

CITY OF HAMPTON, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024



Prepared by:
Hampton Finance Department

CITY OF HAMPTON, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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INTRODUCTORY SECTION



EST. 1872

City of Hampton

MAYOR
ANN N TAPLEY

MAYOR PRO-TEM
DEVLIN CLEVELAND

CITY COUNCIL
DONNIE A BRYANT
PAMELA DUCHESNE
MARTY MEEKS
WILLIE TURNER
KESHA WHITE-WILLIAMS

CITY MANAGER
ALEX S COHILAS

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

Phone: 770.946.4306
Fax: 770.946.4356
w.hamptonga.gov

March 30, 2025

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, 2024.

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, 2024. 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 (3643) 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 9358. 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 and Development Electric Installation Fee

All revenue sources flow into nine (9) City Funds:

- General Fund
- Enterprise Fund
- SPLOST Fund
- Capital Grants Fund
- Capital Outlay Fund
- Hotel / Motel Tax Fund
- Development Authority
- Downtown Development Authority
- Urban Redevelopment Agency

At the close of FY 2024, the City of Hampton Georgia continues to maintain a sound fiscal position, and retains competitively low utility rates, despite aggressively addressing long needed capital improvement projects. General Fund balance at the end of FY 2024 stands at more than 158% of operating cost.

The City of Hampton, Georgia on July 10, 2024 paid off its Combined Utility System 2016 Revenue Refunding Bonds, (the “Series 2016 Bonds”) used to construct a new wastewater treatment facility. The City on July 10, 2024, issued \$4,120,000 of its Combined Utility Revenue Bond, tax-exempt Series 2024 (the “Series 2024 Bonds”), for the purpose of financing infrastructure improvements to the System (the “Series 2024 Project”) and to pay costs associated with the bond issue. The annual debt service of the Series 2024 bonds will be funded by the Utilities Fund net operating income. See Note 8.

Also, on July 10, 2024, the City of Hampton Urban Redevelopment Agency (URA) issued \$3,100,000 of its Revenue Bonds, Taxable Series 2024 (the “Series 2024 Bonds”), for the purpose of carrying out its Urban Redevelopment Plan and to pay costs associated with the bond issue. An Intergovernmental agreement between the City of Hampton, Georgia and the URA provides for the funding of the URA Series 2024 annual bonds debt service. See Note 8.

The City is empowered to collect property tax, however, in adopting the FY 2024 budget in September 2023 the city rolled back the FY 2023 property tax from 4.5 to 4.0 mils. The City was left with addressing continuing decaying infrastructure; needs for investment in transportation, parks and recreation projects; funding of general investment in human capital specifically for competitive pay for the general government positions, police services and additional positions in parks, streets, water, wastewater and funding requests for Hampton Development and Downtown Authorities along with the Urban Development Agency formed on July 10, 2024.

Overview of City Governance:

In the late 1990’s the City of Hampton Georgia, transitioned to a city manager form of government from a strong mayor 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, establish zoning conditions 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 appoint 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
- Stormwater 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, and an Urban Development Agency (URA) with one focused on the economic vitality of the downtown area of the city (Hampton Downtown Development Authority); 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 and the URA focusing on rehabilitation and redevelopment of pockets of blighted areas that exist in the City. Both authorities and the agency are reported separately as individual funds within the City of Hampton Georgia's financial statements. Additional information on the three (3) entities 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 City Council.

Long-term financial planning and major initiatives

The continuing 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 continues to solidify an overall multi-year strategic plan for addressing current, near and midterm needs by absorbing the Wastewater Department operational costs increase to meet new EPD standards; reflected of the final year of utility rate increase with only \$1.00 rate increase for water and wastewater and definitive investing in ***human resources, public safety, infrastructure, and economic development.***

Investment in Human Resources:

All positions throughout the City labor force were evaluated and increases awarded based on market compensation and classification study.

Public Safety.

- Four (4) new police fully retrofitted cruisers

Investment in Infrastructure:

Transportation projects

- Nine (9) road paving projects completed and/or closed:
 - Pebble Rock Road from Water Course Way
 - Watercourse Way from W. King Road to Pebble Rock Road
 - Bridges Drive from Old Griffin Road to 19/41
 - Derrick Avenue from McDonough Street to Elm Street



- James Street from E. Main Street to Derrick Avenue
- Magnolia Park from E. Main to E. End
- Old Griffin Road from Woolsey Road to Bridges Drive
- Plum Blossom Lane from SW End to Weeping Willow Center
- W. Main Street from Oak Street to Woolsey Road
- East King / Floyd Road roundabout intersection improvement completed.
- Central Avenue Sidewalks from Westlawn to Georgia Avenue completed.
- Central Avenue Sidewalks from W. Main to McBrayer Parking Lot completed.
- Madison Circle/Canyon Drive completed.

Parks and Recreation

- East Hampton Community Park Phase 2 completed.
- East Hampton Community Park Phase 3- Multi Trail completed.
- Completion of McBrayer Park drainage improvements completed.
- LED lighting upgrade of Coley Park completed.

Other Infrastructure projects

- Thompson Creek Sewer outfall project PH-1 completed.
- West Main Street Water Main Replacement PH-2 completed.
- West Main Street Stormwater PH-2 completed.
- Georgia Avenue Stormwater Drainage Repairs completed.
- Caldwell Drive Stormwater project completed.
- Elm Street (Replacing culvert, utility relocation, right away stormwater, road, hydro) completed.
- Elm street Culvert Replacement/Paving completed.
- Completed critical upgrade of Hwy 20 electrical grid.

Investment in Economic Development:

- The Hampton Development Authority (HDA) worked with the Panettoni Development Corporation over a two-year period to market the City of Hampton to the Target Corporation.
- As a result, Target chose to open a 1.3m sq. ft flow center in Hampton.
- This project represented a \$475m investment in our city, not to mention the downstream economic benefit of the twelve hundred well-paying jobs created to staff this project.
- The city further benefitted from an additional \$553,725 in revenue deriving from the tax abatement structure offered by the HDA to Target and authorized by an intergovernmental agreement between the HDA and the City of Hampton was transferred to the city.

- Since Target's decision to invest in the City of Hampton there has been a significant surge by commercial developers.
- Blessed with ample water, sewer capacity and electricity the city has drawn intense interest from the data center / technology sector.
- Currently there is one large data center project underway with one more in the works, along with the high likelihood of an internet hub. The franchise fees paid to the city on the electricity consumed by data centers and other high usage commercial customers are tremendous, in addition to the property taxes such developments pay.
- The city has several mixed-use developments either underway or soon to break ground. These developments encompass approximately 1600 residential units and several hundreds of millions of dollars of commercial investment.

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 implement a property millage rate, but it also took dramatic steps through zoning measures to change the very makeup of its tax digest. For decades the city tax digest was roughly 80% 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 \$3.5B worth of growth in the Hampton commercial tax digest within the next two years.

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. In short, the city continues to be on a sound and stable trajectory.

Awards and Acknowledgements

The City of Hampton, Georgia applied and received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its consideration 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 second certificate.

The City of Hampton, Georgia applied and received its second GFOA's Distinguished Budget Presentation Award for its annual budget document dated March 31, 2023. 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,

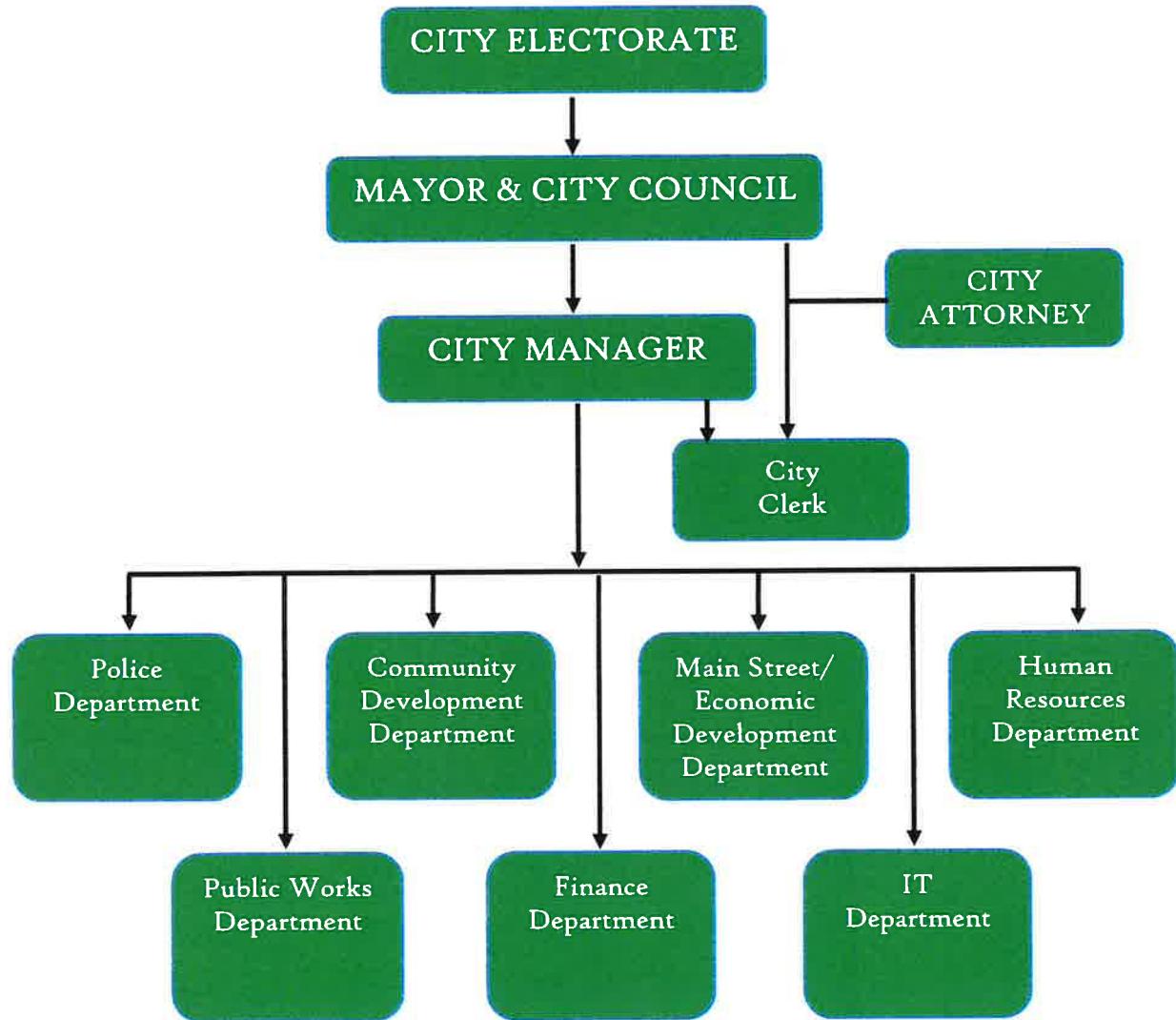


Alex S. Cohilas, CPM
City Manager



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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Hampton
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

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, 2024, 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, 2024 and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, ARPA Fund, and the City of Hampton Urban Redevelopment Agency ("COHURA") 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 55 and 56, and the Schedule of City Contributions on pages 57 and 58 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.

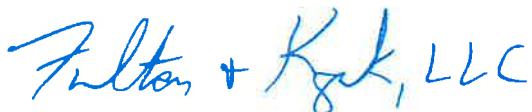
Other Information

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 30, 2025 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 & Kogut, LLC". The signature is fluid and cursive, with "Fulton" and "Kogut" connected by a horizontal line.

Morrow, Georgia
March 30, 2025

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, 2024. 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, 2024 by \$56,805,314. Of this amount unrestricted net position, \$9,743,469 may be used to meet the government's ongoing obligations to citizens and creditors. The \$9,743,469 in unrestricted net position is further allocated \$7,705,419 to governmental-type activities and \$2,038,050 to business-type activities.
- The total net position increased by \$6,670,220. Of this amount a net increase of \$5,466,946 was associated with governmental activities, and an increase of \$1,203,274 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 \$24,340,060, an increase of \$4,688,507 in comparison with the prior year. Of this amount \$27,830 is non-spendable, \$12,715,449 is restricted, \$173,783 is committed, \$479,847 is assigned, and \$10,943,151 is unassigned. The unassigned of \$10,943,151 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 \$1,831,409 will be used for improvements and expansion of the City's water and sewer facilities, and the restricted balance of \$371,119 will be used for debt service payment on combined utility system revenue series 2024 bonds.
- At the end of the current year, unassigned fund balance for the general fund was \$10,943,151 or 147.3 percent of total General Fund expenditures, including transfers to other funds.
- The City of Hampton's total debt obligations (including accrued compensated absences, pension liability, COHURA 2024 revenue bonds, and combined utility system 2024 revenue bonds) increased to a total of \$9,005,023.

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 six major governmental funds. The City's major governmental funds are the General Fund, ARPA Fund, SPLOST V Fund, TSPLOST Fund, COHURA Fund, and Capital Improvements 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, ARPA Fund, and COHURA Fund on pages 23 through 25, respectively, to demonstrate compliance with the fiscal year 2024 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 26 through 29 of this report.

CITY OF HAMPTON
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 53 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, 2024, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$56,805,314. The City's net position reflects its investment in capital assets (56.6 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, \$14,917,977 (26.3 percent) is restricted for capital projects and other specified activities and \$9,743,469 (17.2 percent) is unrestricted, allocated between the governmental activities (\$7,705,419) and the business-type activities (\$2,038,050).

City of Hampton's Net Position

| | Governmental Activities | | |
|----------------------------------|-------------------------|----------------------|---------------------|
| | <u>2024</u> | <u>2023</u> | <u>Change</u> |
| Current and other assets | | | |
| Capital assets | \$ 27,782,756 | \$ 22,866,685 | \$ 4,916,071 |
| Total assets | <u>20,435,247</u> | <u>16,653,033</u> | <u>3,782,214</u> |
| Deferred outflows of resources | <u>48,218,003</u> | <u>39,519,718</u> | <u>8,698,285</u> |
| | <u>439,035</u> | <u>526,334</u> | <u>(87,299)</u> |
| Current liabilities | | | |
| Long-term liabilities | 1,644,101 | 1,875,765 | (231,664) |
| Total liabilities | <u>4,193,557</u> | <u>1,454,816</u> | <u>2,738,741</u> |
| Deferred inflows of resources | <u>5,837,658</u> | <u>3,330,581</u> | <u>2,507,077</u> |
| Net position: | | | |
| Net investment in capital assets | 20,329,802 | 16,457,376 | 3,872,426 |
| Restricted | 12,715,449 | 8,893,883 | 3,821,566 |
| Unrestricted | <u>7,705,419</u> | <u>9,932,465</u> | <u>(2,227,046)</u> |
| Total net position | <u>\$ 40,750,670</u> | <u>\$ 35,283,724</u> | <u>\$ 5,466,946</u> |

City of Hampton's Net Position – Continued

| | Business-type Activities | | |
|----------------------------------|-----------------------------|----------------------|---------------------|
| | 2024 | 2023 | <u>Change</u> |
| Current and other assets | \$ 9,918,970 | \$ 6,153,707 | \$ 3,765,263 |
| Capital assets | <u>11,814,066</u> | <u>12,502,384</u> | <u>(688,318)</u> |
| Total assets | <u>21,733,036</u> | <u>18,656,091</u> | <u>3,076,945</u> |
| Deferred outflows of resources | <u>179,620</u> | <u>205,135</u> | <u>(25,515)</u> |
| Current liabilities | 1,443,538 | 2,084,196 | (640,658) |
| Long-term liabilities | <u>4,401,077</u> | <u>1,913,212</u> | <u>2,487,865</u> |
| Total liabilities | <u>5,844,615</u> | <u>3,997,408</u> | <u>1,847,207</u> |
| Deferred inflows of resources | <u>13,397</u> | <u>12,448</u> | <u>949</u> |
| Net position: | | | |
| Net investment in capital assets | 11,814,066 | 10,395,592 | 1,418,474 |
| Restricted | 2,202,528 | 2,779,955 | (577,427) |
| Unrestricted | <u>2,038,050</u> | <u>1,675,823</u> | <u>362,227</u> |
| Total net position | <u>\$ 16,054,644</u> | <u>\$ 14,851,370</u> | <u>\$ 1,203,274</u> |
| | 2024 | 2023 | <u>Total</u> |
| Current and other assets | \$ 37,701,726 | \$ 29,020,392 | \$ 8,681,334 |
| Capital assets | <u>32,249,313</u> | <u>29,155,417</u> | <u>3,093,896</u> |
| Total assets | <u>69,951,039</u> | <u>58,175,809</u> | <u>11,775,230</u> |
| Deferred outflows of resources | <u>618,655</u> | <u>731,469</u> | <u>(112,814)</u> |
| Current liabilities | 3,087,639 | 3,959,961 | (872,322) |
| Long-term liabilities | <u>8,594,634</u> | <u>3,368,028</u> | <u>5,226,606</u> |
| Total liabilities | <u>11,682,273</u> | <u>7,327,989</u> | <u>4,354,284</u> |
| Deferred inflows of resources | <u>2,082,107</u> | <u>1,444,195</u> | <u>637,912</u> |
| Net position: | | | |
| Net investment in capital assets | 32,143,868 | 26,852,968 | 5,290,900 |
| Restricted | 14,917,977 | 11,673,838 | 3,244,139 |
| Unrestricted | <u>9,743,469</u> | <u>11,608,288</u> | <u>(1,864,819)</u> |
| Total net position | <u>\$ 56,805,314</u> | <u>\$ 50,135,094</u> | <u>\$ 6,670,220</u> |

A portion of the net position (\$14,917,977) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$9,743,469) 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)

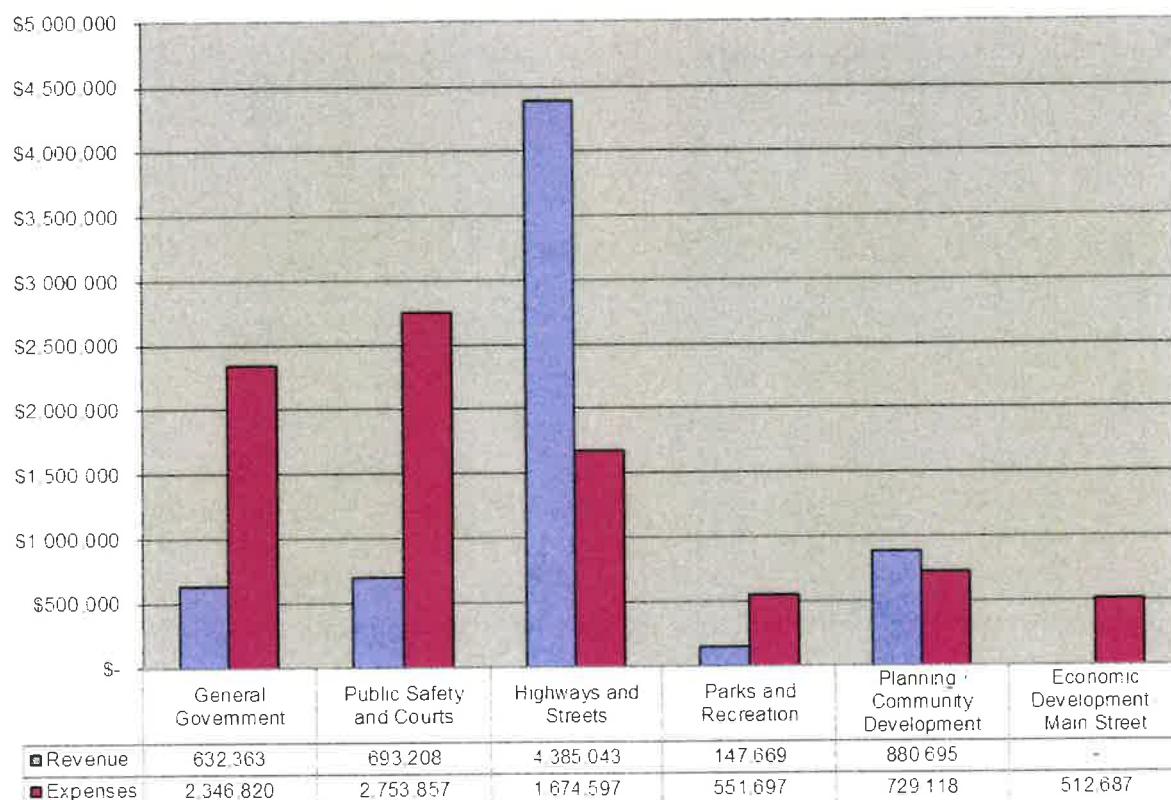
| | Governmental Activities | | Business-type Activities | | Total | |
|---|-------------------------|----------------|--------------------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenue: | | | | | | |
| Program Revenues – | | | | | | |
| Charges for services | \$ 1.6 | \$ 0.8 | \$ 9.2 | \$ 8.3 | \$ 10.8 | \$ 9.1 |
| Capital grants and contributions | 5.1 | 5.6 | 1.4 | 0.0 | 6.5 | 5.6 |
| General Revenues – | | | | | | |
| Sales taxes | 1.4 | 3.4 | 0.0 | 0.0 | 1.4 | 3.4 |
| Property taxes | 3.3 | 1.2 | 0.0 | 0.0 | 3.3 | 1.2 |
| Other taxes | 1.6 | 1.5 | 0.0 | 0.0 | 1.6 | 1.5 |
| Interest | 0.5 | 0.4 | 0.1 | 0.1 | 0.6 | 0.5 |
| Other | 0.2 | 0.1 | 0.0 | 0.0 | 0.2 | 0.1 |
| Contributions | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| Total Revenues | <u>13.7</u> | <u>13.1</u> | <u>10.7</u> | <u>8.4</u> | <u>24.4</u> | <u>21.4</u> |
| Expenses: | | | | | | |
| General government | 2.3 | 2.1 | 0.0 | 0.0 | 2.3 | 2.1 |
| Public safety and courts | 2.8 | 2.6 | 0.0 | 0.0 | 2.8 | 2.6 |
| Highways and streets | 1.7 | 1.5 | 0.0 | 0.0 | 1.7 | 1.5 |
| Parks and recreation | 0.6 | 0.4 | 0.0 | 0.0 | 0.6 | 0.4 |
| Planning/Community development | 0.7 | 0.7 | 0.0 | 0.0 | 0.7 | 0.7 |
| Economic development/Main Street | 0.5 | 0.5 | 0.0 | 0.0 | 0.5 | 0.5 |
| Sewer | 0.0 | 0.0 | 1.6 | 1.3 | 1.6 | 1.3 |
| Water | 0.0 | 0.0 | 2.1 | 2.2 | 2.1 | 2.2 |
| Solid waste | 0.0 | 0.0 | 0.9 | 0.8 | 0.9 | 0.8 |
| Electric | 0.0 | 0.0 | 4.5 | 4.3 | 4.5 | 4.3 |
| Total Expenses | <u>8.6</u> | <u>7.8</u> | <u>9.1</u> | <u>8.7</u> | <u>17.7</u> | <u>16.5</u> |
| Increase in net position before transfers | 5.1 | 5.3 | 1.6 | (0.3) | 6.7 | 4.9 |
| Transfers | <u>0.4</u> | <u>0.4</u> | <u>(0.4)</u> | <u>(0.4)</u> | <u>0.0</u> | <u>0.0</u> |
| Net change in net position | <u>5.5</u> | <u>5.7</u> | <u>1.2</u> | <u>(0.7)</u> | <u>6.7</u> | <u>4.9</u> |
| Net position – beginning of the 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> |
| Net position – end of year | <u>\$ 40.8</u> | <u>\$ 35.3</u> | <u>\$ 16.1</u> | <u>\$ 14.9</u> | <u>\$ 56.8</u> | <u>\$ 50.1</u> |

- Decrease in Millage from 4.5 to 4.0 and an offset increase in the Tax Digest from \$270M to \$361M (a 34% increase) resulted in net property tax revenue of \$258,891.
- Due to increased traffic and improved road conditions throughout the City, \$119,065 of more public safety citations were issued.
- The Target development \$553,725 revenue generated by the Tax Abatement Program and authorized by an intergovernmental agreement was transfer to the City from the Hampton Development Authority.

