CITY OF TYBEE ISLAND, GEORGIA
Tybee Island, Georgia

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

CITY OF TYBEE ISLAND, GEORGIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30 2023

INDEPENDENT AUDITORS' REPORT	**I**
MANAGEMENT'S DISCUSSION AND ANALYSIS	**IV**
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	**1**
STATEMENT OF ACTIVITIES	**2**
BALANCE SHEET – GOVERNMENTAL FUNDS	**3**
RECONCILIATION OF GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS	**5**
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	**6**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND	**7**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL – ROOM TAX FUND	**9**
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	**10**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	**11**
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	**12**
NOTES TO BASIC FINANCIAL STATEMENTS	**14**
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS	**40**
SCHEDULE OF CITY CONTRIBUTIONS	**41**
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	**42**

CliftonLarsonAllen LLP
CLAconnect.com

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS – COMBINING BALANCE SHEET 43

NONMAJOR GOVERNMENTAL FUNDS – COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE 44

NONMAJOR SPECIAL REVENUE FUNDS – COMBINING BALANCE SHEET 45

NONMAJOR SPECIAL REVENUE FUNDS – COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE 46

SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2003 RESOLUTION) 47

SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2014 RESOLUTION) 48

SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2020 RESOLUTION) 49

COMPLIANCE SECTION

INDEPENDENT AUDITORS' 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* 50

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of City Council
City of Tybee Island, Georgia
Tybee Island, 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 Tybee Island, Georgia (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City'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 Tybee Island, Georgia, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison information for the General Fund and the Room Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

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'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.

Auditors' 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 auditors' 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 City'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City'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 identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, comprised of the management's discussion and analysis, schedule of changes in the City's net pension liability and related ratios, and the schedule of City contributions, and notes to required supplementary information, 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 GAAS, 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's basic financial statements. The combining and individual fund statements and the schedules of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia (O.C.G.A.) §48-8-121, (supplementary information) 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2023, on our consideration of the City'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'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's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 26, 2023

CITY OF TYBEE ISLAND, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

As management of the City of Tybee Island (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Tybee Island for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2023 are as follows:

- The City's total net position is $55,316,155, an increase of $2,733,106. Net position from governmental activities increased $1,811,950 and business-type activities increased $921,156.
- The General Fund reported fund balance of $15,100,748. This is a decrease of $613,446 over the prior year. The City budgeted to use $636,000 in fund balance to partially finance the renovation of City Hall.

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 are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to those financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets, deferred outflows of resources, long-term liabilities, and deferred inflows of resources.

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).

The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation, and housing and community development.

The business-type activities of the City include water and sewer, sanitation, and campground management.

The City's government-wide financial statements are presented on pages 1 and 2.

Reporting the City's Most Significant Funds

Unlike government-wide financial statements, the focus of fund financial statements is directed at specific activities of the City rather than the City as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. The City's fund financial statements are divided into two broad categories, namely: (1) governmental funds, and (2) proprietary funds.

Governmental Funds

The governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's assets, liabilities and deferred inflows of resources is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis at the bottom of the balance sheet that reconciles the total fund balance to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis at the bottom of the statement of revenues, expenditures and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The City presents, in separate columns, funds that are most significant to the City (major funds) and all other governmental funds are aggregated and reported in a single column (nonmajor funds). The City's governmental fund financial statements are presented on pages 3 through 9.

Proprietary Funds

The proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses, and changes in fund net position and statement of cash flows, and are prepared on an

accounting basis that is similar to the basis used to prepare the government-wide financial statements. The City uses proprietary funds to account for business-type activities that charge fees to customers for the use of specific goods or services. For the most part, the balances and activities accounted for in the City's proprietary funds are also reported in the business-type activities columns of the government-wide financial statements.

The City presents, in separate columns, proprietary funds that are most significant to the City and all other proprietary funds are aggregated and reported in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

The City's proprietary fund financial statements are presented on pages 10 through 13.

Overview of the City's Financial Position and Operations

The City's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements (see pages 1 and 2):

City of Tybee Island Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 20,922,159	$ 19,335,386	$ 6,622,930	$ 2,207,207	$ 27,545,089	$ 21,542,593
Capital assets	22,885,137	20,949,644	26,227,172	24,504,146	49,112,309	45,453,790
Total assets	43,807,296	40,285,030	32,850,102	26,711,353	76,657,398	66,996,383
Deferred outflows of resources	1,926,037	833,243	350,806	153,538	2,276,843	986,781
Total assets and deferred outflows	45,733,333	41,118,273	33,200,908	26,864,891	78,934,241	67,983,164
Current liabilities	3,020,162	2,838,871	1,144,844	1,895,116	4,165,006	4,733,987
Long-term liabilities	7,156,284	3,661,582	10,038,141	5,558,782	17,194,425	9,220,364
Total liabilities	10,176,446	6,500,453	11,182,985	7,453,898	21,359,431	13,954,351
Deferred inflows of resources	347,928	1,220,811	1,910,727	224,953	2,258,655	1,445,764
Total liabilities and deferred inflows	10,524,374	7,721,264	13,093,712	7,678,851	23,618,086	15,400,115
Net investment in capital assets	19,797,415	17,739,670	16,951,840	17,947,929	36,749,255	35,687,599
Restricted for capital outlay	128,420	1,238,057	600,070	-	728,490	1,238,057
Restricted for debt service	1,890,617	164,128		414,009	1,890,617	578,137
Unrestricted	13,392,507	14,255,154	2,555,286	824,102	15,947,793	15,079,256
Total net position	$ 35,208,959	$ 33,397,009	$ 20,107,196	$ 19,186,040	$ 55,316,155	$ 52,583,049

Financial Position

The total net position of the City increased by $2,733,106, or 5%, as noted in the table above. The governmental activities net position increased by $1,811,950 while the business-type activities net position increased by $921,156.

City of Tybee Island Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 8,932,632	$ 9,331,574	$ 6,795,840	$ 6,985,954	$ 15,728,472	$ 16,317,528
Capital grants and contributions	1,578,066	2,821,333	12,000	42,813	1,590,066	2,864,146
General revenues:						
Taxes:						
Property taxes	2,383,510	2,263,201	-	-	2,383,510	2,263,201
Other taxes	10,981,643	11,052,307	-	-	10,981,643	11,052,307
Investment earnings	431,682	13,134	98,307	953	529,989	14,087
Miscellaneous	144,223	-	191,403	-	335,626	-
Gain (Loss) on disposal of assets	-	125,000	-	-	-	125,000
Total revenue	24,451,756	25,606,549	7,097,550	7,029,720	31,549,306	32,636,269
Expenses						
General government	4,822,030	4,055,378	-	-	4,822,030	4,055,378
Judicial	931,228	966,180	-	-	931,228	966,180
Public safety	7,987,296	6,698,461	-	-	7,987,296	6,698,461
Public works	3,860,868	3,429,408	-	-	3,860,868	3,429,408
Culture, recreation, and education	3,815,308	3,995,702	-	-	3,815,308	3,995,702
Housing and community development	878,838	1,126,120	-	-	878,838	1,126,120
Interest and fiscal charges	139,292	120,410	-	-	139,292	120,410
Water	-	-	3,659,575	3,239,946	3,659,575	3,239,946
Wastewater	-	-	1,463,191	1,175,496	1,463,191	1,175,496
Storm water	-	-	1,258,574	1,336,180	1,258,574	1,336,180
Total expenses	22,434,860	20,391,659	6,381,340	5,751,622	28,816,200	26,143,281
Increase in net position before transfers	2,016,896	5,214,890	716,210	1,278,098	2,733,106	6,492,988
Transfers	(204,946)	(213,893)	204,946	213,893	-	-
Change in net position	1,811,950	5,000,997	921,156	1,491,991	2,733,106	6,492,988
Net position - beginning	33,397,009	28,396,012	19,186,040	17,694,049	52,583,049	46,090,061
Net position - ending	$ 35,208,959	$ 33,397,009	$ 20,107,196	$ 19,186,040	$ 55,316,155	$ 52,583,049

Governmental Activities

The total revenues for governmental activities decreased $1,154,793 or 4.51%. Charges for services decreased as a result of decreased parking revenue. Capital grants and contributions decreased $1.2 million or 44.07%, as a result of decreases in federal and state grant revenues. Investment income increased as the City capitalized on higher return rates. All other categories of revenue remained consistent with the prior year.

Total governmental expenses have increased $2 million, or 10.02%. General Government expense increased $766,652 as a result of software upgrades, compliance costs and legal services. Public Safety increased $1.2 million with system upgrades, software additions and personnel promotions.

Business-type Activities

Net position for business-type activities increased $921,156. The Water and Sewer Fund had a decrease of $44,441; the River's End RV Park Fund increased by $965,597; and the Solid Waste Fund a change of remained the same. Below is the analysis of each enterprise fund.

Water and Sewer Fund

Water and Sewer operating revenues increased $44,897, or 1.26%, which is fairly consistent with the prior year. Operating expenses increased $396,492 or 12.52% as a result of higher repair and maintenance costs.

City of Tybee Island Water and Sewer Fund

	2023	2022	$ Change	% Change
Operating revenues	$ 3,603,134	$ 3,558,237	$ 44,897	1.26%
Operating expenses	3,562,276	3,165,784	396,492	12.52%
Net operating income (loss)	40,858	392,453	(351,595)	-89.59%
Nonoperating income (expenses)	(97,299)	(74,162)	(23,137)	31.20%
Loss on disposal of assets	-	-	-	0.00%
Income (loss) before contributions and transfers	(56,441)	318,291	(374,732)	-117.73%
Capital contributions	12,000	42,813	(30,813)	-71.97%
Change in net position	(44,441)	361,104	(405,545)	-112.31%
Beginning net position	$ 12,257,316	$ 11,896,212	361,104	3.04%
Ending net position	$ 12,212,875	$ 12,257,316	(44,441)	-0.36%

Solid Waste Collection Fund

Solid Waste operating revenues increased $85,576 or 8.84%. Operating expenses increased 7.07% over prior year due to higher user fees. The General Fund transferred $204,946 to the Solid Waste Collection Fund to cover operating deficits.

City of Tybee Solid Waste Collection Fund

	2023	2022	$ Change	% Change
Operating revenues	$ 1,053,628	$ 968,052	$ 85,576	8.84%
Operating expenses	1,258,574	1,175,496	83,078	7.07%
Net operating income (loss)	(204,946)	(207,444)	2,498	-1.20%
Transfers in	204,946	213,893	(8,947)	-4.18%
Change in net position	-	6,449	(6,449)	-100.00%
Beginning net position	$ 7,083	$ 634	6,449	1017.19%
Ending net position	$ 7,083	$ 7,083	-	0.00%

River's End RV Park Fund

Operating revenues for the River's End RV Park Fund decreased $129,184, or 5.25%. Operating expenses increased $136,779, or 10.61%.

