

CITY OF HAMPTON, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022



Prepared by:
Hampton Finance Department

CITY OF HAMPTON, GEORGIA
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INTRODUCTORY SECTION



City of Hampton

MAYOR
ANN N. TARPLEY

CITY COUNCIL
SHEILA BARLOW
HENRY BYRD
DEVLIN CLEVELAND
MARTY MEEKS
MARY ANN
MITCHAM
WILLIE TURNER

CITY MANAGER
ALEX COHILAS

City Hall
17 East Main Street South
PO Box 400
Hampton, GA 30228

Phone: 770.946.4306
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July 11, 2023

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Hampton, Georgia:

The state law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ending September 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Certified public accountants, Fulton & Kozak, have issued an unmodified ("clean") opinion on the city of Hampton's financial statements for the year ended September 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

City Overview:

Located in the southwest corner of Henry County, Hampton is only forty minutes from the world's busiest airport Hartsfield-Jackson International Airport. Hampton also is home to Atlanta Speedway Airport, which is located just three nautical miles west of the historic downtown business district of the city. Benefiting from a 5,500-foot runway, Atlanta Speedway Airport is a public-use facility approved for general aviation. Additionally, Hampton is bisected by Ga. HWY 20 and SR 19-41, and is situated less than five miles from I-75 and is home to Atlanta Motor Speedway.

For decades, the City of Hampton occupied a geographic area of only 5.61 square miles. Beginning in 2019, Hampton began to grow exponentially. Empowered by state statute to extend its corporate limits by annexation, the City annexed 3,643 acres of undeveloped land into its municipal borders during the years 2019-2022. As a result, the footprint of the city has expanded to 10.2 square miles. The current population is 8,458. However, through a combination of strategic planning, strong, efficient local governance, and certain economic incentives, the city's population is conservatively estimated to grow by more than fifteen percent (15%) over the course of the next two years.

Financial Overview:

The City of Hampton Georgia is empowered to levy a property tax on real property located within its boundaries. City operations are funded primarily through two main revenue streams:

- Governmental Revenues
- Enterprise Revenues

Governmental Revenues derive from:

- General Taxes
 - LOST
 - SPLOST
 - Insurance Premium Tax
 - Franchise Tax
- License & Permits
- Charges for Services
- Fines & Forfeitures
- Interest Earned
- Other Miscellaneous Revenue
- Capital Grants
- Public. Safety Impact Fee
- Park & Recreation Impact Fee

Enterprise Revenues derive from:

- Wastewater rates
- Water rates
- Sanitation rates
- Electric rates
- Interest Income
- Other Revenues

- Water & Sewer Connection Fee
- Electric Tap Fee

All revenue sources flow into six (6) City Funds:

- General Fund
- Enterprise Fund
- SPLOST Fund
- Capital Grants Fund
- Capital Outlay Fund
- Hotel / Motel Tax Fund

At the close of FY 2022, the City of Hampton, Georgia continues to maintain a sound fiscal position and retain competitively low utility rates, despite aggressively addressing long-needed capital improvement projects. The General Fund balance at the end of FY 2022 stands at more than 140% of the operating cost.

In 2009 the city of Hampton, Georgia took on \$15 mil in bonded indebtedness to fund the construction of a new wastewater treatment facility. Annual debt service approximates \$730,000 annually and is scheduled for payoff in 2026. Conservative fiscal policy enabled the city to make all payments on time, as agreed upon. Consequently, the city has sufficient reserves to pay off the debt in full and ahead of schedule.

Empowered to collect property tax, the city had at one time a millage rate as high as 10 mils, and as recently as 1976 citizens paid 6.5 mils in city property tax. Since 1979 the city was fortunate to leverage a disproportionate share of LOST distribution to roll back city property tax to zero. However, in adopting the FY 2023 budget in September 2022, the city rolled back property tax from 17.065 to 4.5 mils to address decaying infrastructure, provide competitive pay for police services, and add additional positions in parks, streets, and water.

Overview of City Governance:

In the late 1990s, the City of Hampton Georgia transitioned to a council-manager form of government. The Hampton City Council is comprised of six members, elected at large, and a mayor. The mayor and all council members are elected to alternating four-year terms, with elections held every two years, in odd-numbered years. Three council members stand for election one odd-numbered year, then the next odd-numbered year thereafter the mayor and the other three members stand for election.

All policy-making decisions and legislative authority reside with the mayor and council, enabling them to establish policy, pass ordinances, and resolutions, and adopt budgets. Additionally, the mayor and council have sole authority to set all utility and sanitation rates along with approving

all fee structures for fines, permits, etc. The Mayor and Council appoint members of various boards and authorities.

The Mayor and Council appoint the City Manager, who is tasked with running the day-to-day operations of the city. The City Manager hires, leads, directs, guides, and advises department directors.

City services are provided through the collective effort of the following departments:

- Office of the City Manager
- Office of the City Clerk
- Finance
- Human Resources
- Community Development
- Police Department
- Municipal Court
- Public Works Administration
- Street Department
- Water Department
- Wastewater Department
- Electric Department
- Parks Department
- Main Street
- IT

The City of Hampton, Georgia provides a full range of services, either directly, via Intergovernmental Agreement (IGA), or through sub-contracted services, including public safety and judicial; licenses and permits within the confines of planning and zoning; public works improvements, the construction, and maintenance of highways, streets, and other infrastructure; recreational and cultural activities; electricity, water and sewer, stormwater and refuse collection and leaf removal.

The City of Hampton, Georgia also is financially accountable for two separate development authorities, with one focused on the economic vitality of the downtown area of the city (Hampton Downtown Development Authority) and the other (Hampton Development Authority) focusing on business development and growth for all the other areas of the city, which are not located in the downtown area. Both authorities are reported separately as individual funds within the City of Hampton Georgia's financial statements. Additional information on both authorities can be found in the notes to the financial statements (see note B).

The Council is required to adopt an initial budget for the fiscal year no later than September 30 preceding the beginning of the fiscal year on October 1. This annual budget serves as the foundation for the City of Hampton Georgia's financial planning and control. The budget is prepared by funds, functions (e.g., public safety), and departments (e.g., police). Department

Heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from the Council.

Long-term financial planning and major initiatives:

The overall strategic goal(s) of the City of Hampton is best summarized as smart, planned, quality growth while maintaining the charm and small-town feel of its historic district. The city significantly invests in public safety, consistently ranking in the top five safest cities in Georgia. Additionally, the city invests in recreational facilities and youth activities. Consequently, the City's population continues to trend younger each year.

The City of Hampton, as a function of strategic planning, has annexed more than 3,600 acres of undeveloped land. This strategy has placed the city in the enviable position of controlling both the rate and quality of future growth.

Critical Investments:

This year solidified an overall multi-year strategic plan for addressing current, near, and midterm needs by investing in ***human resources, infrastructure, and economic development.***

Investment in Human Resources:

- Hired new staff including:
 - 2 Police Officers (Police Department)
 - 1 Event Coordinator (Main Street)
 - 1 GIS Tech (Comm Dev)
 - 1 Planner (Comm Dev)

Investment in Infrastructure:

- Completion of West Main Street Improvements Phase I
- West Main Street Improvements Phase 2 design completed, and the project has begun
- Completion of East Hampton Community Park Phase I
- Grant Award received to design Phase 2 of East Hampton Community Park
- East King/Floyd Road Intersection Improvements have begun.
- Completion of McBrayer Park Improvements Phase I (Skate Park, concept plan for Phase

2, and restroom/concession building upgrades)

- 80% Completion of Georgia Avenue Stormwater Improvements; 100% completion within the first quarter of FY 23
- Completion of Caldwell Drive Sidewalk Improvements
- Caldwell Drive Stormwater (Existing conditions evaluated and designed, construction bid released and award pending 1st quarter FY 23)
- Thompson Creek Sewer Outfall/ Sewer System Improvement (project underway)
- LCI King, George, and Daniel Streets Revitalization Study (underway, to be completed by December 2022)
- 2020 LMIG Central Avenue Improvements from Westlawn to Georgia Avenue (project underway; to be completed 1st quarter FY 23)
- 2021 LMIG Central Avenue Improvements from West Main to McBrayer Park parking lot area (GDOT LMIG grant awarded)
- 2022 LMIG Tom Eason Drive Improvements from James Street to Elm Street (GDOT LMIG grant awarded)
- Completion of Municipal City Hall Improvements
- Completion of ARPA I Projects (Public works equipment, lift stations improvements, vehicle purchase, wastewater pump rebuild)
- Support of TSPLOST and subsequent new allocation of TSPLOST funds
- Collection of over \$2.9 mil in water and sewer connection fees for new development
- Design of Elm Street Paving project underway (culvert replacement)
- Woolsey Road, Elmwood Pointe, and Elm Street Station Stormwater evaluation underway
- Glenn Mitchell Train Depot Roof Replacement Design (underway)

Investment in Economic Development:

- Landed Project Archer, a \$400 Million Dollar Economic Development Project, creating more than 1200 full-time jobs
- Annexed 1,587 acres of undeveloped property at GA Highway 20 and Highway 1941
- Minter Drive Mixed-Use Rezoning consisting of commercial, single-family attached and detached residential units, and multi-family apartments
- Completion of Gateway Signage (design and construction documents)
- City Branding Project underway (completion 1st quarter FY 23)

The City of Hampton, Georgia, has strategically planned to diversify its tax base and thusly reduce vulnerability in case of a sharp downturn in the economy. Not only did the City plan to implement a property millage, but it also will undertake dramatic steps through zoning measures to change the very makeup of its tax digest. For decades the city tax digest was 87% residential. Residential properties require significantly more resources to properly provide government services as opposed to commercial properties. The city is undergoing a significant period of growth, resulting in a marked shift in the residential/commercial ratio of its digest. There will be over \$1bil worth of growth in the Hampton commercial tax digest within the next eighteen months.

The city has also taken significant measures to address long-needed infrastructure improvements, along with ensuring the fiscal health and sustainability of its enterprise fund, all while maintaining competitively low utility rates for its citizens.

Relevant Financial Policies:

The City of Hampton, Georgia, is on schedule to formally adopt and update a comprehensive set of financial policies covering unrestricted fund balance maintenance and other funds reserve, a public funds investment management program, debt management, human resource management, and public procurement. In addition, a policy that nonrecurring (i.e., "one-time") resource inflows are not used for operating purposes. In short, the city is on a sound and stable trajectory.

Awards and Acknowledgements:

The City of Hampton, Georgia does intend to submit to the Government Finance Officers Association of the United States and Canada (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2022 annual comprehensive financial report (ACFR). This is the first year that the City of Hampton, Georgia will be applying for this award, and we believe that the report meets the Certificate of Achievement Program's requirements for the highest standards in governmental accounting and financial reporting. To be awarded a Certificate of Achievement, the City of Hampton, Georgia must publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and appropriate program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for the City's first certificate.

The City of Hampton, Georgia has for the first time applied to receive the GFOA's Distinguished Budget Presentation Award for its annual budget document dated March 31, 2023. To qualify for the Distinguished Budget Presentation Award, the City of Hampton, Georgia's budget document had to be judged proficiently as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance and Administration Department. We wish to thank all City of Hampton, Georgia departments, the City's Financial Advisor, and our independent auditors, Fulton & Kozak for their assistance in providing the data and review necessary to prepare this report. Credit also is due to the Mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Hampton, Georgia's finances.

Respectfully submitted,

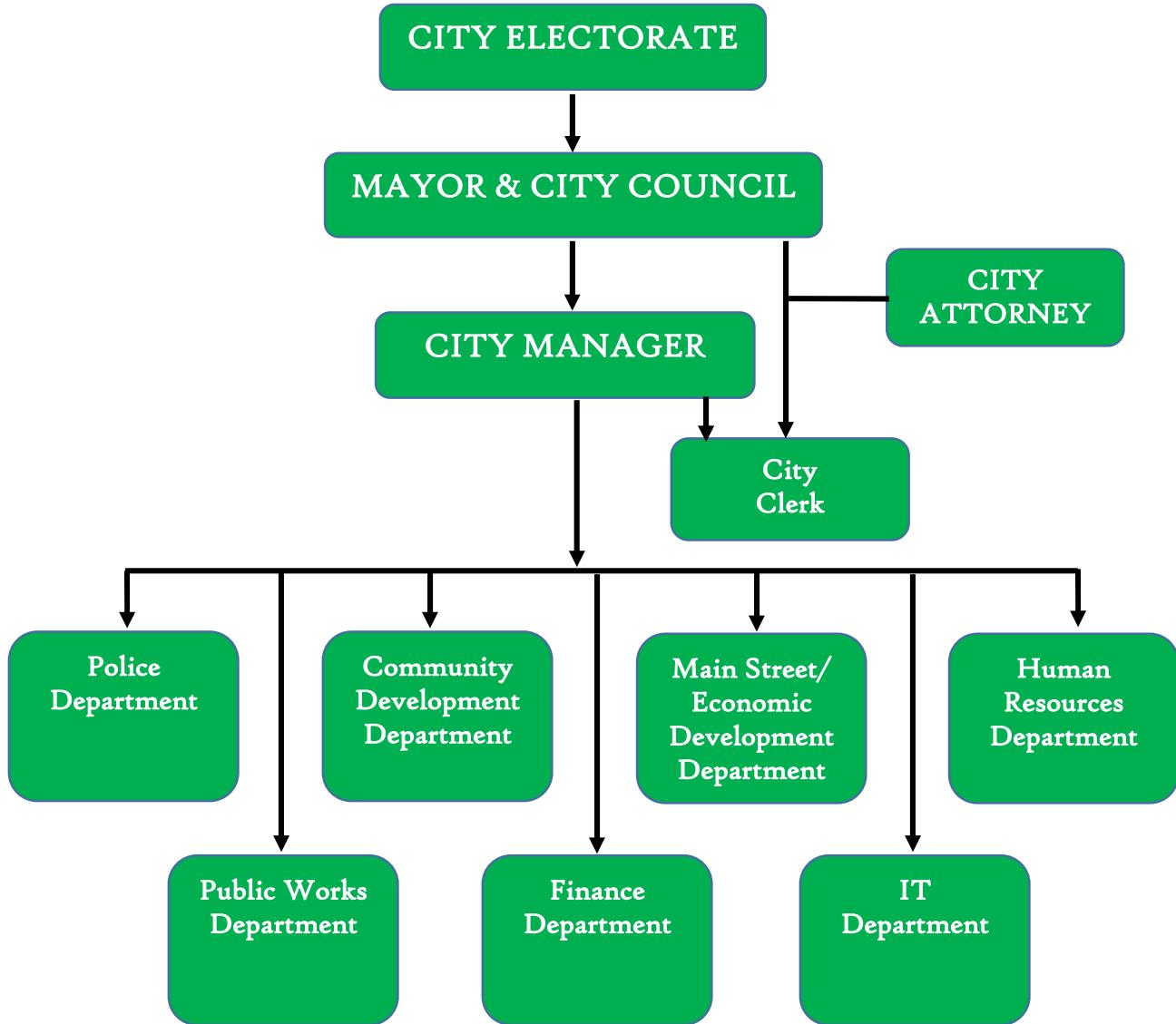


Alex S. Cohilas
City Manager



Lenox M. Forsythe,
CPA, CGMA, CFE
Finance Director

**CITY OF HAMPTON
ORGANIZATIONAL CHART**



PRINCIPAL OFFICIALS



Mayor Ann Tarpley



Marty Meeks



Sheila L. Barlow



Henry Byrd



Devlin Cleveland



Mary Ann Mitcham



Willie Turner

LISTING OF PRINCIPAL APPOINTED OFFICIALS



City Manager, Alex Cohilas

CITY CLERK

Rashida Fairley

DEPARTMENT DIRECTORS

James Turner.....	Chief of Police
Wanda Moore.....	Planning/Community Development
Lenox Michael Forsythe.....	Finance
Andrea Atwater.....	Human Resources
Ben Brengman.....	Information Technology
Al R. Cablay.....	Public Works
Kc Krizic.....	Economic Development/Main Street

CITY ATTORNEY

L F Barnes Law, LLC

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Hampton, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Hampton, Georgia (the "City") as of and for the year ended September 30, 2022, 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, based on our audit, the accompanying financial statements 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 City of Hampton, Georgia as of September 30, 2022 and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General 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 audit contained in *Government Auditing Standards*, issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Hampton, Georgia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

City of Hampton, Georgia's 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 City of Hampton, Georgia's ability to continue as a going concern for one year after the date that the financial statements are issued [or when applicable, one year after the date that the financial statements are available to be issued].

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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 of Hampton, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Hampton, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, the Schedule of Changes in the City's Net Pension Liability and Related Ratios on pages 53 and 54, and the Schedule of City Contributions on pages 55 and 56 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Hampton, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax are fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information. The other information comprises the listing of city officials but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated July 11, 2023 on our consideration of City of Hampton, Georgia's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering City of Hampton, Georgia's internal control over financial reporting and compliance.



Morrow, Georgia
July 11, 2023

CITY OF HAMPTON MANAGEMENT'S DISCUSSION AND ANALYSIS

As management on the City of Hampton, we offer readers of the City of Hampton's financial statements this narrative overview and analysis of the financial activities of the City of Hampton for fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City of Hampton exceeded its liabilities and deferred inflows of resources at September 30, 2022 by \$45,213,420. Of this amount unrestricted net position, \$10,668,949 may be used to meet the government's ongoing obligations to citizens and creditors. The \$10,668,949 in unrestricted net position is further allocated \$9,806,041 to governmental-type activities and \$862,908 to business-type activities.
- The total net position increased by \$10,438,620. Of this amount a net increase of \$8,156,255 was associated with governmental activities, and an increase of \$2,282,365 associated with business-type activities.
- As of the close of the current fiscal period, the City of Hampton's governmental funds reported combined ending fund balances of \$18,048,518, an increase of \$6,561,969 in comparison with the prior year. Of this amount \$12,102 is non-spendable, \$7,439,303 is restricted, \$1,786,602 is committed, \$571,746 is assigned, and \$8,238,765 is unassigned. The unassigned of \$8,238,765 consists of various assets netted against their respective liabilities. See pages 17-18 for a detail and page 19 for a reconciliation to the governmental activities net position.
- It is anticipated that the business-type activities' restricted net position of \$1,993,762 will be used for improvements and expansion of the City's water and sewer facilities, and the restricted balance of \$2,354,456 will be used for debt service payment on combined utility system revenue refunding series 2016 bonds.
- At the end of the current year, unassigned fund balance for the general fund was \$8,238,765 or 143.2 percent of total General Fund expenditures, not including transfers to other funds.
- The City of Hampton's total debt obligations (including accrued compensated absences, pension liability, and combined utility 2016 refunding bonds) decreased by \$1,348,584 to a total of \$3,391,507.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Hampton's basic financial statements. The City of Hampton's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Hampton's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, 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.

**CITY OF HAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued**

Government-wide financial statements – continued. 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 years.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Hampton include general government, public safety and courts, highways and streets, parks and recreation, community development, economic development, and code enforcement. The business-type activities of the City are water and sewer, solid waste management and electrical supply.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Hampton can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains four major governmental funds. The City's major governmental funds are the General Fund, Capital Improvements, ARPA Fund, and SPLOST V Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for these major funds.

The City of Hampton adopts an annual budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance with the fiscal year 2022 budget. An annual budget for the non-major funds and a project length budget for the SPLOST Capital Projects Funds have been adopted by the City and are presented in the individual fund financial statements and schedules of projects.

The basic governmental funds financial statements can be found on pages 17 through 22 of this report.

Proprietary funds. Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses a utilities enterprise fund to account for its water and sewer, solid waste management and electrical supply activities. The City's Utilities Enterprise Fund is considered by the City to be a major fund.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail.

The basic proprietary funds financial statements can be found on pages 26 through 29 of this report.

CITY OF HAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 52 of this report.

Supplementary information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2022, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$45,213,420. The City's net position reflects its investment in capital assets (50.3 percent), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Of the total net position, \$11,787,521 (26.1 percent) is restricted for capital projects and other specified activities and \$10,668,949 (23.6 percent) is unrestricted, allocated between the governmental activities (\$9,806,041) and the business-type activities (\$862,908).

City of Hampton's Net Position

	Governmental Activities		
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Current and other assets	\$ 22,714,442	\$ 13,495,204	\$ 9,219,238
Capital assets	<u>12,370,362</u>	<u>10,900,939</u>	<u>1,469,423</u>
Total assets	<u>35,084,804</u>	<u>24,396,143</u>	<u>10,688,661</u>
Deferred outflows of resources	<u>106,349</u>	<u>68,100</u>	<u>38,249</u>
Current liabilities	3,493,905	2,034,154	1,459,751
Long-term liabilities	<u>409,124</u>	<u>827,995</u>	<u>(418,871)</u>
Total liabilities	<u>3,903,029</u>	<u>2,862,149</u>	<u>1,040,880</u>
Deferred inflows of resources	<u>1,672,418</u>	<u>142,643</u>	<u>1,529,775</u>
Net position:			
Net investment in capital assets	12,370,362	10,875,440	1,494,922
Restricted	7,439,303	1,856,218	5,583,085
Unrestricted	<u>9,806,041</u>	<u>8,727,793</u>	<u>1,078,248</u>
Total net position	<u>\$ 29,615,706</u>	<u>\$ 21,459,451</u>	<u>\$ 8,156,255</u>

City of Hampton's Net Position – Continued

	Business-type Activities		
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Current and other assets	\$ 6,785,193	\$ 4,799,663	\$ 1,985,530
Capital assets	<u>13,197,090</u>	<u>13,578,804</u>	<u>(381,714)</u>
Total assets	<u>19,982,283</u>	<u>18,378,467</u>	<u>1,603,816</u>
Deferred outflows of resources	<u>50,742</u>	<u>31,824</u>	<u>18,918</u>
Current liabilities	1,917,882	1,831,485	86,397
Long-term liabilities	<u>2,278,673</u>	<u>3,196,798</u>	<u>(918,125)</u>
Total liabilities	<u>4,196,555</u>	<u>5,028,283</u>	<u>(831,728)</u>
Deferred inflows of resources	<u>238,756</u>	<u>66,659</u>	<u>172,097</u>
Net position:			
Net investment in capital assets	10,386,588	10,078,492	308,096
Restricted	4,348,218	2,303,929	2,044,289
Unrestricted	<u>862,908</u>	<u>932,928</u>	<u>(70,020)</u>
Total net position	<u>\$ 15,597,714</u>	<u>\$ 13,315,349</u>	<u>\$ 2,282,365</u>
	<u>2022</u>	<u>2021</u>	<u>Total</u>
Current and other assets	\$ 29,499,635	\$ 18,294,867	\$ 11,204,768
Capital assets	<u>25,567,452</u>	<u>24,479,743</u>	<u>1,087,709</u>
Total assets	<u>55,067,087</u>	<u>42,774,610</u>	<u>12,292,477</u>
Deferred outflows of resources	<u>157,091</u>	<u>99,924</u>	<u>57,167</u>
Current liabilities	5,411,787	3,865,639	1,546,148
Long-term liabilities	<u>2,687,797</u>	<u>4,024,793</u>	<u>(1,336,996)</u>
Total liabilities	<u>8,099,584</u>	<u>7,890,432</u>	<u>209,152</u>
Deferred inflows of resources	<u>1,911,174</u>	<u>209,302</u>	<u>1,701,872</u>
Net position:			
Net investment in capital assets	22,756,950	20,953,932	1,803,018
Restricted	11,787,521	4,160,147	7,627,374
Unrestricted	<u>10,668,949</u>	<u>9,660,721</u>	<u>1,008,228</u>
Total net position	<u>\$ 45,213,420</u>	<u>\$ 34,774,800</u>	<u>\$ 10,438,620</u>

A portion of the net position (\$11,787,521) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$10,668,949) may be used to meet the government's ongoing obligations to citizens and creditors.

