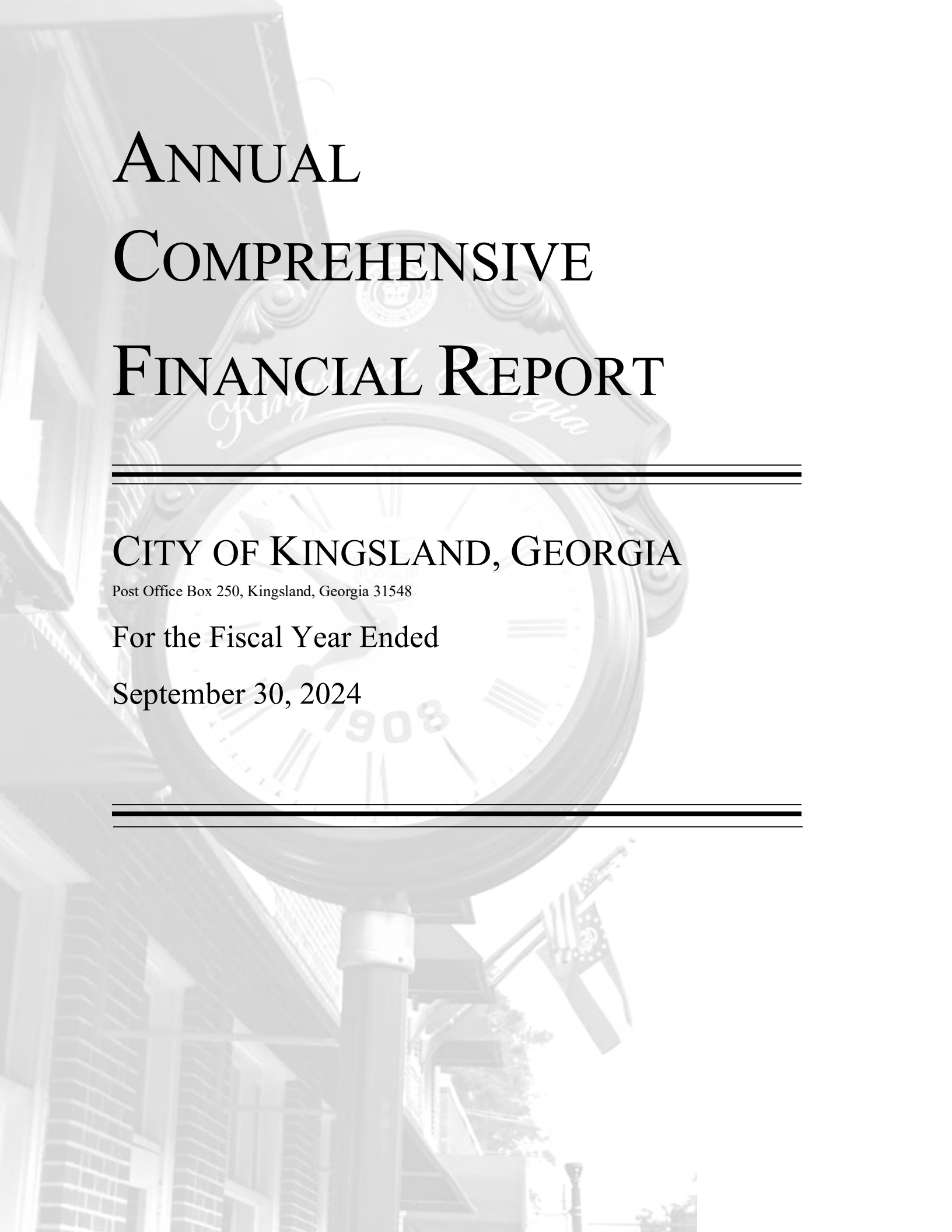




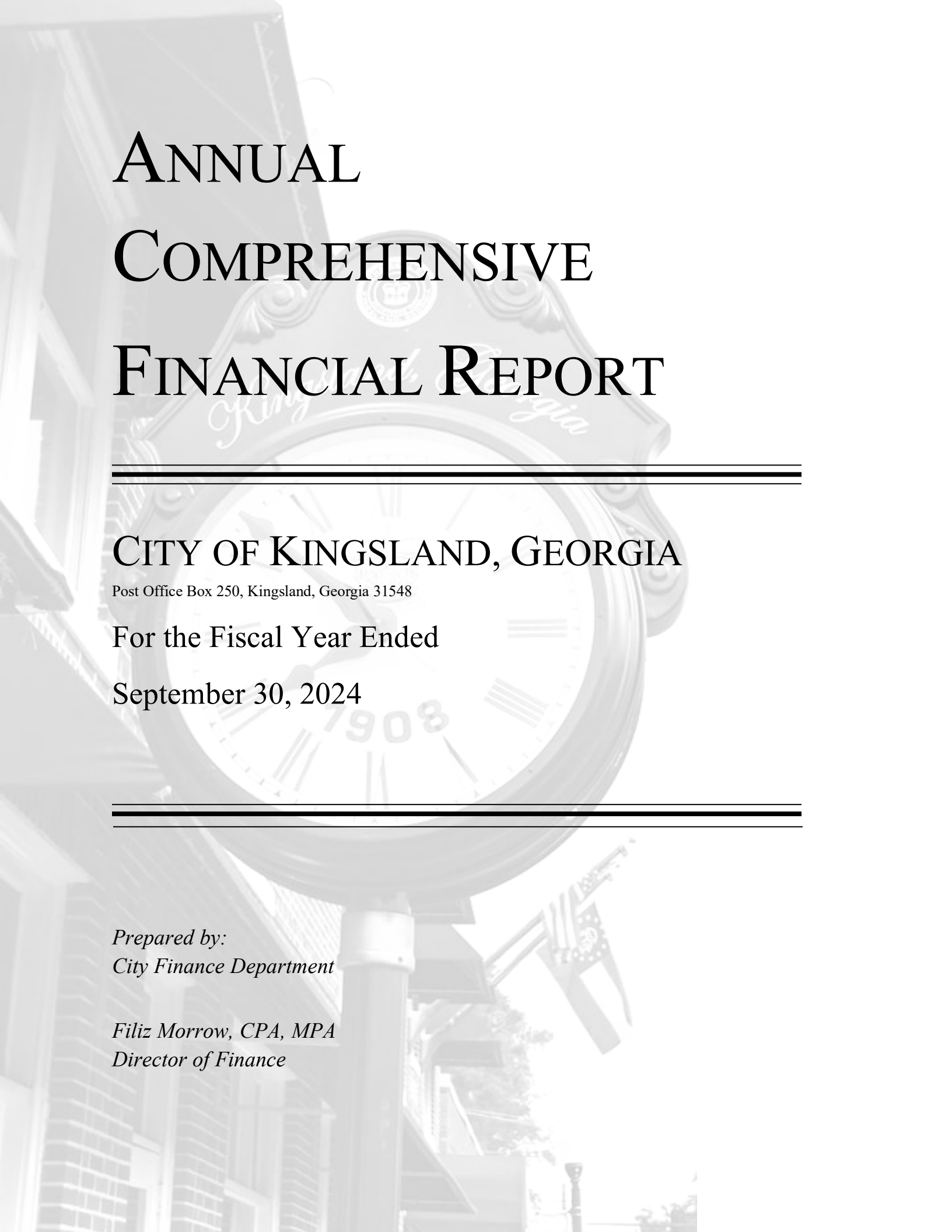
ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF KINGSLAND, GEORGIA

Post Office Box 250, Kingsland, Georgia 31548

For the Fiscal Year Ended

September 30, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF KINGSLAND, GEORGIA

Post Office Box 250, Kingsland, Georgia 31548

For the Fiscal Year Ended

September 30, 2024

Prepared by:
City Finance Department

Filiz Morrow, CPA, MPA
Director of Finance

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

Prepared by:
Kingsland Finance Department

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

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INTRODUCTORY SECTION



The City of Kingsland, GA
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Kingsland, GA 31548
Phone: 912-729-5613
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www.KingslandGeorgia.com

Finance Department

Dr. C. Grayson Day, Jr.
MAYOR

Filiz Morrow, CPA, MPA
Director of Finance

March 12, 2025

Honorable Mayor Charles Grayson Day, Jr
Members of the City of Kingsland Council
And Citizens of the City of Kingsland

Ladies and Gentlemen:

I am pleased to submit the City of Kingsland's (the "City") Annual Comprehensive Financial Report ("ACFR") for the year ended September 30, 2024. Georgia state law requires we publish audited financial statements within six months of the fiscal year end. This ACFR satisfies that requirement. This was accomplished by using the Government Finance Officers Association's ("GFOA") guidelines. We prepared the report by these stringent guidelines to provide the City Council, City Staff, our Citizens, and other readers with detailed information concerning the financial position and activities of the City.

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. To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City.

Mauldin & Jenkins, LLC, Certified Public Accountants, have conducted an independent audit and issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2024. This report can be found at the front of the financial section of the ACFR beginning on page 1 of this report.

The Report

This report is presented in the format required by the Governmental Accounting Standards Board ("GASB") Statement 34. The format provides more comprehensive information to the readers regarding City-wide financial information. The basic premise of GASB 34 is to enhance the accountability of governmental financial reports. Additionally GASB 34 requires management to include a narrative section that provides the financial highlights and analysis of financial trends. This discussion is to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found directly following the auditor's report beginning on page 5.

The ACFR is presented in three sections:

- The introductory section that includes this letter of transmittal, the Government Finance Officers Association of the United States and Canada's ("GFOA") Certificate of Achievement for Excellence in Financial Reporting, a list of principal officials and department heads, and the City's organizational structure.
- The financial section presents the independent auditor's report, Management's Discussion and Analysis, the basic financial statements and notes, combining and individual fund statements and schedules, and required supplemental information.
- The statistical section includes relevant financial, economic, and demographic data for the past ten years to facilitate trend analysis.

City Profile

The City of Kingsland is a municipal corporation incorporated in 1908 under the laws of the State of Georgia. The Mayor and a four-member Council conduct the affairs of the City. Under the City's Charter, all legislative powers are vested in the Council. No person is eligible to serve as Mayor or as a Council member unless he or she is a qualified voter of the City at the time of his or her election to such office. The Mayor is elected at-large by the voters of the entire City. The Council members run for a specific post, but are elected by a City-wide vote. Each is elected to staggering four year terms with elections being held every two years.

Under the City's Charter, the Mayor is the chief executive officer of the City and has general jurisdiction of all affairs of the City. The Mayor presides at all meetings of the Council and has a vote only in the case of a tie vote by the members of the Council. The Mayor has the power to veto every ordinance or resolution passed by the Council, which veto may be overridden only upon the affirmative vote of the four members of the Council. Under the City's Charter, the City Manager, who is appointed by and serves at the pleasure of the Council, is the chief administrative officer of the City responsible to the Mayor and Council for the administration of all City affairs placed in his or her charge pursuant to the Charter of the City.

The primary government provides services consisting of, but not limited to, police and fire protection, construction of roads and streets, community planning and development, building and code enforcement, water, sewer, and sanitation services.

The City is located in the southeastern portion of the state of Georgia in Camden County (the “County”), which is bordered on the south by the state of Florida. The City presently serves a population of 19,075 and encompasses a total area of approximately 45 square miles. Of the area, 44.67 square miles is land and 0.33 square miles is water. The City has a population density of 423.89 people per square mile. Most of the City is approximately 25 feet above sea level with the downtown area being 35 feet above.

GASB 14 mandates any board or authority that is controlled by or is dependent on the City to be included as part of the reporting entity. The Kingsland Development Authority (“KDA”) and the Kingsland Downtown Development Authority (“KDDA”) are reported as blended component units and the Kingsland Area Convention and Visitors Bureau Authority (“C&VB”) and the Georgia Gateway Community Improvement District (“GGCID”) are reported as discretely presented component units. This is explained in more detail in the “Notes to the Financial Statements” that can be found directly behind the basic financial statements.

The budgetary process begins in July of each year and cumulates with the Council adopting the budget in September. The annual budget serves as the foundation for the City’s future and assists in controlling the financial well-being of the government. A budget is adopted for all governmental funds as required by law and for enterprise funds to be used as a management tool. Project length budgets are adopted for capital project funds. Department heads may transfer budget amounts within their departments, as the legal level of budgetary control is approved at each department level. Any increase in salaries and/or total department expenditures requires Council approval. The long-term policies and goals of the City are the basic premise of the budget process. No increase may be made to the budget without a provision for financing such an increase.

Local Economy

The City is the largest of three cities located in Camden County. As of result, what affects Camden County has a direct relationship on the City. Camden County has tremendous economic potential. According to the Joint Development Authority, Camden County provides access to the largest market in Georgia outside of Atlanta. One million two-hundred fifty thousand people live within a one hour drive of Interstate 95 at Exit 3, which is located in the City. It also has a strategic location between the three seaports of Jacksonville (FL), Brunswick (GA), and Savannah (GA). It is also home port of the East Coast Trident Submarine fleet and the only Navy base in Georgia. The City also has nearly 60,000 cars per day traveling through it on Interstate 95 (I-95). Per the Georgia Department of Transportation, over 2,150,000 vehicles exit off of I-95 yearly at the City’s Exit 3.

With 2020 census population of 18,337, the City is the 63rd most populated city in the state of Georgia out of 621 cities. In 2000, the City's population more than doubled from the 1990 population, as depicted in the population growth table below. The growth began with the construction of Kings Bay Naval Submarine Base in the mid-1980's. However, it is now attributed to many different factors, including retirees and families from northern states finding the local area's environment, economic condition, and the close proximity to Jacksonville, FL attractive. The naval base here is one of the largest and is the east coast home of the nation's Trident nuclear powered submarines. Many retirees from the base choose to stay and retire here.

Population Growth

Entity	1990	2000	Growth %	2010	Growth %	2020	Growth %
Kingsland City	4,699	10,506	123.58%	15,946	51.78%	18,337	15.00%
Camden County	30,164	46,664	54.70%	50,513	8.25%	55,681	10.23%

When the County passed the estimated population mark of 50,000 in 2010, more major companies began to take interest in locating in the area. In commercial development, several chain restaurants and retail stores opened with the most recent fiscal year totaling 14 permits. In residential development, 187 single-family homes were constructed. Near the City's Exit 3, a 500-acre site, the City's first Tax Allocation District ("TAD") and Commercial Improvement District ("CID"), have been selected for a sports complex and resort entertainment destination. The economic impact of this project to our County over 10 years is estimated at \$1.9 billion. A development agreement for the project is being finalized in FY 2025.

Additionally, the City approved its second TAD in 2022 for a mixed-use commercial, retail, and residential development containing 112 parcels totaling just over 584 acres, with a taxable real estate digest of \$5.6 million. This redevelopment area is designed to capture the potential for substantial investment and improvement in the vital areas around the major commercial corridors along the intersection of Georgia Highway 40 and Camden Woods Parkway. The intention of this approach is to capitalize on the potential for a large increase in development and tax value in an area that is strategically located, but currently lacking the requisite amount of private investment.

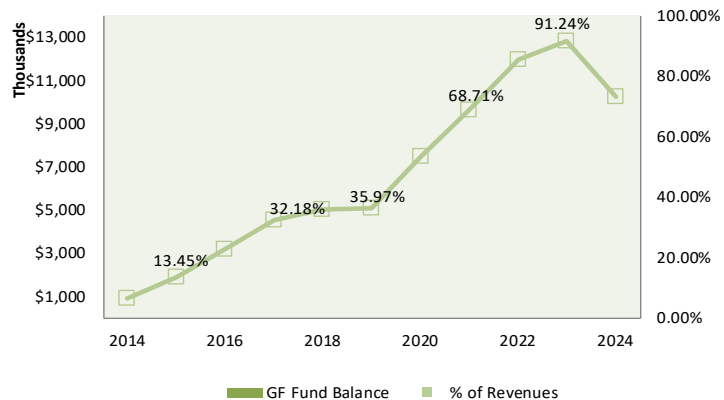
On our industrial side, Plug Power, a leading global provider of hydrogen solutions, will invest \$84 million in opening a green hydrogen fuel production plant in Camden County. Plug Power has deployed more than 40,000 fuel cell systems for e-mobility, delivering efficiency gains, fast fueling, and lower operational costs to their customers, and delivers 40 tons per day of hydrogen fuel to those customers. Phase I is complete and operational. Phase II is in progress.

Additional signs of growth are in our sales tax and property tax digest. Sales tax is up 1.7% over the prior year and continues to show signs of growth. Our property tax digest grew by 15% with 5% belonging to new construction growth. With this increase in the digest, the City was able to lower and roll back the millage rate below the state calculated rollback rate from the prior year 6.10 mills to 5.59 mills.

Long-term Financial Planning

The City has maintained a healthy fund balance since 2016. As you can see in the graph to the right, this was not the case in the earlier years. In the 1980's, rapid growth with the arrival of the naval base was difficult for a very small City. Additionally, the years following the 2008 recession took a toll on the City's reserves. However, over the past nine years through careful planning, using cost versus benefit analysis and through the continued practice of being more

General Fund



efficient, the government has been able to gradually increase the General Fund's fund balance to the recommended level. After the onset of the recession, the fund balance plummeted to an all-time low at 4.34% of revenues in FY 2013. In this fiscal year, the fund balance slightly decreased to \$12.1M (73.22% of revenues) due to transfers to the capital projects fund. This continued growth in fund balance is due to realizing the benefits of FY 2014's early retirement initiative and innovative cost sharing plans with the County. Mayor, Council, and management have taken the stance of protecting the fund balance. The unrestricted portion of the fund balance, or up to 50% of revenues, has been assigned to reserve for emergencies, debt extinguishment, and capital expenditures based on financial policy. Being in a high risk area for potential direct hits of major hurricanes, the City took a proactive stance to aim for six to nine months of emergency reserves. Additionally, being heavily dependent on the volatility of our major revenue streams; such as sales taxes and lodging taxes during an economic downturn requires larger reserves to ensure sustainability. For the coming year, six new positions were approved. These new positions include two patrol officers in the police department; one training officer in the fire department; and one crew leader and two crew workers in public works. The addition of these new positions is estimated to cost \$238,000 annually. Duties that can be reassigned to current staff through attrition are always being considered and evaluated.

Major Initiatives

In the last few years, the City and County have been sharing services, personnel, and equipment where feasible through intergovernmental agreements. These efforts continue to show savings in various departments; such as economic development, planning and zoning, police, fire, and grant management. Council continues to strive in implementing cost saving initiatives to benefit taxpayers County-wide.

With the General Fund's fund balance finally exceeding recommended levels after the recession, over the last couple of years Council took a stance to pay down debt in efforts to eliminate interest cost and enhance the stability of our financial position. This initiative was successfully completed in FY 2020 with the General Fund being debt free by 9/30/20. Additionally, the solid waste fund is debt free as of 12/31/2022. The water and sewer fund's only debt is a water and sewer revenue bond.

Special Purpose Local Option Sales Tax ("SPLOST") funding and projects remain on track. One of the fire station's remodel is complete and another fire station's remodel will start in the new year along with the construction of a new police headquarters. Additionally, the City has several resurfacing projects, road construction, drainage improvements, and water/sewer infrastructure projects. A new six-year SPLOST referendum was approved by the voters in March 2025 that will take effect July 1, 2025. This is estimated to generate nearly \$15,000,000 for the City that will fund various projects.

The City is currently working on a redevelopment plan with the assistance of a Transportation Alternatives Program ("TAP") grant for improving safety, aesthetics, and multi-modal use at Kingsland's Exit 3/Highway 40 interchange. Additional traffic lights, in-pavement warning lights for pedestrian crossing, multi-use paths, landscaping, lighting and wayfinding signage are being planned. These improvements will provide an economic boost for the restaurants, hotels, and retail establishments that are already located and ones that will be coming at this busy exit.

Council recently approved the second TAD for the City. This will be a major mixed-use commercial development on approximately 584 acres with a taxable real estate value of \$5.6M. Bringing a town center concept of big name retailers and multi-family housing will increase our tax base and have multiple positive effects on our local economy. This project is underway and will take approximately eight years to complete.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kingsland for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended September 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The GFOA also awarded the City a Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2023. This was the twenty-third time the City has received the award. In order to qualify, the budget document has to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. This is the highest award for governmental budgeting and it is a significant achievement to be awarded. We believe our current budget document continues to meet the stringent criteria of the Distinguished Budget Award and we have submitted it for consideration of another certificate.

I appreciate the initiative and cooperation of Mayor and Council and each City department as we work together to provide quality, efficient services to the Citizens of Kingsland, Georgia. The preparation of this report would not be possible without the dedicated and proficient efforts of the finance department's entire staff. I would like to thank each of them for the excellent work they do that makes this report able to be published in a timely manner. Special thanks for those who assist in the year-end closing and the preparation of this report as this is not an easy accomplishment within a small department and would not be possible without Ms. Cindy McCollough's assistance and the finance department staff. Additionally, I thank management and the governing board for their continued support in maintaining the highest standards of professionalism while conducting the financial affairs of the City of Kingsland.

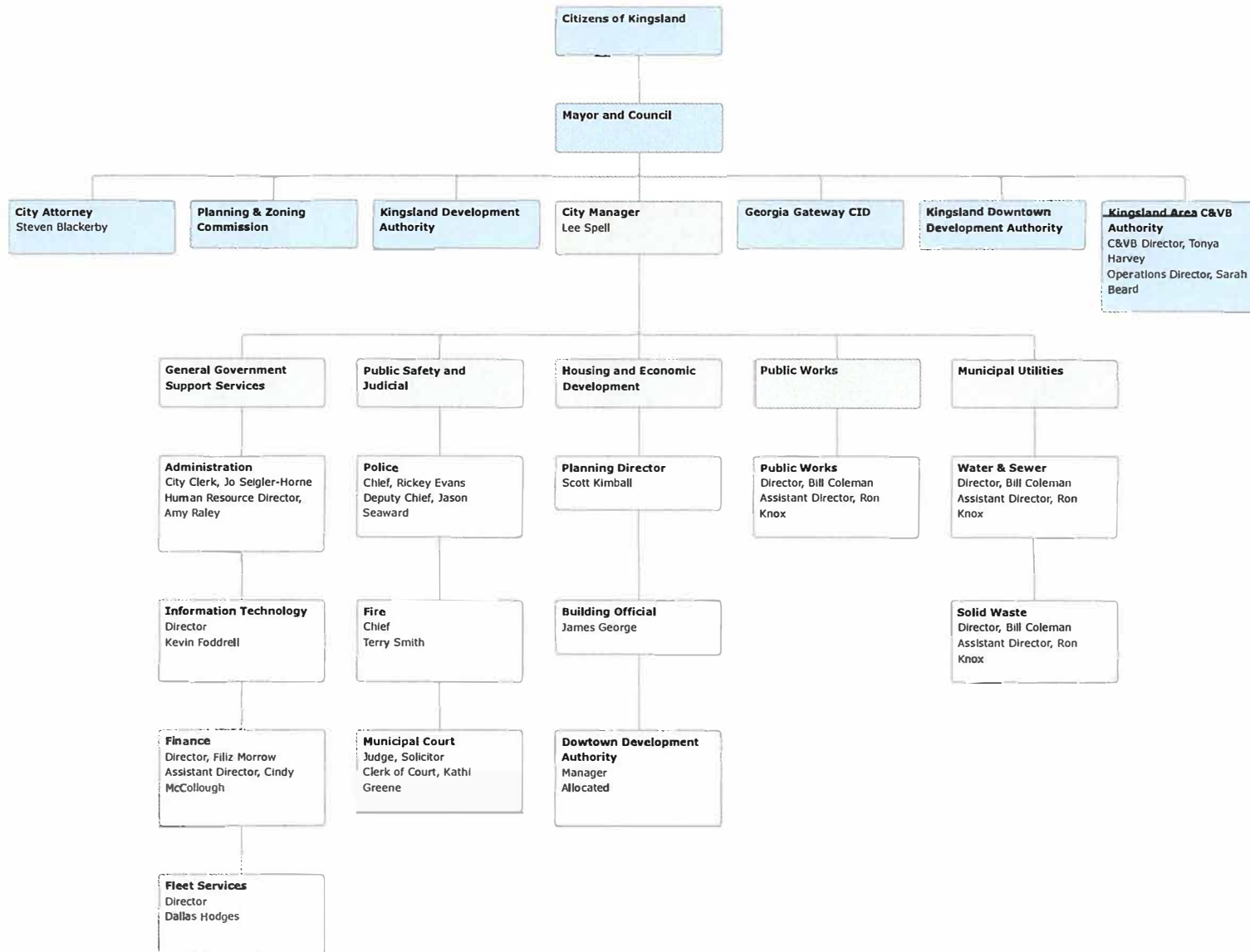
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Filiz Morrow", with a stylized flourish at the end.