City of Tybee Island River's End RV Park Fund

	2023	2022	$ Change	% Change
Operating revenues	$ 2,330,481	$ 2,459,665	$ (129,184)	-5.25%
Operating expenses	1,425,991	1,289,212	136,779	10.61%
Net operating income (loss)	904,490	1,170,453	(265,963)	-22.72%
Nonoperating income (expenses)	61,107	(46,015)	107,122	-232.80%
Income (loss) transfers	965,597	1,124,438	(158,841)	-14.13%
Transfers out	-	-	-	0.00%
Change in net position	965,597	1,124,438	(158,841)	-14.13%
Beginning net position	$ 6,921,641	$ 5,797,203	1,124,438	19.40%
Ending net position	$ 7,887,238	$ 6,921,641	965,597	13.95%

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 Fund Balance

The City's combined fund balances as of the end of the current year for governmental funds, presented on pages 3 and 4 were $16,295,469. This balance represents a decrease of $85,966, or .52%, from last year's ending balance. The City expected a $636,000 decrease for use of fund balance to partially finance the costs of City Hall renovation. The tables below reflect changes in governmental fund balances.

The City Council assigned $5,552,136, or 37%, of the General Fund's fund balance for economic stabilization and $2,752,989, or 18% for beach renourishment.

The following schedule reflects changes in the fund balance for the City's governmental funds.

City of Tybee Island Governmental Fund Balance (Deficit)

	2023	2022	$ Change	% Change
General Fund	$ 15,100,748	$ 15,714,194	$ (613,446)	-3.90%
Grant Fund	(887,241)	(734,944)	(152,297)	20.72%
Confiscated Asset Fund	26,267	4,454	21,813	489.74%
SPLOST 2003 Fund	121,887	121,887	-	0.00%
SPLOST 2014 Fund	499,605	482,191	17,414	3.61%
SPLOST 2020 Fund	1,269,125	629,525	639,600	101.60%
Debt Service Fund	165,078	164,128	950	0.58%
Total fund balance	$ 16,295,469	$ 16,381,435	(85,966)	-0.52%

The components of changes to governmental fund balances are analyzed in the table below:

City of Tybee Island Governmental Fund Balance (Deficit)

	2023	2022	$ Change	% Change
Revenues				
Taxes	$ 13,084,152	$ 13,364,625	$ (280,473)	-2.10%
Intergovernmental	1,566,005	2,819,936	(1,253,931)	-44.47%
Licenses and Permits	962,341	954,054	8,287	0.87%
Fine, Forfeitures and Penalties	1,565,822	1,635,901	(70,079)	-4.28%
Charges for Services	6,404,469	6,628,661	(224,192)	-3.38%
Investment Income	431,682	14,531	417,151	2870.77%
Miscellaneous	144,223	112,958	31,265	27.68%
Total Revenues	24,158,694	25,530,666	(1,371,972)	-5.37%
Expenditures				
Current:				
General Government	4,480,664	3,593,334	887,330	24.69%
Judicial	920,929	969,339	(48,410)	-4.99%
Public Safety	7,610,830	6,059,304	1,551,526	100.00%
Public Works	3,153,289	3,056,064	97,225	3.18%
Culture, Recreation and Education	3,069,361	3,439,456	(370,095)	-10.76%
Housing and Community Developm	873,586	1,092,768	(219,182)	-20.06%
Capital Outlay	4,180,851	4,428,558	(247,707)	-5.59%
Debt Service:				
Principal	135,000	296,032	(161,032)	-54.40%
Interest and Fiscal Charges	114,050	139,060	(25,010)	-17.99%
Total Expenditures	24,538,560	23,073,915	1,464,645	6.35%
Excess of revenues over (under) expenditures	(379,866)	2,456,751	(2,836,617)	-115.46%
Other financing sources (uses)				
Sale of City Property	-	125,000	(125,000)	-100.00%
Leases	498,847	249,955	248,892	99.57%
Transfers In	7,435,473	6,217,604	1,217,869	19.59%
Transfers Out	(7,640,419)	(6,431,497)	(1,208,922)	18.80%
	293,901	161,062	132,839	82.48%
Net change in fund balance	(85,965)	2,617,813	(2,703,778)	-103.28%
Fund balance, beginning of year	16,381,435	13,763,622	2,617,813	19.02%

Overall governmental revenues decreased $1.3 million, or 5.37%. Intergovernmental revenues decreased $1.2 million, or 44%, as less grant money was received compared to prior year. Charges for services revenues decreased $224,192, or 3.38%, as parking revenue has decreased. Investment income increased $417,151 as the City capitalized on favorable interest rates.

Overall governmental expenditures increased $1.4 million or 6.35%. General government expenditures increased $887,330, or 24.69%, as a result of technology upgrades, compliance requirements and personnel changes. Public Safety expenditures increased $1.5 million or 25.61%, due to technology upgrades, promotions and vacant positions being filled.

The City's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The final budgets passed by the City Council anticipated using $636,000 in General Fund fund balance to finance a portion of the City Hall renovation project. A comparison of the final budgetary figures and the actual budgetary figures for revenues are located on pages 7 through 9.

- For the General Fund, the actual operating revenues were $916,694 more than budgeted. Operating revenues were budgeted for $14,563,501, and actual operating revenues were $15,491,351. The most significant variance was tax revenue which was $1.1 million more than budgeted due to conservative budgeting.

- The actual operating expenditures of $16,577,121 were $575,757 less than the budgeted amount of $17,152,878. Department deficits are offset by the anticipated surplus at year-end.

Capital Asset and Debt Administration

Capital Assets

The City has invested $49,112,309 in capital assets (net of depreciation). Capital assets held by the City at the end of the current and previous year are summarized below:

City of Tybee Island Capital Asset Year-end Comparison

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 1,102,857	$ 1,102,857	6,973,632	$ 6,973,632	$ 8,076,489	$ 8,076,489
Construction in Progress	1,317,738	41,354	-	-	1,317,738	41,354
Land Improvements	-	-	357,003	357,003	357,003	357,003
Buildings	14,496,210	14,344,272	780,643	780,643	15,276,853	15,124,915
Machinery and Equipment	8,634,716	8,567,330	1,941,326	1,759,977	10,576,042	10,327,307
Infrastructure	7,578,846	6,837,620	26,180,513	23,659,448	33,759,359	30,497,068
Total Capital Assets	33,130,367	30,893,433	36,233,117	33,530,703	69,363,484	64,424,136
Less: Accumulated Depreciation	(10,245,230)	(9,943,789)	(10,005,945)	(9,026,557)	(20,251,175)	(18,970,346)
Capital Assets, Net	$ 22,885,137	$ 20,949,644	$ 26,227,172	$ 24,504,146	$ 49,112,309	$ 45,453,790
Percentage Depreciated	33.36%	33.43%	34.20%	33.99%	33.77%	33.69%

The schedules of capital asset activity are reported in Note 5 of the financial statements. The City added $1.9 million of new governmental capital assets. The City added $1.7 million of new business-type capital assets.

Long-Term Debt

At the end of the current year, the City had long-term debt related to governmental activities of $7,156,284 and $10,038,141 for business-type activities. The debt position of the City is summarized below and is more fully analyzed in Note 6 of the financial statements.

	Governmental Activities		Business-type Activities		Total	
Debt	2023	2022	2023	2022	2023	2022
Leases	$ 864,917	$ 588,376	$ 198,665	$ -	$ 1,063,582	$ 588,376
Chatham County Recreation Bond	3,055,144	3,200,153	1,519,293	1,977,996	4,574,437	5,178,149
Water and Sewer Bonds	-	-	5,225,033	1,866,843	5,225,033	1,866,843
Notes Payable	-	-	2,543,414	2,711,378	2,543,414	2,711,378
Compensated Absences	560,048	450,395	64,300	59,958	624,348	510,353
Net Pension Liability	2,676,175	19,590	487,436	3,610	3,163,611	23,200
	$ 7,156,284	$ 4,258,514	$ 10,038,141	$ 6,619,785	$ 17,194,425	$ 10,878,299

Economic Factors and Next Year's Budgets and Rates

Currently known facts, decisions or conditions that could have a significant effect on the financial position or results of operations include:

The City also expects to increase water/sewer rates by 7% in 2024.

The City has seen a steady decrease in foot traffic across the island resulting in decreased room revenue and parking revenue.

The City expects the tax digest to remain consistent with the prior year.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department, City Hall, 403 Butler Street, Tybee Island, Georgia 31328 or by calling the Finance Director at (912) 472-5021.

BASIC FINANCIAL STATEMENTS

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 17,286,845	$ 3,117,829	$ 20,404,674
Receivables			
Taxes	1,559,333	-	1,559,333
Accounts (net)	276,290	393,538	669,828
Leases	359,746	1,966,024	2,325,770
Due from Other Governments	369,847	-	369,847
Internal Balances	-	-	-
Inventory	-	84,597	84,597
Prepaid Items	237,759	249,799	487,558
Restricted - Cash and Cash Equivalents	-	600,070	600,070
Leased Assets, Net of Accumulated Amortization	832,339	211,073	1,043,412
Capital Assets			
Nondepreciable	2,420,595	6,973,632	9,394,227
Depreciable, Net of Accumulated Depreciation	20,464,542	19,253,540	39,718,082
Total Capital Assets	22,885,137	26,227,172	49,112,309
Total Assets	43,807,296	32,850,102	76,657,398
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	1,926,037	350,806	2,276,843
Total Deferred Outflows of Resources	1,926,037	350,806	2,276,843
LIABILITIES			
Accounts Payable	$ 1,515,432	$ 465,554	$ 1,980,986
Accrued and Other Current Liabilities	346,844	57,680	404,524
Unearned Revenues	1,143,836	242,410	1,386,246
Customer Deposits Payable	14,050	379,200	393,250
Long-Term Obligations			
Due Within One Year	988,826	1,174,377	2,163,203
Due in More than One Year	6,167,458	8,863,764	15,031,222
Total Liabilities	10,176,446	11,182,985	21,359,431
DEFERRED INFLOWS OF RESOURCES			
Lease Related Amounts	347,928	1,910,727	2,258,655
Pension Related Amounts	-	-	-
Total Deferred Inflows of Resources	347,928	1,910,727	2,258,655
NET POSITION			
Net Investment in Capital Assets	19,797,415	16,951,840	36,749,255
Restricted			
Debt Service	128,420	600,070	728,490
Capital Outlay	1,890,617	-	1,890,617
Unrestricted	13,392,507	2,555,286	15,947,793
Total Net Position	$ 35,208,959	$ 20,107,196	$ 55,316,155