City of Hampton's Change in Net Position
(In millions of dollars)

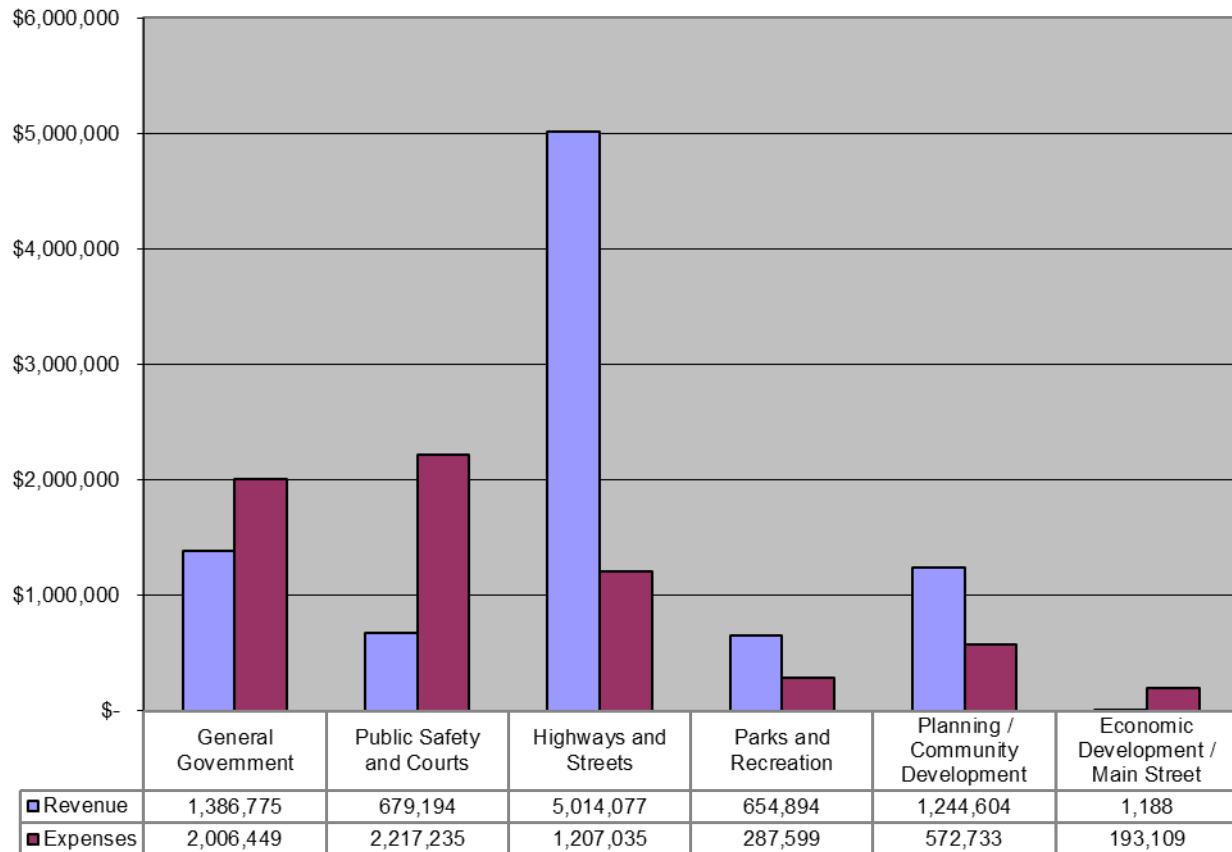
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue:						
Program Revenues –						
Charges for services	\$ 1.6	\$ 0.5	\$ 7.4	\$ 6.7	\$ 9.0	\$ 7.2
Capital grants and contributions	7.4	1.1	3.0	1.3	10.4	2.4
General Revenues –						
Sales taxes	3.8	3.4	0.0	0.0	3.8	3.4
Other taxes	1.3	1.3	0.0	0.0	1.3	1.3
Interest	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.2	0.1	0.0	0.0	0.2	0.1
Contributions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Revenues	<u>14.3</u>	<u>6.4</u>	<u>10.5</u>	<u>8.0</u>	<u>24.8</u>	<u>14.4</u>
Expenses:						
General government	2.0	1.7	0.0	0.0	2.0	1.7
Public safety and courts	2.2	1.9	0.0	0.0	2.2	1.9
Highways and streets	1.2	0.9	0.0	0.0	1.2	0.9
Parks and recreation	0.3	0.2	0.0	0.0	0.3	0.2
Planning/Community development	0.6	0.4	0.0	0.0	0.6	0.4
Economic development/Main Street	0.2	0.1	0.0	0.0	0.2	0.1
Sewer	0.0	0.0	1.1	1.0	1.1	1.1
Water	0.0	0.0	1.5	1.3	1.5	1.3
Solid waste	0.0	0.0	0.6	0.4	0.6	0.4
Electric	<u>0.0</u>	<u>0.0</u>	<u>4.6</u>	<u>3.8</u>	<u>4.6</u>	<u>3.8</u>
Total Expenses	<u>6.5</u>	<u>5.2</u>	<u>7.8</u>	<u>6.5</u>	<u>14.3</u>	<u>11.7</u>
Increase in net position before transfers	7.8	1.2	2.6	1.5	10.4	2.7
Transfers	<u>0.3</u>	<u>0.5</u>	<u>(0.3)</u>	<u>(0.5)</u>	<u>0.0</u>	<u>0.0</u>
Increase in net position	<u>8.1</u>	<u>1.7</u>	<u>2.3</u>	<u>1.0</u>	<u>10.4</u>	<u>2.7</u>
Net position – beginning of the year	<u>21.5</u>	<u>19.8</u>	<u>13.3</u>	<u>12.3</u>	<u>34.8</u>	<u>32.1</u>
Net position – end of year	<u>\$ 29.6</u>	<u>\$ 21.5</u>	<u>\$ 15.6</u>	<u>\$ 13.3</u>	<u>\$ 45.2</u>	<u>\$ 34.8</u>

- Charges for services increased by 220.6% or \$1,102,834 primarily due to permits and building plan reviews increasing for the addition of four subdivisions bringing online over three hundred (300) new homes and a large manufacturing and retail distribution center.
- Capital grants and contributions increased by 569.5% or \$6,264,609 primarily due to a full year of American Rescue Plan Act (ARPA) activities (\$1 million) along with the collection of Special Purpose Local Option Sales Tax (SPLOST V) revenue (\$3 million) and Transportation Special Purpose Local Option Sales Tax (TSPLOST) revenue (\$0.92 million).
- General government expenses increased by 18.0% or \$306,449 primarily due to generous increase in general liability insurance; unanticipated expenses in combating COVID-19 virus and upgrading of computer software and hardware.

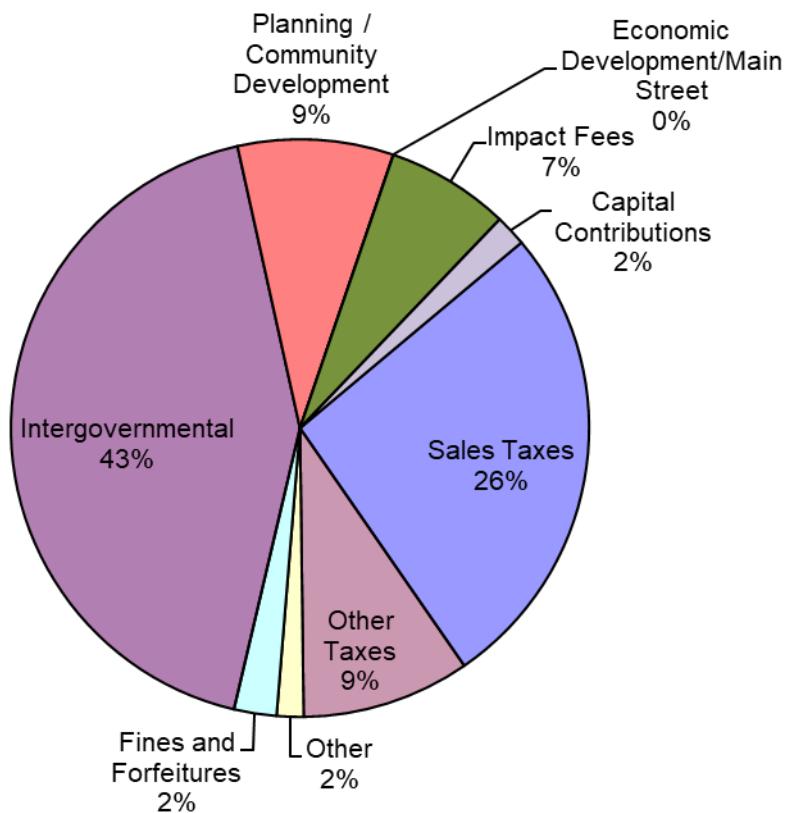
- Public safety and courts expenses increased by 16.7% or \$317,235 primarily due to significant increases in the various funding programs for prosecutors, peace officers and victim assistance; overall motor fuel increases and purchase and retrofitting of police officer vehicles.
- Highways and streets expenses increased by 34.1% or \$307,035 primarily due to personnel costs for two added positions; purchase of new service vehicle and increase in maintenance to streets and maintenance to vehicles.

Governmental activities. Governmental activities increased the City of Hampton's net position by \$8,156,255.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

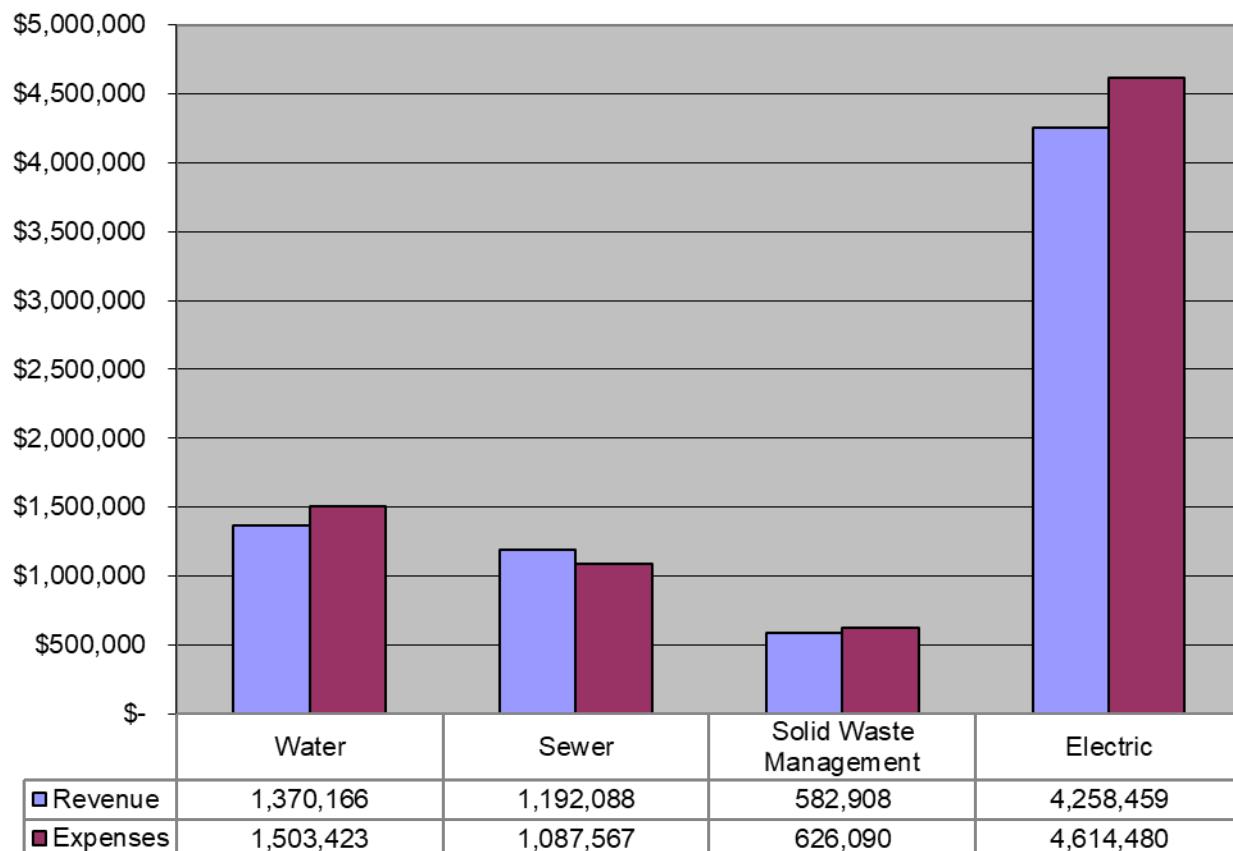


REVENUE BY SOURCE-GOVERNMENTAL ACTIVITIES



Business-type activities. Business-type activities increased the City's net position by \$2,282,365.

EXPENSES AND PROGRAM REVENUES-BUSINESS-TYPE ACTIVITES



Financial Analysis of the Government's Funds

As noted earlier, the City of Hampton used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal period.

At September 30, 2022 the City's governmental funds reported combined ending fund balances of \$18,048,518, an increase of \$6,561,969 in comparison to the prior year. Of this amount, \$8,238,765 (45.6 percent) is unassigned fund balances, which is available for spending at the government's discretion, and \$12,102 of fund balance is non-spendable from prepaid assets. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay for capital items most of which is funded by the proceeds of the Special Purpose Local Option Sales Tax and Development Impact Fees (\$7,141,738); 2) for Police Activities (\$9,356); 3) for Hotel/Motel (\$58,137), 4) for Federal and State programs (\$230,072); 5) for Capital Projects (\$1,786,602); and 6) for Downtown Development Authority and Hampton Development Authority (\$571,746).

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$8,238,765 (79.6 percent) of the total fund balance of \$10,347,487. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 143.2 percent of the total general fund expenditures, while total fund balance represents 179.9 percent of that same amount.

During the current fiscal year, the fund balance of the City's general fund increased by \$1,057,920. The City collected a total of \$3,788,435 in Local Option Sales Taxes for 2022, an increase of 11.9% from 2021. Fines and forfeitures increased by 35.2% to \$339,630 in 2022. Overall, the City's general fund revenue increased by \$2,428,975. At the same time, the expenditures increased by \$1,016,308 from 2021 amounts, netting to total improvement of \$1,412,667 in comparison to 2021 improvement of \$41,003, an 3,345.3% overall increase.

The City of Hampton received \$4,759,281 in Special Purpose Local Option Sales Taxes in 2022. Major expenditures during 2022 of the SPLOST funds were: 1) City hall and depot improvements (\$148,360); 2) street equipment (\$47,150); and 3) park projects (\$5,620).

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the fiscal year was \$862,908. Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

There were amendments to the original General Fund expenditures budget, however the overall budget did not change. The total actual revenues exceeded budget by \$2,110,868 and total actual expenditures came in at \$590,793 under budget. In 2022, no department overspent in comparison to one department in 2021 that exceeded its budget totaling \$104,085. Net transfers out were \$1,150,763 less than the budgeted amount of \$2,313,143. This resulted in an overall favorable budgetary variance of \$3,852,424.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at September 30, 2022 amounts to \$25,567,452 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

Major capital asset events during the current fiscal year included the following:

- \$ 1,817,555 for general, public utilities, street, and parks construction in progress
- \$ 662,489 for general, police, public utilities, street, parks, and water systems equipment
- \$ 107,130 for street, parks, and water systems vehicles
- \$ 105,260 for general improvements
- \$ 28,061 for capital development land
- \$ 20,740 for street infrastructure

Additional information on the City's capital assets can be found in note 8.

Long-term debt. At the end of the current fiscal year, the City had \$3,391,507 in outstanding debt consisting of the following:

City of Hampton's Outstanding Debt

	<u>Balance</u>
Governmental Activities –	
Accrued compensated absences	\$ 156,618
Net pension liability	252,506
Business-Type Activities –	
Bonds	2,810,502
Accrued compensated absences	51,403
Net pension liability	<u>120,478</u>
Total	<u>\$ 3,391,507</u>

The City's total-term debt decreased by \$1,348,584. Additional information on the City's long-term debt can be found in note 9.

Requests for Information

This financial report is designed to provide a general overview of the City of Hampton's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 946-4306 or at the following address:

City of Hampton, Georgia
Finance Department
17 East Main Street South
Hampton, GA 30228

CITY OF HAMPTON, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 10,559,519	\$ 836,266	\$ 11,395,785
Receivables (net of allowance for uncollectible)			
Taxes	1,621,189	-	1,621,189
Accounts	34,346	568,156	602,502
Fines	6,460	-	6,460
Loan	277,344	-	277,344
Intergovernmental	738,856	-	738,856
Materials and supplies inventory (net of allowance)	-	1,134,022	1,134,022
Prepaid items	32,312	25,446	57,758
Internal funds	126,915	(126,915)	-
Restricted assets: Cash	9,317,501	4,348,218	13,665,719
Non-depreciable capital assets	2,598,240	291,818	2,890,058
Depreciable capital assets, net	<u>9,772,122</u>	<u>12,905,272</u>	<u>22,677,394</u>
Total assets	<u>\$ 35,084,804</u>	<u>\$ 19,982,283</u>	<u>\$ 55,067,087</u>
Deferred Outflows of Resources			
Pension	<u>\$ 106,349</u>	<u>\$ 50,742</u>	<u>\$ 157,091</u>
Total deferred outflows of resources	<u>\$ 106,349</u>	<u>\$ 50,742</u>	<u>\$ 157,091</u>
Liabilities			
Accounts payable			
Operating	\$ 362,207	\$ 491,543	\$ 853,750
Capital	1,008,497	-	1,008,497
Accrued liabilities –			
Wages	51,001	23,123	74,124
Customer deposits	-	655,437	655,437
Interest	-	4,670	4,670
Other	17,699	39,399	57,098
Unearned revenue	2,054,501	-	2,054,501
Long-term liabilities –			
Due within one year	-	703,710	703,710
Due in more than one year	-	2,106,792	2,106,792
Compensated absences	156,618	51,403	208,021
Net pension liabilities	<u>252,506</u>	<u>120,478</u>	<u>372,984</u>
Total liabilities	<u>\$ 3,903,029</u>	<u>\$ 4,196,555</u>	<u>\$ 8,099,584</u>
Deferred Inflows of Resources			
Pension	\$ 500,399	\$ 238,756	\$ 739,155
Property taxes	<u>1,172,019</u>	-	<u>1,172,019</u>
Total deferred inflows of resources	<u>\$ 1,672,418</u>	<u>\$ 238,756</u>	<u>\$ 1,911,174</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF NET POSITION – CONTINUED
SEPTEMBER 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position			
Net investment in capital assets	\$ 12,370,362	\$ 10,386,588	\$ 22,756,950
Restricted for –			
Capital projects	7,141,738	1,993,762	9,135,500
Debt service	-	2,354,456	2,354,456
Federal and state programs	230,072	-	230,072
Tourism	58,137	-	58,137
Law enforcement	9,356	-	9,356
Unrestricted	<u>9,806,041</u>	<u>862,908</u>	<u>10,668,949</u>
Total net position	<u>\$ 29,615,706</u>	<u>\$ 15,597,714</u>	<u>\$ 45,213,420</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Primary government:</u>						
Governmental activities:						
General government	\$ 2,006,449	\$ 18,600	\$ -	\$ 1,368,175	\$ (619,674)	\$ -
Public safety and courts	2,217,235	339,630	-	339,564	(1,538,041)	-
Public works	1,207,035	-	-	5,014,077	3,807,042	-
Parks and recreation	287,599	7,305	-	647,589	367,295	-
Planning/Community development	572,733	1,244,604	-	-	671,871	-
Economic development/Main Street	<u>193,109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>671,871</u>
Total government activities	<u>6,484,160</u>	<u>1,610,139</u>	<u>1,188</u>	<u>7,369,405</u>	<u>2,496,572</u>	<u>2,496,572</u>
Business-type activities:						
Sewer	1,087,567	1,192,088	-	1,515,009	-	1,619,530
Water	1,503,423	1,370,166	-	831,805	-	698,548
Sanitation	626,090	582,908	-	-	-	(43,182)
Electric	<u>4,614,480</u>	<u>4,258,459</u>	<u>-</u>	<u>698,974</u>	<u>-</u>	<u>342,953</u>
Total business-type activities	<u>7,831,560</u>	<u>7,403,621</u>	<u>-</u>	<u>3,045,788</u>	<u>-</u>	<u>2,617,849</u>
Total primary government	<u>\$ 14,315,720</u>	<u>\$ 9,013,760</u>	<u>\$ 1,188</u>	<u>\$ 10,415,193</u>	<u>2,496,572</u>	<u>2,617,849</u>
General revenues and transfers:						
Sales taxes				3,788,435	-	3,788,435
Insurance premium taxes				577,269	-	577,269
Franchise taxes				235,128	-	235,128
Motor vehicle ad valorem taxes				265,800	-	265,800
Beer, wine, and distilled spirits tax				109,516	-	109,516
Business and occupational tax				49,981	-	49,981
Other taxes				108,367	-	108,367
Unrestricted investment earnings				32,493	5,961	38,454
Miscellaneous				<u>151,249</u>	<u>-</u>	<u>151,249</u>
Total general revenues				5,318,238	5,961	5,324,199
Transfers				<u>341,445</u>	<u>(341,445)</u>	<u>-</u>
Total general revenues and transfers				<u>5,659,683</u>	<u>(335,484)</u>	<u>5,324,199</u>
Change in net position				8,156,255	2,282,365	10,438,620
Net position – beginning of period				<u>21,459,451</u>	<u>13,315,349</u>	<u>34,774,800</u>
Net position – end of period				<u>\$ 29,615,706</u>	<u>\$ 15,597,714</u>	<u>\$ 45,213,420</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General</u>	<u>Capital Improvements</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets						
Cash and cash equivalents	\$ 9,791,813	\$ 472,104	\$ -	\$ -	\$ 295,602	\$ 10,559,519
Restricted cash	967,607	-	2,302,200	3,866,281	2,181,413	9,317,501
Receivables (net of allowance for uncollectibles)						
Taxes	1,619,498	-	-	-	1,691	1,621,189
Accounts	-	-	-	-	34,346	34,346
Fines	6,460	-	-	-	-	6,460
Loan	-	-	-	-	277,344	277,344
Intergovernmental	-	-	-	330,793	408,063	738,856
Prepaid items	12,102	-	-	-	20,210	32,312
Due from other funds	<u>126,915</u>	<u>752,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>879,589</u>
Total assets	<u>\$ 12,524,395</u>	<u>\$ 1,224,778</u>	<u>\$ 2,302,200</u>	<u>\$ 4,197,074</u>	<u>\$ 3,218,669</u>	<u>\$ 23,467,116</u>
Liabilities						
Accounts payable						
Operating	\$ 174,356	\$ -	\$ -	\$ -	\$ 187,851	\$ 362,207
Capital	-	682,964	294,258	31,275	-	1,008,497
Accrued liabilities						
Wages	51,001	-	-	-	-	51,001
Other	17,699	-	-	-	-	17,699
Due to other funds	752,674	-	-	-	-	752,674
Unearned revenue	<u>9,159</u>	<u>-</u>	<u>2,007,942</u>	<u>-</u>	<u>37,400</u>	<u>2,054,501</u>
Total liabilities	<u>1,004,889</u>	<u>682,964</u>	<u>2,302,200</u>	<u>31,275</u>	<u>225,251</u>	<u>4,246,579</u>
Deferred inflows of resources						
Property taxes	<u>1,172,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,172,019</u>
Total deferred inflows of resources	<u>1,172,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,172,019</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
BALANCE SHEET – CONTINUED
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General</u>	<u>Capital Improvements</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances						
Non-spendable: prepaid expenses	12,102	-	-	-	-	12,102
Restricted: Capital projects	942,442	-	-	4,165,799	2,033,497	7,141,738
Restricted: Federal and state programs	34	-	-	-	230,038	230,072
Restricted: Tourism	-	-	-	-	58,137	58,137
Restricted: Law enforcement	9,356	-	-	-	-	9,356
Committed: Capital projects from reserve	1,144,788	541,814	-	-	100,000	1,786,602
Assigned: Downtown Development Authority	-	-	-	-	548,408	548,408
Assigned: Hampton Development Authority	-	-	-	-	23,338	23,338
Unassigned	<u>8,238,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,238,765</u>
Total fund balances	<u>10,347,487</u>	<u>541,814</u>	<u>-</u>	<u>4,165,799</u>	<u>2,993,418</u>	<u>18,048,518</u>
Total liabilities and fund balances	<u>\$ 12,524,395</u>	<u>\$ 1,224,778</u>	<u>\$ 2,302,200</u>	<u>\$ 4,197,074</u>	<u>\$ 3,218,669</u>	<u>\$ 23,467,116</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances – total governmental funds	\$ 18,048,518
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	12,370,362
Net pension liability	(252,506)
Deferred outflows of resources related to the recording of the net pension liability are recognized as expense over time and, therefore, are not reported in the funds.	106,349
Deferred inflows of resources related to the recording of the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.	(500,399)
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.	
Accrued compensated absences	<u>(156,618)</u>
Net position of governmental activities	<u>\$ 29,615,706</u>

