

**CITY OF HAMPTON, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2023**



Prepared by:  
Hampton Finance Department

**CITY OF HAMPTON, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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## **INTRODUCTORY SECTION**



EST. 1872

# City of Hampton

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MAYOR  
ANN N. TARPLEY

MAYOR PRO-TEM  
SHEILA L. BARLOW

CITY COUNCIL  
DEVLIN CLEVELAND  
PAMELA DUCHESNE  
MARTY MEEKS  
WILLIE TURNER  
KESHA WHITE-WILLIAMS

CITY MANAGER  
ALEX S. COHILAS

March 29, 2024

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

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, 2023.

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.

Fulton & Kozak, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Hampton's financial statements for the year ended September 30, 2023. 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 fifty-five-hundred-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 thirty-six-hundred-forty-three (3,643) acres of undeveloped land into its municipal borders during the years of 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, Property, Insurance Premium Tax, Franchise Tax, etc.)
- 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 2023, 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. General Fund balance at the end of FY 2023 stands at more than 140% of operating cost.

In 2009 the City of Hampton, Georgia took on \$15 mil in bonded indebtedness to fund 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 milage 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 1990's the City of Hampton Georgia, transitioned 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, on 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, resolutions and adopt budgets. Additionally, the mayor and council have sole authority to set all utility, 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 appoints the City Manager, who is tasked with running 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
- Mainstreet
- IT

The City of Hampton, Georgia provides a full range of services, either directly, via IGA, or 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, as a function of strategic planning, has annexed more than thirty-two hundred 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, public safety, infrastructure, and economic development.***

***Investment in Human Resources:***

- Hired eight new staff members including:
  - 2 Street Laborers (Street Department)
  - 2 Park Laborers (Parks Department)
  - 4 Water Crewmen (Water Department)
  - 10% cost of living increase for Police Department
  - Three new police cruisers

***Investment in Infrastructure:***

- Central Avenue sidewalks from Westlawn to Georgia Avenue completed.
- West Main Street Water Main Replacement PH-2 completed.
- West Main Street Stormwater PH-2 completed.
- East Hampton Community Park Phase 2 completed.
- Georgia Avenue Stormwater Drainage Repairs completed.
- Caldwell Drive Stormwater project completed.
- East King / Floyd Road roundabout intersection improvement completed.
- Completion of McBrayer Park drainage improvements completed.
- Began critical upgrade of Hwy 20 electrical grid.
- Began LED lighting upgrade of Coley Park.
- Thompson Creek Sewer outfall project PH-1 completed.

### ***Investment in Economic Development:***

- The Hampton Development Authority (HDA) successfully negotiated with Target Corporation to invest \$475 mil in the City of Hampton to build a 1.3 million sq. ft. Fulfillment Center, generating 1200 fulltime jobs with over \$60 mil in annual salaries.
- As a result of successfully luring Target to Hampton, the HDA has received multiple requests for information from several nationally known corporations seeking to locate in Hampton.
- 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.

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's 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.

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***

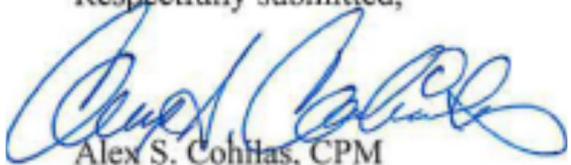
The City of Hampton, Georgia does intend to submit to the Government Finance Officers Association of the United States and Canada (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2023 annual comprehensive financial report (ACFR). 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 applied and received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated March 31, 2022. To receive the Distinguished Budget Presentation Award, the City of Hampton, Georgia's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. The City of Hampton will continue to apply for this award annually.

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,

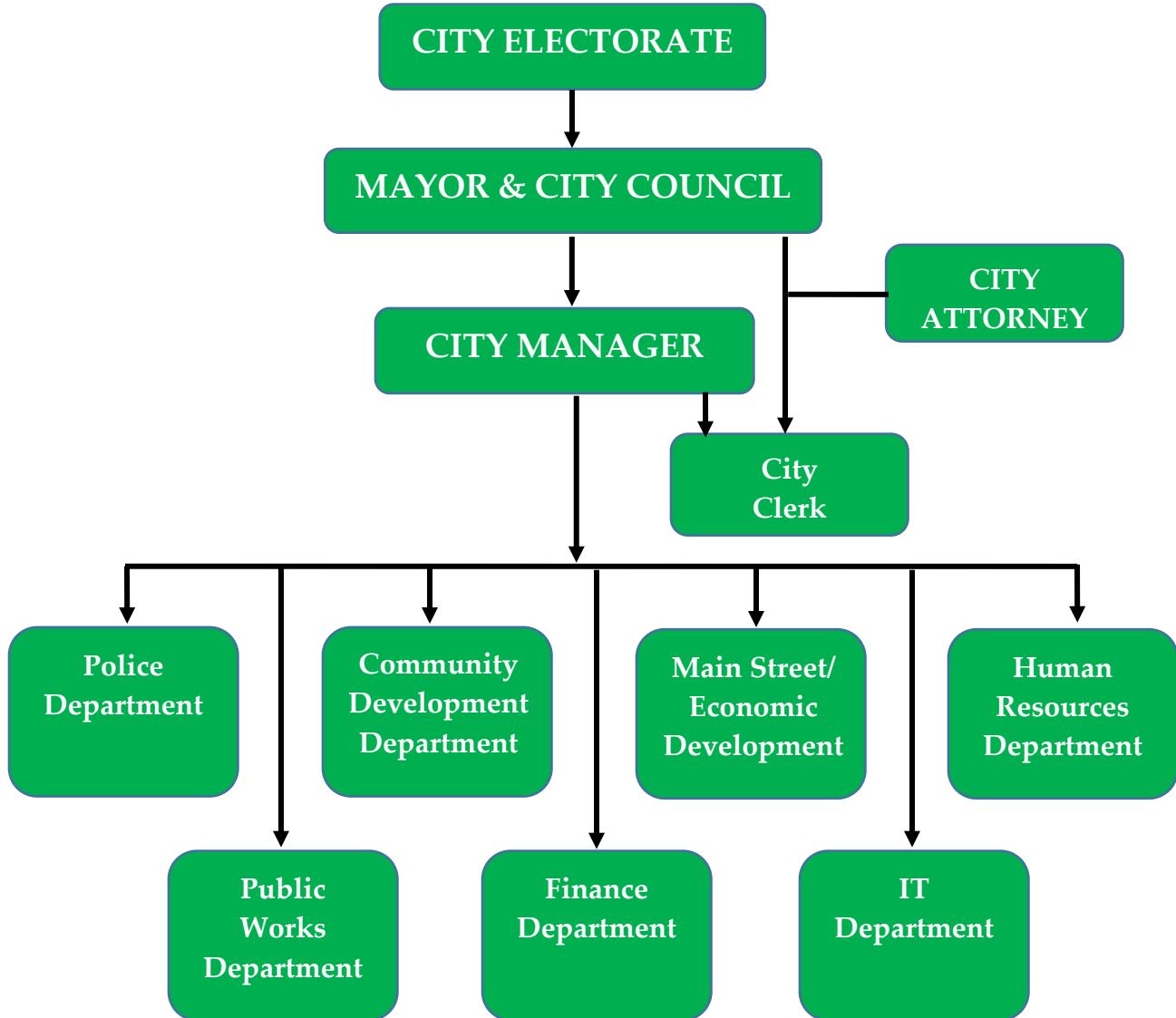


Alex S. Cohlas, CPM  
City Manager



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

**CITY OF HAMPTON  
ORGANIZATIONAL CHART**



## **PRINCIPAL OFFICIALS**



**Mayor Ann Tarpley**



**Sheila L. Barlow**



**Devlin Cleveland**



**Pamela Duchesne**



**Marty Meeks**



**Willie Turner**



**Kesha White-Williams**

## **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
Justin Conner	Public Works
Kenda Woodard	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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, 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, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and ARPA Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the 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***

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 twelve months beyond the financial statement date, including any currently known information that may raise doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City 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 52 and 53, and the Schedule of City Contributions on pages 54 and 55 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, the budgetary comparison schedules, 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 basic 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, the budgetary comparison schedules, 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 included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic 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 basic 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 March 29, 2024 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 the City of Hampton, Georgia's 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.

A handwritten signature in blue ink that reads "Fulton + Kyzak, LLC". The signature is fluid and cursive, with a slight flourish at the end.

Morrow, Georgia

March 29, 2024

## **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, 2023. 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, 2023 by \$50,135,094. Of this amount unrestricted net position, \$11,608,288 may be used to meet the government's ongoing obligations to citizens and creditors. The \$11,608,288 in unrestricted net position is further allocated \$9,932,465 to governmental-type activities and \$1,675,823 to business-type activities.
- The total net position increased by \$4,921,674. Of this amount a net increase of \$5,668,018 was associated with governmental activities, and a decrease of \$746,344 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 \$19,651,553, an increase of \$1,603,035 in comparison with the prior year. Of this amount \$1,275 is non-spendable, \$8,893,883 is restricted, \$791,815 is committed, \$471,140 is assigned, and \$9,493,440 is unassigned. The unassigned of \$9,493,440 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 \$1,092,437 will be used for improvements and expansion of the City's water and sewer facilities, and the restricted balance of \$1,687,518 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 \$9,464,504 or 151.0 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) increased to a total of \$4,187,036.

### **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.

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.

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

**Government-wide financial statements – continued.**

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 five major governmental funds. The City's major governmental funds are the General Fund, ARPA Fund, SPLOST V Fund, Capital Improvements, and TSPLLOST 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, and the ARPA Fund on pages 23 and 24, respectively, to demonstrate compliance with the fiscal year 2023 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 budgetary comparison schedules.

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 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 25 through 28 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 29 through 51 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 nonmajor combining statements, individual financial statements, and budgetary comparison schedules.

**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, 2023, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$50,135,094. The City's net position reflects its investment in capital assets (53.6 percent), less any related debt used to acquire those assets that are 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 is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Of the total net position, \$11,673,838 (23.3 percent) is restricted for capital projects and other specified activities and \$11,608,288 (23.2 percent) is unrestricted, allocated between the governmental activities (\$9,932,465) and the business-type activities (\$1,675,823).

**City of Hampton's Net Position**

	Governmental Activities		
	2023	2022	Change
Current and other assets	\$ 22,866,685	\$ 22,714,442	\$ 152,243
Capital assets	<u>16,653,033</u>	<u>12,370,362</u>	<u>4,282,671</u>
Total assets	<u>39,519,718</u>	<u>35,084,804</u>	<u>4,434,914</u>
Deferred outflows of resources	<u>526,334</u>	<u>106,349</u>	<u>419,985</u>
Current liabilities	1,875,765	3,493,905	(1,618,140)
Long-term liabilities	<u>1,454,816</u>	<u>409,124</u>	<u>1,045,692</u>
Total liabilities	<u>3,330,581</u>	<u>3,903,029</u>	<u>(572,448)</u>
Deferred inflows of resources	<u>1,431,747</u>	<u>1,672,418</u>	<u>(240,671)</u>
Net position:			
Net investment in capital assets	16,457,376	12,370,362	4,087,014
Restricted	8,893,883	7,439,303	1,454,580
Unrestricted	<u>9,932,465</u>	<u>9,806,041</u>	<u>126,424</u>
Total net position	<u>\$ 35,283,724</u>	<u>\$ 29,615,706</u>	<u>\$ 5,668,018</u>

**City of Hampton's Net Position – Continued**

	Business-type Activities		
	<u>2023</u>	<u>2022</u>	<u>Change</u>
Current and other assets	\$ 6,153,707	\$ 6,785,193	\$ (631,486)
Capital assets	<u>12,502,384</u>	<u>13,197,090</u>	<u>(694,706)</u>
Total assets	<u>18,656,091</u>	<u>19,982,283</u>	<u>(1,326,192)</u>
Deferred outflows of resources	<u>205,135</u>	<u>50,742</u>	<u>154,393</u>
Current liabilities	2,084,196	1,917,882	166,314
Long-term liabilities	<u>1,913,212</u>	<u>2,278,673</u>	<u>(365,461)</u>
Total liabilities	<u>3,997,408</u>	<u>4,196,555</u>	<u>(199,147)</u>
Deferred inflows of resources	<u>12,448</u>	<u>238,756</u>	<u>(226,308)</u>
Net position:			
Net investment in capital assets	10,395,592	10,386,588	9,004
Restricted	2,779,955	4,348,218	(1,568,263)
Unrestricted	<u>1,675,823</u>	<u>862,908</u>	<u>812,915</u>
Total net position	<u>\$ 14,851,370</u>	<u>\$ 15,597,714</u>	<u>\$ (746,344)</u>
	Total		
	<u>2023</u>	<u>2022</u>	<u>Change</u>
Current and other assets	\$ 29,020,392	\$ 29,499,635	\$ (479,243)
Capital assets	<u>29,155,417</u>	<u>25,567,452</u>	<u>3,587,965</u>
Total assets	<u>58,175,809</u>	<u>55,067,087</u>	<u>3,108,722</u>
Deferred outflows of resources	<u>731,469</u>	<u>157,091</u>	<u>574,378</u>
Current liabilities	3,959,961	5,411,787	(1,451,826)
Long-term liabilities	<u>3,368,028</u>	<u>2,687,797</u>	<u>680,231</u>
Total liabilities	<u>7,327,989</u>	<u>8,099,584</u>	<u>(771,595)</u>
Deferred inflows of resources	<u>1,444,195</u>	<u>1,911,174</u>	<u>(466,979)</u>
Net position:			
Net investment in capital assets	26,852,968	22,756,950	4,096,018
Restricted	11,673,838	11,787,521	(113,683)
Unrestricted	<u>11,608,288</u>	<u>10,668,949</u>	<u>939,339</u>
Total net position	<u>\$ 50,135,094</u>	<u>\$ 45,213,420</u>	<u>\$ 4,921,674</u>

A portion of the net position (\$11,673,838) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$11,608,288) 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)

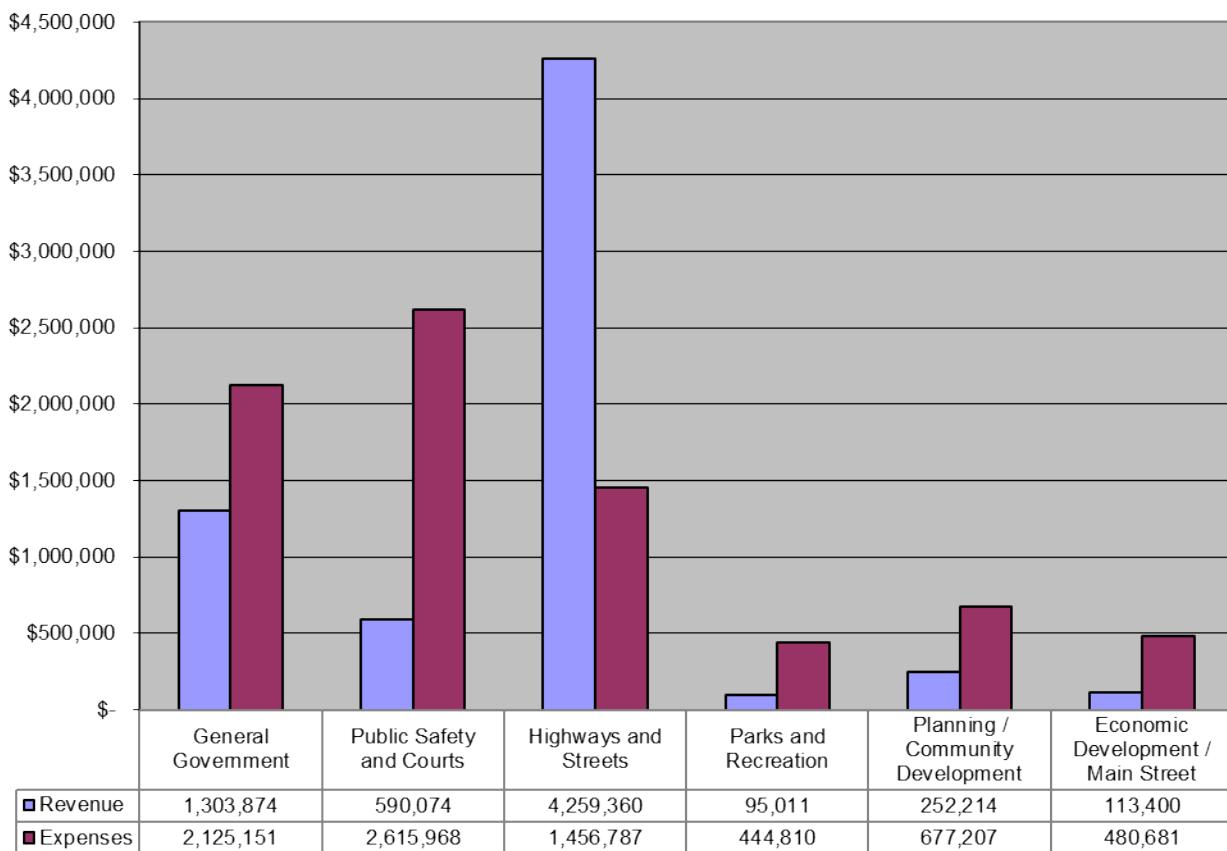
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenue:</b>						
Program Revenues –						
Charges for services	\$ 0.8	\$ 1.6	\$ 8.3	\$ 7.4	\$ 9.1	\$ 9.0
Capital grants and contributions	5.6	7.4	0.0	3.0	5.6	10.4
General Revenues –						
Sales taxes	3.4	3.8	0.0	0.0	3.4	3.8
Property taxes	1.2	0.0	0.0	0.0	1.2	0.0
Other taxes	1.5	1.3	0.0	0.0	1.5	1.3
Interest	0.4	0.0	0.1	0.0	0.5	0.0
Other	0.1	0.2	0.0	0.0	0.1	0.2
Contributions	0.1	0.0	0.0	0.0	0.1	0.0
Total Revenues	<u>13.1</u>	<u>14.3</u>	<u>8.4</u>	<u>10.5</u>	<u>21.4</u>	<u>24.8</u>
<b>Expenses:</b>						
General government	2.1	2.0	0.0	0.0	2.1	2.0
Public safety and courts	2.6	2.2	0.0	0.0	2.6	2.2
Highways and streets	1.5	1.2	0.0	0.0	1.5	1.2
Parks and recreation	0.4	0.3	0.0	0.0	0.4	0.3
Planning/Community development	0.7	0.6	0.0	0.0	0.7	0.6
Economic development/Main Street	0.5	0.2	0.0	0.0	0.5	0.2
Sewer	0.0	0.0	1.3	1.1	1.3	1.1
Water	0.0	0.0	2.2	1.5	2.2	1.5
Solid waste	0.0	0.0	0.8	0.6	0.8	0.6
Electric	0.0	0.0	4.3	4.6	4.3	4.6
Total Expenses	<u>7.8</u>	<u>6.5</u>	<u>8.7</u>	<u>7.8</u>	<u>16.5</u>	<u>14.3</u>
Increase in net position before transfers	5.3	7.8	(0.3)	2.6	4.9	10.4
Transfers	<u>0.4</u>	<u>0.3</u>	<u>(0.4)</u>	<u>(0.3)</u>	<u>0.0</u>	<u>0.0</u>
Net change in net position	5.7	8.1	(0.7)	2.3	4.9	10.4
Net position – beginning of the 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>
Net position – end of year	<u>\$ 35.3</u>	<u>\$ 29.6</u>	<u>\$ 14.9</u>	<u>\$ 15.6</u>	<u>\$ 50.1</u>	<u>\$ 45.2</u>

- First time property tax implementation at a 4.5 millage rate produced new revenue stream of \$1,177,816.
- The pooled cash management practice and negotiation with our banking partner resulted in increased interest revenue of \$247,743.
- The decrease of \$1,684,951 in capital grants and contribution was primarily due to the slowdown of subdivision developments including \$847,458 less in impact fees.
- Charges for services decreased in governmental activities by \$992,390 due to the slowdown of subdivision developments netted to \$804,740 against a positive increase of \$187,650 in public safety fines based on more tickets issued.