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Totals
GOVERNMENTAL ACTIVITIES							
General Government	$ 4,822,030	$ 6,614,832	$ -	$ -	$ 1,792,802	$ -	$ 1,792,802
Judicial	931,228	746,851	-	-	(184,377)	-	(184,377)
Public Safety	7,987,296	641,211	-	1,160,895	(6,185,190)	-	(6,185,190)
Public works	3,860,868	54,447	-	61,156	(3,745,265)	-	(3,745,265)
Culture and Recreation	3,815,308	72,650	-	356,015	(3,386,643)	-	(3,386,643)
Housing and Community Development	878,838	802,641	-	-	(76,197)	-	(76,197)
Interest and Fiscal Charges	139,292	-	-	-	(139,292)	-	(139,292)
Total Governmental Activities	22,434,860	8,932,632	-	1,578,066	(11,924,162)	-	(11,924,162)
BUSINESS-TYPE ACTIVITIES							
Water and Sewer	3,659,575	3,411,731	-	12,000	-	(235,844)	(235,844)
River's End RV Park	1,463,191	2,330,481	-	-	-	867,290	867,290
Solid Waste Collection	1,258,574	1,053,628	-	-	-	(204,946)	(204,946)
Total Business-Type Activities	6,381,340	6,795,840	-	12,000	-	426,500	426,500
Total Primary Government	$ 28,816,200	$ 15,728,472	$ -	$ 1,590,066	(11,924,162)	426,500	(11,497,662)
General Revenues							
Property Taxes					2,383,510	-	2,383,510
Sales Taxes					1,896,709	-	1,896,709
Room Taxes					7,001,309	-	7,001,309
Franchise Taxes					492,885	-	492,885
Insurance Premium Taxes					253,285	-	253,285
Other Taxes					1,337,455		1,337,455
Investment Earnings					431,682	98,307	529,989
Miscellaneous					144,223	191,403	335,626
Gain (Loss) on Disposal of Asset					-	-	-
Transfers					(204,946)	204,946	-
Total General Revenues and Transfers					13,736,112	494,656	14,230,768
CHANGE IN NET POSITION					1,811,950	921,156	2,733,106
Net Position - July 1					33,397,009	19,186,040	52,583,049
NET POSITION - JUNE 30					$ 35,208,959	$ 20,107,196	$ 55,316,155

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Room Tax Fund	Grant Fund	Capital Projects Fund	American Rescue Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	$ 13,806,414	$ -	$ 83,899	$ 360,593	$ 1,143,836	$ 1,892,103	$ 17,286,845
Receivables:							
Taxes (net)	522,071	1,037,262	-	-	-	-	1,559,333
Accounts (net)	77,448	-	-	-	-	198,842	276,290
Leases	359,746	-	-	-	-	-	359,746
Due from Other Governments	175,143	-	194,704	-	-	-	369,847
Due from Other Funds	404,562	-	-	-	-	-	404,562
Advances to Other Funds	898,938	-	-	-	-	-	898,938
Prepaid Items	237,759	-	-	-	-	-	237,759
Total Assets	$ 16,482,081	$ 1,037,262	$ 278,603	$ 360,593	$ 1,143,836	$ 2,090,945	$ 21,393,320
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 431,415	$ 632,700	$ 89,564	$ 360,593	$ -	$ 1,160	$ 1,515,432
Accrued Liabilities	302,621	-	-	-	-	7,823	310,444
Due to Other Funds	-	404,562	-	-	-	-	404,562
Deposits Payable	14,050	-	-	-	-	-	14,050
Unearned Revenue	-	-	-	-	1,143,836	-	1,143,836
Advances from Other Funds	-	-	898,938	-	-	-	898,938
Total Liabilities	748,086	1,037,262	988,502	360,593	1,143,836	8,983	4,287,262
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Intergovernmental	4,318	-	-	-	-	-	4,318
Unavailable Revenue - Grants	-	-	177,342	-	-	-	177,342
Unavailable Revenue - Leases	347,928	-	-	-	-	-	347,928
Unavailable Revenue - Property Taxes	281,001	-	-	-	-	-	281,001
Total Deferred Inflows of Resources	633,247	-	177,342	-	-	-	810,589
FUND BALANCES (DEFICITS)							
Nonspendable	237,759	-	-	-	-	-	237,759
Restricted							
Capital Projects	-	-	-	-	-	1,890,617	1,890,617
Public Safety Vehicles	-	-	-	-	-	26,267	26,267
Debt Service	-	-	-	-	-	165,078	165,078
Committed							
Future Capital Projects	2,407,298	-	-	-	-	-	2,407,298
Assigned							
Economic Stabilization	5,552,136	-	-	-	-	-	5,552,136
Beach Renourishment	2,752,989	-	-	-	-	-	2,752,989
Unassigned	4,150,566	-	(887,241)	-	-	-	3,263,325
Total Fund Balances (Deficits)	15,100,748	-	(887,241)	-	-	2,081,962	16,295,469
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	$ 16,482,081	$ 1,037,262	$ 278,603	$ 360,593	$ 1,143,836	$ 2,090,945	$ 21,393,320

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balance for governmental funds	$ 16,295,469
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	22,885,137
Leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	832,339
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements	
Receivables Not Available Within 60 Days After Year-End	462,661
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	1,926,037
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Revenue Bonds	(2,895,000)
Premium on Debt	(160,144)
Compensated Absences	(560,048)
Net Pension (Liability) Asset	(2,676,175)
Lease Liability	(864,917)
Accrued Interest on Long-Term Obligations	(36,400)
Net position of governmental activities as reported on the statement of net position	$ 35,208,959

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Room Tax Fund	Grant Fund	Capital Projects Fund	American Rescue Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	$ 6,082,843	$ 7,001,309	$ -	$ -	$ -	$ -	$ 13,084,152
Intergovernmental	61,156	-	343,954	-	-	1,160,895	1,566,005
Licenses and Permits	962,341	-	-	-	-	-	962,341
Fine, Forfeitures and Penalties	1,565,822	-	-	-	-	-	1,565,822
Charges for Services	6,293,663	-	-	-	-	110,806	6,404,469
Investment Income	381,303	-	-	-	-	50,379	431,682
Miscellaneous	144,223	-	-	-	-	-	144,223
Total Revenues	15,491,351	7,001,309	343,954	-	-	1,322,080	24,158,694
EXPENDITURES							
Current:							
General Government	4,480,664	-	-	-	-	-	4,480,664
Judicial	920,929	-	-	-	-	-	920,929
Public Safety	7,148,653	-	-	-	-	462,178	7,610,831
Public Works	3,153,289	-	-	-	-	-	3,153,289
Culture, Recreation and Education	-	3,069,361	-	-	-	-	3,069,361
Housing and Community Development	873,586	-	-	-	-	-	873,586
Capital Outlay	-	-	496,251	3,130,340	-	554,260	4,180,851
Debt Service:							
Principal	-	-	-	-	-	135,000	135,000
Interest and Fiscal Charges	-	-	-	-	-	114,050	114,050
Total Expenditures	16,577,121	3,069,361	496,251	3,130,340	-	1,265,488	24,538,561
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,085,770)	3,931,948	(152,297)	(3,130,340)	-	56,592	(379,867)
OTHER FINANCING SOURCES (USES)							
Sale of City Property	-	-	-	-	-	-	-
Leases	498,847	-	-	-	-	-	498,847
Transfers In	3,681,948	-	-	3,130,340	-	623,185	7,435,473
Transfers Out	(3,708,471)	(3,931,948)	-	-	-	-	(7,640,419)
Net Other Financing Sources (Uses)	472,324	(3,931,948)	-	3,130,340	-	623,185	293,901
NET CHANGE IN FUND BALANCES	(613,446)	-	(152,297)	-	-	679,777	(85,966)
Fund Balances - Beginning of Year	15,714,194	-	(734,944)	-	-	1,402,185	16,381,435
FUND BALANCES - END OF YEAR	$ 15,100,748	$ -	$ (887,241)	$ -	$ -	$ 2,081,962	$ 16,295,469

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net change in fund balances as shown on previous page	$	(85,966)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays 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.		
Capital assets reported as capital outlay in governmental fund statements		2,977,262
Depreciation expense reported in the statement of activities		(1,041,769)
Governmental funds report lease assets as expenditures. However, in the statement of activities, the cost of those right-to-use assets is allocated over the lease term or estimated useful lives and reported as amortization expense.		
Right-to-use assets reported as expenditures in governmental fund statements		498,847
Amortization expense reported in the statement of activities		(245,063)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		293,062
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
New leases		(498,847)
Principal payments of leases		222,306
Principal payments of bonds		135,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued interest on long-term debt		(258)
Amortization of premiums		10,009
Compensated absences		(109,653)
Net pension liability		(2,656,585)
Deferred outflows of resources related to pensions		1,092,794
Deferred inflows of resources related to pensions		1,220,811
Change in net position of governmental activities as reported in the statement of activities	$	1,811,950

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes				
Property Taxes	$ 2,223,150	$ 2,223,150	$ 2,894,083	$ 670,933
Local Option Sales Tax	1,500,000	1,500,000	1,896,709	396,709
Franchise Taxes	475,750	475,750	492,885	17,135
Insurance Premium Tax	240,000	240,000	253,285	13,285
Alcoholic Beverage Excise Tax	420,000	420,000	448,416	28,416
Real Estate Transfer Tax	25,000	25,000	27,486	2,486
Occupational Taxes	-	-	-	-
Energy Excise Tax	35,050	35,050	69,979	34,929
Total Taxes	4,918,950	4,918,950	6,082,843	1,163,893
Intergovernmental	50,000	50,000	61,156	-
Licenses and Permits				
Regulatory Fees	100,000	100,000	132,479	32,479
Business Licenses	115,000	55,000	54,530	(470)
Building Permits	150,000	150,000	159,700	9,700
Zoning Variance Request Fees	7,500	7,500	26,093	18,593
Penalties	500	500	-	(500)
Other	435,000	495,000	589,539	94,539
Total Licenses and Permits	808,000	808,000	962,341	154,341
Fine, Forfeitures and Penalties				
Municipal Fines	617,500	1,250,164	1,036,824	(213,340)
Parking Fines	375,000	375,000	528,998	153,998
Total Fine, Forfeitures and Penalties	992,500	1,625,164	1,565,822	(59,342)
Charges for Services				
Parking Fees	6,135,000	6,027,500	5,912,760	(114,740)
Other Charges for Services	286,500	286,500	380,903	94,403
Total Charges for Services	6,421,500	6,314,000	6,293,663	(20,337)
Investment Income	15,000	315,000	381,303	66,303
Miscellaneous				
Rents and Royalties	82,300	82,300	74,075	(8,225)
Other	90,500	450,087	70,148	(379,939)
Total Miscellaneous	172,800	532,387	144,223	(388,164)
Total Revenues	13,378,750	14,563,501	15,491,351	916,694