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>General</u>	<u>Capital Improvements</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
REVENUES						
Taxes	\$ 5,111,083	\$ -	\$ -	\$ -	\$ 23,413	\$ 5,134,496
Intergovernmental	121,191	-	996,215	3,836,411	1,173,639	6,127,456
Fines and forfeitures	339,630	-	-	-	-	339,630
Licenses and permits	1,263,204	-	-	-	-	1,263,204
Impact fees	987,153	-	-	-	-	987,153
Investments income	19,643	-	-	1,272	16,374	37,289
Miscellaneous	129,816	-	-	-	28,738	158,554
Contributions not restricted for specific programs	-	-	-	-	1,188	1,188
Total revenues	7,971,720	-	996,215	3,837,683	1,243,352	14,048,970
EXPENDITURES						
Current:						
General government	1,890,734	-	-	-	198	1,890,932
Municipal court	212,979	-	-	-	-	212,979
Public safety	1,826,148	-	-	-	-	1,826,148
Public utilities	-	-	35,953	-	-	35,953
Highways and streets	641,768	-	-	-	-	641,768
Parks and recreation	173,860	-	-	-	-	173,860
Planning/Community development	564,959	-	-	-	-	564,959
Economic development/Main Street	138,077	-	-	-	49,698	187,775
Capital:						
General government	45,462	-	-	31,275	116,887	193,624
Public safety	98,322	33,357	-	-	-	131,679
Public utilities	-	375,442	960,262	-	-	1,335,704
Highways and streets	27,110	507,190	-	-	78,875	613,175
Parks and recreation	68,595	13,225	-	5,620	19,794	107,234
Planning/Community development	9,846	-	-	-	99,250	109,096
Economic development/Main Street	28,061	-	-	-	-	28,061

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – CONTINUED
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>General</u>	<u>Capital Improvements</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Debt service:						
Principal	<u>25,499</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,499</u>
Total expenditures	<u>5,751,420</u>	<u>929,214</u>	<u>996,215</u>	<u>36,895</u>	<u>364,702</u>	<u>8,078,446</u>
Excess (Deficiency) of revenues over expenditures	<u>2,220,300</u>	<u>(929,214)</u>	<u>-</u>	<u>3,800,788</u>	<u>878,650</u>	<u>5,970,524</u>
Other financing sources (uses):						
Transfers in	<u>341,445</u>	<u>1,221,028</u>	<u>-</u>	<u>365,011</u>	<u>282,797</u>	<u>2,210,281</u>
Transfers out	<u>(1,503,825)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(365,011)</u>	<u>(1,868,836)</u>
Capital contributions	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Total	<u>(1,162,380)</u>	<u>1,471,028</u>	<u>-</u>	<u>365,011</u>	<u>(82,214)</u>	<u>591,445</u>
Net change in fund balances	<u>1,057,920</u>	<u>541,814</u>	<u>-</u>	<u>4,165,799</u>	<u>796,436</u>	<u>6,561,969</u>
Fund balance – beginning of period	<u>9,289,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,196,982</u>	<u>11,486,549</u>
Fund balance – end of period	<u>\$ 10,347,487</u>	<u>\$ 541,814</u>	<u>\$ -</u>	<u>\$ 4,165,799</u>	<u>\$ 2,993,418</u>	<u>\$ 18,048,518</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances – total governmental funds	\$ 6,561,969
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. This is the amount by which depreciation exceeded capital outlays in the current period.	
Capital outlay for the current period	2,389,716
Depreciation expense for the current period	<u>(920,293)</u> 1,469,423
Payments on capital lease	25,499
The net pension liability did not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.	128,014
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 governmental funds.	
Compensated absences	<u>(28,650)</u>
Change in net position of governmental activities	\$ <u>8,156,255</u>

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Taxes	\$ 4,790,357	\$ 4,790,357	\$ 5,111,083	\$ 320,726
Fines and forfeitures	300,000	300,000	339,630	39,630
Intergovernmental	121,000	121,000	121,191	191
Licenses and permits	311,005	311,005	1,263,204	952,199
Miscellaneous	50,955	50,955	129,816	78,861
Impact fees	281,607	281,607	987,153	705,546
Investments income	<u>5,928</u>	<u>5,928</u>	<u>19,643</u>	<u>13,715</u>
Total revenues	<u>5,860,852</u>	<u>5,860,852</u>	<u>7,971,720</u>	<u>2,110,868</u>
EXPENDITURES				
Current:				
General government	2,094,493	2,040,493	1,890,734	149,759
Municipal court	194,496	214,496	212,979	1,517
Public safety	1,934,447	1,844,447	1,826,148	18,299
Highways and streets	703,080	675,880	641,768	34,112
Parks and recreation	416,594	346,394	173,860	172,534
Planning/Community development	606,569	606,569	564,959	41,610
Economic development/Main Street	226,784	197,784	138,077	59,707
Capital:				
General government	-	34,000	45,462	(11,462)
Public safety	13,750	103,750	98,322	5,428
Highways and streets	-	27,200	27,110	90
Parks and recreation	-	70,200	68,595	1,605
Planning/Community development	16,000	16,000	9,846	6,154
Economic development/Main Street	100,000	129,000	28,061	100,939
Debt service:				
Principal	<u>36,000</u>	<u>36,000</u>	<u>25,499</u>	<u>10,501</u>
Total expenditures	<u>6,342,213</u>	<u>6,342,213</u>	<u>5,751,420</u>	<u>590,793</u>
(Deficiency) Excess of revenues over expenditures	<u>(481,361)</u>	<u>(481,361)</u>	<u>2,220,300</u>	<u>2,701,661</u>
Other financing sources (uses):				
Transfers in	762,968	762,968	341,445	(421,523)
Transfers out	<u>(3,076,111)</u>	<u>(3,076,111)</u>	<u>(1,503,825)</u>	<u>1,572,286</u>
Total other financing sources (uses)	<u>(2,313,143)</u>	<u>(2,313,143)</u>	<u>(1,162,380)</u>	<u>1,150,763</u>
Net change in fund balances - reserve drawdown	\$ <u>(2,794,504)</u>	\$ <u>(2,794,504)</u>	1,057,920	\$ <u>3,852,424</u>
Fund balance – beginning of year			<u>9,289,567</u>	
Fund balance – end of year			\$ <u>10,347,487</u>	

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
EXPENDITURES				
Capital:				
Public safety	\$ 46,520	\$ 46,520	\$ 33,357	\$ 13,163
Public utilities	1,599,444	1,599,444	375,442	1,224,002
Highways and streets	1,169,820	1,169,820	507,190	662,630
Parks and recreation	330,351	330,351	13,225	317,126
Debt service:				
Principal	<u>753,509</u>	<u>753,509</u>	<u>-</u>	<u>753,509</u>
Total expenditures	<u>3,899,644</u>	<u>3,899,644</u>	<u>929,214</u>	<u>2,970,430</u>
(Deficiency) Excess of revenues over expenditures	<u>(3,899,644)</u>	<u>(3,899,644)</u>	<u>(929,214)</u>	<u>2,970,430</u>
Other financing sources (uses):				
Transfers in	2,897,799	2,897,799	1,221,028	(1,676,771)
Capital contributions	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Total other financing sources	<u>2,897,799</u>	<u>2,897,799</u>	<u>1,471,028</u>	<u>(1,426,771)</u>
Net change in fund balances –				
Budget basis	<u>\$ (1,001,845)</u>	<u>\$ (1,001,845)</u>	541,814	<u>\$ 1,543,659</u>
Fund balance – beginning of year				<u>-</u>
Fund balance – end of year				<u>\$ 541,814</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
ARPA FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental	\$_____ -	\$_____ -	\$ 996,215	\$ 996,215
Total revenues	_____ -	_____ -	996,215	996,215
EXPENDITURES				
Current:				
Public utilities	356,850	356,850	35,953	320,897
Capital:				
Public utilities	972,000	972,000	960,262	11,738
Total expenditures	1,328,850	1,328,850	996,215	332,635
Net change in fund balances	\$ (1,328,850)	\$ (1,328,850)	-	\$ 1,328,850
Fund balance – beginning of year			_____ -	
Fund balance – end of year			\$ _____ -	

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2022

	BUSINESS-TYPE ACTIVITIES UTILITIES FUND
Assets	
Current assets:	
Cash	\$ 836,266
Receivables (net of allowance for uncollectibles) –	
Accounts	568,156
Materials and supplies inventory (net of allowance)	1,134,022
Prepaid items	<u>25,446</u>
Total current assets	<u>2,563,890</u>
Non-current assets:	
Restricted assets: Cash	4,348,218
Capital assets not being depreciated	291,818
Property, plant and equipment –	
Plant and distributions systems	22,179,615
Machinery and equipment	1,943,447
Vehicles	627,653
Accumulated depreciation	<u>(11,845,443)</u>
Total capital assets (net of accumulated depreciation)	<u>12,905,272</u>
Total non-current assets	<u>17,545,308</u>
Total assets	<u>\$ 20,109,198</u>
Deferred Outflows of Resources	
Pensions	<u>\$ 50,742</u>
Liabilities	
Current liabilities	
Accounts payable –	
Operating	\$ 491,543
Accrued liabilities –	
Wages	23,123
Customer deposits	655,437
Interest	4,670
Other	39,399
Due to other funds	126,915
Notes payable – current portion	<u>703,710</u>
Total current liabilities	<u>2,044,797</u>
Long-term liabilities	
Compensated absences	51,403
Notes payable	2,106,792
Net pension liability	<u>120,478</u>
Total liabilities	<u>\$ 4,323,470</u>
Deferred Inflows of Resources	
Pensions	<u>\$ 238,756</u>
Net Position	
Net invested in capital assets	\$ 10,386,588
Restricted: Capital projects	1,993,762
Restricted: Debt service	2,354,456
Unrestricted	<u>862,908</u>
Total net position	<u>\$ 15,597,714</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

BUSINESS-TYPE ACTIVITIES
UTILITIES FUND

Operating Revenues:

Charges for services	\$ 7,299,155
Other	<u>104,466</u>
	<u>7,403,621</u>

Operating Expenses:

Purchases for resale	3,402,770
Personal services and benefits	1,497,223
Contractual services	1,209,411
Depreciation	733,233
Supplies	897,145
Other	<u>29,222</u>
	<u>7,769,004</u>

Loss from operations

Non-operating revenues:

Capital Contribution

**CITY OF HAMPTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

**BUSINESS-TYPE ACTIVITIES
UTILITIES FUND**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers and users	\$ 7,434,288
Cash paid to suppliers for goods and services	(6,155,649)
Cash paid to employees	<u>(1,211,662)</u>
Net cash provided by operating activities	<u>66,977</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earned	<u>5,961</u>
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CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers	<u>(341,445)</u>
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CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Acquisition and construction of capital assets	(351,519)
Repayment of notes payable	(689,810)
Interest paid	(62,556)
Capital contributions	3,045,788
Due from General Fund	<u>127,431</u>
Net cash provided by capital financing activities	<u>2,069,334</u>

NET CHANGE IN CASH 1,800,827

CASH AT BEGINNING OF YEAR 3,383,657

CASH AT END OF YEAR \$ 5,184,484

Classified As

Current assets	\$ 836,266
Restricted assets	<u>4,348,218</u>
	<u>\$ 5,184,484</u>

CITY OF HAMPTON, GEORGIA
STATEMENT OF CASH FLOWS – CONTINUED
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Reconciliation of Net Income to Net Cash
 Provided by Operating Activities

BUSINESS-TYPE ACTIVITIES UTILITIES FUND	
NET OPERATING LOSS	\$ (365,383)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Depreciation expense	733,233
Increase in receivables	(100,763)
Increase in inventory	(199,957)
Increase in prepaid expenses	(11,414)
Increase in deferred outflows of resources	(18,918)
Decrease in accounts payable	(71,027)
Decrease in accrued salaries	(2,834)
Increase in other customer deposits	131,430
Increase in accrued interest	4,670
Increase in other accrued expense	2,495
Decrease in net pension liability	(206,652)
Increase in deferred inflows of resources	<u>172,097</u>
 Total adjustments	 <u>432,360</u>
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	\$ <u>66,977</u>

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
NOTE TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

B. The Reporting Entity

The City operates under a council/mayor form of government and provides the following services: public safety, judicial, highways and streets, planning and zoning, culture and recreation, public works improvements, community development, and general and administrative services. In addition, the City operates public utilities (water, sewer, stormwater, electricity and sanitation) for the incorporated and immediate surrounding areas.

Governmental Accounting Standards Board Statements No. 14 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City.

Management has concluded that the Downtown Development Authority (DDA) is a component unit for the City. The DDA directs economic development activities in the central business district of Hampton. The DDA meets both criteria for a component unit mentioned in the paragraph above. The DDA has been presented as a blended component unit.

Complete financial statements for the component unit may be obtained at the entity's administrative offices.

Downtown Development Authority
17 E. Main Street S
Hampton, GA 30228

On August 11, 2020, the City formed the Hampton Development Authority (HDA), a non-profit corporation that when active will be presented as a City special revenue fund that was created under the State of Georgia Development Authority law. The HDA is governed by a seven-member Board of Directors consisting of members of the City and/or Henry County, all appointed and approved by a majority vote of the City Council. On June 8, 2021, the City approved an intergovernmental agreement (IGA) with the HDA in consideration for funding (commenced in fiscal year 2022 budget) with the expectation that the HDA will develop trade, commerce, industry, and employment opportunities within the City through the recruitment of projects that promote the economic development, revitalization, and growth of the City.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Basic Financial Statements – Government-Wide 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). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position, presents the financial condition of the governmental and business-type activities of the City at year end. The statement is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets; restricted; and unrestricted. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The City does not allocate indirect cost. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity self-financing or draws from the general revenues of the City.

The net costs (by function) are normally covered by general revenue (franchise taxes, sales or use taxes, intergovernmental revenues, interest income, etc.). The City does not allocate indirect costs.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The various funds are grouped, in the financial statements in this report, into the following fund types:

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Basic Financial Statements – Fund Financial Statements – (Continued)

Governmental Fund Types – Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

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

Capital Improvements Fund – The Capital Improvements Fund is used to account for the expenditures of resources for various capital projects.

ARPA Fund – The ARPA Fund is a special revenue fund that is used to account for the financial resources provided and subsequently expended from the American Rescue Plan grant received from the federal government.

SPLOST V Capital Project Fund – The SPLOST V Capital Project Fund accounts for capital projects financed by a one percent sales and use tax.

Proprietary Fund Type – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary fund is classified as an enterprise fund. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the City's major proprietary fund:

Utilities Fund – The Utilities Fund is used to account for the revenues generated from the charges for electricity, water, sewer, wastewater and sanitation services provided to the residential and commercial users of the City.

E. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide financial statement are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide and the statements for governmental funds.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Measurement Focus – (Continued)

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in revenues, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

On the proprietary fund's financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide the goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

F. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Government-wide financial statements are presented on the accrual basis of accounting; proprietary funds also use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after period end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, are recognized when due.

Those revenues susceptible to accrual are taxes, state and federal grants, fines, interest revenue and charges for services. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include licenses, penalties and miscellaneous revenues which are recorded as revenues when received in cash. Those revenues that are measurable but are not collected within 60 days after period end are recorded as unearned revenues.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

G. New Accounting Pronouncements

In June 2017, the **GASB issued Statement No. 87, "Leases"**. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement are effective for reporting **periods beginning after June 15, 2021 (fiscal year 2022)**. The standard had no significant effect on the City's financial statements.

In June 2018, the **GASB issued Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period"**. This statement will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and will simplify accounting for interest cost incurred before the end of a construction period. The requirements of this statement are effective for reporting **periods beginning after December 15, 2020 (fiscal year 2022)**. The standard had no significant effect on the City's financial statements.

In May 2018, the **GASB issued Statement No. 91, "Conduit Debt Obligations"**. This statement will provide a single method of reporting conduit debt obligations by issuers by establishing that conduit is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligation; and improving required note disclosures. The requirements of this statement are effective for reporting **periods beginning after December 15, 2021 (fiscal year 2023)**. The City is evaluating the impact, if any, upon its financial position, results of operations or cash flows upon adoption.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

H. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. As of September 30, 2022, the City had cash equivalents in money market accounts.

I. Restricted Assets: Cash

Restricted assets represent amounts which are required to be maintained pursuant to external restrictions imposed by State and Federal Governments, applicable bond covenants, etc., relating to impact fees for police, parks and recreation, sewer, water and electric tap charges; and if applicable, debt service payments; funds received for specific purposes pursuant to State and Federal grants and special purposes local option sales taxes.

J. Receivables

Property taxes were levied on July 25, 2022 based upon property values assessed as of January 1. The City's millage rate is levied on taxable property, which is assessed at 40% of estimated fair market value. Tax bills were mailed on August 26, 2022, and payable on or before November 16, 2022, for the 2022 taxes. Property taxes levied in fiscal year 2022, were for use on expenditures in fiscal year 2023 per an ordinance passed by the City Council. The City setup a deferred inflow for the property taxes as of September 30, 2022.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

K. Inventory

Inventory is valued at net realized value. Inventory consists of various repair and replacement items maintained by the City's Utilities Fund. Inventory as of year-end, including the applicable allowance for obsolete items, is as follows:

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Inventory	\$ 1,425,066	\$ 291,044	\$ 1,134,022

L. Prepaid Expenses

Payments made to vendors for service that will benefit years beyond September 30, 2022 are recorded as prepaid items and are expensed during the period benefited.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

M. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets which include property, plant equipment, machinery, vehicles, furniture and fixtures, and infrastructure assets (e.g. streets, roads, sidewalks and pavements and similar items) purchased or acquired with an estimated useful life in excess of one (1) year or more and an original cost of \$5,000 or more are reported at historical cost or estimated historical cost if actual historical cost is not available. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during 2022. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Infrastructure	40-50 years
Utility distribution systems	30-50 years
Buildings and improvements	30-40 years
Furniture and fixtures	7-10 years
Machinery and equipment	5-10 years
Vehicles	5-10 years

The City only reports infrastructure assets purchased subsequent to December 31, 2001.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liability in the fund financial statements only to the extent that they are due for payment during the current period. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

O. Revenues

Various taxes are billed and collected within the same period in which the taxes are levied. In applying GASB Statement No. 33 to grant revenues, the provider recognizes liabilities and expense and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient.

P. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are expensed in the period used.

Q. Compensated Absences

The City accrues accumulated unpaid vacation leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

R. Inter-fund Activity

Inter-fund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

S. Fund Balances/Net Position

Fund Balance Classifications

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

S. Fund Balances/Net Position – (Continued)

Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five categories (1) Non-spendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. *Non-spendable fund balances* refer to amounts that are not in spendable form or are legally required to remain intact. *Restricted fund balances* refer to amounts that are subject to externally enforceable legal restrictions by either debt covenants, or laws or regulations of other governments. *Committed fund balances* refer to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council prior to the end of the fiscal year. The same formal action is required to remove the limitation. *Assigned fund balances* refer to amounts that are intended to be used for specific purposes. *Unassigned fund balances* refer to the residual net resources and are the excess of non-spendable, restricted, committed, and assigned. Fund expenditures and encumbrances are from restricted fund balance to the extent of the restricted fund revenue and followed by committed then assigned and unassigned fund balance.

When an expenditure is incurred for purposes for which committed, assigned, and unassigned net position could be used, the City considers committed funds to have been spent first, then assigned and then unassigned.

