	13,785	-
Total state awards			(818,204)	916,502	112,083	13,785	-
TOTAL FEDERAL AND STATE AWARDS			$ 276,857	$2,813,108	$3,241,382	$ 13,785	$ (137,632)

CITY OF RINGGOLD, GEORGIA
Notes to the Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2025

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 15-percent de minimis indirect cost rate or to allocate any indirect cost.

NOTE 3 - LOAN BALANCE

	Balance
Georgia Environmental Finance Authority	$ 174,922

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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, 2025, 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 2, 2026.

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 2025-001 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 2, 2026

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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, 2025. 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, 2025.

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.

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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 2, 2026

CITY OF RINGGOLD, GEORGIA
Schedule of Findings and Questioned Costs
December 31, 2025

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:
No instances noted

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: 21.019 Department of Human Services

Assistance Listing Number: 66.468 U.S. Environmental Protection Agency

Dollar threshold used to distinguish between Type A and Type B Programs:
$1,000,000

Auditee qualified as low-risk auditee:
Yes

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

INTERNAL CONTROL:

Finding 2025-001 - 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:
Internal controls over tickets could be strengthened. If the City Judge does not sign tickets for dismissed cases, a record of dismissals with authorization by the City Judge should be kept.

Management's Response:
We concur. See management's corrective action plan for details.

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, 2025.

CITY OF RINGGOLD, GEORGIA
Schedule of Prior Audit Findings
December 31, 2025

Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2024-001	Ticket Procedures (Original finding 2024-001)	Repeated/2025-001
2024-002	Expenditures Exceeded Budget (Original finding 2021-002)	Corrected

City of Ringgold

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Management's Corrective Action Plan

Management's corrective action plan for our December 31, 2025 audit is as follows:

Finding 2025-001 - 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 for cases held in court. For tickets that are dismissed, a record of the tickets will be authorized by the City Judge.

Name of Responsible Official: Mark Vaughn, City Manager

Anticipated Completion Date: June 30, 2026

Respectfully submitted,

Mark Vaughn, City Manager
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, 2025. 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, 2025, in conformity with accounting principles generally accepted in the United States of America.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
April 2, 2026

CITY OF RINGGOLD, GEORGIA
Schedule of Special Purpose Local Option Sales Tax
Year Ended December 31, 2025

Project	Original Estimated Cost	Expenditures			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
2019 SPLOST					
Ringgold Water/Sewer Projects		$ 2,479,793	$ 372,513	$ 2,852,306	
Recreational Complex Phase 1		100,000	261,551	361,551	
Emergency Vehicles		205,832	56,074	261,906	
Sidewalks		265,989	-	265,989	
2019 SPLOST Totals	$ 7,400,000	$ 3,051,614	$ 690,138	$ 3,741,752	51%
2024 SPLOST					
Morris Estates Sewer Rehab	$ 4,828,800	$ 22,155	$ 440,680	$ 462,835	10%

NOTE A - BASIS OF ACCOUNTING

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