Continued

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES				
Current:				
General Government				
Governing Body	599,895	977,415	881,811	95,604
Clerk of Council	127,983	127,983	115,118	12,865
City Manager	803,309	888,801	888,617	184
Financial Administration	1,149,741	1,188,241	1,177,895	10,346
Information Technology	913,258	989,758	989,526	232
Human Resources	490,734	490,734	427,697	63,037
Total General Government	4,084,920	4,662,932	4,480,664	182,268
Judicial				
Municipal Court	288,857	924,271	920,929	3,342
Public Safety				
Police Administration	4,328,472	4,916,194	4,789,372	126,822
Fire Administration	2,512,651	2,561,276	2,359,281	201,995
Total Public Safety	6,841,123	7,477,470	7,148,653	328,817
Public Works				
General Operations	3,232,104	3,184,714	3,153,289	31,425
Housing and Development				
Zoning and Inspection	460,568	319,068	293,789	25,279
Parking	572,923	584,423	579,797	4,626
Total Housing and Development	1,033,491	903,491	873,586	29,905
Total Current Expenditures	15,480,495	17,152,878	16,577,121	575,757
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	15,480,495	17,152,878	16,577,121	575,757
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,101,745)	(2,589,377)	(1,085,770)	1,492,451
OTHER FINANCING SOURCES (USES)				
Sale of City Property	25,000	25,000	-	(25,000)
Leases	-	498,847	498,847	-
Transfers In	2,750,000	2,750,000	3,681,948	931,948
Transfers Out	(673,255)	(3,803,595)	(3,708,471)	95,124
Net Other Financing Sources (Uses)	2,101,745	(529,748)	472,324	1,002,072
NET CHANGE IN FUND BALANCES	-	(3,119,125)	(613,446)	2,494,523
Fund Balances - Beginning of Year	15,714,194	15,714,194	15,714,194	-
FUND BALANCES - END OF YEAR	$ 15,714,194	$ 12,595,069	$ 15,100,748	$ 2,494,523

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
ROOM TAX FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 6,400,000	$ 6,400,000	$ 7,001,309	$ 601,309
EXPENDITURES				
Current:				
Culture, Recreation and Education	2,800,000	2,800,000	3,069,361	(269,361)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,600,000	3,600,000	3,931,948	331,948
OTHER FINANCING SOURCES (USES)				
Transfers Out	(3,600,000)	(3,600,000)	(3,931,948)	(331,948)
Net Other Financing Sources (Uses)	(3,600,000)	(3,600,000)	(3,931,948)	(331,948)
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2023

	Water and Sewer Fund	River's End RV Park Fund	Solid Waste Collection Fund	Total Enterprise Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 1,012,842	$ 2,083,750	$ 21,237	$ 3,117,829
Accounts Receivable (net)	305,294	-	88,244	393,538
Lease Receivable - Current	109,686	-	-	109,686
Inventory	65,245	19,352	-	84,597
Prepaid Items	157,458	92,341	-	249,799
Total Current Assets	1,650,525	2,195,443	109,481	3,955,449
Noncurrent Assets:				
Restricted - Cash and Cash Equivalents	600,070	-	-	600,070
Lease Receivable - Less Current Portion	1,856,338	-	-	1,856,338
Capital Assets:				
Leased Assets, Net of Accumulated Amortization	211,073	-	-	211,073
Nondepreciable	103,632	6,870,000	-	6,973,632
Depreciable, Net of Accumulated Depreciation	18,548,720	704,820	-	19,253,540
Total Capital Assets	18,863,425	7,574,820	-	26,438,245
Total Noncurrent Assets	21,319,833	7,574,820	-	28,894,653
Total Assets	22,970,358	9,770,263	109,481	32,850,102
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Amounts	218,157	132,649	-	350,806
Total Deferred Outflows of Resources	218,157	132,649	-	350,806
Total Assets and Deferred Outflows of Resources	23,188,515	9,902,912	109,481	33,200,908
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 342,070	$ 21,086	$ 102,398	$ 465,554
Accrued Liabilities	41,446	16,234	-	57,680
Compensated Absences - Current Portion	31,961	32,339	-	64,300
Lease Liability - Current Portion	47,457	-	-	47,457
Notes Payable - Current Portion	169,861	-	-	169,861
Bonds Payable - Current Portion	424,097	468,662	-	892,759
Unearned Revenue	-	242,410	-	242,410
Total Current Liabilities	1,056,892	780,731	102,398	1,940,021
Noncurrent Liabilities:				
Customer Deposits	379,200	-	-	379,200
Lease Liability - Less Current Portion	151,208	-	-	151,208
Notes Payable - Less Current Portion	2,373,553	-	-	2,373,553
Bonds Payable - Less Current Portion	4,800,936	1,050,631	-	5,851,567
Net Pension Liability	303,124	184,312	-	487,436
Total Noncurrent Liabilities	8,008,021	1,234,943	-	9,242,964
Total Liabilities	9,064,913	2,015,674	102,398	11,182,985
DEFERRED INFLOWS OF RESOURCES				
Lease Related Amounts	1,910,727	-	-	1,910,727
Pension Related Amounts	-	-	-	-
Total Deferred Inflows of Resources	1,910,727	-	-	1,910,727
Total Liabilities and Deferred Inflows of Resources	10,975,640	2,015,674	102,398	13,093,712
NET POSITION				
Net Investment in Capital Assets	10,896,313	6,055,527	-	16,951,840
Restricted for:				
Debt Service	600,070	-	-	600,070
Unrestricted	716,492	1,831,711	7,083	2,555,286
Total Net Position	$ 12,212,875	$ 7,887,238	$ 7,083	$ 20,107,196

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Water and Sewer Fund	River's End RV Park Fund	Solid Waste Collection Fund	Total Enterprise Funds
OPERATING REVENUES				
Charges for Service	$ 3,411,731	$ 2,330,481	$ 1,053,628	$ 6,795,840
Other	191,403	-	-	191,403
Total Operating Revenues	3,603,134	2,330,481	1,053,628	6,987,243
OPERATING EXPENSES				
Personnel Services	1,243,012	678,311	-	1,921,323
Administrative	470,484	380,491	-	850,975
Utilities	300,186	163,741	-	463,927
Supplies	200,335	118,075	-	318,410
Repairs and Maintenance	363,576	15,254	-	378,830
Sanitation Services	-	-	1,258,574	1,258,574
Miscellaneous	28,918	-	-	28,918
Depreciation and Amortization	955,765	70,119	-	1,025,884
Total Operating Expenses	3,562,276	1,425,991	1,258,574	6,246,841
OPERATING INCOME	40,858	904,490	(204,946)	740,402
NONOPERATING REVENUES (EXPENSES)				
Investment Income	-	98,307	-	98,307
Interest Expense	(97,299)	(37,200)	-	(134,499)
Total Nonoperating Revenues (Expenses)	(97,299)	61,107	-	(36,192)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	(56,441)	965,597	(204,946)	704,210
CONTRIBUTIONS AND TRANSFERS				
Capital Contributions	12,000	-	-	12,000
Transfers In	-	-	204,946	204,946
Total Contributions and Transfers	12,000	-	204,946	216,946
CHANGE IN NET POSITION	(44,441)	965,597	-	921,156
Net Position - Beginning of Year	12,257,316	6,921,641	7,083	19,186,040
NET POSITION - END OF YEAR	$ 12,212,875	$ 7,887,238	$ 7,083	$ 20,107,196

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds			
	Water and Sewer Fund	River's End RV Park Fund	Solid Waste Collection Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers and Users	$ 3,620,184	$ 2,302,966	$ 1,047,653	$ 6,970,803
Cash Payments to Employees for Services	(1,192,725)	(646,701)	(1,163,077)	(3,002,503)
Cash Payments to Suppliers for Goods and Services	(1,357,149)	(674,993)	-	(2,032,142)
Net Cash Provided (Used) by Operating Activities	1,070,310	981,272	(115,424)	1,936,158
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and Dividends Received	-	98,307	-	98,307
Net Cash Provided (Used) by Investing Activities	-	98,307	-	98,307
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In (Out)	(510,350)	-	136,661	(373,689)
Net Cash Provided (Used) by Noncapital Financing Activities	(510,350)	-	136,661	(373,689)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(2,404,004)	(85,449)	-	(2,489,453)
Proceeds from the Long-term Debt	3,732,575	-	-	3,732,575
Lease Payments	(58,904)	-	-	(58,904)
Principal Paid on Capital Debt	(542,349)	(458,703)	-	(1,001,052)
Interest Paid on Capital Debt	(88,375)	(36,161)	-	(124,536)
Net Cash Provided (Used) by Capital and Related Financing Activities	638,943	(580,313)	-	58,630
NET CHANGE IN CASH	1,198,903	499,266	21,237	1,719,406
Cash - Beginning of Year	414,009	1,584,484	-	1,998,493
CASH - END OF YEAR	$ 1,612,912	$ 2,083,750	$ 21,237	$ 3,717,899
RECONCILIATION TO STATEMENT OF NET POSITION				
Cash and Investments	$ 1,012,842	$ 2,083,750	$ 21,237	$ 3,117,829
Restricted Cash and Investments	600,070	-	-	600,070
CASH - END OF YEAR	$ 1,612,912	$ 2,083,750	$ 21,237	$ 3,717,899

Continued

See accompanying Notes to Basic Financial Statements.

CITY OF TYBEE ISLAND, GEORGIA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds			
	Water and Sewer Fund	River's End RV Park Fund	Solid Waste Collection Fund	Total Enterprise Funds
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ 40,858	$ 904,490	$ (204,946)	$ 740,402
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	955,765	70,119	-	1,025,884
(Increase) Decrease:				
Accounts Receivable	87,003	-	(5,975)	81,028
Lease Receivable	(1,966,024)	-	-	(1,966,024)
Interest Receivable	(14,656)	(6,957)	-	(21,613)
Inventories and Prepaid Items	-	-	-	-
Pension Asset	-	182,860	-	182,860
Deferred Outflows of Resources	(126,363)	(70,905)	-	(197,268)
Increase (Decrease):				-
Accounts Payable	6,350	2,568	95,497	104,415
Other Accrued Liabilities	(5,776)	(10,440)	-	(16,216)
Deferred Inflows of Resources	2,093,153	(90,463)	-	2,002,690
Total Adjustments	1,029,452	76,782	89,522	1,195,756
Net Cash Provided (Used) by Operating Activities	$ 1,070,310	$ 981,272	$ (115,424)	$ 1,936,158
SUPPLEMENTARY NONCASH DISCLOSURE				
Acquisition and Construction of Capital Assets Financed by Capital Contributions	$ 12,000	$ -	$ -	$ 12,000
Acquisition and Construction of Capital Assets Financed by Accounts Payable	$ 200,961	$ -	$ -	$ 200,961

Concluded

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the City of Tybee Island, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below.