Net Position

Equity for government-wide and proprietary fund statements is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted – Consists of assets with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted – All other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

T. Contributions of Capital

Contributions of capital in the general fund financial statements arise from public safety and park impact fees restricted to capital acquisition and construction. Also, contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-on fees to the extent they exceed the cost of connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

U. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

V. Budgets and Budgetary Accounting

The City Council adopts an annual budget for all of the City's funds. Public hearings are conducted to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them. Formal budgetary integration is employed as a management control device during the period.

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

1. Prior to September, the City Manager presents a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them. In addition, activities of the Enterprise Funds (water, sewer, electric, and sanitation), and certain special revenue funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects program.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution
4. All budget revisions or changes must be approved as required by Georgia law and administrative policy. All transfers of budgeted amounts between departments require the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the department level. Revisions that alter the total expenditure of any department or fund must be approved by the Mayor and City Council. The approvals of the City Manager, Finance Director and respective Department Director are required for line-item revisions within a particular department budget. The Mayor and City Council made several immaterial supplemental budget appropriations during the fiscal year.
5. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Final budget amounts are as amended in September, 2022.
6. Unexpended budget appropriations at period-end lapse.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

V. Budgets and Budgetary Accounting – (Continued)

Excess of Expenditures and Other Financing Uses Over Appropriations

The following department/function overspent the final 2022 fiscal year budget:

General Fund – Capital outlay	\$ 11,462
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In the future, the City will appropriately amend its budget to resolve over-expenditures.

W. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

X. Pension Plans

The City provides a defined benefit pension plan to all eligible employees. It is the City's policy to fund this plan's normal cost annually, as determined by actuarial valuation.

Y. Deferred Outflows/Inflows of Resources

GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Revenues, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities* established accounting and financial reporting for deferred outflows/inflows of resources and the concept of net position as the residual of all other elements presented in the statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the statement of revenues, expenditures, and changes in fund balance will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Y. Deferred Outflows/Inflows of Resources – (Continued)

The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Hampton 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 (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Property taxes

Property taxes levied during the fiscal year 2022, were for use on expenditures in fiscal year 2023.

2. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City reduces its exposure to this risk by requiring deposits of public funds to be collateralized in accordance with State law. As of September 30, 2022, none of the deposits of the City were subject to custodial credit risk.

Investments

The City's financial policies authorize investments in any securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the State of Georgia, and no-load mutual funds of direct obligations of the United States. The City had no investments at September 30, 2022.

For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in 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. As of September 30, 2022, none of the investments of the City were subject to custodial credit risk. The City does not have a formal policy addressing credit risk.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

3. MAJOR TAXES

The major categories of taxes collected comprise of sales or use taxes as local option sales tax (LOST) and special purpose local option sales tax (SPLOST), liquor and wine vendor and on-site sales tax, insurance premium tax, franchise tax, motor vehicle ad valorem tax, real estate transfer tax and intangible asset tax.

4. RECEIVABLES

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
General Fund			
Taxes	\$ 1,619,498	\$ -	\$ 1,619,498
Fines	6,460	-	6,460
Other Governmental Funds			
Taxes	1,691	-	1,691
Accounts	34,346	-	34,346
Loan	277,344	-	277,344
Intergovernmental	738,856	-	738,856
Proprietary Fund			
Accounts	785,822	217,666	568,156
Total	\$ 3,464,017	\$ 217,666	\$ 3,246,351

5. FINES AND FORFEITURES (NET OF ALLOWANCE)

The City entered into a contract with ZSI Probation Services, Inc. to coordinate and provide direct probation and rehabilitation programs and services to offenders sentenced by and under the jurisdiction of the court. Court-ordered fines, restitution, and costs will be collected and paid to the court on a monthly basis.

6. INTER-FUND TRANSACTIONS

Interfund balance and transfers represent amounts transferred among funds to help finance various construction projects, and meet cash flow requirements. There were no interfund balances at year end. Transfers for the year were as follows:

Interfund balances as of September 30, 2022, are as follows:

	<u>Due to:</u>		
	<u>General</u>	<u>Capital</u>	<u>Improvements</u>
Due from:			
General Fund	\$ -	\$ 752,674	
Proprietary Fund	126,915	-	
Total	\$ 126,915	\$ 752,674	

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

6. INTER-FUND TRANSACTIONS – (Continued)

The outstanding balances between funds results from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are record in the accounting system, and 3) payments between funds are made.

Interfund transfers for the year ended September 30, 2022, consisted of the following:

	Transfers in:				
	General	SPLOST V	Capital Improvement Fund	Hampton Development Fund	Capital Grant Fund
Transfers Out:					
General Fund	\$ -	\$ -	\$ 1,221,028	\$ 50,000	\$ 232,797
SPLOST IV	-	365,011	-	-	-
Proprietary Fund	<u>341,445</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 341,445</u>	<u>\$ 365,011</u>	<u>\$ 1,221,028</u>	<u>\$ 50,000</u>	<u>\$ 232,797</u>

Generally, transfers are used to move revenues from the fund that collects them to the fund that the budget requires to expend them. Transfers between the General Fund and the other funds represent the reimbursement of capital expenditures incurred in the General Fund.

7. LITIGATION

During the ordinary course of business, the City has been named as a defendant in various lawsuits. Management of the City is vigorously defending itself against the lawsuits and believes that the City will be able to end the suits favorably.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. PROPERTY, PLANT AND EQUIPMENT

Capital asset activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 976,932	\$ 28,061	\$ -	\$ 1,004,993
Construction in progress	115,942	1,525,737	48,432	1,593,247
Total capital assets not being depreciated	<u>1,092,874</u>	<u>1,553,798</u>	<u>48,432</u>	<u>2,598,240</u>
Capital assets, being depreciated:				
Buildings	4,143,011	153,692	-	4,296,703
Improvements other than buildings	3,745,284	-	-	3,745,284
Infrastructure	6,448,421	20,740	-	6,469,161
Furniture and fixtures	40,120	-	-	40,120
Office equipment	225,692	-	-	225,692
Machinery and equipment	1,189,751	651,748	-	1,841,499
Vehicles	<u>1,614,199</u>	<u>58,170</u>	<u>-</u>	<u>1,672,369</u>
Total capital assets being depreciated	<u>17,406,478</u>	<u>884,350</u>	<u>-</u>	<u>18,290,828</u>
Less accumulated depreciation for:				
Buildings	1,260,851	140,168	-	1,401,019
Improvements other than buildings	1,982,585	203,263	-	2,185,848
Infrastructure	2,225,303	294,805	-	2,520,108
Furniture and fixtures	33,327	709	-	34,036
Office equipment	200,817	4,629	-	205,446
Machinery and equipment	738,231	129,650	-	867,881
Vehicles	<u>1,157,299</u>	<u>147,069</u>	<u>-</u>	<u>1,304,368</u>
Total accumulated depreciation	<u>7,598,413</u>	<u>920,293</u>	<u>-</u>	<u>8,518,706</u>
Total capital assets, being depreciated, net	<u>9,808,065</u>	<u>(35,943)</u>	<u>-</u>	<u>9,772,122</u>
Governmental activities capital assets, net	<u>\$10,900,939</u>	<u>\$1,517,855</u>	<u>\$ 48,432</u>	<u>\$12,370,362</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General government	\$ 103,813
Public safety and courts	149,345
Public works	541,845
Parks and recreation	118,851
Community development	<u>6,439</u>
Total depreciation expense	<u>\$ 920,293</u>

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. PROPERTY, PLANT AND EQUIPMENT – (Continued)

Capital asset activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ _____ -	\$ 291,818	\$ _____ -	\$ 291,818
Total capital assets not being depreciated	_____ -	<u>291,818</u>	_____ -	<u>291,818</u>
Capital assets, being depreciated:				
Distribution and collection system	22,179,615	-	-	22,179,615
Machinery and equipment	1,932,706	10,741	-	1,943,447
Vehicles	<u>578,693</u>	<u>48,960</u>	_____ -	<u>627,653</u>
Total capital assets being depreciated	<u>24,691,014</u>	<u>59,701</u>	_____ -	<u>24,750,715</u>
Less accumulated depreciation for:				
Distribution and collection system	9,347,624	615,485	-	9,963,109
Machinery and equipment	1,193,461	110,180	-	1,303,641
Vehicles	<u>571,125</u>	<u>7,568</u>	_____ -	<u>578,693</u>
Total accumulated depreciation	<u>11,112,210</u>	<u>733,233</u>	_____ -	<u>11,845,443</u>
Total capital assets, being depreciated, net	<u>13,578,804</u>	<u>(673,532)</u>	_____ -	<u>12,905,272</u>
Business-type activities capital assets, net	\$ <u>13,578,804</u>	\$ <u>(381,714)</u>	\$ _____ -	\$ <u>13,197,090</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Sewer	\$ 476,551
Water	150,552
Electric	104,865
Sanitation	<u>1,265</u>
Total depreciation expense	\$ <u>733,233</u>

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. LONG-TERM DEBT

Changes in General Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended September 30, 2022:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental-Type Activities:					
*Capital leases	\$ 25,499	\$ -	\$ 25,499	\$ -	\$ -
*Compensated absences	127,968	28,650	-	156,618	-
*Net pension liability	<u>700,027</u>	<u>-</u>	<u>447,521</u>	<u>252,506</u>	<u>-</u>
Governmental-Type Activities	<u>853,494</u>	<u>28,650</u>	<u>473,020</u>	<u>409,124</u>	<u>-</u>
Business-Type Activities:					
Compensated absences	59,155	-	7,752	51,403	-
Net pension liability	327,130	-	206,652	120,478	-
Bonds payable	<u>3,500,312</u>	<u>-</u>	<u>689,810</u>	<u>2,810,502</u>	<u>703,710</u>
Business-Type Activities	<u>3,886,597</u>	<u>-</u>	<u>904,214</u>	<u>2,982,383</u>	<u>703,710</u>
Total	<u>\$ 4,740,091</u>	<u>\$ 28,650</u>	<u>\$ 1,377,234</u>	<u>\$ 3,391,507</u>	<u>\$ 703,710</u>

* Typically liquidated with General Fund resources.

In 2017, the City issued Combined Utility System Revenue Refunding Bonds, Series 2016 (the “Series 2016 Bonds”). The annual interest rate on the bonds is 2.00%, and the maturity date is June 1, 2026. The following is a summary of the future minimum bond payments:

<u>Year</u>	<u>Interest</u>	<u>Principal</u>
2023	\$ 49,783	\$ 703,710
2024	35,579	717,926
2025	21,088	732,417
2026	6,351	656,449
	<u>\$ 112,801</u>	<u>\$ 2,810,502</u>

Interest incurred during the current year was \$62,556.

Pledged Revenues

The City has pledged the utilities system revenues, net of operations and maintenance expenses, to pay principal and interest on the outstanding Series 2016 Combined Utility System Refunding Bonds, with outstanding principal amount of \$2,810,502 at September 30, 2022. Pledged utilities system revenue includes sewer debt relief surcharges and impact fees collected for sewer.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

10. RISK MANAGEMENT

The City of Hampton is exposed to various risks of loss related to torts; theft 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 (GIRMA) for property and liability insurance and the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools.

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 pools' 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 pools' agent 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 governments' contracts and in accordance with the workers' compensation laws 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.

11. EMPLOYEE BENEFITS PLANS

DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the Georgia Municipal Association. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is voluntary. The City has no management, contribution or participation requirements.

Plan Description –

The City, as authorized by the City Council, has established a non-contributory defined pension plan, City of Hampton Retirement Plan (HRP), covering all full-time employees. HRP is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia, 30303 or by calling (404) 688-0472.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. EMPLOYEE BENEFITS PLANS – (Continued)

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for all employees that have been employed full time for one year. Members may retire on reaching the age of 65, depending on their classification. Early retirement is possible on reaching the age of 55, depending on the member's classification. In addition, police officers can retire at age 55 and 10 years of service with full benefits. Benefits are calculated at 2.00% of the average monthly earnings for the period of the five highest years' earnings prior to retirement.

Current membership in the plan is as follows:

Retirees and beneficiaries currently receiving benefits	27
Terminated vested participants entitled to but not yet receiving benefits	33
Active participants	72
Active elected officials	7
Total number of participants	<u>139</u>

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 is to contribute an amount equal to the recommended contribution described below. For 2022, the actuarially determined contribution rate was 9.53% of covered payroll. For 2022, the City's contribution to the plan totaled \$331,581.

Net Pension Liability of the City

The City's net pension liability was measured as of January 1, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2021 with update procedures performed by the actuary to roll forward to the total pension liability measured as of January 1, 2022.

Actuarial assumptions: The total pension liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.25% plus service based merit increases
Investment rate of return	7.375%

Mortality rates for healthy individuals were based on the Pri-2012 head-count weighted Healthy Retiree Mortality Table with sex-distinct rates. Mortality rates for disabled individuals were based on the Pri-2012 head-count weighted Healthy Retiree Mortality Table with sex-distinct rates.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. EMPLOYEE BENEFITS PLANS – (Continued)

The actuarial assumptions used in the January 1, 2022 valuation were based on results of an actuarial experience study for the period January 1, 2015 through June 30, 2019 conducted in November and December 2019. There is no cost of living adjustment by the Plan.

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	Allocation	Long-term Expected real rate of return*
Domestic equity	45%	6.55%
International equity	20%	7.30%
Domestic fixed income	20%	0.40%
Real estate	10%	3.65%
Global fixed income	5%	0.50%
Cash	0%	0.00%

* Rates shown are net of the 2.25% assumed rate of inflation.

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 plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between 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.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. EMPLOYEE BENEFIT PLANS – (Continued)

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 September 30, 2022, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at September 30, 2021	\$ 5,570,383	\$ 4,543,226	\$ 1,027,157
Changes for the year:			
Service cost	180,675	-	180,675
Interest	414,471	-	414,471
Differences between expected and actual experience	129,173	-	129,173
Contributions – employer	-	283,973	(283,973)
Net investment income	-	1,106,104	(1,106,104)
Benefit payments, including refunds of employee contributions	(262,220)	(262,220)	-
Administrative expense	-	(11,585)	11,585
Net changes	<u>462,099</u>	<u>1,116,272</u>	<u>(654,173)</u>
Balances at September 30, 2022	<u>\$ 6,032,482</u>	<u>\$ 5,659,498</u>	<u>\$ 372,984</u>

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear 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 percent, 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 percent) or 1-percentage-point higher (8.375 percent) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 1,209,455	\$ 372,984	\$ (319,582)

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 January 1, 2022, and the current sharing pattern of costs between employer and employee.

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. EMPLOYEE BENEFIT PLANS – (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the City recognized pension expense of \$102,486. At September 30, 2022, 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 expected and actual expense	\$ 143,374	\$ (82,894)
Changes in assumptions	13,717	-
Net difference between projected and actual earnings on pension plan investments	-	(656,261)
 Total	 \$ 157,091	 \$ (739,155)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2023	\$ (126,645)
2024	(166,005)
2025	(161,116)
2026	(128,298)
	<u>\$ (582,064)</u>

12. NET INVESTMENT IN CAPITAL ASSETS

The “Net investment in capital assets” amounts as reported on the Government-wide Statement of Net Position as of September 30, 2022 is as follows:

	Governmental Activities	Business-type Activities
Cost of non-depreciable capital assets	\$ 2,598,240	\$ 291,818
Cost of depreciable capital assets	18,290,828	24,750,715
Less: Accumulated depreciation	<u>8,518,706</u>	<u>11,845,443</u>
net book value	12,370,362	13,197,090
Less: Capital related debt	<u>-</u>	<u>2,810,502</u>
net investment in capital assets	<u>\$ 12,370,362</u>	<u>\$ 10,386,588</u>

CITY OF HAMPTON, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

13. JOINT VENTURE

Under Georgia law, the city, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in this organization is required by the Official Code of Georgia Annotated (OCGA). Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The ARC Board membership includes the chief elected official of each county, one representative for all the cities in a member county and 15 citizen representatives. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from:

Atlanta Regional Commission
40 Courtland Street, NE
Atlanta, Georgia 30303

14. HOTEL/MOTEL TAX

The City levies a 5% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. In order to comply with the expenditure requirements of this code section, the City remits monies collected under this provision to the Henry County Chamber of Commerce. The following is a summary of the collections and expenditures for the year ended September 30, 2022:

	Amount	Percent
Total collected	\$ 23,413	100%
Amount remitted to Henry County Chamber of Commerce	\$ 10,067	43%
Amount remitted for Public Relations	\$ 2,000	9%

15. MAJOR VENDORS

Purchases of water for resale from the Henry County Water Authority accounts for 11% of the expenses for the utilities fund. Purchases of electricity for resale from Central Georgia EMC accounts for 31% of the expenses for the utilities fund.

16. SUBSEQUENT EVENTS

Management has evaluated events, activities and transactions subsequent to the balance sheet through July 11, 2023 (the date the financial statements were made available to be issued) for potential recognition or disclosure in the financial statements. Management has identified no events that required adjustment and disclosure in the financial statements that were issued on July 11, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HAMPTON, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability					
Service cost	\$ 180,675	\$ 150,748	\$ 83,699	\$ 115,832	\$ 115,366
Interest	414,471	395,203	197,175	344,793	310,823
Differences between expected and actual experience	129,173	(65,978)	(77,779)	(48,774)	192,161
Changes of assumptions	-	-	506	-	64,872
Changes of benefit terms	-	-	-	444,260	-
Benefit payments, including refunds of employee contributions	(262,220)	(235,044)	(104,885)	(221,553)	(203,326)
Net change in total pension liability	<u>462,099</u>	<u>244,929</u>	<u>98,716</u>	<u>634,558</u>	<u>479,896</u>
Total pension liability – beginning	<u>5,570,383</u>	<u>5,325,454</u>	<u>5,226,738</u>	<u>4,592,180</u>	<u>4,112,284</u>
Total pension liability – ending (a)	<u>\$ 6,032,482</u>	<u>\$ 5,570,383</u>	<u>\$ 5,325,454</u>	<u>\$ 5,226,738</u>	<u>\$ 4,592,180</u>
Plan fiduciary net position					
Contributions – employer	\$ 283,973	\$ 237,450	\$ 100,169	\$ 179,386	\$ 225,628
Net investment income	1,106,104	403,826	175,763	138,667	432,982
Benefit payments, including refunds of employee contributions	(262,220)	(235,044)	(104,885)	(221,553)	(203,326)
Administrative expenses	(11,585)	(14,193)	(5,628)	(11,017)	(12,462)
Net change in plan fiduciary net pension	<u>1,116,272</u>	<u>392,039</u>	<u>165,419</u>	<u>85,483</u>	<u>442,822</u>
Plan fiduciary net position – beginning	<u>4,543,226</u>	<u>4,151,187</u>	<u>3,985,768</u>	<u>3,900,285</u>	<u>3,457,463</u>
Plan fiduciary net position – ending (b)	<u>\$ 5,659,498</u>	<u>\$ 4,543,226</u>	<u>\$ 4,151,187</u>	<u>\$ 3,985,768</u>	<u>\$ 3,900,285</u>
City's net pension liability – ending (a) - (b)	<u>\$ 372,984</u>	<u>\$ 1,027,157</u>	<u>\$ 1,174,267</u>	<u>\$ 1,240,970</u>	<u>\$ 691,895</u>
Plan fiduciary net position as a percentage of the total pension liability	93.82%	81.56%	77.95%	76.26%	84.93%
Covered-employee payroll	\$ 3,420,360	\$ 2,973,041	\$ 2,652,000	\$ 2,624,238	\$ 2,377,085
City's net pension liability as a percentage of covered employee payroll	10.90%	34.55%	44.28%	47.29%	29.11%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

CITY OF HAMPTON, GEORGIA
SCHEMES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability			
Service cost	\$ 126,889	\$ 131,746	\$ 128,596
Interest	308,179	275,819	257,215
Differences between expected and actual experience	(221,668)	77,589	(52,209)
Changes of assumptions	-	-	(6,690)
Changes of benefit terms	-	60,136	-
Benefit payments, including refunds of employee contributions	<u>(155,247)</u>	<u>(100,236)</u>	<u>(73,476)</u>
Net change in total pension liability	<u>58,153</u>	<u>445,054</u>	<u>253,436</u>
Total pension liability – beginning	<u>4,054,131</u>	<u>3,609,077</u>	<u>3,355,641</u>
Total pension liability – ending (a)	<u>\$ 4,112,284</u>	<u>\$ 4,054,131</u>	<u>\$ 3,609,077</u>
 Plan fiduciary net position			
Contributions – employer	\$ 184,289	\$ 205,520	\$ 193,380
Net investment income	387,385	10,932	254,484
Benefit payments, including refunds of employee contributions	(155,247)	(100,236)	(73,476)
Administrative expenses	<u>(10,462)</u>	<u>(6,923)</u>	<u>(6,214)</u>
Net change in plan fiduciary net pension	<u>405,965</u>	<u>109,293</u>	<u>368,174</u>
Plan fiduciary net position – beginning	<u>3,051,498</u>	<u>2,942,205</u>	<u>2,574,031</u>
Plan fiduciary net position – ending (b)	<u>\$ 3,457,463</u>	<u>\$ 3,051,498</u>	<u>\$ 2,942,205</u>
 City's net pension liability – ending (a) - (b)	<u>\$ 654,821</u>	<u>\$ 1,002,633</u>	<u>\$ 666,872</u>
 Plan fiduciary net position as a percentage of the total pension liability	84.08%	75.27%	81.52%
 Covered-employee payroll	\$ 2,188,426	\$ 2,412,993	\$ 2,464,960
 City's net pension liability as a percentage of covered employee payroll	29.92%	41.55%	27.05%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

CITY OF HAMPTON, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

	2022	2021	2020	2019	2018
	\$ ⁻¹	\$	\$	\$	\$
Actuarially determined contribution	\$ ⁻¹	\$ 269,526	\$ 260,870	\$ 150,253	\$ 172,402
Contributions in relation to the actuarially determined Contribution	⁻¹	283,973 ²	237,450 ²	164,620 ²	160,035 ²
Contribution deficiency (excess)	\$ ⁻¹	\$ (14,447)	\$ 23,420	\$ (14,367)	\$ 12,367
Covered-employee payroll	⁻¹	2,973,041 ³	2,652,000	1,968,179	2,377,085
Contributions as a percentage of Covered-employee payroll	⁻¹	9.55%	8.95%	8.36%	6.73%

¹ 2022 information will be determined after fiscal year end and will be included in the 2023 valuation report.

² Contributions are recorded based on date of receipt into the GMEBS trust. Minor timing issues in receipt of monthly payments are not indicative of non-compliance with GMEBS funding policy. A plan is in compliance with the GMEBS funding policy if it pays either the dollar amount or the percentage of employee-covered payroll of the actuarially determined contributions.

³ 2021 covered payroll is based on data collected as of September 30, 2020 for the 2021 actuarial valuation.