Filiz Morrow, CPA, MPA
Finance Director

CITY OF KINGSLAND, GEORGIA

City-Wide Organizational Chart



List of Principal Officials



Mayor
Dr. C. Grayson Day, Jr.



Mayor Pro Tem
Alex Blount



Councilwoman
Kristy Chance



Councilman
Farran Fullilove



Councilman
James Galloway

Vision Statement

Provide the highest quality of life to our citizens, business owners, and visitors at the lowest cost to the taxpayer.

Mission Statement

Govern efficiently to provide public safety, quality public services, and economic opportunity in a sustainable, well-planned community providing quality of life for all with a city government that is transparent, innovative, and welcoming.

Core Values

Exemplary public service is our goal. We are strongly committed to these core values:

Department Heads

Lee Spell..... City Manager
Jo Horne City Clerk
Filiz Morrow..... Finance Director
Kathi Greene Municipal Court Clerk
Rickey Evans Police Chief
Terry Smith..... Fire Chief
Bill Coleman Public Works Director
James George..... Building Official
Scott Kimball..... Planning Director
Dallas Hodges..... Fleet Services Director
Kevin Foddrell..... Information Technology Director
Tonya HarveyConvention & Visitors Bureau Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kingsland
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 the City Council
City of Kingsland, Georgia
Kingsland, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Kingsland, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and the Community Development Block Grant ("CDBG") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 21), the Schedule of Changes in the City's Net Pension Liability (Assets) and Related Ratios (on pages 63 and 64), and the Schedule of City Contributions (on pages 65 and 66) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the balance sheet – component units, the schedule of revenues, expenditures and changes in fund balance – component units, the Schedule of Expenditures of the Special Purpose Local Option Sales Tax ("SPLOST") proceeds as required by the Official code of Georgia Annotated ("O.C.G.A.") §48-8-121, and the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") are presented for the purpose of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the balance sheet – component units, the schedule of revenues, expenditures and changes in fund balance – component units, the Schedule of Expenditures of SPLOST proceeds, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Kingsland, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
March 12, 2025

CITY OF KINGSLAND, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2024

As management of the City of Kingsland, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found beginning on page i.

FINANCIAL HIGHLIGHTS

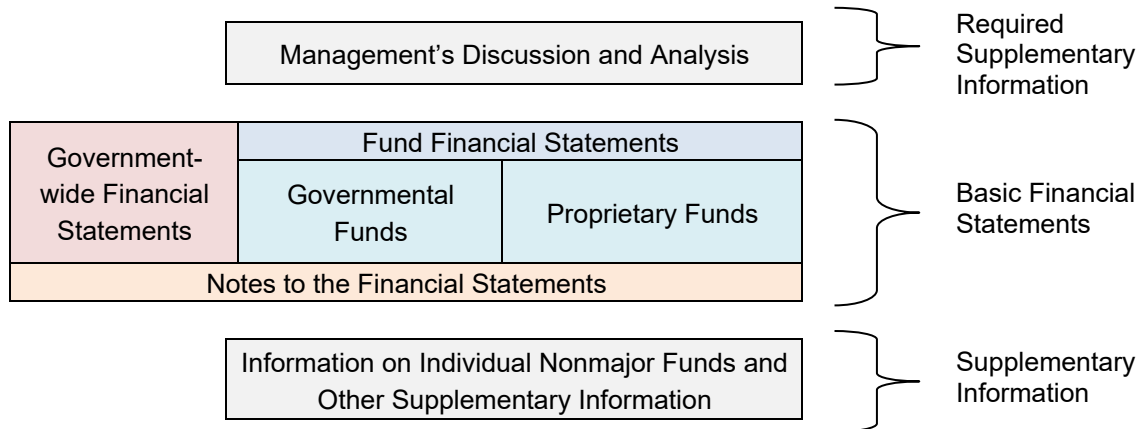
Key financial highlights for FY 2023-2024 are as follows:

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$111,941,824 (*total net position*). Of this amount, \$39,264,755 (unrestricted net position), may be used to meet the ongoing obligations of the City government. Additionally, \$59,317,918 of net position is investment in capital assets and \$13,359,151 belongs to restricted funds for various projects and programs. The City's total net position increased by \$7,139,854. Of this increase, 59.6% is in the governmental funds for revenues exceeding expenditures due to increased tax and interest revenues.
- At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$28,988,943, an increase of \$968,702 from the prior year. The majority of this increase is in transfers to the capital projects fund for various projects being constructed.
- At the end of the current fiscal year, the fund balance in the General Fund was \$12,109,121. Of that amount, the unassigned portion was \$3,407,368 which represents approximately 20% of FY 2024 revenues. The fund balance policy stipulates to maintain 20%-30% to cover unforeseen emergencies, and/or revenue shortfalls and amounts above the limit to be used to pay off outstanding debt and/or pay for capital expenditures. The City's General Fund currently is debt free. The assigned portion of fund balance in the General Fund is \$8,273,122 which is reserved for capital outlay as outlined in the capital improvements plan.
- The City's total long-term debt decreased by \$822,287 during the fiscal year due to paying down revenue bonds. Additionally, net pension liability decreased by \$100,982 and compensated absences increased by \$72,127.
- Combined revenue totaled \$35,138,847 of which \$23,015,016 belonged to governmental activities and \$12,123,831 was business-type activities.
- Combined expenses were \$27,998,993 of which governmental activities totaled \$18,761,408 and business-type activities totaled \$9,237,585.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

The following illustration is provided as an overview of the financial statements:



The discussion and analysis provided here is intended to serve as an introduction to the City of Kingsland's basic financial statements. This report also includes supplementary information intended to provide additional detail to support the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statements provide short and long-term debt information, which assists in assessing the City's economic condition. These are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This results in methods used by most businesses. The government-wide financial statements include the following two statements:

- **Statement of Net Position.** The *Statement of Net Position* presents financial information on all the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. This statement is a tool to measure the City's financial health or financial 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.
- **Statement of Activities.** The *Statement of Activities* presents information showing how the City'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 the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods; such as, uncollected taxes and earned unused vacation leave. This statement also presents a direct comparison between program revenues and expenses for each function of the City.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, and housing and development. The business-type activities of the City include the water and sewer distribution system and a solid waste collection operation.

Also included in the government-wide financial statements are the Kingsland Development Authority ("KDA") and Kingsland Downtown Development Authority ("KDDA"). These authorities are blended into the governmental funds as if its transactions were that of the primary government. The Convention and Visitor's Bureau ("C&VB") and the Georgia Gateway Community Improvement District ("GGCID") are included in the financial statements as a discretely presented component unit. They are evaluated as either major or nonmajor funds and reported accordingly. More discussion on these component units can be found in Note 1 in the Notes of the Financial Statements section.

The government-wide financial statements can be found on pages 22 – 24 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.

The individual fund financial statements report the operations of the City in more detail than the government-wide statements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. These funds use different accounting methods and should be interpreted differently.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. This approach is known as the modified accrual method that recognizes the revenues when they become measurable and available. This means as soon as the amount is known and it is collected in the current year or soon enough thereafter to pay current liabilities, it is recognized. This provides for a short-term assessment of the current needs of the City and whether there will be adequate resources to meet those needs.

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 *governmental funds* and *governmental activities*.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City maintains fifteen (15) individual governmental funds to account for the following activities:

- General
- Special Revenues
 - Revolving Loan
 - Drug Forfeiture
 - CDBG-MIT Grant
 - CDBG-DR Grant
 - TAP Grant
 - Multiple Grant
 - Tax Allocation District 1
 - Hotel/Motel Tax
 - Downtown Development Authority
 - Kingsland Development Authority
- Capital Projects
 - Infrastructure
 - Capital Projects
 - Special Purpose Local Option Sales Tax ("SPLOST") VIII
- Debt Service
 - Revenue Bond

Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Infrastructure Fund, SPLOST VIII, and Community Development Block Grant ("CDBG") Funds because they are considered to be major funds. Data from the other 11 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* located after the General Fund budgetary comparison which is immediately behind the Notes to the Financial Statements.

The City adopts an annual appropriated budget for its General Fund as well as several of the nonmajor funds. A budgetary comparison statement has been provided for these governmental funds to demonstrate compliance with this budget. The City adopts a project length budget for the capital projects funds.

The governmental fund financial statements can be found on pages 25 – 30 of this report.

Proprietary Funds. These funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Since these funds charge fees for services rendered and are supposed to be self-sustaining, they are treated like a business. They are called *Enterprise Funds*. The City uses two Enterprise Funds to account for its water and sewage system and solid waste operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund statements provide separate information for the water and sewer operation and the solid waste operation. This year, both Enterprise Funds calculated to be a major fund. However, even in years when the solid waste fund does not calculate to be a major fund, for presentation purposes, this fund is also presented as a major fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The basic proprietary fund financial statements can be found on pages 31 – 34 of this report.

Notes to Financial Statements. The Notes to Financial Statements provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements. The Notes to Financial Statements can be found beginning on page 35 of this report.

Required Supplementary information. In addition to the basic financial statements and accompanying notes, this report presents the General Fund budgetary comparison schedule and the schedule of funding progress for the City's pension obligation as required supplementary information beginning on page 63 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Following combining statements is the fund financial statements of the City's discretely presented component units. These can be found beginning on page 82 of this report. Also included in the compliance section is the State mandated program information beginning on page 118.

Statistical Section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information; such as a 10-year presentation of revenues, expenditures, and tax rates. The statistical section can be found beginning on page 84 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Following is a summary of the City's net position as found on page 22 of this report.

City of Kingsland's Net Position						
As of September 30, 2024 and 2023						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	\$ 32,130,759	\$ 29,855,526	\$ 46,210,469	\$ 42,738,425	\$ 78,341,228	\$ 72,593,951
Capital assets	30,997,574	27,404,787	30,460,871	31,358,730	61,458,445	58,763,517
Total assets	63,128,333	57,260,313	76,671,340	74,097,155	139,799,673	131,357,468
Deferred outflows of resources	1,725,088	2,327,518	-	-	1,725,088	2,327,518
Liabilities:						
Other liabilities	2,927,281	1,617,488	1,436,429	1,048,104	4,363,710	2,665,592
Non-current liabilities	3,693,290	3,884,903	21,378,103	22,037,632	25,071,393	25,922,535
Total liabilities	6,620,571	5,502,391	22,814,532	23,085,736	29,435,103	28,588,127
Deferred inflows of resources	147,834	294,889	-	-	147,834	294,889
Net position:						
Net investment in capital assets	28,743,195	25,258,558	30,574,723	31,295,075	59,317,918	56,553,633
Restricted for:						
Capital projects	12,683,698	14,441,894	-	-	12,683,698	14,441,894
Public safety	123,311	44,398	-	-	123,311	44,398
Public works	4	-	-	-	4	-
Economic development	130,620	120,070	-	-	130,620	120,070
Debt service	421,518	363,388	-	-	421,518	363,388
Unrestricted	15,982,670	13,562,243	23,282,085	19,716,344	39,264,755	33,278,587
Total net position	\$ 58,085,016	\$ 53,790,551	\$ 53,856,808	\$ 51,011,419	\$ 111,941,824	\$ 104,801,970

MANAGEMENT'S DISCUSSION AND ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Kingsland, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$111,941,824 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (52.99%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (11.93%) represents resources that are subject of external restrictions on how they may be used. At the close of FY 2024, the City's restricted net position was \$13,359,151 representing:

- \$12,683,698 for SPLOST funded projects authorized through referendum.
- \$123,311 in confiscated funds for law enforcement.
- \$130,620 in economic development and grants.
- \$421,518 in debt service.

The remaining balance in *unrestricted net position* of \$39,264,755 (35.08%) may be used for emergencies and to meet the City's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the City was able to report positive balances for the government as a whole, as well as for business-type activities. Prior year was able to report the same.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table shows the revenue and expenses by activity and changes in net position for governmental and business-type activities:

City of Kingsland's Changes in Net Position September 30, 2024 and 2023						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for services	\$ 3,114,719	\$ 1,887,481	\$ 9,336,361	\$ 9,690,004	\$ 12,451,080	\$ 11,577,485
Operating grants	985,307	580,595	-	-	985,307	580,595
Capital grants	4,132,122	5,359,195	1,639,280	9,460	5,771,402	5,368,655
General revenues:						
Property taxes	5,193,513	4,719,750	-	-	5,193,513	4,719,750
Sales taxes	3,549,384	3,516,254	-	-	3,549,384	3,516,254
Franchise taxes	1,227,927	1,091,277	-	-	1,227,927	1,091,277
Insurance premium tax	1,618,546	1,563,058	-	-	1,618,546	1,563,058
Hotel/Motel tax	1,405,000	1,346,116	-	-	1,405,000	1,346,116
Other taxes	1,030,413	1,031,452	-	-	1,030,413	1,031,452
Unrestricted investment earnings	755,488	528,930	1,147,212	648,683	1,902,700	1,177,613
Gain on disposition of capital assets	2,597	-	978	-	3,575	-
Total Revenues	23,015,016	21,624,108	12,123,831	10,348,147	35,138,847	31,972,255
Program Expenses:						
General government	2,297,209	2,262,626	-	-	2,297,209	2,262,626
Judicial	868,767	541,531	-	-	868,767	541,531
Public safety	8,261,196	6,320,753	-	-	8,261,196	6,320,753
Public works	5,120,693	4,207,205	-	-	5,120,693	4,207,205
Housing and development	2,189,320	1,708,223	-	-	2,189,320	1,708,223
Interest on long-term debt	24,223	27,027	-	-	24,223	27,027
Water and sewer	-	-	7,856,306	6,967,553	7,856,306	6,967,553
Solid waste	-	-	1,381,279	1,265,262	1,381,279	1,265,262
Total expenses	18,761,408	15,067,365	9,237,585	8,232,815	27,998,993	23,300,180
Excess	4,253,608	6,556,743	2,886,246	2,115,332	7,139,854	8,672,075
Transfers	40,857	(468,325)	(40,857)	468,325	-	-
Change in net position	4,294,465	6,088,418	2,845,389	2,583,657	7,139,854	8,672,075
Net position, beginning of year	53,790,551	47,702,133	51,011,419	48,427,762	104,801,970	96,129,895
Net position, end of year	\$58,085,016	\$53,790,551	\$53,856,808	\$51,011,419	\$ 111,941,824	\$104,801,970

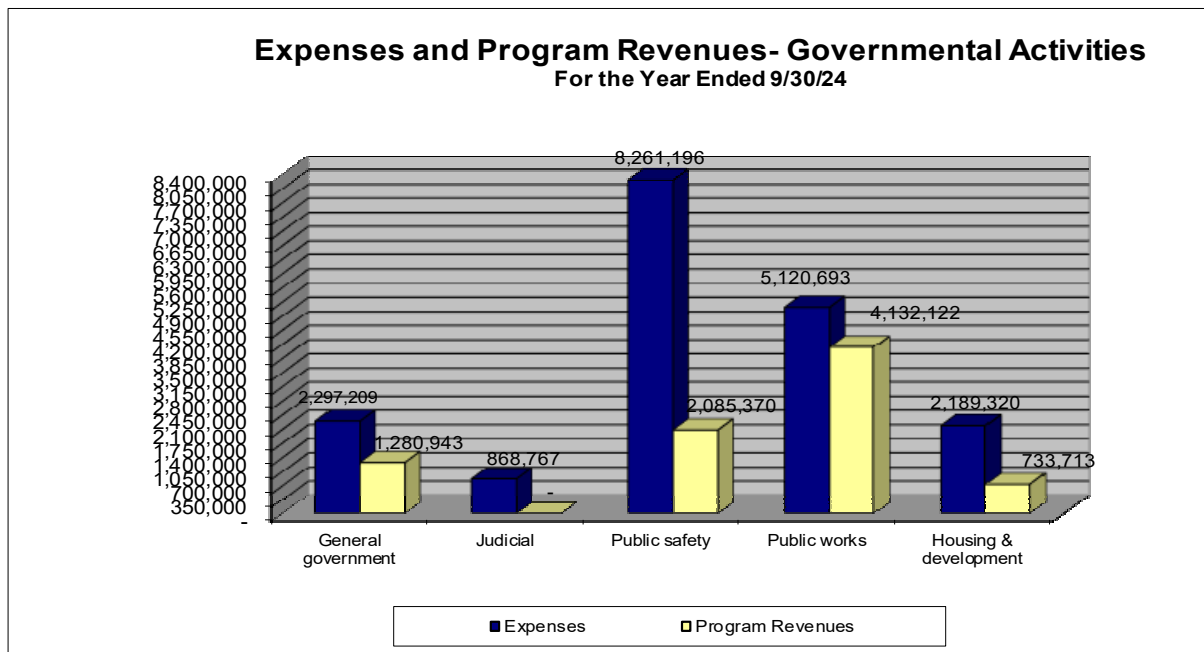
Changes in Net Position. Governmental and business-type activities increased the City's net position by \$7,139,854 in FY 2024.

Governmental Activities. During the fiscal year ended September 30, 2024, governmental activities increased the City's net position by \$4,294,465, accounting for 60.15% of the total growth in net position. This is primarily due to an increase in tax revenues from property tax digest growth, related building fees from new construction growth, and sales tax revenues.

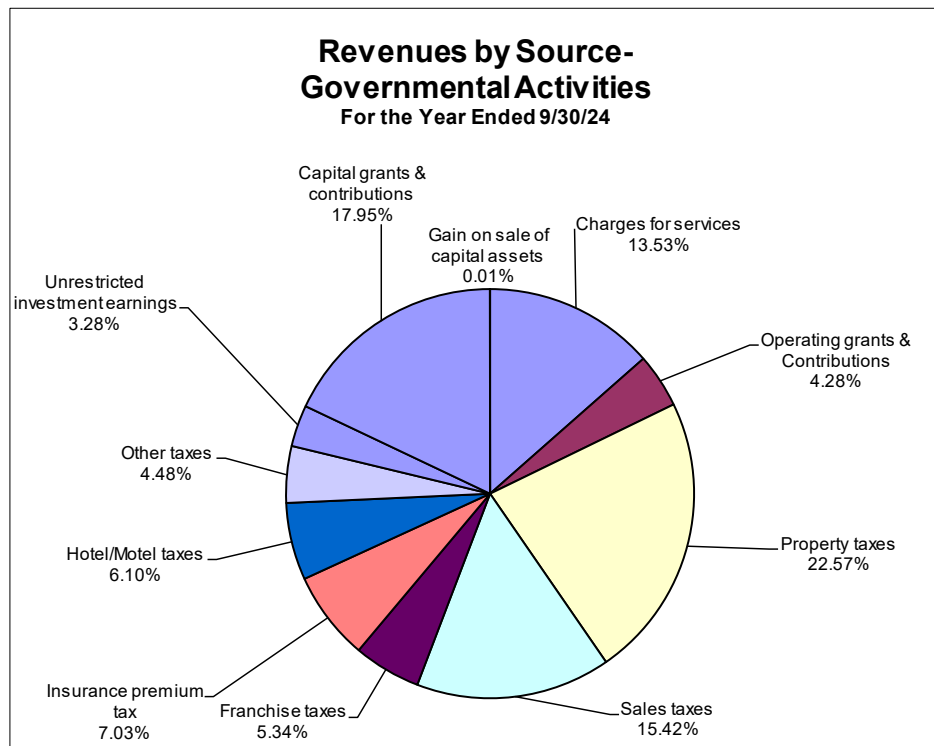
The following graphs present the cost of each of the City's governmental functions programs – general government, judicial, public safety, public works, and housing and development – as well as the program revenues generated by these activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

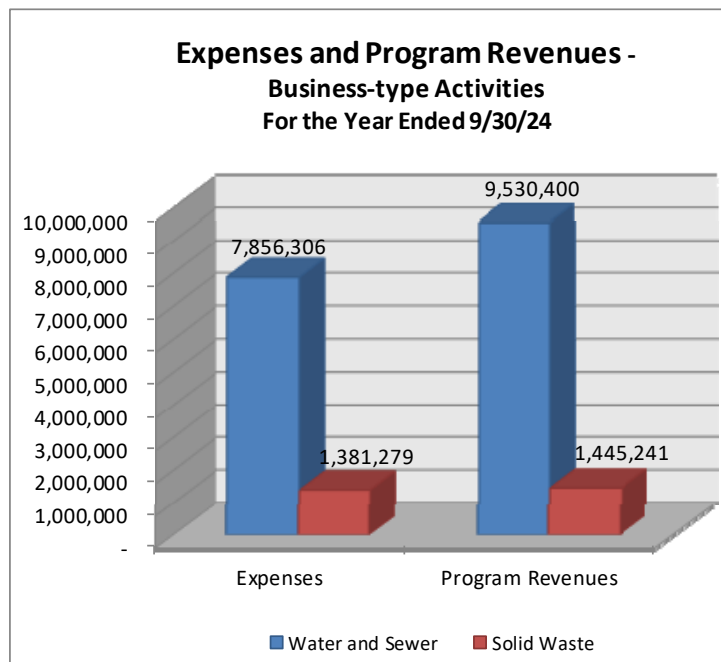
- The cost of all governmental activities this year was \$18,761,408.
- However, the amount that our taxpayers paid for these activities through property, sales, franchise and other taxes was \$14,024,783. The remaining cost was paid by:
 - Those who directly benefited from the programs and paid \$3,114,719 in user charges, or
 - Other governmental and organizations that subsidized certain programs with grants and contributions paid \$5,117,429.
- Public safety required the largest net amount of funds after subtracting program revenue, grants, and contributions. The total subsidy was \$6,175,826. Public safety comprised 44.03% of total governmental expenses. Public safety subsidized expense increased by 15.34%. This increase was due to increases in expenses related to salaries and capital outlays.
- Public works comprised 27.29% of total governmental expenses. This is a 21.71% increase over last year due to an increase in salaries and capital outlays.
- General government comprised 12.24% of total governmental expenses. This is a 1.53% increase over last year due to increases in salaries.
- For every \$1 of the total governmental activities in FY 2024, 16.60 cents came from charges for services.



MANAGEMENT'S DISCUSSION AND ANALYSIS



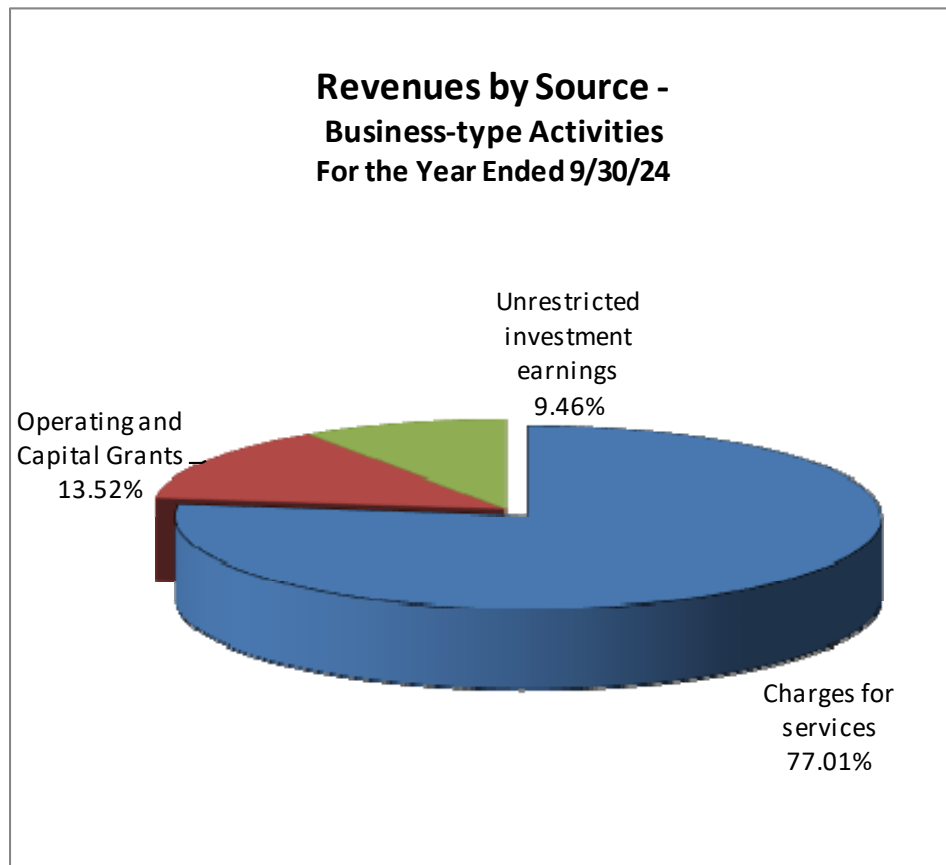
Business-type Activities. Business-type activities during the same period increased net position by \$2,845,389 accounting for 39.85% of the total growth in net position. Increase in business-type activities resulted from revenues in tap and user fees exceeding expenses. Net operating income for the water/sewer fund resulted in a gain of \$1,126,190 before non-operating revenues/expenses were added. Non-operating expenses were primarily the net of interest revenue and expense of \$37,378 and capital contributions of \$1,639,280 and net transfers of (\$25,065).



MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type Activities – by Revenue Source. The following graph presents the cost of each of the City's business-type activities – the Water and Sewer Fund and the Solid Waste Fund – as well as the program revenues generated by these activities.

- The cost of all business-type activities this year was \$9,237,585. This reflects a 12.20% increase from prior year. Operating costs increase as we continue to invest in improving our infrastructure by replacing outdated systems and other related costs; such as salaries, services, and supplies to continue programs.
- Business-type activities increased the City's net position by \$2,845,389, or 39.85%, of the City's total increase in net position.
- Charges for services accounts for 77.01% of the business-type revenues, with the water and sewer fund generating 88.08% of total revenues.



MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. 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 year.

As of the end of FY 2024, the City reported governmental funds combined ending fund balance of \$28,988,943, an increase of \$968,702 from prior year. The majority of this increase, or \$1,631,909, is attributed to an increase in the capital projects fund from funds transferred in for upcoming projects; such as new police headquarters, fire station remodel, and fairgrounds masterplan. The fund balance increase is offset by a decrease in the General Fund of \$1,125,360 for transferring funds out to capital projects. The General Fund was able to sustain a transfer out due to the tax digest increasing in value by 17%. Of this digest growth, 10% is in new construction growth and 7% is in reassessments. Approximately 11.54% of this balance, or \$3,346,134, constitutes unassigned fund balance.

The remainder of the fund balance is categorized as non-spendable, restricted, or assigned. Non-spendable fund balance for inventories and prepaid expenditures totals \$428,631. Restricted fund balance consists of amounts restricted for capital projects of \$12,683,698, public safety of \$123,311, economic development of \$130,620, and debt service of \$421,518. Assigned fund balance of \$11,855,027 is reserved for capital outlay as outlined in the capital improvements plan. Of the assigned balance, one mill (approximately \$703,296) has been earmarked to fund public safety capital outlay and salary increases.

The City of Kingsland presents four major governmental funds which are the General Fund, Infrastructure Fund, Special Purpose Local Option Sales Tax VIII Fund, and Community Development Block Grant Fund, depicted below.

City of Kingsland's Fund Balance September 30, 2024 and 2023

Fund Name	Fund Balance 9/30/2023	Revenues/ Sources	Expenses/ Uses	Fund Balance 09/30/2024
General Fund	\$ 13,234,481	\$ 17,191,372	\$ (18,316,732)	\$ 12,109,121
Infrastructure Fund	6,494,867	114,551	(96,319)	6,513,099
SPLOST VIII Fund	5,997,031	2,881,103	(2,707,535)	6,170,599
CDBG Fund	(54,322)	656,973	(656,251)	(53,600)
Nonmajor Governmental Funds	2,348,184	6,158,210	(4,256,670)	4,249,724
Total	\$ 28,020,241	\$ 27,002,209	\$ (26,033,507)	\$ 28,988,943

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund

The General Fund is the primary operating fund of the City. It accounts for many of the City's core services, such as law enforcement, judicial, fire protection, housing and development, roads and drainage, economic development, administration, finance, information technology, and fleet services. At the end of FY 2024, the total fund balance was \$12,109,121. This is a decrease of \$1,125,360 from the beginning fund balance. Of this amount, \$8,273,122 constitutes "assigned fund balance" which is reserved under financial policy. Assigned fund balance is at 50% of revenues. The unassigned amount is \$3,407,368 and will be available for spending at the government's discretion for non-recurring items; such as one-time capital outlay purchases or debt retirement. The other amounts in fund balance, \$211,050 and \$217,581, are non-spendable inventories and prepaid items, respectively.

Special Revenue Funds

The City has ten special revenue funds. One of those, the CDBG Fund, is presented as a major fund. This fund is a major fund due to the value of the revenues recorded at \$656,973. The CDBG fund was established to account for a community development block grant for disaster recovery related to Hurricane Irma (2017).

The total fund balance for special revenue funds is \$192,701. The positive amount is attributed to confiscated funds and downtown development authority cash reserves. Two of the grant funds are showing deficits due to the timing differences related to grant reimbursements. These timing differences will zero out in the next fiscal year.

Capital Projects Funds

The City has three capital projects funds, SPLOST VIII, Infrastructure, and Capital Projects fund. The Infrastructure and SPLOST VIII funds are presented as major funds. The infrastructure fund is used to fund upcoming capital projects as outlined in the City's capital improvement plan. At the end of the fiscal year, the Infrastructure fund balance was at \$6,513,099. The SPLOST fund is used to account for projects constructed with special purpose local option sales tax. The City's share of SPLOST funds is forwarded from the County on a monthly basis. SPLOST VIII began collections in July 2019. At year-end, the SPLOST VIII fund balance was at \$6,170,599. These funds will be spent on voter approved SPLOST projects per the referendum. At the end of the fiscal year, the capital projects fund was at \$3,581,905. These funds will be spent on approved capital projects; such as a new police headquarters, fire station remodel, and a fairgrounds masterplan.

Debt Service Funds

The City has one debt service fund which is a nonmajor fund. The Revenue Bond fund accounts for the accumulation of resources for, and retirement of revenue bonds for the Welcome Center housed by the Convention and Visitors Bureau. This fund collects 17% of hotel/motel taxes to fund the Welcome Center bond payment. Prior increases in hotel/motel tax revenues contributed to a positive fund balance currently at \$421,518, this is an increase from the prior year by \$58,130 due to an increase in hotel stays rebounding after the onset of the pandemic.

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 City accounts for business-type activities in two enterprise funds: water and sewer fund and solid waste fund. Both funds are shown as major funds for comparative purposes.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net position of the Water and Sewer Fund at the end of the year amounted to a positive \$52,116,840 and the solid waste fund amounted to \$1,739,968. These are increases over the prior year for the water and sewer fund by 5.63% and an increase for the solid waste fund by 4.04%. Increases are attributed to revenues exceeding expenditures from new construction growth increasing the customer base in the water and sewer fund. Increases in the solid waste fund are attributed to a rate increase in residential curbside trash pick-up services. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City conducts an annual mid-year budget process in order to realign appropriations made during the annual budget process with significant unexpected trends. This process ensures adjustments facilitating appropriations are in alignment with expected resources. The legal level of control the budget is adopted is at the department level which allows for line item adjustments within each department. Differences between the original budget and final amended budget are summarized as follows:

- Total revenue appropriations increased by \$1,284,621.
 - The appropriation for licenses and permits increased by \$230,000 due to increase in residential and commercial construction.
 - Fines and forfeitures increased by \$573,500 due to traffic team staffing.
 - Other financing sources increased by \$118,626 due to an increase in lodging tax revenues and to account for transfers in from enterprise funds for retirement funding.
- Total expenditure appropriations increased by \$962,621 mainly in capital outlays received in the current year for prior year budgeted items in public safety.
- Other financing sources and uses resulted in an increase of \$118,626 in transfers in and an increase of \$322,000 in transfers out. These increases are the result of accounting for retirement funding and capital outlay funding, respectively.

During the year, General Fund revenues came in under budgetary projections, and expenditures were less than budgetary estimates. Actual revenues and other financing sources were \$2,298,490 lower than estimates, whereas expenditures and other financing uses were \$770,426 lower than final budgetary appropriations.

- The variance of \$2,298,490 in revenues is attributed to capital outlay expenditures being funded from cash carry forward.
- The expenditures and other financing uses were \$770,426 less than final budgeted total expenditures primarily due to the continued conservative efforts by mayor, council, and departments to minimize expenditures as a precautionary measure due to the uncertain environment related to the economy. Among the departments with larger favorable variances in expending less than final budget were general government by \$209,392, public safety by \$211,514, public works by \$123,108, and housing and economic development by \$204,518.

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Kingsland's General Fund Budget to Actual As of September 30, 2024

	Budget			Variance
	Original	Final	Actual	with Final
Revenues and transfers in:				
Taxes	\$ 11,990,500	\$ 11,990,500	\$ 12,629,254	\$ 638,754
Licenses and permits	708,030	938,030	1,122,379	184,349
Intergovernmental	163,291	163,921	146,783	(17,138)
Charges for services	42,000	42,000	53,753	11,753
Fines and forfeitures	1,000,000	1,573,500	1,853,075	279,575
Investment income	100,000	100,000	635,995	535,995
Miscellaneous	3,664,290	4,026,785	97,155	(3,929,630)
Other financing sources	536,500	655,126	652,978	(2,148)
Total	<u>18,204,611</u>	<u>19,489,862</u>	<u>17,191,372</u>	<u>(2,298,490)</u>
Expenditures and transfers out:				
Expenditures	15,642,537	16,605,158	15,835,178	769,980
Transfers out	2,160,000	2,482,000	2,481,554	446
Total	<u>17,802,537</u>	<u>19,087,158</u>	<u>18,316,732</u>	<u>770,426</u>
Change in Fund Balance	<u>\$ 402,074</u>	<u>\$ 402,704</u>	<u>\$ (1,125,360)</u>	<u>\$ (1,528,064)</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets as of September 30, 2024, governmental activities and business-type activities totaled \$61,458,445 (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and recreation and park facilities. This represents a \$2,694,928, or 4.59%, overall increase from the prior year. The capital assets for governmental activities increased by \$3,592,787, or 13.11%. The main increase is attributed to machinery and equipment. The capital assets for business-type activities decreased by \$897,859, or 2.86%. This decrease is mainly in system improvements.

Major capital asset events during the current period include the following:

- ❖ Various projects related to the general government (construction in progress as of the close of the fiscal year) were completed and transferred to depreciable assets for \$3,674,136.
- ❖ Machinery, equipment, and vehicles purchased at a cost of \$3,637,299 for governmental funds and \$836,008 for enterprise funds.
- ❖ Various projects related to water and sewer service (construction in progress as of the close of the fiscal year) were completed and transferred to depreciable assets for \$89,388.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City is a "stage 3" government as defined by Governmental Accounting Standards Board ("GASB") No. 34, which means roads, streets and bridges prior to September 30, 2004, were not required to be capitalized, therefore, they are not.

City of Kingsland's Capital Assets (net of depreciation) September 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 2,252,162	\$ 2,252,162	\$ 116,785	\$ 116,785	\$ 2,368,947	\$ 2,368,947
Buildings	543,084	605,550	334,840	398,863	877,924	1,004,413
Land and building improvements	2,369,194	854,023	-	-	2,369,194	854,023
Infrastructure	19,845,057	18,990,992	-	-	19,845,057	18,990,992
System improvements	-	-	26,455,065	27,894,856	26,455,065	27,894,856
Machinery and equipment	5,650,154	2,855,455	2,798,094	2,551,716	8,448,248	5,407,171
Construction in progress	337,923	1,846,605	756,087	396,510	1,094,010	2,243,115
Total	\$30,997,574	\$27,404,787	\$30,460,871	\$31,358,730	\$ 61,458,445	\$58,763,517

Additional information on the City's capital assets can be found in Note 4 beginning on page 49 of this report.

Debt Administration

The City's total long-term debt consists of bonds, notes, net pension liability, and compensated absences.

At the end of September 30, 2024, the City had \$3,693,290 of outstanding long-term liabilities related to governmental activities and \$21,378,103 of long-term liabilities related to business-type activities for a total of \$25,071,393. The City's total debt decreased by \$851,142. This decrease is attributed to paying down bonds and lowering net pension liability and compensated absences.

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. At the end of 2024, the governmental activity had bonded debt outstanding of \$1,253,211 and the business-type had \$19,515,000 for a total of \$20,768,211. Of this amount, none of it is backed by the full faith and credit of the City. All of the City's debt represents bonds secured solely by specific revenue sources (i.e., revenue bonds).

Moody's Investors Service assigned an "Aa2" issuer rating to the City and an "Aa3" to the City's water and sewer enterprise. The "Aa2" issuer rating incorporates the City's very strong financial position that is supported by balanced operations and ample revenue raising flexibility. The rating also incorporates the steady population growth and economic development that is contributing to the tax base and overall revenue growth. The City's low long-term liabilities ratio and low fixed costs ratio are also reflected in the rating. The Aa3 rating on the City's water and sewer revenue bonds reflects the solid financial operations, extremely strong liquidity, modest post-sale debt burden, and relatively small scale operations (as measured by annual operations and maintenance). The rating also reflects the water and sewer enterprise's high reliance on connection fees, which can make annual operating revenues more volatile than a typical water and sewer enterprise.

MANAGEMENT'S DISCUSSION AND ANALYSIS

State statutes limit the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is \$81,976,071 of which the City has no amount towards its debt limitation with general obligation bonds totaling zero.

Additional information on the City's debt can be found in Note 5 beginning on page 51 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The FY 2025 budget is the culmination of years of financial stewardship by the Mayor and Council, City Manager, City departments, and includes the following factors:

- Reduction of the City's millage rate to 5.590 mills from 6.100 mills (FY 2024).
- Funded a total of \$37,006,732 in capital investment across all funds. This includes \$1,288,992 in General Fund, \$18,233,548 in water and sewer operations, \$443,014 in solid waste, \$6,542,626 in SPLOST, and \$10,498,552 in capital projects.
- Continuation of the same high service levels our citizens, business owners, and stakeholders expect from the City at higher pay rates.
- Expanded service levels within multiple departments; such as enhanced equipment for law enforcement officers and funding for full staffing; improving technology, increasing online services, and increasing water and sewer infrastructure; and increased staffing levels in the police department, fire department, and public works funds.
- Budgeted the City's revenues and expenditures conservatively with the consideration of the current economy and with the total effect on the future economy being unknown. The City continues to limit the use of one-time revenues and fund balance to capital investments and other one-time non-recurring expenditures.

The outlook for FY 2025 is cautiously positive with potentially some unknown economic changes. The economy is showing continued signs of growth through a decrease in unemployment rate which in turn correlates to an improved housing market that we continue to enjoy. Residential and commercial building permits are still going strong. Several commercial sites, residential homes, and apartment complexes are still on the horizon. We are optimistic that this trend will continue even if at a slightly slower pace compared to the last two years.

The City's Tax Allocation District ("TAD") #1 and Georgia Gateway Community Improvement District ("GGCID"), located just off of Interstate 95 at Exit 3, was designed to accommodate the development of a commercial and entertainment district. A development agreement for a proposed project on the 429-acre site is presently being finalized. The current developer intends to develop a fully integrated mixed-use sports park destination resort. The project will consist of multiple phases to include a sports facility, both indoor and outdoor youth sports facilities, meeting space, green space, hotels, retail outparcels, restaurants, residential housing, RV park, and a water park. The sports park will represent over 1.8 million square feet of new development in the City. The project is estimated to bring 400 temporary construction jobs and 600 permanent direct jobs on-site with additional induced jobs to the surrounding area. Increased local sales tax revenue that will benefit the entire county through LOST, SPLOST, and E-SPLOST, is expected to be at least \$2.4 million annually from both direct sales inside the TAD and induced sales within the County.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City created a 2nd TAD at the end of 2022. This TAD proposes a major mixed-use commercial development of retail and restaurant uses, including national “big box” retailers and multi-family housing. The plan projects an eight-year build out. At completion, the development will result in a combined 1.057 million square feet of commercial development and 830 new residential units.

Our real economic engine here began in the late 1980s known as Kings Bay Naval Submarine Base, the east coast home of the nation's Trident nuclear powered submarines. Of our county's estimated 54,768 (2020 Census) population, almost half is connected to the 16,000-acre military base here. As a result, our economy has not been hit as hard as different areas of the country. We feel confident that the Base will remain here for many years as it is in a strategic location. Mayport Naval Base and Naval Air Station (“NAS”) in Jacksonville, Florida all form a “fleet concentration area” in the southeast. The steadiness of the military and the civilians it employs has been a stabilizer in tougher times.

We are constantly striving to assure the revenue streams are there to provide the needed services at the current level or better. We recognize that we have to be proactive instead of reactive in relation to the growth because even though it has slowed in the past, it is moving forward now. Managing the future growth is the key to preserving the integrity of the City. It is a challenge to maintain the level of service the citizens need and deserve without increasing rates. The Mayor, Council, and management continue to strive to reach that goal every year.

REQUESTS FOR MORE INFORMATION

This financial report is designed to provide a general overview of the City of Kingsland's finances for citizens, taxpayers, customers, investors and creditors and all others with an interest in the City. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

Finance Department
City of Kingsland
P.O. Box 250
Kingsland, Georgia 31548
Phone: (912) 729-5613
Email: fmorrow@kingslandgeorgia.com

BASIC FINANCIAL STATEMENTS

CITY OF KINGSLAND, GEORGIA

STATEMENT OF NET POSITION SEPTEMBER 30, 2024

	Governmental Activities	Business-type Activities	Total	Georgia Gateway CID	Convention and Visitors Bureau
ASSETS					
Cash and cash equivalents	\$ 30,130,457	\$ 7,952,818	\$ 38,083,275	\$ 24,089	\$ 1,081,297
Investments	-	13,779,053	13,779,053	-	-
Accounts receivable, net	405,201	1,030,355	1,435,556	-	-
Taxes receivable, net	209,874	-	209,874	-	-
Due from other governments	956,596	-	956,596	-	-
Due from primary government	-	-	-	-	46,747
Inventories	211,050	247,396	458,446	-	-
Prepaid items	217,581	24,877	242,458	-	341
Restricted assets:					
Cash and cash equivalents	-	22,305,330	22,305,330	-	-
Investments	-	870,640	870,640	-	-
Capital assets:					
Non-depreciable	2,590,085	872,872	3,462,957	-	323,167
Depreciable, net of accumulated depreciation	28,407,489	29,587,999	57,995,488	-	1,235,543
Total assets	<u>63,128,333</u>	<u>76,671,340</u>	<u>139,799,673</u>	<u>24,089</u>	<u>2,687,095</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension contributions made subsequent to measurement date	381,531	-	381,531	-	14,742
Differences between expected and actual experience related to pension expense	618,011	-	618,011	-	23,852
Net difference between projected and actual investment earnings	725,546	-	725,546	-	28,003
Total deferred outflows of resources	<u>1,725,088</u>	<u>-</u>	<u>1,725,088</u>	<u>-</u>	<u>66,597</u>
LIABILITIES					
Accounts payable	2,511,199	651,214	3,162,413	-	52,882
Accrued liabilities	260,817	100,834	361,651	-	9,299
Accrued interest	-	74,671	74,671	-	-
Due to component unit	46,747	-	46,747	-	-
Unearned revenue	108,518	14,759	123,277	-	-
Customer deposits	-	594,951	594,951	-	-
Non-current liabilities:					
Due within one year	427,865	884,613	1,312,478	-	8,701
Due in more than one year	1,217,251	20,493,490	21,710,741	-	952
Net pension liability	2,048,174	-	2,048,174	-	79,136
Total liabilities	<u>6,620,571</u>	<u>22,814,532</u>	<u>29,435,103</u>	<u>-</u>	<u>150,970</u>
DEFERRED INFLOWS OF RESOURCES					
Differences between expected and actual experience related to pension	147,834	-	147,834	-	5,706
Total deferred inflows of resources	<u>147,834</u>	<u>-</u>	<u>147,834</u>	<u>-</u>	<u>5,706</u>
NET POSITION					
Net investment in capital assets	28,743,195	30,574,723	59,317,918	-	1,558,710
Restricted for:					
Public safety	123,311	-	123,311	-	-
Public works	4	-	4	-	-
Economic development	130,620	-	130,620	-	-
Capital projects	12,683,698	-	12,683,698	-	-
Debt service	421,518	-	421,518	-	-
Unrestricted	15,982,670	23,282,085	39,264,755	24,089	1,038,306
Total net position	<u>\$ 58,085,016</u>	<u>\$ 53,856,808</u>	<u>\$ 111,941,824</u>	<u>\$ 24,089</u>	<u>\$ 2,597,016</u>

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

CITY OF KINGSLAND, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 2,297,209	\$ 1,176,132	\$ 104,811	\$ -
Judicial	868,767	-	-	-
Public safety	8,261,196	1,938,587	146,783	-
Public works	5,120,693	-	-	4,132,122
Housing and economic development	2,189,320	-	733,713	-
Interest on long-term debt	24,223	-	-	-
Total governmental activities	18,761,408	3,114,719	985,307	4,132,122
Business-type activities:				
Water and sewer	7,856,306	7,891,120	-	1,639,280
Solid waste	1,381,279	1,445,241	-	-
Total business-type activities	9,237,585	9,336,361	-	1,639,280
Total primary government	<u>\$ 27,998,993</u>	<u>\$ 12,451,080</u>	<u>\$ 985,307</u>	<u>\$ 5,771,402</u>
Component units:				
Georgia Gateway CID	\$ -	\$ -	\$ -	\$ -
Convention and Visitors Bureau	778,548	-	618,200	-
Total component units	<u>\$ 778,548</u>	<u>\$ -</u>	<u>618,200</u>	<u>\$ -</u>
		General revenues:		
		Property taxes		
		Sales taxes		
		Other taxes		
		Franchise taxes		
		Insurance premium taxes		
		Hotel/Motel taxes		
		Unrestricted investment earnings		
		Miscellaneous revenues		
		Gain on sale of capital assets		
		Transfers		
		Total general revenues and transfers		
		Change in net position		
		Net position, beginning of year		
		Net position, end of year		

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

Net (Expenses) Revenues and Changes in Net Position				
Governmental Activities	Business-type Activities	Total	Component Units	
			Georgia Gateway CID	Convention and Visitors Bureau
\$ (1,016,266)	\$ -	\$ (1,016,266)	\$ -	\$ -
(868,767)	-	(868,767)	-	-
(6,175,826)	-	(6,175,826)	-	-
(988,571)	-	(988,571)	-	-
(1,455,607)	-	(1,455,607)	-	-
(24,223)	-	(24,223)	-	-
(10,529,260)	-	(10,529,260)	-	-
-	1,674,094	1,674,094	-	-
-	63,962	63,962	-	-
-	1,738,056	1,738,056	-	-
(10,529,260)	1,738,056	(8,791,204)	-	-
-	-	-	-	-
-	-	-	-	(160,348)
-	-	-	-	(160,348)
5,193,513	-	5,193,513	1,152	-
3,549,384	-	3,549,384	-	-
1,030,413	-	1,030,413	-	-
1,227,927	-	1,227,927	-	-
1,618,546	-	1,618,546	-	-
1,405,000	-	1,405,000	-	-
755,488	1,147,212	1,902,700	-	-
-	-	-	-	84,171
2,597	978	3,575	-	-
40,857	(40,857)	-	-	-
14,823,725	1,107,333	15,931,058	1,152	84,171
4,294,465	2,845,389	7,139,854	1,152	(76,177)
53,790,551	51,011,419	104,801,970	22,937	2,673,193
\$ 58,085,016	\$ 53,856,808	\$ 111,941,824	\$ 24,089	\$ 2,597,016