Reporting Entity

Th City was incorporated on October 15, 1887. The City operates under the Council-City Manager form of government and provides the following services to its citizens as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, sanitation, culture and recreation, planning and zoning, and general and administrative services.

The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The following organization is considered a component unit of the City:

Downtown Development Authority

The Downtown Development Authority (the Authority) was activated by the Mayor and City council in August 2014. The Authority is part of the City's Main Street Program, and directors serve as the Tybee Island Main Street Board of Directors of the Authority. Program directors are appointed by the City Council to provide assistance and opportunities as available that encourage economic growth and development while preserving the unique architectural and community heritage of the City. The Authority had no financial activity during the fiscal year ended June 30, 2023.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds) as described below:

Government-Wide Statements

The statement of net position and the statement of activities present financial information about the City's governmental and business-type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) 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. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds; each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The City has the following major governmental funds:

General Fund – The General Fund is the operating fund of the City. It is used to account for all financial resources of the City except those accounted for in another fund.

Room Tax Fund – The Room Tax Fund is used to account for the short-term rental accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

Grant Fund – The Grant Fund is used to account for the receipts and disbursements of various capital grants received by the City.

Capital Projects Funds – Used to account for financial resources to be used for the acquisition of equipment or the construction of major capital projects.

American Rescue Act Fund– Used to account for and report financial resources and expenditures associated with the U.S. Department of Treasury's Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act of 2021.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

The City reports the following major enterprise funds:

Water and Sewer Fund – This fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

River's End RV Park Fund – This fund accounts for the revenues and operating costs of the City's River's End RV Park. All activities necessary to provide such services are accounted for in this fund.

Solid Waste Collection Fund – This fund accounts for the provision of sanitation collection services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The City reports the following nonmajor governmental funds:

Special Revenue Funds – Used to account for revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – Used to account for expenditures for capital improvements made the City. Financing is provided by SPLOST.

Debt Service Funds – Used to account for the payment of the 2019 Series Recreation Authority Bonds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, pension and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under noncancellable lease agreements are reported as other financing sources.

Under the terms of grant agreements, the City may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Budget and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, the Room Tax Fund, and the Emergency 911 Fund in accordance with state law. Only the General Fund and major special revenue funds are presented. All appropriations lapse at the end of the June 30th fiscal year. Revenues and expenditures of the Capital Projects Fund are budgeted on a project length basis.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City because it is not considered necessary to ensure effective budgetary control or to facilitate effective cash planning and control.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. Cash and Cash Equivalents

The City's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Short-term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" in the fund financial statements. Short-term interfund loans are classified as "interfund receivables/payables." Long-term interfund loans are classified as advances. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

3. Inventory and Prepaid Items

Inventories are valued at average cost, which approximates market, using the first-in/first-out (FIFO) method. The City accounts for inventory on the purchase basis.

Expendable supplies or noncapital items acquired for initial use in subsequent fiscal periods are recorded as prepaid items. Prepaid items are accounted for using the consumption method.

4. Capital Assets

Capital assets are reported at actual cost or estimated historical costs based on an appraisal conducted by an independent third-party appraisal firm. Donated assets are reported at estimated acquisition value at the time received.

Assets not being depreciated/amortized include land and construction in progress. Capital assets are defined by the City as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of two years. Depreciation/amortization is provided over the assets' estimated useful lives using the straight-line method of depreciation/amortization. The range of estimated useful lives by type of asset is as follows:

Assets	Years
Land Improvements	20
Buildings and Improvements	10 - 40
Machinery and Equipment	5 - 20
Infrastructure	20 - 50
Utility Systems and Improvements	20 - 50
Right-to-Use Leased Vehicles and Equipment	5 - 20

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose not to include all such items regardless of their acquisition date, but rather only those infrastructure assets acquired subsequent to the adoption of GASB No. 34 as allowed by GASB. As the City constructs or acquires additional capital assets, including infrastructure assets, they are capitalized. The cost of normal maintenance and repairs that do not add to the value of an asset or extend the useful lives are expensed as incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

5. Leases

The City is a lessee for noncancellable leases of equipment and vehicles. As lessee, the City accounts for lease agreements by recognizing a lease liability and an intangible right-to-use lease asset based on the criteria dictated in Governmental Accounting Standards Board (GASB) Statement No. 87 – *Leases*. The City recognizes lease liabilities with an initial, individual value of $10,000 or more. At the commencement of a lease, the City determines if the lease is a financed purchased lease or a right-to-use lease based on the criteria in GASB Statement No. 87 – *Leases*. The City then measures the lease liability at the present value of payments expected to be made during the lease term. During the lease term, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with long-term obligations on the statement of net position.

An intangible right-to-use lease asset is initially measured as the amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight-line basis over the term of the lease. The intangible right-to-use lease asset is reported with the City's capital assets in a stand-alone Leased Assets (Right-to-Use) category.

The City utilizes estimates and judgements to determine (1) the discount rate used to discount expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate when the lessor provides it. If the interest rate is not provided, the City uses its estimated incremental borrowing rate as the discount rate. The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise. The City accounts for lease and non-lease components separately when possible. In cases where the lease does not provide separate cost information for lease and non-lease components, the City treats the components as a single lease unit if it is impractical to estimate cost information. The City monitors changes in circumstances that would require re-measurement of the lease asset and liability.

6. Deferred Outflows of Resources

The City reports decreases in net position or fund balance that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position, governmental fund balance sheet, or proprietary fund statement of net position. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City reports deferred outflows of resources related to pension benefits.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

7. Deferred Inflows of Resources

The City reports increases in net position or fund balance that relate to future periods as deferred inflows of resources in a separate section of its government-wide statement of net position, governmental fund balance sheet, or proprietary fund statement of net position. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City reports deferred inflows of resources related to unavailable revenues, leases, and pension benefits. Unavailable revenue is reported from property taxes, intergovernmental revenues, and grants not received within 60 days of year-end. These amounts are deferred in the governmental fund balance sheet and will be recognized as an inflow of resources in the period in which the amounts become available.

8. Pension

For purposes of measuring the net pension liability, deferred outflows and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the City of Tybee Island Retirement Plan (the Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. An employee may be compensated for up to 65 days of sick leave at a rate of $25 per day upon retirement or death. In the event the payment is owed as a result of the death of an employee, the payment will be made to the beneficiary designated by the employee for this purpose and/or the representative(s) of the employee's estate if no beneficiary is designated.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

10. Long-Term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, outstanding long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance sots are reported as debt service expenditures in the year the debt is issued.

11. Equity Classifications

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balances – Generally, fund balances represent the difference between the assets and liabilities under the current financial resources measurement focus of accounting.

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable. Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.

Restricted. Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Committed. Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

Assigned Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, City Council has authorized the Director of Finance to assign fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

11. Equity Classifications (Continued)

Unassigned Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balances, it is the City's policy to use fund balances in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted, using the same definition as used for restricted fund balance as described in the section above. All other net position are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

12. Use of 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 the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

13. Adoption of New Accounting Standard

In June 2017, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This standard requires the recognition of certain subscription assets and liabilities recognized based on the payment provisions of the contract. The standard establishes a single model for SBITA accounting based on the foundational principle that SBITAs are financings of the right to use an underlying SBITA asset. Under this standard, a subscriber is required to recognize a SBITA liability and an intangible right-to-use SBITA asset. The City adopted GASB Statement No. 96, effective July 1, 2022. The City does not have any SBITAs during the year ended June 30, 2023.

NOTE 2 LEGAL COMPLIANCE - BUDGETS

Budgets and Budgetary Accounting

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

1. Prior to the beginning of the fiscal year, the various departments submit to the governing Council, a proposed operating budget for the fiscal year commencing the following July 1st.

2. Public hearings are conducted at the City Hall to obtain taxpayer comments.

3. Prior to the beginning of the year, the budget is formally enacted through passage of a resolution by the City Council.

4. Formal budgetary integration is employed as a management control device during the year for the General Fund and the special revenue funds. Project length budgets are adopted for the Capital Projects Funds.

5. The budget for the General Fund and special revenue funds are adopted on a basis consistent with GAAP.

6. The governing Council must approve all revisions. Expenditures should not exceed the legally adopted budget at the department level without Council action amending the budget. All appropriations lapse at the end of each fiscal year.

Budgeted amounts are as originally adopted, or as amended by the City Council. Individual amendments were not material in relation to the original appropriations.

NOTE 2 LEGAL COMPLIANCE - BUDGETS (CONTINUED)

Excess of Expenditures Over Appropriations

For the year ended June 30, 2023, the following departments of the General Fund and Room Tax Fund had excess of actual expenditures over appropriations. The over-expenditures were funded by excess revenues over appropriations of $601,309.

Room Tax Fund		
Culture and Recreation	$	269,361

Deficit Fund Balance

The Grant Fund reported a deficit fund balance of $887,241 for the fiscal year ended June 30, 2023. This deficit is intended to be eliminated through the receipt of revenues in the next fiscal year that were unavailable as of June 30, 2023 and through General Fund transfers.

NOTE 3 CASH AND CASH EQUIVALENTS

The City's cash and cash equivalents at June 30, 2023 comprised of the following:

	Carrying Value	Bank Balances
Petty Cash	$ 18,706	$ -
Deposits	20,986,038	21,389,508
Total	$ 21,004,744	$ 21,389,508

The City's cash and cash equivalents balances at June 30, 2023 are presented in the financial statements as follows:

Per Statement of Net Position	
Unrestricted Cash and Cash Equivalents	$ 20,404,674
Restricted Cash and Investments	600,070
Total	$ 21,004,744

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

State statutes authorize the City to invest in obligations of the U.S. Government and agencies or corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). As of June 30, 2023 the City does not have any investments.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, the City's investment policy has been established to structure the investment portfolio so that securities mature to meet the City's cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity as well as investing operating funds primarily in short-term securities, money market funds, certificates of deposit or similar investment pools. As of June 30, 2023, the City does not have any investments.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. At June 30, 2023, the City was not exposed to custodial credit risk for its deposits.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of June 30, 2023, the City does not have any investments.

