

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Prepared by:

City of Ball Ground Finance Department Donna W. England, Finance Director

City of Ball Ground, Georgia PO Box 285 – Ball Ground, Georgia 30107

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

TABLE OF CONTENTS

I. <u>INTRODUCTORY SECTION</u>
Letter of Transmittal
II. FINANCIAL SECTION
Independent Auditor's Report1-4
Management's Discussion and Analysis5-19
Basic Financial Statements:
Government-Wide Financial Statements: Statement of Net Position
Fund Financial Statements: Balance Sheet – Governmental Funds
Balances – Governmental Funds
and Changes in Fund Balances – Budget and Actual (GAAP Basis)
Statement of Cash Flows – Proprietary Funds
Required Supplementary Information: Schedule of Changes in the City's Net Pension Liability and Related Ratios
Other Supplementary Information: Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds55

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

TABLE OF CONTENTS (Continued)

III. STATISTICAL SECTION (Unaudited)

Net Position by Component – Last Ten Fiscal Years	56
Changes in Net Position – Last Ten Fiscal Years	57 and 58
Fund Balances of Governmental Funds – Last Ten Fiscal Years	59
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	60
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten	
Fiscal Years	61
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	
Principal Property Taxpayers – Current Year and Nine Years Ago	63
Property Tax Levies and Collections – Last Ten Fiscal Years	64
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	65
Direct and Overlapping Governmental Activities Debt	66
Legal Debt Margin Information – Last Ten Fiscal Years	67
Pledged Revenue Coverage Water System Bonds – Last Ten Fiscal Years	68
Top Ten Water Customers	69
Water Customers – Last Ten Fiscal Years	70
Water and Sewer Rates	71
Demographic and Economic Statistics – Last Ten Calendar Years	72
Principal Employers – Current Year and Nine Years Ago	73
Full-Time Equivalent City Government Employees by	
Function/Program – Last Ten Fiscal Years	74
Operating Indicators by Function – Last Ten Fiscal Years	75
Capital Assets Statistics by Function – Last Ten Fiscal Years	76

Introductory Section



The introductory section includes a transmittal letter from the City Manager and Finance Director, a certificate of achievement for excellance in financial reporting, a general government organization chart, and a list of principal officials. Mayor A. R. Roberts, III

Council Members
Scott Barnes
Vickie Benefield
Annette Homiller
Dennis Nelson
Kristine Rogers



City Manager Eric Wilmarth

City Attorney Darrell Caudill

> **City Clerk** Karen Jordan

November 22, 2024

To The Honorable Mayor, Members of the City Council and Citizens of Ball Ground, Georgia:

The Annual Comprehensive Financial Report of the City of Ball Ground, Georgia (the "City"), for the fiscal year ended June 30, 2024, is hereby submitted as mandated by both local and state government. These ordinances and statutes require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City of Ball Ground, Georgia's financial affairs are included.

The City of Ball Ground, Georgia's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ball Ground, Georgia for the fiscal year ended June 30, 2024, are free from material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ball Ground, Georgia's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of the report.

The financial reporting entity for the City of Ball Ground, Georgia includes all funds of the primary government, the City of Ball Ground, Georgia. The City provides a full range of services including police, building inspections, zoning, code enforcement, municipal court, the construction and maintenance of streets and infrastructure, recreational activities and cultural events, water and sewer service, and sanitation.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative and overview of the basic financial statements and should be read in conjunction with the transmittal letter.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

The City of Ball Ground, Georgia is governed by a Mayor and five Council Members. The City Council consists of five members elected at large for staggered four-year terms. The Mayor is the sixth voting member of council, who along with the remaining council members is elected on a non-partisan basis. The City Council provides responsive, progressive leadership and a vision for the community by setting policies, passing ordinances, adopting the budget, and hiring the City Manager. The City Manager carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City, prepares the budget, and supervises the various department heads.

The City of Ball Ground, Georgia operates its own water and sewer system. The water system is supplied by wells within the City along with purchased from the Cherokee County Water and Sewerage Authority (CCWSA). Wastewater treatment services are provided via contract with the Cherokee County Water and Sewerage Authority (CCWSA). The City of Ball Ground owns 170,000 gallons per day of capacity in the CCWSA Riverbend Wastewater Treatment Facility. Along with capacity the City owns 380,000 gallons per day in the CCWSA surface water treatment plant, which is available for purchase at wholesale rates. The City also has an existing contract for residential garbage pickup. This contract affords significant savings to residential customers, as the City is not required to invest in assets and reserve equipment needed to provide this service.

The City of Ball Ground, Georgia is primed for future economic development, given its strategic location. The infrastructure improvements completed over the past several years emphasize the additional economic possibilities for the City of Ball Ground, Georgia. The growth of its revenue base will continue to improve the quality of life and financial stability of the City of Ball Ground, Georgia.

FINANCIAL INFORMATION

Accounting System Internal Controls. The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

As a recipient of federal, state, and local financial assistance, the City is also responsible for certifying that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to federal assistance programs. This internal control structure is subject to periodic evaluation by the management of the City.

Relevant Financial Policies. The City of Ball Ground has established a policy requiring an annual review of all debt with comparison to current market rates and trends. If current rates appear to be favorable for cost savings, proposals for refinance are accepted. No refinancing opportunities presented themselves.