CITY OF KINGSLAND, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2024

	General Fund	Infrastructure Fund	SPLOST VIII	CDBG Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 11,759,724	\$ 6,528,516	\$ 6,141,413	\$ -	\$ 5,700,804	\$ 30,130,457
Taxes receivable, net	209,874	-	-	-	-	209,874
Accounts receivable, net	298,958	-	-	-	106,243	405,201
Due from other governments	566,241	-	-	149,552	240,803	956,596
Due from other funds	255,911	-	573,146	-	18,061	847,118
Inventories	211,050	-	-	-	-	211,050
Prepaid expenditures	217,581	-	-	-	-	217,581
Total assets	<u>\$ 13,519,339</u>	<u>\$ 6,528,516</u>	<u>\$ 6,714,559</u>	<u>\$ 149,552</u>	<u>\$ 6,065,911</u>	<u>\$ 32,977,877</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 942,522	\$ 15,417	\$ 543,960	\$ 43,240	\$ 966,060	\$ 2,511,199
Accrued liabilities	260,817	-	-	-	-	260,817
Due to other funds	-	-	-	159,912	687,206	847,118
Due to component unit	-	-	-	-	46,747	46,747
Unearned revenue	-	-	-	-	108,518	108,518
Total liabilities	<u>1,203,339</u>	<u>15,417</u>	<u>543,960</u>	<u>203,152</u>	<u>1,808,531</u>	<u>3,774,399</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	206,879	-	-	-	-	206,879
Unavailable revenue - intergovernmental	-	-	-	-	7,656	7,656
Total deferred inflows of resources	<u>206,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,656</u>	<u>214,535</u>
FUND BALANCES						
Non-spendable:						
Inventories	211,050	-	-	-	-	211,050
Prepaid expenditures	217,581	-	-	-	-	217,581
Restricted for:						
Public safety	-	-	-	-	123,311	123,311
Public works	-	-	-	-	4	4
Housing and economic development	-	-	-	-	130,620	130,620
Capital projects	-	6,513,099	6,170,599	-	-	12,683,698
Debt service	-	-	-	-	421,518	421,518
Assigned:						
Fund balance	8,273,122	-	-	-	-	8,273,122
Assigned for capital projects:						
General government	-	-	-	-	100,000	100,000
Public safety	-	-	-	-	2,320,869	2,320,869
Public works	-	-	-	-	68,570	68,570
Housing and economic development	-	-	-	-	1,092,466	1,092,466
Unassigned	<u>3,407,368</u>	<u>-</u>	<u>-</u>	<u>(53,600)</u>	<u>(7,634)</u>	<u>3,346,134</u>
Total fund balances (deficit)	<u>12,109,121</u>	<u>6,513,099</u>	<u>6,170,599</u>	<u>(53,600)</u>	<u>4,249,724</u>	<u>28,988,943</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,519,339</u>	<u>\$ 6,528,516</u>	<u>\$ 6,714,559</u>	<u>\$ 149,552</u>	<u>\$ 6,065,911</u>	<u>\$ 32,977,877</u>

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

CITY OF KINGSLAND, GEORGIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION SEPTEMBER 30, 2024

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds	\$	28,988,943
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of assets	\$ 61,785,404	
Accumulated depreciation	(30,787,830)	
		30,997,574

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Unavailable revenue - property taxes	\$ 206,879	
Unavailable revenue - intergovernmental	7,656	
		214,535

The net pension liability is not available to pay for current period expenditures and, therefore, is not reported in the funds. Deferred outflows and inflows of resources are not due and payable or are available in the current period and, therefore, are not reported in the funds. These items consist of the following:

Net pension liability	\$ (2,048,174)	
Net difference between projected and actual investment earnings	725,546	
Contributions made subsequent to measurement date	381,531	
Differences between expected and actual experience	470,177	
		(470,920)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Compensated absences payable	\$ (391,905)	
Revenue bonds payable	(1,253,211)	
		(1,645,116)

Net position of governmental activities	\$	58,085,016
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The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Infrastructure Fund	SPLOST VIII	CDBG Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 5,202,984	\$ -	\$ -	\$ -	\$ 1,447	\$ 5,204,431
Licenses and permits	1,122,379	-	-	-	-	1,122,379
Franchise fees	1,227,927	-	-	-	-	1,227,927
Sales taxes	3,549,384	-	-	-	-	3,549,384
Insurance premium taxes	1,618,546	-	-	-	-	1,618,546
Hotel/Motel taxes	-	-	-	-	1,405,000	1,405,000
Other taxes	1,030,413	-	-	-	-	1,030,413
Charges for services	53,753	-	-	-	-	53,753
Fines and forfeitures	1,853,075	-	-	-	85,512	1,938,587
Intergovernmental	146,783	-	2,200,477	656,973	1,824,165	4,828,398
Interest revenue	635,995	114,551	107,480	-	4,942	862,968
Miscellaneous	97,155	-	-	-	76,740	173,895
Total revenues	<u>16,538,394</u>	<u>114,551</u>	<u>2,307,957</u>	<u>656,973</u>	<u>3,397,806</u>	<u>23,015,681</u>
Expenditures						
Current:						
General government	2,000,660	-	-	-	-	2,000,660
Judicial	846,624	-	-	-	-	846,624
Public safety	9,092,985	-	-	-	52,580	9,145,565
Public works	3,123,805	-	-	-	1,087,806	4,211,611
Housing and economic development	771,104	-	-	656,251	685,973	2,113,328
Capital outlay	-	-	2,707,535	-	889,645	3,597,180
Debt service:						
Principal	-	-	-	-	156,497	156,497
Interest and other charges	-	-	-	-	24,223	24,223
Total expenditures	<u>15,835,178</u>	<u>-</u>	<u>2,707,535</u>	<u>656,251</u>	<u>2,896,724</u>	<u>22,095,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>703,216</u>	<u>114,551</u>	<u>(399,578)</u>	<u>722</u>	<u>501,082</u>	<u>919,993</u>
Other financing sources (uses)						
Transfers in	645,126	-	573,146	-	2,760,404	3,978,676
Transfers out	(2,481,554)	(96,319)	-	-	(1,359,946)	(3,937,819)
Sale of capital assets	7,852	-	-	-	-	7,852
Total other financing sourcing (uses)	<u>(1,828,576)</u>	<u>(96,319)</u>	<u>573,146</u>	<u>-</u>	<u>1,400,458</u>	<u>48,709</u>
Net change in fund balances	<u>(1,125,360)</u>	<u>18,232</u>	<u>173,568</u>	<u>722</u>	<u>1,901,540</u>	<u>968,702</u>
Fund balances (deficit), beginning of the year	<u>13,234,481</u>	<u>6,494,867</u>	<u>5,997,031</u>	<u>(54,322)</u>	<u>2,348,184</u>	<u>28,020,241</u>
Fund balances (deficit), end of year	<u>\$ 12,109,121</u>	<u>\$ 6,513,099</u>	<u>\$ 6,170,599</u>	<u>\$ (53,600)</u>	<u>\$ 4,249,724</u>	<u>\$ 28,988,943</u>

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

CITY OF KINGSLAND, 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 change in fund balances - total governmental funds	\$	968,702
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	\$	5,807,417	
Depreciation expense		<u>(2,209,375)</u>	
			3,598,042

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. This is the net book value of assets transferred to business-type activities as well as capital asset deletions.	(5,255)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(3,262)
--	---------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal retirement on long-term debt	156,497
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Pension expense related to the net pension liability as recorded in the Statement of Activities is based on the City's proportionate share of pension expense of the retirement system as a whole, whereas pension expenditures recorded in the funds are based on the use of financial resources (e.g., required contributions). Thus, the change in net position differs from the change in fund balance by the amount in which the City's proportionate share of pension expense exceeds actual contributions.	(354,393)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount represents the decrease in compensated absences payable.	<u>(65,866)</u>
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Change in net position of governmental activities	<u>\$</u>	<u>4,294,465</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF KINGSLAND, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 4,922,000	\$ 4,922,000	\$ 5,202,984	\$ 280,984
Licenses and permits	708,030	938,030	1,122,379	184,349
Franchise fees	1,146,500	1,146,500	1,227,927	81,427
Sales taxes	3,390,000	3,390,000	3,549,384	159,384
Insurance premium	1,600,000	1,600,000	1,618,546	18,546
Other taxes	932,000	932,000	1,030,413	98,413
Charges for services	42,000	42,000	53,753	11,753
Fines and forfeitures	1,000,000	1,573,500	1,853,075	279,575
Intergovernmental	163,921	163,921	146,783	(17,138)
Interest revenue	100,000	100,000	635,995	535,995
Miscellaneous	3,664,290	4,026,785	97,155	(3,929,630)
Total revenues	17,668,741	18,834,736	16,538,394	(2,296,342)
Expenditures				
Current				
General government:				
Administrative services	1,888,292	1,628,078	1,468,541	159,537
Information technology	221,845	221,845	204,557	17,288
Financial	360,129	360,129	327,562	32,567
Total general government	2,470,266	2,210,052	2,000,660	209,392
Judicial	765,572	868,072	846,624	21,448
Public safety:				
Police	4,285,909	5,252,244	5,246,211	6,033
Fire	4,052,255	4,052,255	3,846,774	205,481
Total public safety	8,338,164	9,304,499	9,092,985	211,514
Public works:				
Administration	2,790,164	2,939,164	2,820,105	119,059
Maintenance	307,749	307,749	303,700	4,049
Total public works	3,097,913	3,246,913	3,123,805	123,108
Housing and economic development:				
Planning and zoning	694,861	694,861	614,635	80,226
Economic development and assistance	275,761	280,761	156,469	124,292
Total housing and economic development	970,622	975,622	771,104	204,518
Excess of revenues over expenditures	2,026,204	2,229,578	703,216	(1,526,362)
Other financing sources (uses)				
Transfers in	526,500	645,126	645,126	-
Transfers out	(2,160,000)	(2,482,000)	(2,481,554)	446
Sale of capital assets	10,000	10,000	7,852	(2,148)
Total other financing uses, net	(1,623,500)	(1,826,874)	(1,828,576)	(1,702)
Net change in fund balances	402,704	402,704	(1,125,360)	(1,528,064)
Fund balances, beginning of year	13,234,481	13,234,481	13,234,481	-
Fund balances, end of year	\$ 13,637,185	\$ 13,637,185	\$ 12,109,121	\$ (1,528,064)

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

CITY OF KINGSLAND, GEORGIA

CDBG FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 750,125	\$ 750,125	\$ 656,973	\$ (93,152)
Total revenues	750,125	750,125	656,973	(93,152)
Expenditures				
Housing and economic development	750,125	750,125	656,251	93,874
Total expenditures	750,125	750,125	656,251	93,874
Net change in fund balances	-	-	722	722
Fund balances (deficit), beginning of year	(54,322)	(54,322)	(54,322)	-
Fund balances (deficit), end of year	<u>\$ (54,322)</u>	<u>\$ (54,322)</u>	<u>\$ (53,600)</u>	<u>\$ 722</u>

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

CITY OF KINGSLAND, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2024

	Water and Sewer Fund	Solid Waste Fund	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 7,443,130	\$ 509,688	\$ 7,952,818
Investments	13,779,053	-	13,779,053
Accounts receivable, net	891,602	138,753	1,030,355
Inventories	247,396	-	247,396
Prepaid items	22,945	1,932	24,877
Restricted cash	22,282,465	22,865	22,305,330
Restricted investments	870,640	-	870,640
Total current assets	<u>45,537,231</u>	<u>673,238</u>	<u>46,210,469</u>
NON-CURRENT ASSETS			
Capital assets:			
Non-depreciable	872,872	-	872,872
Depreciable, net of accumulated depreciation	28,449,395	1,138,604	29,587,999
Total non-current assets	<u>29,322,267</u>	<u>1,138,604</u>	<u>30,460,871</u>
Total assets	<u>74,859,498</u>	<u>1,811,842</u>	<u>76,671,340</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	611,727	39,487	651,214
Accrued liabilities	89,369	11,465	100,834
Accrued interest	74,671	-	74,671
Unearned revenue	14,759	-	14,759
Current portion - compensated absences	78,635	11,261	89,896
Current portion - bonds payable	794,717	-	794,717
Customer deposits	594,951	-	594,951
Total current liabilities	<u>2,258,829</u>	<u>62,213</u>	<u>2,321,042</u>
NON-CURRENT LIABILITIES			
Compensated absences, net of current portion	43,427	9,661	53,088
Bonds payable, net of current portion	20,440,402	-	20,440,402
Total non-current liabilities	<u>20,483,829</u>	<u>9,661</u>	<u>20,493,490</u>
Total liabilities	<u>22,742,658</u>	<u>71,874</u>	<u>22,814,532</u>
NET POSITION			
Net investment in capital assets	29,436,119	1,138,604	30,574,723
Unrestricted	22,680,721	601,364	23,282,085
Total net position	<u>\$ 52,116,840</u>	<u>\$ 1,739,968</u>	<u>\$ 53,856,808</u>

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

CITY OF KINGSLAND, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewer Fund	Solid Waste Fund	Total
OPERATING REVENUE			
Charges for services	\$ 7,666,922	\$ 1,363,061	\$ 9,029,983
Penalties and fees	101,693	21,106	122,799
Miscellaneous	122,505	61,074	183,579
Total operating revenues	<u>7,891,120</u>	<u>1,445,241</u>	<u>9,336,361</u>
OPERATING EXPENSES			
Personnel services	2,149,598	506,908	2,656,506
Purchased or contracted services	1,444,771	379,355	1,824,126
Supplies	911,707	225,145	1,136,852
Depreciation	2,058,829	269,871	2,328,700
Other operating expenses	200,025	-	200,025
Total operating expenses	<u>6,764,930</u>	<u>1,381,279</u>	<u>8,146,209</u>
Operating income	<u>1,126,190</u>	<u>63,962</u>	<u>1,190,152</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	1,128,754	18,458	1,147,212
Interest expense	(1,091,376)	-	(1,091,376)
Gain on disposal of assets	-	978	978
Total non-operating revenues, net	<u>37,378</u>	<u>19,436</u>	<u>56,814</u>
Income before capital contributions and transfers	<u>1,163,568</u>	<u>83,398</u>	<u>1,246,966</u>
CAPITAL CONTRIBUTIONS			
Capital recovery fees	<u>1,639,280</u>	<u>-</u>	<u>1,639,280</u>
TRANSFERS			
Transfers in	96,319	-	96,319
Transfers out	(121,384)	(15,792)	(137,176)
Total transfers	<u>(25,065)</u>	<u>(15,792)</u>	<u>(40,857)</u>
Net change in fund balances	2,777,783	67,606	2,845,389
Net position, beginning of year	<u>49,339,057</u>	<u>1,672,362</u>	<u>51,011,419</u>
Net position, end of year	<u>\$ 52,116,840</u>	<u>\$ 1,739,968</u>	<u>\$ 53,856,808</u>

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

CITY OF KINGSLAND, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewer Fund	Solid Waste Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 7,756,065	\$ 1,415,143	\$ 9,171,208
Cash paid to suppliers	(2,136,338)	(597,365)	(2,733,703)
Cash paid to employees	(2,073,216)	(503,231)	(2,576,447)
Net cash provided by operating activities	<u>3,546,511</u>	<u>314,547</u>	<u>3,861,058</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers in	96,319	-	96,319
Transfers out	(121,384)	(15,792)	(137,176)
Net cash used in non-capital financing activities	<u>(25,065)</u>	<u>(15,792)</u>	<u>(40,857)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital recovery fees	1,639,280	-	1,639,280
Principal paid on notes payable	(485,000)	-	(485,000)
Proceeds from the sale of capital assets	-	978	978
Interest paid	(1,408,995)	-	(1,408,995)
Acquisition and construction of capital assets	(1,079,381)	(351,460)	(1,430,841)
Net cash used in capital and related financing activities	<u>(1,334,096)</u>	<u>(350,482)</u>	<u>(1,684,578)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(534,924)	-	(534,924)
Interest received	1,128,754	18,458	1,147,212
Net cash provided by investing activities	<u>593,830</u>	<u>18,458</u>	<u>612,288</u>
Change in cash and cash equivalents	2,781,180	(33,269)	2,747,911
Cash and cash equivalents:			
Beginning of year	26,944,415	565,822	27,510,237
End of year	<u>\$ 29,725,595</u>	<u>\$ 532,553</u>	<u>\$ 30,258,148</u>
Classified as:			
Cash and cash equivalents	\$ 7,443,130	\$ 509,688	\$ 7,952,818
Restricted assets, cash	22,282,465	22,865	22,305,330
	<u>\$ 29,725,595</u>	<u>\$ 532,553</u>	<u>\$ 30,258,148</u>

(Continued)

CITY OF KINGSLAND, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Water and Sewer Fund	Solid Waste Fund	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 1,126,190	\$ 63,962	\$ 1,190,152
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,058,829	269,871	2,328,700
(Increase) decrease in:			
Accounts receivable	(135,328)	(30,098)	(165,426)
Inventories	(25,327)	-	(25,327)
Prepaid items	1,482	62	1,544
Increase (decrease) in:			
Accounts payable	451,409	7,073	458,482
Accrued liabilities	76,382	3,677	80,059
Customer deposits	(7,399)	-	(7,399)
Unearned revenue	273	-	273
Net cash provided by operating activities	<u>\$ 3,546,511</u>	<u>\$ 314,547</u>	<u>\$ 3,861,058</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF KINGSLAND, GEORGIA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The City was incorporated under the provisions of Georgia Laws 1959, H.B. No. 242, Act No. 148. The City operates under a Mayor/Council form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, housing and development, public improvements, planning and zoning, and general administrative services.

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended, and includes all component units of which the City appointed a voting majority of the units’ board, the City is either able to impose its will on the unit, or a financial benefit or burden relationship exists.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides service entirely to the City or exclusively for the benefit of the City. These component units are blended into those of the City by appropriate activity type to compose the primary government presentation. Currently, the City has the following blended component units:

The **Kingsland Development Authority (“KDA”)** – The governing body of the KDA is appointed by the City Council. Although it is legally separate from the City, the KDA is reported as if it were part of the primary government because its sole purpose is to finance the construction of the City’s public buildings. The KDA does not issue separate financial statements.

The **Kingsland Downtown Development Authority (“KDDA”)** – The governing body of the KDDA is substantively the same as the City’s Council. Although it is legally separate from the City, the KDDA is reported as if it were part of the primary government because the KDDA benefits the primary government almost exclusively. The KDDA does not issue separate financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

The **Kingsland Area Convention and Visitors Bureau (“C&VB”)** was established in 1991 to promote tourism, trade and conventions. The C&VB is legally separate from the City and the City appoints a voting majority of the C&VB’s governing body. The City has the ability to remove appointed members of the C&VB’s board, and the City can modify the budget of the C&VB. Therefore, the City has the ability to impose its will on the C&VB. The C&VB does not issue separate financial statements.

The **Georgia Gateway Community Improvement District (“GGCID”)** was established in 2013 to exercise and fulfill the rights, powers, duties, and obligations of the GGCID in accordance with the terms of the City of Kingsland Community Improvement Districts Act, 2013 GA H.B. 586. The GGCID is legally separate from the City and the City appoints a voting majority of the GGCID’s governing body. The City has the ability to remove appointed members of the GGCID’s board, and the City can modify the budget of the GGCID. Therefore, the City has the ability to impose its will on the GGCID. The GGCID does not issue separate financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Infrastructure Fund** is a capital projects fund and was established to account for the purchase of certain infrastructure and other capital projects within the City.

The **Special Purpose Local Option Sales Tax ("SPLOST") VIII Fund** is a capital projects fund used to account for the proceeds of a 1% SPLOST.

The **Community Development Block Grant ("CDBG") Fund** is a special revenue fund used to account for the grant proceeds as well as the expenditures associated with the CDBG program.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The City reports the following major proprietary funds:

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

The **Solid Waste Fund** accounts for the activities of the City's solid waste management operations. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditures for specific purposes.

The **Capital Projects Fund** accounts for financial resources to be used for the acquisition of equipment or the construction of major capital projects.

The **Debt Service Fund** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and wastewater function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. Enterprise Fund budgets are prepared and utilized as a management tool to access the operations of the Enterprise Funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget resolution and amended as required for the General Fund, Special Revenue Funds, Debt Service Funds, and Enterprise Funds. Project length budgets are adopted for the Capital Projects Fund. All annual appropriations lapse at the end of each year.

The City code provides for the following procedures in establishing the budgetary data reflected in these financial statements:

At least 30 days before its adoption, the budget is prepared by the Chief Administrative Officer, transmitted to members of the governing body for their review and made available for public inspection. No earlier than seven days after the budget is transmitted to members of the governing body and no later than the date the budget is adopted by the governing body, a public hearing is held to give the public the opportunity to comment on the proposed budget.

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The budget is adopted at the department level.

Transfers of appropriations within a department budget or within a non-departmental expenditures category require only the approval of the Chief Administrative Officer. Increases in appropriations in a departmental budget or in a non-departmental expenditure category require approval of the governing body in the form of amendments to the budget resolution.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

The City did not employ encumbrance accounting during the year. Encumbrances, if existing at the end of the fiscal year, are recorded and appropriations lapse at the year-end. Open encumbrances would then be a reservation of fund balance since the commitments would be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at September 30, 2024, and none were recorded.

E. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. Deposits and Investments

State statutes authorize the City to invest in obligations of the U.S. government and agencies of corporations of the U.S. government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loans which have deposits insured by the Federal Deposit Insurance Corporation ("FDIC") or Federal Savings and Loan Insurance Corporation ("FSLIC"); prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). Georgia Fund 1 was created under the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8 and is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the Securities and Exchange Commission ("SEC") as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values. Increases or decreases in the fair value during the year are recognized as a component of interest income.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventory and Prepaid Items

Inventory in the governmental funds are valued at the average cost using the first in/first out ("FIFO") method. Inventory in the proprietary funds is valued at the lower of cost or market using the weighted average method. Prepaid expenses are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of September 30.

H. Short-Term Interfund Receivables/Payables

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

I. Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, business development employment, construction programs, capital asset additions and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both governmental and proprietary funds. Grant contributions in the proprietary funds, which are for the purpose of construction activities, land easement or capital asset acquisitions, are recorded as capital contributions within the statement of revenues and expenses. For all funds, a grant receivable is recorded when the City has a right to receive the related grant amounts.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 in the governmental funds and \$3,000 in the business-type funds and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. In accordance with GASB No. 34, the City has elected not to include infrastructure acquired prior to July 1, 2003.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

Depreciation is provided on the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	7 – 40
Land and building improvements	10 – 40
System improvements	10
Infrastructure	15 – 50
Machinery and equipment	5 – 20

K. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, as well as deferred charges, are deferred and amortized over the life of the bonds using the straight-line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. It is the City's policy to pay 25% of unpaid accumulated sick leave when employees separate from service with the City. Accumulated unpaid vacation costs and 25% of sick pay are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- **Non-spendable** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City’s Finance Director or City Manager to assign fund balances. It is the City’s policy for assigned fund balances in the General Fund to be at least 10% but not more than 20% of General Fund revenues for the year to fund future deficiencies or emergencies.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

N. Restricted Assets

The enterprise funds, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. Customer deposits that must be refunded upon the termination of service are restricted.

O. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial 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/expenditure) until then. The City has three items that qualify for reporting in this category, all of which relate to the City's Retirement Plan, and are reported in the government-wide Statement of Net Position. The difference between expected and actual experience changes represent consumption of resources and are amortized against pension expense over a five-year period. The net difference between projected and actual earnings on pension plan investments is deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the retirement plan before year-end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the government-wide Statement of Net Position and the governmental funds Balance Sheet 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and intergovernmental revenues and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other item relates to the City's Retirement Plan and is reported in the government-wide Statement of Net Position. Experience differences result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred inflows of resources and are amortized against pension expense over the expected remaining service lives of the plan members.

Q. 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 Kingsland 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.