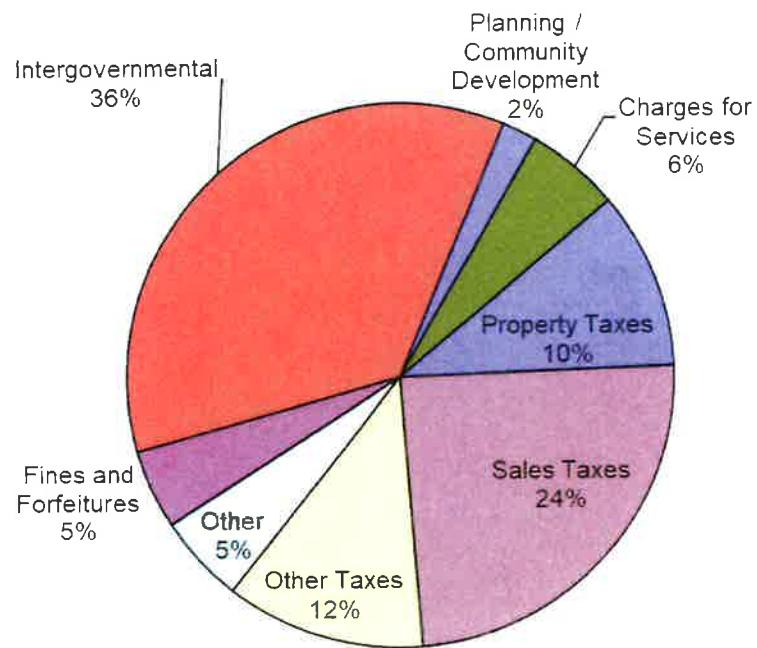
- Prior years Transfers for various Stormwater projects and several Road Paving projects that were funded through reserve drawdown were 90% completed in prior year resulted in less transfer out expenditures of \$1,747,607.
- In bond financing program, proceeds of \$3,010,170 net of cost associated with Series 2024 bond issuance received.
- The planned pay study upgrade across departments resulted in \$332,216 of payroll and benefit costs upswing.
- An average 22% cost increase throughout the departments increased cost by \$468,056.

Governmental activities. Governmental activities increased the City of Hampton's net position by \$5,466,946.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

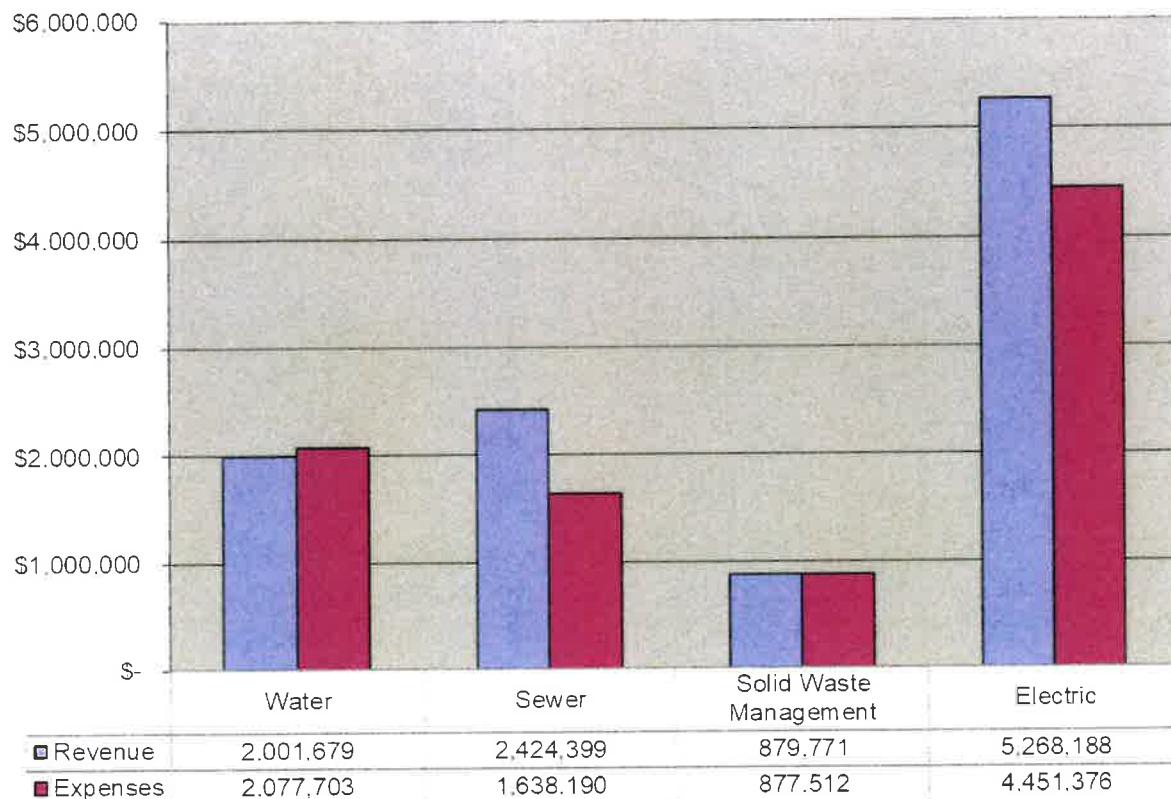


REVENUE BY SOURCE-GOVERNMENTAL ACTIVITIES



Business-type activities. Business-type activities increased the City's net position by \$1,203,274.

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, unassigned 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, 2024 the City's governmental funds reported combined ending fund balances of \$24,340,060, an increase of \$4,688,507 in comparison to the prior year. Of this amount, \$10,943,151 (45.0 percent) is unassigned fund balances, which is available for spending at the government's discretion, and \$27,830 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, Development Impact Fees, and Bond Proceeds (\$12,268,167); 2) for Police Activities (\$28,474); 3) for Hotel/Motel (\$49,462); 4) for Federal and State programs (\$330,038); 5) for Capital Projects (\$173,783); 6) for Downtown Development Authority, and Hampton Development Authority (\$479,847); and (7) for debt service (\$39,308).

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 \$10,943,151 (97.0 percent) of the total fund balance of \$11,282,319. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 147.3 percent of the total general fund expenditures and transfers out, while total fund balance represents 151.9 percent of that same amount.

The City collected a total of \$3,330,739 in Local Option Sales Taxes for 2024, a decrease of 3.0% from 2023. Fines and forfeitures increased by 22.9% to \$648,133 in 2024. Overall, the City's general fund revenue increased by \$682,449. At the same time, the expenditures increased by \$800,445 from 2023 amounts. The current year fund balance of the City's general fund increased by \$1,560,084. The prior year fund balance decreased by \$652,252.

The City of Hampton received \$2,315,715 in Special Purpose Local Option Sales Taxes in 2024. Major expenditures during 2024 of the SPLOST funds were: 1) Street projects (\$1,623,399); 2) park projects (\$458,880); 3) public utility projects (\$418,514); 4) public safety equipment and vehicles (\$322,366); and 5) gateway signage and landscape designs (\$33,333).

The City of Hampton received \$1,941,689 in Transportation Special Purpose Local Option Sales Taxes in 2024. Major expenditures during 2024 of the TSPLLOST funds were \$753,334 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 phase of a third-party rate study recommendation that increased utilities rates as of October 1, 2023, and resulted in an increase in revenue of \$945,706. This gain was depleted due to inflationary cost increases across the public works departments of \$418,638 and the net operating gain of \$240,697 increased by \$610,313 in comparison to the prior fiscal year operating loss of \$369,616. The increase of subdivision developments created a decisive increase in sewer/water/electric contribution fees that went from \$2,852 in fiscal year 2023 to \$1,352,784 in fiscal year 2024, as a result the change in net position went from a decrease of \$746,344 in fiscal year 2023 to an increase in net position of \$1,203,274 in fiscal year 2024. The unrestricted net position of the proprietary fund at the end of the fiscal year was a positive \$2,038,050. Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the City's business-type activities.

Unrestricted net position of the proprietary funds at the end of the fiscal year was \$2,038,050. 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 \$651,425 and total actual expenditures came in at \$482,024 under budget. In 2024, one (1) department insignificantly overspent in comparison to two departments in 2023, that exceeded its budget totaling \$1,582. Net transfers were \$621,169 more than the budgeted amount resulting in a positive net change of \$637,060.

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. TSPLLOST 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. Revenue bonds and 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, 2024 amounts to \$32,249,313 (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:

- \$ 2,324,651 for general, public utilities, street, and parks infrastructure
- \$ 2,144,186 for public utilities and street construction in progress
- \$ 372,748 for police and water systems vehicles
- \$ 203,947 for general, police, and public utilities equipment and vehicles

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 \$9,005,023 in outstanding debt consisting of the following:

City of Hampton's Outstanding Debt

| | <u>Balance</u> |
|--------------------------------|---------------------|
| Governmental Activities – | |
| Accrued compensated absences | \$ 176,107 |
| Net pension liability | 1,113,922 |
| Bonds | <u>3,100,000</u> |
| Total governmental activities | <u>4,390,029</u> |
| Business-Type Activities – | |
| Accrued compensated absences | 60,851 |
| Net pension liability | 434,143 |
| Bonds | <u>4,120,000</u> |
| Total business-type activities | <u>4,614,994</u> |
| City total | <u>\$ 9,005,023</u> |

The City's total-term debt increased by \$4,817,987. The City financed its infrastructure improvements and expansions through the issuance of COHURA bonds and Utilities Revenue Bonds. 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, 2024

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|---|--------------------------------|---------------------------------|----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 11,190,695 | \$ 1,177,329 | \$ 12,368,024 |
| Receivables (net of allowance for uncollectible) | | | |
| Taxes | 2,457,266 | - | 2,457,266 |
| Accounts | - | 665,230 | 665,230 |
| Fines | 24,493 | - | 24,493 |
| Loan | 153,656 | - | 153,656 |
| Intergovernmental | 900,871 | - | 900,871 |
| Materials and supplies inventory (net of allowance) | - | 1,738,864 | 1,738,864 |
| Prepaid items | 27,830 | 15,019 | 42,849 |
| Restricted cash | 13,027,945 | 6,322,528 | 19,350,473 |
| Non-depreciable capital assets | 5,988,358 | - | 5,988,358 |
| Depreciable capital assets, net | <u>14,446,889</u> | <u>11,814,066</u> | <u>26,260,955</u> |
| Total assets | <u>\$ 48,218,003</u> | <u>\$ 21,733,036</u> | <u>\$ 69,951,039</u> |
| Deferred Outflows of Resources | | | |
| Pension | \$ 439,035 | \$ 179,620 | \$ 618,655 |
| Total deferred outflows of resources | <u>\$ 439,035</u> | <u>\$ 179,620</u> | <u>\$ 618,655</u> |
| Liabilities | | | |
| Accounts payable | | | |
| Operating | \$ 273,829 | \$ 409,644 | \$ 683,473 |
| Capital | 105,445 | - | 105,445 |
| Bank overdraft | 235 | - | 235 |
| Accrued liabilities – | | | |
| Wages | 78,100 | 32,995 | 111,095 |
| Customer deposits | - | 680,744 | 680,744 |
| Interest | 39,269 | 45,052 | 84,321 |
| Other | 25,674 | 61,186 | 86,860 |
| Unearned revenue | 925,077 | - | 925,077 |
| Long-term liabilities – | | | |
| Due within one year | | | |
| Bonds payable | 110,000 | 175,000 | 285,000 |
| Compensated absences | 86,472 | 38,917 | 125,389 |
| Due in more than one year | | | |
| Bonds payable | 2,990,000 | 3,945,000 | 6,935,000 |
| Compensated absences | 89,635 | 21,934 | 111,569 |
| Net pension liabilities | <u>1,113,922</u> | <u>434,143</u> | <u>1,548,065</u> |
| Total liabilities | <u>\$ 5,837,658</u> | <u>\$ 5,844,615</u> | <u>\$ 11,682,273</u> |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF NET POSITION – CONTINUED
SEPTEMBER 30, 2024

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--------------------------------------|------------------------------------|-------------------------------------|----------------------|
| Deferred Inflows of Resources | | | |
| Pension | \$ 34,374 | \$ 13,397 | \$ 47,771 |
| Property taxes | <u>2,034,336</u> | - | <u>2,034,336</u> |
| Total deferred inflows of resources | <u>\$ 2,068,710</u> | <u>\$ 13,397</u> | <u>\$ 2,082,107</u> |
| Net position | | | |
| Net investment in capital assets | \$ 20,329,802 | \$ 11,814,066 | \$ 32,143,868 |
| Restricted for – | | | |
| Capital projects | 12,268,167 | 1,831,409 | 14,099,576 |
| Debt service | 39,308 | 371,119 | 410,427 |
| Federal and state programs | 330,038 | - | 330,038 |
| Tourism | 49,462 | - | 49,462 |
| Law enforcement | 28,474 | - | 28,474 |
| Unrestricted | <u>7,705,419</u> | <u>2,038,050</u> | <u>9,743,469</u> |
| Total net position | <u>\$ 40,750,670</u> | <u>\$ 16,054,644</u> | <u>\$ 56,805,314</u> |

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

| Functions/Programs | Net (Expense) Revenue and Changes in Net Position | | | | | |
|--|---|----------------------|---------------------|------------------------------------|----------------------------------|--------------------------|
| | Expenses | Charges for Services | Program Revenues | Operating Grants and Contributions | Capital Grants and Contributions | Business-Type Activities |
| | | | | | Governmental Activities | Total |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 2,346,820 | \$ 19,573 | \$ 612,790 | \$ (1,714,457) | \$ (2,060,649) | \$ (1,714,457) |
| Public safety and courts | 2,753,857 | 648,133 | 45,075 | 4,385,043 | 2,710,446 | (2,060,649) |
| Public works | 1,674,597 | - | 119,399 | (404,028) | 151,577 | 2,710,446 |
| Parks and recreation | 551,697 | 28,270 | - | - | (512,687) | (404,028) |
| Planning/Community development | 729,118 | 880,695 | - | - | (39,269) | 151,577 |
| Economic development/Main Street | 512,687 | - | - | - | - | (512,687) |
| Interest on long-term debt | 39,269 | - | - | - | - | (39,269) |
| Total government activities | <u>8,608,045</u> | <u>1,576,671</u> | <u>5,162,307</u> | <u>(1,869,067)</u> | <u>-</u> | <u>(1,869,067)</u> |
| Business-type activities: | | | | | | |
| Sewer | 1,638,190 | 1,817,432 | 606,967 | - | 786,209 | - |
| Water | 2,077,703 | 1,749,066 | 252,613 | - | (76,024) | - |
| Sanitation | 877,512 | 879,771 | - | - | 2,259 | - |
| Electric | 4,451,376 | 4,774,984 | 493,204 | - | 816,812 | - |
| Total business-type activities | <u>9,044,781</u> | <u>9,221,253</u> | <u>1,352,784</u> | <u>-</u> | <u>1,529,256</u> | <u>-</u> |
| Total primary government | <u>\$ 17,652,826</u> | <u>\$ 10,797,924</u> | <u>\$ 6,515,091</u> | <u>(1,869,067)</u> | <u>1,529,256</u> | <u>(339,811)</u> |
| General revenues and transfers: | | | | | | |
| Sales taxes | | | | | 3,330,739 | |
| Property taxes | | | | | 1,436,708 | |
| Insurance premium taxes | | | | | 741,815 | |
| Franchise taxes | | | | | 278,389 | |
| Motor vehicle ad valorem taxes | | | | | 284,900 | |
| Beer, wine, and distilled spirits tax | | | | | 96,687 | |
| Business and occupational tax | | | | | 50,709 | |
| Other taxes | | | | | 173,543 | |
| Unrestricted investment earnings | | | | | 355,437 | |
| Miscellaneous | | | | | 178,459 | |
| Gain on sale of assets | | | 14,723 | | | 14,723 |
| Total general revenues | | | | | <u>6,942,109</u> | <u>67,922</u> |
| Transfers | | | | | <u>393,904</u> | <u>(393,904)</u> |
| Total general revenues and transfers | | | | | <u>7,336,013</u> | <u>(325,982)</u> |
| Change in net position | | | | | <u>5,466,946</u> | <u>1,203,274</u> |
| Net position - beginning of period | | | | | | 35,283,724 |
| Net position - end of period | | | | | | <u>\$ 40,570,670</u> |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

| | <u>General</u> | <u>ARPA Fund</u> | <u>SPLOST V</u> | <u>TSPLIST</u> |
|--|----------------------|----------------------|---------------------|---------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 10,691,415 | \$ - | \$ - | \$ - |
| Restricted cash | 334,895 | 844,886 | 4,151,698 | 3,216,939 |
| Receivables (net of allowance for uncollectibles) | | | | |
| Taxes | 2,454,948 | - | - | - |
| Fines | 24,493 | - | - | - |
| Loan | - | - | - | - |
| Intergovernmental | - | - | 581,598 | 319,273 |
| Prepaid items | 27,830 | - | - | - |
| Due from other funds | 85,932 | - | - | - |
| Total assets | <u>\$ 13,619,513</u> | <u>\$ 844,886</u> | <u>\$ 4,733,296</u> | <u>\$ 3,536,212</u> |
| Liabilities | | | | |
| Accounts payable | | | | |
| Operating | \$ 198,390 | \$ - | \$ - | \$ 74,483 |
| Capital | - | 47,401 | 29,035 | 29,009 |
| Bank overdraft | - | - | - | - |
| Accrued liabilities | | | | |
| Wages | 78,100 | - | - | - |
| Other | 25,674 | - | - | - |
| Due to other funds | 694 | 44,628 | - | - |
| Unearned revenue | - | 752,857 | - | - |
| Total liabilities | <u>302,858</u> | <u>844,886</u> | <u>29,035</u> | <u>103,492</u> |
| Deferred inflows of resources | | | | |
| Property taxes | 2,034,336 | - | - | - |
| Total deferred inflows of resources | <u>2,034,336</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances | | | | |
| Non-spendable: prepaid items | 27,830 | - | - | - |
| Restricted: Capital projects | 243,556 | - | 4,704,261 | 3,432,720 |
| Restricted: Federal and state programs | - | - | - | - |
| Restricted: Tourism | - | - | - | - |
| Restricted: Law enforcement | 28,474 | - | - | - |
| Restricted: Debt service | 39,308 | - | - | - |
| Committed: Capital projects from reserve | - | - | - | - |
| Assigned: Downtown Development Authority | - | - | - | - |
| Assigned: Hampton Development Authority | - | - | - | - |
| Unassigned | 10,943,151 | - | - | - |
| Total fund balances | <u>11,282,319</u> | <u>-</u> | <u>4,704,261</u> | <u>3,432,720</u> |
| Total liabilities and fund balances | <u>\$ 13,619,513</u> | <u>\$ 844,886</u> | <u>\$ 4,733,296</u> | <u>\$ 3,536,212</u> |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
BALANCE SHEET – CONTINUED
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

| | <u>COHURA</u> | <u>Capital Improvement</u> | <u>Governmental Funds</u> | <u>Other</u> | <u>Total</u> |
|---|---------------------|----------------------------|---------------------------|----------------------|------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ - | \$ 173,089 | \$ 326,191 | \$ 11,190,695 | |
| Restricted cash | 3,051,709 | - | 1,427,818 | 13,027,945 | |
| Receivables (net of allowance for uncollectibles) | | | | | |
| Taxes | - | - | 2,318 | 2,457,266 | |
| Fines | - | - | - | 24,493 | |
| Loan | - | - | 153,656 | 153,656 | |
| Intergovernmental | - | - | - | 900,871 | |
| Prepaid items | - | - | - | 27,830 | |
| Due from other funds | - | 694 | - | 86,626 | |
| Total assets | <u>\$ 3,051,709</u> | <u>\$ 173,783</u> | <u>\$ 1,909,983</u> | <u>\$ 27,869,382</u> | |
| Liabilities | | | | | |
| Accounts payable | | | | | |
| Operating | \$ 235 | \$ - | \$ 956 | \$ 274,064 | |
| Capital | - | - | - | 105,445 | |
| Accrued liabilities | | | | | |
| Wages | - | - | - | 78,100 | |
| Other | - | - | - | 25,674 | |
| Due to other funds | 41,304 | - | - | 86,626 | |
| Unearned revenue | - | - | 172,220 | 925,077 | |
| Total liabilities | <u>41,539</u> | <u>-</u> | <u>173,176</u> | <u>1,494,986</u> | |
| Deferred inflows of resources | | | | | |
| Property taxes | - | - | - | - | 2,034,336 |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,034,336</u> |
| Fund balances | | | | | |
| Non-spendable: prepaid items | - | - | - | - | 27,830 |
| Restricted: Capital projects | 3,010,170 | - | 877,460 | 12,268,167 | |
| Restricted: Federal and state programs | - | - | 330,038 | 330,038 | |
| Restricted: Tourism | - | - | 49,462 | 49,462 | |
| Restricted: Law enforcement | - | - | - | 28,474 | |
| Restricted: Debt service | - | - | - | 39,308 | |
| Committed: Capital projects from reserve | - | 173,783 | - | 173,783 | |
| Assigned: Downtown Development Authority | - | - | 381,829 | 381,829 | |
| Assigned: Hampton Development Authority | - | - | 98,018 | 98,018 | |
| Unassigned | - | - | - | - | 10,943,151 |
| Total fund balances | <u>3,010,170</u> | <u>173,783</u> | <u>1,736,807</u> | <u>24,340,060</u> | |
| Total liabilities and fund balances | <u>\$ 3,051,709</u> | <u>\$ 173,783</u> | <u>\$ 1,909,983</u> | <u>\$ 27,869,382</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, 2024