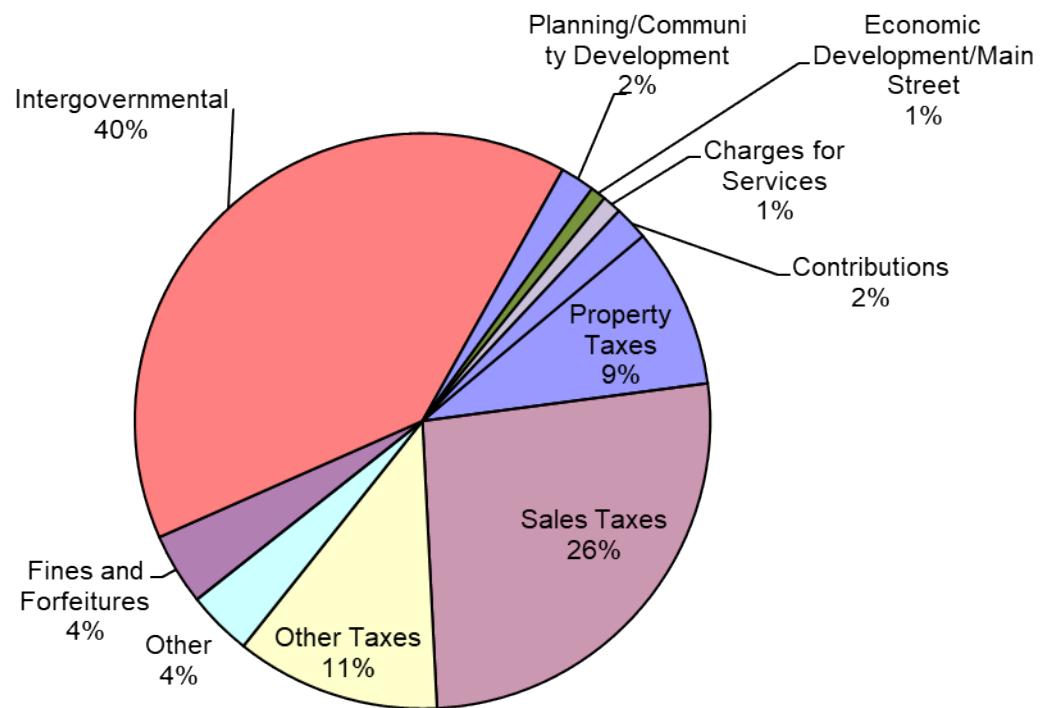
- The new lower LOST participant rate negotiated with Henry County as of January 1, 2023, reduced sales taxes by \$355,783.
- Expenses throughout the functional departments increased approximately \$600,000 due to across the board departmental price escalation.
- Personnel costs increased by \$493,679 for additional staff in the Parks and Recreation and Highways & Streets departments, and an additional across the City 5% increase with Public Safety given 5% additional increase.
- Third party pension expenses calculation increased by \$202,450.

**Governmental activities.** Governmental activities increased the City of Hampton's net position by \$5,668,018.

#### EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

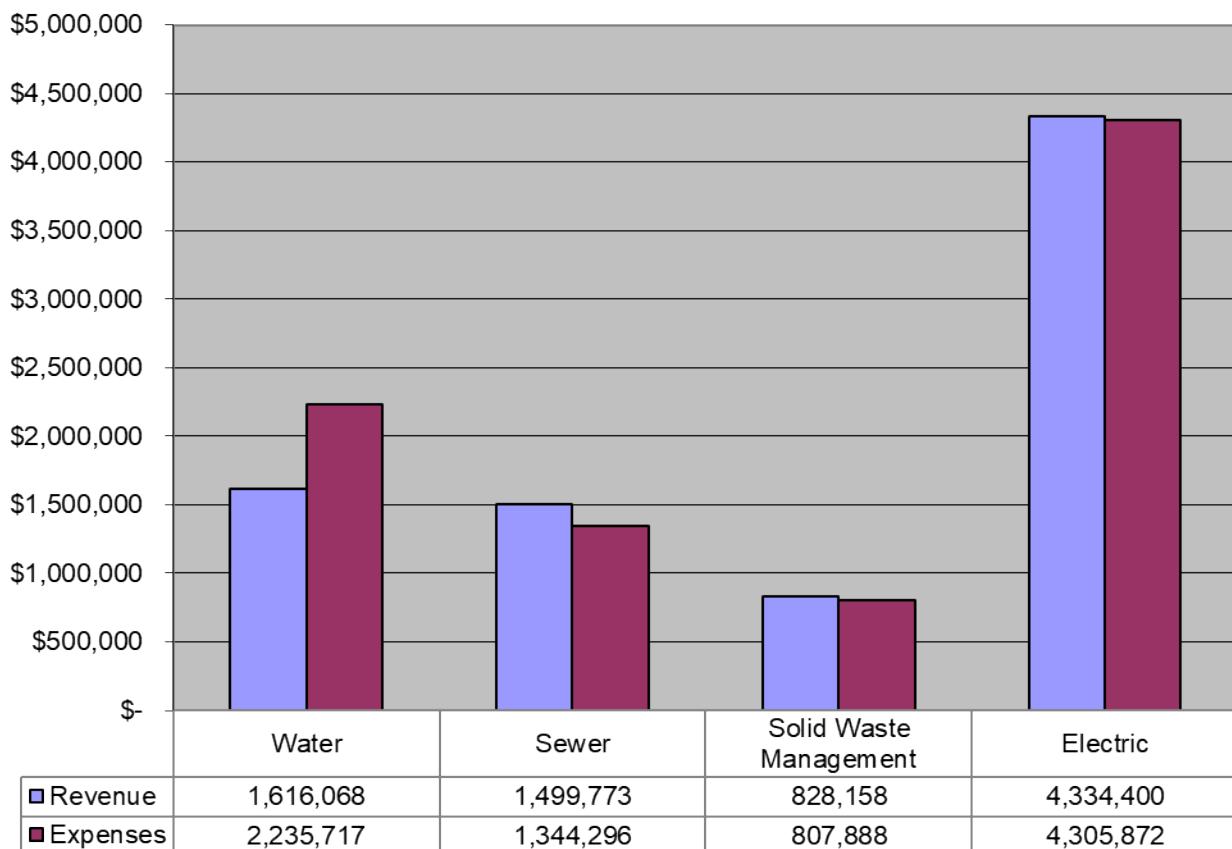


### REVENUE BY SOURCE-GOVERNMENTAL ACTIVITIES



**Business-type activities.** Business-type activities decreased the City's net position by \$(746,344).

#### 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, 2023 the City's governmental funds reported combined ending fund balances of \$19,651,553, an increase of \$1,603,035 in comparison to the prior year. Of this amount, \$9,493,440 (48.3 percent) is unassigned fund balances, which is available for spending at the government's discretion, and \$1,275 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 (\$8,466,877); 2) for Police Activities (\$28,803); 3) for Hotel/Motel (\$68,164); 4) for Federal and State programs (\$330,039); 5) for Capital Projects (\$791,815); and 6) for Downtown Development Authority and Hampton Development Authority (\$471,140).

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 \$9,464,504 (97.3 percent) of the total fund balance of \$9,722,235. 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 151.0 percent of the total general fund expenditures, while total fund balance represents 155.1 percent of that same amount.

The City collected a total of \$3,433,158 in Local Option Sales Taxes for 2023, a decrease of 9.4% from 2022. Fines and forfeitures increased by 55.3% to \$527,280 in 2023. Overall, the City's general fund revenue decreased by \$628,645. At the same time, the expenditures increased by \$516,670 from 2022 amounts. The current year fund balance of the City's general fund decreased by \$652,252. The prior year fund balance increased by \$1,057,920.

The City of Hampton received \$2,023,178 in Special Purpose Local Option Sales Taxes in 2023. Major expenditures during 2023 of the SPLOST funds were: 1) Street projects (\$430,323); 2) park projects (\$637,009); 3) public safety equipment (\$33,680); 4) gateway signage and landscape designs (\$8,926); and 5) community development (\$59,603).

The City of Hampton received \$1,879,141 in Transportation Special Purpose Local Option Sales Taxes in 2023. Major expenditures during 2023 of the TSPLOST funds were \$622,936 for highways and street projects.

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

The utilities fund account for wastewater, water, sanitation, and electricity implemented a third-party rate study recommendation that increased utilities rates as of October 1, 2022, and resulted in an increase in revenue of \$871,926. This gain was depleted due to inflationary cost increases across the public works departments by \$876,159 and the net operating loss of \$369,616 increased by \$4,233 in comparison to the prior fiscal year operating loss of \$365,383. The lack of subdivision developments created a massive reduction in sewer/water/electric capital contribution fees that went from \$3,045,788 in fiscal year 2022 to only \$2,852 in fiscal year 2023, as a result the change in net position went from an increase of \$2,282,365 in fiscal year 2022 to a decrease in net position of \$746,344 in fiscal year 2023.

Unrestricted net position of the proprietary funds at the end of the fiscal year was \$1,675,823. 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 \$416,075 and total actual expenditures came in at \$871,353 under budget. In 2023, two (2) departments insignificantly overspent in comparison to one department in 2022, that exceeded its budget totaling \$13,695. Net transfers out were \$1,912,680 more than the budgeted amount resulting in a negative net change of \$625,252. These transfers were for capital projects that were budgeted for in the Capital Improvements Fund.

### **Capital Asset and Debt Administration**

**Capital assets.** The City is experiencing new growth and with it a wide range of opportunities to expand out current infrastructure. The City's infrastructure consists of water, sewer, electricity, stormwater, and roads. Over the past five years the City has grown through annexation of undeveloped properties, expanding our city limits from approximately 4.2 square miles to 10.2 square miles. These areas require new infrastructure investments by the City and developers. The City utilizes water and sewer connection fees paid by the developer to upgrade and expand services city-wide. Additionally, fees are levied that cover electric development services and system upgrades. The City's annual budget contains funds for capital projects, infrastructure system upgrades, and maintenance programs. SPLOST V funds are utilized for water and sewer enhancements and road pavement projects. TSPLOST revenues fund road resurfacing projects, major transportation and multipurpose trails projects, and intersection improvement projects. Capital outlay funds cover water, sewer, and electrical systems, stormwater, and road paving. Grants including GDOT, LMIG, and CDBG funds are utilized for new infrastructure and road improvement projects.

The City's investment in capital assets for its governmental and business-type activities at September 30, 2023 amounts to \$29,155,417 (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:

- \$ 3,068,066 for public utilities, street, parks, and planning and zoning infrastructure
- \$ 1,723,402 for general, public utilities, street, parks, and planning and zoning construction in progress
- \$ 201,075 for police and water systems vehicles
- \$ 161,595 for general, police, public utilities, street, and parks equipment
- \$ 183,671 for land
- \$ 96,768 for buildings

Additional information on the City's capital assets can be found in note 7.

**Long-term debt.** At the end of the current fiscal year, the City had \$4,187,036 in outstanding debt consisting of the following:

#### **City of Hampton's Outstanding Debt**

	<u>Balance</u>
Governmental Activities –	
Accrued compensated absences	\$ 171,856
Net pension liability	1,343,401
Business-Type Activities –	
Bonds	2,106,792
Accrued compensated absences	41,407
Net pension liability	<u>523,580</u>
Total	<u>\$ 4,187,036</u>

The City's total-term debt increased by \$795,529. Additional information on the City's long-term debt can be found in note 8.

#### **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, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 10,348,960	\$ 1,153,055	\$ 11,502,015
Receivables (net of allowance for uncollectible)			
Taxes	1,811,919	-	1,811,919
Accounts	-	654,689	654,689
Fines	10,794	-	10,794
Loan	239,593	-	239,593
Intergovernmental	648,899	-	648,899
Materials and supplies inventory (net of allowance)	-	1,527,727	1,527,727
Prepaid items	1,275	38,281	39,556
Restricted assets: Cash	9,805,245	2,779,955	12,585,200
Non-depreciable capital assets	4,505,313	291,818	4,797,131
Depreciable capital assets, net	<u>12,147,720</u>	<u>12,210,566</u>	<u>24,358,286</u>
Total assets	<u>\$ 39,519,718</u>	<u>\$ 18,656,091</u>	<u>\$ 58,175,809</u>
<b>Deferred Outflows of Resources</b>			
Pension	\$ 526,334	\$ 205,135	\$ 731,469
Total deferred outflows of resources	<u>\$ 526,334</u>	<u>\$ 205,135</u>	<u>\$ 731,469</u>
<b>Liabilities</b>			
Accounts payable			
Operating	\$ 294,564	\$ 556,724	\$ 851,288
Capital	195,657	-	195,657
Accrued liabilities –			
Wages	59,927	26,420	86,347
Customer deposits	-	686,002	686,002
Interest	-	3,497	3,497
Other	7,758	52,986	60,744
Unearned revenue	1,257,418	-	1,257,418
Long-term liabilities –			
Due within one year			
Bonds payable	-	717,926	717,926
Compensated absences	60,441	40,641	101,082
Due in more than one year			
Bonds payable	-	1,388,866	1,388,866
Compensated absences	111,415	766	112,181
Net pension liabilities	<u>1,343,401</u>	<u>523,580</u>	<u>1,866,981</u>
Total liabilities	<u>\$ 3,330,581</u>	<u>\$ 3,997,408</u>	<u>\$ 7,327,989</u>

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF NET POSITION – CONTINUED**  
**SEPTEMBER 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Deferred Inflows of Resources</b>			
Pension	\$ 31,939	\$ 12,448	\$ 44,387
Property taxes	<u>1,399,808</u>	-	<u>1,399,808</u>
Total deferred inflows of resources	<u>\$ 1,431,747</u>	<u>\$ 12,448</u>	<u>\$ 1,444,195</u>
<b>Net position</b>			
Net investment in capital assets	\$ 16,457,376	\$ 10,395,592	\$ 26,852,968
Restricted for –			
Capital projects	8,466,877	1,092,437	9,559,314
Debt service	-	1,687,518	1,687,518
Federal and state programs	330,039	-	330,039
Tourism	68,164	-	68,164
Law enforcement	28,803	-	28,803
Unrestricted	<u>9,932,465</u>	<u>1,675,823</u>	<u>11,608,288</u>
Total net position	<u>\$ 35,283,724</u>	<u>\$ 14,851,370</u>	<u>\$ 50,135,094</u>

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Expenses							
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 2,125,151	\$ 18,475	\$ -	\$ 1,285,399	\$ (821,277)	\$ -	\$ (821,277)
Public safety and courts	2,615,968	527,280	-	62,794	(2,025,894)	-	(2,025,894)
Public works	1,456,787	-	-	4,259,360	2,802,573	-	2,802,573
Parks and recreation	444,810	18,110	-	76,901	(349,799)	-	(349,799)
Planning/Community development	677,207	252,214	-	-	(424,993)	-	(424,993)
Economic development/Main Street	480,681	-	113,400	-	(367,281)	-	(367,281)
Total government activities	<u>7,800,604</u>	<u>816,079</u>	<u>113,400</u>	<u>5,684,454</u>	<u>(1,186,671)</u>	<u>-</u>	<u>(1,186,671)</u>
<b>Business-type activities:</b>							
Sewer	1,344,296	1,499,773	-	-	-	155,477	155,477
Water	2,235,717	1,616,068	-	-	-	(619,649)	(619,649)
Sanitation	807,888	828,158	-	-	-	20,270	20,270
Electric	4,305,872	4,331,548	-	2,852	-	28,528	28,528
Total business-type activities	<u>8,693,773</u>	<u>8,275,547</u>	<u>-</u>	<u>2,852</u>	<u>-</u>	<u>(415,374)</u>	<u>(415,374)</u>
Total primary government	<u>\$ 16,494,377</u>	<u>\$ 9,091,626</u>	<u>\$ 113,400</u>	<u>\$ 5,687,306</u>	<u>(1,186,671)</u>	<u>(415,374)</u>	<u>(1,602,045)</u>
<b>General revenues and transfers:</b>							
Sales taxes				3,433,158	-	3,433,158	
Property taxes				1,177,816	-	1,177,816	
Insurance premium taxes				683,894	-	683,894	
Franchise taxes				233,769	-	233,769	
Motor vehicle ad valorem taxes				293,620	-	293,620	
Beer, wine, and distilled spirits tax				106,702	-	106,702	
Business and occupational tax				51,025	-	51,025	
Other taxes				133,506	-	133,506	
Unrestricted investment earnings				280,276	77,908	358,184	
Miscellaneous				<u>52,045</u>	<u>-</u>	<u>52,045</u>	
Total general revenues				<u>6,445,811</u>	<u>77,908</u>	<u>6,523,719</u>	
Transfers				<u>408,878</u>	<u>(408,878)</u>	<u>-</u>	
Total general revenues and transfers				<u>6,854,689</u>	<u>(330,970)</u>	<u>6,523,719</u>	
Change in net position				<u>5,668,018</u>	<u>(746,344)</u>	<u>4,921,674</u>	
Net position – beginning of period				<u>29,615,706</u>	<u>15,597,714</u>	<u>45,213,420</u>	
Net position – end of period				<u>\$ 35,283,724</u>	<u>\$ 14,851,370</u>	<u>\$ 50,135,094</u>	