R. Tax Abatement Agreements

In a prior year, the City implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This statement requires the City to disclose information for any tax abatement agreements either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenues. As of September 30, 2024, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS

Total deposits and investments as of September 30, 2024 are summarized as follows:

As reported in the Statement of Net Position:

Cash and cash equivalents	\$ 38,083,275
Investments	13,779,053
Restricted assets:	
Cash and cash equivalents	22,305,330
Investments	870,640
Component Units - cash and cash equivalents	1,105,386
	<u>\$ 76,143,684</u>
Cash deposited with financial institutions	\$ 47,523,595
Certificates of deposit	14,649,693
Cash deposited with Georgia Fund 1	13,970,396
	<u>\$ 76,143,684</u>

Credit Risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of September 30, 2024, the City's investment in Georgia Fund 1 was rated AA+ by Standard & Poor's.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At September 30, 2024, the City had the following cash equivalents and investments subject to interest rate risk:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Georgia Fund 1	17 day weighted average	\$ 13,970,396
Certificates of Deposit	12 months	14,649,693
		<u>\$ 28,620,089</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy. In addition, certificates of deposit are not subject to level disclosure.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of September 30, 2024, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES

A. Accounts Receivable

Receivables as of September 30, 2024, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	CDBG Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Receivables:				
Taxes	\$ 272,431	\$ -	\$ -	\$ 272,431
Accounts	346,860	-	106,243	453,103
Intergovernmental	566,241	149,552	240,803	956,596
Gross receivables	1,185,532	149,552	347,046	1,682,130
Less: allowance for uncollectibles	(110,459)	-	-	(110,459)
Net total receivables	<u>\$ 1,075,073</u>	<u>\$ 149,552</u>	<u>\$ 347,046</u>	<u>\$ 1,571,671</u>

	Water and Sewer	Solid Waste Fund	Total Proprietary Funds
Receivables:			
Accounts	\$ 937,181	\$ 146,055	\$ 1,083,236
Gross receivables	937,181	146,055	1,083,236
Less: allowance for uncollectibles	(45,579)	(7,302)	(52,881)
Net total receivables	<u>\$ 891,602</u>	<u>\$ 138,753</u>	<u>\$ 1,030,355</u>

B. Property Taxes

Property taxes are attached as an enforceable lien on property as of January 1. Taxes were levied on December 1, 2023, and payable on or before February 6, 2024. Penalties were applied on all unpaid taxes as of May 6, 2024. The City bills and collects its own property taxes. Property taxes levied for the year ended September 30, 2024 are recorded as receivable, net of the estimated uncollectable amount of \$62,557.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,252,162	\$ -	\$ -	\$ -	\$ 2,252,162
Construction in progress	1,846,605	2,165,454	-	(3,674,136)	337,923
Total capital assets, not being depreciated	<u>4,098,767</u>	<u>2,165,454</u>	<u>-</u>	<u>(3,674,136)</u>	<u>2,590,085</u>
Capital assets, being depreciated:					
Buildings	2,855,123	-	-	-	2,855,123
Land and building improvements	5,482,727	4,664	-	1,773,502	7,260,893
Infrastructure	31,518,905	-	-	1,900,634	33,419,539
Machinery and equipment	12,334,507	3,637,299	(312,042)	-	15,659,764
Total capital assets, being depreciated	<u>52,191,262</u>	<u>3,641,963</u>	<u>(312,042)</u>	<u>3,674,136</u>	<u>59,195,319</u>
Less accumulated depreciation for:					
Buildings	(2,249,573)	(62,466)	-	-	(2,312,039)
Land and building improvements	(4,628,704)	(262,995)	-	-	(4,891,699)
Infrastructure	(12,527,913)	(1,046,569)	-	-	(13,574,482)
Machinery and equipment	(9,479,052)	(837,345)	306,787	-	(10,009,610)
Total accumulated depreciation	<u>(28,885,242)</u>	<u>(2,209,375)</u>	<u>306,787</u>	<u>-</u>	<u>(30,787,830)</u>
Total capital assets, being depreciated, net	<u>23,306,020</u>	<u>1,432,588</u>	<u>(5,255)</u>	<u>3,674,136</u>	<u>28,407,489</u>
Governmental activities capital assets, net	<u>\$ 27,404,787</u>	<u>\$ 3,598,042</u>	<u>\$ (5,255)</u>	<u>\$ -</u>	<u>\$ 30,997,574</u>
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 116,785	\$ -	\$ -	\$ -	\$ 116,785
Construction in progress	396,510	448,965	-	(89,388)	756,087
Total capital assets, not being depreciated	<u>513,295</u>	<u>448,965</u>	<u>-</u>	<u>(89,388)</u>	<u>872,872</u>
Capital assets, being depreciated:					
Buildings and improvements	2,926,088	17,182	-	-	2,943,270
System improvements	65,724,135	128,686	-	89,388	65,942,209
Machinery and equipment	7,588,776	836,008	(558,164)	-	7,866,620
Total capital assets, being depreciated	<u>76,238,999</u>	<u>981,876</u>	<u>(558,164)</u>	<u>89,388</u>	<u>76,752,099</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,527,225)	(81,205)	-	-	(2,608,430)
Infrastructure	(37,829,279)	(1,657,865)	-	-	(39,487,144)
Machinery and equipment	(5,037,060)	(589,630)	558,164	-	(5,068,526)
Total accumulated depreciation	<u>(45,393,564)</u>	<u>(2,328,700)</u>	<u>558,164</u>	<u>-</u>	<u>(47,164,100)</u>
Total capital assets, being depreciated, net	<u>30,845,435</u>	<u>(1,346,824)</u>	<u>-</u>	<u>89,388</u>	<u>29,587,999</u>
Business-type activities capital assets, net	<u>\$ 31,358,730</u>	<u>\$ (897,859)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,460,871</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 199,664
Judicial	19,724
Public safety	732,861
Public works	1,197,742
Health and welfare	59,384
Total depreciation expense - governmental activities	<u>\$ 2,209,375</u>
Business-type activities:	
Water and sewer	\$ 2,058,829
Solid waste	269,871
Total depreciation expense - business-type activities	<u>\$ 2,328,700</u>

Capital asset activity for the Convention and Visitors Bureau for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Convention and Visitors Bureau					
Capital assets, not being depreciated:					
Land	\$ 323,167	\$ -	\$ -	\$ -	\$ 323,167
Total capital assets, not being depreciated	<u>323,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>323,167</u>
Capital assets, being depreciated:					
Buildings and improvements	2,124,857	-	-	-	2,124,857
Machinery and equipment	75,492	8,759	-	-	84,251
Total capital assets, being depreciated	<u>2,200,349</u>	<u>8,759</u>	<u>-</u>	<u>-</u>	<u>2,209,108</u>
Less accumulated depreciation for:					
Buildings and improvements	(849,035)	(54,484)	-	-	(903,519)
Machinery and equipment	(54,264)	(15,782)	-	-	(70,046)
Total accumulated depreciation	<u>(903,299)</u>	<u>(70,266)</u>	<u>-</u>	<u>-</u>	<u>(973,565)</u>
Total capital assets, being depreciated, net	<u>1,297,050</u>	<u>(61,507)</u>	<u>-</u>	<u>-</u>	<u>1,235,543</u>
Convention and Visitors Bureau capital assets, net	<u>\$ 1,620,217</u>	<u>\$ (61,507)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,558,710</u>

Depreciation expense of \$70,266 was charged to Housing and Economic Development for the year ended September 30, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Governmental activities:					
Revenue bonds payable	\$ 1,409,708	\$ -	\$ (156,497)	\$ 1,253,211	\$ 158,412
Compensated absences	326,039	520,521	(454,655)	391,905	269,453
Net pension liability	2,149,156	2,240,061	(2,341,043)	2,048,174	-
Governmental activity long-term liabilities	<u>\$ 3,884,903</u>	<u>\$ 2,760,582</u>	<u>\$ (2,952,195)</u>	<u>\$ 3,693,290</u>	<u>\$ 427,865</u>
Business-type activities:					
Bonds payable	\$ 20,000,000	\$ -	\$ (485,000)	\$ 19,515,000	\$ 640,000
Premium on bonds payable	1,900,909	-	(180,790)	1,720,119	154,717
Compensated absences	136,723	148,603	(142,342)	142,984	89,896
Business-type activity long-term liabilities	<u>\$ 22,037,632</u>	<u>\$ 148,603</u>	<u>\$ (808,132)</u>	<u>\$ 21,378,103</u>	<u>\$ 884,613</u>

For governmental activities, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Water and Sewer Fund and the Solid Waste Fund.

B. Revenue Bonds

Governmental Funds

During fiscal year 2007, the City issued revenue bonds in the amount of \$2,500,000 for the purpose of constructing a new welcome center. Revenue bonds outstanding at September 30, 2024 are as follows:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Original Amount	Retired	Balance at September 30, 2024
2/1/2007	Welcome Center Construction	2.15%	Monthly	2/1/2031	<u>\$ 2,500,000</u>	<u>\$ 1,246,789</u>	<u>\$ 1,253,211</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (CONTINUED)

B. Revenue Bonds (Continued)

Governmental Funds (Continued)

Debt service requirements to maturity on the revenue bonds are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 158,412	\$ 24,798	\$ 183,210
2026	161,755	21,455	183,210
2027	165,168	18,042	183,210
2028	168,654	14,556	183,210
2029	172,216	10,998	183,214
2030 – 2032	427,006	11,472	438,478
	<u>\$ 1,253,211</u>	<u>\$ 101,321</u>	<u>\$ 1,354,532</u>

Enterprise Funds

During fiscal year 2023, the City issued water and sewerage revenue bonds in the amount of \$20,000,000 for the purpose of making certain improvements to the City's water and sewerage system and for paying the costs of issuing the bonds. Revenue bonds outstanding at September 30, 2024 are as follows:

<u>Issue Date</u>	<u>Purpose</u>	<u>Interest Rate %</u>	<u>Interest Dates</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Retired</u>	<u>Balance at September 30, 2024</u>
7/11/2023	W&S Revenue Bonds, Series 2023	4.00% - 5.00%	3/1 - 9/1	9/1/2043	<u>\$ 20,000,000</u>	<u>\$ 485,000</u>	<u>\$ 19,515,000</u>

Debt service requirements to maturity on the revenue bonds are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 640,000	\$ 932,100	\$ 1,572,100
2026	675,000	900,100	1,575,100
2027	705,000	866,350	1,571,350
2028	740,000	831,100	1,571,100
2029	780,000	794,100	1,574,100
2030 – 2034	4,515,000	3,346,250	7,861,250
2035 – 2039	5,765,000	2,098,250	7,863,250
2040 – 2043	5,695,000	594,700	6,289,700
	<u>\$ 19,515,000</u>	<u>\$ 10,362,950</u>	<u>\$ 29,877,950</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (CONTINUED)

C. Component Unit

Long-term liability activity for the year ended September 30, 2024 for the Convention and Visitors Bureau was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Convention and Visitors Bureau					
Compensated absences	\$ 11,588	\$ 24,691	\$ (26,626)	\$ 9,653	\$ 8,701
Net pension liability	88,849	80,641	(90,354)	79,136	-
Convention and Visitors Bureau long-term liabilities	<u>\$ 100,437</u>	<u>\$ 105,332</u>	<u>\$ (116,980)</u>	<u>\$ 88,789</u>	<u>\$ 8,701</u>

NOTE 6. DEFICIT FUND BALANCE

Deficit Fund Balance

The following funds reported deficit fund balance for the fiscal year ended September 30, 2024: Community Development Block Grant ("CDBG") Fund's deficit fund balance of \$53,600 and the Multiple Grants Fund's deficit fund balance of \$7,634. These deficits are the result of timing and will be eliminated in the next fiscal year as reimbursement requests are submitted and the remaining grant funds are received.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN

A. Plan Description

The City, as authorized by the City Council, has established a non-contributory defined benefit pension plan – the City of Kingsland Retirement Plan (the “Plan”), covering substantially all of the City’s employees. The City’s pension plan is administered through the Georgia Municipal Employee Benefit System (“GMEBS”), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive between 1% and 1.75% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to:

Georgia Municipal Association
Risk Management and Employee Benefit Services
201 Pryor Street, NW
Atlanta, Georgia 30303
or by calling (404) 688-0472

Plan membership. As of January 1, 2024, pension plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	85
Terminated plan members entitled to, but not receiving, benefits	102
Active plan members	160
Total	<u>347</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, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. City and CVB contributions to the Plan were \$381,531 and \$14,742, respectively, for the year ended September 30, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City and C&VB

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

Actuarial assumptions. The total pension liability in the January 1, 2024 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 were based on the gender-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019.

Cost of living adjustments were assumed to be 2.10% although the Plan allowance for annual cost of living adjustment is variable, as established by the City Council, in an amount not to exceed 4.00%.

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 September 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equity	45%	6.91%
International equity	20%	7.21%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
Domestic fixed income	20%	1.61%
Cash	-	%
Total	100%	

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City and C&VB (Continued)

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.

Changes in the Net Pension Liability. 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)
Beginning Balance	\$ 16,328,779	\$ 14,179,623	\$ 2,149,156
<i>Changes for the year:</i>			
Service cost	240,758	-	240,758
Interest	1,198,973	-	1,198,973
Differences between expected and actual experience	767,687	-	767,687
Contributions - employer	-	420,098	(420,098)
Net investment income	-	1,920,945	(1,920,945)
Benefit payments, including refunds of employee contributions	(772,362)	(772,362)	-
Administrative expense	-	(32,643)	32,643
<i>Net changes</i>	1,435,056	1,536,038	(100,982)
Ending Balance	<u>\$ 17,763,835</u>	<u>\$ 15,715,661</u>	<u>\$ 2,048,174</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City and C&VB (Continued)

Changes in the Net Pension Liability (Continued). The changes in the components of the net pension liability of the C&VB for the year ended September 30, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	\$ 712,786	\$ 623,937	\$ 88,849
<i>Changes for the year:</i>			
Service cost	3,477	-	3,477
Interest	46,275	-	46,275
Differences between expected and actual experience	29,629	-	29,629
Contributions - employer	-	16,214	(16,214)
Net investment income	-	74,140	(74,140)
Benefit payments, including refunds of employee contributions	(29,810)	(29,810)	-
Administrative expense	-	(1,260)	1,260
Net changes	49,571	59,284	(9,713)
Ending Balance	\$ 762,357	\$ 683,221	\$ 79,136

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

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 4,317,037	\$ 2,048,174	\$ 159,389
C&VB's net pension liability	166,618	79,136	6,152

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023, and the current sharing pattern of costs between employer and employee.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

C. 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 \$735,709. At September 30, 2024, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 725,546	\$ -
Differences between expected and actual experience differences	618,011	147,834
Contributions subsequent to the measurement date	<u>381,531</u>	<u>-</u>
Total	<u><u>\$ 1,725,088</u></u>	<u><u>\$ 147,834</u></u>

City contributions subsequent to the measurement date of \$381,531 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:

<u>Year ending September 30,</u>	
2025	\$ 187,858
2026	354,088
2027	830,567
2028	<u>(176,790)</u>
Total	<u><u>\$ 1,195,723</u></u>

For the year ended September 30, 2024, the C&VB recognized pension expense of \$28,395. At September 30, 2024, the C&VB reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 28,003	\$ -
Differences between expected and actual experience differences	23,852	5,706
Contributions subsequent to the measurement date	<u>14,742</u>	<u>-</u>
Total	<u><u>\$ 66,597</u></u>	<u><u>\$ 5,706</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

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

C&VB contributions subsequent to the measurement date of \$14,742 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:

<u>Year ending September 30,</u>	
2025	\$ 7,250
2026	13,666
2027	32,056
2028	(6,823)
Total	<u>\$ 46,149</u>

NOTE 8. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of September 30, 2024 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 95,999
General Fund	CDBG Grant Fund	159,912
SPLOST VIII	Nonmajor Governmental Funds	573,146
Nonmajor Governmental Funds	Nonmajor Governmental Funds	18,061
		<u>\$ 847,118</u>

Interfund receivables and payables result from timing differences related to payroll, grant reimbursements, and other year-end transactions which normally clear within one to two months.

Interfund transfers for the year ended September 30, 2024 consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount</u>
General Fund	Water and Sewer Fund	\$ 81,384
Nonmajor Governmental Funds	Water and Sewer Fund	40,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	238,850
General Fund	Solid Waste Fund	15,792
General Fund	Nonmajor Governmental Funds	547,950
SPLOST VIII	Nonmajor Governmental Funds	573,146
Nonmajor Governmental Funds	General Fund	2,481,554
Water and Sewer Fund	Infrastructure Fund	96,319
		<u>\$ 4,074,995</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

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

NOTE 9. HOTEL/MOTEL LODGING TAX

The City has levied a 6% lodging tax. For the fiscal year ended September 30, 2024, \$1,405,000 of hotel/motel tax was collected. Of the total collected, approximately 44%, or \$618,200, was used for the promotion of tourism within the City; 17%, or \$238,850, for the construction of a facility for visitor center purposes; and 39%, or \$547,950; for general government needs.

NOTE 10. JOINT VENTURES

Under Georgia Law, the City, in conjunction with other cities and counties in the nine-county coastal Georgia region, is a member of the Coastal Regional Commission and is required to pay annual dues thereto. The Coastal Regional Commission is one of the 16 Regional Commissions ("RC") that cover the State of Georgia. During its year ended September 30, 2024, the City paid \$23,838 in such dues. Membership in an RC is required by the O.C.G.A. §50-8-34 which provided for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Coastal Regional Commission
P.O. Box 1917
Brunswick, Georgia 31521

NOTE 11. JOINTLY GOVERNED ORGANIZATION

Under a contract with the Camden County Public Service Authority (the "Authority") in conjunction with the City of St. Mary's, the City of Woodbine, and Camden County, the City provides funding on an annual basis to the Authority. During the year ended September 30, 2024, the City paid the Authority \$604,678. The Authority board is made up of the Mayors of Kingsland and St. Mary's, and is charged with providing recreation services to all citizens of Camden County.

Separate financial statements may be obtained from:

Camden County Public Service Authority
1050 Wildcat Drive
Kingsland, Georgia 31548

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENCIES

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

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 13. DEFINED CONTRIBUTION PLAN

The City offers its employees a defined contribution plan. The plan is administered by the Georgia Municipal Association. The City Council is responsible and has authority to amend the plan provisions to the plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The City makes a 10% match with a bi-weekly cap of \$25. The plan is included in the City's financial statements. The City made \$6,485 in contributions to the plan during the year ended September 30, 2024.

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of losses 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 Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the 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' agents and attorneys to represent the City in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RISK MANAGEMENT (CONTINUED)

Settled claims in the past three years have not exceeded the coverages.

The City pays unemployment claims to the State Department of Labor on a reimbursement basis. Liabilities on such claims are immaterial and are not accrued.

NOTE 15. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The plan does not meet the definition of a pension plan under GASB Statements No. 67 or 73, nor does it meet the definition of a fiduciary activity in accordance with GASB Statement No. 84, as amended. As such, no assets or liabilities of the City's Deferred Compensation Plan are included in the City's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF KINGSLAND, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY (ASSETS) AND RELATED RATIOS FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2024	2023	2022
Total pension liability			
Service cost	\$ 240,758	\$ 255,836	\$ 260,519
Interest on total pension liability	1,198,973	1,177,956	1,106,393
Changes of benefit terms	-	-	-
Differences between expected and actual experience	767,687	(442,331)	168,001
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(772,362)	(685,919)	(619,960)
Other	-	-	38,086
Net change in total pension liability	1,435,056	305,542	953,039
Total pension liability - beginning	16,328,779	16,023,237	15,070,198
Total pension liability - ending (a)	17,763,835	16,328,779	16,023,237
Plan fiduciary net position			
Contributions - employer	420,098	437,503	465,857
Net investment income	1,920,945	(2,801,110)	3,396,561
Benefit payments, including refunds of employee contributions	(772,362)	(685,919)	(619,960)
Administrative expenses	(32,643)	(30,876)	(34,378)
Net change in fiduciary net position	1,536,038	(3,080,402)	3,208,080
Plan fiduciary net position - beginning	14,179,623	17,260,025	14,051,945
Plan fiduciary net position - ending (b)	15,715,661	14,179,623	17,260,025
City's net pension liability (asset) - ending (a) - (b)	\$ 2,048,174	\$ 2,149,156	\$ (1,236,788)
Plan fiduciary net position as a percentage of total pension liability	88.5%	86.8%	107.7%
Covered payroll	\$ 5,376,416	\$ 5,902,008	\$ 5,914,527
City's net pension liability (asset) as a percentage of covered payroll	38.1%	36.4%	-20.9%

2021	2020	2019	2018	2017	2016	2015
\$ 251,550	\$ 251,464	\$ 238,814	\$ 251,434	\$ 256,503	\$ 293,505	\$ 379,215
1,054,494	999,135	947,113	897,666	844,819	819,415	815,948
-	-	-	-	-	-	(788)
13,304	192,493	(142,573)	97,947	(75,002)	(227,985)	(639,510)
-	-	-	18,218	-	-	(170,632)
(587,149)	(517,177)	(481,493)	(454,222)	(413,460)	(396,687)	(282,290)
-	318,699	-	-	-	-	-
732,199	1,244,614	561,861	811,043	612,860	488,248	101,943
14,337,999	13,093,385	12,531,524	11,720,481	11,107,621	10,771,439	10,669,496
15,070,198	14,337,999	13,093,385	12,531,524	11,720,481	11,259,687	10,771,439
398,695	388,847	419,813	449,243	517,045	719,594	738,720
1,253,972	384,330	1,165,673	1,545,722	1,022,025	87,249	871,224
(587,149)	(517,177)	(481,493)	(454,222)	(413,460)	(396,687)	(282,289)
(30,016)	(28,716)	(29,572)	(30,861)	(17,428)	(20,733)	(16,466)
1,035,502	227,284	1,074,421	1,509,882	1,108,182	389,423	1,311,189
13,016,443	12,789,159	11,714,738	10,204,856	9,096,674	8,831,787	7,520,598
14,051,945	13,016,443	12,789,159	11,714,738	10,204,856	9,221,210	8,831,787
\$ 1,018,253	\$ 1,321,556	\$ 304,226	\$ 816,786	\$ 1,515,625	\$ 2,038,477	\$ 1,939,652
93.2%	90.8%	97.7%	93.5%	87.1%	81.9%	82.0%
\$ 5,707,047	\$ 5,833,034	\$ 5,428,240	\$ 5,218,944	\$ 5,089,703	\$ 4,937,012	\$ 5,301,208
17.8%	22.7%	5.6%	15.7%	29.8%	41.3%	36.6%

CITY OF KINGSLAND, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2024	2023	2022
Actuarially determined contribution	\$ 381,531	\$ 418,989	\$ 455,592
Contributions in relation to the actuarially determined contribution	381,531	418,989	455,592
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 6,690,547	\$ 5,376,416	\$ 5,902,008
Contributions as a percentage of covered payroll	5.7%	7.8%	7.7%

Notes to the Schedule:

Valuation Date	January 1, 2024
Cost Method	Projected unit credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of the year and the cash flow during the year plus assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	2.10% for participants terminated on or after October 1, 1989 provided participant was employed before January 1, 2014; 0.00% otherwise
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	N/A

2021	2020	2019	2018	2017	2016	2015
\$ 451,386	\$ 413,663	\$ 440,254	\$ 435,084	\$ 465,923	\$ 540,333	\$ 741,849
451,386	413,663	440,254	435,084	465,923	540,333	741,849
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,914,527	\$ 5,707,047	\$ 5,833,034	\$ 5,428,240	\$ 5,218,944	\$ 5,089,703	\$ 4,937,012
7.6%	7.2%	7.5%	8.0%	8.9%	10.6%	15.0%

**COMBINING AND INDIVIDUAL NONMAJOR FUND FINANCIAL
STATEMENTS AND SCHEDULES**

CITY OF KINGSLAND, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

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.

The **Drug Forfeiture Fund** was established to account for cash received either as a result of a cash confiscation or from the sale of capital assets acquired from a drug raid.

The **Revolving Loan Fund** was established to account for cash and cash payments regarding loans paid by the City.

The **Kingsland Development Authority Fund** is used to account for the blended component unit activity related to financing the construction of the City's public buildings.

The **Kingsland Downtown Development Authority Fund** is used to account for the blended component unit activity related to services and benefits for the community.

The **Tax Allocation District 1 Fund** was established to account for the receipt of the incremental increase of property taxes over the base years and expenditures committed to economic development.

The **Hotel/Motel Tax Fund** was established to account for the tax revenues collected from the hotels/motels in the City and to track the expenditures associated with those revenues.

The **Tap Grant Fund** was established to account for the grants proceeds as well as the expenditures associated with the Tap program.

The Community Development Block Grant ("CDBG")-**MIT Grant Fund** was established to account for the grants proceeds as well as the expenditures associated with the CDBG program.

The **Multiple Grant Fund** was established to account for various grant proceeds as well as the expenditures associated with the grants.

CAPITAL PROJECTS FUND

The **Capital Projects Fund** accounts for financial resources to be used for the acquisition of equipment or the construction of major capital projects.

DEBT SERVICE FUND

The **Revenue Bond Fund** was established to account for the principal and interest bond payments on the Series 1991 Revenue Bonds issued for the renovation and equipping of the old Camden Hotel within the City.