NOTE 4 RECEIVABLES

Property taxes were levied in two installments on September 15, 2023 with a due date of November 15, 2023, and again on April 1, 2023 with a due date of June 1, 2023. Taxes are considered delinquent after November 15 and June 1 for the respective levy dates, which would also be the lien date. The net receivables collected during the year ended June 30, 2023 and expected to be collected by August 31, 2023, are recognized as revenues in the year ended June 30, 2023. Net receivables estimated to be collectible subsequent to August 31, 2023 are recorded as revenue when received. Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Room Tax Fund	Grant Fund	Nonmajor Governmental Funds
Receivables:				
Taxes	$ 536,861	$ 1,037,262	$ -	$ -
Due from Other Governments	175,143	-	194,704	-
Leases	359,746	-	-	-
Accounts	77,448	-	-	198,842
Gross Receivables	1,149,198	1,037,262	194,704	198,842
Less: Allowance for Uncollectible Accounts	(14,790)	-	-	-
Total Receivables, Net	$ 1,134,408	$ 1,037,262	$ 194,704	$ 198,842

	Water and Sewer Fund	Solid Waste Collection Fund	Total
Receivables:			
Taxes	$ -	$ -	$ 1,574,123
Due from Other Governments	-	-	369,847
Leases	1,966,024	-	2,325,770
Accounts	322,264	92,574	691,128
Gross Receivables	2,288,288	92,574	4,960,868
Less: Allowance for Uncollectible Accounts	(16,970)	(4,330)	(36,090)
Total Receivables, Net	$ 2,271,318	$ 88,244	$ 4,924,778

NOTE 5 CAPITAL ASSETS

Changes in the capital assets for the year ended June 30, 2023 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	$ 1,102,857	$ -	$ -	$ 1,102,857
Construction in Progress	41,354	1,276,384	-	1,317,738
Total Capital Assets, Nondepreciable	1,144,211	1,276,384	-	2,420,595
Capital Assets, Depreciable:				
Buildings and Improvements	14,344,272	151,938	-	14,496,210
Machinery and Equipment	8,567,330	807,714	740,328	8,634,716
Infrastructure	6,837,620	741,226	-	7,578,846
Total Capital Assets, Depreciable	29,749,222	1,700,878	740,328	30,709,772
Less Accumulated Depreciation for:				
Buildings and Improvements	2,725,646	310,390	-	3,036,036
Machinery and Equipment	4,701,820	563,605	740,328	4,525,097
Infrastructure	2,516,323	167,774	-	2,684,097
Total Accumulated Depreciation	9,943,789	1,041,769	740,328	10,245,230
Total Capital Assets, Depreciable, Net	19,805,433	659,109	-	20,464,542
Governmental Activities Capital Assets, Net	$ 20,949,644	$ 1,935,493	$ -	$ 22,885,137

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	$ 6,973,632	$ -	$ -	$ 6,973,632
Total Capital Assets, Nondepreciable	6,973,632	-	-	6,973,632
Capital assets, Depreciable:				
Land Improvements	357,003	-	-	357,003
Buildings	780,643	-	-	780,643
Utility Systems and Improvements	23,659,448	2,521,065	-	26,180,513
Machinery and Equipment	1,759,977	181,349	-	1,941,326
Total Capital assets, Depreciable:	26,557,071	2,702,414	-	29,259,485
Less Accumulated Depreciation for:				
Land Improvements	218,148	23,936	-	242,084
Buildings	246,715	30,312	-	277,027
Utility Systems and Improvements	7,647,441	774,948	-	8,422,389
Machinery and Equipment	914,253	150,192	-	1,064,445
Total Accumulated Depreciation	9,026,557	979,388	-	10,005,945
Total Capital Assets, Depreciable, Net	17,530,514	1,723,026	-	19,253,540
Business-Type Activities Capital Assets, Net	$ 24,504,146	$ 1,723,026	$ -	$ 26,227,172

NOTE 5 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities	
General Government	$ 91,975
Public Safety	415,656
Public Works	243,095
Culture and Recreation	291,043
Total Depreciation Expense - Governmental Activities	$ 1,041,769
Business-Type Activities	
Water and Sewer	$ 909,269
River's End RV Park	70,119
Total Depreciation Expense - Business-Type Activities	$ 979,388

NOTE 6 LEASED ASSETS

Leased asset activity for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Leased Assets, Amortizable:				
Vehicles and Equipment	$ 984,211	$ 498,847	$ -	$ 1,483,058
Less Accumulated Amortization for:				
Vehicles and Equipment	405,656	245,063	-	650,719
Governmental Activities Leased Assets, Net	$ 578,555	$ 253,784	$ -	$ 832,339

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Water and Sewer Fund				
Leased Assets, Amortizable:				
Equipment	$ -	$ 294,521	$ -	$ 294,521
Less Accumulated Amortization for:				
Equipment	-	83,448	-	83,448
Business-type Activities Leased Assets, Net	$ -	$ 211,073	$ -	$ 211,073

Amortization expense was charged to functions/programs of the primary government's governmental activities as follows:

Governmental Activities	
Public Safety	$ 164,192
Public Works	80,871
Total Amortization Expense - Governmental Activities	$ 245,063

NOTE 7 LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Revenue Bonds Payable	$ 3,030,000	$ -	$ 135,000	$ 2,895,000	$ 135,000
Premium on Debt	170,153	-	10,009	160,144	-
Lease Liability	588,376	498,847	222,306	864,917	293,778
Compensated Absences	450,395	805,459	695,806	560,048	560,048
Net Pension Liability	19,590	2,656,585	-	2,676,175	-
Total Governmental Activities Long-Term Obligations	$ 4,258,514	$ 3,960,891	$ 1,063,121	$ 7,156,284	$ 988,826

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-Type Activities					
Notes Payable	$ 2,711,378	$ -	$ 167,964	$ 2,543,414	$ 169,861
Revenue Bonds Payable	3,844,839	3,732,575	833,088	6,744,326	892,759
Lease Liability	-	257,569	58,904	198,665	47,457
Compensated Absences	59,958	115,741	111,399	64,300	64,300
Net Pension Liability	3,610	483,826	-	487,436	-
Total Business-Type Activities Long-Term Obligations	$ 6,619,785	$ 4,589,711	$ 1,171,355	$ 10,038,141	$ 1,174,377

For the governmental activities, compensated absences and the net pension liability are generally liquidated by the General Fund. For the business-type activities, compensated absences and the net pension liability are liquidated by the Water and Sewer Fund and the River's End RV Park Fund.

NOTE 7 LONG-TERM DEBT (CONTINUED)

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's outstanding bonds at June 30, 2023 are as follows:

Description	Interest Rates	Year of Maturity	Original Indebtedness	Balance 6/30/2023
Chatham County Recreation Authority Refunding Revenue Bond, Series 2016	2.15%	2026	$ 4,466,000	$ 1,519,293
Water and Sewer Refunding Revenue Bonds, Series 2016	2.15%	2026	3,750,000	1,240,003
Chatham County Recreation Authority Revenue Bond, Series 2019	3.00 - 4.00%	2039	3,410,000	2,895,000
Water and Sewer Revenue Bonds, Series 2021	2.75%	2041	4,045,000	3,985,030
Total				9,639,326
			Add Unamortized Premium	160,144
			Less Current Portion	(1,027,759)
			Long-term Portion	$ 8,771,711

1. Chatham County Recreation Authority Refunding Revenue Bonds (City of Tybee Island – Campground Project), Series 2016: The City of Tybee Island entered into an intergovernmental agreement with the Chatham County Recreation Authority to issue the Chatham County Recreation Authority Refunding Revenue Bonds (City of Tybee Island – Campground Project), Series 2016. The Series 2016 bonds were issued on August 1, 2016 to: 1) refund and redeem all of the outstanding Series 2006 Bonds, and 2) pay the necessary costs of issuing the bonds. These bonds are secured by and payable from revenues to be received by the Authority from the City pursuant to the intergovernmental agreement.

2. City of Tybee Island Water and Sewer Refunding Revenue Bond, Series 2016: The City of Tybee Island Water and Sewer Refunding Revenue Bond, Series 2016 was issued in August 1, 2016. The Series 2016 bond was used to: 1) fully pay off three loans with Georgia Environmental Facilities Authority, and 2) pay the necessary costs of issuing the bonds. These bonds are secured by and payable from net revenues of the City's water and sewer system.

NOTE 7 LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

3. Chatham County Recreation Authority Revenue Bond, Series 2019: The City of Tybee Island entered into an intergovernmental agreement with the Chatham County Recreation Authority to issue the Chatham County Recreation Authority Revenue Bonds (Tybee Island Marine Science Center Project), Series 2019. The Series 2019 bonds were issued on February 14, 2019 to finance a new Tybee Island Marine Science Center in the City, which includes recreational picnic and playground areas, a dune walk, and climbable marine life replicas. These bonds are secured under the provisions of an intergovernmental contract with the City.

4. City of Tybee Island Water and Sewer Revenue Bond, Series 2021: The City of Tybee Island Water and Sewer Revenue Bond, Series 2021 was issued on November 17, 2021. The Series 2021 bond is being advanced to fund construction of water and sewer infrastructure. These bonds are secured by and payable from net revenues of the City's water and sewer system.

Revenue bond debt service requirements to maturity, including interest, are as follows:

	Revenue Bonds	
Fiscal Years	Principal	Interest
2024	$ 1,027,759	$ 253,261
2025	1,187,584	243,852
2026	1,221,423	214,413
2027	487,927	190,117
2028	353,218	178,479
2029 - 2033	1,924,866	719,019
2034 - 2038	2,254,428	392,508
2039 - 2042	1,182,121	56,795
Total	$ 9,639,326	$ 2,248,444

Notes Payable

The Water and Sewer Fund has incurred debt to the Georgia Environmental Facilities Authority for water and sewer system improvements. These notes are as follows at June 30, 2023:

Description	Interest Rates	Year of Maturity	Original Indebtedness	Balance 6/30/2023
Water Line Extensions	1.40%	2035	$ 1,601,090	$ 1,052,496
Water and Sewer Improvements	0.89%	2038	1,361,000	1,061,644
Water and Sewer Improvements	0.89%	2038	568,973	429,274
Total				2,543,414
			Less Current Portion	(169,861)
			Long-term Portion	$ 2,373,553

NOTE 7 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Total notes payable service requirements to maturity are as follows:

	Notes Payable	
Fiscal Years	Principal	Interest
2024	$ 169,861	$ 27,131
2025	171,779	25,214
2026	173,719	23,273
2027	175,683	21,309
2028	177,669	19,323
2029 - 2033	918,990	65,970
2034 - 2038	731,061	16,555
2039	24,652	46
Total	$ 2,543,414	$ 198,821

Leases

The City has entered into agreements as lessee for the use of vehicles and equipment. Within Governmental Activities, the City has entered into vehicle lease agreements with five-year terms expiring at various dates through 2028 with varying monthly payments at an estimated incremental borrowing rate of 5%. Within Governmental Activities, the City has entered into an equipment agreement expiring in 2025 with varying monthly payments at an estimated incremental borrowing rate of 3%. Within Business-type Activities, within the Water and Sewer Fund, the City has entered into an equipment agreement expiring in 2027 with varying monthly payments at an estimated incremental borrowing rate of 3%.