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	<u>General</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Capital Improvements</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 9,304,731	\$ -	\$ -	\$ 809,932
Restricted cash	290,357	1,373,240	4,774,208	-
Receivables (net of allowance for uncollectibles)				
Taxes	1,810,146	-	-	-
Accounts	-	-	-	-
Fines	10,794	-	-	-
Loan	-	-	-	-
Intergovernmental	-	-	335,962	-
Prepaid items	1,275	-	-	-
Due from other funds	-	-	-	694
Total assets	<u>\$ 11,417,303</u>	<u>\$ 1,373,240</u>	<u>\$ 5,110,170</u>	<u>\$ 810,626</u>
<b>Liabilities</b>				
Accounts payable				
Operating	\$ 226,881	\$ -	\$ -	\$ -
Capital	-	113,482	18,610	18,811
Accrued liabilities				
Wages	59,927	-	-	-
Other	7,758	-	-	-
Due to other funds	694	-	-	-
Unearned revenue	-	<u>1,230,822</u>	-	-
Total liabilities	<u>295,260</u>	<u>1,344,304</u>	<u>18,610</u>	<u>18,811</u>
<b>Deferred inflows of resources</b>				
Property taxes	<u>1,399,808</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>1,399,808</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>				
Non-spendable: prepaid items	1,275	-	-	-
Restricted: Capital projects	227,653	-	5,091,560	-
Restricted: Federal and state programs	-	-	-	-
Restricted: Tourism	-	-	-	-
Restricted: Law enforcement	28,803	-	-	-
Committed: Capital projects from reserve	-	-	-	791,815
Assigned: Downtown Development Authority	-	-	-	-
Assigned: Hampton Development Authority	-	-	-	-
Unassigned	<u>9,464,504</u>	<u>28,936</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>9,722,235</u>	<u>28,936</u>	<u>5,091,560</u>	<u>791,815</u>
Total liabilities and fund balances	<u>\$ 11,417,303</u>	<u>\$ 1,373,240</u>	<u>\$ 5,110,170</u>	<u>\$ 810,626</u>

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**BALANCE SHEET – CONTINUED**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	<u>TSPLost</u>	Other Governmental Funds	Total
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 234,297	\$ 10,348,960
Restricted cash	1,978,966	1,388,474	9,805,245
Receivables (net of allowance for uncollectibles)			
Taxes	-	1,773	1,811,919
Accounts	-	-	-
Fines	-	-	10,794
Loan	-	239,593	239,593
Intergovernmental	312,937	-	648,899
Prepaid items	-	-	1,275
Due from other funds	-	-	694
Total assets	<u>\$ 2,291,903</u>	<u>\$ 1,864,137</u>	<u>\$ 22,867,379</u>
<b>Liabilities</b>			
Accounts payable			
Operating	\$ 63,494	\$ 4,189	\$ 294,564
Capital	28,174	16,580	195,657
Accrued liabilities			
Wages	-	-	59,927
Other	-	-	7,758
Due to other funds	-	-	694
Unearned revenue	-	26,596	1,257,418
Total liabilities	<u>91,668</u>	<u>47,365</u>	<u>1,816,018</u>
<b>Deferred inflows of resources</b>			
Property taxes	-	-	1,399,808
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,399,808</u>
<b>Fund balances</b>			
Non-spendable: prepaid items	-	-	1,275
Restricted: Capital projects	2,200,235	947,429	8,466,877
Restricted: Federal and state programs	-	330,039	330,039
Restricted: Tourism	-	68,164	68,164
Restricted: Law enforcement	-	-	28,803
Committed: Capital projects from reserve	-	-	791,815
Assigned: Downtown Development Authority	-	449,415	449,415
Assigned: Hampton Development Authority	-	21,725	21,725
Unassigned	-	-	9,493,440
Total fund balances	<u>2,220,235</u>	<u>1,816,772</u>	<u>19,651,553</u>
Total liabilities and fund balances	<u>\$ 2,291,903</u>	<u>\$ 1,864,137</u>	<u>\$ 22,867,379</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, 2023**

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

Total fund balances – total governmental funds	\$ 19,651,553
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	16,653,033
Net pension liability	(1,343,401)
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.	526,334
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.	(31,939)
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>(171,856)</u>
Net position of governmental activities	<u>\$ 35,283,724</u>

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – CONTINUED**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	<u>General</u>	<u>ARPA Fund</u>	<u>SPLOST V</u>	<u>Capital Improvements</u>
<b>REVENUES</b>				
Taxes	\$ 6,092,265	\$ -	\$ -	\$ -
Intergovernmental	- -	777,120	2,023,178	- -
Fines and forfeitures	527,280	- -	- -	- -
Licenses and permits	270,689	- -	- -	- -
Charges for services	139,695	- -	- -	- -
Investment income	242,991	28,936	72,124	- -
Miscellaneous	70,155	- -	- -	- -
Contributions	- -	- -	- -	250,000
Total revenues	<u>7,343,075</u>	<u>806,056</u>	<u>2,095,302</u>	<u>250,000</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,918,083	- -	- -	- -
Municipal court	262,341	- -	- -	- -
Public safety	2,096,154	- -	- -	- -
Highways and streets	757,092	- -	- -	- -
Parks and recreation	266,202	- -	- -	- -
Planning/Community development	653,671	- -	- -	- -
Economic development/Main Street	272,378	- -	- -	- -
Capital:				
General government	23,024	- -	8,926	- -
Public safety	- -	- -	33,680	182,710
Public utilities	- -	388,168	- -	400,334
Highways and streets	5,718	388,952	430,323	799,951
Parks and recreation	7,977	- -	637,009	676,119
Planning/Community development	- -	- -	59,603	- -
Economic development/Main Street	5,450	- -	- -	- -
Total expenditures	<u>6,268,090</u>	<u>777,120</u>	<u>1,169,541</u>	<u>2,059,114</u>
Excess (Deficiency) of revenues over expenditures	<u>1,074,985</u>	<u>28,936</u>	<u>925,761</u>	<u>(1,809,114)</u>
Other financing sources (uses):				
Transfers in	408,878	- -	- -	2,059,115
Transfers out	(2,109,115)	- -	- -	- -
Total	<u>(1,700,237)</u>	<u>- -</u>	<u>- -</u>	<u>2,059,115</u>
Net change in fund balances	(625,252)	28,936	925,761	250,001
Fund balances – beginning of period	<u>10,347,487</u>	<u>- -</u>	<u>4,165,799</u>	<u>541,814</u>
Fund balances – end of period	<u>\$ 9,722,235</u>	<u>\$ 28,936</u>	<u>\$ 5,091,560</u>	<u>\$ 791,815</u>

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – CONTINUED**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	TSPLOST	Other Governmental Funds	Total
<b>REVENUES</b>			
Taxes	\$ -	\$ 21,225	\$ 6,113,490
Intergovernmental	1,879,141	508,279	5,187,718
Fines and forfeitures	-	-	527,280
Licenses and permits	-	-	270,689
Charges for services	-	-	139,695
Investment income	21,160	22,106	387,317
Miscellaneous	-	-	70,155
Contributions	-	113,400	363,400
Total revenues	<u>1,900,301</u>	<u>665,010</u>	<u>13,059,744</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	1,918,083
Municipal court	-	-	262,341
Public safety	-	-	2,096,154
Highways and streets	-	-	757,092
Parks and recreation	-	-	266,202
Planning/Community development	-	-	653,671
Economic development/Main Street	-	152,881	425,259
Capital:			
General government	-	-	31,950
Public safety	-	-	216,390
Public utilities	-	-	788,502
Highways and streets	622,936	221,590	2,469,470
Parks and recreation	-	343,149	1,664,254
Planning/Community development	-	113,392	172,995
Economic development/Main Street	-	137,774	143,224
Total expenditures	<u>622,936</u>	<u>968,786</u>	<u>11,865,587</u>
Excess (Deficiency) of revenues over expenditures	<u>1,277,365</u>	<u>(303,776)</u>	<u>1,194,157</u>
Other financing sources (uses):			
Transfers in	-	50,000	2,517,993
Transfers out	-	-	(2,109,115)
Total	-	50,000	408,878
Net change in fund balances	1,277,365	(253,776)	1,603,035
Fund balances – beginning of period	922,870	2,070,548	18,048,518
Fund balances – end of period	<u>\$ 2,200,235</u>	<u>\$ 1,816,772</u>	<u>\$ 19,651,553</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	\$ 1,603,035
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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	5,416,213	(1,133,542)
	4,282,671	

The net pension liability did not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.

(202,450)

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	(15,238)
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Change in net position of governmental activities	\$ <u>5,668,018</u>
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**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, 2023**

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	
<b>REVENUES</b>				
Taxes	\$ 6,001,688	\$ 6,001,688	\$ 6,092,265	\$ 90,577
Fines and forfeitures	335,000	335,000	527,280	192,280
Licenses and permits	358,877	358,877	270,689	(88,188)
Impact fees	146,435	146,435	139,695	(6,740)
Investment income	20,000	20,000	242,991	222,991
Miscellaneous	65,000	65,000	70,155	5,155
Total revenues	<u>6,927,000</u>	<u>6,927,000</u>	<u>7,343,075</u>	<u>416,075</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Mayor	26,693	26,693	20,657	6,036
City council	107,058	107,058	94,509	12,549
City manager	262,226	262,226	246,041	16,185
City clerk	101,322	101,322	99,914	1,408
Administration	529,400	529,400	491,495	37,905
Financial services	326,710	326,710	316,979	9,731
Information technology	174,753	174,753	171,617	3,136
Human resources	189,617	189,617	161,583	28,034
Facilities	316,927	316,927	315,288	1,639
Municipal court	241,014	272,014	262,341	9,673
Public safety	2,190,010	2,159,010	2,096,154	62,856
Highways and streets	857,028	857,028	757,092	99,936
Parks and recreation	468,321	468,321	266,202	202,119
Planning/Community development	816,565	816,565	653,671	162,894
Economic development/Main Street	342,799	342,799	272,378	70,421
Capital:				
General government				
Information technology	36,000	36,000	20,245	15,755
Facilities	3,000	3,000	2,779	221
Highways and streets	-	-	5,718	(5,718)
Parks and recreation	-	-	7,977	(7,977)
Economic development/Main Street	<u>150,000</u>	<u>150,000</u>	<u>5,450</u>	<u>144,550</u>
Total expenditures	<u>7,139,443</u>	<u>7,139,443</u>	<u>6,268,090</u>	<u>871,353</u>
(Deficiency) Excess of revenues over expenditures	<u>(212,443)</u>	<u>(212,443)</u>	<u>1,074,985</u>	<u>1,287,428</u>
Other financing sources (uses):				
Transfers in	408,878	408,878	408,878	-
Transfers out	<u>(196,435)</u>	<u>(196,435)</u>	<u>(2,109,115)</u>	<u>(1,912,680)</u>
Total other financing sources (uses)	<u>212,443</u>	<u>212,443</u>	<u>(1,700,237)</u>	<u>(1,912,680)</u>
Net change in fund balances - reserve drawdown	-	-	(625,252)	(625,252)
Fund balance – beginning of year	<u>10,347,487</u>	<u>10,347,487</u>	<u>10,347,487</u>	<u>-</u>
Fund balance – end of year	<u>\$ 10,347,487</u>	<u>\$ 10,347,487</u>	<u>\$ 9,722,235</u>	<u>\$ (625,252)</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, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Intergovernmental	\$ 1,507,376	\$ 1,507,376	\$ 777,120	\$ (730,256)
Investment income	<u>-</u>	<u>-</u>	<u>28,936</u>	<u>28,936</u>
Total revenues	<u>1,507,376</u>	<u>1,507,376</u>	<u>806,056</u>	<u>(701,320)</u>
<b>EXPENDITURES</b>				
Current:				
Public utilities	80,000	80,000	-	80,000
Capital:				
Public utilities	1,811,104	1,811,104	388,168	1,422,936
Highways and streets	<u>342,635</u>	<u>342,635</u>	<u>388,952</u>	<u>(46,317)</u>
Total expenditures	<u>2,233,739</u>	<u>2,233,739</u>	<u>777,120</u>	<u>1,456,619</u>
Net change in fund balances	(726,363)	(726,363)	28,936	755,299
Fund balance – beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance – end of year	<u>\$ (726,363)</u>	<u>\$ (726,363)</u>	<u>\$ 28,936</u>	<u>\$ 755,299</u>

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2023**

**BUSINESS-TYPE ACTIVITIES**  
**UTILITIES FUND**

**Assets**

Current assets:

Cash	\$ 1,153,055
Receivables (net of allowance for uncollectibles) –	
Accounts	654,689
Materials and supplies inventory (net of allowance)	1,527,727
Prepaid items	38,281
Total current assets	<u>3,373,752</u>
Non-current assets:	
Restricted assets: Cash	2,779,955
Capital assets – nondepreciable	291,818
Capital assets – depreciable	
Plant and distributions systems	22,179,615
Machinery and equipment	1,943,447
Vehicles	667,133
Accumulated depreciation	(12,579,629)
Total capital assets (net of accumulated depreciation)	<u>12,210,566</u>
Total non-current assets	<u>15,282,339</u>
Total assets	<u>\$ 18,656,091</u>

**Deferred Outflows of Resources**

Pensions	\$ 205,135
----------	------------

**Liabilities**

Current liabilities

Accounts payable –	
Operating	\$ 556,724
Accrued liabilities –	
Wages	26,420
Compensated absences	40,641
Customer deposits	686,002
Interest	3,497
Other	52,986
Bonds payable – current portion	717,926
Total current liabilities	<u>2,084,196</u>
Non-current liabilities	
Compensated absences	766
Bonds payable	1,388,866
Net pension liability	523,580
Total non-current liabilities	<u>1,913,212</u>
Total liabilities	<u>\$ 3,997,408</u>

**Deferred Inflows of Resources**

Pensions	\$ 12,448
----------	-----------

**Net Position**

Net investment in capital assets	\$ 10,395,592
Restricted: Capital projects	1,092,437
Restricted: Debt service	1,687,518
Unrestricted	1,675,823
Total net position	<u>\$ 14,851,370</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, 2023**

**BUSINESS-TYPE ACTIVITIES**  
**UTILITIES FUND**

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**Operating Revenues:**

Charges for services	\$ 8,232,921
Other	<u>42,626</u>
	<u>8,275,547</u>

**Operating Expenses:**

Purchases for resale	3,735,228
Personal services and benefits	1,706,403
Contractual services	1,733,545
Depreciation	734,186
Supplies	687,060
Other	<u>48,741</u>
	<u>8,645,163</u>

Loss from operations

(369,616)

**Non-operating revenues:**

Investment income	77,908
Interest expense	<u>(48,610)</u>

Loss before contributions and transfers

(340,318)

**Capital Contribution**

Electric	2,852
Transfers out	<u>(408,878)</u>

Change in net position

(746,344)

Net position beginning of year

15,597,714

Net position end of year

\$ 14,851,370

**CITY OF HAMPTON, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**BUSINESS-TYPE ACTIVITIES  
UTILITIES FUND**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from customers and users	\$ 8,219,579
Cash paid to suppliers for goods and services	(7,032,846)
Cash paid to employees	<u>(1,191,374)</u>
Net cash provided by operating activities	<u>(4,641)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest earned	<u>77,908</u>
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**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Transfers	<u>(408,878)</u>
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**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES**

Acquisition and construction of capital assets	(39,480)
Repayment of bonds payable	(703,710)
Interest paid	(48,610)
Capital contributions	2,852
Due from General Fund	<u>(126,915)</u>
Net cash provided by capital financing activities	<u>(915,863)</u>

**NET CHANGE IN CASH** (1,251,474)

**CASH AT BEGINNING OF YEAR** 5,184,484

**CASH AT END OF YEAR** \$ 3,933,010

**Classified As**

Current assets	\$ 1,153,055
Restricted assets	<u>2,779,955</u>
	<u>\$ 3,933,010</u>

**CITY OF HAMPTON, GEORGIA**  
**STATEMENT OF CASH FLOWS – CONTINUED**  
**PROPRIETARY FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Reconciliation of Net Income to Net Cash  
 Provided by Operating Activities

		<b>BUSINESS-TYPE ACTIVITIES UTILITIES FUND</b>
NET OPERATING LOSS		\$ (369,616)
<b>ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Depreciation expense		734,186
Increase in receivables		(86,533)
Increase in inventory		(393,705)
Increase in prepaid items		(12,835)
Increase in deferred outflows of resources		(154,393)
Increase in accounts payable		65,181
Decrease in accrued salaries		(6,699)
Increase in other customer deposits		30,565
Decrease in accrued interest		(1,173)
Increase in other accrued expense		13,587
Increase in net pension liability		403,102
Decrease in deferred inflows of resources		<u>(226,308)</u>
Total adjustments		<u>364,975</u>
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		\$ <u>(4,641)</u>

**CITY OF HAMPTON, GEORGIA**  
**NOTE TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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. The City's blended component units are reported as if they are a part of the City because their sole purpose is to provide services to the City. Management of the City has operational responsibilities for the two component units and the city council has to vote to approve their governing body applicants.

***Blended Component Units:***

*Downtown Development Authority (DDA)* – Although it is legally separate from the City, the DDA directs economic development activities in the central business district of Hampton. Separate financial statements are not prepared for this component unit.

*Hampton Development Authority (HDA)* – On August 11, 2020, the City formed the HDA, a non-profit corporation that is 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 of Hampton. Although it is legally separate from the City, the HDA develops 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. Separate financial statements are not prepared for this component unit.

**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 costs. 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.

**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.

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

**TSPLOST Capital Project Fund** – The TSPLOST 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. Property tax revenues are recognized in the period for which those taxes are assessed even if levied in an earlier period. 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 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 standard had no significant effect on the City's financial statements.

In May 2020, the **GASB issued Statement No. 96, "Subscription-Based Information Technology Arrangements"**. This statement (1) defines a subscription-based information technology (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for **fiscal years beginning after June 15, 2022 (fiscal year 2023)**. The standard had no significant effect on the City's financial statements.

In June 2022, the **GASB issued Statement No. 100, "Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62"**. This statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in **fiscal years beginning after June 15, 2023 (fiscal year 2024)**. The City is evaluating the impact, if any, upon its financial position, results of operations or cash flows upon adoption.

In June 2022, the **GASB issued Statement No. 101, "Compensated Absences"**. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this statement are effective for **fiscal years beginning after December 15, 2023 (fiscal year 2025)**. 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, 2023, 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, 2023, 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, 2023, and payable on or before November 16, 2023, for the 2023 taxes. Property taxes levied in fiscal year 2023, were for use on expenditures in fiscal year 2024 per an ordinance passed by the City Council. The City setup a deferred inflow for the property taxes as of September 30, 2023.