Notes to the Schedule

Valuation date	The actuarially determined contribution was determined as of January 1, 2022 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending September 30, 2023.
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 12 years.
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Investment rate of return	7.375%
Projected salary increase	2.25% plus service based merit increases
Cost of living adjustments	0.00%

CITY OF HAMPTON, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 216,633	\$ 197,578	\$ 208,168
Contributions in relation to the actuarially determined Contribution	<u>216,633²</u>	<u>197,578²</u>	<u>208,168²</u>
Contribution deficiency (excess)	\$ _____	\$ _____	\$ _____
Covered-employee payroll	2,188,426	2,412,993	2,464,960
Contributions as a percentage of Covered-employee payroll	9.90%	8.19%	8.45%

¹ 2022 information will be determined after fiscal year end and will be included in the 2023 valuation report.

² Contributions are recorded based on date of receipt into the GMEBS trust. Minor timing issues in receipt of monthly payments are not indicative of non-compliance with GMEBS funding policy. A plan is in compliance with the GMEBS funding policy if it pays either the dollar amount or the percentage of employee-covered payroll of the actuarially determined contributions.

³ 2021 covered payroll is based on data collected as of September 30, 2020 for the 2021 actuarial valuation.

Notes to the Schedule

Valuation date	The actuarially determined contribution was determined as of January 1, 2022 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending September 30, 2023.
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 12 years.
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Investment rate of return	7.375%
Projected salary increase	2.25% plus service based merit increases
Cost of living adjustments	0.00%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF HAMPTON, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

These funds are generally used to account for tax supported activities which include the nonmajor special revenue and capital projects funds of the City.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Hotel/Motel Tax Fund – To account for taxes collected on overnight lodging rentals. In accordance with Georgia law, a portion of these revenues are used to promote tourism.

Downtown Development Authority – To account for activities related to the redevelopment of downtown Hampton.

Hampton Development Authority – To account for activities related to the development of areas outside the downtown of Hampton.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Grant Fund – To account for financial resources to be used for the acquisition or construction of capital facilities.

SPLOST IV Capital Project Fund – To account for capital projects financed by a sales and use tax.

TSPLOST Capital Project Fund – To account for transportation capital projects financed by a sales and use tax.

CITY OF HAMPTON, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022

	<u>TOTAL SPECIAL REVENUE FUNDS</u>	<u>CAPITAL GRANTS FUND</u>	<u>SPLOST IV</u>	<u>TSPLOST</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
Assets					
Cash and cash equivalents	\$ 295,602	\$ -	\$ -	\$ -	\$ 295,602
Restricted: Cash	57,819	398,160	1,110,627	614,807	2,181,413
Receivables (net of allowance for uncollectibles)					
Taxes	1,691	-	-	-	1,691
Accounts	-	34,346	-	-	34,346
Loan	277,344	-	-	-	277,344
Intergovernmental	-	100,000	-	308,063	408,063
Prepays	-	20,210	-	-	20,210
Total assets	<u>\$ 632,456</u>	<u>\$ 552,716</u>	<u>\$ 1,110,627</u>	<u>\$ 922,870</u>	<u>\$ 3,218,669</u>
Liabilities					
Accounts payable					
Operating	\$ 2,573	\$ 185,278	\$ -	\$ -	\$ 187,851
Unearned revenue	-	37,400	-	-	37,400
Total liabilities	<u>2,573</u>	<u>222,678</u>	<u>-</u>	<u>-</u>	<u>225,251</u>
Fund balances (deficit)					
Restricted: Capital projects	-	-	1,110,627	922,870	2,033,497
Restricted: Federal and state program	-	230,038	-	-	230,038
Restricted: Tourism	58,137	-	-	-	58,137
Committed: Capital projects	-	100,000	-	-	100,000
Assigned: Downtown Development Authority	548,408	-	-	-	548,408
Assigned: Hampton Development Authority	23,338	-	-	-	23,338
Total fund balances	<u>629,883</u>	<u>330,038</u>	<u>1,110,627</u>	<u>922,870</u>	<u>2,993,418</u>
Total liabilities and fund balances	<u>\$ 632,456</u>	<u>\$ 552,716</u>	<u>\$ 1,110,627</u>	<u>\$ 922,870</u>	<u>\$ 3,218,669</u>

CITY OF HAMPTON, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	TOTAL SPECIAL REVENUE FUND\$	CAPITAL GRANTS FUND	SPLOST IV	TSPL^{OST}	TOTAL NON-MAJOR GOVERNMENTAL FUND\$
REVENUES					
Taxes	\$ 23,413	\$ -	\$ -	\$ -	\$ 23,413
Intergovernmental	-	250,769	-	922,870	1,173,639
Investment income	12,850	-	3,524	-	16,374
Miscellaneous	28,738	-	-	-	28,738
Contributions not restricted for purpose	<u>1,188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,188</u>
Total revenues	<u>66,189</u>	<u>250,769</u>	<u>3,524</u>	<u>922,870</u>	<u>1,243,352</u>
EXPENDITURES					
Current:					
General government	-	-	198	-	198
Community development	49,698	-	-	-	49,698
Capital:					
General government	-	-	116,887	-	116,887
Highways and streets	-	31,725	47,150	-	78,875
Parks and recreation	-	19,794	-	-	19,794
Planning and zoning	<u>-</u>	<u>99,250</u>	<u>-</u>	<u>-</u>	<u>99,250</u>
Total expenditures	<u>49,698</u>	<u>150,769</u>	<u>164,235</u>	<u>-</u>	<u>364,702</u>
(Deficiency) Excess of revenues over expenditures	<u>16,491</u>	<u>100,000</u>	<u>(160,711)</u>	<u>922,870</u>	<u>878,650</u>
Other financing sources (uses):					
Transfers in	50,000	232,797	-	-	282,797
Transfers out	-	-	(365,011)	-	(365,011)
Total other financing sources (uses)	<u>50,000</u>	<u>232,797</u>	<u>(365,011)</u>	<u>-</u>	<u>(82,214)</u>
Net change in fund balances	66,491	332,797	(525,722)	922,870	796,436
Fund balance (deficit) – beginning of period	<u>563,392</u>	<u>(2,759)</u>	<u>1,636,349</u>	<u>-</u>	<u>2,196,982</u>
Fund balances – end of period	<u>\$ 629,883</u>	<u>\$ 330,038</u>	<u>\$ 1,110,627</u>	<u>\$ 922,870</u>	<u>\$ 2,993,418</u>

CITY OF HAMPTON, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
BALANCE SHEET
SEPTEMBER 30, 2022

	<u>HOTEL/ MOTEL TAX FUND</u>	<u>HAMPTON DEVELOPMENT AUTHORITY</u>	<u>DOWNTOWN DEVELOPMENT AUTHORITY</u>	<u>TOTAL NON-MAJOR SPECIAL REVENUE FUNDS</u>
Assets				
Cash and cash equivalents	\$ -	\$ 24,538	\$ 271,064	\$ 295,602
Restricted: Cash	57,819	-	-	57,819
Receivables (net of allowance for uncollectibles)				
Taxes	1,691	-	-	1,691
Loan	-	-	277,344	277,344
Total assets	<u>\$ 59,510</u>	<u>\$ 24,538</u>	<u>\$ 548,408</u>	<u>\$ 632,456</u>
Liabilities				
Accounts payable				
Operating	\$ 1,373	\$ 1,200	\$ -	\$ 2,573
Total liabilities	<u>1,373</u>	<u>1,200</u>	<u>-</u>	<u>2,573</u>
Fund balances				
Restricted: Tourism	58,137	-	-	58,137
Assigned: Downtown Development Authority	-	-	548,408	548,408
Assigned: Hampton Development Authority	-	23,338	-	23,338
Total fund balances	<u>58,137</u>	<u>23,338</u>	<u>548,408</u>	<u>629,883</u>
Total liabilities and fund balances	<u>\$ 59,510</u>	<u>\$ 24,538</u>	<u>\$ 548,408</u>	<u>\$ 632,456</u>

CITY OF HAMPTON, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	HOTEL/ MOTEL TAX FUND	HAMPTON DEVELOPMENT AUTHORITY	DOWNTOWN DEVELOPMENT AUTHORITY	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS
REVENUES				
Taxes	\$ 23,413	\$ -	\$ -	\$ 23,413
Investment income	-	-	12,850	12,850
Miscellaneous	-	-	28,738	28,738
Contributions not restricted for purpose	-	-	1,188	1,188
Total revenues	<u>23,413</u>	<u>-</u>	<u>42,776</u>	<u>66,189</u>
EXPENDITURES				
Current:				
Community development	<u>12,067</u>	<u>26,662</u>	<u>10,969</u>	<u>49,698</u>
Total expenditures	<u>12,067</u>	<u>26,662</u>	<u>10,969</u>	<u>49,698</u>
Excess (Deficiency) of revenues over expenditures	11,346	(26,662)	31,807	16,491
Other financing sources:				
Transfers in	-	<u>50,000</u>	-	<u>50,000</u>
Total other financing sources	-	<u>50,000</u>	-	<u>50,000</u>
Net change in fund balances	11,346	23,338	31,807	66,491
Fund balance – beginning of period	<u>46,791</u>	-	<u>516,601</u>	<u>563,392</u>
Fund balances – end of period	<u>\$ 58,137</u>	<u>\$ 23,338</u>	<u>\$ 548,408</u>	<u>\$ 629,883</u>

CITY OF HAMPTON, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Taxes	\$ 24,640	\$ 24,640	\$ 23,413	\$ (1,227)
Investment income	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
Total revenues	<u>24,690</u>	<u>24,690</u>	<u>23,413</u>	<u>(1,277)</u>
EXPENDITURES				
Current:				
Community development	<u>17,867</u>	<u>17,867</u>	<u>12,067</u>	<u>5,800</u>
Total expenditures	<u>17,867</u>	<u>17,867</u>	<u>12,067</u>	<u>5,800</u>
Net change in fund balances	\$ <u>6,823</u>	\$ <u>6,823</u>	11,346	\$ <u>4,523</u>
Fund balance – beginning of year				<u>46,791</u>
Fund balance – end of year				\$ <u>58,137</u>

CITY OF HAMPTON, GEORGIA
HAMPTON DEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
EXPENDITURES				
Current:				
Community development	\$ 50,000	\$ 50,000	\$ 26,662	\$ 23,338
Total expenditures	50,000	50,000	26,662	23,338
Deficiency of revenues over expenditures	(50,000)	(50,000)	(26,662)	23,338
Other financing sources:				
Transfers in	50,000	50,000	50,000	-
Net change in fund balances	\$ -	\$ -	23,338	\$ 23,338
Fund balance – beginning of year				-
Fund balance – end of year			\$ 23,338	

CITY OF HAMPTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Investment income	\$ 1,100	\$ 1,100	\$ 12,850	\$ 11,750
Miscellaneous	-	-	28,738	28,738
Contributions not restricted for purposes	<u>29,854</u>	<u>29,854</u>	<u>1,188</u>	<u>(28,666)</u>
Total revenues	<u>30,954</u>	<u>30,954</u>	<u>42,776</u>	<u>11,822</u>
EXPENDITURES				
Current:				
Community development	<u>30,954</u>	<u>30,954</u>	<u>10,969</u>	<u>19,985</u>
Total expenditures	<u>30,954</u>	<u>30,954</u>	<u>10,969</u>	<u>19,985</u>
Net change in fund balances	\$ <u> -</u>	\$ <u> -</u>	31,807	\$ <u>31,807</u>
Fund balance – beginning of year			<u>516,601</u>	
Fund balance – end of year			\$ <u>548,408</u>	

CITY OF HAMPTON, GEORGIA
CAPITAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental	\$ 442,508	\$ 442,508	\$ 250,769	\$ (191,739)
Total revenues	<u>442,508</u>	<u>442,508</u>	<u>250,769</u>	<u>(191,739)</u>
EXPENDITURES				
Capital:				
Highways and streets	208,769	208,769	31,725	177,044
Parks and recreation	340,045	340,045	19,794	320,251
Planning and zoning	<u>119,577</u>	<u>119,577</u>	<u>99,250</u>	<u>20,327</u>
Total expenditures	<u>668,391</u>	<u>668,391</u>	<u>150,769</u>	<u>517,622</u>
Excess (deficiency) of revenues over expenditures	(225,883)	(225,883)	100,000	325,883
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>232,797</u>	<u>232,797</u>
Net change in fund balances	\$ (225,883)	\$ (225,883)	332,797	\$ 558,680
Fund deficit – beginning of year			<u>(2,759)</u>	
Fund deficit – end of year			\$ <u>330,038</u>	

CITY OF HAMPTON, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
SPLOST IV:				
Roads, bridges, sidewalks and transportation facilities	\$ 2,675,000	\$ 2,525,297	\$ 47,150	\$ 2,572,447
Public safety facilities and equipment	740,000	490,243	-	490,243
Public works facilities and equipment	1,710,000	1,224,304	-	1,224,304
Construction and renovation of municipal buildings	1,100,000	350,243	117,085	467,328
Parks and recreation facilities	600,000	537,266	-	537,266
Community development facilities	<u>450,000</u>	<u>1,580</u>	<u>-</u>	<u>1,580</u>
	<u>\$ 7,275,000</u>	<u>\$ 5,128,933</u>	<u>\$ 164,235</u>	<u>\$ 5,293,168</u>

CITY OF HAMPTON, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
SPLOST V:				
Public safety	\$ 375,568	\$ -	\$ -	\$ -
Park(s) improvement and development	521,623	-	5,620	5,620
Green space and trail development	524,094	-	-	-
Roads, sidewalk & right of way improvements to include gateway signage	2,086,489	-	31,275	31,275
Water and sewer enhancements	1,043,244	-	-	-
Capital improvements municipal buildings	<u>1,043,244</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,594,262</u>	<u>\$ -</u>	<u>\$ 36,895</u>	<u>\$ 36,895</u>

CITY OF HAMPTON, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
TSPLOST:				
Elm Street	\$ 850,000	\$ -	\$ -	\$ -
College Street	425,000	-	-	-
Central Avenue	322,000	-	-	-
Lower Woolsey Road	2,200,000	-	-	-
Barham Street	650,000	-	-	-
E. Main Street from Hwy 20 north to City limits	1,200,000	-	-	-
Elm Street from E. Main to Bridge Mill Drive	500,000	-	-	-
McDonough Street	350,000	-	-	-
E. King, McDonough, and Rosenwald Intersection	1,200,000	-	-	-
Hampton-Locust Grove Road and McDonough Street	380,000	-	-	-
Resurfacing Projects – targeted areas	<u>1,400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,477,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the City of Hampton's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends..... <i>These schedules contain trend information to assist the reader in understanding and assessing how the City's current financial performance and well-being have changed over time.</i>	69-80
Revenue Capacity..... <i>These schedules present information to assist the reader in assessing the viability of the City's most significant revenue sources, Local Option Sales Tax (LOST) and coming in FY 23 its "own-source" revenue, property taxes.</i>	81-96
Debt Capacity..... <i>These schedules present information to help the reader analyze the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	97-99
Demographic and Economic Information..... <i>These schedules present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the City operates and (2) to provide information that facilitates comparisons of financial statement information over time and among cities.</i>	100-102
Operating Information..... <i>These schedules contain service and infrastructure data that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.</i>	103-104

Data Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.

City of Hampton, Georgia
Changes in Net Position - Governmental Activities (Unaudited)
Last Ten Fiscal Years ¹
(accrual basis of accounting)

For The Fiscal Year Ended September 30										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
General government	\$ 1,182,582	\$ 1,317,836	\$ 1,245,144	\$ 1,172,958	\$ 1,147,699	\$ 1,181,445	\$ 1,363,357	\$ 1,573,802	\$ 1,670,950	\$ 2,006,449
Judicial	-	-	-	-	-	-	-	288,145	276,156	232,979
Public safety	1,728,792	1,820,514	1,769,199	1,709,560	1,659,633	1,798,110	2,040,964	1,588,664	1,632,213	1,984,256
Public works	715,429	670,821	848,123	1,311,859	1,047,471	826,885	965,218	883,374	941,458	1,207,035
Parks and recreation	44,173	71,810	103,222	110,964	96,877	139,389	210,703	174,451	225,393	287,599
Planning/community development	73,171	91,038	155,602	135,938	144,863	149,135	225,902	249,339	360,966	572,733
Main St/economic development	68,731	69,657	121,028	161,670	212,564	388,954	222,912	125,617	133,875	193,109
Interest on long-term debt	6,028	3,293	572	-	-	1,374	658	-	-	-
Total Expenses	3,818,906	4,044,969	4,242,890	4,602,949	4,309,107	4,485,292	5,029,714	4,883,392	5,241,011	6,484,160
Program Revenues:										
Charges for services:										
General government	13,250	12,000	11,250	17,750	16,597	15,651	16,563	19,556	18,100	18,600
Judicial system	-	-	-	-	-	-	-	-	-	-
Public safety	276,152	297,518	276,109	294,146	338,099	336,697	263,205	308,981	251,217	339,630
Public works	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	8,420	3,179	10,220	7,305
Planning/community development	46,413	9,709	53,407	61,207	137,316	143,984	137,410	143,239	-	1,244,604
Main St/economic development	-	-	-	-	-	3,719	3,288	-	227,025	-
Operating grants and contributions	-	-	-	-	-	-	-	395	247	1,188
Capital grants and contributions	538,639	1,265,374	1,086,981	1,297,450	1,094,369	1,274,454	1,612,444	901,733	1,050,123	7,369,405
Total Program Revenues	874,454	1,584,601	1,427,747	1,670,553	1,586,381	1,774,505	2,041,330	1,377,083	1,556,932	8,980,732
Net (Expense) Revenue	(2,944,452)	(2,460,368)	(2,815,143)	(2,932,396)	(2,722,726)	(2,710,787)	(2,988,384)	(3,506,309)	(3,684,079)	2,496,572
General Revenues:										
Taxes:										
Sales (LOST)	2,764,627	2,763,318	2,569,381	2,187,205	2,347,166	2,518,810	2,616,398	2,965,640	3,385,777	3,788,435
Motor vehicle ad valorem	-	-	-	-	-	-	139,650	182,439	268,346	265,800
Insurance premium	348,093	360,417	374,847	400,462	433,778	463,233	499,574	530,659	559,771	577,269
Public utilities franchise	200,045	203,391	218,717	206,277	239,509	199,822	235,131	320,614	257,942	235,128
Business and occupation	-	-	-	-	137,544	-	120,973	140,778	151,862	159,497
Other	105,916	107,659	121,120	125,364	219,206	165,727	53,915	33,271	85,746	108,367
Unrestricted grants and contributions	-	-	-	-	594,559	33,837	-	-	-	122,511
Miscellaneous	219,184	111,188	253,462	440,157	(57,569)	221,012	109,121	36,465	83,959	61,231
Total General Revenues	3,637,865	3,545,973	3,537,527	3,359,465	3,914,193	3,602,441	3,774,762	4,209,866	4,793,403	5,318,238
Transfers - Net	(941,206)	(124,759)	8,531	253,571	401,996	129,150	34,886	(178,961)	475,811	341,445
Change in Net Position	\$ (247,793)	\$ 960,846	\$ 730,915	\$ 680,640	\$ 1,593,463	\$ 1,020,804	\$ 821,264	\$ 524,596	\$ 1,585,135	\$ 8,156,255

Data Source:

1. Applicable 2013 - 2021 fiscal years annual financial report.
Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Percentage Changes in Net Position-Governmental Activities (Unaudited)
Last Ten Fiscal Years¹
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
General government	31.0%	32.6%	29.3%	25.5%	26.6%	26.3%	27.1%	32.2%	31.9%	30.9%
Judicial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.9%	5.3%	3.6%
Public safety	45.3%	45.0%	41.7%	37.1%	38.5%	40.1%	40.6%	32.5%	31.1%	30.6%
Public works	18.7%	16.6%	20.0%	28.5%	24.3%	18.4%	19.2%	18.1%	18.0%	18.6%
Culture and recreation	1.2%	1.8%	2.4%	2.4%	2.2%	3.1%	4.2%	3.6%	4.3%	4.4%
Economic and community development	1.9%	2.3%	3.7%	3.0%	3.4%	3.3%	4.5%	5.1%	6.9%	8.8%
Interest and fiscal charges	0.2%	0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Expenses	98.2%	98.3%	97.0%	96.5%	95.1%	91.3%	95.6%	97.4%	97.4%	97.0%
Program Revenues:										
Charges for services:										
General government	1.5%	0.8%	0.8%	1.1%	1.0%	0.9%	0.8%	1.4%	1.2%	0.2%
Judicial system	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public safety	31.6%	18.8%	19.3%	17.6%	21.3%	19.0%	12.9%	22.4%	16.1%	3.8%
Public works	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Culture and recreation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.2%	0.7%	0.1%
Economic/community development	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.0%	14.6%	0.0%
Operating grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	6.9%	6.9%	6.9%	6.9%	0.0%
Capital grants and contributions	0.0%	80.0%	76.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	295.2%
Total Program Revenues	33.1%	99.5%	96.2%	18.7%	22.4%	27.0%	21.2%	31.0%	39.4%	299.3%
General Revenues:										
Taxes:										
Property	76.0%	77.9%	72.6%	65.1%	60.0%	69.9%	69.3%	70.4%	70.6%	71.2%
Sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	4.3%	5.6%	5.0%
Public utilities franchise taxes	5.5%	5.7%	6.2%	6.1%	6.1%	5.5%	6.2%	7.6%	5.4%	4.4%
Business taxes	0.0%	0.0%	0.0%	0.0%	3.5%	0.0%	3.2%	3.3%	3.2%	3.0%
Unrestricted grants and contributions	0.0%	0.0%	0.0%	0.0%	15.2%	0.9%	0.0%	0.0%	0.0%	0.0%
Investment earnings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miscellaneous	5.9%	3.2%	7.2%	13.1%	-1.5%	6.1%	2.9%	0.9%	1.8%	1.2%
Total General Revenues	87.4%	86.9%	86.0%	84.3%	83.3%	82.5%	85.3%	86.6%	86.5%	84.8%

Data Source:

1. Applicable 2013 - 2021 fiscal years annual financial report.
- Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Changes in Net Position- Business-type Activities - Unaudited
Last Ten Fiscal Years
(accrual basis of accounting)