CITY OF KINGSLAND, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2024

	Special Revenue Funds				
	Drug Forfeiture Fund	Revolving Loan Fund	Kingsland Development Authority Fund	Kingsland Downtown Development Authority Fund	Tax Allocation District 1 Fund
ASSETS					
Cash	\$ 211,464	\$ 685	\$ 707	\$ 140,390	\$ 11,320
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>\$ 211,464</u>	<u>\$ 685</u>	<u>\$ 707</u>	<u>\$ 140,390</u>	<u>\$ 11,320</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 2,250	\$ -	\$ -	\$ 2,271	\$ -
Due to other funds	-	-	-	-	-
Due to component unit	-	-	-	-	-
Unearned revenue	85,903	-	-	20,211	-
Total liabilities	<u>88,153</u>	<u>-</u>	<u>-</u>	<u>22,482</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - intergovernmental	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted for:					
Public safety	123,311	-	-	-	-
Public works	-	-	-	-	-
Housing and economic development	-	685	707	117,908	11,320
Debt service	-	-	-	-	-
Assigned for capital projects:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Housing and economic development	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>123,311</u>	<u>685</u>	<u>707</u>	<u>117,908</u>	<u>11,320</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 211,464</u>	<u>\$ 685</u>	<u>\$ 707</u>	<u>\$ 140,390</u>	<u>\$ 11,320</u>

Special Revenue Funds				Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Hotel/Motel Tax Fund	Tap Grant Fund	CDBG-MIT Grant Fund	Multiple Grant Fund	Capital Projects Fund	Revenue Bond Fund	
\$ -	\$ -	\$ -	\$ 545,823	\$ 4,386,958	\$ 403,457	\$ 5,700,804
106,243	-	-	-	-	-	106,243
-	-	-	-	-	18,061	18,061
-	35,524	165,123	40,156	-	-	240,803
<u>\$ 106,243</u>	<u>\$ 35,524</u>	<u>\$ 165,123</u>	<u>\$ 585,979</u>	<u>\$ 4,386,958</u>	<u>\$ 421,518</u>	<u>\$ 6,065,911</u>
\$ -	\$ 24,456	\$ 121,623	\$ 10,407	\$ 805,053	\$ -	\$ 966,060
59,496	11,068	43,496	573,146	-	-	687,206
46,747	-	-	-	-	-	46,747
-	-	-	2,404	-	-	108,518
<u>106,243</u>	<u>35,524</u>	<u>165,119</u>	<u>585,957</u>	<u>805,053</u>	<u>-</u>	<u>1,808,531</u>
-	-	-	7,656	-	-	7,656
<u>-</u>	<u>-</u>	<u>-</u>	<u>7,656</u>	<u>-</u>	<u>-</u>	<u>7,656</u>
-	-	-	-	-	-	123,311
-	-	4	-	-	-	4
-	-	-	-	-	-	130,620
-	-	-	-	-	421,518	421,518
-	-	-	-	100,000	-	100,000
-	-	-	-	2,320,869	-	2,320,869
-	-	-	-	68,570	-	68,570
-	-	-	-	1,092,466	-	1,092,466
-	-	-	(7,634)	-	-	(7,634)
<u>-</u>	<u>-</u>	<u>4</u>	<u>(7,634)</u>	<u>3,581,905</u>	<u>421,518</u>	<u>4,249,724</u>
<u>\$ 106,243</u>	<u>\$ 35,524</u>	<u>\$ 165,123</u>	<u>\$ 585,979</u>	<u>\$ 4,386,958</u>	<u>\$ 421,518</u>	<u>\$ 6,065,911</u>

CITY OF KINGSLAND, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds				
	Drug Forfeiture Fund	Revolving Loan Fund	Kingsland Development Authority Fund	Kingsland Downtown Development Authority Fund	Tax Allocation District 1 Fund
Revenues					
Fines and forfeitures	\$ 85,512	\$ -	\$ -	\$ -	\$ -
Hotel/Motel taxes	-	-	-	-	-
Taxes	-	-	-	-	1,447
Interest revenue	4,806	-	4	132	-
Intergovernmental	-	-	-	-	-
Miscellaneous	-	-	-	76,740	-
Total revenues	<u>90,318</u>	<u>-</u>	<u>4</u>	<u>76,872</u>	<u>1,447</u>
Expenditures					
Current:					
Public safety	11,405	-	-	-	-
Public works	-	-	-	-	-
Housing and economic development	-	-	-	67,773	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>11,405</u>	<u>-</u>	<u>-</u>	<u>67,773</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>78,913</u>	<u>-</u>	<u>4</u>	<u>9,099</u>	<u>1,447</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	78,913	-	4	9,099	1,447
Fund balances (deficits), beginning of year	<u>44,398</u>	<u>685</u>	<u>703</u>	<u>108,809</u>	<u>9,873</u>
Fund balances (deficit), end of year	<u>\$ 123,311</u>	<u>\$ 685</u>	<u>\$ 707</u>	<u>\$ 117,908</u>	<u>\$ 11,320</u>

Special Revenue Funds				Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Hotel/Motel Tax Fund	Tap Grant Fund	CDBG-MIT Grant Fund	Multiple Grant Fund	Capital Projects Fund	Revenue Bond Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,512
1,405,000	-	-	-	-	-	1,405,000
-	-	-	-	-	-	1,447
-	-	-	-	-	-	4,942
-	110,472	1,037,350	676,343	-	-	1,824,165
-	-	-	-	-	-	76,740
1,405,000	110,472	1,037,350	676,343	-	-	3,397,806
-	-	-	41,175	-	-	52,580
-	110,472	921,406	55,928	-	-	1,087,806
618,200	-	-	-	-	-	685,973
-	-	-	-	-	156,497	156,497
-	-	-	-	-	24,223	24,223
-	-	-	-	889,645	-	889,645
618,200	110,472	921,406	97,103	889,645	180,720	2,896,724
786,800	-	115,944	579,240	(889,645)	(180,720)	501,082
-	-	-	-	2,521,554	238,850	2,760,404
(786,800)	-	-	(573,146)	-	-	(1,359,946)
(786,800)	-	-	(573,146)	2,521,554	238,850	1,400,458
-	-	115,944	6,094	1,631,909	58,130	1,901,540
-	-	(115,940)	(13,728)	1,949,996	363,388	2,348,184
\$ -	\$ -	\$ 4	\$ (7,634)	\$ 3,581,905	\$ 421,518	\$ 4,249,724

CITY OF KINGSLAND, GEORGIA

DRUG FORFEITURE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 85,512	\$ 35,512
Interest revenue	1,000	1,000	4,806	3,806
Total revenues	51,000	51,000	90,318	39,318
Expenditures				
Current:				
Public safety	51,000	51,000	11,405	39,595
Total expenditures	51,000	51,000	11,405	39,595
Net change in fund balances	-	-	78,913	78,913
Fund balances, beginning of year	44,398	44,398	44,398	-
Fund balances, end of year	\$ 44,398	\$ 44,398	\$ 123,311	\$ 78,913

CITY OF KINGSLAND, GEORGIA

REVOLVING LOAN FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Intergovernmental	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	685	685	685	-
Fund balances, end of year	<u>\$ 685</u>	<u>\$ 685</u>	<u>\$ 685</u>	<u>\$ -</u>

CITY OF KINGSLAND, GEORGIA

KINGSLAND DEVELOPMENT AUTHORITY FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Interest revenue	\$ -	\$ -	\$ 4	\$ 4
Total revenues	-	-	4	4
Expenditures				
Housing and economic development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	4	4
Fund balances, beginning of year	703	703	703	-
Fund balances, end of year	<u>\$ 703</u>	<u>\$ 703</u>	<u>\$ 707</u>	<u>\$ 4</u>

CITY OF KINGSLAND, GEORGIA

KINGSLAND DOWNTOWN DEVELOPMENT AUTHORITY FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Interest revenue	\$ -	\$ 100	\$ 132	\$ 32
Miscellaneous	97,900	77,680	76,740	(940)
Total revenues	97,900	77,780	76,872	(908)
Expenditures				
Housing and economic development	97,900	77,780	67,773	10,007
Total expenditures	97,900	77,780	67,773	10,007
Net change in fund balances	-	-	9,099	9,099
Fund balances, beginning of year	108,809	108,809	108,809	-
Fund balances, end of year	<u>\$ 108,809</u>	<u>\$ 108,809</u>	<u>\$ 117,908</u>	<u>\$ 9,099</u>

CITY OF KINGSLAND, GEORGIA

TAX ALLOCATION DISTRICT 1 FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 1,542	\$ 1,542	\$ 1,447	\$ (95)
Total revenues	1,542	1,542	1,447	(95)
Expenditures				
Housing and economic development	1,542	1,542	-	1,542
Total expenditures	1,542	1,542	-	1,542
Net change in fund balances	-	-	1,447	1,447
Fund balances, beginning of year	9,873	9,873	9,873	-
Fund balances, end of year	<u>\$ 9,873</u>	<u>\$ 9,873</u>	<u>\$ 11,320</u>	<u>\$ 1,447</u>

CITY OF KINGSLAND, GEORGIA

HOTEL/MOTEL TAX FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Hotel/Motel taxes	\$ 1,350,000	\$ 1,405,000	\$ 1,405,000	\$ -
Total revenues	1,350,000	1,405,000	1,405,000	-
Expenditures				
Housing and economic development	594,000	618,200	618,200	-
Total expenditures	594,000	618,200	618,200	-
Excess of revenues over expenditures	756,000	786,800	786,800	-
Other financing uses				
Transfers out	(756,000)	(786,800)	(786,800)	-
Total other financing uses	(756,000)	(786,800)	(786,800)	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KINGSLAND, GEORGIA

TAP GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 528,995	\$ 528,995	\$ 110,472	\$ (418,523)
Total revenues	528,995	528,995	110,472	(418,523)
Expenditures				
Public works	528,995	528,995	110,472	418,523
Total expenditures	528,995	528,995	110,472	418,523
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF KINGSLAND, GEORGIA

CDBG-MIT GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 934,580	\$ 934,580	\$ 1,037,350	\$ 102,770
Total revenues	934,580	934,580	1,037,350	102,770
Expenditures				
Public works	934,580	934,580	921,406	13,174
Total expenditures	934,580	934,580	921,406	13,174
Net change in fund balances	-	-	115,944	115,944
Fund balances (deficit), beginning of year	(115,940)	(115,940)	(115,940)	-
Fund balances (deficit), end of year	<u>\$ (115,940)</u>	<u>\$ (115,940)</u>	<u>\$ 4</u>	<u>\$ 115,944</u>

CITY OF KINGSLAND, GEORGIA

MULTIPLE GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 307,926	\$ 679,083	\$ 676,343	\$ (2,740)
Total revenues	307,926	679,083	676,343	(2,740)
Expenditures				
Current:				
Public safety	35,000	50,008	41,175	8,833
Public works	16,875	55,928	55,928	-
Total expenditures	51,875	105,936	97,103	8,833
Excess of revenues over expenditures	256,051	573,147	579,240	6,093
Other financing uses				
Transfers out	(256,051)	(573,147)	(573,146)	1
Total other financing uses	(256,051)	(573,147)	(573,146)	1
Net change in fund balances	-	-	6,094	6,094
Fund balances (deficits), beginning of year	(13,728)	(13,728)	(13,728)	-
Fund balances (deficits), end of year	<u>\$ (13,728)</u>	<u>\$ (13,728)</u>	<u>\$ (7,634)</u>	<u>\$ 6,094</u>

CITY OF KINGSLAND, GEORGIA

REVENUE BOND FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Debt service:				
Principal	156,470	156,497	156,497	-
Interest and other charges	24,250	24,223	24,223	-
Contingency	48,780	58,130	-	58,130
Total expenditures	229,500	238,850	180,720	58,130
Deficiency of revenues under expenditures	(229,500)	(238,850)	(180,720)	58,130
Other financing sources				
Transfers in	229,500	238,850	238,850	-
Total other financing sources	229,500	238,850	238,850	-
Net change in fund balances	-	-	58,130	58,130
Fund balances, beginning of year	363,388	363,388	363,388	-
Fund balances, end of year	<u>\$ 363,388</u>	<u>\$ 363,388</u>	<u>\$ 421,518</u>	<u>\$ 58,130</u>

CITY OF KINGSLAND, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX VIII PROCEEDS - 2019 ISSUE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Buildings (Upgrades and Remodel)	\$ 1,250,000	\$ 1,250,000	\$ 927,339	\$ 846,161	\$ 1,773,500
Machinery and Equipment	1,478,465	1,478,465	1,154,546	-	1,154,546
Road and Drainage Projects	4,812,630	4,812,630	700,110	125,903	826,013
Resurfacing Projects	1,117,000	1,117,000	964,969	995,272	1,960,241
Sidewalk Projects	565,000	565,000	12,871	167,053	179,924
Water and Sewer Projects	3,235,000	3,235,000	567,888	-	567,888
	<u>\$ 12,458,095</u>	<u>\$ 12,458,095</u>	<u>\$ 4,327,723</u>	<u>\$ 2,134,389</u>	<u>\$ 6,462,112</u>

Total SPLOST VIII Fund expenditures	\$ 2,707,535
Resurfacing project expenditures funded by local maintenance and improvements grant	<u>(573,146)</u>
Total SPLOST VIII expenditures	<u>\$ 2,134,389</u>

CITY OF KINGSLAND, GEORGIA

BALANCE SHEET COMPONENT UNITS SEPTEMBER 30, 2024

	Georgia Gateway CID	Convention and Visitors Bureau
ASSETS		
Cash and cash equivalents	\$ 24,089	\$ 1,081,297
Due from primary government	-	46,747
Prepaid items	-	341
Total assets	24,089	1,128,385
LIABILITIES		
Accounts payable	-	52,882
Accrued liabilities	-	9,299
Total liabilities	-	62,181
FUND BALANCES		
Non-spendable:		
Prepaid items	-	341
Unassigned	24,089	1,065,863
Total fund balances	\$ 24,089	\$ 1,066,204
Amounts reported for discretely presented component units in the Statement of Net Position are different because:		
Fund balances of governmental funds	\$ 24,089	\$ 1,066,204
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	-	1,558,710
Deferred outflows of resources are not available to pay current period expenditures and, therefore, are not reported in the funds.	-	66,597
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	-	(9,653)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	-	(79,136)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	-	(5,706)
Net position of discretely presented component units	\$ 24,089	\$ 2,597,016

CITY OF KINGSLAND, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPONENT UNITS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Georgia Gateway CID	Convention and Visitors Bureau
Revenues		
Intergovernmental	\$ -	\$ 618,200
Taxes	1,152	-
Miscellaneous	-	84,171
Total revenues	<u>1,152</u>	<u>702,371</u>
Expenditures		
Current:		
Housing and economic development	-	705,538
Total expenditures	<u>-</u>	<u>705,538</u>
Net change in fund balances	1,152	(3,167)
Fund balances, beginning of year	<u>22,937</u>	<u>1,069,371</u>
Fund balances, end of year	<u><u>\$ 24,089</u></u>	<u><u>\$ 1,066,204</u></u>
Amounts reported for discretely presented component units in the Statement of Activities are different because:		
Net change in fund balances	\$ 1,152	\$ (3,167)
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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.	-	(61,507)
Pension expense related to the net pension asset as recorded in the Statement of Activities is based on the C&VB's proportionate share of pension expense of the retirement system as a whole, whereas pension expenditures recorded in the funds are based on the use of financial resources (e.g., required contributions). Thus, the change in net position differs from the change in fund balance by the amount by which the C&VB's proportionate share of pension expense exceeds actual contributions.	-	(13,438)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>-</u>	<u>1,935</u>
Change in net position of discretely presented component units	<u><u>\$ 1,152</u></u>	<u><u>\$ (76,177)</u></u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Kingsland's (the "City") 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	84 – 89
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	90 – 94
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	95 – 99
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	100 and 101
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information.....	102 – 105
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	
Water and Sewer System Data	106 – 112
<i>These schedules contain water and sewer system data to help the reader understand how the information in the City's financial report relates to the water and sewer services the City provides and the capacity it performs and serves.</i>	

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

CITY OF KINGSLAND, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
capital										
assets	\$ 25,397,393	\$ 24,318,855	\$ 23,121,079	\$ 22,687,488	\$ 24,327,877	\$ 25,297,031	\$ 26,050,635	\$ 25,024,216	\$ 25,258,558	\$ 28,743,195
Restricted	1,234,433	2,286,205	1,714,330	3,073,831	4,286,452	2,769,362	2,203,214	4,289,430	14,969,750	13,359,151
Unrestricted	(3,072,498)	(441,116)	974,916	2,356,728	2,929,131	4,975,647	7,897,308	18,388,487	13,562,243	15,982,670
Total governmental activities net position	<u>\$ 23,559,328</u>	<u>\$ 26,163,944</u>	<u>\$ 25,810,325</u>	<u>\$ 28,118,047</u>	<u>\$ 31,543,460</u>	<u>\$ 33,042,040</u>	<u>\$ 36,151,157</u>	<u>\$ 47,702,133</u>	<u>\$ 53,790,551</u>	<u>\$ 58,085,016</u>
Business-type activities										
Net investment in capital	\$ 18,959,333	\$ 20,351,879	\$ 21,655,789	\$ 23,622,718	\$ 24,534,802	\$ 28,863,547	\$ 30,656,470	\$ 30,961,898	\$ 31,295,075	\$ 30,574,723
Unrestricted	4,818,240	6,250,501	7,593,657	8,419,517	10,081,105	12,299,657	14,926,632	17,465,864	19,716,344	23,282,085
Total business-type activities net position	<u>\$ 23,777,573</u>	<u>\$ 26,602,380</u>	<u>\$ 29,249,446</u>	<u>\$ 32,042,235</u>	<u>\$ 34,615,907</u>	<u>\$ 41,163,204</u>	<u>\$ 45,583,102</u>	<u>\$ 48,427,762</u>	<u>\$ 51,011,419</u>	<u>\$ 53,856,808</u>
Primary government										
Net investment in capital	\$ 44,356,726	\$ 44,670,734	\$ 44,776,868	\$ 46,310,206	\$ 48,862,679	\$ 54,160,578	\$ 56,707,105	\$ 55,986,114	\$ 56,553,633	\$ 59,317,918
Restricted	1,234,433	2,286,205	1,714,330	3,073,831	4,286,452	2,769,362	2,203,214	4,289,430	14,969,750	13,359,151
Unrestricted	1,745,742	5,809,385	8,568,573	10,776,245	13,010,236	17,275,304	22,823,940	35,854,351	33,278,587	39,264,755
government net position	<u>\$ 47,336,901</u>	<u>\$ 52,766,324</u>	<u>\$ 55,059,771</u>	<u>\$ 60,160,282</u>	<u>\$ 66,159,367</u>	<u>\$ 74,205,244</u>	<u>\$ 81,734,259</u>	<u>\$ 96,129,895</u>	<u>\$ 104,801,970</u>	<u>\$ 111,941,824</u>

CITY OF KINGSLAND, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 1,982,580	\$ 3,844,564	\$ 1,817,292	\$ 2,044,433	\$ 1,742,245	\$ 1,562,187	\$ 1,838,761	\$ 1,773,471	\$ 2,262,626	\$ 2,297,209
Judicial	474,513	486,418	361,302	428,548	363,189	376,924	549,300	665,521	541,531	868,767
Public safety	4,767,280	3,526,083	4,618,724	4,877,696	4,907,400	5,605,933	5,789,824	6,365,075	6,320,753	8,261,196
Public works	3,077,262	2,280,206	2,764,885	2,824,322	2,737,046	3,021,772	3,150,940	3,527,456	4,207,205	5,120,693
Housing and development	570,565	580,202	1,073,496	1,057,867	1,091,846	1,195,378	1,661,538	1,897,778	1,708,223	2,189,320
Interest on LT debt	387,423	118,055	103,626	97,940	82,711	44,520	36,926	31,688	27,027	24,223
Total government activities expenses	<u>\$ 11,259,623</u>	<u>\$ 10,835,528</u>	<u>\$ 10,739,325</u>	<u>\$ 11,330,806</u>	<u>\$ 10,924,437</u>	<u>\$ 11,806,714</u>	<u>\$ 13,027,289</u>	<u>\$ 14,260,989</u>	<u>\$ 15,067,365</u>	<u>\$ 18,761,408</u>
Business-type activities:										
Water and sewer	\$ 4,596,528	\$ 4,587,476	\$ 4,480,201	\$ 4,794,231	\$ 4,991,658	\$ 4,834,243	\$ 5,100,477	\$ 5,577,282	\$ 6,967,553	\$ 7,856,306
Solid waste	878,821	774,541	801,088	959,125	917,059	1,006,432	1,041,825	1,184,929	1,265,262	1,381,279
Total business-type activities expenses	<u>\$ 5,475,349</u>	<u>\$ 5,362,017</u>	<u>\$ 5,281,289</u>	<u>\$ 5,753,356</u>	<u>\$ 5,908,717</u>	<u>\$ 5,840,675</u>	<u>\$ 6,142,302</u>	<u>\$ 6,762,211</u>	<u>\$ 8,232,815</u>	<u>\$ 9,237,585</u>
Total primary government expenses	<u>\$ 16,734,972</u>	<u>\$ 16,197,545</u>	<u>\$ 16,020,614</u>	<u>\$ 17,084,162</u>	<u>\$ 16,833,154</u>	<u>\$ 17,647,389</u>	<u>\$ 19,169,591</u>	<u>\$ 21,023,200</u>	<u>\$ 23,300,180</u>	<u>\$ 27,998,993</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 439,553	\$ 407,156	\$ 427,990	\$ 669,550	\$ 590,985	\$ 964,514	\$ 804,918	\$ 902,578	\$ 1,073,147	\$ 1,176,132
Judicial	1,089,642	1,201,442	-	-	-	-	-	-	-	-
Public safety	-	-	914,056	1,068,512	737,249	655,416	1,221,111	1,460,567	814,334	1,938,587
Housing and development	-	18,375	36,424	40,033	44,830	-	-	-	-	-
Operating grants and contr.	354,914	848,854	139,073	315,478	380,030	654,888	553,664	907,131	580,595	985,307
Capital grants and contr.	88,718	2,903,340	2,244,300	1,954,999	2,500,369	3,123,320	2,561,640	9,854,202	5,359,195	4,132,122
Total gov't activities program revenues	<u>\$ 1,972,827</u>	<u>\$ 5,379,167</u>	<u>\$ 3,761,843</u>	<u>\$ 4,048,572</u>	<u>\$ 4,253,463</u>	<u>\$ 5,398,138</u>	<u>\$ 5,141,333</u>	<u>\$ 13,124,478</u>	<u>\$ 7,827,271</u>	<u>\$ 8,232,148</u>
Business-type activities:										
Charges for services:										
Water and sewer	\$ 5,751,192	\$ 6,063,916	\$ 6,273,751	\$ 7,081,898	\$ 6,967,332	\$ 8,554,384	\$ 8,457,420	\$ 8,259,620	\$ 8,444,650	\$ 7,891,120
Solid waste	907,835	892,968	933,146	1,044,644	1,071,591	1,118,924	1,166,861	1,241,295	1,245,354	1,445,241
Operating grants and contr.	91,768	-	-	-	-	-	-	-	-	-
Capital grants and contr.	169,684	689,153	429,789	460,962	276,845	143,526	472,568	115,313	9,460	1,639,280
Total business-type activities program revenues	<u>\$ 6,920,479</u>	<u>\$ 7,646,037</u>	<u>\$ 7,636,686</u>	<u>\$ 8,587,504</u>	<u>\$ 8,315,768</u>	<u>\$ 9,816,834</u>	<u>\$ 10,096,849</u>	<u>\$ 9,616,228</u>	<u>\$ 9,699,464</u>	<u>\$ 10,975,641</u>
Total primary government program revenues	<u>\$ 8,893,306</u>	<u>\$ 13,025,204</u>	<u>\$ 11,398,529</u>	<u>\$ 12,636,076</u>	<u>\$ 12,569,231</u>	<u>\$ 15,214,972</u>	<u>\$ 15,238,182</u>	<u>\$ 22,740,706</u>	<u>\$ 17,526,735</u>	<u>\$ 19,207,789</u>

(Continued)