Total lease requirements to maturity are as follows:

	Governmental Activities Leases Agreements	
Fiscal Years	Principal	Interest
2024	$ 293,778	$ 34,183
2025	225,215	21,792
2026	158,734	13,691
2027	133,736	6,024
2028	53,454	847
Total	$ 864,917	$ 76,537

	Business-type Activities Water and Sewer Fund Leases Agreement	
Fiscal Years	Principal	Interest
2024	$ 47,457	$ 5,379
2025	48,900	3,935
2026	50,388	2,448
2027	51,920	915
Total	$ 198,665	$ 12,677

NOTE 8 INTERFUND RECEIVABLES/ PAYABLES AND TRANSFERS

Interfund balances for the fiscal year ended June 30, 2023 consisted of the following:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Room Tax Fund	$ 404,562
Total - Fund Financial Statements		404,562
Less: Government-wide Eliminations		(404,562)
Total Internal Balances - Government-Wide Statement of Net Position		$ -

These amounts represent short-term receivables and payables. The balances resulted from the time lag between dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

In addition to the above, the General Fund has an advance to the Grant Fund in the amount of $898,938. This amount represents a long-term receivable and payable between these funds. It is anticipated this advance will be reduced by additional grant reimbursements.

Transfers

Funds Transferred To	Funds Transferred From	Amount
General Fund	Room Tax Fund	$ 3,681,948
Solid Waste Collection Fund	General Fund	204,946
Capital Projects Fund	General Fund	3,130,340
Nonmajor Governmental Funds	General Fund	373,185
Nonmajor Governmental Funds	Room Tax Fund	250,000
Total Transfers - Fund Financial Statements		7,640,419
Less: Government-wide Eliminations		(7,435,473)
Total Transfers - Government-wide Statement of Activities		$ 204,946

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the Room Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9 DEFINED BENEFIT PENSION PLAN

General Information about the Defined Benefit Plan

Plan Description: The City has established a non-contributory defined benefit pension plan City of Tybee Island Retirement Plan (the Plan), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive 1.5% – 2%, based on the dynamic breakpoint formula, multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend, from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan membership: As of January 1, 2023, pension plan membership consisted of the following:

Employee Category	Employee
Retirees and Beneficiaries Currently Receiving Benefits	58
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	65
Active Plan Members	136
Total Membership in the Plan	259

Contributions: The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. Employees make no contributions to the Plan. The City is required to contribute at an actuarially determined rate. For the year ended June 30, 2023, the City's contribution rate was 6.67% of annual payroll. City contributions to the Plan were $494,662 for the year ended June 30, 2023.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liability (Asset), Pension Expense (Benefit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The City's net pension liability was measured as of September 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

For the year ended June 30, 2023, the City recognized pension expense of $952,498. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	$ 545,804	$ -
Net differences between projected and actual earnings on pension plan investments	1,360,043	-
Employer contributions subsequent to the measurement date	370,996	-
Total	$ 2,276,843	$ -

City contributions subsequent to the measurement date of $370,996 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized as a component of pension expense as follows:

Year Ended June 30,	Deferred Inflows and Deferred Deferred Outflows of Resources
2024	$ 564,846
2025	411,692
2026	324,368
2027	604,941

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liability (Asset), Pension Expense (Benefit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Changes in the Net Pension Liability of the City: The changes in the components of the net pension liability of the City for the year ended June 30, 2023, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	$ 12,804,712	$ 12,781,512	$ 23,200
Service Cost	307,526	-	307,526
Interest	945,744	-	945,744
Differences Between Expected and Actual Experience	285,308	-	285,308
Contributions - Employer	-	520,096	(520,096)
Net Investment Income	-	(2,085,517)	2,085,517
Benefit Payments, Including Refunds of Employee Contributions	(577,168)	(577,168)	-
Adminstrative Expense	-	(36,412)	36,412
Other	-	-	-
Total Changes	961,410	(2,179,001)	3,140,411
Ending Balances	$ 13,766,122	$ 10,602,511	$ 3,163,611

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease to Discount Rate (6.375%)	Current Discount Rate (7.375%)	1% Increase to Discount Rate (8.375%)
City's Net Pension Liability (Asset)	$ 4,995,071	$ 3,163,611	$ 1,651,147

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net Pension Liability (Asset)	September 30, 2022
Experience Study:	Jan. 1, 2015 - June 30, 2019
Actuarial Cost Method:	Projected Unit Credit Cost Method
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.375%
Discount Rate:	7.375%
Inflation	2.25%
Projected Salary Increases	2.25% Plus Service Based Merit Increases
Mortality	Pri-2012 Head-count Weighted Health Retiree Mortality Table with Rate Multiple by 1.25.

The investment return and inflation assumptions used to value the Plan were approved in December 2019 by the Board. The remaining assumptions and methods used to value the Plan were approved in December 2019 by the Board of Trustees based on an experience study for the period January 1, 2015 through June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2020, are summarized in the following table:

Asset Class	Asset Allocation %	Long-Term Expected Real Rate of Return % [1]
Domestic Equity	45.00%	6.40%
International Equity	20.00%	6.80%
Domestic Fixed Income	20.00%	0.40%
Real Estate	10.00%	3.90%
Global Fixed Income	5.00%	0.46%
Total	100.00%	

[1] Rates shown are net of the 2.25% assumed rate of inflation

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

Discount rate: The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2022, and the current sharing pattern of costs between employer and employee.

NOTE 10 RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded insurance coverage.

NOTE 11 JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the nine county coastal Georgia region, is a member of the Coastal Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During the fiscal year ended June 30, 2023, the City paid approximately $5,000 in such dues. Membership in an RC is required by the O.C.G.A. §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. O.C.G.A. §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 the Coastal Georgia Regional Commission, 127 "F" Street, Brunswick, Georgia 31520.

NOTE 12 COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

NOTE 13 ROOM LODGING TAX

The City has levied a 7% lodging tax. For the fiscal year ended June 30, 2023, $7,001,309 of room tax was collected. Of the total collected, 100% was used for the promotion of tourism within the City ($1,999,374 to the Savannah Chamber of Commerce, $999,987 to the Georgia International Convention Center, $70,000 to the Tybee Post Theater, $682,587 to the Beach Renourishment, $2,999,361 to the General Fund, and $250,000 to the Debt Service Fund).

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TYBEE ISLAND, GEORGIA
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(SCHEDULE PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service Cost	$ 307,526	$ 271,885	$ 236,096	$ 222,306	$ 259,255	$ 270,293	$ 243,211	$ 271,181	$ 254,414
Interest on Total Pension Liability	945,744	861,439	799,348	750,299	724,949	678,645	632,774	591,196	559,195
Differences Between Expected and Actual Experience	285,308	525,506	276,274	445,331	(180,875)	107,516	55,701	(6,456)	(90,395)
Change in Assumptions	-	-	-	-	-	-	-	-	(2,320)
Benefit Payments, Including Refunds of Employee Contributions	(577,168)	(525,514)	(485,696)	(447,024)	(409,734)	(404,293)	(331,010)	(307,853)	(308,101)
Other	-	-	-	(130,732)	-	577	27,856	-	-
Net Change in Total Pension Liability	961,410	1,133,316	826,022	840,180	393,595	652,738	628,532	548,068	412,793
Total Pension Liability - Beginning	12,804,712	11,671,396	10,845,374	10,005,194	9,611,599	8,958,861	8,330,329	7,782,261	7,369,468
Total Pension Liability - Ending (a)	13,766,122	12,804,712	11,671,396	10,845,374	10,005,194	9,611,599	8,958,861	8,330,329	7,782,261
Plan Fiduciary Net Position									
Contributions - Employer	520,096	374,341	383,945	421,734	433,667	423,061	430,220	450,057	428,260
Net Investment Income	(2,085,517)	2,522,782	926,792	283,751	850,056	1,123,477	745,075	67,622	651,704
Benefit Payments, Including Refunds of Employee Contributions	(577,168)	(525,514)	(485,696)	(447,024)	(409,734)	(404,293)	(331,010)	(307,853)	(308,101)
Administrative Expenses	(36,412)	(30,534)	(30,976)	(27,528)	(28,995)	(29,890)	(17,953)	(20,168)	(15,776)
Net Change in Fiduciary Net Position	(2,179,001)	2,341,075	794,065	230,933	844,994	1,112,355	826,332	189,658	756,087
Plan Fiduciary Net Position - Beginning	12,781,512	10,440,437	9,646,372	9,415,439	8,570,445	7,458,090	6,631,758	6,442,100	5,686,013
Plan Fiduciary Net Position - Ending (b)	10,602,511	12,781,512	10,440,437	9,646,372	9,415,439	8,570,445	7,458,090	6,631,758	6,442,100
City's Net Pension Liability - Ending (a) - (b)	3,163,611	23,200	1,230,959	1,199,002	589,755	1,041,154	1,500,771	1,698,571	1,340,161
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.02%	99.82%	89.45%	88.94%	94.11%	89.17%	83.25%	79.61%	82.78%
Covered Payroll	$ 7,411,787	$ 6,308,432	$ 5,695,722	$ 4,727,282	$ 4,158,606	$ 4,497,809	$ 4,327,782	$ 3,832,932	$ 3,837,698
City's Net Pension Liability as a Percentage of Covered Payroll	42.68%	0.37%	21.61%	25.36%	14.18%	23.15%	34.68%	44.32%	34.92%

CITY OF TYBEE ISLAND, GEORGIA
SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN FISCAL YEARS
(SCHEDULE PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Fiscal Year Ended: June 30,	2023	2022	2021	2020	2019
Actuarially Determined Contribution	$ 494,662	$ 455,971	$ 408,372	$ 372,670	$ 438,089
City's Contributions in Relation to the Actuarially Determined Contribution	(494,662)	(455,971)	(408,372)	(372,670)	(438,089)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 7,411,787	$ 6,308,432	$ 5,695,722	$ 4,727,282	$ 4,158,606
City's Contributions as a Percentage of Covered Payroll	6.67%	7.23%	7.17%	7.88%	10.53%

Fiscal Year Ended: June 30,	2018	2017	2016	2015
Actuarially Determined Contribution	$ 432,193	$ 420,017	$ 433,621	$ 455,536
City's Contributions in Relation to the Actuarially Determined Contribution	(432,193)	(420,017)	(433,621)	(455,536)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 4,497,809	$ 4,327,782	$ 3,832,932	$ 3,837,698
City's Contributions as a Percentage of Covered Payroll	9.61%	9.71%	11.31%	11.87%

NOTE I. DEFINED BENEFIT PENSION PLAN

Change in benefit terms. There were no change in benefits terms during the current year.