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

**K. Inventory**

Inventory is valued at cost. 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	\$ 1,818,771	\$ 291,044	\$ 1,527,727

**L. Prepaid Items**

Payments made to vendors for services that will benefit years beyond September 30, 2023, 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. 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. Property tax revenues are recognized in the period for which those taxes are assessed even if levied in an earlier period. 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.

The major categories of taxes collected comprise of property taxes, 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.

**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. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**R. Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund 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 interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**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.

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”.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**T. Contributions of Capital**

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.

**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 1<sup>st</sup>. 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, 2023.
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 2023 fiscal year budget:

General Fund – Capital outlay: Highways and streets	\$ 5,718
General Fund – Capital outlay: Parks and recreation	7,977
ARPA – Capital outlay: Highways and streets	46,317
HDA – Current: Planning/Community development	2,052
DDA – Capital: Economic development/Main Street	109,274
Capital Grants Fund – Capital: Parks and recreation	69,164

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 assets 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 net assets 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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

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

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.

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 2023, were for use on expenditures in fiscal year 2024. Therefore, the property tax receivable are accrued but the revenue is deferred at year-end.

**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, 2023, 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, 2023.

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, 2023, 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. 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	\$ 1,810,146	\$ -	\$ 1,810,146
Fines	10,794	-	10,794
SPLOST V			
Intergovernmental	335,962	-	335,962
TSPLST			
Intergovernmental	312,937	-	312,937
Other Governmental Funds			
Taxes	1,773	-	1,773
Loan	239,593	-	239,593
Proprietary Fund			
Accounts	921,095	266,406	654,689
Total	\$ 3,632,300	\$ 266,406	\$ 3,365,894

**4. 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.

**5. INTERFUND TRANSACTIONS**

Interfund balance and transfers represent amounts transferred among funds to help finance various construction projects, and meet cash flow requirements.

Interfund balances as of September 30, 2023, are as follows:

	<u>Due to:</u>
	<u>Capital</u>
	<u>Improvements</u>
Due from:	
General Fund	\$ 694

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

**5. INTERFUND TRANSACTIONS – (Continued)**

The outstanding balances between funds result from the time lag between the dates that 1) interfund goods and services are provided, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund transfers for the year ended September 30, 2023, consisted of the following:

	Transfers in:		
	General	Capital Improvement Fund	Hampton Development Fund
<b>Transfers Out:</b>			
General Fund	\$ -	\$ 2,059,115	\$ 50,000
Proprietary Fund	\$ 408,878	\$ -	\$ -
<b>Total</b>	<b>\$ 408,878</b>	<b>\$ 2,059,115</b>	<b>\$ 50,000</b>

Generally, transfers are used to move revenues from the fund that collects them to the fund that the budget requires to expend them.

**6. 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)**

**7. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,004,993	\$ 183,671	\$ -	\$ 1,188,664
Construction in progress	<u>1,593,247</u>	<u>1,723,402</u>	<u>-</u>	<u>3,316,649</u>
Total capital assets not being depreciated	<u>2,598,240</u>	<u>1,907,073</u>	<u>-</u>	<u>4,505,313</u>
Capital assets, being depreciated:				
Buildings	4,296,703	96,768	-	4,393,471
Improvements other than buildings	3,745,284	-	-	3,745,284
Infrastructure	6,469,161	3,068,066	-	9,537,227
Furniture and fixtures	40,120	-	-	40,120
Office equipment	225,692	-	-	225,692
Machinery and equipment	1,841,499	161,595	-	2,003,094
Vehicles	<u>1,672,369</u>	<u>182,711</u>	<u>-</u>	<u>1,855,080</u>
Total capital assets being depreciated	<u>18,290,828</u>	<u>3,509,140</u>	<u>-</u>	<u>21,799,968</u>
Less accumulated depreciation for:				
Buildings	1,401,019	148,706	-	1,549,725
Improvements other than buildings	2,185,848	202,706	-	2,388,554
Infrastructure	2,520,108	408,031	-	2,928,139
Furniture and fixtures	34,036	709	-	34,745
Office equipment	205,446	3,646	-	209,092
Machinery and equipment	867,881	206,637	-	1,074,518
Vehicles	<u>1,304,368</u>	<u>163,107</u>	<u>-</u>	<u>1,467,475</u>
Total accumulated depreciation	<u>8,518,706</u>	<u>1,133,542</u>	<u>-</u>	<u>9,652,248</u>
Total capital assets, being depreciated, net	<u>9,772,122</u>	<u>2,375,598</u>	<u>-</u>	<u>12,147,720</u>
Governmental activities capital assets, net	<u>\$12,370,362</u>	<u>\$4,282,671</u>	<u>\$ -</u>	<u>\$16,653,033</u>

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

General government	\$ 116,138
Public safety and courts	172,365
Public works	668,866
Parks and recreation	165,785
Planning/Community development	3,949
Economic development/Main Street	<u>6,439</u>
Total depreciation expense	<u>\$1,133,542</u>

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

**7. CAPITAL ASSETS – (Continued)**

Capital asset activity for the year ended September 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 291,818	\$ _____ -	\$ _____ -	\$ 291,818
Total capital assets not being depreciated	<u>291,818</u>	<u>_____ -</u>	<u>_____ -</u>	<u>291,818</u>
Capital assets, being depreciated:				
Distribution and collection system	22,179,615	_____ -	_____ -	22,179,615
Machinery and equipment	1,943,447	_____ -	_____ -	1,943,447
Vehicles	<u>627,653</u>	<u>39,480</u>	<u>_____ -</u>	<u>667,133</u>
Total capital assets being depreciated	<u>24,750,715</u>	<u>39,480</u>	<u>_____ -</u>	<u>24,790,195</u>
Less accumulated depreciation for:				
Distribution and collection system	9,963,109	613,687	_____ -	10,576,796
Machinery and equipment	1,303,641	106,101	_____ -	1,409,742
Vehicles	<u>578,693</u>	<u>14,398</u>	<u>_____ -</u>	<u>593,091</u>
Total accumulated depreciation	<u>11,845,443</u>	<u>734,186</u>	<u>_____ -</u>	<u>12,579,629</u>
Total capital assets, being depreciated, net	<u>12,905,272</u>	<u>(694,706)</u>	<u>_____ -</u>	<u>12,210,566</u>
Business-type activities capital assets, net	\$ <u>13,197,090</u>	\$ <u>(694,706)</u>	\$ <u>_____ -</u>	\$ <u>12,502,384</u>

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

Sewer	\$ 475,411
Water	159,587
Electric	<u>99,188</u>
Total depreciation expense	\$ <u>734,186</u>

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

**8. 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, 2023:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental-Type Activities:</b>					
*Compensated absences	\$ 156,618	\$ 15,238	\$ -	\$ 171,856	\$ 60,441
*Net pension liability	<u>252,506</u>	<u>1,090,895</u>	<u>-</u>	<u>1,343,401</u>	<u>-</u>
<b>Governmental-Type Activities</b>	<b><u>409,124</u></b>	<b><u>1,106,133</u></b>	<b><u>-</u></b>	<b><u>1,515,257</u></b>	<b><u>60,441</u></b>
<b>Business-Type Activities:</b>					
Compensated absences	51,403	-	9,996	41,407	40,641
Net pension liability	120,478	403,102	-	523,580	-
Bonds payable	<u>2,810,502</u>	<u>-</u>	<u>703,710</u>	<u>2,106,792</u>	<u>717,926</u>
<b>Business-Type Activities</b>	<b><u>2,982,383</u></b>	<b><u>403,102</u></b>	<b><u>713,706</u></b>	<b><u>2,671,779</u></b>	<b><u>758,567</u></b>
<b>Total</b>	<b><u>\$ 3,391,507</u></b>	<b><u>\$ 1,509,235</u></b>	<b><u>\$ 713,706</u></b>	<b><u>\$ 4,187,036</u></b>	<b><u>\$ 819,008</u></b>

\* 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>
2024	\$ 35,579	\$ 717,926
2025	21,088	732,417
2026	6.351	656,449
	<u>\$ 63,018</u>	<u>\$ 2,106,792</u>

Interest incurred during the current year was \$48,610.

**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 \$2,106,792 at September 30, 2023. Pledged utilities system revenue includes sewer debt relief surcharges and impact fees collected for sewer.

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

**9. 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 costs 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.

**10. 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. The Plan is not included in the City's financial statements.

**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)**

**10. 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	41
Active participants	76
Active elected officials	6
<b>Total number of participants</b>	<b>150</b>

*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 2023, the actuarially determined contribution rate was 9.76% of covered payroll. For 2023, the City's contribution to the plan totaled \$366,670.

**Net Pension Liability of the City**

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

*Actuarial assumptions:* The total pension liability in the September 30, 2022 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 headcount 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)**

**10. EMPLOYEE BENEFITS PLANS – (Continued)**

The actuarial assumptions used in the January 1, 2023 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, 2022 are summarized in the following table:

Asset Class	Allocation	Long-term Expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	6.80%
Domestic fixed income	20%	0.40%
Real estate	10%	3.90%
Global fixed income	5%	0.46%
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)**

**10. 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, 2023, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at September 30, 2022	\$ 6,032,482	\$ 5,659,498	\$ 372,984
Changes for the year:			
Service cost	210,521	-	210,521
Interest	449,498	-	449,498
Differences between expected and actual experience	91,596	-	91,596
Contributions – employer	-	294,920	(294,920)
Net investment income	-	(925,355)	925,355
Benefit payments, including refunds of employee contributions	(296,239)	(296,239)	-
Administrative expense	-	(11,857)	11,857
Other	100,090	-	100,090
Net changes	555,466	(938,531)	1,493,997
Balances at September 30, 2023	<u>\$ 6,587,948</u>	<u>\$ 4,720,967</u>	<u>\$ 1,866,981</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	\$ 2,766,127	\$ 1,866,981	\$ 1,121,983

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, 2023, and the current sharing pattern of costs between employer and employee.

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

**10. 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, 2023, the City recognized pension expense of \$519,771. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expense	\$ 154,209	\$ (44,387)
Changes in assumptions	2,804	-
Net difference between projected and actual earnings on pension plan investments	<u>574,456</u>	-
 Total	 <u>\$ 731,469</u>	 <u>\$ (44,387)</u>

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:	
2024	\$ 125,345
2025	130,234
2026	163,052
2027	<u>268,451</u>
	<u>\$ 687,082</u>

**11. 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, 2023 is as follows:

	Governmental Activities	Business-type Activities
Cost of non-depreciable capital assets	\$ 4,505,313	\$ 291,818
Cost of depreciable capital assets	21,799,968	24,790,195
Less: Accumulated depreciation	<u>9,652,248</u>	<u>12,579,629</u>
net book value	16,653,033	12,502,384
Less: Capital related debt	-	(2,106,792)
Less: Capital accounts payable	<u>(195,657)</u>	<u>-</u>
net investment in capital assets	<u>\$ 16,457,376</u>	<u>\$ 10,395,592</u>

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

**12. 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

**13. 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, 2023:

	Amount	Percent
Total collected	\$ 22,296	100%
Amount remitted to Henry County Chamber of Commerce	\$ 8,769	39%
Amount remitted for Public Relations	\$ 3,500	16%

**14. MAJOR VENDORS**

Purchases of water for resale from the Henry County Water Authority accounts for 12% of the expenses for the utilities fund. Purchases of electricity for resale from Central Georgia EMC accounts for 27% of the expenses for the utilities fund.

**15. SUBSEQUENT EVENTS**

Management has evaluated events, activities and transactions subsequent to the balance sheet through March 29, 2024 (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 March 29, 2024.

## **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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total pension liability</b>					
Service cost	\$ 210,521	\$ 180,675	\$ 150,748	\$ 83,699	\$ 115,832
Interest	449,498	414,471	395,203	197,175	344,793
Differences between expected and actual experience	91,596	129,173	(65,978)	(77,779)	(48,774)
Changes of assumptions	-	-	-	506	-
Changes of benefit terms	100,090	-	-	-	444,260
Benefit payments, including refunds of employee contributions	(296,239)	(262,220)	(235,044)	(104,885)	(221,553)
<b>Net change in total pension liability</b>	<b>555,466</b>	<b>462,099</b>	<b>244,929</b>	<b>98,716</b>	<b>634,558</b>
<b>Total pension liability – beginning</b>	<b><u>6,032,482</u></b>	<b><u>5,570,383</u></b>	<b><u>5,325,454</u></b>	<b><u>5,226,738</u></b>	<b><u>4,592,180</u></b>
<b>Total pension liability – ending (a)</b>	<b><u>\$ 6,587,948</u></b>	<b><u>\$ 6,032,482</u></b>	<b><u>\$ 5,570,383</u></b>	<b><u>\$ 5,325,454</u></b>	<b><u>\$ 5,226,738</u></b>
<b>Plan fiduciary net position</b>					
Contributions – employer	\$ 294,920	\$ 283,973	\$ 237,450	\$ 100,169	\$ 179,386
Net investment income	(925,355)	1,106,104	403,826	175,763	138,667
Benefit payments, including refunds of employee contributions	(296,239)	(262,220)	(235,044)	(104,885)	(221,553)
Administrative expenses	(11,857)	(11,585)	(14,193)	(5,628)	(11,017)
<b>Net change in plan fiduciary net pension</b>	<b>(938,531)</b>	<b>1,116,272</b>	<b>392,039</b>	<b>165,419</b>	<b>85,483</b>
<b>Plan fiduciary net position – beginning</b>	<b><u>5,659,498</u></b>	<b><u>4,543,226</u></b>	<b><u>4,151,187</u></b>	<b><u>3,985,768</u></b>	<b><u>3,900,285</u></b>
<b>Plan fiduciary net position – ending (b)</b>	<b><u>\$ 4,720,967</u></b>	<b><u>\$ 5,659,498</u></b>	<b><u>\$ 4,543,226</u></b>	<b><u>\$ 4,151,187</u></b>	<b><u>\$ 3,985,768</u></b>
<b>City's net pension liability – ending (a) - (b)</b>	<b><u>\$ 1,866,981</u></b>	<b><u>\$ 372,984</u></b>	<b><u>\$ 1,027,157</u></b>	<b><u>\$ 1,174,267</u></b>	<b><u>\$ 1,240,970</u></b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	71.66%	93.82%	81.56%	77.95%	76.26%
<b>Covered payroll</b>	\$ 3,692,844	\$ 3,420,360	\$ 2,973,041	\$ 2,652,000	\$ 2,624,238
City's net pension liability as a percentage of covered payroll	50.56%	10.90%	34.55%	44.28%	47.29%

**Notes to the Schedule**

2015 was the first fiscal year that data was measured in accordance with GASB Statement 68. 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total pension liability</b>				
Service cost	\$ 115,366	\$ 126,889	\$ 131,746	\$ 128,596
Interest	310,823	308,179	275,819	257,215
Differences between expected and actual experience	192,161	(221,668)	77,589	(52,209)
Changes of assumptions	64,872	-	-	(6,690)
Changes of benefit terms	-	-	60,136	-
Benefit payments, including refunds of employee contributions	<u>(203,326)</u>	<u>(155,247)</u>	<u>(100,236)</u>	<u>(73,476)</u>
<b>Net change in total pension liability</b>	<u>479,896</u>	<u>58,153</u>	<u>445,054</u>	<u>253,436</u>
<b>Total pension liability – beginning</b>	<u>4,112,284</u>	<u>4,054,131</u>	<u>3,609,077</u>	<u>3,355,641</u>
<b>Total pension liability – ending (a)</b>	<u>\$ 4,592,180</u>	<u>\$ 4,112,284</u>	<u>\$ 4,054,131</u>	<u>\$ 3,609,077</u>
<b>Plan fiduciary net position</b>				
Contributions – employer	\$ 225,628	\$ 184,289	\$ 205,520	\$ 193,380
Net investment income	432,982	387,385	10,932	254,484
Benefit payments, including refunds of employee contributions	<u>(203,326)</u>	<u>(155,247)</u>	<u>(100,236)</u>	<u>(73,476)</u>
Administrative expenses	<u>(12,462)</u>	<u>(10,462)</u>	<u>(6,923)</u>	<u>(6,214)</u>
<b>Net change in plan fiduciary net pension</b>	<u>442,822</u>	<u>405,965</u>	<u>109,293</u>	<u>368,174</u>
<b>Plan fiduciary net position – beginning</b>	<u>3,457,463</u>	<u>3,051,498</u>	<u>2,942,205</u>	<u>2,574,031</u>
<b>Plan fiduciary net position – ending (b)</b>	<u>\$ 3,900,285</u>	<u>\$ 3,457,463</u>	<u>\$ 3,051,498</u>	<u>\$ 2,942,205</u>
<b>City's net pension liability – ending (a) - (b)</b>	<u>\$ 691,895</u>	<u>\$ 654,821</u>	<u>\$ 1,002,633</u>	<u>\$ 666,872</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	84.93%	84.08%	75.27%	81.52%
<b>Covered payroll</b>	\$ 2,377,085	\$ 2,188,426	\$ 2,412,993	\$ 2,464,960
City's net pension liability as a percentage of covered payroll	29.11%	29.92%	41.55%	27.05%

**Notes to the Schedule**

2015 was the first fiscal year that data was measured in accordance with GASB Statement 68. 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**

	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
Actuarially determined contribution	\$ <u>-1</u>	\$ <u>296,181</u>	\$ <u>269,526</u>	\$ <u>260,870</u>	\$ <u>150,253</u>
Contributions in relation to the actuarially determined Contribution	<u>-1</u>	<u>294,920</u>	<u>283,973</u>	<u>237,450</u>	<u>164,620</u>
Contribution deficiency (excess)	\$ <u>-1</u>	\$ <u>1,261</u>	\$ <u>(14,447)</u>	\$ <u>23,420</u>	\$ <u>(14,367)</u>
Covered payroll	<u>-1</u>	3,420,360	2,973,041	2,652,000	1,968,179
Contributions as a percentage of Covered payroll	<u>-1</u>	8.62%	9.55%	8.95%	8.36%

<sup>1</sup> 2023 information will be determined after fiscal year end and will be included in the 2024 valuation report.

**Notes to the Schedule**

2015 was the first fiscal year that data was measured in accordance with GASB Statement 68. The schedule will present 10 years of information once it is accumulated.

**CITY OF HAMPTON, GEORGIA**  
**SCHEMES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**

	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2018</u>	<u>9/30/2015</u>
Actuarially determined contribution	\$ 172,402	\$ 216,633	\$ 197,578	\$ 208,168
Contributions in relation to the actuarially determined Contribution	<u>160,035</u>	<u>216,633</u>	<u>197,578</u>	<u>208,168</u>
Contribution deficiency (excess)	\$ <u>12,367</u>	\$ _____	\$ _____	\$ _____
Covered payroll	2,377,085	2,188,426	2,412,993	2,464,960
Contributions as a percentage of Covered payroll	6.73%	9.90%	8.19%	8.45%

**Notes to the Schedule**

2015 was the first fiscal year that data was measured in accordance with GASB Statement 68. The schedule will present 10 years of information once it is accumulated.