CITY OF KINGSLAND, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues (Continued)										
Net (expense)/revenue										
Governmental activities	\$ (9,286,796)	\$ (5,456,361)	\$ (6,977,482)	\$ (7,282,234)	\$ (6,670,974)	\$ (6,408,576)	\$ (7,885,956)	\$ (1,136,511)	\$ (7,240,094)	\$ (10,529,260)
Business-type activities	1,445,130	2,284,020	2,355,397	2,834,148	2,407,051	3,976,159	3,954,547	2,854,017	1,466,649	1,738,056
Total primary government net expense	<u>\$ (7,841,666)</u>	<u>\$ (3,172,341)</u>	<u>\$ (4,622,085)</u>	<u>\$ (4,448,086)</u>	<u>\$ (4,263,923)</u>	<u>\$ (2,432,417)</u>	<u>\$ (3,931,409)</u>	<u>\$ 1,717,506</u>	<u>\$ (5,773,445)</u>	<u>\$ (8,791,204)</u>
General Revenues and Other										
Governmental activities:										
Taxes:										
Property taxes	\$ 2,863,828	\$ 3,175,480	\$ 3,148,909	\$ 3,760,916	\$ 3,891,040	\$ 3,961,625	\$ 4,068,838	\$ 4,360,095	\$ 4,719,750	\$ 5,193,513
Sales taxes	4,692,244	1,616,483	1,665,065	2,012,448	2,199,151	2,470,488	2,825,779	3,333,647	3,516,254	3,549,384
Other taxes	3,616,752	3,564,303	3,706,704	3,632,995	3,886,563	3,869,679	4,534,644	4,850,417	5,031,903	5,281,886
Unrestricted invest. earnings	5,411	16,783	46,829	106,736	197,329	84,768	6,576	112,767	528,930	755,488
Miscellaneous	165,506	105,484	-	-	-	-	-	-	-	-
Gain on disposition of capital assets	20,156	-	14,342	-	-	-	-	-	-	2,597
Transfers	(2,517,514)	(417,556)	(264,361)	88,434	(89,260)	(2,479,404)	(440,764)	30,561	(468,325)	40,857
Total governmental activities	<u>8,846,383</u>	<u>8,060,977</u>	<u>8,317,488</u>	<u>9,601,529</u>	<u>10,084,823</u>	<u>7,907,156</u>	<u>10,995,073</u>	<u>12,687,487</u>	<u>13,328,512</u>	<u>14,823,725</u>
Business-type activities:										
Investment earnings	9,763	10,493	24,063	47,073	77,361	91,734	24,587	21,204	648,683	1,147,212
Penalties and fees	-	99,279	-	-	-	-	-	-	-	-
Miscellaneous	28,092	12,059	-	-	-	-	-	-	-	-
Gain on disposition of capital assets	950	1,400	3,247	-	-	-	-	-	-	978
Transfers	2,517,514	417,556	264,361	(88,434)	89,260	2,479,404	440,764	(30,561)	468,325	(40,857)
Total business-type activities	<u>2,556,319</u>	<u>540,787</u>	<u>291,671</u>	<u>(41,361)</u>	<u>166,621</u>	<u>2,571,138</u>	<u>465,351</u>	<u>(9,357)</u>	<u>1,117,008</u>	<u>1,107,333</u>
Total primary government	<u>\$ 11,402,702</u>	<u>\$ 8,601,764</u>	<u>\$ 8,609,159</u>	<u>\$ 9,560,168</u>	<u>\$ 10,251,444</u>	<u>\$ 10,478,294</u>	<u>\$ 11,460,424</u>	<u>\$ 12,678,130</u>	<u>\$ 14,445,520</u>	<u>\$ 15,931,058</u>
Changes in Net Position										
Governmental activities	\$ (440,413)	\$ 2,604,616	\$ 1,340,006	\$ 2,319,295	\$ 3,413,849	\$ 1,498,580	\$ 3,109,117	\$ 11,550,976	\$ 6,088,418	\$ 4,294,465
Business-type activities	4,001,449	2,824,807	2,647,068	2,792,787	2,573,672	6,547,297	4,419,898	2,844,660	2,583,657	2,845,389
Total primary government	<u>\$ 3,561,036</u>	<u>\$ 5,429,423</u>	<u>\$ 3,987,074</u>	<u>\$ 5,112,082</u>	<u>\$ 5,987,521</u>	<u>\$ 8,045,877</u>	<u>\$ 7,529,015</u>	<u>\$ 14,395,636</u>	<u>\$ 8,672,075</u>	<u>\$ 7,139,854</u>

CITY OF KINGSLAND, GEORGIA

PROGRAM REVENUES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (accrual basis of accounting)

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
General government	\$ 873,798	\$ 3,334,715	\$ 427,990	\$ 669,550	\$ 590,985	\$ 1,007,481	\$ 842,308	\$ 1,007,420	\$ 1,210,576	\$ 1,280,943
Judicial	1,089,642	1,201,442	795,158	946,541	-	-	-	-	-	-
Public safety	3,975	53,815	257,971	437,449	1,117,279	1,216,847	1,352,224	1,605,719	966,101	2,085,370
Public works	-	770,820	2,244,300	1,954,999	2,500,369	3,123,320	2,561,640	9,854,202	5,359,195	4,132,122
Housing and development	-	18,375	36,424	40,033	44,830	50,490	385,161	657,137	291,399	733,713
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	5,412	-	-	-	-	-	-	-	-	-
Subtotal governmental activities	1,972,827	5,379,167	3,761,843	4,048,572	4,253,463	5,398,138	5,141,333	13,124,478	7,827,271	8,232,148
Business-type activities:										
Water and sewer	5,920,876	6,753,069	6,703,540	7,542,860	7,244,177	8,697,910	8,929,988	8,374,933	8,454,110	9,530,400
Solid waste	999,603	892,968	933,146	1,044,644	1,071,591	1,118,924	1,166,861	1,241,295	1,245,354	1,445,241
Subtotal business-type activities	6,920,479	7,646,037	7,636,686	8,587,504	8,315,768	9,816,834	10,096,849	9,616,228	9,699,464	10,975,641
Total primary government	\$ 8,893,306	\$ 13,025,204	\$ 11,398,529	\$ 12,636,076	\$ 12,569,231	\$ 15,214,972	\$ 15,238,182	\$ 22,740,706	\$ 17,526,735	\$ 19,207,789

Notes:

The fluctuations in revenues are due to amounts related to operating and capital grants.

CITY OF KINGSLAND, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Non-spendable	\$ 208,126	\$ 205,127	\$ 208,014	\$ 226,282	\$ 211,440	\$ 259,808	\$ 210,232	\$ 279,336	\$ 265,918	\$ 428,631
Restricted	85,698	16,482	-	-	-	-	-	-	-	-
Assigned	917,889	1,914,077	1,898,954	2,173,301	2,183,976	3,202,406	3,881,328	6,779,391	7,252,734	8,273,122
Unassigned	-	-	681,208	1,249,128	1,344,357	2,464,249	4,399,940	4,675,902	5,715,829	3,407,368
Total General Fund	<u>\$ 1,211,713</u>	<u>\$ 2,135,686</u>	<u>\$ 2,788,176</u>	<u>\$ 3,648,711</u>	<u>\$ 3,739,773</u>	<u>\$ 5,926,463</u>	<u>\$ 8,491,500</u>	<u>\$ 11,734,629</u>	<u>\$ 13,234,481</u>	<u>\$ 12,109,121</u>
All Other Governmental Funds										
Nonspendable:										
Special revenue funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77	\$ 77	\$ -
Restricted:										
Special revenue funds	59,353	83,879	66,262	60,766	56,671	51,447	513,929	100,699	164,468	253,935
Grant fund	23	23	-	-	-	231,955	-	-	-	-
Capital projects funds	1,089,359	2,185,821	1,648,059	3,013,065	4,035,752	2,292,665	1,448,947	3,873,464	14,441,894	12,683,698
Debt service funds	-	-	103,759	153,393	194,029	193,295	240,338	315,267	363,388	421,518
Assigned:										
Capital projects funds	6,409	36,651	-	-	-	-	390	6,530,439	-	3,581,905
Unassigned, reported in:										
Special revenue funds	-	-	(148,173)	(31,722)	-	(148,281)	(454,577)	(281,165)	(184,067)	(61,234)
Total all other governmental funds	<u>\$ 1,155,144</u>	<u>\$ 2,306,374</u>	<u>\$ 1,669,907</u>	<u>\$ 3,195,502</u>	<u>\$ 4,286,452</u>	<u>\$ 2,621,081</u>	<u>\$ 1,749,027</u>	<u>\$ 10,538,781</u>	<u>\$ 14,785,760</u>	<u>\$ 16,879,822</u>

CITY OF KINGSLAND, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Revenues										
Property taxes	\$ 3,071,318	\$ 3,175,480	\$ 3,153,130	\$ 3,755,752	\$ 3,885,022	\$ 3,889,252	\$ 4,024,203	\$ 4,378,874	\$ 4,706,996	\$ 5,204,431
Sales taxes	4,692,244	1,616,483	1,665,065	1,748,091	2,199,151	2,470,488	2,825,779	3,333,647	3,516,254	3,549,384
Other taxes	3,309,261	3,564,302	3,706,704	3,897,349	2,940,026	2,912,547	3,535,687	3,843,608	3,940,626	4,053,959
Franchise taxes	-	-	-	-	-	957,132	998,957	1,006,809	1,091,277	1,227,927
Licenses and permits	333,186	407,156	380,675	564,475	1,480,235	934,128	774,094	859,491	1,028,036	1,122,379
Intergovernmental	438,220	2,978,573	2,502,271	2,391,430	2,982,187	3,683,151	2,691,945	10,688,401	5,905,154	4,828,398
Charges for services	25,077	18,375	27,648	28,730	32,017	30,386	30,824	43,087	45,111	53,753
Fines and forfeitures	991,838	1,201,442	795,158	946,541	633,970	655,416	1,221,111	1,460,567	814,334	1,938,587
Interest	5,412	16,783	46,829	107,754	198,820	86,368	7,384	115,501	592,520	862,968
Miscellaneous	287,830	106,226	56,091	116,381	70,100	93,457	94,026	144,881	224,888	173,895
Total revenues	13,154,385	13,084,820	12,333,571	13,556,503	14,421,528	15,712,325	16,204,010	25,874,866	21,865,196	23,015,681
Expenditures										
General government	1,589,823	1,452,964	1,738,252	1,954,986	1,723,539	1,609,384	1,693,970	1,711,034	2,061,005	2,000,660
Judicial	472,505	484,410	352,907	426,133	373,083	354,685	535,053	654,116	519,801	846,624
Public safety	4,294,642	4,176,372	4,224,298	4,658,096	4,912,374	5,564,253	5,641,384	5,716,476	6,371,171	9,145,565
Public works	1,787,041	1,802,418	1,833,413	2,083,875	2,163,224	2,136,254	2,185,095	2,277,895	3,491,589	4,211,611
Housing and development	463,914	482,849	997,230	1,047,549	1,098,644	1,164,197	1,632,002	1,853,325	1,672,897	2,113,328
Intergovernmental	384,774	453,328	-	-	-	-	-	-	-	-
Capital outlay	767,183	2,026,903	1,663,711	818,950	1,701,268	4,044,823	2,791,220	1,490,189	1,352,858	3,597,180
Debt service:										
Principal	257,849	564,639	1,270,798	560,633	1,300,998	382,152	119,073	138,731	153,692	156,497
Interest	129,573	116,983	103,626	97,940	82,711	44,520	36,926	31,688	27,027	24,223
Total expenditures	10,147,305	11,560,866	12,184,235	11,648,162	13,355,841	15,300,268	14,634,723	13,873,454	15,650,040	22,095,688
Excess of revenues over expenditures	3,007,081	1,523,954	149,336	1,908,341	1,065,687	412,057	1,569,287	12,001,412	6,215,156	919,993
Other Financing Sources (Uses)										
Capital lease proceeds	170,001	184,619	116,706	186,410	-	-	-	-	-	-
TAN proceeds	-	770,820	-	-	-	-	-	-	-	-
Sale of capital assets	20,156	13,367	14,342	-	21,615	15,000	10,550	-	-	7,852
Transfers in	1,274,435	3,028,963	2,622,080	1,562,893	2,841,961	1,155,235	783,482	2,228,048	2,594,935	3,978,676
Transfers out	(3,791,949)	(3,446,519)	(2,886,441)	(1,474,459)	(2,747,251)	(1,060,973)	(670,336)	(2,196,577)	(3,063,260)	(3,937,819)
Total other financing sources (uses)	(2,327,357)	551,250	(133,313)	274,844	116,325	109,262	123,696	31,471	(468,325)	48,709
Net change in fund balance	\$ 679,724	\$ 2,075,204	\$ 16,023	\$ 2,183,185	\$ 1,182,012	\$ 521,319	\$ 1,692,983	\$ 12,032,883	\$ 5,746,831	\$ 968,702
Debt service as a percentage of non-capital expenditures	4.13%	7.15%	12.85%	6.08%	12.43%	4.11%	1.36%	1.30%	1.39%	1.11%

Notes:

Convention and Visitors Bureau ("C&VB") Fund is shown in Governmental Activities through FY 2009 as a blended component unit. Beginning in FY 2010 and forward, C&VB is shown as a discretely presented component unit. A prior period adjustment was done in FY 2010 reflecting the presentation change of the C&VB. Beginning in FY 2010, C&VB is not reflected in the statistical data.

⁽¹⁾ Franchise fees were broken into a separate line item.

CITY OF KINGSLAND, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Fiscal Year	Property	Sales Tax	Occupancy	Other	Total
2015	\$ 3,071,318	\$ 4,692,244	\$ 874,487	\$ 2,434,774	\$ 11,072,822
2016	2,971,540	3,469,477	988,943	2,575,359	10,005,319
2017	2,949,446	3,533,590	1,021,804	2,684,900	10,189,740
2018	3,550,690	3,702,072	1,068,437	2,828,912	11,150,111
2019	3,681,262	3,916,015	1,097,859	3,060,461	11,755,597
2020	3,889,252	3,868,223	913,330	3,211,630	11,882,435
2021	4,024,203	4,747,726	1,194,366	3,340,278	13,306,573
2022	4,378,874	6,018,872	1,443,225	3,407,192	15,248,163
2023	4,706,996	7,145,937	1,346,116	3,685,787	16,884,836
2024	5,204,431	5,749,861	1,405,000	3,876,886	16,236,178
Change 2015 – 2024	69.5%	22.5%	60.7%	59.2%	46.6%

CITY OF KINGSLAND, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Digest Tax Year	Real and Personal Property	Motor Vehicles	Mobile Homes	Timber	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2015	2014	\$ 383,383,293	\$ 26,759,680	\$ 2,546,074	\$ 1,983,183	\$ 10,707,988	\$ 403,964,242	8.00	\$ 1,009,910,605	40%
2016	2015	371,226,251	18,861,240	2,577,000	5,166,962	10,132,601	387,698,852	8.00	969,247,130	40%
2017	2016	386,573,946	13,846,310	2,557,450	3,720,921	12,532,178	394,166,449	7.50	985,416,123	40%
2018	2017	416,642,488	10,132,100	2,449,334	3,431,276	12,889,938	419,765,260	8.50	1,049,413,150	40%
2019	2018	459,298,438	7,707,980	2,413,626	4,899,905	17,292,699	457,027,250	8.14	1,142,568,125	40%
2020	2019	482,564,353	6,468,940	2,286,514	2,192,114	20,998,918	472,513,003	8.00	1,181,282,508	40%
2021	2020	499,484,187	5,510,930	2,472,330	891,258	22,701,954	485,656,751	8.00	1,214,141,878	40%
2022	2021	580,154,619	4,876,230	2,442,620	425,083	27,207,725	560,690,827	7.40	1,401,727,068	40%
2023	2022	729,347,603	4,692,410	2,392,206	864,686	34,650,787	702,646,118	6.50	1,756,615,295	40%
2024	2023	856,929,820	4,700,020	2,544,056	3,802,118	48,215,304	819,760,710	6.10	2,049,401,775	40%

Source: Camden County Board of Equalization and Assessment.

Notes:

Property in the City is reassessed periodically. Property is assessed at 40% of the fair market value; therefore, the assessed values are equal to 40% of the estimated actual value. Tax rates are per \$1,000 of assessed value. Tax year levied fund the following fiscal year (i.e., taxes levied for 2023 are financial resources for fiscal year ended 2024).

CITY OF KINGSLAND, GEORGIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	City of Kingsland				Overlapping Rates ⁽¹⁾			School Board		
	Digest Tax Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage ⁽²⁾	Operating Millage	Debt Service Millage	Total School Millage
2015	2014	6.97	1.03	8.00	11.94	-	12.94	15.82	-	15.82
2016	2015	6.22	1.78	8.00	12.94	-	12.94	16.00	-	16.00
2017	2016	5.61	1.89	7.50	13.94	-	13.94	16.00	-	16.00
2018	2017	6.92	1.58	8.50	13.94	-	13.94	16.00	-	16.00
2019	2018	5.00	3.14	8.14	13.41	-	13.41	16.00	-	16.00
2020	2019	7.07	0.93	8.00	15.79	-	15.79	16.00	-	16.00
2021	2020	7.67	0.33	8.00	15.79	-	15.79	16.00	-	16.00
2022	2021	7.40	-	7.40	15.56	-	15.56	15.36	-	15.36
2023	2022	6.50	-	6.50	14.00	-	14.00	15.25	-	15.25
2024	2023	6.10	-	6.10	13.14	-	13.14	15.25	-	15.25

Source: Camden County Board of Commissioners, School Board, and the City's Finance Department.

Notes:

The City's total property tax rate may be increased only by a majority vote of the City's elected council. Rates for debt service are set based on each year's requirements. Tax year levied fund the following fiscal year (i.e., taxes levied for 2022 are financial resources for fiscal year ended 2023).

⁽¹⁾ Overlapping rates are those of local and county governments that apply to property owners within the City.

⁽²⁾ County millage rate includes .25 for State in previous years and .20 beginning in FY 2012, decreasing by .05 each year until eliminated in 2016.

CITY OF KINGSLAND, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value ⁽¹⁾	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value ¹
PGK Property LLC Etal	\$ 12,080,488	1	1.41%	\$ -	-	-
Georgia Power Company	8,584,811	2	1.00%	3,562,653	3	0.93%
Laurel Island Holdings LLC	8,069,030	3	0.94%	-	-	-
Soncel Inc ²	7,445,696	4	0.87%	5,537,472	1	1.44%
Lowes Home Centers Inc ³	6,117,271	5	0.71%	4,660,883	2	1.22%
Kingsland Dev. Co LP	4,706,060	6	0.55%	2,600,646	4	0.68%
Royal Point Apartments LLC	4,627,192	7	0.54%	1,581,317	7	0.41%
Odyssey at Laurel Island Apts LLC	3,529,000	8	0.41%	-	-	-
Kings Bay Properties LLC	3,075,072	9	0.36%	-	-	-
Desai Brothers LLC	2,879,852	10	0.34%	1,409,892	9	0.37%
CPF-FIA LLC	-	-	-	2,329,502	5	0.61%
AT Williams Oil Co	-	-	-	1,790,386	6	0.47%
Redus Atlanta Subdivisions LLC	-	-	-	1,490,906	8	0.39%
Aston Cove Apartments LP	-	-	-	1,337,714	10	0.35%
Total	\$ 61,114,472		7.13%	\$ 26,301,371		6.86%

Source: County Board of Equalization and Assessment.

⁽¹⁾ See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for Taxable Assessed Value. Percentage is based on Real and Personal Property Tax only. Based on tax year levied funds the following fiscal year. (i.e., taxes levied for 2020 are financial resources for fiscal year ended 2024).

⁽²⁾ Soncel Homes Inc also includes Soncel Inc and Soncel Construction Inc.

⁽³⁾ Lowes Home Centers Inc also includes Lowe's Home Centers Inc #2489.

CITY OF KINGSLAND, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Digest Tax Year	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2015	2014	\$ 2,920,904	\$ 2,817,621	96.46%	\$ 101,271	\$ 2,918,892	99.93%	\$ 2,012
2016	2015	2,871,064	2,848,866	99.23%	19,936	2,868,802	99.92%	2,262
2017	2016	2,814,523	2,805,502	99.68%	7,713	2,813,215	99.95%	1,308
2018	2017	3,388,530	3,371,424	99.50%	15,337	3,386,761	99.95%	1,769
2019	2018	3,585,693	3,569,248	99.54%	14,281	3,583,529	99.94%	2,164
2020	2019	3,660,671	3,604,538	98.47%	51,877	3,656,415	99.88%	4,257
2021	2020	3,833,571	3,822,799	99.72%	8,182	3,830,981	99.93%	2,590
2022	2021	4,047,499	4,041,006	99.84%	3,758	4,044,764	99.93%	2,734
2023	2022	4,491,164	4,483,838	99.84%	4,317	4,488,155	99.93%	3,009
2024	2023	4,646,473	4,621,009	99.45%	-	4,621,009	99.45%	25,463
		<u>\$ 36,260,092</u>	<u>\$ 35,985,852</u>		<u>\$ 226,672</u>	<u>\$ 36,212,524</u>		<u>\$ 47,568</u>

Sources: Camden County Board of Equalization and Assessment and the City's Department of Finance.

⁽¹⁾ Tax year levied fund the following fiscal year (i.e., taxes levied for 2023 are financial resources for fiscal year ended 2024).

CITY OF KINGSLAND, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property ⁽¹⁾	Per Capita ⁽²⁾	Percentage of Personal Income ⁽²⁾	Population ⁽³⁾
	Revenue Bonds	Short-term Line of Credit	Notes Payable	Financed Purchases	Water Revenue Bonds	Notes Payable	Short-term Line of Credit	Financed Purchases					
2015	\$ 2,294,732	\$ -	\$ 1,613,198	\$ 733,688	\$ 9,467,200	\$ -	\$ -	\$ 246,059	\$ 14,354,877	1.42%	875	0.84%	16,398
2016	2,216,331	770,820	1,248,859	796,659	8,048,190	-	-	150,872	13,231,730	1.37%	795	0.75%	16,638
2017	2,130,386	-	963,362	784,826	6,597,310	1,290,168	-	302,688	12,068,740	1.22%	710	0.65%	17,009
2018	2,042,068	-	661,593	800,689	5,118,748	1,121,047	-	284,663	10,028,808	0.96%	575	0.52%	17,436
2019	1,937,813	-	-	265,539	3,610,187	742,247	-	182,167	6,737,954	0.59%	375	0.33%	17,949
2020	1,821,201	-	-	-	2,073,852	911,042	-	121,073	4,927,168	0.42%	269	0.23%	18,337
2021	1,702,131	-	-	-	1,102,754	882,748	-	10,019	3,697,652	0.30%	194	0.15%	19,075
2022	1,563,400	-	-	-	-	1,200,000	-	-	2,763,400	0.20%	139	0.12%	19,896
2023	1,409,708	-	-	-	20,000,000	-	-	-	21,409,708	1.22%	1,076	0.86%	19,896
2024	1,253,211	-	-	-	21,235,119	-	-	-	22,488,330	1.10%	1,105	0.83%	20,343

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for property values.

⁽²⁾ See Schedule on Demographic and Economic Statistics for personal income and population amounts.

⁽³⁾ Estimated for 2021, 2022, 2023, and 2024.

CITY OF KINGSLAND, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽²⁾
	General Obligation Bonds	Less: Amounts Avail. in Debt Service Fund	Total		
2015	\$ -	\$ -	\$ -	0.00%	\$ -
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-
2024	-	-	-	0.00%	-

Notes:

The City has had no General Bonded Debt Issued or Outstanding for the last ten years.

⁽¹⁾ See Schedule on Assessed Value and Estimated Actual Value of Taxable Property for property values.

⁽²⁾ See Schedule on Demographic and Economic Statistics for personal income and population amounts.

CITY OF KINGSLAND, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF SEPTEMBER 30, 2024

Jurisdiction	New Debt Outstanding	Percentage Applicable to City of Kingsland ⁽¹⁾	Amount Applicable to City of Kingsland
Camden County, Georgia - Overlapping Debt	\$ 1,793,284	33.16%	\$ 594,653
Subtotal Overlapping Debt			594,653
City of Kingsland, Georgia - Direct Debt			1,253,211
Total Direct and Overlapping Debt			\$ 1,847,864

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding provided by the County and the City Finance Departments.

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Kingsland. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

⁽¹⁾ The percentage of overlapping debt applicable is estimated using the assessed gross digest. Applicable percentages were estimated by determining the portion of the City's assessed taxable value that is within the County's boundaries and dividing it by the County's total gross digest.