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

| | |
|--|----------------------|
| Total fund balances – total governmental funds | \$ 24,340,060 |
| Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds. | 20,435,247 |
| Net pension liability | (1,113,922) |
| 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. | 439,035 |
| 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. | (34,374) |
| 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 interest expense | (39,269) |
| Bonds payable | (3,100,000) |
| Accrued compensated absences | <u>(176,107)</u> |
| Net position of governmental activities | <u>\$ 40,750,670</u> |

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – CONTINUED
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

| | General | ARPA Fund | SPLOST V | TSPLST |
|--|----------------------|------------------|---------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 6,372,366 | \$ - | \$ - | \$ - |
| Intergovernmental | - | 477,965 | 2,315,715 | 1,941,689 |
| Fines and forfeitures | 648,133 | - | - | - |
| Licenses and permits | 306,543 | - | - | - |
| Charges for services | 164,474 | - | - | - |
| Investment income | 327,279 | - | 70,799 | 44,130 |
| Miscellaneous | 206,729 | - | - | - |
| Issuer fee | - | - | - | - |
| Total revenues | <u>8,025,524</u> | <u>477,965</u> | <u>2,386,514</u> | <u>1,985,819</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 2,272,375 | - | - | - |
| Municipal court | 332,128 | - | - | - |
| Public safety | 2,246,893 | - | - | - |
| Highways and streets | 878,457 | - | - | - |
| Parks and recreation | 328,863 | - | - | - |
| Planning/Community development | 566,922 | - | - | - |
| Economic development/Main Street | 296,418 | - | - | - |
| Capital: | | | | |
| General government | 22,599 | - | 23,541 | - |
| Public safety | 60,629 | - | 312,119 | - |
| Public utilities | - | 506,901 | 355,874 | - |
| Highways and streets | - | - | 1,623,399 | 753,334 |
| Parks and recreation | - | - | 458,880 | - |
| Economic development/Main Street | <u>63,251</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>7,068,535</u> | <u>506,901</u> | <u>2,773,813</u> | <u>753,334</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>956,989</u> | <u>(28,936)</u> | <u>(387,299)</u> | <u>1,232,485</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 947,629 | - | - | - |
| Transfers out | (360,425) | - | - | - |
| Issuance of bonds | - | - | - | - |
| Gain on sale of assets | 15,891 | - | - | - |
| Total | <u>603,095</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 1,560,084 | \$ (28,936) | (387,299) | 1,232,485 |
| Fund balance – beginning of year | <u>9,722,235</u> | <u>\$ 28,936</u> | <u>5,091,560</u> | <u>2,200,235</u> |
| Fund balances – end of year | <u>\$ 11,282,319</u> | <u>\$ -</u> | <u>\$ 4,704,261</u> | <u>\$ 3,432,720</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, 2024

| | <u>COHURA</u> | <u>Capital Improvement</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|---|---------------------|----------------------------|---------------------------------|-------------------|
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ 21,124 | \$ 6,393,490 |
| Intergovernmental | - - | - - | 134,825 | 4,870,194 |
| Fines and forfeitures | - - | - - | - - | 648,133 |
| Licenses and permits | - - | - - | - - | 306,543 |
| Charges for services | 9,080 | - - | 31,788 | 164,474 |
| Investment income | - - | - - | 483,076 | 206,729 |
| Miscellaneous | - - | - - | 593,725 | 593,725 |
| Issuer fees | - - | - - | 781,462 | 13,666,364 |
| Total revenues | <u>9,080</u> | <u>- -</u> | <u>593,725</u> | <u>13,666,364</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - - | - - | - - | 2,272,375 |
| Municipal court | - - | - - | - - | 332,128 |
| Public safety | - - | - - | - - | 2,246,893 |
| Highways and streets | - - | - - | - - | 878,457 |
| Parks and recreation | 98,910 | - - | 75,236 | 328,863 |
| Planning/Community development | - - | - - | 91,833 | 741,068 |
| Economic development/Main Street | - - | - - | - - | 388,251 |
| Capital: | | | | |
| General government | - - | - - | 9,792 | 55,932 |
| Public safety | - - | - - | 10,247 | 382,995 |
| Public utilities | - - | 20,819 | 62,640 | 946,234 |
| Highways and streets | - - | 612,710 | 141,271 | 3,130,714 |
| Parks and recreation | - - | 134,503 | - - | 593,383 |
| Economic development/Main Street | <u>98,910</u> | <u>768,032</u> | <u>127,108</u> | <u>190,359</u> |
| Total expenditures | <u>98,910</u> | <u>768,032</u> | <u>518,127</u> | <u>12,487,652</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>(89,830)</u> | <u>(768,032)</u> | <u>263,335</u> | <u>1,178,712</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - - | 150,000 | 210,425 | 1,308,054 |
| Transfers out | - - | - - | (553,725) | (914,150) |
| Issuance of bonds | 3,100,000 | - - | - - | 3,100,000 |
| Gain on sale of assets | - - | - - | - - | 15,891 |
| Total | <u>3,100,000</u> | <u>150,000</u> | <u>(343,300)</u> | <u>3,509,795</u> |
| Net change in fund balances | <u>3,010,170</u> | <u>(618,032)</u> | <u>(79,965)</u> | <u>4,688,507</u> |
| Fund balance – beginning of year | <u>\$ 3,010,170</u> | <u>791,815</u> | <u>1,816,772</u> | <u>19,651,553</u> |
| Fund balances – end of year | <u>\$ 173,783</u> | <u>\$ 1,736,807</u> | <u>\$ 24,340,060</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, 2024

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

Net changes in fund balances – total governmental funds \$ 4,688,507

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 | 5,001,676 | 3,783,382 |
| Depreciation expense for the current period | <u>(1,218,294)</u> | (3,100,000) |

Proceeds from issuance of bonds.

The net pension liability did not require the use of current financial resources and therefore is not reported as expenditures in governmental funds. 139,745

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. (39,269)

| | | |
|----------------------|----------------|--------------|
| Accrued interest | (4,251) | (1,168) |
| Compensated absences | <u>(1,168)</u> | \$ 5,466,946 |

Governmental funds report proceeds from the sale of capital assets, whereas in the statement of activities, a gain or loss will be reported. Therefore, the change in fund balance will differ from the change in net position by the net book value of the capital assets sold. (1,168)

Change in net position of governmental activities

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, 2024

| | BUDGET AMOUNTS | | | VARIANCE WITH FINAL BUDGET |
|--|----------------------------|----------------------------|-----------------------------|----------------------------------|
| | ORIGINAL | FINAL | ACTUAL | |
| | <u> </u> | <u> </u> | <u> </u> | |
| REVENUES | | | | |
| Taxes | \$ 6,234,325 | \$ 6,234,325 | \$ 6,372,366 | \$ 138,041 |
| Fines and forfeitures | 400,000 | 400,000 | 648,133 | 248,133 |
| Licenses and permits | 176,926 | 176,926 | 306,543 | 129,617 |
| Charges for services | 218,527 | 218,527 | 164,474 | (54,053) |
| Investment income | 270,053 | 270,053 | 327,279 | 57,226 |
| Miscellaneous | <u>74,268</u> | <u>74,268</u> | <u>206,729</u> | <u>132,461</u> |
| Total revenues | <u><u>7,374,099</u></u> | <u><u>7,374,099</u></u> | <u><u>8,025,524</u></u> | <u><u>651,425</u></u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | | | | |
| Mayor | 37,131 | 37,131 | 25,902 | 11,229 |
| City council | 181,231 | 181,231 | 135,313 | 45,918 |
| City manager | 288,399 | 288,399 | 278,357 | 10,042 |
| City clerk | 113,140 | 126,640 | 125,138 | 1,502 |
| Administration | 551,566 | 551,566 | 540,021 | 11,545 |
| Financial services | 377,398 | 377,398 | 343,620 | 33,778 |
| Information technology | 247,739 | 247,739 | 249,321 | (1,582) |
| Human resources | 170,195 | 176,195 | 173,477 | 2,718 |
| Facilities | 410,785 | 410,785 | 401,226 | 9,559 |
| Municipal court | 263,605 | 333,605 | 332,128 | 1,477 |
| Public safety | 2,312,878 | 2,252,249 | 2,246,893 | 5,356 |
| Highways and streets | 983,641 | 983,641 | 878,457 | 105,184 |
| Parks and recreation | 425,213 | 425,213 | 328,863 | 96,350 |
| Planning/Community development | 811,796 | 663,796 | 566,922 | 96,874 |
| Economic development/Main Street | 319,817 | 319,817 | 296,418 | 23,399 |
| Capital: | | | | |
| General government | | | | |
| Information technology | 50,525 | 50,525 | 22,599 | 27,926 |
| Facilities | - | - | - | - |
| Public safety | 5,500 | 60,629 | 60,629 | - |
| Highways and streets | - | - | - | - |
| Parks and recreation | - | - | - | - |
| Economic development/Main Street | - | 64,000 | 63,251 | 749 |
| Total expenditures | <u><u>7,550,559</u></u> | <u><u>7,550,559</u></u> | <u><u>7,068,535</u></u> | <u><u>482,024</u></u> |
| (Deficiency) Excess of revenues (under) over expenditures | <u><u>(176,460)</u></u> | <u><u>(176,460)</u></u> | <u><u>956,989</u></u> | <u><u>1,133,449</u></u> |
| Other financing sources (uses): | | | | |
| Transfers in | 394,987 | 394,987 | 947,629 | 552,642 |
| Transfers out | (428,952) | (428,952) | (360,425) | 68,527 |
| Gain on sale of assets | - | - | 15,891 | 15,891 |
| Total other financing sources (uses) | <u><u>(33,965)</u></u> | <u><u>(33,965)</u></u> | <u><u>603,095</u></u> | <u><u>637,060</u></u> |
| Net change in fund balances - reserve drawdown | (210,425) | (210,425) | 1,560,084 | 1,770,509 |
| Fund balance – beginning of year | <u><u>9,722,235</u></u> | <u><u>9,722,235</u></u> | <u><u>9,722,235</u></u> | <u><u>-</u></u> |
| Fund balance – end of year | <u><u>\$ 9,511,810</u></u> | <u><u>\$ 9,511,810</u></u> | <u><u>\$ 11,282,319</u></u> | <u><u>\$ 1,770,509</u></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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|----------------------------------|-----------------------|----------------|---------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| REVENUES | | | | |
| Intergovernmental | \$ _____ - | \$ _____ - | \$ 477,965 | \$ 477,965 |
| Total revenues | _____ - | _____ - | 477,965 | 477,965 |
| EXPENDITURES | | | | |
| Capital: | | | | |
| Public utilities | 1,362,264 | 1,362,264 | 506,901 | 855,363 |
| Total expenditures | 1,362,264 | 1,362,264 | 506,901 | 855,363 |
| Net change in fund balances | (1,362,264) | (1,362,264) | (28,936) | 1,333,328 |
| Fund balance – beginning of year | 28,936 | 28,936 | 28,936 | _____ - |
| Fund balance – end of year | \$ (1,333,328) | \$ (1,333,328) | \$ _____ - | \$ 1,333,328 |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET (GAAP BASIS) AND ACTUAL
CITY OF HAMPTON URBAN REDEVELOPMENT AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|--|-----------------------|--------------|---------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| REVENUES | | | | |
| Investment income | \$ 9,080 | 9,080 | 9,080 | — |
| Total revenues | 9,080 | 9,080 | 9,080 | — |
| EXPENDITURES | | | | |
| Current: | | | | |
| Planning/Community development | 98,910 | 98,910 | 98,910 | — |
| Debt service: | | | | |
| Interest | 39,304 | 39,304 | — | 39,304 |
| Total expenditures | 138,214 | 138,214 | 98,910 | 39,304 |
| Deficiency of revenues under expenditures | (129,134) | (129,134) | (89,830) | 39,304 |
| Other financing sources (uses): | | | | |
| Issuance of bonds | 3,100,000 | 3,100,000 | 3,100,000 | — |
| Total other financing sources (uses) | 3,100,000 | 3,100,000 | 3,100,000 | — |
| Net change in fund balances | 2,970,866 | 2,970,866 | 3,010,170 | 39,304 |
| Fund balance – beginning of year | — | — | — | — |
| Fund balance – end of year | \$ 2,970,866 | \$ 2,970,866 | \$ 3,010,170 | \$ 39,304 |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2024

| | BUSINESS-TYPE ACTIVITIES UTILITIES FUND |
|--|--|
| Assets | |
| Current assets: | |
| Cash | \$ 1,177,329 |
| Receivables (net of allowance for uncollectibles) – | 665,230 |
| Accounts | 1,738,864 |
| Materials and supplies inventory (net of allowance) | 15,019 |
| Prepaid items | <u>3,596,442</u> |
| Total current assets | 3,596,442 |
| Non-current assets: | |
| Restricted assets: Cash | 6,322,528 |
| Capital assets – depreciable | |
| Plant and distributions systems | 22,471,433 |
| Machinery and equipment | 1,987,302 |
| Vehicles | 667,133 |
| Accumulated depreciation | <u>(13,311,802)</u> |
| Total capital assets (net of accumulated depreciation) | <u>11,814,066</u> |
| Total non-current assets | <u>18,136,594</u> |
| Total assets | <u>\$ 21,733,036</u> |
| Deferred Outflows of Resources | |
| Pensions | \$ 179,620 |
| Liabilities | |
| Current liabilities | |
| Accounts payable – | |
| Operating | \$ 409,644 |
| Accrued liabilities – | |
| Wages | 32,995 |
| Compensated absences | 38,917 |
| Customer deposits | 680,744 |
| Interest | 45,052 |
| Other | 61,186 |
| Bonds payable – current portion | <u>175,000</u> |
| Total current liabilities | <u>1,443,538</u> |
| Non-current liabilities | |
| Compensated absences | 21,934 |
| Bonds payable | 3,945,000 |
| Net pension liability | <u>434,143</u> |
| Total non-current liabilities | <u>4,401,077</u> |
| Total liabilities | <u>\$ 5,844,615</u> |
| Deferred Inflows of Resources | |
| Pensions | \$ 13,397 |
| Net Position | |
| Net investment in capital assets | \$ 11,814,066 |
| Restricted: Capital projects | 1,831,409 |
| Restricted: Debt service | 371,119 |
| Unrestricted | 2,038,050 |
| Total net position | <u>\$ 16,054,644</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, 2024

BUSINESS-TYPE ACTIVITIES
UTILITIES FUND

Operating Revenues:

| | |
|----------------------|------------------|
| Charges for services | \$ 9,161,841 |
| Other | <u>59,412</u> |
| | <u>9,221,253</u> |

Operating Expenses:

| | |
|--------------------------------|------------------|
| Purchases for resale | 3,946,366 |
| Personal services and benefits | 1,766,839 |
| Contractual services | 2,004,708 |
| Depreciation | 732,173 |
| Supplies | 474,338 |
| Other | <u>56,132</u> |
| | <u>8,980,556</u> |

| | |
|------------------------|---------|
| Income from operations | 240,697 |
|------------------------|---------|

Non-operating revenues:

| | |
|-------------------|-----------------|
| Investment income | 67,922 |
| Interest expense | <u>(64,225)</u> |

| | |
|---|---------|
| Loss before contributions and transfers | 244,394 |
|---|---------|

Capital Contribution

| | |
|---------------|------------------|
| Sewer | 606,967 |
| Water | 252,613 |
| Electric | 493,204 |
| Transfers out | <u>(393,904)</u> |

| | |
|------------------------|-----------|
| Change in net position | 1,203,274 |
|------------------------|-----------|

| | |
|--------------------------------|-------------------|
| Net position beginning of year | <u>14,851,370</u> |
|--------------------------------|-------------------|

| | |
|--------------------------|----------------------|
| Net position end of year | <u>\$ 16,054,644</u> |
|--------------------------|----------------------|

See accompanying notes to financial statements

**CITY OF HAMPTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

| | <u>BUSINESS-TYPE ACTIVITIES UTILITIES FUND</u> |
|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers and users | \$ 9,205,454 |
| Cash paid to suppliers for goods and services | (7,206,117) |
| Cash paid to employees | <u>(1,364,420)</u> |
| Net cash provided by operating activities | <u>634,917</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest earned | <u>67,922</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfers | <u>(393,904)</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | |
| Acquisition and construction of capital assets | (43,855) |
| Proceeds from issuance of bonds | 4,120,000 |
| Repayment of bonds payable | (2,106,792) |
| Interest paid | (64,225) |
| Capital contributions | <u>1,352,784</u> |
| Net cash provided by capital financing activities | <u>3,257,912</u> |
| NET CHANGE IN CASH | <u>3,566,847</u> |
| CASH AT BEGINNING OF YEAR | <u>3,933,010</u> |
| CASH AT END OF YEAR | <u><u>\$ 7,499,857</u></u> |
| Classified As | |
| Current assets | \$ 1,177,329 |
| Restricted assets | <u>6,322,528</u> |
| | <u><u>\$ 7,499,857</u></u> |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
STATEMENT OF CASH FLOWS – CONTINUED
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Reconciliation of Net Income to Net Cash
 Provided by Operating Activities

| BUSINESS-TYPE ACTIVITIES UTILITIES FUND | |
|---|-------------------|
| NET OPERATING INCOME | \$ 240,697 |
| ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | |
| Depreciation expense | 732,173 |
| Increase in receivables | (10,541) |
| Increase in inventory | (211,137) |
| Decrease in prepaid items | 23,262 |
| Decrease in deferred outflows of resources | 25,515 |
| Decrease in accounts payable | (147,080) |
| Increase in accrued salaries | 26,019 |
| Decrease in other customer deposits | (5,258) |
| Increase in accrued interest | 41,555 |
| Increase in other accrued expense | 8,200 |
| Decrease in net pension liability | (89,437) |
| Increase in deferred inflows of resources | <u>949</u> |
| Total adjustments | <u>394,220</u> |
| NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES | <u>\$ 634,917</u> |

See accompanying notes to financial statements

CITY OF HAMPTON, GEORGIA
NOTE TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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)

B. The Reporting Entity – (Continued)

City of Hampton Urban Redevelopment Agency (COHURA) – On August 8, 2023, the City formed the COHURA, a public body corporate and politic for the purpose of exercising the “urban redevelopment project powers” defined in section 36-61-17(b) of the Official Code of Georgia Annotated (O.C.G.A.). The primary purpose is to rehab and redevelop pockets of blighted areas that exist in the City. COHURA is governed by a seven-member Board of Directors consisting of the Mayor and members of the City Council. The Hampton City Council approved an intergovernmental contract whereby the COHURA agreed to complete and execute its adopted Urban Redevelopment Plan and issue bonds related thereto, and the City agreed to make payments to COHURA in an amount equal to debt service due and payable on such bonds. Although it is legally separate from the City, the COHURA is presented as a blended component of the City. Separate financial statements are not prepared for this component unit.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

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:

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.

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

COHURA Fund – The COHURA Fund is a special revenue fund used to account for activities related to the rehab and redevelopment of blighted areas as adopted by COHURA Urban Development Plan.

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

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

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.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

F. Basis of Accounting – (Continued)

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.

G. New Accounting Pronouncements

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 standard had no significant effect on the City’s financial statements.

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, 2024, 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, 2024, 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, 2024, and payable on or before November 16, 2024, for the 2024 taxes. Property taxes levied in fiscal year 2024, were for use on expenditures in fiscal year 2025 per an ordinance passed by the City Council. The City setup a deferred inflow for the property taxes as of September 30, 2024.

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 | \$ 2,012,682 | \$ 273,818 | \$ 1,738,864 |

L. Prepaid Items

Payments made to vendors for services that will benefit years beyond September 30, 2024, are recorded as prepaid items and are expensed during the period benefited.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

M. Capital Assets – (Continued)

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.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

O. Revenues – (Continued)

The major categories of taxes collected comprise of property taxes, sales or use taxes as local option sales tax (LOST), special purpose local option sales tax (SPLOST) and Transportation Special Purpose Local Option Sales Tax (TSPLOST), 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.

S. Fund Balances/Net Position

Fund Balance Classifications

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

S. Fund Balances/Net Position – (Continued)

Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five categories (1) Non-spendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. *Non-spendable fund balances* refer to amounts that are not in spendable form or are legally required to remain intact. *Restricted fund balances* refer to amounts that are subject to externally enforceable legal restrictions by either debt covenants, or laws or regulations of other governments. *Committed fund balances* refer to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council prior to the end of the fiscal year. These balances are approved by the City Council during the budget approval process. 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. Currently, the assigned fund balances are associated with the authorities where the funds received are assigned to the operations of those authorities. *Unassigned fund balances* refer to the residual net resources and are the excess of non-spendable, restricted, committed, and assigned. Only the General Fund that reports a positive unassigned fund balance. 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.

To be executed at the monthly City Council public meeting on April 13, 2025, an ordinance will be presented for approval providing authority pertaining to fund balances. Fund balances will be classified as: (1) Nonspendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned along with their descriptions, purposes and the level of authority to restrict, commit, and assign.

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 the City's General Fund, five special revenue funds, and two capital project funds. Public hearings are conducted to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them. Formal budgetary integration is employed as a management control device during the period.