Source	For The Fiscal Year Ended September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Water and sewer	\$ 2,294,667	\$ 2,165,814	\$ 2,337,323	\$ 2,511,262	\$ 2,329,654	\$ 2,338,777	\$ 2,390,784	\$ 2,256,484	\$ 2,216,707	\$ 2,590,990
Electrical system	3,121,894	3,140,996	3,427,841	3,448,180	3,404,171	3,317,715	3,896,865	3,796,668	3,842,115	4,614,480
Sanitation	334,678	352,361	378,968	409,140	385,026	471,114	509,971	485,376	429,961	626,090
Total Expenses	5,751,239	5,659,171	6,144,132	6,368,582	6,118,851	6,127,606	6,797,620	6,538,528	6,488,783	7,831,560
Program Revenues:										
Charges for services:										
Water and sewer	2,277,214	2,326,330	2,398,327	2,515,353	2,685,664	2,742,213	2,685,698	2,322,734	2,272,912	2,562,254
Electrical system	2,991,731	3,122,127	3,367,970	3,519,827	3,544,712	3,724,218	3,856,603	3,718,347	3,802,586	4,258,459
Sanitation	379,534	380,564	391,957	401,739	414,101	429,394	439,222	466,242	582,571	582,908
Total Program Revenues	5,648,479	5,829,021	6,158,254	6,436,919	6,644,477	6,895,825	6,981,523	6,507,323	6,658,069	7,403,621
Net (Expense) Revenue	(102,760)	169,850	14,122	68,337	525,626	768,219	183,903	(31,205)	169,286	(427,939)
General Revenues:										
Investment earnings	1,280	986	1,062	1,368	1,743	2,509	2,898	2,453	1,367	5,961
Gain (loss) on sale of capital assets	(588,973)	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	348,721	23,452	329,088	265,024	389,862	248,204	329,372	958,880	1,332,443	3,045,788
Total General Revenues	(238,972)	24,438	330,150	266,392	391,605	250,713	332,270	961,333	1,333,810	3,051,749
Net Transfers (Out) In	941,206	124,759	(8,531)	(253,571)	(401,996)	(129,150)	(34,886)	178,961	(475,811)	(341,445)
Change in Net Position	\$ 599,474	\$ 319,047	\$ 335,741	\$ 81,158	\$ 515,235	\$ 889,782	\$ 481,287	\$ 1,109,089	\$ 1,027,285	\$ 2,282,365

Data Source:

Applicable 2013 - 2021 fiscal years annual financial report.
Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Changes in Net Position - Total (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

Source	For the Fiscal Year Ended September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities ¹	\$ 3,818,906	\$ 4,044,969	\$ 4,242,890	\$ 4,602,949	\$ 4,309,107	\$ 4,485,292	\$ 5,029,714	\$ 4,883,392	\$ 5,241,011	\$ 6,484,160
Business-type activities ²	5,751,239	5,659,171	6,144,132	6,368,582	6,118,851	6,127,606	6,797,620	6,538,528	6,488,783	7,831,560
Total Expenses	9,570,145	9,704,140	10,387,022	10,971,531	10,427,958	10,612,898	11,827,334	11,421,920	11,729,794	14,315,720
Program Revenues:										
Governmental activities ¹	874,454	1,584,601	1,427,747	1,670,553	1,586,381	1,774,505	2,041,330	1,377,083	1,556,932	8,980,732
Business-type activities ²	5,648,479	5,829,021	6,158,254	6,436,919	6,644,477	6,895,825	6,981,523	6,507,323	6,658,069	7,403,621
Total Program Revenues	6,522,933	7,413,622	7,586,001	8,107,472	8,230,858	8,670,330	9,022,853	7,884,406	8,215,001	16,384,353
Net (Expense) Revenue	(3,047,212)	(2,290,518)	(2,801,021)	(2,864,059)	(2,197,100)	(1,942,568)	(2,804,481)	(3,537,514)	(3,514,793)	2,068,633
General Revenues:										
Governmental activities ¹	3,637,865	3,545,973	3,537,527	3,359,465	3,914,193	3,602,441	3,774,762	4,209,866	4,793,403	5,318,238
Business-type activities ²	(238,972)	24,438	330,150	266,392	391,605	250,713	332,270	961,333	1,333,810	3,051,749
Total General Revenues	3,398,893	3,570,411	3,867,677	3,625,857	4,305,798	3,853,154	4,107,032	5,171,199	6,127,213	8,369,987
Change in Net Position	\$ 351,681	\$ 1,279,893	\$ 1,066,656	\$ 761,798	\$ 2,108,698	\$ 1,910,586	\$ 1,302,551	\$ 1,633,685	\$ 2,612,420	\$ 10,438,620

Notes:

¹See Exhibit I

²See Exhibit III

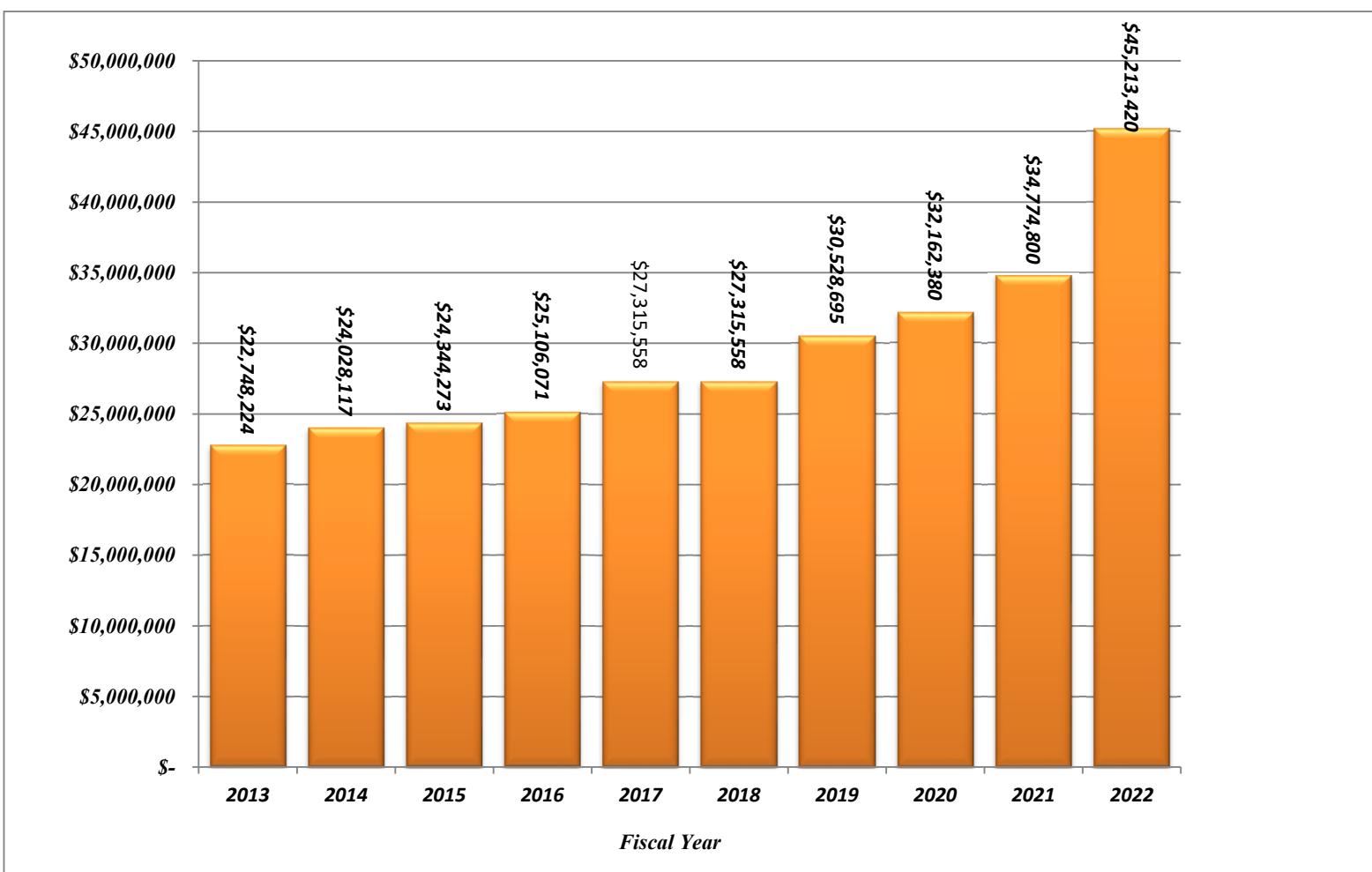
City of Hampton, Georgia
Governmental-wide Net Position by Category ¹ - (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net invested in capital assets,	\$ 5,883,750	\$ 6,951,347	\$ 7,258,397	\$ 7,658,985	\$ 7,641,294	\$ 8,457,009	\$ 8,296,941	\$ 8,389,978	\$ 10,875,440	\$ 12,662,180
Restricted	524,448	617,684	1,312,459	1,583,266	2,106,196	2,690,874	4,187,497	4,377,307	1,856,218	7,439,303
Unrestricted	7,497,135	7,297,148	6,561,904	6,571,149	7,760,162	7,380,573	6,865,282	7,107,031	8,727,793	9,514,223
Subtotal Governmental Activities Net Position	13,905,333	14,866,179	15,132,760	15,813,400	17,507,652	18,528,456	19,349,720	19,874,316	21,459,451	29,615,706
Business-type Activities										
Net invested in capital assets,	\$ 7,116,278	\$ 7,672,448	\$ 7,594,772	\$ 7,471,317	\$ 7,463,874	\$ 8,789,113	\$ 8,900,630	\$ 9,905,219	\$ 10,078,492	\$ 10,094,770
Restricted	-	-	-	-	-	-	2,146,197	2,189,679	2,303,929	4,348,218
Unrestricted	1,726,613	1,489,490	1,616,741	1,821,354	2,344,032	1,908,575	132,148	193,166	932,928	1,154,726
Subtotal Business-type Activities Net Position	8,842,891	9,161,938	9,211,513	9,292,671	9,807,906	10,697,688	11,178,975	12,288,064	13,315,349	15,597,714
Primary Government										
Net invested in capital assets,	13,000,028	14,623,795	14,853,169	15,130,302	15,105,168	17,246,122	17,197,571	18,295,197	20,953,932	22,756,950
Restricted	524,448	617,684	1,312,459	1,583,266	2,106,196	2,690,874	6,333,694	6,566,986	4,160,147	11,787,521
Unrestricted	9,223,748	8,786,638	8,178,645	8,392,503	10,104,194	9,289,148	6,997,430	7,300,197	9,660,721	10,668,949
Total Primary Government Net Position	\$ 22,748,224	\$ 24,028,117	\$ 24,344,273	\$ 25,106,071	\$ 27,315,558	\$ 29,226,144	\$ 30,528,695	\$ 32,162,380	\$ 34,774,800	\$ 45,213,420

Notes:

¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net positions are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.

City of Hampton, Georgia
Chart-Total Government-wide Net Position - (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)



City of Hampton, Georgia
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

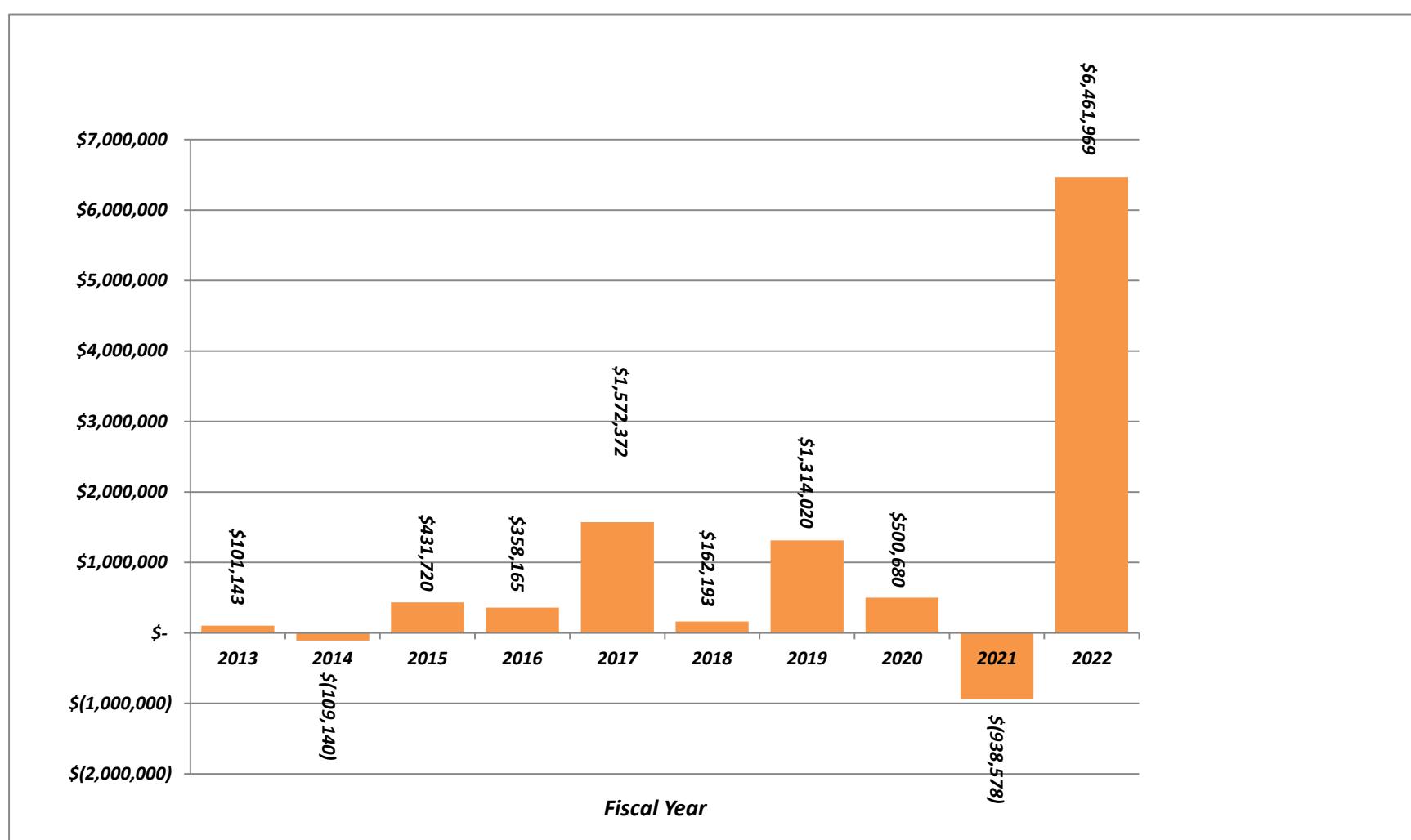
Source	For the Fiscal Year Ended September 30,										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Total Revenues	\$ 4,512,319	\$ 5,130,574	\$ 4,965,274	\$ 5,030,018	\$ 5,582,084	\$ 5,425,919	\$ 5,824,492	\$ 5,586,949	\$ 6,350,335	\$ 14,020,232	
Total Expenditures	3,496,412	5,114,955	4,542,085	4,925,424	4,363,115	5,460,285	4,536,958	4,975,305	7,764,724	8,178,446	
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,015,907	15,619	423,189	104,594	1,218,969	(34,366)	1,287,534	611,644	(1,414,389)	5,841,786	
Other Financing Sources (Uses)											
Sale of capital assets	-	-	-	-	(81,510)	67,409	(8,400)	-	-	28,738	
Inception of capital lease	26,442	-	-	-	32,917	-	-	67,997	-	-	
Issuance of bonds	-	-	-	-	-	-	-	-	-	-	
Capital contribution	-	-	-	-	-	-	-	-	-	250,000	
Transfers in (out)	(941,206)	(124,759)	8,531	253,571	401,996	129,150	34,886	(178,961)	475,811	341,445	
Total Other Financing Sources (Uses)	(914,764)	(124,759)	8,531	253,571	353,403	196,559	26,486	(110,964)	475,811	620,183	
Net Change in Fund Balances	\$ 101,143	\$ (109,140)	\$ 431,720	\$ 358,165	\$ 1,572,372	\$ 162,193	\$ 1,314,020	\$ 500,680	\$ (938,578)	\$ 6,461,969	

Data Source:

Applicable 2013 - 2021 fiscal years annual financial report

Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Chart-Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



City of Hampton, Georgia
Fund Balances - Governmental Funds (Unaudited)
Fiscal Years 2013 - 2022
(modified accrual basis of accounting)

At September 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-expandable	\$ 73,625	\$ 25,277	\$ 23,766	\$ -	\$ 34,778	\$ 31,988	\$ 510	\$ 16,429	\$ 61,789	\$ 12,102
Restricted	9	49	49	48	49	30,049	421,710	563,083	175,837	951,832
Assigned	-	-	-	-	-	-	5,500	-	2,871,927	1,394,788
Unassigned	7,479,158	7,001,513	7,054,964	7,162,288	7,691,865	7,358,196	6,981,995	7,785,393	6,180,014	7,988,765
Subtotal General Fund	7,552,792	7,026,839	7,078,779	7,162,336	7,726,692	7,420,233	7,409,715	8,364,905	9,289,567	10,347,487
General Fund Percentage Change	-59.1%	-7.0%	0.7%	1.2%	7.9%	-4.0%	-0.1%	12.9%	11.1%	11.4%
All Other Governmental Funds										
Restricted										
Special Revenue Funds	541,536	343,576	28,536	29,519	615,395	529,369	780,314	544,953	563,392	859,921
Capital Projects Funds	-	614,773	1,309,593	1,583,218	2,106,147	2,660,825	3,734,418	3,515,269	1,633,590	6,741,110
Subtotal All Other Governmental Funds	541,536	958,349	1,338,129	1,612,737	2,721,542	3,190,194	4,514,732	4,060,222	2,196,982	7,601,031
All Other Governmental Funds Percentage Change	-344.7%	77.0%	39.6%	20.5%	68.8%	17.2%	41.5%	-10.1%	-45.9%	246.0%
Total Governmental Funds										
Non-expandable	73,625	25,277	23,766	-	34,778	31,988	510	16,429	61,789	12,102
Restricted	541,545	343,625	28,585	29,567	615,444	559,418	1,202,024	1,108,036	739,229	8,552,863
Assigned	-	614,773	1,309,593	1,583,218	2,106,147	2,660,825	3,739,918	3,515,269	4,505,517	1,394,788
Unassigned	7,479,158	7,001,513	7,054,964	7,162,288	7,691,865	7,358,196	6,981,995	7,785,393	6,180,014	7,988,765
Total Governmental Funds	\$ 8,094,328	\$ 7,985,188	\$ 8,416,908	\$ 8,775,073	\$ 10,448,234	\$ 10,610,427	\$ 11,924,447	\$ 12,425,127	\$ 11,486,549	\$ 17,948,518
All Governmental Funds Percentage Change	-170.2%	-1.3%	5.4%	4.3%	19.1%	1.6%	12.4%	4.2%	-7.6%	56.3%

Data Source:

Applicable 2013 - 2021 fiscal years annual financial report

Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
General Governmental Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended September 30

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Current:										
General government	\$ 1,153,286	\$ 1,227,863	\$ 1,214,663	\$ 1,121,230	\$ 1,106,507	\$ 1,155,815	\$ 1,304,532	\$ 1,475,559	\$ 1,572,959	\$ 1,890,932
Judicial	123,817	126,652	119,920	115,529	152,442	124,190	162,931	162,294	163,367	212,979
Public safety	1,461,748	1,567,213	1,436,911	1,375,012	1,411,728	1,491,262	1,490,131	1,588,664	1,612,960	1,826,148
Public works	277,763	275,879	263,366	334,380	369,502	413,837	426,690	352,360	484,881	677,721
Parks and recreation	11,473	27,283	60,902	50,969	37,565	89,831	135,006	122,000	163,006	173,860
Planning/community development	70,257	81,496	136,251	125,432	138,097	144,980	192,376	243,105	355,574	564,959
Main St/economic development	69,438	70,765	118,958	153,526	206,765	343,855	212,917	118,284	127,604	187,775
Total Current	3,167,782	3,377,151	3,350,971	3,276,078	3,422,606	3,763,770	3,924,583	4,062,266	4,480,351	5,534,374
% Change From Prior Year	N/A	6.6%	-0.8%	-2.2%	4.5%	10.0%	4.3%	3.5%	10.3%	23.5%
Capital Outlay	249,135	1,689,861	1,181,740	1,649,346	928,892	1,684,801	600,757	904,540	3,250,374	2,618,573
% Change From Prior Year	N/A	578.3%	-30.1%	39.6%	-43.7%	81.4%	-64.3%	50.6%	259.3%	-19.4%
Debt Service										
Principal	73,467	44,650	9,374	-	11,617	10,340	10,960	8,499	33,999	25,499
Interest and fees	6,028	3,293	-	-	-	1,374	658	-	-	-
Total Debt Service	79,495	47,943	9,374	-	11,617	11,714	11,618	8,499	33,999	25,499
% Change From Prior Year	N/A	-39.7%	-80.4%	-100.0%	#DIV/0!	0.8%	-0.8%	-26.8%	300.0%	-25.0%
Total Expenditures	\$ 3,496,412	\$ 5,114,955	\$ 4,542,085	\$ 4,925,424	\$ 4,363,115	\$ 5,460,285	\$ 4,536,958	\$ 4,975,305	\$ 7,764,724	\$ 8,178,446
% Change From Prior Year	N/A	46.3%	-11.2%	8.4%	-11.4%	25.1%	-16.9%	9.7%	56.1%	5.3%
Debt Service as a % of Noncapital Expenditures	2.4%	1.4%	0.3%	0.0%	0.3%	0.3%	0.3%	0.2%	0.8%	0.5%

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable 2013 - 2021 fiscal years annual financial report

Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
General Governmental Current Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Year Ended September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Current:										
General government	\$ 1,153,286	\$ 1,227,863	\$ 1,214,663	\$ 1,121,230	\$ 1,106,507	\$ 1,155,815	\$ 1,304,532	\$ 1,475,559	\$ 1,572,959	\$ 1,890,932
Judicial	123,817	126,652	119,920	115,529	152,442	124,190	162,931	162,294	163,367	212,979
Public safety	1,461,748	1,567,213	1,436,911	1,375,012	1,411,728	1,491,262	1,490,131	1,588,664	1,612,960	1,826,148
Public works	277,763	275,879	263,366	334,380	369,502	413,837	426,690	352,360	484,881	677,721
Parks, recreation and culture	11,473	27,283	60,902	50,969	37,565	89,831	135,006	122,000	163,006	173,860
Planning/community develop.	-	81,496	136,251	125,432	138,097	144,980	192,376	243,105	355,574	564,959
Main St./economic develop.	69,438	70,765	118,958	153,526	206,765	343,855	212,917	118,284	127,604	187,775
Debt service	79,495	47,943	9,374	-	11,617	11,714	11,618	8,499	33,999	25,499
Total Current	\$ 3,177,020	\$ 3,425,094	\$ 3,360,345	\$ 3,276,078	\$ 3,434,223	\$ 3,775,484	\$ 3,936,201	\$ 4,070,765	\$ 4,514,350	\$ 5,559,873
Current:										
General government	36.3%	35.8%	36.1%	34.2%	32.2%	30.6%	33.1%	36.2%	34.8%	34.0%
Judicial	3.9%	3.7%	3.6%	3.5%	4.4%	3.3%	4.1%	4.0%	3.6%	3.8%
Public safety	46.0%	45.8%	42.8%	42.0%	41.1%	39.5%	37.9%	39.0%	35.7%	32.8%
Public works	8.7%	8.1%	7.8%	10.2%	10.8%	11.0%	10.8%	8.7%	10.7%	12.2%
Parks, recreation and culture	0.4%	0.8%	1.8%	1.6%	1.1%	2.4%	3.4%	3.0%	3.6%	3.1%
Planning/community development	2.2%	2.1%	3.5%	4.7%	6.0%	9.1%	5.4%	2.9%	2.8%	3.4%
Debt service	3%	1%	0%	0%	0%	0%	0%	0%	1%	0%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