CITY OF KINGSLAND, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year ⁽¹⁾									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 40,396,424	\$ 38,769,885	\$ 39,416,645	\$ 41,976,526	\$ 45,702,725	\$ 47,251,300	\$ 48,565,675	\$ 56,069,083	\$ 70,264,612	\$ 81,976,071
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 40,396,424</u>	<u>\$ 38,769,885</u>	<u>\$ 39,416,645</u>	<u>\$ 41,976,526</u>	<u>\$ 45,702,725</u>	<u>\$ 47,251,300</u>	<u>\$ 48,565,675</u>	<u>\$ 56,069,083</u>	<u>\$ 70,264,612</u>	<u>\$ 81,976,071</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation for Fiscal Year 2024										
Total assessed value										\$867,976,014
Less Exempt:										48,215,304
Total taxable assessed value										<u>819,760,710</u>
Debt limit (10% of total taxable assessed value)										81,976,071
Debt applicable to limit:										<u>-</u>
Legal debt margin										<u>\$ 81,976,071</u>

Notes:

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 general obligation bonds.

⁽¹⁾ Tax year levied fund the following fiscal year (i.e., taxes levied for 2023 are financial resources for fiscal year ended 2024).

CITY OF KINGSLAND, GEORGIA

PLEDGED-REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal Year	Water Revenue Bonds					
	Utility Service Charges ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service ⁽³⁾		Coverage Ratio
				Principal	Interest	
2015	\$ 5,751,192	\$ 2,822,038	\$ 2,929,154	\$ 1,373,848	\$ 222,103	1.84
2016	6,063,916	2,900,034	3,163,882	1,419,010	181,499	1.98
2017	6,273,751	2,932,486	3,341,265	1,450,880	146,568	2.09
2018	7,081,898	3,153,471	3,928,427	1,478,562	118,264	2.46
2019	6,957,592	3,178,634	3,778,958	1,508,561	89,835	2.36
2020	8,554,384	2,936,240	5,618,144	1,536,335	60,701	3.52
2021	8,457,420	3,128,320	5,329,100	971,098	35,419	5.29
2022	8,259,620	3,464,239	4,795,381	1,102,754	12,296	4.30
2023	8,444,650	4,263,534	4,181,116	-	211,500	19.77
2024	7,891,120	4,706,101	3,185,019	485,000	1,089,176	3.06

⁽¹⁾ Operating revenues do not include interest and capital contributions.

⁽²⁾ Operating expenses do not include interest, loss on disposal, depreciation and amortization expenses.

⁽³⁾ Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF KINGSLAND, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Calendar Year	Kingsland Population⁽¹⁾	County Population⁽¹⁾	Personal Income⁽²⁾ (in thousands of dollars)	Per Capita⁽²⁾ Personal Income	Labor Force	School Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾
2015	16,398	54,439	\$ 1,710,635	\$ 32,621	22,434	9,033	5.7%
2016	16,638	52,394	1,771,561	33,812	20,402	9,199	5.7%
2017	17,009	53,005	1,852,997	34,959	20,931	9,252	4.6%
2018	17,436	53,651	1,934,715	36,061	21,141	9,350	3.9%
2019	17,949	54,666	2,032,719	32,364	21,028	9,277	3.0%
2020	18,337	54,768	2,174,655	32,364	20,638	9,127	4.4%
2021	19,075	55,664	2,390,475 ⁽⁵⁾	32,705	21,658	9,298	2.4%
2022	19,896	57,013	2,390,475 ⁽⁵⁾	32,705	21,714	9,523	2.7%
2023	19,896	57,013	2,487,008	43,622	22,704	9,614	3.1%
2024	20,343	58,118	2,708,737	46,608	23,470	9,586	2.9%

Sources: Population information provided by the U.S. Census Bureau. Personal income and Per Capita Personal Income provided by the Bureau of Economic Analysis. Labor force and unemployment data provided by the Georgia Department of Labor.

Notes:

Population is for Kingsland and Camden County. All other statistics are based on the County; information based solely on the City is not available.

⁽¹⁾ Population is an estimate based on surveys. **Source:** U.S. Census Bureau

⁽²⁾ Personal income information is a total for the year. **Source:** Bureau of Economic Analysis, www.bea.gov/regional

⁽³⁾ School enrollment data provided by the Georgia Department of Education.

⁽⁴⁾ Unemployment rate information is an adjusted yearly average, 2023 rate is for December 2022. **Source:** Georgia Department of Labor, www.dol.state.ga.us/pr/laborforce.htm

⁽⁵⁾ Information only available through 2021, using the same figures for 2021 and 2022.

CITY OF KINGSLAND, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2024			2015		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Kings Bay Naval Submarine Base	10,000	1	67.08%	8,979	1	68.96%
Trident Refit Facility	1,570	2	10.53%	-	-	-
Camden County School System	1,389	3	9.32%	1,200	2	9.22%
Lockheed Martin	500	4	3.35%	479	4	3.68%
Camden County Government	376	5	2.52%	404	5	3.10%
Southeast Georgia Health System	336	6	2.25%	330	7	2.53%
Wal-Mart Supercenter	241	7	1.62%	366	6	2.81%
City of Kingsland Government	194	8	1.30%	167	9	1.28%
City of St. Marys Government	163	9	1.09%	155	10	1.19%
Lowe's Home Improvement	139	10	0.93%	-	-	-
Express Scripts	-	-	-	650	3	4.99%
Kings Bay Support Services	-	-	-	290	8	2.23%
Total	14,908		100.00%	13,020		100.00%

Source: County and City Governments, Georgia Department of Labor.

Note: Due to the close proximity of the cities within the County, information is based on County data. Information based solely on Kingsland is not available.

CITY OF KINGSLAND, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government:										
Administration	3.8	3.8	3.8	3.3	3.2	3.8	3.55	3.8	4.3	3.6
Information Technology	1.8	2.7	2.7	2.7	1.76	1.73	1.13	1.2	1.8	1.8
Finance	6.5	6.5	6.34	5.85	5.31	4.8	5.4	5.1	5.1	5.4
Municipal Court	2	2	2	2	2	2	2	2.5	2.5	2.5
Police	42	42	42	42	42	44	44	46	47	48
Fire	29	29	29	29	29	29	29	30.5	31.5	32.5
Public Works	25	24.5	24.5	26.5	26.5	26.5	26.5	26.5	26.5	28.5
Planning and Zoning	7	7	8	8	8	8	7	7	7.5	7.5
Economic Development	1	1	1.25	1	1	1	1	1	1	1
Fleet Services	4.13	3.75	3.57	4.13	4.13	4.13	3.88	3.6	3.6	3.6
Tourism (C&VB Fund)	5	5	4.75	5.5	6.31	6.37	6.37	6.5	6.5	7.5
Water/Sewer Fund:										
Administration	4.2	4.2	4.2	2.7	2.95	3.2	3.2	3.2	3.4	3.4
Information Technology	0.2	0.3	0.3	0.3	1.18	1.15	0.75	0.8	1.2	1.2
Finance	3.5	3.5	3.41	3.15	3.54	3.2	3.6	3.4	3.4	3.6
Fleet Services	1.37	1.25	1.18	1.37	1.37	1.37	1.12	1.4	1.4	1.4
Operations	23	23.5	23.5	23.5	25.5	25.5	26.5	27.5	27.5	29.5
Sanitation:										
Operations	8	8	9	9	9	9	9	9	9	13
Total	167.5	168	169.5	170	172.75	174.75	174	179.0	183.2	194

Source: City Finance Department

Notes:

FTE counts are based on actual budgeted positions. Budget allocations: City Manager and Human Resource Director - 80% General Fund and 20% Water Fund, Finance - 60% General Fund and 40% Water Fund, Fleet Services - 75% General Fund and 25% Water Fund, Information Technology - 60% General Fund and 40% Water Fund.

CITY OF KINGSLAND, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Administration										
Number of Council Meetings	22	21	22	22	20	20	23	23	21	21
Number of Ordinances Adopted	11	8	11	12	9	9	11	14	9	11
Number of New Employees Processed	42	32	33	48	38	53	52	60	53	55
Finance										
Total Receipts	\$ 18,142,709	\$ 17,841,651	\$ 17,652,614	\$ 20,072,066	\$ 20,163,385	\$ 22,052,802	\$ 23,976,309	\$ 25,914,694	\$ 27,214,110	\$ 31,274,747
Cash Receipts	876,483	809,684	748,218	685,145	620,328	447,944	370,216	371,176	373,495	578,091
Check Receipts	12,800,203	11,207,636	10,878,409	12,419,744	12,615,142	12,872,719	14,809,687	13,662,922	13,345,283	14,644,582
Credit Card Receipts	1,522,745	1,152,756	1,241,762	1,707,011	1,412,625	1,061,878	877,117	1,217,797	956,827	939,467
Electronic Funds Processed	2,770,179	3,344,160	3,496,090	3,686,070	3,879,629	5,331,992	4,365,603	5,578,863	8,492,695	10,175,017
Web Receipts Processed	173,099	1,327,415	1,288,135	1,574,099	1,635,661	2,338,269	3,553,686	5,083,937	4,045,810	4,937,590
Employees on Direct Deposit	89%	93%	95%	94%	95%	95%	87%	89%	91%	97%
Accounts Payable Checks Issued	3,895	3,887	3,789	3,698	3,810	3,907	3,875	3,856	3,553	3,209
Court										
Cases/Citations Processed	6,234	7,219	3,907	5,907	3,980	3,812	8,017	8,000	3,355	12,650
Failure to Appear Warrants Issued	67	72	39	47	23	13	86	58	42	72
Suspension Notices Issued	1,096	1,246	679	970	727	457	1,254	1,560	754	1,776
Police										
Average Response Time (in minutes)	5:00	4:00	4:00	5:00	4:00	5:07	2:42	4:42	4:46	4:44
Violent Crimes/Assaults	185	78	36	287	112	85	64	212	160	213
Fire										
Average Response Time (Fire)	5:18	5:38	5:38	4:45	4:58	4:56	4:56	8:00	5:34	5:25
(EMS)	*	*	*	*	*	*	*	*	*	*
Firefighters per Call	16	17	7	16	17	17	17	17	17	17
Number of New Hydrants	3	12	6	4	4	14	10	24	18	15
Public Works										
Ditches Cleaned (miles)	13.49	5.64	27.58	96.38	208.33	130.39	34.64	39.55	33.93	105.61
Sidewalk Repair (feet)	2,205	726	-	496	-	2,741	643	-	542	1,431
Pot-hole/Wash-out Repair	326	443	332	475	672	607	441	389	249	270

(Continued)

CITY OF KINGSLAND, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund (Continued):										
Planning and Zoning										
Residential Permits Issued										
Single Family	59	125	130	153	184	245	295	240	321	219
Multi-Family	12	-	12	21	-	490	288	-	-	30
New Business License Issued	194	228	153	174	218	181	183	198	184	159
Fleet										
Number of Tires Replaced	53	161	211	198	205	210	198	293	288	800
Number of Preventive										
Maintenance Procedures	64	256	60	42	185	135	140	181	241	385
Vehicle Alignments Performed	10	24	32	36	35	22	36	41	68	40
C&VB Fund										
Tourism										
Memberships	36	25	25	35	46	44	42	48	42	38
Travel Shows Attended	76	61	87	116	87	25	15	11	3	2
Advertisement/ Print Media	92	91	93	69	106	94	103	129	118	77
Training/ Meetings	70	142	172	98	112	88	263	121	134	70
Water Fund										
Administration										
Average Monthly Water										
Bills Sent	7,260	7,432	7,590	7,707	7,886	8,163	8,143	8,625	8,905	9,162
Information Technology										
Annual Visits to Website	*	*	*	*	14,177	35,315	20,654	49,394	61,000	68,436
Computer Issue Tickets										
Completed	1,229	1,203	1,976	2,017	2,065	2,272	1,823	1,200	1,350	1,271
Operations										
Drinking Water (millions										
of gallons)	575.788	587.494	587.702	594.694	584.274	596.983	600.57	600.75	690.44	748.921
Wastewater										
Wastewater Treated (millions										
of gallons)	613.849	644.844	644.123	757.015	671.989	768.476	778.951	783.439	803.247	1,002.36
Solid Waste Fund										
Refuse Collected (in tons)	7,474	8,062	9,819	8,990	7,864	10,096	9,929	9,617	9,634	10,016
Average Number of Customers										
Served Monthly	5,493	5,615	5,738	5,870	6,042	6,245	6,436	6,695	6,795	6,993

Sources: Various City departments.

* Information not available

CITY OF KINGSLAND, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol Units	47	43	48	40	40	37	44	35	36	49
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks										
Engine	6	6	6	5	5	8	8	8	8	9
Ladder	2	2	2	2	2	2	2	2	3	3
Tanker	1	1	1	1	1	1	1	1	1	2
Rescue	1	1	1	1	1	1	1	1	1	1
Ambulances	1	1	1	1	1	0	0	0	0	0
Public works										
Streets Owned and Maintained (miles)	89.3	89	90.5	110.85	110.85	114.06	114.06	114.06	114.2	114.4
Service Trucks	16	16	20	14	14	19	20	23	24	27
Tourism										
Welcome Centers	1	1	1	1	1	1	1	1	1	1
Water										
Service Trucks	17	21	24	20	20	20	21	24	28	28
Fire Hydrants	1,497	1,507	1,513	1,513	1,517	1,521	1,531	1,565	1,583	1,598
Storage Capacity (thousands of gallons) ⁽¹⁾	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Wastewater										
Treatment Capacity per Day (millions of gallons)	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Solid Waste										
Garbage Can Collection Trucks	5	6	6	6	6	8	9	9	8	8
Other Collection Trucks ⁽²⁾	4	5	5	5	5	6	6	6	5	7

Sources: Various City Departments.

Notes:

No capital asset indicators are available for the general government functions.

⁽¹⁾ Water storage is available in three City-owned water towers.

⁽²⁾ Other collection trucks include limb wagons and trucks to dispose of white goods or bulky items.

CITY OF KINGSLAND, GEORGIA

WATER AND SEWER DEBT SERVICE COVERAGE AS OF SEPTEMBER 30, 2024

Operating Income (Including Capital Recovery Fees/Tap Fees) ⁽¹⁾	\$	1,126,190
Plus: Depreciation		2,058,829
Plus: Interest Income		1,128,754
Net Revenues Available for Debt Service	\$	4,313,773
Debt Service on Bonds ⁽²⁾	\$	1,574,176
Debt Service Coverage on Bonds		2.74
Net Revenues without Capital Recovery Fees/Tap Fees ⁽¹⁾	\$	3,236,478
Debt Service on Bonds	\$	1,574,176
Debt Service Coverage on Bonds		2.06

Note: This table provides historical debt service coverage for the most recent fiscal year of operation.

⁽¹⁾ Tap Fees and Capital Recovery Fees are recorded as charges for services.

⁽²⁾ Debt service on the City's Series 2023 Bonds.

CITY OF KINGSLAND, GEORGIA

WATER AND SEWER CUSTOMERS AS OF SEPTEMBER 30, 2024

Utility Type	Account Types		Total Customers
	Residential	Commercial	
Water	8,605	718	9,323
Wastewater	7,171	570	7,741

Note: Water and Sewer customers by category for the last fiscal year of operation. Information derived from the City's utility data.

CITY OF KINGSLAND, GEORGIA

**WATER AND SEWER DEMAND
AS OF SEPTEMBER 30, 2024**

<u>Utility Type</u>	<u>Average Daily Demand (MGD)</u>	<u>Average Maximum Daily Demand (MGD)</u>
Water	1.900	2.052
Wastewater	2.200	2.746

Note: Water and Wastewater demand are the average and peak demands in (MGDs) of the system for the last fiscal year of operation. Information derived from the City's utility data.

CITY OF KINGSLAND, GEORGIA

TOP TEN WATER AND SEWER CUSTOMER USERS AS OF SEPTEMBER 30, 2024

Water			Sewer		
Customer	Total Annual Billing	Percent of Total Annual Billing ⁽¹⁾	Customer	Total Annual Billing	Percent of Total Annual Billing ⁽²⁾
1 Mikulewicz, Dennis (Summerbend Apts	\$ 71,703	1.98%	PKG Property LLC	\$ 71,703	2.41%
2 PGK Property LLC	44,766	1.24%	Mikulewicz, Dennis (Summerbend Apts)	44,766	1.50%
3 Odyssey at Laurel Island	43,466	1.20%	Odyssey at Laurel Island	43,466	1.46%
4 Synergy Recycling LLC	33,253	0.92%	Royal Point Apts	32,371	1.09%
5 Royal Point Apts	32,371	0.90%	Colerain Limited	27,230	0.91%
6 Colerain Limited	27,230	0.75%	Pointe Grand Kingsland East	19,012	0.64%
7 Quality Inn	19,012	0.53%	Quality Inn	15,077	0.51%
8 Holiday Inn Exp Kingsbay Prop	15,078	0.42%	Fairfield Inn & Suites	13,889	0.47%
9 Hampton Inn/Desai Brothers	13,889	0.38%	Boing US Holdco Inc	13,609	0.46%
10 JARS at Camden Way, LLC	13,609	0.38%	Holiday Inn Exp Kingsbay Prop	13,341	0.45%
Total Top Ten Water Customers	<u>\$ 282,711</u>	<u>8.69%</u>	Total Top Ten Sewer Customers	<u>\$ 270,092</u>	<u>9.93%</u>

⁽¹⁾ Based on total water billing of: \$ 3,616,196

⁽²⁾ Based on total sewer billing of: \$ 2,981,151

Source: Kingsland utility consumption billing report, 10/2023-9/2024.

CITY OF KINGSLAND, GEORGIA

WATER AND SEWER RATES AS OF SEPTEMBER 30, 2024

		Monthly Charge	
User Typer	Up to...	Inside City	Outside City
Residential	0 gallons	\$25.30 minimum	\$35.80 minimum
	0-6000 gallons	\$4.26 per 1000 gal	\$6.40 per 1000 gal
	Over 6000 gallons	\$4.94 per 1000 gal	\$7.08 per 1000 gal
Commercial	0 gallons	\$28.42 minimum	\$42.90 minimum
	0-6000 gallons	\$4.60 per 1000 gal	\$7.00 per 1000 gal
	Over 6000 gallons	\$5.30 per 1000 gal	\$7.70 per 1000 gal
Churches	0 gallons	\$25.30 minimum	\$37.30 minimum
	0-6000 gallons	\$4.26 per 1000 gal	\$5.90 per 1000 gal
	Over 6000 gallons	\$4.94 per 1000 gal	\$6.58 per 1000 gal
Rv/Travel Trailer Park	0 gallons	\$28.42 minimum	\$42.62 minimum
	0-6000 gallons	\$4.60 per 1000 gal	\$6.90 per 1000 gal
	Over 6000 gallons	\$5.30 per 1000 gal	\$7.96 per 1000 gal
Lodging (hotels/motels)	0 gallons	\$20.70/room min	\$31.06 minimum
	0-6000 gallons	\$4.26 per 1000 gal	\$6.40 per 1000 gal
	Over 6000 gallons	\$4.94 per 1000 gal	\$7.42 per 1000 gal

CITY OF KINGSLAND, GEORGIA

WATER CONNECTION FEES AS OF SEPTEMBER 30, 2024

Meter size	Fee (Inside city)	Fee (Outside city)
$\frac{3}{4}$ " meter	\$600 + meter cost	\$600 + meter cost
1" meter	\$1,520 + meter cost	\$2,273 + meter cost
1 $\frac{1}{2}$ " meter	\$2,500 + meter cost	\$3,694 + meter cost
2" meter	\$3,820 + meter cost	\$5,731 + meter cost
3" meter	\$10,595 + meter cost	N/A
4" meter	\$17,532 + meter cost	N/A
5" meter	\$26,000 + meter cost	N/A
6" meter	\$36,600 + meter cost	N/A

CITY OF KINGSGLAND, GEORGIA

SEWER CONNECTION FEES AS OF SEPTEMBER 30, 2024

Type of Installation	Flow GPD	\$ per unit
Club building bar, per seat employee (FTE)	500	\$3,000
	50 (minimum \$3,000)	\$120
	25 (minimum \$3,000)	\$60
Beauty/barber shop per wet chair	333 (minimum \$3,000)	\$799
Bowling Alley per lane	125 (minimum \$3,000)	\$300
Car wash, per by-self operated Automatic	100 (minimum \$3,000)	\$240
	166	\$398
Church, per seat	5 (minimum \$1,000)	\$12
Coin laundry, per machine	400	\$800
Commercial laundry, per machine	640	\$1,536
Country Club, per 100 square feet	250	\$600
Hospital, per bed	200	\$500
Industrial, per employee	35 (minimum \$3,000)	\$84
Lodging establishments, per unit/room	225	\$1,080
Mobile home park, single or double wide	300	\$1,200
Apartments per unit w/o washer/dryer hook up	225	\$1,080
Apartments per unit w/ washer/dryer hook up	300	\$1,200
Nursing home, per bed	125	\$300
Office, per 1000 sq ft Medical, per 1000 sq ft	175 (minimum \$3,000)	\$420
	500	\$1,500
Residence, per unit- includes Cond/townhome	400	\$1,200
Multi-family, per unit 1-2 bedroom 3 bedroom, includes duplex, triplex, quadra-plex	300	\$1,200
Per unit 1-2 bedroom	400	\$1,200
Restaurant with drive-in Per seat w/o drive-in	55 (minimum \$3,000)	\$132
	25 (minimum \$2,000)	\$50
Service station/fuel center, regular pump, Truck pump Otherwise per pump	75	\$500
		\$5,000
		\$180
School, per student with gym (includes daycare)	17 (minimum \$1,000)	\$41
	21 (minimum \$1,500)	\$50
Stores, shopping center per 1000 sq ft	100 (minimum \$3,000)	\$240
Theater per seat	5 (minimum \$3,000)	\$10
Auditorium convention center, assembly hall (no food service) per capita	10 (minimum \$3,000)	\$24
Warehouse per 1000 sq ft	25 (minimum \$3,000)	\$60

Note: Capital recovery fees are at the same rate as the sewer connection fees listed here, except for residential is \$6,000*.

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 the City Council
City of Kingsland, Georgia
Kingsland, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Kingsland, 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 and have issued our report thereon dated March 12, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City of Kingsland, Georgia's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the company name written in a professional, yet personal, style.

Savannah, Georgia
March 12, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Kingsland, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2024. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal programs as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Savannah, Georgia
March 12, 2025

CITY OF KINGSLAND, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Grant Identification Number	Expenditures
U.S. Department of Housing and Urban Development			
Passed through Georgia Department of Community Affairs			
Community Development Block Grant - DR-HRRP	14.228	B-18-DP-13-0001	\$ 656,251
Community Development Block Grant - MIT	14.228	B-19-DP-13-0002	921,406
			<u>1,577,657</u>
U.S. Department of Transportation			
Passed through Georgia Department of Transportation			
Highway Planning and Construction Cluster	20.205	PI 0015396	88,378
			<u>88,378</u>
U.S. Department of Justice			
Direct from the U.S. Department of Justice			
Bullet Proof Vest Grant	16.607	CS0079502	5,198
			<u>5,198</u>
U.S. Department of Commerce			
Passed through Georgia Department of Natural Resources			
Coastal Zone Management Administration Awards	11.419	N/A	32,500
			<u>32,500</u>
Total Expenditures of Federal Awards			<u><u>\$ 1,703,733</u></u>

CITY OF KINGSLAND, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Kingsland, Georgia (the "City") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. NON-CASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of non-cash assistance during the year. There were also no loans or loan guarantees outstanding at year-end.

NOTE 3. DE MINIMIS INDIRECT COST RATE

The City did not use the 10% de minimis indirect cost rate.

NOTE 4. SUBRECIPIENTS

The City did not pass through any grant funds to subrecipients for the year ended September 30, 2024.

CITY OF KINGSLAND, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements
audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Type of auditor's report issued on compliance for
major programs

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with 2 CFR 200.516(a)

___ Yes X No

Identification of major programs:

AL Number

14.228

14.228

Name of Federal Program or Cluster

**U.S. Department of Housing and Urban
Development**

Community Development Block Grant - DR

Community Development Block Grant - MIT

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X Yes ___ No

CITY OF KINGSLAND, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III FEDERAL AWARDS FINDINGS AND RESPONSES

None reported.

CITY OF KINGSLAND, GEORGIA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

STATUS OF PRIOR YEAR AUDIT FINDINGS

2023–001. Collateralization of Deposits

Criteria: Internal controls should be in place which ensure proper collateral is pledged by all financial institutions where deposits exceed the Federal Depository Insurance Corporation (“FDIC”) coverage.

Condition/Context: Certain deposits for the City were not properly collateralized in accordance with the Official Code of Georgia Annotated (“O.C.G.A.”) §45-8-13.1. The State of Georgia requires collateral to be pledged at 110% for all public deposits in excess of the FDIC’s insured limits.

Auditee Response/Status: Resolved.