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

1. Prior to September, the City Manager presents a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them. In addition, activities of the Enterprise Funds (water, sewer, electric, and sanitation), and certain special revenue funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects program.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution
4. All budget revisions or changes must be approved as required by Georgia law and administrative policy. All transfers of budgeted amounts between departments require the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the department level. Revisions that alter the total expenditure of any department or fund must be approved by the Mayor and City Council. The approvals of the City Manager, Finance Director and respective Department Director are required for line-item revisions within a particular department budget. The Mayor and City Council made several immaterial supplemental budget appropriations during the fiscal year.
5. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Final budget amounts are as amended in September, 2024.
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 2024 fiscal year budget:

| | |
|--|----------|
| General Fund – Current: General government: Information technology | \$ 1,582 |
| Hotel/Motel Fund – Economic development/Main Street | 17,807 |
| DDA – Capital: Economic development/Main Street | 27,108 |

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 2024, were for use on expenditures in fiscal year 2025. 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, 2024, 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, 2024.

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, 2024, 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 | \$ 2,454,948 | \$ - | \$ 2,454,948 |
| Fines | 24,493 | - | 24,493 |
| SPLOST V | | | |
| Intergovernmental | 581,598 | - | 581,598 |
| TSPLOST | | | |
| Intergovernmental | 319,273 | - | 319,273 |
| Other Governmental Funds | | | |
| Taxes | 2,318 | - | 2,318 |
| Loan | 153,656 | - | 153,656 |
| Proprietary Fund | | | |
| Accounts | 987,769 | 322,539 | 665,230 |
| Total | <u>\$ 4,524,055</u> | <u>\$ 322,539</u> | <u>\$ 4,201,516</u> |

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, 2024, are as follows:

| | <u>Due to:</u> | |
|----------------------------|---------------------|-----------------------------|
| | <u>General Fund</u> | <u>Capital Improvements</u> |
| Due from: | | |
| General Fund | \$ - | \$ 694 |
| ARPA Fund | 44,628 | - |
| Urban Redevelopment Agency | 41,304 | - |
| Total | <u>\$ 85,932</u> | <u>\$ 694</u> |

Due to General Fund for \$41,304 is primarily related to the new COHURA Series 2024 Bond debt service and \$44,628 is the reclassified ARPA interest earned.

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, 2024, consisted of the following:

| | Transfers in: | | | | |
|-------------------------------|-------------------|--------------------------|--------------------------------|-------------------------------|---------------------|
| | General Fund | Capital Improvement Fund | Downtown Development Authority | Hampton Development Authority | Total |
| Transfers Out: | | | | | |
| General Fund | \$ - | \$ 150,000 | \$ 100,000 | \$ 110,425 | \$ 360,425 |
| Hampton Development Authority | 553,725 | - | - | - | 553,725 |
| Proprietary Fund | <u>393,904</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>393,904</u> |
| Total | <u>\$ 947,629</u> | <u>\$ 150,000</u> | <u>\$ 100,000</u> | <u>\$ 110,425</u> | <u>\$ 1,308,054</u> |

In fiscal year 2024, approximately \$1.3 million was transferred between funds mainly for the utility fund allocable general costs (such as general and personnel administration and franchise fees) to reflect the actual cost of providing four categories of utility services (sewer, water, sanitation, and electric), contribution funding to park lighting capital project, development abatement fees and development authorities annual funding.

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, 2024 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|--------------------|-------------------|---------------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 1,188,664 | \$ - | \$ - | \$ 1,188,664 |
| Construction in progress | <u>3,316,649</u> | <u>2,144,186</u> | <u>661,141</u> | <u>4,799,694</u> |
| Total capital assets not being depreciated | <u>4,505,313</u> | <u>2,144,186</u> | <u>661,141</u> | <u>5,988,358</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 4,393,471 | - | - | 4,393,471 |
| Improvements other than buildings | 3,745,284 | - | - | 3,745,284 |
| Infrastructure | 9,537,227 | 2,985,791 | - | 12,523,018 |
| Furniture and fixtures | 40,120 | - | - | 40,120 |
| Office equipment | 225,692 | - | - | 225,692 |
| Machinery and equipment | 2,003,094 | 160,092 | - | 2,163,186 |
| Vehicles | <u>1,855,080</u> | <u>372,748</u> | <u>443,530</u> | <u>1,784,298</u> |
| Total capital assets being depreciated | <u>21,799,968</u> | <u>3,518,631</u> | <u>443,530</u> | <u>24,875,069</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | 1,549,725 | 151,187 | - | 1,700,912 |
| Improvements other than buildings | 2,388,554 | 195,122 | - | 2,583,676 |
| Infrastructure | 2,928,139 | 469,039 | - | 3,397,178 |
| Furniture and fixtures | 34,745 | 709 | - | 35,454 |
| Office equipment | 209,092 | 3,321 | - | 212,413 |
| Machinery and equipment | 1,074,518 | 209,239 | - | 1,283,757 |
| Vehicles | <u>1,467,475</u> | <u>189,677</u> | <u>442,362</u> | <u>1,214,790</u> |
| Total accumulated depreciation | <u>9,652,248</u> | <u>1,218,294</u> | <u>442,362</u> | <u>10,428,180</u> |
| Total capital assets, being depreciated, net | <u>12,147,720</u> | <u>2,300,337</u> | <u>1,168</u> | <u>14,446,889</u> |
| Governmental activities capital assets, net | <u>\$16,653,033</u> | <u>\$4,444,523</u> | <u>\$ 662,309</u> | <u>\$20,435,247</u> |

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

| | |
|----------------------------------|--------------------|
| General government | \$ 115,557 |
| Public safety and courts | 210,991 |
| Public works | 696,846 |
| Parks and recreation | 181,241 |
| Planning/Community development | 4,739 |
| Economic development/Main Street | <u>8,920</u> |
| Total depreciation expense | <u>\$1,218,294</u> |

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

7. CAPITAL ASSETS – (Continued)

Capital asset activity for the year ended September 30, 2024 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|---------------------|-------------------|---------------------------|
| Business-Type Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Construction in progress | \$ 291,818 | \$ _____- | \$ 291,818 | \$ _____- |
| Total capital assets not being depreciated | <u>291,818</u> | <u>_____</u> | <u>291,818</u> | <u>_____</u> |
| Capital assets, being depreciated: | | | | |
| Distribution and collection system | 22,179,615 | 291,818 | - | 22,471,433 |
| Machinery and equipment | 1,943,447 | 43,855 | - | 1,987,302 |
| Vehicles | 667,133 | - | - | 667,133 |
| Total capital assets being depreciated | <u>24,790,195</u> | <u>335,673</u> | <u>_____</u> | <u>25,125,868</u> |
| Less accumulated depreciation for: | | | | |
| Distribution and collection system | 10,576,796 | 611,730 | - | 11,188,526 |
| Machinery and equipment | 1,409,742 | 102,755 | - | 1,512,497 |
| Vehicles | 593,091 | 17,688 | - | 610,779 |
| Total accumulated depreciation | <u>12,579,629</u> | <u>732,173</u> | <u>_____</u> | <u>13,311,802</u> |
| Total capital assets, being depreciated, net | <u>12,210,566</u> | <u>(396,500)</u> | <u>_____</u> | <u>11,814,066</u> |
| Business-type activities capital assets, net | <u>\$ 12,502,384</u> | <u>\$ (396,500)</u> | <u>\$ 291,818</u> | <u>\$ 11,814,066</u> |
| Depreciation expense was charged to functions/programs of the business-type activities as follows: | | | | |
| Sewer | | | \$ 472,126 | |
| Water | | | 160,956 | |
| Electric | | | <u>99,091</u> | |
| Total depreciation expense | | | <u>\$ 732,173</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, 2024:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> | <u>Current Portion</u> |
|-------------------------------|--------------------------|---------------------|---------------------|-----------------------|------------------------|
| Governmental-Type Activities: | | | | | |
| *Compensated absences | \$ 171,856 | \$ 4,251 | \$ - | \$ 176,107 | \$ 86,472 |
| *Net pension liability | 1,343,401 | - | 229,479 | 1,113,922 | - |
| *Bonds payable | - | <u>3,100,000</u> | - | <u>3,100,000</u> | <u>110,000</u> |
| Governmental-Type Activities | <u>1,515,257</u> | <u>3,104,251</u> | <u>229,479</u> | <u>4,390,029</u> | <u>196,472</u> |
| Business-Type Activities: | | | | | |
| Compensated absences | 41,407 | 19,444 | - | 60,851 | 38,917 |
| Net pension liability | 523,580 | - | 89,437 | 434,143 | - |
| Bonds payable | <u>2,106,792</u> | <u>4,120,000</u> | <u>2,106,792</u> | <u>4,120,000</u> | <u>175,000</u> |
| Business-Type Activities | <u>2,671,779</u> | <u>4,139,444</u> | <u>2,196,229</u> | <u>4,614,994</u> | <u>213,917</u> |
| Total | <u>\$ 4,187,036</u> | <u>\$ 7,243,695</u> | <u>\$ 2,425,708</u> | <u>\$ 9,005,023</u> | <u>\$ 410,389</u> |

* Typically liquidated with General Fund resources.

Governmental-Type Activities
 On July 10, 2024, the COHURA issued Downtown Redevelopment and Public Infrastructure Project Revenue Bonds, Taxable Series, 2024 (the “Taxable Series 2024 Revenue Bonds”). The annual interest rate on the bonds is 5.63%, and the maturity date is April 1, 2030. The following is a summary of the future minimum bond payments:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> |
|-------------|---------------------|-------------------|
| 2025 | \$ 110,000 | \$ 126,534 |
| 2026 | 95,000 | 168,337 |
| 2027 | 100,000 | 162,989 |
| 2028 | 105,000 | 157,359 |
| 2029 | 110,000 | 151,447 |
| 2030 | <u>2,580,000</u> | <u>145,253</u> |
| | <u>\$ 3,100,000</u> | <u>\$ 911,919</u> |

Interest incurred during the current year was \$39,269.

Pledged Revenues

The COHURA and the City have an intergovernmental contract where the City has pledged the funds to provide to the COHURA to cover the bond payments.

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

8. LONG-TERM DEBT – (Continued)

Business-Type Activities

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. These bonds were paid in full during year ended September 30, 2024.

On July 10, 2024, the City issued Combined Utility Revenue Bonds, Tax-Exempt Series 2024 (the “Tax-Exempt Series 2024 Revenue Bonds”). The annual interest rate on the bonds is 4.86%, and the maturity date is April 1, 2044. The following is a summary of the future minimum bond payments:

| Year | Principal | Interest |
|-----------|---------------------|---------------------|
| 2025 | \$ 175,000 | \$ 145,168 |
| 2026 | 130,000 | 191,727 |
| 2027 | 135,000 | 185,409 |
| 2028 | 145,000 | 178,848 |
| 2029 | 150,000 | 171,801 |
| 2030-2034 | 875,000 | 741,393 |
| 2035-2039 | 1,105,000 | 507,870 |
| 2040-2044 | <u>1,405,000</u> | <u>211,653</u> |
| | <u>\$ 4,120,000</u> | <u>\$ 2,333,869</u> |

Interest incurred during the current year was \$64,225.

Pledged Revenues

The City has pledged the utilities system revenues, net of operations and maintenance expenses, to pay principal and interest on the outstanding Tax-Exempt Series 2024 Revenue Bonds, with outstanding principal amount of \$4,120,000 at September 30, 2024.

9. CONDUIT DEBT

The Hampton Development Authority issued taxable lease purchase revenue bonds for the express purpose of providing capital financing to diverse businesses and community institutions that are not a part of the Authority's financial reporting entity. The conduit debt obligations bear the name of the Hampton Development Authority; however, the HDA, nor the City, has any obligation for such debt beyond the resources provided by the loans with businesses and institutions on whose behalf they are issued. The revenue bonds and the interest thereon do not constitute a debt, a general obligation or a pledge of the faith and credit of the Authority or City. The obligation is payable solely from revenues and assets pledged to the Authority for payment of such bonds.

During fiscal year 2024, the Authority issued bonds to help businesses expand in the City. The aggregate principal amount payable for the revenue bonds issued and outstanding at September 30, 2024 was \$475,000,000.

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

10. RISK MANAGEMENT

The City of Hampton is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (GIRMA) for property and liability insurance and the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all 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.

11. EMPLOYEE BENEFITS PLANS

DEFERRED COMPENSATION PLAN

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

11. EMPLOYEE BENEFITS PLANS – (Continued)

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

Current membership in the plan is as follows:

| | |
|---|-------------------|
| Retirees and beneficiaries currently receiving benefits | 29 |
| Terminated vested participants entitled to but not yet receiving benefits | 46 |
| Active participants | 82 |
| Active elected officials | 7 |
| Total number of participants | <u>164</u> |

Contributions: The plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to the recommended contribution described below. For 2024, the actuarially determined contribution rate was 9.12% of covered payroll. For 2024, the City's contribution to the plan totaled \$397,637.

Net Pension Liability of the City

The City's net pension liability was measured as of January 1, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2023 with update procedures performed by the actuary to roll forward to the total pension liability measured as of January 1, 2024.

Actuarial assumptions: The total pension liability in the September 30, 2023, 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)

11. EMPLOYEE BENEFITS PLANS – (Continued)

The actuarial assumptions used in the January 1, 2024 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, 2023 are summarized in the following table:

| Asset Class | Allocation | Long-term Expected real rate of return* |
|-----------------------|------------|---|
| Domestic equity | 45% | 6.91% |
| International equity | 20% | 7.21% |
| Domestic fixed income | 20% | 1.61% |
| Real estate | 10% | 3.61% |
| Global fixed income | 5% | 1.67% |
| Cash | 0% | 0.00% |

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

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

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

11. EMPLOYEE BENEFIT PLANS – (Continued)

Changes in the Net Pension Liability of the City: The changes in the components of the net pension liability of the City for the year ended September 30, 2024, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) – (b) |
|--|--------------------------------|------------------------------------|------------------------------------|
| Balances at September 30, 2023 | \$ 6,587,948 | \$ 4,720,967 | \$ 1,866,981 |
| Changes for the year: | | | |
| Service cost | 218,039 | - | 218,039 |
| Interest | 490,058 | - | 490,058 |
| Differences between expected and actual experience | (46,099) | - | (46,099) |
| Contributions – employer | - | 356,263 | (356,263) |
| Net investment income | - | 638,030 | (638,030) |
| Benefit payments, including refunds of employee contributions | (322,262) | (322,262) | - |
| Administrative expense | - | (13,379) | 13,379 |
| Net changes | <u>339,736</u> | <u>658,652</u> | <u>(318,916)</u> |
| Balances at September 30, 2024 | <u>\$ 6,927,684</u> | <u>\$ 5,379,619</u> | <u>\$ 1,548,065</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 | \$ 2,474,701 | \$ 1,548,065 | \$ 779,779 |

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, 2024, and the current sharing pattern of costs between employer and employee.

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

11. EMPLOYEE BENEFIT PLANS – (Continued)

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

For the year ended September 30, 2024, the City recognized pension expense of \$428,547. At September 30, 2024, 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 | \$ 97,468 | \$ (47,771) |
| Net difference between projected and actual earnings on pension plan investments | 246,185 | - |
| Contributions made subsequent to measurement date | <u>275,002</u> | <u>-</u> |
| Total | <u>\$ 618,655</u> | <u>\$ (47,771)</u> |

City contributions subsequent to the measurement date of \$275,002 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other 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 September 30: | |
|---------------------------|-------------------|
| 2025 | \$ 60,889 |
| 2026 | 93,707 |
| 2027 | 199,106 |
| 2028 | <u>(57,820)</u> |
| | <u>\$ 295,882</u> |

12. NET INVESTMENT IN CAPITAL ASSETS

The “Net investment in capital assets” amounts as reported on the Government-wide Statement of Net Position as of September 30, 2024 is as follows:

| | Governmental Activities | Business-type Activities |
|--|----------------------------|-----------------------------|
| Cost of non-depreciable capital assets | \$ 5,988,358 | \$ - |
| Cost of depreciable capital assets | 24,875,069 | 25,125,868 |
| Less: Accumulated depreciation | <u>(10,428,180)</u> | <u>(13,311,802)</u> |
| net book value | 20,435,247 | 11,814,066 |
| Less: Capital accounts payable | <u>(105,445)</u> | <u>-</u> |
| net investment in capital assets | <u>\$ 20,329,802</u> | <u>\$ 11,814,066</u> |

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

13. JOINT VENTURE

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

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

14. HOTEL/MOTEL TAX

The City levies a 5% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. In order to comply with the expenditure requirements of this code section, the City remits monies collected under this provision to the Henry County Chamber of Commerce. The following is a summary of the collections and expenditures for the year ended September 30, 2024:

| | Amount | Percent |
|---|-----------|---------|
| Total collected | \$ 21,985 | 100% |
| Amount remitted to Henry County Chamber of Commerce | \$ 8,071 | 37% |
| Amount remitted for Public Relations | \$ 32,616 | 148% |

15. 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 28% of the expenses for the utilities fund.

16. SUBSEQUENT EVENTS

Management has evaluated events, activities and transactions subsequent to the balance sheet through March 30, 2025 (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 30, 2025.

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

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | | | |
| Service cost | \$ 218,039 | \$ 210,521 | \$ 180,675 | \$ 150,748 | \$ 83,699 |
| Interest | 490,058 | 449,498 | 414,471 | 395,203 | 197,175 |
| Differences between expected and actual experience | (46,099) | 91,596 | 129,173 | (65,978) | (77,779) |
| Changes of assumptions | - | - | - | - | 506 |
| Changes of benefit terms | - | - | - | - | - |
| Benefit payments, including refunds of employee contributions | (322,262) | (296,239) | (262,220) | (235,044) | (104,885) |
| Net change in total pension liability | 339,736 | 555,466 | 462,099 | 244,929 | 98,716 |
| Total pension liability – beginning | 6,587,948 | 6,032,482 | 5,570,383 | 5,325,454 | 5,226,738 |
| Total pension liability – ending (a) | \$ 6,927,684 | \$ 6,587,948 | \$ 6,032,482 | \$ 5,570,383 | \$ 5,325,454 |
| Plan fiduciary net position | | | | | |
| Contributions – employer | \$ 356,263 | \$ 294,920 | \$ 283,973 | \$ 237,450 | \$ 100,169 |
| Net investment income | 638,030 | (925,355) | 1,106,104 | 403,826 | 175,763 |
| Benefit payments, including refunds of employee contributions | (322,262) | (296,239) | (262,220) | (235,044) | (104,885) |
| Administrative expenses | (13,379) | (11,857) | (11,585) | (14,193) | (5,628) |
| Net change in plan fiduciary net pension | 658,652 | (938,531) | 1,116,272 | 392,039 | 165,419 |
| Plan fiduciary net position – beginning | 4,720,967 | 5,659,498 | 4,543,226 | 4,151,187 | 3,985,768 |
| Plan fiduciary net position – ending (b) | \$ 5,379,619 | \$ 4,720,967 | \$ 5,659,498 | \$ 4,543,226 | \$ 4,151,187 |
| City's net pension liability – ending (a) – (b) | \$ 1,548,065 | \$ 1,866,981 | \$ 372,984 | \$ 1,027,157 | \$ 1,174,267 |
| Plan fiduciary net position as a percentage of the total pension liability | 77.65% | 71.66% | 93.82% | 81.56% | 77.95% |
| Covered payroll | \$ 4,290,075 | \$ 3,692,844 | \$ 3,420,360 | \$ 2,973,041 | \$ 2,652,000 |
| City's net pension liability as a percentage of covered payroll | 36.08% | 50.56% | 10.90% | 34.55% | 44.28% |

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

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | | | |
| Service cost | \$ 115,832 | \$ 115,366 | \$ 126,889 | \$ 131,746 | \$ 128,596 |
| Interest | 344,793 | 310,823 | 308,179 | 275,819 | 257,215 |
| Differences between expected and actual experience | (48,774) | 192,161 | (221,668) | 77,589 | (52,209) |
| Changes of assumptions | | | | | (6,690) |
| Changes of benefit terms | | | | | 60,136 |
| Benefit payments, including refunds of employee contributions | 444,260 | | | | |
| Net change in total pension liability | <u>(221,553)</u> | <u>(203,326)</u> | <u>(155,247)</u> | <u>(100,236)</u> | <u>(73,476)</u> |
| Total pension liability – beginning | 634,558 | 479,896 | 58,153 | 445,054 | 253,436 |
| Total pension liability – ending (a) | <u>4,592,180</u> | <u>4,112,284</u> | <u>4,054,131</u> | <u>3,609,077</u> | <u>3,355,641</u> |
| Plan fiduciary net position | <u>\$ 5,226,738</u> | <u>\$ 4,592,180</u> | <u>\$ 4,112,284</u> | <u>\$ 4,054,131</u> | <u>\$ 3,609,077</u> |
| Contributions – employer | \$ 179,386 | \$ 225,628 | \$ 184,289 | \$ 205,520 | \$ 193,380 |
| Net investment income | 138,667 | 432,982 | 387,385 | 10,932 | 254,484 |
| Benefit payments, including refunds of employee contributions | | | | | |
| Administrative expenses | (221,553) | (203,326) | (155,247) | (100,236) | (73,476) |
| Net change in plan fiduciary net pension | <u>(11,017)</u> | <u>(12,462)</u> | <u>(10,462)</u> | <u>(6,923)</u> | <u>(6,214)</u> |
| Plan fiduciary net position – beginning | 85,483 | 442,822 | 405,965 | 109,293 | 368,174 |
| Plan fiduciary net position – ending (b) | <u>\$ 3,900,285</u> | <u>3,457,463</u> | <u>3,051,498</u> | <u>2,942,205</u> | <u>2,574,031</u> |
| City's net pension liability – ending (a) - (b) | <u>\$ 1,240,970</u> | <u>\$ 691,895</u> | <u>\$ 654,821</u> | <u>\$ 1,002,633</u> | <u>\$ 666,872</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 76.26% | 84.93% | 84.08% | 75.27% | 81.52% |
| Covered payroll | \$ 2,624,238 | \$ 2,377,085 | \$ 2,188,426 | \$ 2,412,993 | \$ 2,464,960 |
| City's net pension liability as a percentage of covered payroll | 47.29% | 29.11% | 29.92% | 41.55% | 27.05% |