Change in benefit terms. There were no significant changes in actuarial assumptions during the current year. See Note 9 for additional information.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

E911 Fund – To account for the operations of the E911 system.

Confiscated Assets Fund – To account for the cash received either from a cash confiscation or cash received from a sale of capital assets acquired from drug enforcement.

CAPITAL PROJECT FUNDS

2003 SPLOST Fund – To account for capital projects financed from special purpose local option sales taxes. The projects include public safety buildings and equipment, beach related projects, road projects, and water and sewer equipment. These projects are financed with a special 1% sales tax.

2014 SPLOST Fund – To account for capital projects financed from special purpose local option sales taxes. The projects include public safety buildings and equipment, beach related projects, road projects, and water and sewer equipment. These projects are financed with a special 1% sales tax.

2020 SPLOST Fund – To account for capital projects financed from special purpose local option sales taxes. The projects include public safety buildings and equipment, beach related projects, road projects, and water and sewer equipment. These projects are financed with a special 1% sales tax.

DEBT SERVICE FUND

Debt Service Fund – To account for the debt payments and debt proceeds of the City.

CITY OF TYBEE ISLAND, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	Special Revenue Funds	2003 SPLOST Fund	2014 SPLOST Fund	2020 SPLOST Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 35,250	$ 121,887	$ 499,605	$ 1,070,283	$ 165,078	$ 1,892,103
Receivables:						
Accounts (net)	-	-	-	198,842	-	198,842
Total Assets	$ 35,250	$ 121,887	$ 499,605	$ 1,269,125	$ 165,078	$ 2,090,945
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 1,160	$ -	$ -	$ -	$ -	$ 1,160
Accrued Liabilities	7,823	-	-	-	-	7,823
Due to Other Funds	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-
Total Liabilities	8,983	-	-	-	-	8,983
FUND BALANCES						
Restricted						
Public Safety Vehicles	26,267	-	-	-	-	26,267
Capital Projects	-	121,887	499,605	1,269,125	-	1,890,617
Debt Service	-	-	-	-	165,078	165,078
Unassigned	-	-	-	-	-	-
Total Fund Balances (Deficits)	26,267	121,887	499,605	1,269,125	165,078	2,081,962
Total Liabilities and Fund Balance	$ 35,250	$ 121,887	$ 499,605	$ 1,269,125	$ 165,078	$ 2,090,945

CITY OF TYBEE ISLAND, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2023

	Special Revenue Funds	2003 SPLOST Fund	2014 SPLOST Fund	2020 SPLOST Fund	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES						
Intergovernmental	$ -	$ -	$ -	$ 1,160,895	$ -	$ 1,160,895
Charges for Services	110,806	-	-	-	-	110,806
Investment Income	-	-	17,414	32,965	-	50,379
Total Revenues	110,806	-	17,414	1,193,860	-	1,322,080
EXPENDITURES						
Current:						
Public Safety	462,178	-	-	-	-	462,178
Capital Outlay	-	-	-	554,260	-	554,260
Debt Service:						
Principal	-	-	-	-	135,000	135,000
Interest and Fiscal Charges	-	-	-	-	114,050	114,050
Total Expenditures	462,178	-	-	554,260	249,050	1,265,488
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(351,372)	-	17,414	639,600	(249,050)	56,592
OTHER FINANCING SOURCES (USES)						
Transfers In	373,185	-	-	-	250,000	623,185
Transfers Out	-	-	-	-	-	-
Net Other Financing Sources (Uses)	373,185	-	-	-	250,000	623,185
NET CHANGE IN FUND BALANCES	21,813	-	17,414	639,600	950	679,777
Fund Balances - Beginning of Year	4,454	121,887	482,191	629,525	164,128	1,402,185
FUND BALANCES - END OF YEAR	$ 26,267	$ 121,887	$ 499,605	$ 1,269,125	$ 165,078	$ 2,081,962

CITY OF TYBEE ISLAND, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	E911 Fund	Confiscated Assets Fund	Total Nonmajor Special Revenue Funds
ASSETS			
Cash and Cash Equivalents	$ 8,850	$ 26,400	$ 35,250
Total Assets	$ 8,850	$ 26,400	$ 35,250
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 1,160	$ -	$ 1,160
Accrued Liabilities	7,690	133	7,823
Unearned Revenues	-	-	-
Total Liabilities	8,850	133	8,983
FUND BALANCES			
Restricted			
Public Safety Vehicles	-	26,267	26,267
Total Fund Balances	-	26,267	26,267
Total Liabilities and Fund Balance	$ 8,850	$ 26,400	$ 35,250

CITY OF TYBEE ISLAND, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023

	E911 Fund	Confiscated Assets Fund	Total Nonmajor Special Revenue Funds
REVENUES			
Charges for Services	$ 79,293	$ 31,513	$ 110,806
Total Revenues	79,293	31,513	110,806
EXPENDITURES			
Current:			
Public Safety	452,478	9,700	462,178
Total Expenditures	452,478	9,700	462,178
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(373,185)	21,813	(351,372)
OTHER FINANCING SOURCES (USES)			
Transfers In	373,185	-	373,185
Net Other Financing Sources (Uses)	373,185	-	373,185
NET CHANGE IN FUND BALANCES	-	21,813	21,813
Fund Balances - Beginning of Year	-	4,454	4,454
FUND BALANCES - END OF YEAR	$ -	$ 26,267	$ 26,267

CITY OF TYBEE ISLAND, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2003 RESOLUTION)
YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Actual Expenditures		
	Original	Current	Prior Years	Current Year	Cumulative Total
Drainage					
Drainage Reconstruction/Maintenance	$ 200,000	$ 559	$ 559	$ -	$ 559
North Beach Area	200,000	-	-	-	-
14th Street Drainage Project	-	966,226	966,226	-	966,226
Water and Sewer Improvements					
Beach Side of Butler Water Line Improvement	575,000	2,130,273	2,130,273	-	2,130,273
Butler Avenue Water Line	817,000	-	-	-	-
Water Line Looping	224,040	15,460	15,460	-	15,460
Replacement of 6" ACX Water Line Improvement	168,960	-	-	-	-
Fort Screven Water Line Replacement, Life Station Upgrades, and I&I Continuation	440,000	82,522	82,522	-	82,522
Roads					
Various Improvements	250,000	-	-	-	-
ADA Sidewalk Improvement	-	22,000	22,000	-	22,000
Bike Paths	100,000	3,200	3,200	-	3,200
Jones Avenue	350,000	175,653	175,653	-	175,653
Street Paving and Sidewalks	-	70,000	70,000	-	70,000
Marsh Hen Trail TE Match	-	21,717	21,717	-	21,717
Public Safety					
Public Safety Facility	500,000	294,402	294,402	-	294,402
Fire Department	-	163,310	163,310	-	163,310
Beach-related					
Beach Renourishment	1,000,000	1,000,000	1,000,000	-	1,000,000
Community Development					
Old Fort Theater, Guardhouse	600,000	774,825	774,825	-	774,825
Playground Equipment	200,000	196,559	196,559	-	196,559
Marine Rescue Squadron Facility	100,000	71,165	71,165	-	71,165
Tybee Marine Science Center Project	600,000	601,908	3,568,790	-	3,568,790
South Beach Business District	-	764,381	764,381	-	764,381
Other					
Other Capital Equipment	190,354	-	-	-	-
	$ 6,515,354	$ 7,354,160	$ 10,321,042	$ -	$ 10,321,042

CITY OF TYBEE ISLAND, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2014 RESOLUTION)
YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Actual Expenditures		
	Original	Current	Prior Years	Current Year	Cumulative Total
Public Safety					
Police Vehicles	$ 120,000	$ 228,434	$ 258,433	$ -	$ 258,433
Public Safety Software Upgrade	165,000	196,665	196,665	-	196,665
Fire Department Truck	630,000	867,347	1,240,278	-	1,240,278
Fire Department Equipment	630,000	246,431	230,792	-	230,792
Police Department Equipment	-	41,000	27,843	-	27,843
Water and Sewer					
Various Projects	1,554,000	-	-	-	-
Street and Infrastructure					
Street Paving and Repair	550,000	159,561	71,856	-	71,856
Marsh Hen Trail / Highway 80 Bike Trail	470,000	46,242	46,058	-	46,058
Drainage Projects	-	196,030	101,481	-	101,481
Street Sweeper Equipment	-	180,000	180,000	-	180,000
Culture and Recreation					
Memorial Park Pavilion Building	32,000	45,997	151,620	-	151,620
Memorial Park Bathroom Building	-	212,872	212,872	-	212,872
Playground Equipment	120,000	195,390	195,390	-	195,390
Tybee Arts Association - Audio/Video	-	54,018	27,017	-	27,017
YMCA - Batting Cage	-	5,842	5,842	-	5,842
Tybee Post Theatre - Audio/Video	-	117,056	117,056	-	117,056
Jaycee Park	-	460,000	716,268	-	716,268
Various Projects	332,000	-	-	-	-
South End Bathrooms	-	-	840,645	-	840,645
Beach-related					
Mobile Mats	20,000	-	-	-	-
Beach Crossovers	-	224,770	224,769	-	224,769
Future Beach Projects	-	248,039	-	-	-
	$ 4,623,000	$ 3,725,694	$ 4,844,885	$ -	$ 4,844,885

CITY OF TYBEE ISLAND, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2020 RESOLUTION)
YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Actual Expenditures		
	Original	Current	Prior Years	Current Year	Cumulative Total
Public Safety					
Fire Station	$ 460,000	$ 460,000	$ -	$ -	$ -
Fire Vehicles	545,000	545,000	468,977	-	468,977
Public Works					
Street Paving & Maintenance	200,000	200,000	205,331	500,000	705,331
Water / Sewer Improvements	500,000	500,000	-	-	-
Drainage Projects	230,000	230,000	54,680	-	54,680
Culture and Recreation					
Recreational Facilities & Improvements	469,653	469,653	2,214	4,260	6,474
Recreational Area Improvements	550,000	550,000	858	-	858
Beach Area Improvements	450,000	450,000	-	-	-
General Government					
City Facilities	550,000	550,000	261,730	50,000	311,730
	$ 3,954,653	$ 3,954,653	$ 993,790	$ 554,260	$ 1,548,050

COMPLIANCE SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' 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*

Honorable Mayor and Members of City Council
City of Tybee Island, Georgia
Tybee Island, Georgia

We have audited, in accordance with the 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 Tybee Island, Georgia (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 26, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

Honorable Mayor and Members of City Council
City of Tybee Island, Georgia

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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.*

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 results 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 26, 2023



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAglobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.