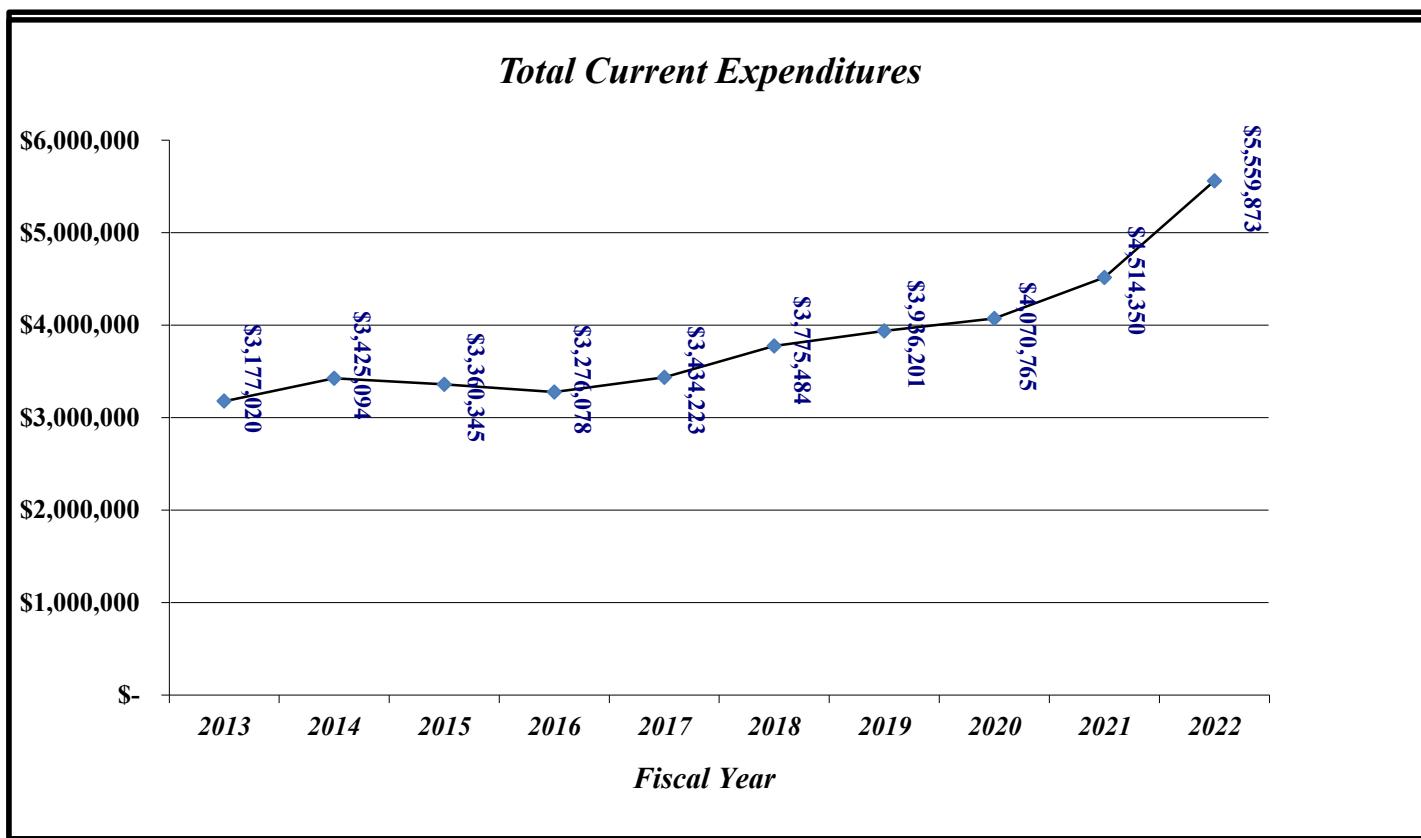
Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable 2013 - 2021 fiscal years annual financial report
Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Chart-Total General Governmental Current Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)



City of Hampton, Georgia
General Governmental Revenues by Source (Unaudited) ^{1, 2}
Last Ten Fiscal Years
(modified accrual basis of accounting)

Revenue Source	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Taxes	\$ 3,418,681	\$ 3,434,785	\$ 3,284,065	\$ 2,919,308	\$ 3,157,997	\$ 3,347,592	\$ 3,665,641	\$ 4,173,401	\$ 4,709,444	\$ 5,134,496
Licenses and permits	59,663	21,709	64,657	78,957	153,913	159,635	153,973	162,795	245,125	1,263,204
Intergovernmental	538,494	1,264,520	1,085,938	1,295,533	1,091,763	1,271,376	1,467,854	887,527	1,046,550	6,127,456
Impact fees	176,041	89,454	232,344	419,202	219,206	250,134	139,983	10,756	2,187	987,153
Charges for services	-	-	-	-	-	2,519	-	-	-	-
Fines and forfeitures	276,152	297,518	276,109	294,146	338,099	336,697	263,205	308,981	251,217	339,630
Investment earnings	43,288	22,588	22,161	22,872	26,547	22,929	75,695	20,903	27,963	37,289
Contributions not restricted for specific programs	-	-	-	-	594,559	33,837	3,288	395	247	1,188
Miscellaneous	-	-	-	-	-	1,200	54,853	22,191	67,602	129,816
Total revenues	<u>\$ 4,512,319</u>	<u>\$ 5,130,574</u>	<u>\$ 4,965,274</u>	<u>\$ 5,030,018</u>	<u>\$ 5,582,084</u>	<u>\$ 5,425,919</u>	<u>\$ 5,824,492</u>	<u>\$ 5,586,949</u>	<u>\$ 6,350,335</u>	<u>\$ 14,020,232</u>
% change from prior year	<u>1910.3%</u>	<u>13.7%</u>	<u>-3.2%</u>	<u>1.3%</u>	<u>11.0%</u>	<u>-2.8%</u>	<u>7.3%</u>	<u>-4.1%</u>	<u>13.7%</u>	<u>120.8%</u>
Taxes	75.8%	66.9%	66.1%	58.0%	56.6%	61.7%	62.9%	74.7%	74.2%	36.6%
Licenses and permits	1.3%	0.4%	1.3%	1.6%	2.8%	2.9%	2.6%	2.9%	3.9%	9.0%
Intergovernmental	11.9%	24.6%	21.9%	25.8%	19.6%	23.4%	25.2%	15.9%	16.5%	43.7%
Impact fees	3.9%	1.7%	4.7%	8.3%	3.9%	4.6%	2.4%	0.2%	0.0%	7.0%
Charges for services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fines and forfeitures	6.1%	5.8%	5.6%	5.8%	6.1%	6.2%	4.5%	5.5%	4.0%	2.4%
Investment earnings	1.0%	0.4%	0.4%	0.5%	0.5%	0.4%	1.3%	0.4%	0.4%	0.3%
Contributions not restricted for specific programs	0.0%	0.0%	0.0%	0.0%	10.7%	0.6%	0.1%	0.0%	0.0%	0.0%
Miscellaneous	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.4%	1.1%	0.9%
Total revenues	<u>100.0%</u>									

Notes:

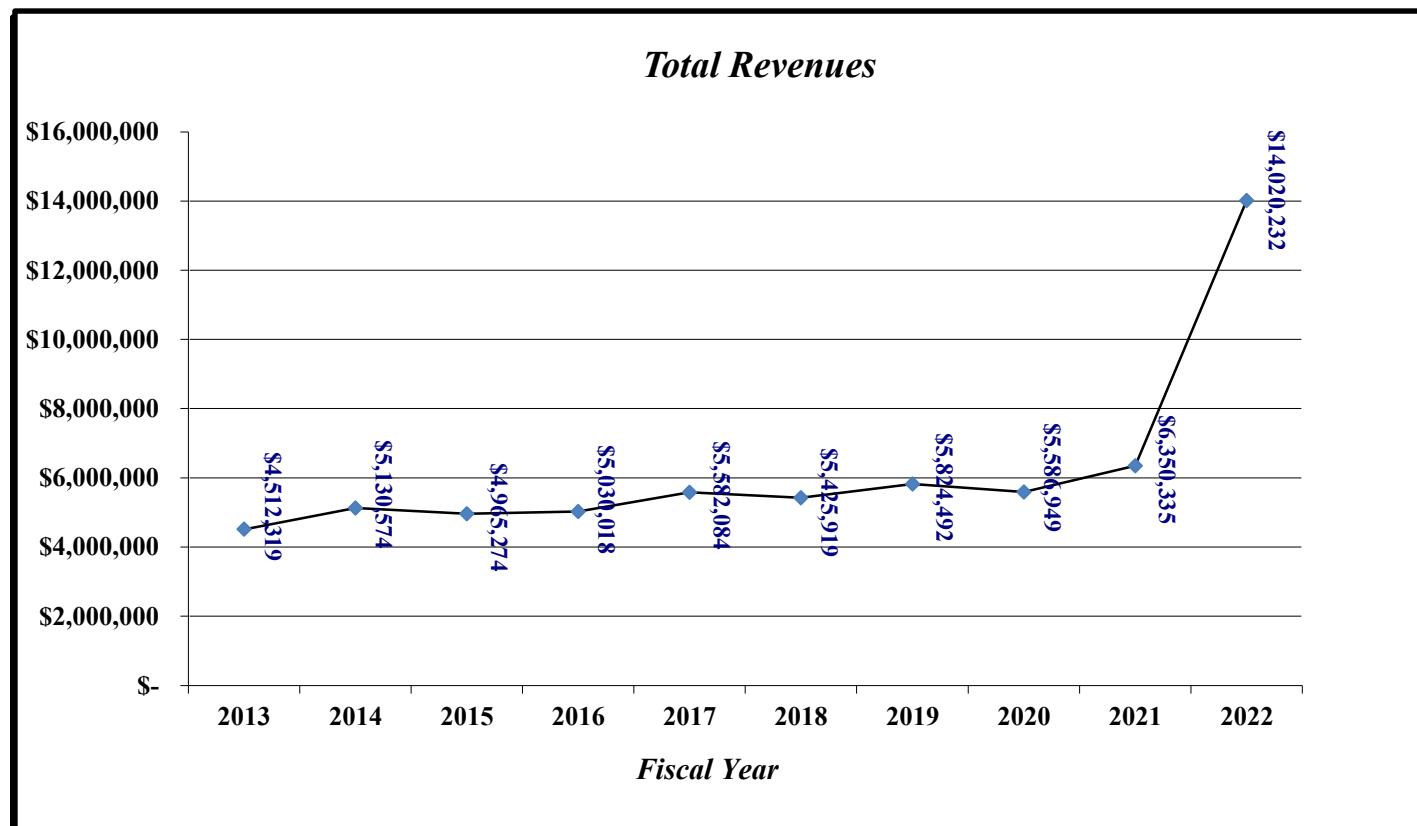
¹ Includes all governmental fund types.

Data Source:

2 Applicable 2013 - 2021 fiscal years annual financial report

Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Chart-Total General Governmental Revenues - (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



City of Hampton, Georgia
Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

For The Fiscal Year Ended September 30,	Local Option Sales Taxes	Motor Vehicle Ad Valorem Tax	Insurance Premium Taxes	Franchise Taxes	Other¹ Taxes	Total
2013	\$ 2,764,627	\$ -	\$ 348,093	\$ 200,045	\$ 105,916	\$ 3,418,681
2014	\$ 2,763,318	\$ -	\$ 360,417	\$ 203,391	\$ 107,659	\$ 3,434,785
2015	\$ 2,569,381	\$ -	\$ 374,847	\$ 218,717	\$ 121,120	\$ 3,284,065
2016	\$ 2,187,205	\$ -	\$ 400,462	\$ 206,277	\$ 125,364	\$ 2,919,308
2017	\$ 2,347,166	\$ -	\$ 433,778	\$ 239,509	\$ 137,544	\$ 3,157,997
2018	\$ 2,518,810	\$ -	\$ 463,233	\$ 199,822	\$ 165,727	\$ 3,347,592
2019	\$ 2,616,398	\$ 139,650	\$ 499,574	\$ 235,131	\$ 174,888	\$ 3,665,641
2000	\$ 2,965,640	\$ 182,439	\$ 530,659	\$ 320,614	\$ 174,049	\$ 4,173,401
2021	\$ 3,385,777	\$ 268,346	\$ 559,771	\$ 257,942	\$ 237,608	\$ 4,709,444
2022	\$ 3,788,435	\$ 265,800	\$ 577,269	\$ 235,128	\$ 267,864	\$ 5,134,496

% Change in Dollars						
Over 10 Years	11.9%	-0.9%	-8.8%	12.7%	9.0%	
Percentage of Total						
2013	80.9%	0.0%	0.10	5.9%	3.1%	100.0%
2014	80.5%	0.0%	0.10	5.9%	3.1%	100.0%
2015	78.2%	0.0%	0.11	6.7%	3.7%	100.0%
2016	74.9%	0.0%	0.14	7.1%	4.3%	100.0%
2017	74.3%	0.0%	0.14	7.6%	4.4%	100.0%
2018	75.2%	0.0%	0.14	6.0%	5.0%	100.0%
2019	71.4%	3.8%	0.14	6.4%	4.8%	100.0%
2000	71.1%	4.4%	0.13	7.7%	4.2%	100.0%
2021	71.9%	5.7%	0.12	5.5%	5.0%	100.0%
2022	73.8%	5.2%	0.11	4.6%	5.2%	100.0%

Notes:

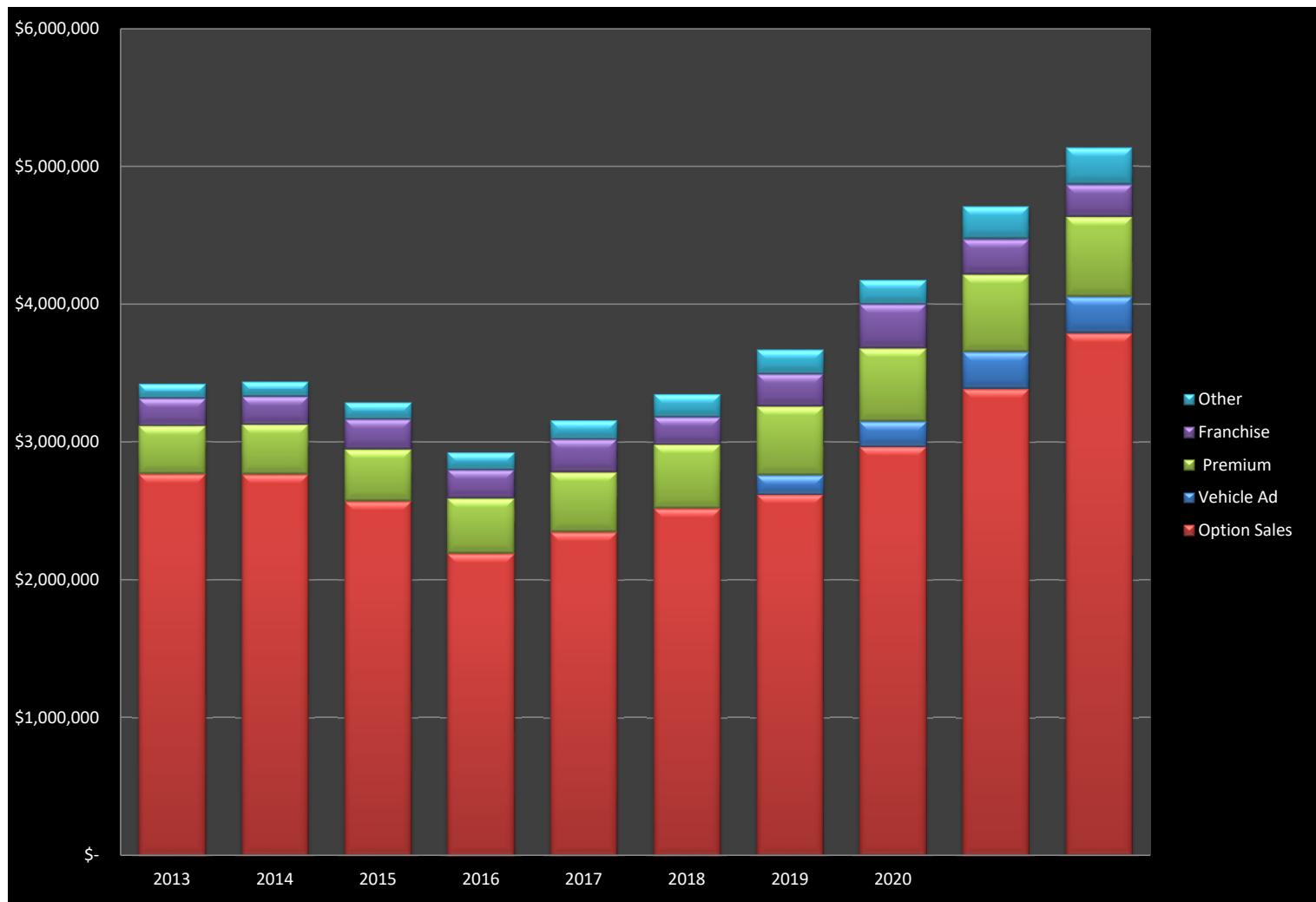
¹ Includes alcoholic beverage taxes, hotel/motel taxes and other taxes.

Data Source:

2 Applicable 2013 - 2021 fiscal years annual financial report

Fiscal year 2022 annual comprehensive financial report.

City of Hampton, Georgia
Chart-Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



City of Hampton, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended Sept 30,				Motor Vehicle	Less Timber Agricultural	Tax-Exempt Property	Total Taxable Assessed Value	Taxable Assessed Value as a Percentage of Estimated Actual Value	Estimated Actual Value of Taxable Property	Total Direct Rate
	Residential	Commercial	Industrial							
2022	\$ 236,085,473	\$ 18,918,985	\$ 23,809,283	\$ 3,834,275	\$ 12,753,220	\$ 269,894,796	40.00%	\$ 674,736,990	4.50	

Data Sources: Henry County Assessor's Office

Note 1: Property in the City is assessed annually. Tax rates are per \$1,000 of assessed value.

Note 2: Tax Year 2022 which falls in FY2023 is the first tax over the rollback millage rate instituted within the last couple of decades.

Note 3: The 2022 tax roll by ordinance was specifically linked to fund fiscal year 2023 budgeted appropriation.

City of Hampton, Georgia
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended Sept 30,	City of Hampton, GA			Overlapping rates					Total Direct and Overlapping	
				Henry County						
	Operating Millage	Debt Service Millage	Total Direct Rate	School District	School Debt	Henry County	Water (1) Authority	Total County		
2022	4.500	0.000	4.500	20.000	3.628	10.578	2.000	36.206	40.706	

Data Sources: Henry County Assessor's Office

Note 1: Henry County Water Authority

Note 2: First year in decades since a millage was implemented.

City of Hampton, Georgia
Property Tax Levies and Collections
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended Sept 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2022	1,214,527	36,058	0.030	1,173,147	1,209,205	0.996

Data Sources:

Henry County Assessor's Office and
the City's Finance Department

Note 1: First year in decades since a millage was implemented.

City of Hampton, Georgia
Principal Property Taxpayers
Current Year

Taxpayer	2022 (1)			Percentage of Total Assessed Valuation
	Taxable Assessed Valuation	Rank		
Southern States Inc	\$ 11,435,373	1		4.24%
THLJ Investments LLLP	4,560,070	2		1.69%
Southern States LLC	3,240,720	3		1.20%
CP Logistic Archer LLC	2,765,760	4		1.02%
Georgia Transmission Corp	1,876,760	5		0.70%
Clover Ranch MHC LLC	1,520,440	6		0.56%
Atlanta Gas Light Company	1,325,361	7		0.49%
American Home 4 Rent Prop Eight LLC	1,258,200	8		0.47%
Hampton Court LP	1,200,000	9		0.44%
Progress Atlanta LLC	1,198,200	10		0.44%
	<hr/>			<hr/>
	\$ 30,380,884			11.26%
All Other Customers	<hr/>			<hr/>
	<hr/>			<hr/>
Total	\$ 269,894,796			100.00%
	<hr/>			<hr/>

Data Source:

Henry County Tax Assessor's Office

Note 1: Current year ONLY as there was no tax roll between 2013 and 2021

City of Hampton, Georgia
Capital Contributions from Developers and Impact Fees
Last Ten Fiscal Years

Fiscal Year	Impact Fees			Connection Fees						Contribution for				
	Public Safety	Park & Recreation	Total Impact	Sewer	Water	Electric	Total Connection	Electrical Development Fees	Project Improvements	In-Kind Contributions	Grand Total			
2013	\$ 13,978	\$ 119,438	\$ 133,416	\$ 220,387	\$ 72,670	\$ 55,664	\$ 348,721	\$ -	\$ -	\$ -	\$ 482,137			
2014	1,833	15,665	17,498	20,802	2,650	-	23,452	-	-	-	40,950			
2015	10,540	88,114	98,654	251,692	44,862	32,534	329,088	-	-	-	427,742			
2016	7,791	66,575	74,366	199,689	38,879	26,656	265,224	-	-	-	339,590			
2017	15,582	131,192	146,774	295,967	55,089	38,306	389,362	-	-	-	536,136			
2018	15,352	131,192	146,544	189,586	34,314	24,304	248,204	-	-	-	394,748			
2019	14,665	125,318	139,983	299,580	41,316	29,792	370,688	-	-	-	510,671			
2020	966	9,790	10,756	899,612	14,580	44,688	958,880	-	-	-	969,636			
2021	229	1,958	2,187	758,709	493,462	80,272	1,332,443	-	-	-	1,334,630			
2022	339,564	647,589	987,153	1,515,009	831,805	314,074	2,660,888	384,900 *	250,000	-	4,282,941			
	\$ 420,500	\$ 1,336,831	\$ 1,757,331	\$ 4,651,033	\$ 1,629,627	\$ 646,290	\$ 6,926,950	\$ 384,900	\$ 250,000	\$ -	\$ 9,319,181			

Data Source:

City of Hampton's Finance Department historical records.

* This is first year Electrical Development fees have be operative.