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

| | <u>9/30/2024</u> | <u>9/30/2023</u> | <u>9/30/2022</u> | <u>9/30/2021</u> | <u>9/30/2020</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 352,313 | \$ 331,581 | \$ 296,181 | \$ 269,526 | \$ 260,870 |
| Contributions in relation to the actuarially determined Contribution | <u>352,313</u> | <u>356,263</u> | <u>294,920</u> | <u>283,973</u> | <u>237,450</u> |
| Contribution deficiency (excess) | \$ - | \$ (24,682) | \$ 1,261 | \$ (14,447) | \$ 23,420 |
| Covered payroll | 4,673,922 | 3,692,844 | 3,420,360 | 2,973,041 | 2,652,000 |
| Contributions as a percentage of Covered payroll | 7.54% | 9.65% | 8.62% | 9.55% | 8.95% |

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

| | <u>9/30/2019</u> | <u>9/30/2018</u> | <u>9/30/2017</u> | <u>9/30/2018</u> | <u>9/30/2015</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 150,253 | \$ 172,402 | \$ 216,633 | \$ 197,578 | \$ 208,168 |
| Contributions in relation to the actuarially determined Contribution | <u>164,620</u> | <u>160,035</u> | <u>216,633</u> | <u>197,578</u> | <u>208,168</u> |
| Contribution deficiency (excess) | \$ (14,367) | \$ 12,367 | \$ - | \$ - | \$ - |
| Covered payroll | 1,968,179 | 2,377,085 | 2,188,426 | 2,412,993 | 2,464,960 |
| Contributions as a percentage of Covered payroll | 8.36% | 6.73% | 9.90% | 8.19% | 8.45% |

**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, 2024

| | TOTAL SPECIAL REVENUE FUNDS | CAPITAL GRANTS FUND | SPLOST IV | TOTAL NON-MAJOR GOVERNMENTAL FUNDS |
|--|--------------------------------------|---------------------------|-------------------|---|
| Assets | | | | |
| Cash and cash equivalents | | | | |
| Restricted: Cash | \$ 326,191 | \$ 48,100 | \$ 502,258 | \$ 326,191 |
| Receivables (net of allowance for uncollectibles) | | | | |
| Taxes | 2,318 | - | - | 2,318 |
| Loan | 153,656 | - | - | 153,656 |
| Total assets | <u>\$ 530,265</u> | <u>\$ 502,258</u> | <u>\$ 877,460</u> | <u>\$ 1,909,983</u> |
| Liabilities | | | | |
| Accounts payable | \$ 956 | \$ 172,220 | \$ 172,220 | \$ 956 |
| Operating | - | - | - | 172,220 |
| Uncarried revenue | 956 | 172,220 | 172,220 | 176 |
| Total liabilities | | | | |
| Fund balances | | | | |
| Restricted: Capital projects | | | | 877,460 |
| 330,038 | | | | 877,460 |
| Restricted: Federal and state program | | | | 330,038 |
| 49,462 | | | | 49,462 |
| Restricted: Tourism | | | | 381,829 |
| 381,829 | | | | 381,829 |
| Assigned: Downtown Development Authority | | | | 98,018 |
| 98,018 | | | | 98,018 |
| Assigned: Hampton Development Authority | | | | 529,309 |
| 529,309 | | | | 529,309 |
| Total fund balances | | | | <u>\$ 877,460</u> |
| Total liabilities and fund balances | | | | <u>\$ 1,909,983</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, 2024

| | TOTAL SPECIAL REVENUE FUNDS | CAPITAL GRANTS FUND | SPLOST IV | TOTAL NON-MAJOR GOVERNMENTAL FUNDS |
|--|--------------------------------------|---------------------------|-------------------|---|
| REVENUES | | | | |
| Taxes | \$ 21,124 | \$ 134,825 | \$ 12,710 | \$ 21,124 |
| Intergovernmental | - 12,633 | 6,445 | - | 134,825 |
| Investment income | 593,725 | - | - | 31,788 |
| Issuer fees | - | - | - | 593,725 |
| Total revenues | <u>627,482</u> | <u>141,270</u> | <u>12,710</u> | <u>781,462</u> |
| EXPENDITURES | | | | |
| Current: | | | | 75,236 |
| Planning/Community development | | | | - |
| Economic development/Main Street | | | | 91,833 |
| Capital: | | | | - |
| General government | | | | 9,792 |
| Public safety | | | | 10,247 |
| Public utilities | | | | 62,640 |
| Highways and streets | | | | 141,271 |
| Economic development/Main Street | | | | - |
| Total expenditures | <u>127,108</u> | <u>141,271</u> | <u>82,679</u> | <u>127,108</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>333,305</u> | <u>(1)</u> | <u>(69,969)</u> | <u>263,335</u> |
| Other financing sources: | | | | |
| Transfers in | 210,425 | - | - | 210,425 |
| Transfers out | <u>(553,725)</u> | <u>-</u> | <u>-</u> | <u>(553,725)</u> |
| Total other financing sources | <u>(343,300)</u> | <u>-</u> | <u>-</u> | <u>(343,300)</u> |
| Net change in fund balances | <u>(9,995)</u> | <u>(1)</u> | <u>(69,969)</u> | <u>(79,965)</u> |
| Fund balances - beginning of year | <u>539,304</u> | <u>\$ 330,039</u> | <u>\$ 947,429</u> | <u>1,816,772</u> |
| Fund balances - end of year | <u>529,309</u> | <u>\$ 330,038</u> | <u>\$ 877,460</u> | <u>\$ 1,736,807</u> |

CITY OF HAMPTON, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
BALANCE SHEET
SEPTEMBER 30, 2024

| | HOTEL/ MOTEL TAX FUND | HAMPTON DEVELOPMENT AUTHORITY | DOWNTOWN DEVELOPMENT AUTHORITY | TOTAL NON-MAJOR SPECIAL REVENUE FUNDS |
|--|--------------------------------|-------------------------------------|--------------------------------------|---|
| Assets | | | | |
| Cash and cash equivalents | | | | |
| Restricted: Cash | \$ 48,100 | \$ 98,018 | \$ 228,173 | \$ 326,191 |
| Receivables (net of allowance for uncollectibles) | | | | |
| Taxes | 2,318 | - | - | 2,318 |
| Loan | - | - | 153,656 | 153,656 |
| Total assets | <u>\$ 50,418</u> | <u>\$ 98,018</u> | <u>\$ 381,829</u> | <u>\$ 530,265</u> |
| Liabilities | | | | |
| Accounts payable | \$ 956 | - | - | \$ 956 |
| Operating | - | - | - | - |
| Total liabilities | <u>\$ 50,418</u> | <u>\$ 98,018</u> | <u>\$ 381,829</u> | <u>\$ 530,265</u> |
| Fund balances | | | | |
| Restricted: Tourism | 49,462 | - | 381,829 | 49,462 |
| Assigned: Downtown Development Authority | - | 98,018 | - | 381,829 |
| Assigned: Hampton Development Authority | - | - | 98,018 | 98,018 |
| Total fund balances | <u>49,462</u> | <u>98,018</u> | <u>381,829</u> | <u>529,309</u> |
| Total liabilities and fund balances | <u>\$ 50,418</u> | <u>\$ 98,018</u> | <u>\$ 381,829</u> | <u>\$ 530,265</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, 2024

| | HOTEL/ MOTEL TAX FUND | HAMPTON DEVELOPMENT AUTHORITY | DOWNTOWN DEVELOPMENT AUTHORITY | TOTAL NON-MAJOR SPECIAL REVENUE FUNDS |
|--|--------------------------------|-------------------------------------|--------------------------------------|---|
| REVENUES | | | | |
| Taxes | \$ 21,124 | \$ 1,104 | \$ 10,668 | \$ 21,124 |
| Investment income | 861 | 593,725 | - | 12,633 |
| Issuer fees | - | 594,829 | - | 593,725 |
| Total revenues | <u>21,985</u> | <u>594,829</u> | <u>10,668</u> | <u>627,482</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Planning/Community development | | 75,236 | - | 75,236 |
| Economic development/Main Street | 40,687 | - | 51,146 | 91,833 |
| Capital: | | | | |
| Economic development/Main Street | | | 127,108 | 127,108 |
| Total expenditures | <u>40,687</u> | <u>75,236</u> | <u>178,254</u> | <u>294,177</u> |
| (Deficiency) Excess of revenues (under) over expenditures | (18,702) | 519,593 | (167,586) | 333,305 |
| Other financing sources: | | | | |
| Transfers in | | 110,425 | 100,000 | 210,425 |
| Transfers out | | (553,725) | - | (553,725) |
| Total other financing sources | | (443,300) | <u>100,000</u> | <u>(343,300)</u> |
| Net change in fund balances | (18,702) | 76,293 | (67,586) | (9,995) |
| Fund balances – beginning of year | 68,164 | 21,725 | 449,415 | 539,304 |
| Fund balances – end of year | <u>\$ 49,462</u> | <u>\$ 98,018</u> | <u>\$ 381,829</u> | <u>\$ 529,309</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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|----------------------------------|----------------------------|----------------------------|------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| REVENUES | | | | |
| Taxes | \$ 22,360 | \$ 22,360 | \$ 21,124 | \$ (1,236) |
| Investment income | <u>520</u> | <u>520</u> | <u>861</u> | <u>341</u> |
| Total revenues | <u>22,880</u> | <u>22,880</u> | <u>21,985</u> | <u>(895)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Economic development/Main Street | <u>22,880</u> | <u>22,880</u> | <u>40,687</u> | <u>(17,807)</u> |
| Total expenditures | <u>22,880</u> | <u>22,880</u> | <u>40,687</u> | <u>(17,807)</u> |
| Net change in fund balances | \$ <u> </u> <u> </u> | \$ <u> </u> <u> </u> | (18,702) | \$ <u>(18,702)</u> |
| Fund balance – beginning of year | | | <u>68,164</u> | |
| Fund balance – end of year | | | \$ <u>49,462</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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|--|----------------------------|----------------------------|----------------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| REVENUES | | | | |
| Investment income | \$ - | \$ - | \$ 1,104 | \$ 1,104 |
| Issuer Fees | <u> </u> - - - | <u> </u> - - - | <u> </u> 593,725 | <u> </u> 593,725 |
| Total revenues | <u> </u> - - - | <u> </u> - - - | <u> </u> 594,829 | <u> </u> 594,829 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Planning/Community development | <u> </u> 110,425 | <u> </u> 110,425 | <u> </u> 75,236 | <u> </u> 35,189 |
| Total expenditures | <u> </u> 110,425 | <u> </u> 110,425 | <u> </u> 75,236 | <u> </u> 35,189 |
| Deficiency of revenues under expenditures | <u> </u> (110,425) | <u> </u> (110,425) | <u> </u> 519,593 | <u> </u> 630,018 |
| Other financing sources: | | | | |
| Transfers in | <u> </u> 110,425 | <u> </u> 110,425 | <u> </u> 110,425 | <u> </u> - |
| Transfers out | <u> </u> - - - | <u> </u> - - - | <u> </u> (553,725) | <u> </u> (553,725) |
| Total other financing sources | <u> </u> 110,425 | <u> </u> 110,425 | <u> </u> (443,300) | <u> </u> (553,725) |
| Net change in fund balances | \$ <u> </u> - - - | \$ <u> </u> - - - | <u> </u> 76,293 | \$ <u> </u> 76,293 |
| Fund balance – beginning of year | | | <u> </u> 21,725 | |
| Fund balance – end of year | | | \$ <u> </u> 98,018 | |

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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|--|-----------------------|------------------|-------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| REVENUES | | | | |
| Intergovernmental | \$ 10,010 | \$ 10,010 | \$ - | \$ (10,010) |
| Investment income | <u>22,800</u> | <u>22,800</u> | <u>10,668</u> | <u>(12,132)</u> |
| Total revenues | <u>32,810</u> | <u>32,810</u> | <u>10,668</u> | <u>(22,142)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Economic development/Main Street | 107,810 | 107,810 | 51,146 | 56,664 |
| Capital: | | | | |
| Economic development/Main Street | 100,000 | 100,000 | 127,108 | (27,108) |
| Debt service: | | | | |
| Principal | <u>10,000</u> | <u>10,000</u> | <u>-</u> | <u>10,000</u> |
| Total expenditures | <u>217,810</u> | <u>217,810</u> | <u>178,254</u> | <u>39,556</u> |
| Deficiency of revenues under expenditures | <u>(185,000)</u> | <u>(185,000)</u> | <u>(167,586)</u> | <u>17,414</u> |
| Other financing sources: | | | | |
| Transfers in | <u>185,000</u> | <u>185,000</u> | <u>100,000</u> | <u>(85,000)</u> |
| Total other financing sources | <u>185,000</u> | <u>185,000</u> | <u>100,000</u> | <u>(85,000)</u> |
| Net change in fund balances | \$ <u>-</u> | \$ <u>-</u> | <u>(67,586)</u> | <u>\$ (67,586)</u> |
| Fund balance – beginning of year | | | <u>449,415</u> | |
| Fund balance – end of year | | | <u>\$ 381,829</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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|----------------------------------|-----------------------|---------------------|----------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| | | | | |
| REVENUES | | | | |
| Intergovernmental | \$ 511,887 | \$ 511,887 | \$ 134,825 | \$ (377,062) |
| Investment income | <u>-</u> | <u>-</u> | <u>6,445</u> | <u>6,445</u> |
| Total revenues | <u>511,887</u> | <u>511,887</u> | <u>141,270</u> | <u>(370,617)</u> |
| EXPENDITURES | | | | |
| Capital: | | | | |
| Highways and streets | 269,159 | 269,159 | 141,271 | 127,888 |
| Planning/Community development | <u>511,887</u> | <u>511,887</u> | <u>-</u> | <u>511,887</u> |
| Total expenditures | <u>781,046</u> | <u>781,046</u> | <u>141,271</u> | <u>639,775</u> |
| Net change in fund balances | \$ <u>(269,159)</u> | \$ <u>(269,159)</u> | (1) | \$ <u>269,158</u> |
| Fund balance – beginning of year | | | | <u>330,039</u> |
| Fund balance – end of year | | | | \$ <u>330,038</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, 2024

| | <u>BUDGET AMOUNTS</u> | | | <u>VARIANCE WITH FINAL BUDGET</u> |
|---|-----------------------|-----------------------|-------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | |
| EXPENDITURES | | | | |
| Capital: | | | | |
| Public utilities | \$ 3,584,520 | \$ 3,584,520 | \$ 20,819 | \$ 3,563,701 |
| Highways and streets | 634,677 | 634,677 | 612,710 | 21,967 |
| Parks and recreation | <u>310,000</u> | <u>310,000</u> | <u>134,503</u> | <u>175,497</u> |
| Total expenditures | <u>4,529,197</u> | <u>4,529,197</u> | <u>768,032</u> | <u>3,761,165</u> |
| Deficiency of revenues under expenditures | <u>(4,529,197)</u> | <u>(4,529,197)</u> | <u>(768,032)</u> | <u>3,761,165</u> |
| Other financing sources: | | | | |
| Transfers in | <u>1,339,837</u> | <u>1,339,837</u> | <u>150,000</u> | <u>(1,189,837)</u> |
| Total other financing sources | <u>1,339,837</u> | <u>1,339,837</u> | <u>150,000</u> | <u>(1,189,837)</u> |
| Net change in fund balances – Budget basis | <u>\$ (3,189,360)</u> | <u>\$ (3,189,360)</u> | <u>(618,032)</u> | <u>\$ 2,571,328</u> |
| Fund balance – beginning of year | | | <u>791.815</u> | |
| Fund balance – end of year | | | <u>\$ 173,783</u> | |

CITY OF HAMPTON, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

| Project | SPLOST | | Expenditures | | Total |
|---|--|---------------------|------------------|---------------------|--------------|
| | Total Estimated Project Costs | Prior Years | Current Year | | |
| Roads, bridges, sidewalks and transportation facilities | \$ 2,675,000 | \$ 2,574,247 | \$ - | \$ - | \$ 2,574,247 |
| Public safety facilities and equipment | 740,000 | 490,243 | 10,247 | 500,490 | |
| Public works facilities and equipment | 1,710,000 | 1,337,519 | 62,640 | 1,400,159 | |
| Construction and renovation of municipal buildings | 1,100,000 | 467,328 | 9,792 | 477,120 | |
| Parks and recreation facilities | 600,000 | 599,206 | - | 599,206 | |
| Community development facilities | 450,000 | 1,580 | - | 1,580 | |
| | <u>\$ 7,275,000</u> | <u>\$ 5,470,123</u> | <u>\$ 82,679</u> | <u>\$ 5,552,802</u> | |

SPLOST IV:

CITY OF HAMPTON, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

| Project | SPLOST | | |
|---|----------------------------|--|----------------------------|
| | Total | Estimated Project Costs | Expenditures |
| | Prior Years | Current Year | Total |
| SPLOST V: | | | |
| Public safety | \$ 375,568 | \$ 33,680 | \$ 312,119 |
| Park(s) improvement and development | 521,623 | 518,935 | - |
| Green space and trail development | 524,094 | 59,603 | 458,880 |
| Roads, sidewalk & right of way improvements to include gateway signage | 2,086,489 | 470,524 | 1,646,940 |
| Water and sewer enhancements | 1,043,244 | - | 355,874 |
| Capital improvements municipal buildings | <u>1,043,244</u> | <u>123,694</u> | <u>-</u> |
| | | | <u>123,694</u> |
| | <u><u>\$ 5,594,262</u></u> | <u><u>\$ 1,206,436</u></u> | <u><u>\$ 2,773,813</u></u> |
| | | | <u><u>\$ 3,980,249</u></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, 2024

| Project | SPLOST | | | Total Estimated Project Costs | Expenditures Prior Years | Current Year | Total |
|---|---------------------|-------------------------------|-------------------|--|--------------------------------|-----------------|---------------------|
| | Total | Estimated Project Costs | Expenditures | | | | |
| TSPLOST: | | | | | | | |
| Elm Street | \$ 850,000 | \$ 47,639 | \$ 608,077 | \$ 425,000 | - | - | \$ 655,716 |
| College Street | 425,000 | - | - | 322,000 | - | - | - |
| Central Avenue | 322,000 | - | - | 2,200,000 | - | - | - |
| Lower Woolsey Road | 2,200,000 | - | - | 650,000 | - | - | - |
| Barham Street | 650,000 | - | - | 1,200,000 | - | - | - |
| E. Main Street from Hwy 20 north to City limits | 1,200,000 | - | - | 500,000 | 2,400 | 14,525 | 16,925 |
| Elm Street from E. Main to Bridge Mill Drive | 500,000 | - | - | 350,000 | - | - | - |
| McDonough Street | 350,000 | - | - | E. King, McDonough, and Rosenwald Intersection | 1,200,000 | - | - |
| Hampton-Locust Grove Road and McDonough Street | 380,000 | 250 | 68,238 | Hampton-Locust Grove Road and McDonough Street | 380,000 | 250 | 68,488 |
| Resurfacing Projects – targeted areas | <u>1,400,000</u> | <u>572,647</u> | <u>62,494</u> | | | | <u>635,141</u> |
| | <u>\$ 9,477,000</u> | <u>\$ 622,936</u> | <u>\$ 753,334</u> | | | | <u>\$ 1,376,270</u> |

STATISTICAL SECTION

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

| <u>Contents</u> | <u>Page</u> |
|--|-------------|
| Financial Trends..... <i>These schedules contain trend information to assist the reader in understanding and assessing how the City's current financial performance and well-being have changed over time.</i> | 74-84 |
| Revenue Capacity..... <i>These schedules present information to assist the reader in assessing the viability of the City's most significant revenue sources, Local Option Sales Tax (LOST) and property taxes.</i> | 85-99 |
| Debt Capacity..... <i>These schedules present information to help the reader analyze the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i> | 100-102 |
| Demographic and Economic Information..... <i>These schedules present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the City operates and (2) to provide information that facilitates comparisons of financial statement information over time and among cities.</i> | 103 |
| Operating Information..... <i>These schedules contain service and infrastructure data that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.</i> | 104-105 |

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 Years¹
(accrual basis of accounting)

| For The Fiscal Year Ended September 30 | | | | | | | |
|---|--------------------|--------------------|---------------------|---------------------|--------------------|--------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| | 2022 | 2023 | 2024 | | | | |
| Expenses: | | | | | | | |
| General government | \$ 1,245,144 | \$ 1,172,938 | \$ 1,147,699 | \$ 1,181,445 | \$ 1,163,357 | \$ 1,573,802 | \$ 2,006,449 |
| Public safety and courts | 1,769,199 | 1,709,560 | 1,659,633 | 1,798,110 | 2,040,964 | 1,876,809 | 1,908,369 |
| Public works | 848,123 | 1,311,859 | 1,047,471 | 826,885 | 965,218 | 683,174 | 941,458 |
| Parks and recreation | 103,222 | 110,964 | 96,877 | 139,389 | 210,703 | 174,451 | 225,393 |
| Planning/Community development | 155,602 | 115,938 | 144,863 | 149,135 | 225,902 | 249,339 | 444,810 |
| Economic development/ Main Street | 121,028 | 161,670 | 212,564 | 388,954 | 222,912 | 125,617 | 360,966 |
| Interest on long-term debt | 572 | - | - | 1,374 | 658 | 133,875 | 193,109 |
| Total Expenses | 4,242,890 | 4,602,949 | 4,309,107 | 4,485,292 | 5,029,714 | 4,883,392 | 5,241,011 |
| Program Revenues: | | | | | | | |
| Charges for services | | | | | | | |
| General government | 11,250 | 17,750 | 16,597 | 15,651 | 16,563 | 19,556 | 18,100 |
| Public safety and courts | 276,109 | 294,146 | 338,099 | 336,697 | 263,205 | 308,981 | 319,217 |
| Parks and recreation | - | - | - | - | 8,420 | 3,179 | 10,220 |
| Planning/Community development | 53,407 | 61,207 | 147,316 | 143,984 | 137,410 | 143,219 | 1,244,604 |
| Economic development/ Main Street | - | - | - | 3,719 | 3,288 | - | 227,025 |
| Operating grants and contributions | 1,086,981 | 1,297,450 | 1,094,369 | 1,274,454 | - | 395 | - |
| Capital grants and contributions | | | | | | 1,167 | - |
| Total Program Revenues | 1,427,747 | 1,670,553 | 1,586,381 | 1,774,505 | 2,041,310 | 1,377,013 | 1,556,912 |
| Net (Expense) Revenue | (2,815,143) | (2,932,396) | (2,722,726) | (2,710,787) | (2,988,384) | (3,506,309) | (3,684,079) |
| General Revenues: | | | | | | | |
| Taxes | | | | | | | |
| Sales (LCSF) | 2,569,381 | 2,187,205 | 2,347,166 | 2,518,810 | 2,616,398 | 2,965,640 | 3,385,777 |
| Property taxes | - | - | - | - | 139,650 | 182,449 | - |
| Motor vehicle ad valorem | - | - | - | 463,233 | 489,574 | 540,639 | 268,346 |
| Insurance premium | 374,847 | 400,462 | 431,778 | 435,233 | 215,131 | 559,771 | 577,269 |
| Public utilities franchise | 218,717 | 206,277 | 239,509 | 199,822 | 320,614 | 257,942 | 325,128 |
| Business and occupation | - | - | 137,544 | - | 120,973 | 151,862 | 159,497 |
| Other | 121,120 | 125,364 | 219,206 | 165,777 | 53,915 | 33,271 | 108,367 |
| Unrestricted grants and contributions | - | - | 594,559 | 33,837 | - | - | 173,543 |
| Miscellaneous | 253,462 | 440,157 | (57,569) | 221,912 | 109,121 | 36,465 | 83,959 |
| Total General Revenues | 3,537,527 | 3,159,465 | 3,914,193 | 3,602,441 | 3,774,762 | 4,209,816 | 5,318,218 |
| Transfers - Net | 8,531 | 253,571 | 401,916 | 129,150 | 34,886 | (178,961) | 475,811 |
| Change in Net Position | \$ 710,915 | \$ 680,640 | \$ 1,593,463 | \$ 1,020,804 | \$ 821,264 | \$ 524,596 | \$ 1,585,155 |
| | | | | | | | |
| | | | | | | | |