**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 downtown 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.

**CITY OF HAMPTON, GEORGIA**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**SEPTEMBER 30, 2023**

	<u>TOTAL SPECIAL REVENUE FUNDS</u>	<u>CAPITAL GRANTS FUND</u>	<u>SPLOST IV</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 234,297	\$ -	\$ -	\$ 234,297
Restricted: Cash	67,830	373,215	947,429	1,388,474
Receivables (net of allowance for uncollectibles)				
Taxes	1,773	-	-	1,773
Loan	<u>239,593</u>	<u>-</u>	<u>-</u>	<u>239,593</u>
Total assets	<u>\$ 543,493</u>	<u>\$ 373,215</u>	<u>\$ 947,429</u>	<u>\$ 1,864,137</u>
<b>Liabilities</b>				
Accounts payable				
Operating	\$ 4,189	\$ -	\$ -	\$ 4,189
Capital	-	16,580	-	16,580
Unearned revenue	<u>-</u>	<u>26,596</u>	<u>-</u>	<u>26,596</u>
Total liabilities	<u>4,189</u>	<u>43,176</u>	<u>-</u>	<u>47,365</u>
<b>Fund balances</b>				
Restricted: Capital projects	-	-	947,429	947,429
Restricted: Federal and state program	-	330,039	-	330,039
Restricted: Tourism	68,164	-	-	68,164
Assigned: Downtown Development Authority	449,415	-	-	449,415
Assigned: Hampton Development Authority	<u>21,725</u>	<u>-</u>	<u>-</u>	<u>21,725</u>
Total fund balances	<u>539,304</u>	<u>330,039</u>	<u>947,429</u>	<u>1,816,772</u>
Total liabilities and fund balances	<u>\$ 543,493</u>	<u>\$ 373,215</u>	<u>\$ 947,429</u>	<u>\$ 1,864,137</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, 2023**

	<u>TOTAL SPECIAL REVENUE FUNDS</u>	<u>CAPITAL GRANTS FUND</u>	<u>SPLOST IV</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
<b>REVENUES</b>				
Taxes	\$ 21,225	\$ -	\$ -	\$ 21,225
Intergovernmental	9,762	498,517	-	508,279
Investment income	5,689	2,660	13,757	22,106
Contributions	<u>113,400</u>	<u>-</u>	<u>-</u>	<u>113,400</u>
Total revenues	<u>150,076</u>	<u>501,177</u>	<u>13,757</u>	<u>665,010</u>
<b>EXPENDITURES</b>				
Current:				
Economic development/Main Street	152,881	-	-	152,881
Capital:				
Highways and streets	-	106,575	115,015	221,590
Parks and recreation	-	281,209	61,940	343,149
Planning/Community development	-	113,392	-	113,392
Economic development/Main Street	<u>137,774</u>	<u>-</u>	<u>-</u>	<u>137,774</u>
Total expenditures	<u>290,655</u>	<u>501,176</u>	<u>176,955</u>	<u>968,786</u>
(Deficiency) Excess of revenues over expenditures	<u>(140,579)</u>	<u>1</u>	<u>(163,198)</u>	<u>(303,776)</u>
Other financing sources:				
Transfers in	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total other financing sources	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	<u>(90,579)</u>	<u>1</u>	<u>(163,198)</u>	<u>(253,776)</u>
Fund balances – beginning of period	<u>629,883</u>	<u>330,038</u>	<u>1,110,627</u>	<u>2,070,548</u>
Fund balances – end of period	<u>\$ 539,304</u>	<u>\$ 330,039</u>	<u>\$ 947,429</u>	<u>\$ 1,816,772</u>

**CITY OF HAMPTON, GEORGIA**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**BALANCE SHEET**  
**SEPTEMBER 30, 2023**

	<b>HOTEL/ MOTEL TAX FUND</b>	<b>HAMPTON DEVELOPMENT AUTHORITY</b>	<b>DOWNTOWN DEVELOPMENT AUTHORITY</b>	<b>TOTAL NON-MAJOR SPECIAL REVENUE FUNDS</b>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 24,475	\$ 209,822	\$ 234,297
Restricted: Cash	67,830	-	-	67,830
Receivables (net of allowance for uncollectibles)				
Taxes	1,773	-	-	1,773
Loan	-	-	239,593	239,593
Total assets	<u>\$ 69,603</u>	<u>\$ 24,475</u>	<u>\$ 449,415</u>	<u>\$ 543,493</u>
<b>Liabilities</b>				
Accounts payable				
Operating	\$ 1,439	\$ 2,750	\$ -	\$ 4,189
Total liabilities	<u>1,439</u>	<u>2,750</u>	<u>-</u>	<u>4,189</u>
<b>Fund balances</b>				
Restricted: Tourism	68,164	-	-	68,164
Assigned: Downtown Development Authority	-	-	449,415	449,415
Assigned: Hampton Development Authority	-	21,725	-	21,725
Total fund balances	<u>68,164</u>	<u>21,725</u>	<u>449,415</u>	<u>539,304</u>
Total liabilities and fund balances	<u>\$ 69,603</u>	<u>\$ 24,475</u>	<u>\$ 449,415</u>	<u>\$ 543,493</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, 2023**

	HOTEL/ MOTEL TAX FUND	HAMPTON DEVELOPMENT AUTHORITY	DOWNTOWN DEVELOPMENT AUTHORITY	TOTAL NON-MAJOR SPECIAL REVENUE FUNDS
<b>REVENUES</b>				
Taxes	\$ 21,225	\$ -	\$ -	\$ 21,225
Intergovernmental	-	-	9,762	9,762
Investment income	1,071	439	4,179	5,689
Contributions	-	-	113,400	113,400
Total revenues	<u>22,296</u>	<u>439</u>	<u>127,341</u>	<u>150,076</u>
<b>EXPENDITURES</b>				
Current:				
Economic development/Main Street	12,269	52,052	88,560	152,881
Capital:				
Economic development/Main Street	-	-	137,774	137,774
Total expenditures	<u>12,269</u>	<u>52,052</u>	<u>226,334</u>	<u>290,655</u>
Excess (Deficiency) of revenues over expenditures	10,027	(51,613)	(98,993)	(140,579)
Other financing sources:				
Transfers in	-	50,000	-	50,000
Total other financing sources	-	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	10,027	(1,613)	(98,993)	(90,579)
Fund balances – beginning of period	<u>58,137</u>	<u>23,338</u>	<u>548,408</u>	<u>629,883</u>
Fund balances – end of period	\$ <u>68,164</u>	\$ <u>21,725</u>	\$ <u>449,415</u>	\$ <u>539,304</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, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Taxes	\$ 23,935	\$ 23,935	\$ 21,225	\$ (2,710)
Investment income	<u>50</u>	<u>50</u>	<u>1,071</u>	<u>1,021</u>
Total revenues	<u>23,985</u>	<u>23,985</u>	<u>22,296</u>	<u>(1,689)</u>
<b>EXPENDITURES</b>				
Current:				
Economic development/Main Street	<u>16,500</u>	<u>16,500</u>	<u>12,269</u>	<u>4,231</u>
Total expenditures	<u>16,500</u>	<u>16,500</u>	<u>12,269</u>	<u>4,231</u>
Net change in fund balances	<u>\$ 7,485</u>	<u>\$ 7,485</u>	<u>10,027</u>	<u>\$ 2,542</u>
Fund balance – beginning of year				<u>58,137</u>
Fund balance – end of year				<u>\$ 68,164</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, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Investment income	\$ _____ -	_____ -	439	439
Total revenues	_____ -	_____ -	439	439
<b>EXPENDITURES</b>				
Current:				
Economic development/Main Street	50,000	50,000	52,052	(2,052)
Total expenditures	50,000	50,000	52,052	(2,052)
Deficiency of revenues over expenditures	(50,000)	(50,000)	(51,613)	(1,613)
Other financing sources:				
Transfers in	50,000	50,000	50,000	-
Net change in fund balances	\$ _____ -	\$ _____ -	(1,613)	\$ (1,613)
Fund balance – beginning of year			23,338	
Fund balance – end of year			\$ 21,725	

**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, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Intergovernmental	\$ 29,854	\$ 29,854	\$ 9,762	\$ (20,092)
Investment income	2,100	2,100	4,179	2,079
Contributions	-	-	113,400	113,400
Total revenues	<u>31,954</u>	<u>31,954</u>	<u>127,341</u>	<u>95,387</u>
<b>EXPENDITURES</b>				
Current:				
Economic development/Main Street	165,454	165,454	88,560	76,894
Capital:				
Economic development/Main Street	<u>28,500</u>	<u>28,500</u>	<u>137,774</u>	<u>(109,274)</u>
Total expenditures	<u>193,954</u>	<u>193,954</u>	<u>226,334</u>	<u>(32,380)</u>
Net change in fund balances	<u>\$ (162,000)</u>	<u>\$ (162,000)</u>	<u>(98,993)</u>	<u>\$ 63,007</u>
Fund balance – beginning of year			<u>548,408</u>	
Fund balance – end of year			<u>\$ 449,415</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, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Intergovernmental	\$ 651,227	\$ 651,227	\$ 498,517	\$ (152,710)
Investment income	<u>-</u>	<u>-</u>	<u>2,660</u>	<u>2,660</u>
Total revenues	<u>651,227</u>	<u>651,227</u>	<u>501,177</u>	<u>(150,050)</u>
<b>EXPENDITURES</b>				
Capital:				
Highways and streets	261,494	261,494	106,575	154,919
Parks and recreation	212,045	212,045	281,209	(69,164)
Planning/Community development	<u>177,688</u>	<u>177,688</u>	<u>113,392</u>	<u>64,296</u>
Total expenditures	<u>651,227</u>	<u>651,227</u>	<u>501,176</u>	<u>150,051</u>
Net change in fund balances	\$ <u>_____ -</u>	\$ <u>_____ -</u>	1	\$ <u>_____ 1</u>
Fund balance – beginning of year				<u>330,038</u>
Fund balance – end of year				<u>\$ 330,039</u>

**CITY OF HAMPTON, GEORGIA**  
**CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Contributions	\$ 500,000	500,000	250,000	(250,000)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>250,000</u>	<u>(250,000)</u>
<b>EXPENDITURES</b>				
Capital:				
Public safety	\$ 185,502	\$ 185,502	\$ 182,710	\$ 2,792
Public utilities	3,585,089	3,585,089	400,334	3,184,755
Highways and streets	2,943,821	2,943,821	799,951	2,143,870
Parks and recreation	747,126	747,126	676,119	71,007
Debt service:				
Principal	<u>753,709</u>	<u>753,509</u>	<u>-</u>	<u>753,509</u>
Total expenditures	<u>8,215,047</u>	<u>8,215,047</u>	<u>2,059,114</u>	<u>6,155,933</u>
(Deficiency) Excess of revenues over expenditures	<u>(7,715,047)</u>	<u>(7,715,047)</u>	<u>(1,809,114)</u>	<u>5,905,933</u>
Other financing sources:				
Transfers in	2,409,000	2,409,000	2,059,115	(349,885)
Issuance of notes payable	<u>1,933,000</u>	<u>1,933,000</u>	<u>-</u>	<u>(1,933,000)</u>
Total other financing sources	<u>4,342,000</u>	<u>4,342,000</u>	<u>2,059,115</u>	<u>(2,282,885)</u>
Net change in fund balances – Budget basis	<u>\$ (3,373,047)</u>	<u>\$ (3,373,047)</u>	250,001	\$ 3,623,048
Fund balance – beginning of year				<u>541,814</u>
Fund balance – end of year				<u>\$ 791,815</u>

**CITY OF HAMPTON, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH**  
**SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Roads, bridges, sidewalks and transportation facilities	\$ 2,675,000	\$ 2,572,447	\$ 1,800	\$ 2,574,247
<b>SPLOST IV:</b>				
Public safety facilities and equipment	740,000	490,243	-	490,243
Public works facilities and equipment	1,710,000	1,224,304	113,215	1,337,519
Construction and renovation of municipal buildings	1,100,000	467,328	-	467,328
Parks and recreation facilities	600,000	537,266	61,940	599,206
Community development facilities	<u>450,000</u>	<u>1,580</u>	<u>-</u>	<u>1,580</u>
	<u>\$ 7,275,000</u>	<u>\$ 5,293,168</u>	<u>\$ 176,955</u>	<u>\$ 5,470,123</u>

**CITY OF HAMPTON, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH**  
**SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
<b>SPLOST V:</b>				
Public safety	\$ 375,568	\$ -	\$ 33,680	\$ 33,680
Park(s) improvement and development	521,623	5,620	513,315	518,935
Green space and trail development	524,094	-	59,603	59,603
Roads, sidewalk & right of way improvements to include gateway signage	2,086,489	31,275	439,249	470,524
Water and sewer enhancements	1,043,244	-	-	-
Capital improvements municipal buildings	<u>1,043,244</u>	<u>-</u>	<u>123,694</u>	<u>123,694</u>
	<u>\$ 5,594,262</u>	<u>\$ 36,895</u>	<u>\$ 1,169,541</u>	<u>\$ 1,206,436</u>

**CITY OF HAMPTON, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH**  
**TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<u>Project</u>	<u>SPLOST Total Estimated Project Costs</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
<b>TSPLOST:</b>				
Elm Street	\$ 850,000	\$ -	\$ 47,639	\$ 47,639
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	-	2,400	2,400
McDonough Street	350,000	-	-	-
E. King, McDonough, and Rosenwald Intersection	1,200,000	-	-	-
Hampton-Locust Grove Road and McDonough Street	380,000	-	250	250
Resurfacing Projects – targeted areas	<u>1,400,000</u>	<u>-</u>	<u>572,647</u>	<u>572,647</u>
	<u>\$ 9,477,000</u>	<u>\$ -</u>	<u>\$ 622,936</u>	<u>\$ 622,936</u>

## STATISTICAL SECTION

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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 .....	69-79
<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>	
Revenue Capacity .....	80-94
<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 property taxes.</i>	
Debt Capacity .....	95-97
<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>	
Demographic and Economic Information .....	98
<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>	
Operating Information .....	99-100
<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>	

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 <sup>1</sup>**  
**(accrual basis of accounting)**

	<b>For The Fiscal Year Ended September 30</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Expenses:</b>										
General government	\$ 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	\$ 2,125,151
Public safety and courts	1,820,514	1,769,199	1,709,560	1,659,633	1,798,110	2,040,964	1,876,809	1,908,369	2,217,235	2,615,968
Public works	670,821	848,123	1,311,859	1,047,471	826,885	965,218	883,374	941,458	1,207,035	1,456,787
Parks and recreation	71,810	103,222	110,964	96,877	139,389	210,703	174,451	225,393	287,599	444,810
Planning/community development	91,038	155,602	135,938	144,863	149,135	225,902	249,339	360,966	572,733	677,207
Main St/economic development	69,657	121,028	161,670	212,564	388,954	222,912	125,617	133,875	193,109	480,681
Interest on long-term debt	3,293	572	-	-	1,374	658	-	-	-	-
<b>Total Expenses</b>	<b>4,044,969</b>	<b>4,242,890</b>	<b>4,602,949</b>	<b>4,309,107</b>	<b>4,485,292</b>	<b>5,029,714</b>	<b>4,883,392</b>	<b>5,241,011</b>	<b>6,484,160</b>	<b>7,800,604</b>
<b>Program Revenues:</b>										
Charges for services:										
General government	12,000	11,250	17,750	16,597	15,651	16,563	19,556	18,100	18,600	18,475
Public safety and courts	297,518	276,109	294,146	338,099	336,697	263,205	308,981	251,217	339,630	527,280
Parks and recreation	-	-	-	-	-	8,420	3,179	10,220	7,305	18,110
Planning/community development	9,709	53,407	61,207	137,316	143,984	137,410	143,239	-	1,244,604	252,214
Main St/economic development	-	-	-	-	3,719	3,288	-	227,025	-	-
Operating grants and contributions	-	-	-	-	-	-	395	247	1,188	113,400
Capital grants and contributions	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	5,684,454
<b>Total Program Revenues</b>	<b>1,584,601</b>	<b>1,427,747</b>	<b>1,670,553</b>	<b>1,586,381</b>	<b>1,774,505</b>	<b>2,041,330</b>	<b>1,377,083</b>	<b>1,556,932</b>	<b>8,980,732</b>	<b>6,613,933</b>
<b>Net (Expense) Revenue</b>	<b>(2,460,368)</b>	<b>(2,815,143)</b>	<b>(2,932,396)</b>	<b>(2,722,726)</b>	<b>(2,710,787)</b>	<b>(2,988,384)</b>	<b>(3,506,309)</b>	<b>(3,684,079)</b>	<b>2,496,572</b>	<b>(1,186,671)</b>
<b>General Revenues:</b>										
Taxes:										
Sales (LOST)	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	3,433,158
Property taxes	-	-	-	-	-	-	-	-	-	1,177,816
Motor vehicle ad valorem	-	-	-	-	-	139,650	182,439	268,346	265,800	293,620
Insurance premium	360,417	374,847	400,462	433,778	463,233	499,574	530,659	559,771	577,269	683,894
Public utilities franchise	203,391	218,717	206,277	239,509	199,822	235,131	320,614	257,942	235,128	233,769
Business and occupation	-	-	-	137,544	-	120,973	140,778	151,862	159,497	157,727
Other	107,659	121,120	125,364	219,206	165,727	53,915	33,271	85,746	108,367	133,506
Unrestricted grants and contributions	-	-	-	594,559	33,837	-	-	-	122,511	280,276
Miscellaneous	111,188	253,462	440,157	(57,569)	221,012	109,121	36,465	83,959	61,231	52,045
<b>Total General Revenues</b>	<b>3,545,973</b>	<b>3,537,527</b>	<b>3,359,465</b>	<b>3,914,193</b>	<b>3,602,441</b>	<b>3,774,762</b>	<b>4,209,866</b>	<b>4,793,403</b>	<b>5,318,238</b>	<b>6,445,811</b>
<b>Transfers - Net</b>	<b>(124,759)</b>	<b>8,531</b>	<b>253,571</b>	<b>401,996</b>	<b>129,150</b>	<b>34,886</b>	<b>(178,961)</b>	<b>475,811</b>	<b>341,445</b>	<b>408,878</b>
<b>Change in Net Position</b>	<b>\$ 960,846</b>	<b>\$ 730,915</b>	<b>\$ 680,640</b>	<b>\$ 1,593,463</b>	<b>\$ 1,020,804</b>	<b>\$ 821,264</b>	<b>\$ 524,596</b>	<b>\$ 1,585,135</b>	<b>\$ 8,156,255</b>	<b>\$ 5,668,018</b>