City of Hampton, Georgia
Number of Utility Customer Accounts at Year-end
By Service
Last Ten Fiscal Years

Fiscal Year	Electric		Water		Sewer		Total	
	Number of Accounts	% Change						
2013	2,039	0.6%	2,170	0.7%	2,063	1.2%	6,272	0.8%
2014	2,114	3.7%	2,250	3.7%	2,130	3.2%	6,494	3.5%
2015	2,168	2.6%	2,295	2.0%	2,168	1.8%	6,631	2.1%
2016	2,195	1.2%	2,329	1.5%	2,203	1.6%	6,727	1.4%
2017	2,259	2.9%	2,376	2.0%	2,252	2.2%	6,887	2.4%
2018	2,282	1.0%	2,403	1.1%	2,279	1.2%	6,964	1.1%
2019	2,335	2.3%	2,488	3.5%	2,351	3.2%	7,174	3.0%
2020	2,363	1.2%	2,508	0.8%	2,378	1.1%	7,249	1.0%
2021	2,377	0.6%	2,498	-0.4%	2,381	0.1%	7,256	0.1%
2022	2,524	6.2%	2,627	5.2%	2,430	2.1%	7,581	4.5%

Data Source:

City of Hampton's Finance Department historical financial records from Customer Service department.

City of Hampton, Georgia

Electric Service Rates

Last Ten Fiscal Years

For the Fiscal Year Ended September 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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All Customers

Base Charge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10.0000
First 1000 kWh		0.11000	0.11000	0.10150	0.107724	0.107724	0.107724	0.107724	0.107724	0.1084870
Over 1000 kWh		0.11000	0.11000	0.10150	0.107724	0.107724	0.107724	0.107724	0.107724	0.1084870

Small Power

Base Charge	\$15.00
First 3,000 kWh	0.1156980
over 3,000 kWh	0.1350000

Large Power

Base Charge	\$25.000
0-3,000 kWh	0.1157050
3,001-10,000 kWh	0.1137050
10,001-50,000 kWh	0.1117050
Over 50,000 kWh	0.1170500

Data Source:

City of Hampton's Finance Department.

City of Hampton, Georgia
Ten Largest Customers - Electric Service
Fiscal Years 2022 & 2013

Rank	Customer	Fiscal Year 2022					Fiscal Year 2013				
		KWH Used (1)	KWH %	Amount	Dollar %	Customer	KWH Used (1)	KWH %	Amount	Dollar %	
1	Henry County Library 10-01800-02	236,160	0.67%	\$ 26,987	0.70%	Henry County Library 10-01800-02	199,800	0.56%	\$ 21,978	0.8%	
2	Bell South Hampton 10-19800-01	384,880	1.10%	42,305	1.10%	Hampton Post Office 20-31500-02	267,760	0.75%	\$ 19,071	0.7%	
3	Bimal Patel 10-20250-04	113,084	0.32%	12,926	0.34%	First National Bank 20-31252-01	151,840	0.43%	\$ 10,841	0.4%	
4	Tierra Mia Mexican Cuisine 10-22300-03	123,406	0.35%	15,302	0.40%	Hampton Elementary 20-13700-01	617,120	1.74%	\$ 43,876	1.5%	
5	Aaniya Gas and Food 10-23300-03	103,473	0.29%	12,837	0.33%	Fire Station 10-23900-01	73,520	0.21%	\$ 5,280	0.2%	
6	Circle K Stores	141,000	0.40%	10,426	0.27%	Aaniya Gas and Food 10-23300-03	140,651	0.40%	\$ 10,046	0.4%	
7	Hampton Elementary 20-13700-01	587,600	1.68%	66,690	1.74%	Hampton United Methodist 40-35100-01	67,760	0.19%	\$ 4,811	0.2%	
8	Southern States 20-17400-03	173,720	0.50%	19,642	0.51%	Calvary Baptist 40-35000-01	48,265	0.14%	\$ 3,487	0.1%	
9	First National Bank 20-31252-01	100,880	0.29%	11,486	0.30%	Circle K Stores 30-16500-02	183,600	0.52%	\$ 13,096	0.5%	
10	Hampton Post Office 20-31500-02	206,080	0.59%	23,216	0.60%	Drasti	78,132	0.22%	\$ 5,991	0.2%	
Total Ten Largest Customers		2,170,283	6.19%	241,817	6.29%	Total Ten Largest Customers	1,828,448	5.15%	138,475	4.9%	
All Other Customers		32,905,471	93.81%	3,601,208	93.71%	All Other Customers	33,702,517	94.85%	2,714,117	95.1%	
Total		35,075,754	100.00%	\$ 3,843,025	100.00%	Total	35,530,965	100.00%	\$ 2,852,592	100.0%	

Notes:

¹ Presented in order of KWH used.

Data Source:

City of Hampton's Finance Department

City of Hampton, Georgia
Water Service Rates
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Inside city: Gallons									
Minimum charge	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25
0-6K	\$ 4.41	\$ 4.41	\$ 4.69	\$ 4.79	\$ 4.79	\$ 4.79	\$ 4.79	\$ 4.79	\$ 4.79
6,001K-10K	\$ 5.98	\$ 5.98	\$ 6.36	\$ 6.74	\$ 6.74	\$ 6.74	\$ 6.74	\$ 6.74	\$ 6.74
10,0001 & over	\$ 8.75	\$ 8.75	\$ 9.31	\$ 9.87	\$ 9.87	\$ 9.87	\$ 9.87	\$ 9.87	\$ 9.87
2022									
	<i>Residential</i>	<i>Small Commercial</i>		<i>Large Commercial</i>		<i>Government</i>			
Minimum charge	\$ 11.00	\$ 25.00		\$ 25.00		\$ 11.00			
0-4k	\$ 5.05	\$ 4.74	0-80k	\$ 9.20	all k	\$ 9.20			
4001-8k	\$ 6.31	\$ 5.92	over 80k	\$ 11.50					
over 8k	\$ 7.57	\$ 7.11							

Data Source:

City of Hampton's Customer Service Department

City of Hampton, Georgia
Ten Largest Customers - Water Service
Fiscal Years 2022 & 2013

Rank	Customer	Fiscal Year 2022			Fiscal Year 2013		
		Consumption Gallons	%	Customer	Consumption Gallons	%	
1	Bedrock Communities 40-12901-04 & 40-12900-04	20,932,390	9.8%	Clover Ranch	13,966,000	8.6%	
2	FAA 40-55800-01 40-55900-01	1,857,240	0.9%	FAA 40-55800-01 40-55900-01	4,337,130	2.7%	
3	Wendys 40-55200-04	484,810	0.2%	Wendys 40-55200-04	211,300	0.1%	
4	Hampton Car Wash 20-22900-02	422,570	0.2%	Car Wash 20-22900-01	189,250	0.1%	
5	Southern States 40-36600-01 40-36700-01	1,792,970	0.8%	Southern States 40-36600-01 40-36700-01	3,786,740	2.3%	
6	HW Properties 40-55252-01	1,028,010	0.5%	New South Education 40-55020-02	318,880	0.2%	
7	Tierra Mia 10-22300-03	190,211	0.1%	Henry County Board of Ed 20-137	93,700	0.1%	
8	Selection Center 40-55250-03	1,101,800	0.5%	Waffle House 40-54000-01	453,100	0.3%	
9	Waffle House 40-54000-01	285,850	0.1%	Glenn Golden 10-20900-02	264,920	0.2%	
10	Henry County Board of Ed 20-13700-01	665,115	0.3%	Mr Mickeys 40-53750-01	358,200	0.2%	
Total Ten Largest Customers		28,760,966	13.5%	Total Ten Largest Customers	23,979,220	14.8%	
All Other Customers		184,405,337	86.5%	All Other Customers	138,459,583	85.2%	
Total		213,166,303	100.0%	Total	162,438,803	100.0%	

Data Source:

City of Hampton's Water Department

City of Hampton, Georgia
Sewer Service Rates
Last Ten Fiscal Years

For the Fiscal Year Ended September 30,

	2013		2014		2015		2016		
			All Customers						
Inside city: Gallons									
Minimum charge	\$	9.25	\$	9.25	\$	9.25	\$	9.25	
0-6K		4.41		4.41		4.69		4.79	
6,001K-10K		5.98		5.98		6.36		6.74	
10,0001 & over		8.75		8.75		9.31		9.87	
	2017		2018		2019		2020		
Inside city: Gallons			All Customers						
Minimum charge	\$	9.25	\$	9.25	\$	9.25	\$	9.25	
0-6K	\$	4.79	\$	4.79	\$	4.79	\$	4.79	
6,001K-10K	\$	6.74	\$	6.74	\$	6.74	\$	6.74	
10,0001 & over	\$	9.87	\$	9.87	\$	9.87	\$	9.87	
	2021								
Inside city: Gallons	All Customers								
Minimum charge	\$	9.25	Minimum charge						
0-6K	\$	4.79	0-4k						
6,001K-10K	\$	6.74	4001-8k						
10,0001 & over	\$	9.87	over 8k						
	2022								
Residential	Small Commerical		Large Commercial				Government		
\$	11.00	\$	25.00	Minimum charge	\$	50.00	Minimum charge	\$	11.00
\$	4.74	\$	5.05	0-80k	\$	9.00	all k	\$	9.00
\$	5.92	\$	6.31	over 80k	\$		9.32		
\$	7.11	\$	7.57						

Data Source:

City of Hampton Water & Sewer Department

City of Hampton, Georgia
Types of Customers
Last Ten Fiscal Years

For the Fiscal Year Ended September 30,										
Water										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Residential	2,074	2,156	2,196	2,230	2,277	2,306	2,389	2,408	2,392	2,521
Commercial	66	65	69	70	70	69	70	70	71	71
Government	30	29	30	29	29	28	29	30	35	35
Total	2,170	2,250	2,295	2,329	2,376	2,403	2,488	2,508	2,498	2,627
Sewage										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Residential	1,981	2,049	2,085	2,122	2,170	2,197	2,269	2,295	2,294	2,336
Commercial	58	58	59	58	59	60	59	59	58	65
Government	24	23	24	23	23	22	23	24	29	29
Total	2,063	2,130	2,168	2,203	2,252	2,279	2,351	2,378	2,381	2,430
Electric										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Residential	1,842	1,917	1,970	1,997	2,061	2,084	2,139	2,165	2,173	2,313
Commercial	157	157	158	158	159	158	157	158	158	165
Government	40	40	40	40	39	40	39	40	46	46
Total	2,039	2,114	2,168	2,195	2,259	2,282	2,335	2,363	2,377	2,524

Data Source:

City of Hampton's Finance Department historical records.

City of Hampton, Georgia
Legal Debt Margin Information
Current Fiscal Year

Taxpayer	2022 (1)
Taxable Assessed Valuation	
Debt limit	\$ 269,894,796
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 269,894,796</u>
Total net debt applicable to the limit as a percentage of the debt limit	0%

Data Source:

Henry County Tax Assessor's Office

Note 1: Current year ONLY as there was no tax roll between 2013 and 2021

Note 2: Under state finance law, the City's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

City of Hampton, Georgia
Ratios of Total Debt Outstanding by Type (Unaudited)¹
Last Ten Fiscal Years

Sept 30,	Governmental Activities		Business-type Activities			Total Outstanding Debt	Percentage of Personal Income	Estimated² Population	Debt³ Per Capita
	Capital Leases		Capital Leases	GEFA Notes Payable/Bonds					
2013	\$ 53,452		\$ 17,734	\$ 9,734,898		\$ 9,806,084	0.071%	7,006	1,400
2014	\$ 8,802		\$ -	\$ 8,720,130		\$ 8,720,130	0.082%	7,148	1,220
2015	\$ -		\$ 49,061	\$ 8,196,751		\$ 8,196,751	0.089%	7,288	1,125
2016	\$ -		\$ 24,531	\$ 7,657,452		\$ 7,657,452	0.098%	7,502	1,021
2017	\$ 21,300		\$ 1,603	\$ 7,145,500	⁴	\$ 7,145,504	0.108%	7,748	922
2018	\$ 10,960		\$ 825	\$ 5,488,843		\$ 5,488,843	0.144%	7,922	693
2019	\$ -		\$ -	\$ 4,784,529		\$ 4,784,529	0.166%	7,922	604
2020	\$ 59,498		\$ 62,511	\$ 4,120,643		\$ 4,120,643	0.202%	8,305	496
2021	\$ 25,499		\$ 59,155	\$ 3,500,312		\$ 3,500,312	0.238%	8,346	419
2022	\$ -		\$ -	\$ 2,810,502		\$ 2,810,502	0.301%	8,458	332

Data Sources:

1 Applicable years' annual financial report.

2 Personal income is disclosed on Demographic and Economic Statistics

3 United States Census Bureau.

4 During FY 2017, the City refinanced its construction loan by issuing Combined Utility System Revenue Refunding Bonds, Series 2016 (the "Series 2016 Bonds").

City of Hampton, Georgia
Pledged-Revenue Coverage
September 30, 2022

Fiscal Year	Special Assessment		Debt Service		Total	Coverage
	Collections	Sewer Connection Fees	Principal	Interest		
2013	\$ 511,314		\$ 1,925,898	\$ 322,183	\$ 2,248,081	22.7%
2014	\$ 658,377		\$ 507,930	\$ 269,896	\$ 777,826	84.6%
2015	\$ 508,458		\$ 523,379	\$ 254,446	\$ 777,825	65.4%
2016	\$ 518,484		\$ 539,527	\$ 238,527	\$ 778,054	66.6%
2017	\$ 581,977		\$ 581,494	\$ 153,108	\$ 734,602	79.2%
2018	\$ 596,282		\$ 616,059	\$ 137,446	\$ 753,505	79.1%
2019	\$ 565,749		\$ 628,658	\$ 124,847	\$ 753,505	75.1%
2020	\$ 485,472		\$ 641,347	\$ 112,158	\$ 753,505	64.4%
2021	\$ -	\$ 753,506	\$ 654,293	\$ 99,213	\$ 753,506	100.0%
2022	\$ -	\$ 753,505	\$ 667,499	\$ 86,006	\$ 753,505	100.0%

Data Source:

City of Hampton's Finance Department.

1 As of October 1, 2020 new Administration due to Covid pandemic suspended the surcharge to residents and commenced funding the debt service with the sewer connection fee.

City of Hampton, Georgia
Demographic and Economic Statistics (Unaudited)
Last Ten Calendar Years

	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022
Population	7,006	7,148	7,288	7,502	7,748	7,922	7,887	8,305	8,346	8,458
Median age	40	40	40	39	38	38	37	37	38	38
Per capita income	\$ 12,454.00	\$ 13,584.00	\$ 16,521.00	\$ 17,008.00	\$ 18,188.00	\$ 20,192.00	\$ 20,174.00	\$ 20,083.00	\$ 21,245.00	\$ 29,882.00
Personal income (total)	\$ 18,924.00	\$ 19,210.00	\$ 19,781.00	\$ 20,456.00	\$ 21,359.00	\$ 22,671.00	\$ 23,147.00	\$ 21,897.00	\$ 20,083.00	\$ 20,541.00
Education level in years of formal schooling										
High School Diploma	31%	32%	30%	32%	30%	30%	30%	30%	30%	30%
GED/Alternative Credential	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Some College/No Degree	23%	20%	21%	21%	22%	22%	20%	21%	20%	20%
Associate's Degree	18%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Bachelor's Degree	17%	18%	19%	17%	19%	19%	19%	19%	19%	19%
Graduate/Professional Degree	8%	7%	8%	8%	7%	7%	9%	8%	9%	9%
Public school enrollment	741	774	806	863	948	1008	997	1122	1138	1250
Unemployment rate	8.60%	7.70%	6.30%	5.40%	4.80%	3.90%	3.20%	9.10%	4.20%	3.20%

¹ Estimated by management.

² 2021 - 2022 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/regional/reis/>, 2013 & 2014 estimated by management- information only available for County

³ 2021 - 2022 Bureau of Economic Analysis - <http://www.bea.gov/regional/reis/drill.cfm>, 2013 & 2014 estimated by management.

⁴ U.S. Census Bureau - <http://usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/>

⁵ Henry County Board of Education - includes 100% of County enrollment

⁶ Real Estate Center, <http://recenter.tamu.edu/data/empc/LAUCN132850.htm>

⁷ U.S. Department of Labor, Bureau of Labor Statistics, http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000

City of Hampton, Georgia
Principal Employers (Unaudited)
For the Fiscal Years Ended September 30, 2022 and 2013

Employer	Type of Business	2022			Employer	Type of Business	2013		
		Number of Employees	Rank	Percentage of City Employers			Number of Employees	Rank	Percentage of City Employers
Federal Aviation Administration	Government	550	1	45.80%	Federal Aviation Administration	Government	540	1	48.09%
Southern States	Government	83	2	6.91%	Southern States	Government	60	2	5.34%
City of Hampton	Government	70	3	5.83%	City of Hampton	Government	59	3	5.25%
Hampton Elementary	School District	50	4	4.16%	Hampton Elementary	School District	50	4	4.45%
US Post Office	Government	35	5	2.91%	US Post Office	Government	34	5	3.03%
First National Bank	Financial	15	6	1.25%	First National Bank	Financial	15	6	1.34%
Aylo Health LLC	Healthcare	15	7	1.25%	Eagle Landing Family Practice	Healthcare	15	7	1.34%
Wendys Old Fashioned Hambergers	Restaurant	15	8	1.25%	Henry County Pharmacy, Moyes	Retailer	14	8	1.25%
Stepping Stones Academy	Daycare	15	9	1.25%	The Sunshine House	Daycare	13	9	1.16%
ADM Rolloff	Manufacturer	15	10	1.25%	Wendys Old Fashioned Hambergers	Service	12	10	1.07%
Total Principal Employers		863		71.86%	Total Principal Employers		812		72.31%
Estimated Other Employers ¹		338		28.14%	Estimated Other Employers ¹		311		27.69%
Total Employers		<u>1,201</u>		<u>100.00%</u>	Total Employers		<u>1,123</u>		<u>100.00%</u>

Notes:

¹ Estimated by Management

Data Source:

City Planning and Zoning Department

City of Hampton, Georgia
Full-Time Equivalent Employees by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Management services	13	13	13	12	12	15	7	7	7	7
Finance and information technology	1	1	1	1	1	2	5	7	7	7
Judicial - Court	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police officers	24	22	21	20	20	21	18	18	17	19
Civilians	2	2	2	2	2	2	2	2	2	2
Community Development	2	2	2	2	1	2	2	3	4	4
Economic Development	1	1	1	1	2	2	1	1	1	2
Public Works	11	12	13	13	14	17	12	13	14	15
Parks and Recreation	1	1	2	2	2	2	1	3	5	3
Waste Water Treatment	4	4	4	3	3	3	2	3	3	5
Electric	5	5	5	4	3	3	3	5	6	6
Water	4	4	4	5	5	5	5	3	5	7
Total	69	68	56	66	66	75	59	66	72	78

Data Source:
City of Hampton's Finance Department

City of Hampton, Georgia
Operating Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/program	For the Fiscal Year Ended September 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Building permits issued	20	23	68	59	100	1,000	400	1,000	400	400
Number of inspection completed	*	*	*	138	1,298	557	1,491	511	431	4,989
Number of business licenses issued	226	211	215	237	215	238	246	275	320	256
Number of zoning-related application processed	2	2	6	6	2	13	14	17	57	16
Public Safety										
Number of police personnel and officers	26	24	23	22	22	23	20	20	19	21
Number of arrests	178	237	217	304	304	209	221	126	142	144
Number of traffic violations	1,483	1,646	1,462	1,492	1,875	1,661	1,639	1,105	2,052	2,523
Number of investigated arrest	32	41	35	20	24	19	12	11	6	14
Average response time in minutes	4	5	4	4	4	4	4	4	4	4
Public Works										
Number of shaded trees:	1,500	1,550	1,600	1,650	1,700	1,750	1,800	1,850	1,900	1,950
Planted	10	10	15	15	16	16	18	18	20	24
Removed	10	12	14	16	18	18	20	22	22	24
Trimmed	50	50	60	60	70	70	80	80	90	90
Stumps removed	10	12	14	16	18	18	20	22	22	24
Repaired Potholes	50	55	60	65	70	75	80	85	90	95
Installed Street Signs	8	10	12	15	16	18	18	20	25	25
Electric										
Respond to Power Outage	30	33	36	39	40	44	48	50	52	55
Average Time of Power Restoration	180	170	165	160	150	145	135	120	110	100
Water										
Average daily consumption (gallons)	280,930	295,715	311,280	327,665	344,910	363,065	382,175	402,290	423,460	445,750
Number of metered accounts	2,002	2,004	2,024	2,044	2,096	2,151	2,264	2,383	2,509	2,641
Responded to Water Leaks	55	55	60	60	65	65	70	70	80	90
Sewer										
Install New Sanitary Sewer Taps	100	110	120	130	140	150	170	180	190	200
Parks & Recreation										
Number of field permits issued	10	10	10	11	11	11	13	13	15	15
Number of youth programs	10	10	10	11	11	11	13	13	15	15
Number of adults programs	5	5	6	6	7	7	8	8	10	10
Number of senior citizen programs	5	5	6	6	7	7	8	8	10	10

Data Source

The City's Public Works, Public Safety and Planning/Community Development Departments

* Henry County performed this function during FY 2013 through FY 2015

City of Hampton, Georgia
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Number of general government buildings										
Public Safety										
Stations	1	1	1	1	1	1	1	1	1	1
Other Public Works										
Number of public buildings	6	6	6	6	6	6	6	6	6	6
Miles of streets	35	35	35	40	40	45	45	45	50	53
Number of streetlights	100	110	120	130	140	150	160	170	180	200
Miles of storm water drains	10	10	10	15	15	15	20	20	20	22
Parks & Recreation										
Number of parks and recreation facilities										
Acreage of parks	4	4	4	4	4	4	4	4	4	4
Number of community Centers	50	50	60	60	70	70	80	80	90	90
Water										
Miles of water mains	20	25	25	30	30	35	35	40	40	43
Number of wells	3	3	3	3	3	3	3	3	3	3
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of elevated tanks	2	2	2	2	2	2	2	2	2	2
Number of fire hydrants	305	315	335	355	365	375	385	395	405	415
Number of reservoirs	2	2	2	2	2	2	2	2	2	2
Sewer Service:										
Miles of sanitary sewers	15	15	20	20	25	25	30	30	35	35

Data Source

The City's Public Works and Public Safety Departments

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members of City Council
City of Hampton, 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 City of Hampton, Georgia as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise City of Hampton, Georgia's basic financial statements and have issued our report thereon dated July 11, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Hampton, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the financial statement. 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.

A handwritten signature in blue ink that reads "Fulton + Kyek, LLC". The signature is fluid and cursive, with "Fulton" and "Kyek" connected by a horizontal line.

Morrow, Georgia

July 11, 2023

Independent Accountant's Report

To the Honorable Mayor and Members of City Council
City of Hampton, Georgia

We have examined City of Hampton, Georgia's (the "City") compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2022 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended September 30, 2022. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the specified requirements referenced above during the year ended September 30, 2022.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the City's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the City's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the City complied, in all material respects with the specified requirements referenced above during the year ended September 30, 2022. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Fulton & Kozak, LLC". The signature is fluid and cursive, with "Fulton" and "Kozak" being the primary names and "LLC" being a smaller suffix.

Fulton & Kozak, LLC

Morrow, Georgia

July 11, 2023