Data Source:
¹ Applicable 2015 - 2024 fiscal years annual financial report
 Fiscal year 2022 - 2024 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 | | | | | | | | | |
|----------------------------------|--|------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| | | | | | | | | | | |
| Expenses: | | | | | | | | | | |
| Water and sewer | \$ 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 | \$ 3,715,893 |
| Electrical system | 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 | 4,451,376 |
| Sanitation | 378,968 | 409,140 | 385,026 | 471,114 | 509,971 | 485,376 | 429,961 | 626,090 | 807,888 | 877,512 |
| Total Expenses | 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 | 9,044,781 |
| Program Revenues: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water and sewer | 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 | 3,566,498 |
| Electrical system | 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 | 4,774,984 |
| Sanitation | 391,957 | 401,739 | 414,101 | 429,394 | 439,222 | 466,242 | 582,571 | 582,908 | 828,158 | 879,771 |
| Total Program Revenues | 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 | 9,221,253 |
| Net (Expense) Revenue | 14,122 | 68,337 | 525,626 | 768,219 | 183,903 | (31,205) | 169,286 | (427,939) | (418,226) | 176,472 |
| General Revenues: | | | | | | | | | | |
| Investment earnings | | | | | | | | | | |
| Capital grants and contributions | 1,062 | 1,368 | 1,743 | 2,509 | 2,898 | 2,453 | 1,367 | 5,961 | 77,908 | 67,922 |
| | 329,088 | 265,024 | 389,862 | 248,204 | 329,372 | 958,880 | 1,332,443 | 3,045,788 | 2,852 | 1,352,784 |
| Total General Revenues | 330,150 | 266,392 | 391,605 | 250,713 | 332,270 | 961,333 | 1,333,810 | 3,051,749 | 80,760 | 1,420,706 |
| Net Transfers (Out) In | (8,531) | (253,571) | (401,996) | (129,150) | (34,886) | 178,961 | (475,811) | (341,445) | (408,878) | (393,904) |
| Change in Net Position | \$ 335,741 | \$ 81,158 | \$ 515,235 | \$ 889,782 | \$ 481,287 | \$ 1,109,089 | \$ 1,027,285 | \$ 2,282,365 | \$ (746,344) | \$ 1,203,274 |

Data Source:

Applicable 2015 - 2021 fiscal years annual financial report.
 Fiscal year 2022 - 2024 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 | | | | | |
|---------------------------------------|--|--------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 2021 | 2022 | 2023 | 2024 | | | |
| Expenses: | | | | | | |
| Governmental activities ¹ | \$ 4,242,890 | \$ 4,602,949 | \$ 4,309,107 | \$ 4,485,292 | \$ 5,029,714 | \$ 4,883,392 |
| Business-type activities ² | 6,144,132 | 6,368,582 | 6,118,851 | 6,127,606 | 6,797,620 | 6,538,528 |
| Total Expenses | 10,387,022 | 10,971,531 | 10,427,958 | 10,612,898 | 11,827,334 | 11,421,920 |
| Program Revenues: | | | | | | |
| Governmental activities ¹ | 1,427,747 | 1,670,553 | 1,586,381 | 1,774,505 | 2,041,330 | 1,377,083 |
| Business-type activities ² | 6,158,254 | 6,436,919 | 6,644,477 | 6,895,825 | 6,981,523 | 6,507,323 |
| Total Program Revenues | 7,586,001 | 8,107,472 | 8,230,858 | 8,670,330 | 9,022,853 | 7,884,406 |
| Net (Expense) Revenue | (2,801,921) | (2,864,059) | (2,197,100) | (1,942,568) | (2,804,481) | (3,537,514) |
| General Revenues: | | | | | | |
| Governmental activities ¹ | 3,537,527 | 3,359,465 | 3,914,193 | 3,602,441 | 3,774,762 | 4,209,866 |
| Business-type activities ² | 330,150 | 266,392 | 391,605 | 250,713 | 332,270 | 961,333 |
| Total General Revenues | 3,867,677 | 3,625,857 | 4,305,798 | 3,853,154 | 4,107,032 | 5,171,199 |
| Change in Net Position | \$ 1,066,656 | \$ 761,798 | \$ 2,108,698 | \$ 1,910,586 | \$ 1,302,551 | \$ 1,633,685 |

Notes:

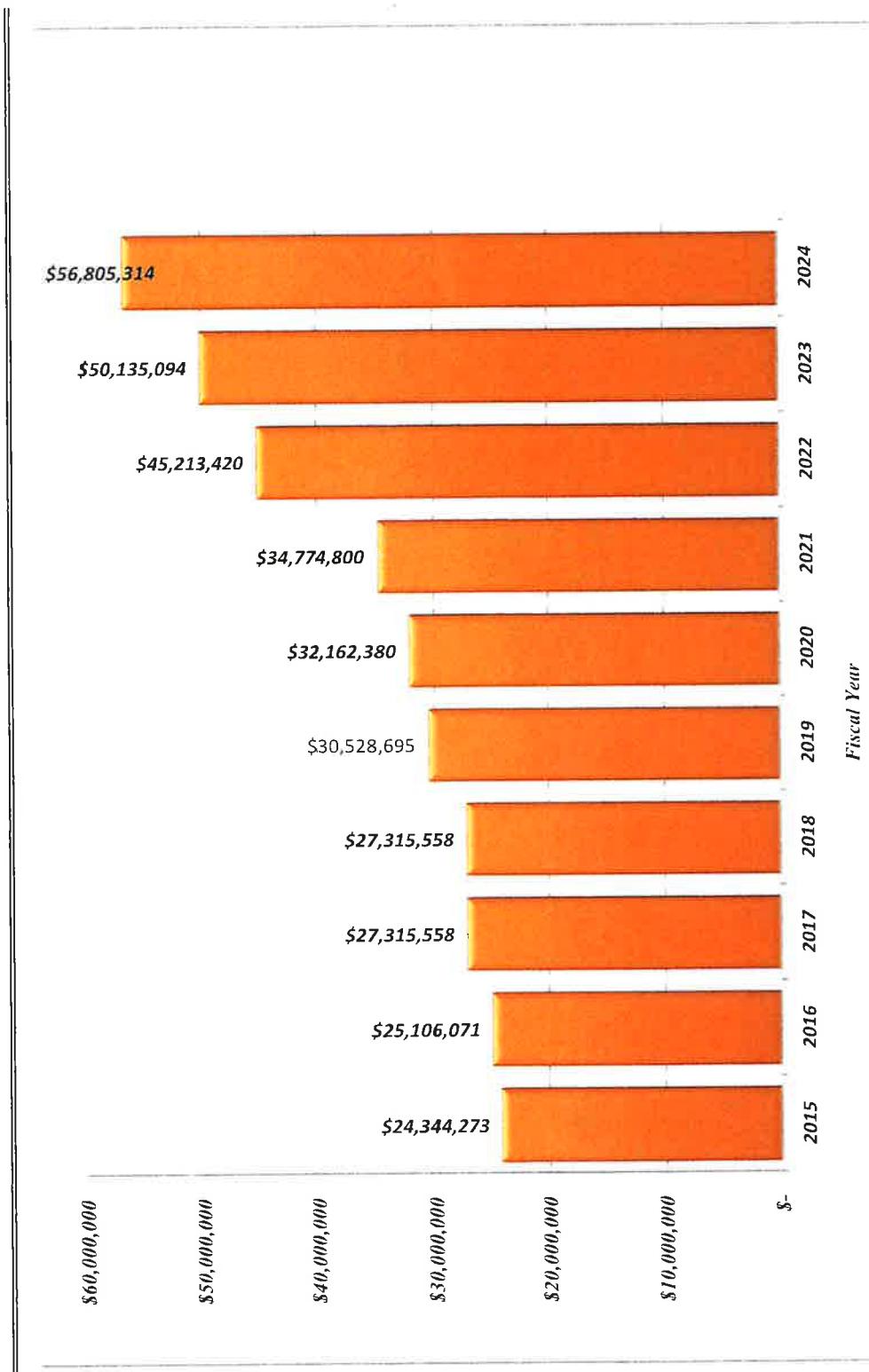
¹ See page 74 - Changes in Net Position - Governmental Activities;

² See page 75 - Changes in Net Position - Business-type Activities

City of Hampton, Georgia
Government-wide Net Position by Category¹ - (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

| For the Fiscal Year Ended September 30 | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| | 2022 | 2023 | 2024 | | | | |
| Governmental Activities | | | | | | | |
| Net investment in capital assets, | \$ 7,258,397 | \$ 7,658,985 | \$ 7,641,294 | \$ 8,457,009 | \$ 8,296,941 | \$ 8,389,978 | \$ 10,875,440 |
| Restricted | 1,312,459 | 1,583,266 | 2,106,196 | 2,690,874 | 4,187,497 | 4,377,307 | 1,856,218 |
| Unrestricted | 6,561,904 | 6,571,149 | 7,760,162 | 7,380,573 | 6,865,282 | 7,107,031 | 8,727,793 |
| Subtotal Governmental Activities Net Position | <u>15,132,760</u> | <u>15,813,400</u> | <u>17,507,652</u> | <u>18,528,456</u> | <u>19,349,720</u> | <u>19,874,316</u> | <u>21,459,451</u> |
| Business-type Activities | | | | | | | |
| Net investment in capital assets, | \$ 7,594,772 | \$ 7,471,317 | \$ 7,463,874 | \$ 8,789,113 | \$ 8,900,630 | \$ 9,905,219 | \$ 10,078,492 |
| Restricted | 1,616,741 | 1,821,354 | 2,344,032 | 1,908,575 | 2,146,197 | 2,189,679 | 2,303,929 |
| Unrestricted | | | | | 132,148 | 193,166 | 932,928 |
| Subtotal Business-type Activities Net Position | <u>9,211,513</u> | <u>9,292,671</u> | <u>9,807,906</u> | <u>10,697,688</u> | <u>11,178,975</u> | <u>12,288,064</u> | <u>13,315,349</u> |
| Primary Government | | | | | | | |
| Net investment in capital assets, | 14,853,169 | 15,130,302 | 15,105,168 | 17,246,122 | 17,197,571 | 18,295,197 | 20,933,932 |
| Restricted | 1,312,459 | 1,583,266 | 2,106,196 | 2,690,874 | 6,333,694 | 6,566,986 | 4,160,147 |
| Unrestricted | 8,178,645 | 8,392,503 | 10,104,194 | 9,280,148 | 6,997,430 | 7,300,197 | 19,668,949 |
| Total Primary Government Net Position | <u>\$ 24,344,273</u> | <u>\$ 25,106,071</u> | <u>\$ 27,315,558</u> | <u>\$ 29,226,144</u> | <u>\$ 30,578,695</u> | <u>\$ 32,162,380</u> | <u>\$ 34,774,800</u> |
| Notes: | | | | | | | |
| ¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net positions are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City. | | | | | | | |

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



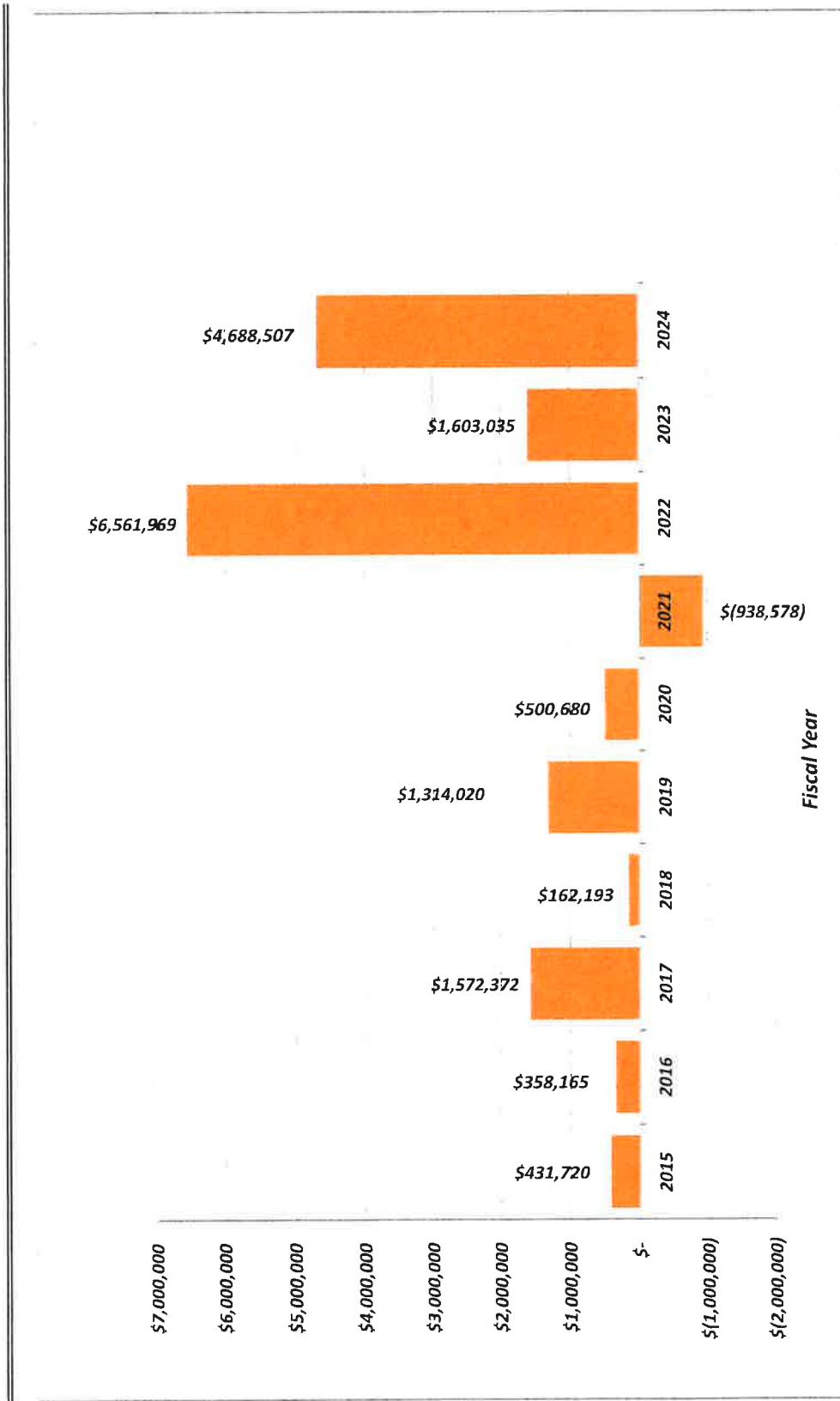
City of Hampton, Georgia
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

| Source | For the Fiscal Year Ended September 30, | | | | | | |
|--|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Total Revenues | \$ 4,965,274 | \$ 5,030,018 | \$ 5,582,084 | \$ 5,425,919 | \$ 5,824,492 | \$ 5,586,949 | \$ 6,350,335 |
| Total Expenditures | 4,542,085 | 4,925,424 | 4,363,115 | 5,460,285 | 4,536,958 | 4,975,305 | 7,764,724 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 423,189 | 104,594 | 1,218,969 | (34,366) | 1,287,534 | 611,644 | (1,414,389) |
| Other Financing Sources (Uses) | | | | | | | |
| Sale of capital assets | | | | | | | |
| Inception of capital lease | | | | | | | |
| Issuance of bonds | | | | | | | |
| Capital contribution | | | | | | | |
| Transfers in (out) | | | | | | | |
| Total Other Financing Sources (Uses) | 8,531 | 253,571 | 353,403 | 196,559 | 26,486 | (110,964) | 475,811 |
| Net Change in Fund Balances | \$ 431,720 | \$ 358,165 | \$ 1,572,372 | \$ 162,193 | \$ 1,314,020 | \$ 500,680 | \$ (938,578) |
| | | | | | | | |
| | | | | | | | |

Data Source:

Applicable 2015 - 2021 fiscal years annual financial report
 Fiscal year 2022 - 2024 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)
Last Ten Fiscal Years
(modified accrual basis of accounting)

| At September 30, | | | | | | | | | | |
|---|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| General Fund | | | | | | | | | | |
| Non-spendable | \$ 23,766 | \$ 48 | \$ 34,778 | \$ 31,988 | \$ 510 | \$ 16,429 | \$ 61,789 | \$ 12,102 | \$ 1,275 | \$ 27,830 |
| Restricted | 49 | 49 | 49 | 30,049 | 421,710 | 563,113 | 175,837 | 951,832 | 256,456 | 311,338 |
| Committee | - | - | - | - | - | (30) | 2,871,927 | 1,144,788 | - | - |
| Assigned | - | - | - | - | - | 5,500 | - | - | - | - |
| Unassigned | 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 | 10,943,151 |
| Subtotal General Fund | 7,078,779 | 7,162,336 | 7,726,692 | 7,420,233 | 7,409,715 | 8,364,905 | 9,289,567 | 10,347,487 | 9,722,235 | 11,282,319 |
| General Fund Percentage Change | 0.7% | 1.2% | 7.9% | -4.0% | -0.1% | 12.9% | 11.1% | 11.4% | -6.0% | 16.0% |
| All Other Governmental Funds | | | | | | | | | | |
| Non-spendable | 28,536 | 29,519 | 2,721,542 | 3,190,194 | 3,765,787 | 3,548,590 | 1,680,381 | 6,487,471 | 8,637,427 | 12,404,111 |
| Restricted | - | - | - | - | - | - | - | 641,814 | 79,815 | 173,783 |
| Committed | - | - | - | - | - | - | - | 516,601 | 471,140 | 479,847 |
| Assigned | 1,309,593 | 1,583,218 | - | - | 748,945 | 511,632 | - | 571,746 | - | 28,936 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Subtotal All Other Governmental Funds | 1,338,129 | 1,612,737 | 2,721,542 | 3,190,194 | 4,514,732 | 4,060,222 | 2,196,982 | 7,701,031 | 9,929,318 | 13,057,741 |
| All Other Governmental Funds Percentage Change | 39.6% | 20.5% | 68.8% | 17.2% | 41.5% | -10.1% | -45.9% | 250.5% | 28.9% | 31.5% |
| Total Governmental Funds | | | | | | | | | | |
| Non-spendable | 23,766 | 34,778 | 31,988 | 510 | 16,429 | 61,789 | 12,102 | 1,275 | 27,830 | |
| Restricted | 28,585 | 29,567 | 2,721,591 | 3,220,243 | 4,187,497 | 4,111,703 | 1,856,218 | 7,439,303 | 8,893,883 | 12,715,449 |
| Committee | - | - | - | - | - | (30) | 2,871,927 | 1,786,602 | 791,815 | 173,783 |
| Assigned | 1,309,593 | 1,583,218 | - | - | 754,445 | 511,632 | 516,601 | 571,746 | 471,140 | 479,847 |
| Unassigned | 7,054,964 | 7,162,288 | 7,691,865 | 7,358,196 | 6,981,995 | 7,785,393 | 6,180,014 | 8,238,765 | 9,493,440 | 10,943,151 |
| Total Governmental Funds | \$ 8,416,908 | \$ 8,775,073 | \$ 10,448,224 | \$ 10,610,427 | \$ 11,924,447 | \$ 12,425,127 | \$ 11,486,549 | \$ 18,048,518 | \$ 19,651,553 | \$ 24,340,060 |
| All Governmental Funds Percentage Change | 5.4% | 4.3% | 19.1% | 1.6% | 12.4% | 4.2% | -7.6% | 57.1% | 8.9% | 23.9% |

Data Source:

Applicable 2015 - 2021 fiscal years annual financial report
 Fiscal year 2022 - 2024 annual comprehensive financial report.