**Data Source:**

1. Applicable 2014 - 2021 fiscal years annual financial report.
- Fiscal year 2022 - 2023 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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Water and sewer	\$ 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	\$ 3,617,596
Electrical system	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	4,268,289
Sanitation	352,361	378,968	409,140	385,026	471,114	509,971	485,376	429,961	626,090	807,888
<b>Total Expenses</b>	<b>5,659,171</b>	<b>6,144,132</b>	<b>6,368,582</b>	<b>6,118,851</b>	<b>6,127,606</b>	<b>6,797,620</b>	<b>6,538,528</b>	<b>6,488,783</b>	<b>7,831,560</b>	<b>8,693,773</b>
<b>Program Revenues:</b>										
Charges for services:										
Water and sewer	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	3,115,841
Electrical system	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	4,331,548
Sanitation	380,564	391,957	401,739	414,101	429,394	439,222	466,242	582,571	582,908	828,158
<b>Total Program Revenues</b>	<b>5,829,021</b>	<b>6,158,254</b>	<b>6,436,919</b>	<b>6,644,477</b>	<b>6,895,825</b>	<b>6,981,523</b>	<b>6,507,323</b>	<b>6,658,069</b>	<b>7,403,621</b>	<b>8,275,547</b>
<b>Net (Expense) Revenue</b>	<b>169,850</b>	<b>14,122</b>	<b>68,337</b>	<b>525,626</b>	<b>768,219</b>	<b>183,903</b>	<b>(31,205)</b>	<b>169,286</b>	<b>(427,939)</b>	<b>(418,226)</b>
<b>General Revenues:</b>										
Investment earnings	986	1,062	1,368	1,743	2,509	2,898	2,453	1,367	5,961	77,908
Capital grants and contributions	23,452	329,088	265,024	389,862	248,204	329,372	958,880	1,332,443	3,045,788	2,852
<b>Total General Revenues</b>	<b>24,438</b>	<b>330,150</b>	<b>266,392</b>	<b>391,605</b>	<b>250,713</b>	<b>332,270</b>	<b>961,333</b>	<b>1,333,810</b>	<b>3,051,749</b>	<b>80,760</b>
<b>Net Transfers (Out) In</b>	<b>124,759</b>	<b>(8,531)</b>	<b>(253,571)</b>	<b>(401,996)</b>	<b>(129,150)</b>	<b>(34,886)</b>	<b>178,961</b>	<b>(475,811)</b>	<b>(341,445)</b>	<b>(408,878)</b>
<b>Change in Net Position</b>	<b>\$ 319,047</b>	<b>\$ 335,741</b>	<b>\$ 81,158</b>	<b>\$ 515,235</b>	<b>\$ 889,782</b>	<b>\$ 481,287</b>	<b>\$ 1,109,089</b>	<b>\$ 1,027,285</b>	<b>\$ 2,282,365</b>	<b>\$ (746,344)</b>

**Data Source:**

Applicable 2014 - 2021 fiscal years annual financial report.  
Fiscal year 2022 - 2023 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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental activities <sup>1</sup>	\$ 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	\$ 7,800,604
Business-type activities <sup>2</sup>	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	8,693,773
<b>Total Expenses</b>	<b>9,704,140</b>	<b>10,387,022</b>	<b>10,971,531</b>	<b>10,427,958</b>	<b>10,612,898</b>	<b>11,827,334</b>	<b>11,421,920</b>	<b>11,729,794</b>	<b>14,315,720</b>	<b>16,494,377</b>
<b>Program Revenues:</b>										
Governmental activities <sup>1</sup>	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	6,613,933
Business-type activities <sup>2</sup>	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	8,275,547
<b>Total Program Revenues</b>	<b>7,413,622</b>	<b>7,586,001</b>	<b>8,107,472</b>	<b>8,230,858</b>	<b>8,670,330</b>	<b>9,022,853</b>	<b>7,884,406</b>	<b>8,215,001</b>	<b>16,384,353</b>	<b>14,889,480</b>
<b>Net (Expense) Revenue</b>	<b>(2,290,518)</b>	<b>(2,801,021)</b>	<b>(2,864,059)</b>	<b>(2,197,100)</b>	<b>(1,942,568)</b>	<b>(2,804,481)</b>	<b>(3,537,514)</b>	<b>(3,514,793)</b>	<b>2,068,633</b>	<b>(1,604,897)</b>
<b>General Revenues:</b>										
Governmental activities <sup>1</sup>	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	6,445,811
Business-type activities <sup>2</sup>	24,438	330,150	266,392	391,605	250,713	332,270	961,333	1,333,810	3,051,749	80,760
<b>Total General Revenues</b>	<b>3,570,411</b>	<b>3,867,677</b>	<b>3,625,857</b>	<b>4,305,798</b>	<b>3,853,154</b>	<b>4,107,032</b>	<b>5,171,199</b>	<b>6,127,213</b>	<b>8,369,987</b>	<b>6,526,571</b>
<b>Change in Net Position</b>	<b>\$ 1,279,893</b>	<b>\$ 1,066,656</b>	<b>\$ 761,798</b>	<b>\$ 2,108,698</b>	<b>\$ 1,910,586</b>	<b>\$ 1,302,551</b>	<b>\$ 1,633,685</b>	<b>\$ 2,612,420</b>	<b>\$ 10,438,620</b>	<b>\$ 4,921,674</b>

**Notes:**

<sup>1</sup>See page 69 - Changes in Net Position - Governmental Activities

<sup>2</sup>See page 70 - Changes in Net Position - Business-type Activities

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

	<b>For the Fiscal Year Ended September 30</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Governmental Activities</b>										
Net investment in capital assets,	\$ 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	\$ 16,457,376
Restricted	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	8,893,883
Unrestricted	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	9,932,465
<b>Subtotal Governmental Activities Net Position</b>	<b>14,866,179</b>	<b>15,132,760</b>	<b>15,813,400</b>	<b>17,507,652</b>	<b>18,528,456</b>	<b>19,349,720</b>	<b>19,874,316</b>	<b>21,459,451</b>	<b>29,615,706</b>	<b>35,283,724</b>
<b>Business-type Activities</b>										
Net investment in capital assets,	\$ 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	\$ 10,395,592
Restricted	-	-	-	-	-	2,146,197	2,189,679	2,303,929	4,348,218	2,779,955
Unrestricted	1,489,490	1,616,741	1,821,354	2,344,032	1,908,575	132,148	193,166	932,928	1,154,726	1,675,823
<b>Subtotal Business-type Activities Net Position</b>	<b>9,161,938</b>	<b>9,211,513</b>	<b>9,292,671</b>	<b>9,807,906</b>	<b>10,697,688</b>	<b>11,178,975</b>	<b>12,288,064</b>	<b>13,315,349</b>	<b>15,597,714</b>	<b>14,851,370</b>
<b>Primary Government</b>										
Net investment in capital assets,	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	26,852,968
Restricted	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	11,673,838
Unrestricted	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	11,608,288
<b>Total Primary Government Net Position</b>	<b>\$ 24,028,117</b>	<b>\$ 24,344,273</b>	<b>\$ 25,106,071</b>	<b>\$ 27,315,558</b>	<b>\$ 29,226,144</b>	<b>\$ 30,528,695</b>	<b>\$ 32,162,380</b>	<b>\$ 34,774,800</b>	<b>\$ 45,213,420</b>	<b>\$ 50,135,094</b>

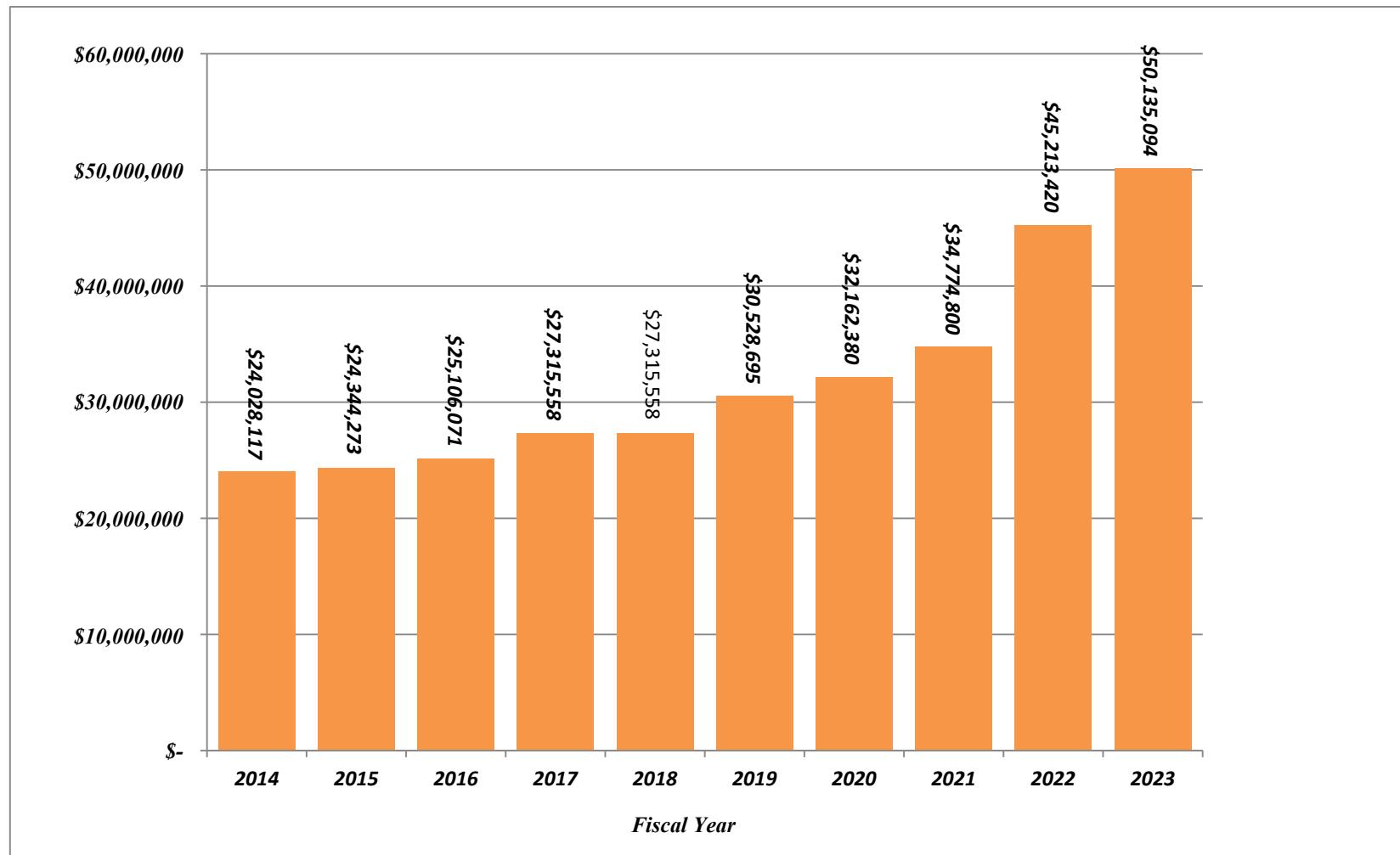
**Notes:**

<sup>1</sup> 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)*

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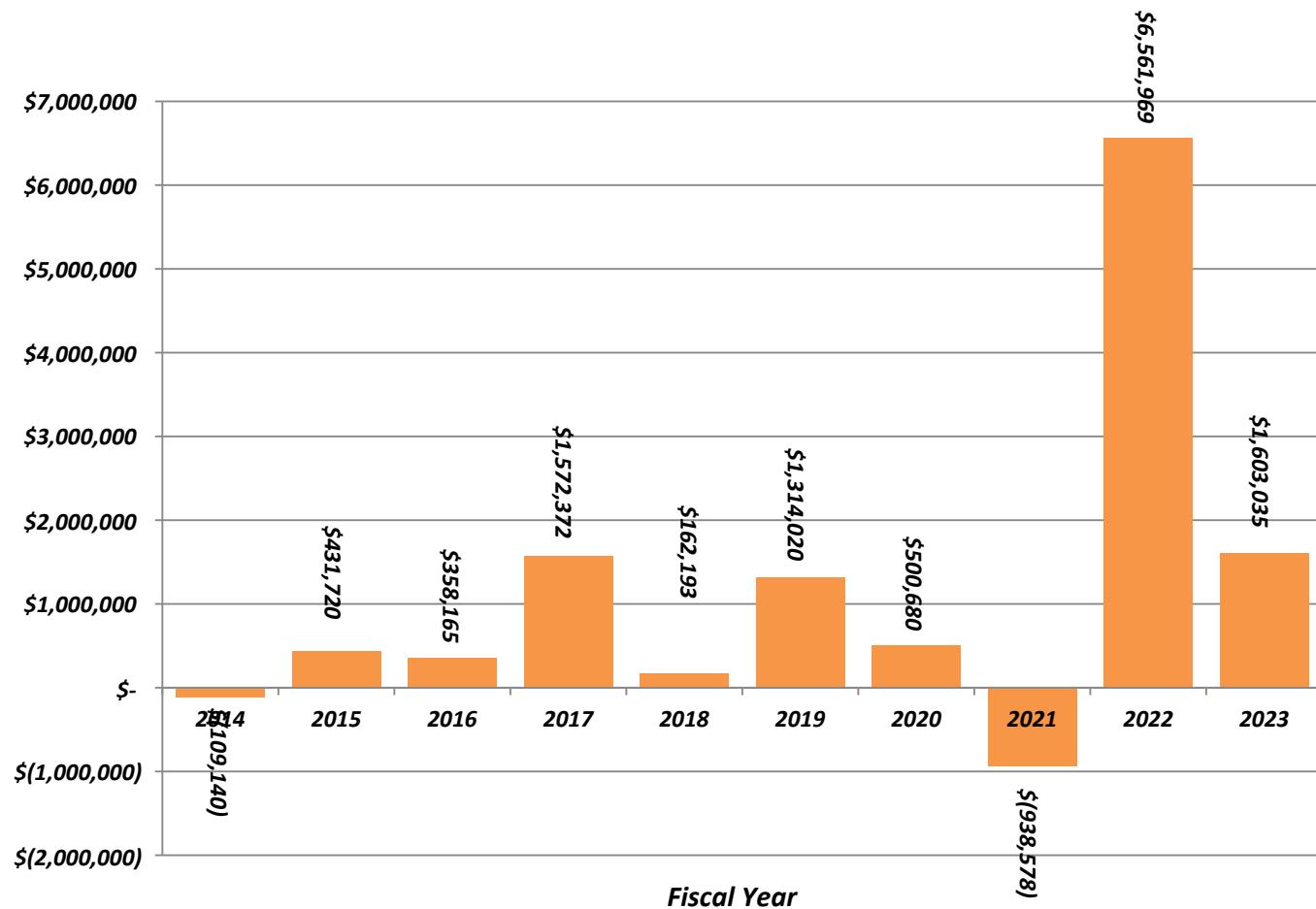
**City of Hampton, Georgia**  
**Summary of Changes in Fund Balances - Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Source	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Revenues</b>	\$ 5,130,574	\$ 4,965,274	\$ 5,030,018	\$ 5,582,084	\$ 5,425,919	\$ 5,824,492	\$ 5,586,949	\$ 6,350,335	\$ 14,048,970	\$ 13,059,744
<b>Total Expenditures</b>	5,114,955	4,542,085	4,925,424	4,363,115	5,460,285	4,536,958	4,975,305	7,764,724	8,078,446	11,865,587
<b>Excess (Deficiency) of Revenues</b>										
Over (Under) Expenditures	15,619	423,189	104,594	1,218,969	(34,366)	1,287,534	611,644	(1,414,389)	5,970,524	1,194,157
<b>Other Financing Sources (Uses)</b>										
Sale of capital assets	-	-	-	(81,510)	67,409	(8,400)	-	-	-	-
Inception of capital lease	-	-	-	32,917	-	-	67,997	-	-	-
Issuance of bonds	-	-	-	-	-	-	-	-	-	-
Capital contribution	-	-	-	-	-	-	-	-	250,000	-
Transfers in (out)	(124,759)	8,531	253,571	401,996	129,150	34,886	(178,961)	475,811	341,445	408,878
<b>Total Other Financing Sources (Uses)</b>	(124,759)	8,531	253,571	353,403	196,559	26,486	(110,964)	475,811	591,445	408,878
<b>Net Change in Fund Balances</b>	\$ (109,140)	\$ 431,720	\$ 358,165	\$ 1,572,372	\$ 162,193	\$ 1,314,020	\$ 500,680	\$ (938,578)	\$ 6,561,969	\$ 1,603,035

**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 2014 - 2023**  
*(modified accrual basis of accounting)*

<b>At September 30,</b>											
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
<b>General Fund</b>											
Non-expandable	\$ 25,277	\$ 23,766	\$ -	\$ 34,778	\$ 31,988	\$ 510	\$ 16,429	\$ 61,789	\$ 12,102	\$ 1,275	
Restricted	49	49	48	49	30,049	421,710	563,083	175,837	951,832	256,456	
Assigned	-	-	-	-	-	5,500	-	2,871,927	1,144,788	-	
Unassigned	7,001,513	7,054,964	7,162,288	7,691,865	7,358,196	6,981,995	7,785,393	6,180,014	8,238,765	9,464,504	
<b>Subtotal General Fund</b>	<b>7,026,839</b>	<b>7,078,779</b>	<b>7,162,336</b>	<b>7,726,692</b>	<b>7,420,233</b>	<b>7,409,715</b>	<b>8,364,905</b>	<b>9,289,567</b>	<b>10,347,487</b>	<b>9,722,235</b>	
<b>General Fund Percentage Change</b>	<b>-59.1%</b>	<b>0.7%</b>	<b>1.2%</b>	<b>7.9%</b>	<b>-4.0%</b>	<b>-0.1%</b>	<b>12.9%</b>	<b>11.1%</b>	<b>11.4%</b>	<b>-6.0%</b>	
<b>All Other Governmental Funds</b>											
Restricted											
Special Revenue Funds	343,576	28,536	29,519	615,395	529,369	780,314	544,953	563,392	859,921	869,343	
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	6,841,110	9,059,975	
<b>Subtotal All Other Governmental Funds</b>	<b>958,349</b>	<b>1,338,129</b>	<b>1,612,737</b>	<b>2,721,542</b>	<b>3,190,194</b>	<b>4,514,732</b>	<b>4,060,222</b>	<b>2,196,982</b>	<b>7,701,031</b>	<b>9,929,318</b>	
<b>All Other Governmental Funds Percentage Change</b>	<b>77.0%</b>	<b>39.6%</b>	<b>20.5%</b>	<b>68.8%</b>	<b>17.2%</b>	<b>41.5%</b>	<b>-10.1%</b>	<b>-45.9%</b>	<b>250.5%</b>	<b>28.9%</b>	
<b>Total Governmental Funds</b>											
Non-expandable	25,277	23,766	-	34,778	31,988	510	16,429	61,789	12,102	1,275	
Restricted	343,625	28,585	29,567	615,444	559,418	1,202,024	1,108,036	739,229	8,652,863	10,185,774	
Assigned	614,773	1,309,593	1,583,218	2,106,147	2,660,825	3,739,918	3,515,269	4,505,517	1,144,788	-	
Unassigned	7,001,513	7,054,964	7,162,288	7,691,865	7,358,196	6,981,995	7,785,393	6,180,014	8,238,765	9,464,504	
<b>Total Governmental Funds</b>	<b>\$ 7,985,188</b>	<b>\$ 8,416,908</b>	<b>\$ 8,775,073</b>	<b>\$ 10,448,234</b>	<b>\$ 10,610,427</b>	<b>\$ 11,924,447</b>	<b>\$ 12,425,127</b>	<b>\$ 11,486,549</b>	<b>\$ 18,048,518</b>	<b>\$ 19,651,553</b>	
<b>All Governmental Funds Percentage Change</b>	<b>-1.3%</b>	<b>5.4%</b>	<b>4.3%</b>	<b>19.1%</b>	<b>1.6%</b>	<b>12.4%</b>	<b>4.2%</b>	<b>-7.6%</b>	<b>57.1%</b>	<b>8.9%</b>	