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

| Function | For the Fiscal Year Ended September 30 | | | | | | |
|---|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Current: | | | | | | | |
| General government | \$ 1,214,663 | \$ 1,121,230 | \$ 1,106,507 | \$ 1,155,815 | \$ 1,304,532 | \$ 1,475,559 | \$ 1,572,959 |
| Judicial | 119,920 | 115,529 | 152,442 | 124,190 | 162,931 | 162,294 | 163,367 |
| Public safety | 1,436,911 | 1,375,012 | 1,411,728 | 1,491,262 | 1,490,131 | 1,588,664 | 1,612,960 |
| Public works | 263,366 | 334,380 | 369,502 | 413,837 | 426,690 | 352,360 | 484,881 |
| Parks and recreation | 61,902 | 50,969 | 37,565 | 89,831 | 135,016 | 122,000 | 163,016 |
| Planning/community development | 136,251 | 125,432 | 138,097 | 144,980 | 192,376 | 243,105 | 355,574 |
| Main St/economic development | 118,958 | 153,526 | 206,765 | 343,855 | 212,917 | 118,284 | 127,604 |
| Total Current | 3,350,971 | 3,276,078 | 3,422,606 | 3,763,770 | 3,924,583 | 4,062,266 | 4,480,351 |
| % Change From Prior Year | -0.8% | -2.2% | 4.5% | 10.0% | 4.3% | 3.5% | 10.3% |
| Capital Outlay | 1,181,740 | 1,649,346 | 928,892 | 1,684,801 | 600,757 | 904,540 | 3,250,374 |
| % Change From Prior Year | -30.1% | 39.0% | -43.7% | 81.4% | -64.3% | 50.6% | 259.3% |
| Debt Service | | | | | | | |
| Principal | | | | | | | |
| Interest and fees | 9,374 | - | 11,617 | 10,340 | 10,960 | 8,499 | 33,999 |
| Total Debt Service | 9,374 | - | 11,617 | 11,714 | 11,618 | 8,499 | 25,499 |
| % Change From Prior Year | -80.4% | -100.0% | 0.0% | 0.8% | -0.8% | -26.8% | 300.0% |
| Total Expenditures | \$ 4,542,085 | \$ 4,925,424 | \$ 4,363,115 | \$ 5,460,285 | \$ 4,536,958 | \$ 4,975,305 | \$ 7,764,724 |
| % Change From Prior Year | -11.2% | 8.4% | -11.4% | 25.1% | -16.9% | 9.7% | 56.1% |
| Debt Service as a % of Noncapital Expenditures | 0.3% | 0.0% | 0.3% | 0.3% | 0.3% | 0.2% | 0.5% |
| Notes: | | | | | | | |
| ¹ | Includes all governmental fund types. | | | | | | |

Data Source:
Applicable 2015 - 2021 fiscal years annual financial report
Fiscal year 2022 - 2024 annual comprehensive financial report.

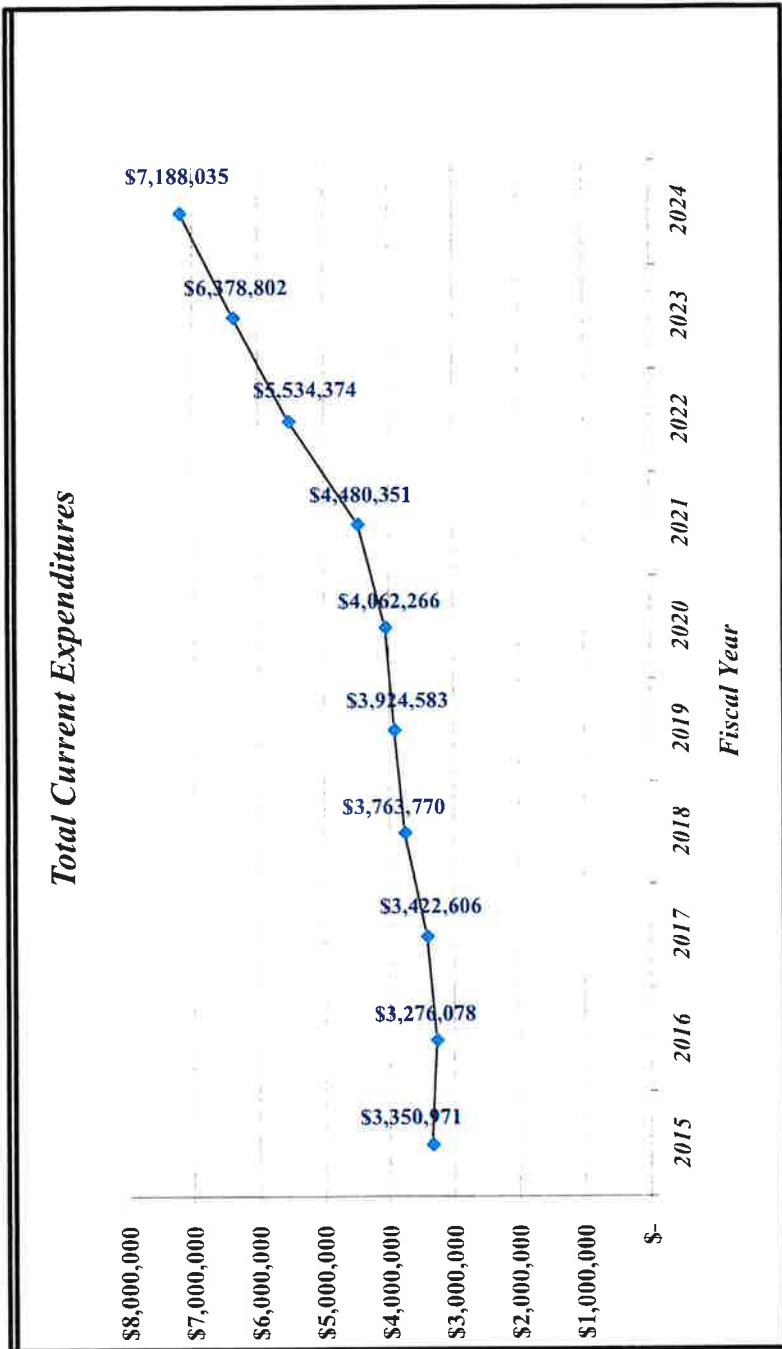
City of Hampton, Georgia
General Government Current Expenditures by Function (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

| Function | For the Fiscal Year Ended September 30 | | | | | |
|-------------------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Current: | | | | | | |
| General government | \$ 1,214,663 | \$ 1,121,230 | \$ 1,106,597 | \$ 1,155,815 | \$ 1,304,532 | \$ 1,475,559 |
| Judicial | 119,920 | 115,529 | 152,442 | 124,190 | 162,931 | 162,294 |
| Public safety | 1,436,911 | 1,375,012 | 1,411,728 | 1,491,262 | 1,490,131 | 1,588,664 |
| Public works | 261,366 | 334,380 | 369,502 | 413,837 | 426,690 | 352,360 |
| Parks, recreation and culture | 50,969 | 37,565 | 89,831 | 142,097 | 144,980 | 135,006 |
| Planning/community develop. | 136,251 | 125,432 | 138,097 | 192,376 | 243,105 | 255,574 |
| Main St./economic develop. | 118,958 | 153,526 | 206,765 | 343,855 | 212,917 | 118,284 |
| Total Current | \$ 3,150,971 | \$ 3,276,078 | \$ 3,422,606 | \$ 3,763,770 | \$ 3,924,583 | \$ 4,480,351 |
| | | | | | | |
| Current: | | | | | | |
| General government | 36.2% | 34.2% | 32.3% | 30.7% | 33.2% | 36.3% |
| Judicial | 3.6% | 3.5% | 4.5% | 3.3% | 4.2% | 4.0% |
| Public safety | 42.9% | 42.0% | 41.2% | 39.6% | 38.0% | 39.1% |
| Public works | 7.9% | 10.2% | 10.8% | 11.0% | 10.9% | 8.7% |
| Parks, recreation and culture | 1.8% | 1.6% | 1.1% | 2.4% | 3.4% | 3.0% |
| Planning/community develop. | 4.1% | 3.8% | 4.0% | 3.9% | 4.9% | 6.0% |
| Main St./economic develop. | 3.5% | 4.7% | 6.0% | 9.1% | 5.4% | 2.9% |
| Total Current | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Notes:
1. Includes all governmental fund types.

Data Source:
Applicable 2015 - 2021 fiscal years annual financial report
Fiscal year 2022 - 2024 annual comprehensive financial report.

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



City of Hampton, Georgia

General Governmental Revenues by Source (Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

| Revenue Source | For the Fiscal Year Ended September 30, | | | | | | |
|--------------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Taxes | \$ 3,284,065 | \$ 2,919,308 | \$ 3,157,997 | \$ 3,347,592 | \$ 3,665,641 | \$ 4,173,401 | \$ 4,709,444 |
| Licenses and permits | 64,657 | 78,957 | 153,913 | 159,635 | 153,973 | 162,795 | 245,125 |
| Intergovernmental | 1,085,938 | 1,295,333 | 1,091,763 | 1,271,376 | 1,467,854 | 887,527 | 1,046,550 |
| Charges for services | 232,344 | 419,202 | 219,206 | 252,653 | 139,983 | 101,756 | 2,187 |
| Fines and forfeitures | 276,109 | 294,146 | 338,099 | 336,697 | 263,205 | 308,981 | 251,217 |
| Investment earnings | 22,161 | 22,872 | 26,547 | 22,929 | 75,955 | 20,903 | 27,963 |
| Contributions | * | * | 594,559 | 33,837 | 3,288 | 395 | 247 |
| Issuer fees | * | * | * | * | * | * | * |
| Miscellaneous | * | * | * | 1,200 | 54,853 | 22,191 | 67,602 |
| Total revenues | \$ 4,965,274 | \$ 5,030,018 | \$ 5,582,084 | \$ 5,425,919 | \$ 5,824,492 | \$ 5,580,949 | \$ 6,330,355 |
| % change from prior year | -3.2% | 1.3% | 11.0% | -2.8% | 7.3% | -4.1% | 13.7% |
| | | | | | | | |
| Taxes | 66.1% | 58.0% | 56.6% | 61.7% | 62.9% | 74.7% | 74.2% |
| Licenses and permits | 1.3% | 1.6% | 2.8% | 2.9% | 2.6% | 3.9% | 3.9% |
| Intergovernmental | 21.9% | 25.8% | 19.6% | 23.4% | 25.2% | 15.9% | 16.5% |
| Charges for services | 4.7% | 8.3% | 3.9% | 4.7% | 2.4% | 0.2% | 0.0% |
| Fines and forfeitures | 5.6% | 5.8% | 6.1% | 6.2% | 4.5% | 5.5% | 4.0% |
| Investment earnings | 0.4% | 0.5% | 0.4% | 1.3% | 0.4% | 0.4% | 0.3% |
| Contributions | 0.0% | 0.0% | 10.7% | 0.6% | 0.1% | 0.0% | 0.0% |
| Issuer fees | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Miscellaneous | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1.1% | 1.1% |
| Total revenues | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

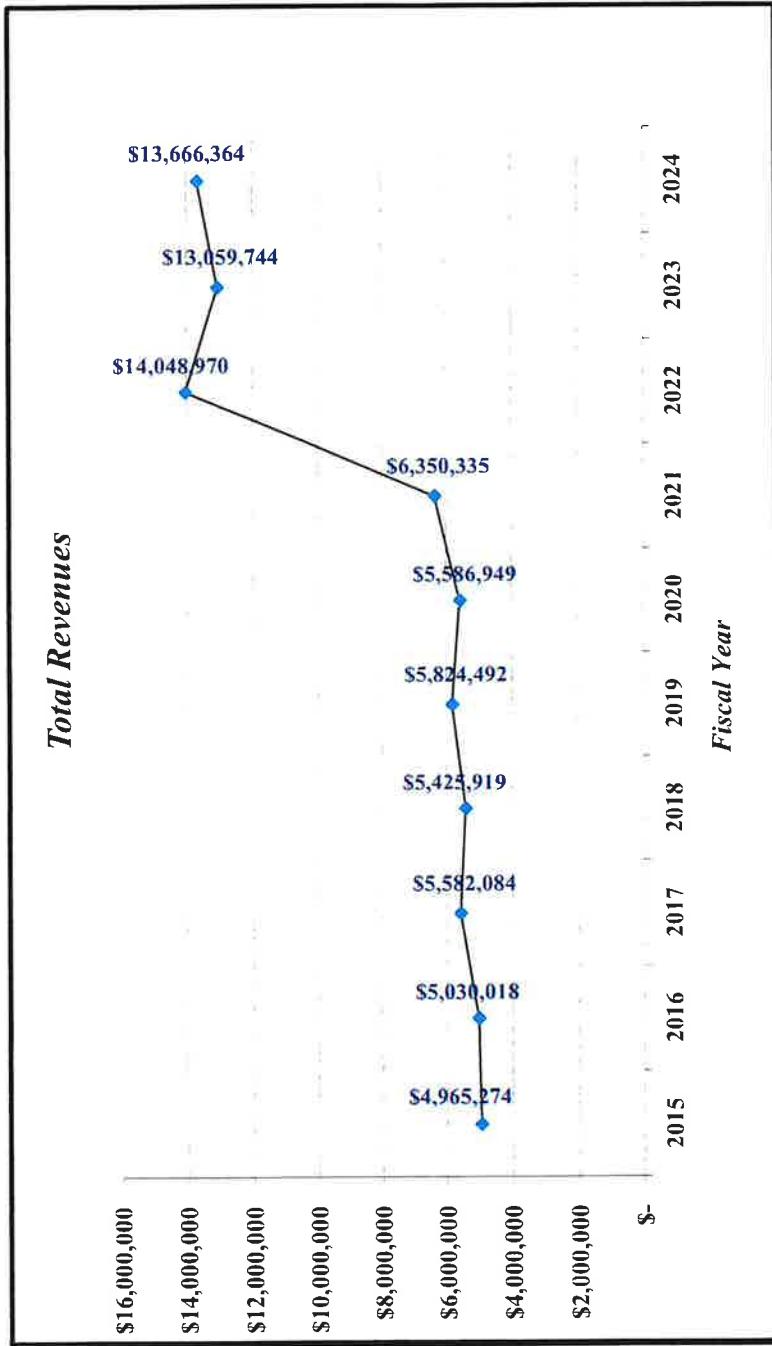
Notes:

¹ Includes all governmental fund types

Data Source:

Applicable 2015 - 2021 fiscal years annual financial report
Fiscal year 2022 - 2024 annual comprehensive financial report.

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



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

| For The Fiscal Year Ended September 30, | Property Taxes | Local Option Sales Taxes | Motor Vehicle Ad Valorem Tax | Insurance Premium Taxes | Franchise Taxes | Other ¹ Taxes | Total | Percentage of Total | |
|---|-------------------|--------------------------------|------------------------------------|-------------------------------|--------------------|-----------------------------|-------|---|-------|
| | | | | | | | | % Change in Dollars Over 10 Years ² | 22.0% |
| 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 | \$ 499,574 | \$ 235,131 | \$ 174,888 | \$ 3,665,641 | | | | |
| 2020 | \$ 2,965,640 | \$ 530,659 | \$ 320,614 | \$ 174,049 | \$ 4,173,401 | | | | |
| 2021 | \$ 3,385,777 | \$ 559,771 | \$ 257,942 | \$ 237,608 | \$ 4,709,444 | | | | |
| 2022 | \$ 3,788,435 | \$ 577,269 | \$ 235,128 | \$ 267,864 | \$ 5,134,496 | | | | |
| 2023 | \$ 3,433,158 | \$ 293,620 | \$ 683,894 | \$ 233,769 | \$ 291,233 | \$ 6,113,490 | | | |
| 2024 | \$ 3,330,739 | \$ 284,900 | \$ 741,815 | \$ 278,389 | \$ 320,939 | \$ 6,393,490 | | | |
| | | | | | | | | | |
| | | | | | | | | | |

Notes:

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

² property tax millage of 4.500 implemented in fiscal year 2023

Data Source:

Applicable 2015 - 2021 fiscal years annual financial report
 Fiscal year 2022 - 2024 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. | Residential | Commercial | Industrial | Motor Vehicle | | | Less Tax-Exempt Property | Taxable Assessed Value | Assessed Value as a Percentage of Estimated Actual Value | Estimated Actual Value of Taxable Property | Total Direct Rate |
|-------------------------------------|----------------|---------------|---------------|---------------|---------------|----------------|--------------------------------|------------------------------|---|--|-------------------------|
| | | | | Timber | Agricultural | Total | | | | | |
| 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 |
| 2024 | \$ 327,917,559 | \$ 42,736,806 | \$ 45,510,119 | \$ 12,951,691 | \$ 49,732,741 | \$ 379,363,434 | | | 40.00% | \$ 948,408,585 | 5.50 |

Data Sources: Henry County Assessor's Office

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

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

Note 3: The 2023 tax roll by ordinance was specifically linked to fund fiscal year 2024 budgeted appropriation.

Note 4: The 2024 tax roll by ordinance was specifically linked to fund fiscal year 2025 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 County | Total Direct and Overlapping |
|-------------------------------------|----------------------|----------------------------|-------------------------|--------------------|----------------|-----------------|------------------------|-----------------|------------------------------------|
| | Operating Millage | Debt Service Millage | Total Direct Rate | School District | School Debt | Henry County | Water (1) Authority | | |
| 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 |
| 2024 | 5,500 | 0.000 | 5,500 | 20,000 | 3,628 | 10,275 | 2,000 | 35,903 | 41,403 |

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 |
| 2024 | 2,055,202 | 23,264 | 0.011 | 2,031,938 | 1,993,545 | 0.970 |

Data Sources:

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

Note 1: Third 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

| Taxpayer | 2024 | | | 2023 (1) | | | Percentage of Total Assessed Valuation |
|--------------------------------------|-----------------------------------|-------------|---|-----------------------------------|-------------|--|---|
| | Taxable Assessed Valuation | Rank | Percentage of Total Assessed Valuation | Taxable Assessed Valuation | Rank | | |
| SMC Southampton LLC | \$ 21,480,000 | 1 | 5.66% | \$ 14,250,605 | 1 | | 5.28% |
| Southern States Inc | 16,109,152 | 2 | 4.25% | 4,560,070 | 3 | | 1.69% |
| THLJ Investments LLLP | 4,563,470 | 3 | 1.20% | 4,224,765 | 4 | | 1.57% |
| Georgia Transmission Corp | 4,349,836 | 4 | 1.15% | 3,626,120 | 5 | | 1.34% |
| Southern States LLC | 3,745,440 | 5 | 0.99% | 1,961,852 | 9 | | 0.73% |
| Georgia Power Company | 3,738,446 | 6 | 0.99% | | | | |
| Atlanta Gas Light Company | 3,516,410 | 7 | 0.93% | | | | |
| Speedway Industrial Campus LLC | 2,793,840 | 8 | 0.74% | 2,446,080 | 8 | | 0.91% |
| AT&T Corporation | 2,133,066 | 9 | 0.56% | 1,925,234 | 10 | | 0.71% |
| American Homes 4 Rent Prop Eight LLC | 1,789,194 | 10 | 0.47% | | | | |
| Oak Southampton LLC | | | | 9,370,880 | 2 | | 3.47% |
| CP Logistic Archer LLC | | | | 2,765,760 | 6 | | 1.02% |
| Dr. Horton, Inc. | | | | 2,678,480 | 7 | | 0.99% |
| | \$ 64,218,854 | | 16.93% | \$ 47,809,846 | | | 17.71% |
| All Other Customers | 315,144,580 | | 83.07% | 312,965,503 | | | 82.29% |
| Total | <u>\$ 379,363,434</u> | | <u>100.00%</u> | <u>\$ 360,775,349</u> | | | <u>100.00%</u> |

Data Source:

Henry County Tax Assessor's Office

Note 1: Began in 2023 as there was no tax roll between 2015 and 2022

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

| Fiscal Year | Impact Fees | | Total | | Connection Fees | | | Total | Electrical Development Fees | Contribution for Project | | In-Kind Contributions | Grand Total |
|-------------|-------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|-------------------|-----------------------------|--------------------------|-----------|-----------------------|----------------------|
| | Public Safety | Park & Recreation | Impact | Total | Sewer | Water | Electric | | | Improvements | | | |
| 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 | 380,362 | | | | | | \$ 536,336 |
| 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 | | | | | | \$ 4,282,941 |
| 2023 | 62,794 | 76,901 | 139,695 | * | * | 2,352 | 2,352 | | | | | | \$ 392,547 |
| 2024 | 45,075 | 119,399 | 164,474 | 606,967 | 252,613 | 25,000 | 884,580 | | | | | | \$ 1,517,258 |
| | \$ 512,558 | \$ 1,398,028 | \$ 1,910,586 | \$ 5,016,811 | \$ 1,806,920 | \$ 617,978 | \$ 7,441,709 | \$ 853,604 | \$ 500,000 | \$ | \$ | \$ | \$ 10,705,899 |

Data Source:
 City of Hampton's Finance Department historical records.

* This is third year Electrical Development fees have been operative.

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

| Fiscal Year | Electric | | Water | | Sewer | | Total | |
|-------------|--------------------|----------|--------------------|----------|--------------------|----------|--------------------|----------|
| | Number of Accounts | % Change |
| 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% |
| 2024 | 2,774 | 0.8% | 2,929 | 0.7% | 2,790 | 3.6% | 8,493 | 1.6% |

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, | | | | | | | | | | |
|---|---------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| <i>All Customers</i> | | | | | | | | | | |
| Base Charge | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$ 10.00 | \$ 12.00 | \$ 14.00 |
| First 1,000 kWh | 0.10150 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.1084870 | 0.1087650 | 0.107540 |
| Ovcr 1,000 kWh | 0.10150 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.107724 | 0.1084870 | 0.1037650 | 0.1027540 |
| <i>Small Power</i> | | | | | | | | | | |
| Base Charge | | | | | | | \$ 15.00 | \$ 20.00 | \$ 25.00 | |
| First 3,000 kWh | | | | | | | 0.1156980 | 0.1167660 | 0.1164220 | |
| over 3,000 kWh | | | | | | | 0.1350000 | 0.127660 | 0.1124220 | |
| <i>Large Power</i> | | | | | | | | | | |
| Base Charge | | | | | | | \$ 25.00 | \$ 28.00 | \$ 40.00 | |
| 0-3,000 kWh | | | | | | | 0.1157050 | 0.1149710 | 0.1136010 | |
| 3,001-10,000 kWh | | | | | | | 0.1137050 | 0.1109710 | 0.1086010 | |
| 10,001-50,000 kWh | | | | | | | 0.1117050 | 0.1089710 | 0.1066010 | |
| Over 50,000 kWh ₁ | | | | | | | 0.1170500 | 0.1089710 | 0.1046010 | |

Data Source:

City of Hampton's Finance Department.

City of Hampton, Georgia
Ten Largest Customers - Electric Service
Fiscal Years 2024 & 2015

| Rank | Customer | Fiscal Year 2024 | | Fiscal Year 2015 | | | | | |
|------------------------------------|----------------------------|-----------------------|-------------------|------------------|----------------|------------------------------------|------------------|-------------------|---------------|
| | | KWH Used ¹ | Amount | Dollar | % | Customer | KWH Used | Amount | Dollar |
| 1 | Hampton Elementary | 655,500 | \$ 383,000 | 70,113 | 26.3% | Hampton Elementary | 707,200 | \$ 333,960 | 71,427 |
| 2 | Bell South | 41,248 | | 15,496 | 15.4% | Bell South | 33,739 | | 13,8% |
| 3 | Bear Creek Senior Center | 271,360 | | 29,347 | 11.0% | US Post Office | 258,480 | | 26,121 |
| 4 | Hampton Library | 220,280 | | 23,902 | 9.0% | Waffle House | 209,640 | | 21,180 |
| 5 | US Post Office | 191,200 | | 20,802 | 7.8% | Hampton Library | 202,400 | | 20,425 |
| 6 | Waffle House | 183,840 | | 20,018 | 7.5% | Circle K | 193,120 | | 19,502 |
| 7 | Southern States | 174,920 | | 19,067 | 7.1% | First National Bank | 151,760 | | 15,311 |
| 8 | Circle K | 140,960 | | 15,442 | 5.8% | SVMP BP | 132,360 | | 12,920 |
| 9 | 1000 Bear Creek Tiger Mart | 126,480 | | 13,860 | 5.2% | Southern States | 126,360 | | 12,831 |
| 10 | Tierra Mia Mexican | 120,651 | | 13,255 | 5.0% | 1000 Bear Creek Tiger Mart | 112,160 | | 11,318 |
| Total Ten Largest Customers | | 2,468,191 | \$ 267,054 | 26.3% | 100.00% | Total Ten Largest Customers | 2,427,440 | \$ 244,774 | 100.0% |

Notes:

¹ Presented in order of KWH used.

Data Source:
 City of Hampton's Electric Department

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|----------|----------|----------------|----------|----------------|----------|------------|
| Inside City: Gallons | | | | | | | |
| Minimum charge | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 |
| 0-6K | \$ 4.69 | \$ 4.79 | \$ 4.79 | \$ 4.79 | \$ 4.79 | \$ 4.79 | \$ 4.79 |
| 6,001K-10K | \$ 6.36 | \$ 6.74 | \$ 6.74 | \$ 6.74 | \$ 6.74 | \$ 6.74 | \$ 6.74 |
| 10,000+ & over | \$ 9.31 | \$ 9.87 | \$ 9.87 | \$ 9.87 | \$ 9.87 | \$ 9.87 | \$ 9.87 |
| 2022 | | | | | | | |
| <i>Residential</i> | | | | | | | |
| | \$ 11.00 | \$ 25.00 | Minimum charge | \$ 25.00 | Minimum charge | \$ 11.00 | Government |
| | \$ 5.05 | \$ 4.74 | 0-80k | \$ 9.20 | all k | \$ 9.20 | |
| | \$ 6.31 | \$ 5.92 | over 80k | \$ 11.50 | | | |
| <i>Small Commercial</i> | | | | | | | |
| | | | | | | | |
| 2023 | | | | | | | |
| <i>Residential</i> | | | | | | | |
| | \$ 12.00 | \$ 25.00 | Minimum charge | \$ 50.00 | Minimum charge | \$ 12.00 | Government |
| | \$ 5.44 | \$ 5.44 | 0-80k | \$ 9.39 | all k | \$ 9.39 | |
| | \$ 6.70 | \$ 6.70 | over 80k | \$ 9.71 | | | |
| | \$ 7.97 | \$ 7.97 | | | | | |
| <i>Small Commercial</i> | | | | | | | |
| | | | | | | | |
| 2024 | | | | | | | |
| <i>Residential</i> | | | | | | | |
| | \$ 13.00 | \$ 26.00 | Minimum charge | \$ 51.00 | Minimum charge | \$ 13.00 | Government |
| | \$ 6.01 | \$ 6.01 | 0-80k | \$ 9.82 | all k | \$ 9.82 | |
| | \$ 7.31 | \$ 7.31 | over 80k | \$ 10.14 | | | |
| | \$ 8.60 | \$ 8.60 | | | | | |
| <i>Small Commercial</i> | | | | | | | |
| | | | | | | | |

Data Source:

City of Hampton's Customer Service Department

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

| Rank | Customer | Fiscal Year 2024 | | Fiscal Year 2014 | | |
|------------------------------------|----------------------|------------------------|---------------|------------------------------------|------------------------|---------------|
| | | Consumption Gallons | % | Customer | Consumption Gallons | % |
| 1 | Bedrock Clover Ranch | 18,445,550 | 9.1% | Clover Ranch | 13,523,000 | 7.5% |
| 2 | FAA | 1,740,854 | 0.9% | FAA | 3,766,450 | 2.1% |
| 3 | Southern States | 1,379,560 | 0.7% | Mr. Mickeys | 3,525,320 | 2.0% |
| 4 | H&W Properties | 1,038,868 | 0.5% | Southern States | 3,251,740 | 1.8% |
| 5 | AllIRS | 668,790 | 0.3% | Waffle House | 498,610 | 0.3% |
| 6 | NCRAD | 566,411 | 0.3% | Henry County Board of Education | 366,600 | 0.2% |
| 7 | Wendys Properties | 525,490 | 0.3% | Henry County Recreation | 332,100 | 0.2% |
| 8 | Hampton Car Wash | 473,680 | 0.2% | New South Education | 323,090 | 0.2% |
| 9 | Waffle House | 437,860 | 0.2% | Danny's Raceway | 245,780 | 0.1% |
| 10 | Hampton Lofts | 432,980 | 0.2% | Wendys Properties | 240,720 | 0.1% |
| Total Ten Largest Customers | | 25,710,043 | 12.7% | Total Ten Largest Customers | 26,073,410 | 14.5% |
| All Other Customers | | 177,210,134 | 87.3% | All Other Customers | 153,845,081 | 85.5% |
| Total | | 202,920,177 | 100.0% | Total | 179,918,491 | 100.0% |

Data Source:
 City of Hampton's Water Department

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

For the Fiscal Year Ended September 30.

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------|-------------|------------------|----------------|------------------|-------------|
| Inside city: Gallons | | | All Customers | | |
| Minimum charge | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 | \$ 9.25 |
| 0-6K | \$ 4.69 | \$ 4.79 | \$ 4.79 | \$ 4.79 | \$ 4.79 |
| 6,001K-10K | \$ 6.36 | \$ 6.74 | \$ 6.74 | \$ 6.74 | \$ 6.74 |
| 10,0001 & over | \$ 9.31 | \$ 9.87 | \$ 9.87 | \$ 9.87 | \$ 9.87 |
| | 2020 | 2021 | | | |
| Inside city: Gallons | | | All Customers | | |
| Minimum charge | \$ 9.25 | \$ 9.25 | | | |
| 0-6K | \$ 4.79 | \$ 4.79 | | | |
| 6,001K-10K | \$ 6.74 | \$ 6.74 | | | |
| 10,0001 & over | \$ 9.87 | \$ 9.87 | | | |
| | 2022 | | | | |
| | Residential | Small Commercial | | Large Commercial | Government |
| Minimum charge | \$ 11.00 | \$ 25.00 | Minimum charge | \$ 25.00 | \$ 11.00 |
| 0-4K | \$ 4.74 | \$ 5.05 | 0-80k | \$ 9.00 | \$ 9.00 |
| 4,001K-8K | \$ 5.92 | \$ 6.31 | over 80k | \$ 9.32 | |
| over 8k | \$ 7.11 | \$ 7.57 | | | |
| | 2023 | | | | |
| | Residential | Small Commercial | | Large Commercial | Government |
| Minimum charge | \$ 12.00 | \$ 25.00 | Minimum charge | \$ 25.00 | \$ 12.00 |
| 0-4K | \$ 5.82 | \$ 5.82 | 0-80k | \$ 9.59 | \$ 9.59 |
| 4,001K-8K | \$ 7.17 | \$ 7.17 | over 80k | \$ 11.89 | |
| over 8k | \$ 8.53 | \$ 8.53 | | | |
| | 2024 | | | | |
| | Residential | Small Commercial | | Large Commercial | Government |
| Minimum charge | \$ 13.00 | \$ 26.00 | Minimum charge | \$ 26.00 | \$ 13.00 |
| 0-4K | \$ 7.25 | \$ 7.25 | 0-80k | \$ 10.02 | \$ 10.02 |
| 4,001K-8K | \$ 8.86 | \$ 8.86 | over 80k | \$ 12.32 | |
| over 8k | \$ 10.47 | \$ 10.47 | | | |

Data Source:

City of Hampton Water & Sewer Department

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

| For the Fiscal Year Ended September 30, | | | | | | | | | | |
|--|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Water | | | | | | | | | |
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Residential | 2,196 | 2,230 | 2,277 | 2,306 | 2,389 | 2,408 | 2,392 | 2,521 | 2,778 | 2,837 |
| Commercial | 69 | 70 | 70 | 69 | 70 | 70 | 71 | 71 | 70 | 72 |
| Government | 30 | 29 | 29 | 28 | 29 | 30 | 35 | 35 | 35 | 29 |
| Total | 2,295 | 2,329 | 2,376 | 2,403 | 2,488 | 2,508 | 2,498 | 2,627 | 2,883 | 2,938 |
| Sewage | | | | | | | | | | |
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| | 2,085 | 2,122 | 2,170 | 2,197 | 2,269 | 2,295 | 2,294 | 2,336 | 2,602 | 2,706 |
| Residential | 59 | 58 | 59 | 60 | 59 | 59 | 58 | 65 | 63 | 61 |
| Commercial | 24 | 23 | 23 | 22 | 23 | 24 | 29 | 29 | 28 | 22 |
| Total | 2,168 | 2,203 | 2,252 | 2,279 | 2,351 | 2,378 | 2,381 | 2,430 | 2,693 | 2,789 |
| Electric | | | | | | | | | | |
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| | 1,970 | 1,997 | 2,061 | 2,084 | 2,139 | 2,165 | 2,173 | 2,313 | 2,593 | 2,401 |
| Residential | 158 | 158 | 159 | 158 | 157 | 158 | 158 | 165 | 162 | 161 |
| Commercial | 40 | 40 | 39 | 40 | 39 | 40 | 46 | 46 | 46 | 51 |
| Total | 2,168 | 2,195 | 2,259 | 2,282 | 2,335 | 2,363 | 2,377 | 2,524 | 2,801 | 2,613 |

Data Source:

City of Hampton's Finance Department historical records.

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

| Taxpayer | 2022 (1) | 2023 | 2024 |
|---|---|---|---|
| | Taxable Assessed Valuation | Taxable Assessed Valuation | Taxable Assessed Valuation |
| Debt limit | \$ 269,894,796 | \$ 360,775,349 | \$ 379,363,434 |
| Total net debt applicable to limit | — | — | — |
| Legal debt margin at 10% | \$ 26,989,480 | \$ 36,077,535 | \$ 37,936,343 |
| Total net debt applicable to the limit as a percentage of the debt limit | 0% | 0% | 0% |
| <i>Dollar growth in Digest assessed valuation</i> | | \$ 90,880,553 | \$ 18,588,085 |
| <i>Percentage growth in Digest assessed valuation</i> | | 34% | 5% |

Data Source:

Henry County Tax Assessor's Office

Note 1: First year as there was no tax roll between 2015 and 2021

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

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

| Sept 30, | Governmental Activities | | | | Business-type Activities | | | | Total Outstanding Debt | Percentage of Personal Income ² | Estimated Population | Debt ³ Per Capita | | | | |
|----------|-------------------------|--------|---------------------------|--------------|--------------------------|--------------|---------------------------------------|--------------|------------------------|--|----------------------|------------------------------|--|--|--|--|
| | Capital Leases | | COHURA Bonds ⁵ | | GEFA Notes | | Combined Utilities Bonds ⁶ | | | | | | | | | |
| | Capital | Leases | Bonds ⁵ | Leases | Payable/Bonds | Notes | Utilities Bonds ⁶ | | | | | | | | | |
| 2015 | \$ - | \$ - | \$ - | \$ 49,061 | \$ 8,196,751 | \$ - | \$ - | \$ 8,196,751 | \$ 8,196,751 | 0.089% | 7,288 | 1,125 | | | | |
| 2016 | \$ - | \$ - | \$ 24,531 | \$ 7,657,452 | \$ - | \$ - | \$ 7,657,452 | \$ 7,657,452 | \$ 7,657,452 | 0.098% | 7,502 | 1,021 | | | | |
| 2017 | \$ 21,300 | \$ - | \$ 1,603 | \$ 7,145,500 | 4 | \$ 7,145,504 | \$ - | \$ 7,145,504 | \$ 7,145,504 | 0.108% | 7,748 | 922 | | | | |
| 2018 | \$ 10,960 | \$ - | \$ 825 | \$ 5,488,843 | \$ - | \$ 5,488,843 | \$ - | \$ 5,488,843 | \$ 5,488,843 | 0.144% | 7,922 | 693 | | | | |
| 2019 | \$ - | \$ - | \$ - | \$ 4,784,529 | \$ - | \$ 4,784,529 | \$ - | \$ 4,784,529 | \$ 4,784,529 | 0.166% | 7,922 | 604 | | | | |
| 2020 | \$ 59,498 | \$ - | \$ 62,511 | \$ 4,120,643 | \$ - | \$ 4,120,643 | \$ - | \$ 4,120,643 | \$ 4,120,643 | 0.202% | 8,305 | 496 | | | | |
| 2021 | \$ 25,499 | \$ - | \$ 59,155 | \$ 3,500,312 | \$ - | \$ 3,500,312 | \$ - | \$ 3,500,312 | \$ 3,500,312 | 0.238% | 8,346 | 419 | | | | |
| 2022 | \$ - | \$ - | \$ - | \$ 2,810,502 | \$ - | \$ 2,810,502 | \$ - | \$ 2,810,502 | \$ 2,810,502 | 0.301% | 8,458 | 332 | | | | |
| 2023 | \$ - | \$ - | \$ - | \$ 2,106,792 | \$ - | \$ 2,106,792 | \$ - | \$ 2,106,792 | \$ 2,106,792 | 0.321% | 8,205 | 257 | | | | |
| 2024 | \$ - | \$ - | \$ 3,100,000 | \$ - | \$ 4,120,000 | \$ - | \$ 4,120,000 | \$ 4,120,000 | \$ 4,120,000 | 0.125% | 9,002 | 802 | | | | |

Data Sources:

¹ Applicable years' annual financial report.

² Personal income is disclosed on Demographic and Economic Statistics

³ United States Census Bureau.

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

⁵ During FY 2024, the City issued City of Hampton Urban Redevelopment Agency Series 2024 Bonds - See Note 8

⁶ During FY 2024, the City paid off its GEFA long-term debts and issued Combined Utility System Series 2024 Bonds - See Note 8

City of Hampton, Georgia
Pledged-Revenue Coverage
September 30, 2024

| Fiscal Year | Special Assessment Collections | Sewer Connection Fees | Debt Service | | Total | Balance in Sewer Connection | Coverage |
|-------------|--------------------------------|-----------------------|--------------|------------|------------|-----------------------------|------------|
| | | | Principal | Interest | | | |
| 2015 | \$ 508,458 | | \$ 523,379 | \$ 254,446 | \$ 777,825 | \$ 777,825 | 65.4% |
| 2016 | \$ 518,484 | | \$ 539,527 | \$ 238,527 | \$ 78,054 | \$ 78,054 | 66.6% |
| 2017 | \$ 581,977 | | \$ 581,494 | \$ 153,108 | \$ 734,602 | \$ 734,602 | 79.2% |
| 2018 | \$ 596,282 | | \$ 616,059 | \$ 137,446 | \$ 753,505 | \$ 753,505 | 79.1% |
| 2019 | \$ 565,749 | | \$ 628,658 | \$ 124,847 | \$ 753,505 | \$ 753,505 | 75.1% |
| 2020 | \$ 485,472 | | \$ 641,347 | \$ 112,158 | \$ 753,505 | \$ 753,505 | 64.4% |
| 2021 | \$ - | \$ 753,506 | \$ 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% |
| 2024* | \$ - | \$ - | \$ - | \$ 103,494 | \$ 103,494 | \$ 103,494 | See Note 8 |

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

* The COHURA Bonds is covered through an intergovernmental agreement with the City of Hampton, Georgia and the Combined Utility System Bond is covered by the utility system revenues, net of operations and maintenance expenses. Both bonds transactions were closed late in FY 2024 on July 10, 2024. See Note 8

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

| <u>Function/program</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <i>General Government</i> | | | | | | | | | | |
| Management services | 13 | 12 | 12 | 15 | 7 | 7 | 7 | 7 | 6 | 5 |
| <i>Finance and information technology</i> | 1 | 1 | 1 | 2 | 5 | 7 | 7 | 7 | 7 | 8 |
| <i>Judicial - Court</i> | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| <i>Public Safety</i> | 21 | 20 | 20 | 21 | 18 | 18 | 17 | 19 | 19 | 22 |
| <i>Police officers</i> | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| <i>Civilians</i> | | | | | | | | | | |
| <i>Community Development</i> | 2 | 2 | 1 | 2 | 2 | 3 | 4 | 4 | 4 | 4 |
| <i>Economic Development</i> | 1 | 1 | 2 | 2 | 1 | 1 | 1 | 2 | 2 | 2 |
| <i>Public Works</i> | 13 | 13 | 14 | 17 | 12 | 13 | 14 | 15 | 14 | 13 |
| <i>Parks and Recreation</i> | 2 | 2 | 2 | 2 | 1 | 3 | 5 | 3 | 8 | 4 |
| <i>Waste Water Treatment</i> | 4 | 3 | 3 | 3 | 2 | 3 | 3 | 5 | 3 | 3 |
| <i>Electric</i> | 5 | 4 | 3 | 3 | 3 | 5 | 6 | 6 | 6 | 6 |
| <i>Water</i> | 4 | 5 | 5 | 5 | 5 | 3 | 5 | 7 | 9 | 6 |
| Total | <u>56</u> | <u>66</u> | <u>66</u> | <u>75</u> | <u>59</u> | <u>66</u> | <u>72</u> | <u>78</u> | <u>81</u> | <u>76</u> |

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, | | | | | | |
|--|---|---------|---------|---------|---------|---------|---------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| General Government | | | | | | | |
| Building permits issued | 68 | 59 | 100 | 1,000 | 400 | 400 | 400 |
| Number of inspection completed | * 138 | 1,298 | 557 | 1,491 | 511 | 431 | 4,989 |
| Number of business licenses issued | 215 | 237 | 215 | 238 | 246 | 275 | 320 |
| Number of zoning-related application processed | 6 | 6 | 2 | 13 | 14 | 17 | 57 |
| Public Safety | | | | | | | |
| Number of police personnel and officers | 23 | 22 | 22 | 23 | 20 | 19 | 21 |
| Number of arrests | 2,177 | 3,044 | 3,044 | 2,093 | 2,211 | 1,126 | 1,422 |
| Number of traffic violations | 1,462 | 1,492 | 1,875 | 1,661 | 1,639 | 1,051 | 2,052 |
| Number of investigated arrests | 35 | 20 | 24 | 19 | 12 | 11 | 6 |
| Average response time in minutes | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Public Works | | | | | | | |
| Number of shaded trees: | | | | | | | |
| Planted | 15 | 15 | 16 | 16 | 18 | 20 | 24 |
| Removed | 14 | 16 | 18 | 18 | 20 | 22 | 24 |
| Trimmed | 60 | 60 | 70 | 70 | 80 | 90 | 90 |
| Stumps removed | 14 | 16 | 18 | 18 | 20 | 22 | 24 |
| Repaired Potholes | 60 | 65 | 70 | 75 | 80 | 90 | 95 |
| Installed Street Signs | 12 | 15 | 16 | 18 | 20 | 25 | 25 |
| Electric | | | | | | | |
| Respond to Power Outage | 36 | 39 | 40 | 44 | 48 | 50 | 52 |
| Average Time of Power Restoration | 16.5 | 16.0 | 15.0 | 14.5 | 13.5 | 12.0 | 11.0 |
| Water | | | | | | | |
| Average daily consumption (gallons) | 311,280 | 327,665 | 344,910 | 363,065 | 382,175 | 402,290 | 423,460 |
| Number of metered accounts | 2,024 | 2,044 | 2,096 | 2,151 | 2,264 | 2,383 | 2,509 |
| Responded to Water Leaks | 60 | 60 | 65 | 65 | 70 | 70 | 80 |
| Sewer | | | | | | | |
| Install New Sanitary Sewer Taps | 120 | 130 | 140 | 150 | 170 | 180 | 190 |
| Parks & Recreation | | | | | | | |
| Number of field permits issued | 10 | 11 | 11 | 11 | 13 | 13 | 15 |
| Number of youth programs | 10 | 11 | 11 | 11 | 13 | 13 | 15 |
| Number of adults programs | 6 | 6 | 7 | 7 | 8 | 8 | 10 |
| Number of senior citizen programs | 6 | 6 | 7 | 7 | 8 | 8 | 10 |

Data Source

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

* Henry County performed this function during FY 2015

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

| Function/Program | Fiscal Year | | | | | | | | | |
|---|-------------|------|------|------|------|------|------|------|------|------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| General Government: | | | | | | | | | | |
| Number of general government buildings | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 5 |
| Public Safety | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other Public Works | | | | | | | | | | |
| Number of public buildings | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 5 |
| Miles of streets | 35 | 40 | 40 | 45 | 45 | 45 | 50 | 53 | 52 | 52 |
| Number of streetlights | 120 | 130 | 140 | 150 | 160 | 170 | 180 | 200 | 200 | 350 |
| Miles of storm water drains | 10 | 15 | 15 | 15 | 20 | 20 | 20 | 22 | 37 | 42 |
| Parks & Recreation | | | | | | | | | | |
| Number of parks and recreation facilities | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Acreage of parks | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 56 | 56 |
| Number of community Centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Water | | | | | | | | | | |
| Miles of water mains | 25 | 30 | 30 | 35 | 35 | 40 | 40 | 43 | 22 | 44 |
| 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 | 335 | 355 | 365 | 375 | 385 | 395 | 405 | 415 | 347 | 355 |
| Sewer Service: | | | | | | | | | | |
| Miles of sanitary sewers | 20 | 20 | 25 | 25 | 30 | 30 | 35 | 35 | 26 | 40 |

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, 2024, 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 30, 2025.

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.

A handwritten signature in blue ink that reads "Fulton & Kogek, LLC". The signature is cursive and fluid, with "Fulton & Kogek" on the top line and "LLC" on the bottom line.

Morrow, Georgia
March 30, 2025