**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)<sup>1</sup>**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

**For the Fiscal Year Ended September 30**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Current:</b>										
General government	\$ 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	\$ 1,918,083
Judicial	126,652	119,920	115,529	152,442	124,190	162,931	162,294	163,367	212,979	262,341
Public safety	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	2,096,154
Public works	275,879	263,366	334,380	369,502	413,837	426,690	352,360	484,881	677,721	757,092
Parks and recreation	27,283	60,902	50,969	37,565	89,831	135,006	122,000	163,006	173,860	266,202
Planning/community development	81,496	136,251	125,432	138,097	144,980	192,376	243,105	355,574	564,959	653,671
Main St/economic development	70,765	118,958	153,526	206,765	343,855	212,917	118,284	127,604	187,775	425,259
<b>Total Current</b>	<b>3,377,151</b>	<b>3,350,971</b>	<b>3,276,078</b>	<b>3,422,606</b>	<b>3,763,770</b>	<b>3,924,583</b>	<b>4,062,266</b>	<b>4,480,351</b>	<b>5,534,374</b>	<b>6,378,802</b>
<b>% Change From Prior Year</b>	<b>6.6%</b>	<b>-0.8%</b>	<b>-2.2%</b>	<b>4.5%</b>	<b>10.0%</b>	<b>4.3%</b>	<b>3.5%</b>	<b>10.3%</b>	<b>23.5%</b>	<b>15.3%</b>
Capital Outlay	1,689,861	1,181,740	1,649,346	928,892	1,684,801	600,757	904,540	3,250,374	2,518,573	5,486,785
<b>% Change From Prior Year</b>	<b>578.3%</b>	<b>-30.1%</b>	<b>39.6%</b>	<b>-43.7%</b>	<b>81.4%</b>	<b>-64.3%</b>	<b>50.6%</b>	<b>259.3%</b>	<b>-22.5%</b>	<b>117.9%</b>
<b>Debt Service</b>										
Principal	44,650	9,374	-	11,617	10,340	10,960	8,499	33,999	25,499	-
Interest and fees	3,293	-	-	-	1,374	658	-	-	-	-
<b>Total Debt Service</b>	<b>47,943</b>	<b>9,374</b>	<b>-</b>	<b>11,617</b>	<b>11,714</b>	<b>11,618</b>	<b>8,499</b>	<b>33,999</b>	<b>25,499</b>	<b>-</b>
<b>% Change From Prior Year</b>	<b>-39.7%</b>	<b>-80.4%</b>	<b>-100.0%</b>	<b>0.0%</b>	<b>0.8%</b>	<b>-0.8%</b>	<b>-26.8%</b>	<b>300.0%</b>	<b>-25.0%</b>	<b>-100.0%</b>
<b>Total Expenditures</b>	<b>\$ 5,114,955</b>	<b>\$ 4,542,085</b>	<b>\$ 4,925,424</b>	<b>\$ 4,363,115</b>	<b>\$ 5,460,285</b>	<b>\$ 4,536,958</b>	<b>\$ 4,975,305</b>	<b>\$ 7,764,724</b>	<b>\$ 8,078,446</b>	<b>\$ 11,865,587</b>
<b>% Change From Prior Year</b>	<b>46.3%</b>	<b>-11.2%</b>	<b>8.4%</b>	<b>-11.4%</b>	<b>25.1%</b>	<b>-16.9%</b>	<b>9.7%</b>	<b>56.1%</b>	<b>4.0%</b>	<b>46.9%</b>
<b>Debt Service as a % of Noncapital Expenditures</b>	<b>1.4%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.8%</b>	<b>0.5%</b>	<b>0.0%</b>

**Notes:**

<sup>1</sup> Includes all governmental fund types.

**Data Source:**

Applicable 2014 - 2021 fiscal years annual financial report

Fiscal year 2022 - 2023 annual comprehensive financial report.

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

**For the Fiscal Year Ended September 30**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Function</b>										
<b>Current:</b>										
General government	\$ 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	\$ 1,918,083
Judicial	126,652	119,920	115,529	152,442	124,190	162,931	162,294	163,367	212,979	262,341
Public safety	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	2,096,154
Public works	275,879	263,366	334,380	369,502	413,837	426,690	352,360	484,881	677,721	757,092
Parks, recreation and culture	27,283	60,902	50,969	37,565	89,831	135,006	122,000	163,006	173,860	266,202
Planning/community develop.	81,496	136,251	125,432	138,097	144,980	192,376	243,105	355,574	564,959	653,671
Main St./economic develop.	70,765	118,958	153,526	206,765	343,855	212,917	118,284	127,604	187,775	425,259
<b>Total Current</b>	<b>\$ 3,377,151</b>	<b>\$ 3,350,971</b>	<b>\$ 3,276,078</b>	<b>\$ 3,422,606</b>	<b>\$ 3,763,770</b>	<b>\$ 3,924,583</b>	<b>\$ 4,062,266</b>	<b>\$ 4,480,351</b>	<b>\$ 5,534,374</b>	<b>\$ 6,378,802</b>
<b>Current:</b>										
General government	36.4%	36.2%	34.2%	32.3%	30.7%	33.2%	36.3%	35.1%	34.2%	30.1%
Judicial	3.8%	3.6%	3.5%	4.5%	3.3%	4.2%	4.0%	3.6%	3.8%	4.1%
Public safety	46.4%	42.9%	42.0%	41.2%	39.6%	38.0%	39.1%	36.0%	33.0%	32.9%
Public works	8.2%	7.9%	10.2%	10.8%	11.0%	10.9%	8.7%	10.8%	12.2%	11.9%
Parks, recreation and culture	0.8%	1.8%	1.6%	1.1%	2.4%	3.4%	3.0%	3.6%	3.1%	4.2%
Planning/community develop.	2.4%	4.1%	3.8%	4.0%	3.9%	4.9%	6.0%	7.9%	10.2%	10.2%
Main St./economic develop.	2.1%	3.5%	4.7%	6.0%	9.1%	5.4%	2.9%	2.8%	3.4%	6.7%
<b>Total Current</b>	<b>100.0%</b>									

**Notes:**

<sup>1</sup> Includes all governmental fund types.

**Data Source:**

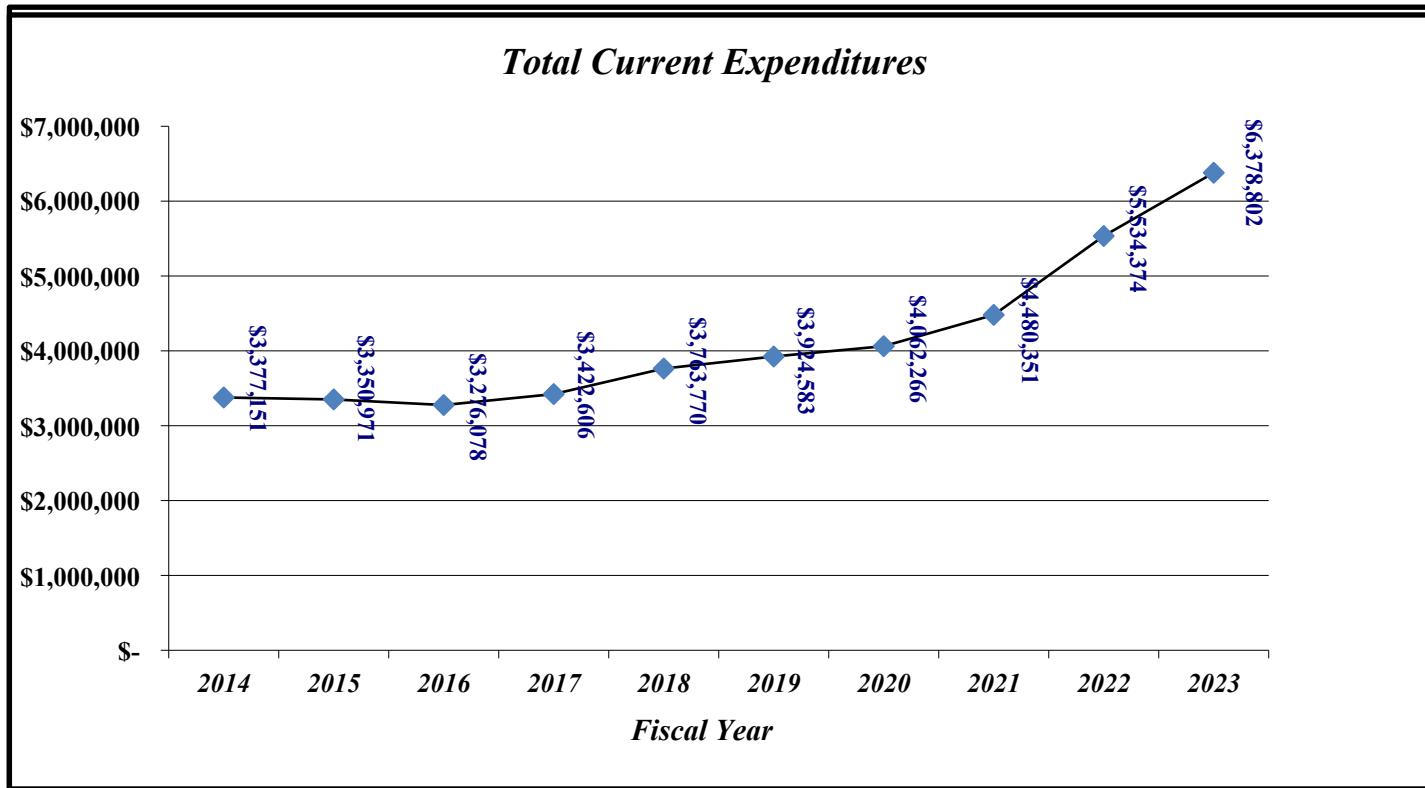
Applicable 2014 - 2021 fiscal years annual financial report

Fiscal year 2022 - 2023 annual comprehensive financial report.

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

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**City of Hampton, Georgia**  
**General Governmental Revenues by Source (Unaudited) <sup>1</sup>**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenue Source</b>										
Taxes	\$ 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	\$ 6,113,490
Licenses and permits	21,709	64,657	78,957	153,913	159,635	153,973	162,795	245,125	1,263,204	270,689
Intergovernmental	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	5,187,718
Charges for services	89,454	232,344	419,202	219,206	252,653	139,983	10,756	2,187	987,153	139,695
Fines and forfeitures	297,518	276,109	294,146	338,099	336,697	263,205	308,981	251,217	339,630	527,280
Investment earnings	22,588	22,161	22,872	26,547	22,929	75,695	20,903	27,963	37,289	387,317
Contributions	-	-	-	594,559	33,837	3,288	395	247	1,188	363,400
Miscellaneous	-	-	-	-	1,200	54,853	22,191	67,602	158,554	70,155
Total revenues	<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>\$ 14,048,970</u>	<u>\$ 13,059,744</u>
% change from prior year	<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>121.2%</u>	<u>-7.0%</u>
Taxes	66.9%	66.1%	58.0%	56.6%	61.7%	62.9%	74.7%	74.2%	36.5%	46.8%
Licenses and permits	0.4%	1.3%	1.6%	2.8%	2.9%	2.6%	2.9%	3.9%	9.0%	2.1%
Intergovernmental	24.6%	21.9%	25.8%	19.6%	23.4%	25.2%	15.9%	16.5%	43.6%	39.7%
Charges for services	1.7%	4.7%	8.3%	3.9%	4.7%	2.4%	0.2%	0.0%	7.0%	1.1%
Fines and forfeitures	5.8%	5.6%	5.8%	6.1%	6.2%	4.5%	5.5%	4.0%	2.4%	4.0%
Investment earnings	0.4%	0.4%	0.5%	0.5%	0.4%	1.3%	0.4%	0.4%	0.3%	3.0%
Contributions	0.0%	0.0%	0.0%	10.7%	0.6%	0.1%	0.0%	0.0%	0.0%	2.8%
Miscellaneous	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.4%	1.1%	1.1%	0.5%
Total revenues	<u>100.0%</u>	<u>100.0%</u>								

**Notes:**

<sup>1</sup> Includes all governmental fund types.

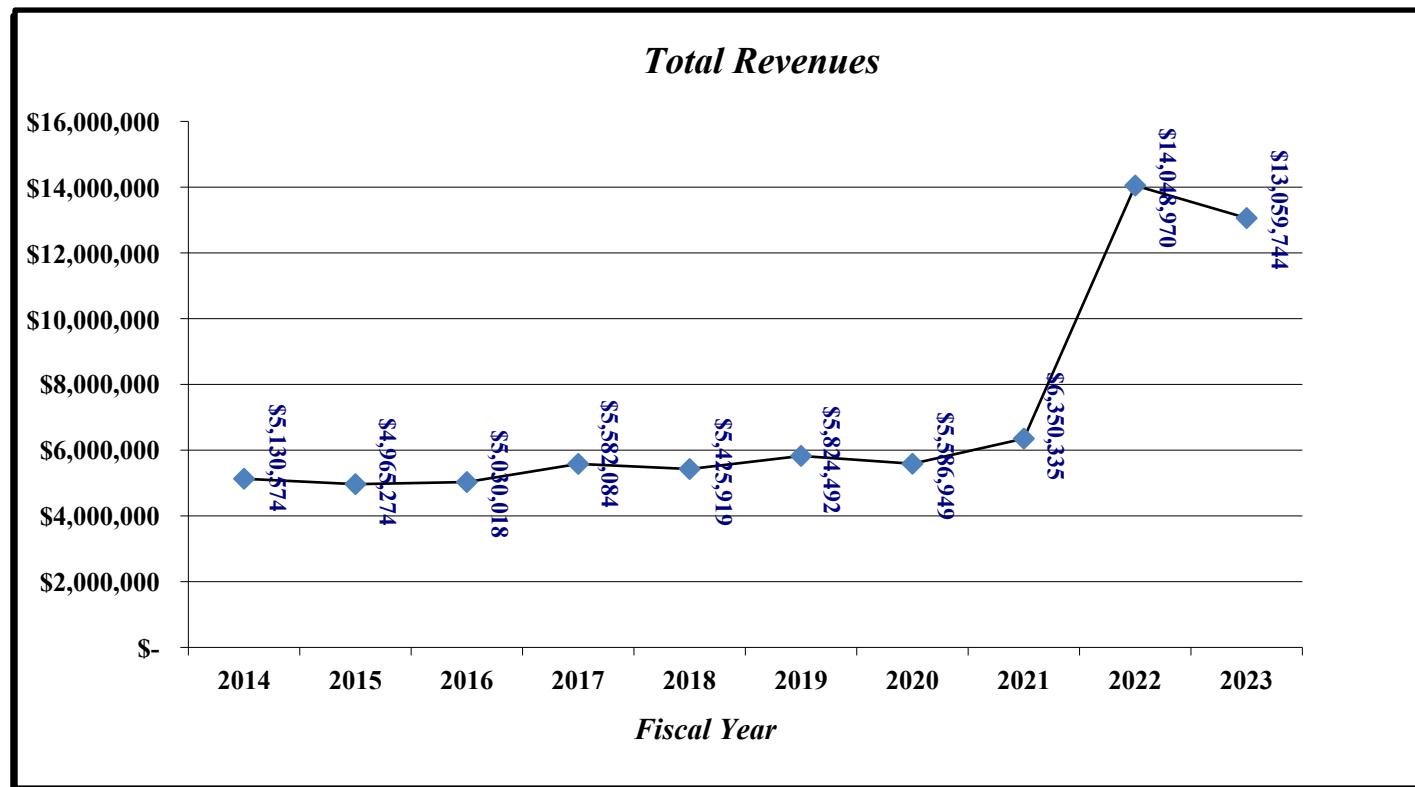
**Data Source:**

Applicable 2014 - 2021 fiscal years annual financial report  
 Fiscal year 2022 - 2023 annual comprehensive financial report.

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

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

<b>For The Fiscal Year Ended September 30,</b>	<b>Property Taxes</b>	<b>Local Option Sales Taxes</b>	<b>Motor Vehicle Ad Valorem Tax</b>	<b>Insurance Premium Taxes</b>	<b>Franchise Taxes</b>	<b>Other<sup>1</sup> Taxes</b>	<b>Total</b>
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
2023	\$ 1,177,816	\$ 3,433,158	\$ 293,620	\$ 683,894	\$ 233,769	\$ 291,233	\$ 6,113,490
<b>% Change in Dollars Over 10 Years</b>		<b>-9.4%</b>	<b>10.5%</b>	<b>18.5%</b>	<b>-0.6%</b>	<b>8.7%</b>	<b>19.1%</b>
<b>Percentage of Total</b>							
2014	0.0%	80.5%	0.0%	0.10	5.9%	3.1%	100.0%
2015	0.0%	78.2%	0.0%	0.11	6.7%	3.7%	100.0%
2016	0.0%	74.9%	0.0%	0.14	7.1%	4.3%	100.0%
2017	0.0%	74.3%	0.0%	0.14	7.6%	4.4%	100.0%
2018	0.0%	75.2%	0.0%	0.14	6.0%	5.0%	100.0%
2019	0.0%	71.4%	3.8%	0.14	6.4%	4.8%	100.0%
2000	0.0%	71.1%	4.4%	0.13	7.7%	4.2%	100.0%
2021	0.0%	71.9%	5.7%	0.12	5.5%	5.0%	100.0%
2022	0.0%	73.8%	5.2%	0.11	4.6%	5.2%	100.0%
2023	19.3%	56.2%	4.8%	0.11	3.8%	4.8%	80.7%

**Notes:**

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

**Data Source:**

Applicable 2014 - 2021 fiscal years annual financial report  
 Fiscal year 2022 - 2023 annual comprehensive financial report.

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

Fiscal Year Ended Sept 30,				Motor Vehicle Timber Agricultural	Less 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
2023	\$ 311,616,543	\$ 29,441,708	\$ 24,211,097	\$ 13,327,535	\$ 17,821,534	\$ 360,775,349	40.00%	\$ 901,938,373	4.00

*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 2023 tax roll by ordinance was specifically linked to fund fiscal year 2024 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	
2023	4.000	0.000	4.000	20.000	3.628	10.275	2.000	35.903	39.903	

*Data Sources:* Henry County Assessor's Office

Note 1: Henry County Water Authority

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

\* Property tax implemented in Tax Year 2022

**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
2023	1,421,454	130,350	0.092	1,177,533	1,307,883	0.920

*Data Sources:*

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

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

\* Less Henry County collection fee at 1.5%

**City of Hampton, Georgia**  
***Principal Property Taxpayers***  
***Current Year***

<b>Taxpayer</b>	<b>2023 (1)</b>			<b>Percentage of Total Assessed Valuation</b>
	<b>Taxable Assessed Valuation</b>	<b>Rank</b>		
Southern States Inc	\$ 14,250,605	1		5.28%
Oak Southampton LLC	\$ 9,370,880	2		3.47%
THLJ Investments LLLP	4,560,070	3		1.69%
Georgia Transmission Corp	4,224,765	4		1.57%
Southern States LLC	3,626,120	5		1.34%
CP Logistic Archer LLC	2,765,760	6		1.02%
Dr. Horton, Inc.	2,678,480	7		0.99%
Speedway Industrial Campus LLC	2,446,080	8		0.91%
Georgia Power Company	1,961,852	9		0.73%
AT&T Corporation	1,925,234	10		0.71%
	<hr/>			<hr/>
	\$ 47,809,846			17.71%
<b>All Other Customers</b>	<hr/>			<hr/>
	<u>312,965,503</u>			<u>82.29%</u>
<b>Total</b>	<hr/>			<hr/>
	<u>\$ 360,775,349</u>			<u>100.00%</u>

***Data Source:***

Henry County Tax Assessor's Office

Note 1: Current year ONLY as there was no tax roll between 2014 and 2022

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

Fiscal	Impact Fees				Connection Fees						Contribution for			
	Public	Park &	Total		Sewer	Water	Electric	Total	Electrical	Project	In-Kind	Grand		
Year	Safety	Recreation	Impact					Connection	Development Fees	Improvements	Contributions	Total		
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		
2023	62,794	76,901	139,695	-	-	2,852	2,852	500 *	250,000	-	-	393,047		
	<u>\$ 469,316</u>	<u>\$ 1,294,294</u>	<u>\$ 1,763,610</u>	<u>\$ 4,430,646</u>	<u>\$ 1,556,957</u>	<u>\$ 593,478</u>	<u>\$ 6,581,081</u>	<u>\$ 385,400</u>		<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 9,230,091</u>		

**Data Source:**

City of Hampton's Finance Department historical records.

\* This is second 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**

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<b>Fiscal Year</b>	<b>Electric</b>		<b>Water</b>		<b>Sewer</b>		<b>Total</b>	
	<b>Number of Accounts</b>	<b>% Change</b>						
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	2,531	6.5%	2,627	5.2%	2,430	2.1%	7,588	4.6%
2023	2,753	8.8%	2,910	10.8%	2,693	10.8%	8,356	10.1%

**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,**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b><i>All Customers</i></b>										
Base Charge	N/A	\$ 10.00	\$ 12.00							
First 1000 kWh	0.11000	0.10150	0.107724	0.107724	0.107724	0.107724	0.107724	0.107724	0.1084870	0.1087650
Over 1000 kWh	0.11000	0.10150	0.107724	0.107724	0.107724	0.107724	0.107724	0.107724	0.1084870	0.1037650
<b><i>Small Power</i></b>										
Base Charge								\$ 15.00	\$ 20.00	
First 3,000 kWh								0.1156980	0.1167660	
over 3,000 kWh								0.1350000	0.1127660	
<b><i>Large Power</i></b>										
Base Charge								\$ 25.00	\$ 28.00	
0-3,000 kWh								0.1157050	0.1149710	
3,001-10,000 kWh								0.1137050	0.1109710	
10,001-50,000 kWh								0.1117050	0.1089710	
Over 50,000 kWh								0.1170500	0.1089710	

***Data Source:***

City of Hampton's Finance Department.

**City of Hampton, Georgia**  
**Ten Largest Customers - Electric Service**  
**Fiscal Years 2023 & 2014**

Rank	Fiscal Year 2023					Fiscal Year 2014				
	Customer	KWH Used (1)	Amount	Dollar %	Customer	KWH Used (1)	Amount	Dollar %		
1	Hampton Elementary 20-13700-01	604,200	\$ 66,224	27.9%	Hampton Elementary 20-13700-01	676,480	\$ 74,413	35.0%		
2	Bell South Hampton 10-19800-01	364,320	40,084	16.9%	Henry County Library 10-01800-02	278,040	30,584	14.4%		
3	Henry County Library 10-01800-02	227,560	25,181	10.6%	Hampton Post Office 20-31500-02	267,760	29,454	13.8%		
4	Hampton Post Office 20-31500-02	201,440	22,335	9.4%	Circle K Stores 30-16500-02	174,160	19,158	9.0%		
5	Southern States 20-17400-03	172,840	19,219	8.1%	First National Bank 20-31252-01	170,160	18,718	8.8%		
6	Circle K Stores	144,080	16,082	6.8%	Aaniya Gas and Food 10-23300-03	112,038	12,324	5.8%		
7	Tierra Mia Mexican Cuisine 10-22300-03	122,391	13,701	5.8%	Drasti	77,146	8,486	4.0%		
8	Bimal Patel 10-20250-04	108,682	12,199	5.1%	Fire Station 10-23900-01	72,080	7,929	3.7%		
9	First National Bank 20-31252-01	99,400	11,174	4.7%	Hampton United Methodist 40-35100-01	66,240	7,286	3.4%		
10	Aaniya Gas and Food 10-23300-03	97,221	10,933	4.6%	Calvary Baptist 40-35000-01	39,295	4,322	2.0%		
<b>Total Ten Largest Customers</b>		<b>2,142,134</b>	<b>237,132</b>	<b>100.00%</b>	<b>Total Ten Largest Customers</b>	<b>1,933,399</b>	<b>212,674</b>	<b>100.0%</b>		

**Notes:**

<sup>1</sup> 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*

### *Data Source:*

## City of Hampton's Customer Service Department

**City of Hampton, Georgia**  
**Ten Largest Customers - Water Service**  
**Fiscal Years 2023 & 2014**

<b>Rank</b>	<b>Fiscal Year 2023</b>			<b>Fiscal Year 2014</b>		
	<b>Customer</b>	<b>Consumption Gallons</b>	<b>%</b>	<b>Customer</b>	<b>Consumption Gallons</b>	<b>%</b>
1	Bedrock Communities	26,235,780	12.4%	Clover Ranch	13,523,000	7.5%
2	Southern States	1,832,260	0.9%	FAA	3,766,450	2.1%
3	FAA	1,311,340	0.6%	Mr. Mickeys	3,525,320	2.0%
4	H&W Properties	1,256,030	0.6%	Southern States	3,251,740	1.8%
5	Stepping Stones	921,870	0.4%	Waffle House	498,610	0.3%
6	Selectrion Center	631,900	0.3%	Henry County Board of Education	366,600	0.2%
7	Henry County Board of Education	615,412	0.3%	Henry County Recreation	332,100	0.2%
8	Wendys Properties	515,330	0.2%	New South Education	323,090	0.2%
9	Devi Hampton	439,170	0.2%	Danny's Raceway	245,780	0.1%
10	Waffle House	439,170	0.2%	Wendys Properties	240,720	0.1%
<b>Total Ten Largest Customers</b>		<b>34,198,262</b>	<b>16.2%</b>	<b>Total Ten Largest Customers</b>	<b>26,073,410</b>	<b>14.5%</b>
<b>All Other Customers</b>		<b>177,210,134</b>	<b>83.8%</b>	<b>All Other Customers</b>	<b>153,845,081</b>	<b>85.5%</b>
<b>Total</b>		<b>211,408,396</b>	<b>100.0%</b>	<b>Total</b>	<b>179,918,491</b>	<b>100.0%</b>

**Data Source:**

City of Hampton's Water Department

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

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**For the Fiscal Year Ended September 30,**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	
Inside city: Gallons		All Customers			
Minimum charge	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	
0-6K	4.41	4.69	4.79	4.79	
6,001K-10K	5.98	6.36	6.74	6.74	
10,0001 & over	8.75	9.31	9.87	9.87	
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	
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	
	<b>2022</b>				
	Residential	Small Commerical		Large Commercial	Government
Minimum charge	\$ 11.00	\$ 25.00	Minimum charge	\$ 25.00	Minimum charge
0-4K	4.74	5.05	0-80k	9.00	all k
4,001K-8K	5.92	6.31	over 80k	9.32	
over 8k	7.11	7.57			
	<b>2023</b>				
	Residential	Small Commerical		Large Commercial	Government
Minimum charge	\$ 12.00	\$ 25.00	Minimum charge	\$ 25.00	Minimum charge
0-4K	5.82	5.82	0-80k	9.59	all k
4,001K-8K	7.17	7.17	over 80k	11.89	
over 8k	8.53	8.53			

***Data Source:***

City of Hampton Water & Sewer Department

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

<b>For the Fiscal Year Ended September 30,</b>										
<b>Water</b>										
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Residential</b>	2,156	2,196	2,230	2,277	2,306	2,389	2,408	2,392	2,521	2,778
<b>Commercial</b>	65	69	70	70	69	70	70	71	71	70
<b>Government</b>	29	30	29	29	28	29	30	35	35	35
<b>Total</b>	<b>2,250</b>	<b>2,295</b>	<b>2,329</b>	<b>2,376</b>	<b>2,403</b>	<b>2,488</b>	<b>2,508</b>	<b>2,498</b>	<b>2,627</b>	<b>2,883</b>
<b>Sewage</b>										
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Residential</b>	2,049	2,085	2,122	2,170	2,197	2,269	2,295	2,294	2,336	2,602
<b>Commercial</b>	58	59	58	59	60	59	59	58	65	63
<b>Government</b>	23	24	23	23	22	23	24	29	29	28
<b>Total</b>	<b>2,130</b>	<b>2,168</b>	<b>2,203</b>	<b>2,252</b>	<b>2,279</b>	<b>2,351</b>	<b>2,378</b>	<b>2,381</b>	<b>2,430</b>	<b>2,693</b>
<b>Electric</b>										
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Residential</b>	1,917	1,970	1,997	2,061	2,084	2,139	2,165	2,173	2,313	2,593
<b>Commercial</b>	157	158	158	159	158	157	158	158	165	162
<b>Government</b>	40	40	40	39	40	39	40	46	46	46
<b>Total</b>	<b>2,114</b>	<b>2,168</b>	<b>2,195</b>	<b>2,259</b>	<b>2,282</b>	<b>2,335</b>	<b>2,363</b>	<b>2,377</b>	<b>2,524</b>	<b>2,801</b>

***Data Source:***

City of Hampton's Finance Department historical records.

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

<b>Taxpayer</b>	<b>2022 (1)</b>		<b>2023</b>	
	<b>Taxable Assessed Valuation</b>		<b>Taxable Assessed Valuation</b>	
Debt limit	\$ 269,894,796		\$ 360,775,349	
Total net debt applicable to limit		-		-
Legal debt margin at 10%	\$ 26,989,480		\$ 36,077,535	
Total net debt applicable to the limit as a percentage of the debt limit		0%		0%

***Dollar growth in Digest assessed valuation***

***Percentage growth in Digest assessed valuation***

***Data Source:***

Henry County Tax Assessor's Office

Note 1: First year as there was no tax roll between 2014 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)<sup>1</sup>**  
**Last Ten Fiscal Years**

Sept 30,	Governmental Activities		Business-type Activities		GEFA Notes Payable/Bonds	Total Outstanding Debt	Percentage of Personal Income	Estimated Population	Debt <sup>2</sup> Per Capita
	Capital Leases		Capital Leases						
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	\$ 7,145,503	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
2023	\$ -		\$ -		\$ 2,106,792	\$ 2,106,792	0.321%	8,205	257

**Data Sources:**

<sup>1</sup> Applicable years' annual financial report.

<sup>2</sup> United States Census Bureau.

3 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, 2023***

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<b>Fiscal Year</b>	<b>Special Assessment</b>		<b>Sewer Connection Fees</b>	<b>Debt Service</b>		<b>Balance in</b>		
	<b>Collections</b>	<b> </b>		<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Sewer Connection</b>	<b>Coverage</b>
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	1	\$ 654,293	\$ 99,213	\$ 753,506	\$ 1,590,381	211.1%
2022	\$ -	\$ 753,505		\$ 667,499	\$ 86,006	\$ 753,505	\$ 2,354,390	312.5%
2023	\$ -	\$ 753,493		\$ 703,710	\$ 49,783	\$ 753,493	\$ 1,687,518	224.0%

***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**  
**Full-Time Equivalent Employees by Function/Program (Unaudited)**  
**Last Ten Fiscal Years**

<u>Function/program</u>	<b>For the Fiscal Year Ended September 30,</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>General Government</b>										
Management services	13	13	12	12	15	7	7	7	7	6
<b>Finance and information technology</b>	1	1	1	1	2	5	7	7	7	7
<b>Judicial - Court</b>	1	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>										
<b>Police officers</b>	22	21	20	20	21	18	18	17	19	19
<b>Civilians</b>	2	2	2	2	2	2	2	2	2	2
<b>Community Development</b>	2	2	2	1	2	2	3	4	4	4
<b>Economic Development</b>	1	1	1	2	2	1	1	1	2	2
<b>Public Works</b>	12	13	13	14	17	12	13	14	15	14
<b>Parks and Recreation</b>	1	2	2	2	2	1	3	5	3	8
<b>Waste Water Treatment</b>	4	4	3	3	3	2	3	3	5	3
<b>Electric</b>	5	5	4	3	3	3	5	6	6	6
<b>Water</b>	4	4	5	5	5	5	3	5	7	9
<b>Total</b>	<b>68</b>	<b>56</b>	<b>66</b>	<b>66</b>	<b>75</b>	<b>59</b>	<b>66</b>	<b>72</b>	<b>78</b>	<b>81</b>

**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,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government</b>										
Building permits issued	23	68	59	100	1,000	400	1,000	400	400	379
Number of inspection completed	*	*	138	1,298	557	1,491	511	431	4,989	4,011
Number of business licenses issued	211	215	237	215	238	246	275	320	256	31
Number of zoning-related application processed	2	6	6	2	13	14	17	57	16	10
<b>Public Safety</b>										
Number of police personnel and officers	24	23	22	22	23	20	20	19	21	22
Number of arrests	237	217	304	304	209	221	126	142	144	216
Number of traffic violations	1,646	1,462	1,492	1,875	1,661	1,639	1,105	2,052	2,523	4,769
Number of investigated arrest	41	35	20	24	19	12	11	6	14	18
Average response time in minutes	5	4	4	4	4	4	4	4	4	4
<b>Public Works</b>										
Number of shaded trees:	1,550	1,600	1,650	1,700	1,750	1,800	1,850	1,900	1,950	2,000
Planted	10	15	15	16	16	18	18	20	24	28
Removed	12	14	16	18	18	20	22	22	24	26
Trimmed	50	60	60	70	70	80	80	90	90	150
Stumps removed	12	14	16	18	18	20	22	22	24	20
Repaired Potholes	55	60	65	70	75	80	85	90	95	99
Installed Street Signs	10	12	15	16	18	18	20	25	25	20
<b>Electric</b>										
Respond to Power Outage	33	36	39	40	44	48	50	52	55	24
Average Time of Power Restoration	170	165	160	150	145	135	120	110	100	100
<b>Water</b>										
Average daily consumption (gallons)	295,715	311,280	327,665	344,910	363,065	382,175	402,290	423,460	445,750	485,225
Number of metered accounts	2,004	2,024	2,044	2,096	2,151	2,264	2,383	2,509	2,641	2,945
Responded to Water Leaks	55	60	60	65	65	70	70	80	90	12
<b>Sewer</b>										
Install New Sanitary Sewer Taps	110	120	130	140	150	170	180	190	200	220
<b>Parks &amp; Recreation</b>										
Number of field permits issued	10	10	11	11	11	13	13	15	15	15
Number of youth programs	10	10	11	11	11	13	13	15	15	15
Number of adults programs	5	6	6	7	7	8	8	10	10	10
Number of senior citizen programs	5	6	6	7	7	8	8	10	10	10

**Data Source**

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

\* Henry County performed this function during FY 2014 through FY 2015

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

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government:</b>										
Number of general government buildings	4	4	4	4	4	4	4	4	4	4
<b>Public Safety</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Other Public Works</b>										
Number of public buildings	6	6	6	6	6	6	6	6	6	5
Miles of streets	35	35	40	40	45	45	45	50	53	52
Number of streetlights	110	120	130	140	150	160	170	180	200	680
Miles of storm water drains	10	10	15	15	15	20	20	20	22	37
<b>Parks &amp; Recreation</b>										
Number of parks and recreation facilities	4	4	4	4	4	4	4	4	4	4
Acreage of parks	1	1	1	1	1	1	1	1	1	1
<b>Water</b>										
Miles of water mains	25	25	30	30	35	35	40	40	43	22
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	315	335	355	365	375	385	395	405	415	347
Number of reservoirs	2	2	2	2	2	2	2	2	2	2
<b>Sewer Service:</b>										
Miles of sanitary sewers	15	20	20	25	25	30	30	35	35	26

**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, 2023, 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 March 29, 2024.

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

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



Morrow, Georgia

March 29, 2024

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 2023 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended September 30, 2023. 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, 2023.

## **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, 2023. Accordingly, this report is not suitable for any other purpose.

*Fulton & Kogek, LLC*

Morrow, Georgia  
March 29, 2024