Budgeting Controls. In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, District Fire Tax Fund, and Enterprise Funds are included in the annual appropriated budget. Expenditures may not legally exceed appropriations at the department level within each fund.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound fiscal management.

Major Initiatives. During this reporting period the City was able to increase our wholesale water capacity available from Cherokee County Water and Sewer Authority from 203,559 gallons per day to 380,000 gallons per day. At the end of the fiscal year the city began work to rebuild the Howell Bridge Sewer Lift Station, the most critical lift station in our inventory. This station has now been completely updated, operating with brand new pumps and interior components and check valves.

We are continuing our efforts for transportation enhancements throughout the City. During the fiscal year engineering was started to construct a sidewalk establishing a pedestrian connection along Old Dawsonville Road between the downtown business district and our largest residential neighborhood with the anticipation that it will serve to increase business for the downtown merchants as well as improve parking condition in the downtown by promoting pedestrian opportunities. Engineering was completed on a roundabout project at the only "F" rated intersection in the City that will restore the intersection to an "A" rating. We also entered an agreement with Cherokee County for the County to accept funds and manage the roundabout project as well as the downtown truck by-pass project on behalf of the City. Funds allocated to the projects will be distributed directly to Cherokee County who will manage the projects. This agreement also enabled us to begin engineering work on the proposed SR 372 SPUR (Ball Ground Bypass). Engineering is anticipated to take 3 years.

The City does anticipate a slow down over the next fiscal year in housing starts, but don't anticipate this to be a long-term issue as we have numerous projects in the pipeline that are in the annexation/zoning or plan review phases which will bring a substantial number of new residential available lots online within the next 18 months.

During this period the City completed and submitted to the Department of Community Affairs an Impact Fee Ordinance and Capital Improvement Element to ensure that new development pays its share in both transportation and parks improvements to support a higher population. Once approved we will begin collecting \$2,000 per residential unit for parks improvements and \$1,000 per residential unit for roadway capacity improvements.

Long-Term Financial Planning. We remain focused on long term financial planning with the end goal of achieving community sustainability without growth. We continue to monitor our tax rate and establish a millage rate that meets the needs to continue the current level of services and operations. The City during this period has also begun work to propose a parks bond referendum that hopefully will be placed on the ballot in March of 2025 which would enable the city to take on debt for significant parks improvements and using a slightly increase tax rate and impact fees to cover the debt.

Building Inspections and Engineering are now completely outsourced, allowing our expenditures to increase/decrease based on demand, which would lessen the impact to the overall budget during times of slower construction.

AWARDS

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 Ball Ground for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the seventeenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of the comprehensive annual financial report, on a timely basis, could not have been accomplished without the dedication and cooperation of the entire City staff. We would like to express our appreciation to each member who assisted and contributed to the preparation of this report. We also extend our appreciation to our independent auditors, Mauldin & Jenkins, LLC, for the professional guidance and assistance in producing a technically sound document. Most importantly, we express our appreciation to the Mayor and City Council for their dedication, leadership, vision, and support in planning and conducting the affairs of the City of Ball Ground in a responsible and progressive manner, which ensures that Ball Ground is a well-rounded, vibrant community to call home.

Respectfully submitted,

Signed:

Title: City Manager

Finance Director



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Ball Ground Georgia

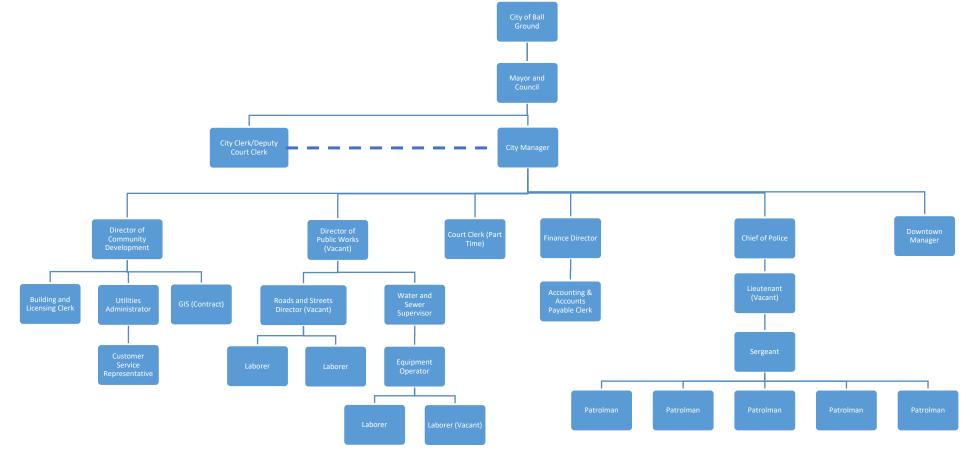
For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO





City of Ball Ground, Georgia

Principal Officials June 30, 2024

Mayor and City Council

Mayor A.R. Roberts, III



<u>Mayor Pro-tem</u> Dennis Nelson – Post #5



Kristine Rogers - Post #4



<u>Zoning</u>
Christopher E. Luly

<u>City Auditors</u> Mauldin & Jenkins, LLC

Scott Barnes – Post #1



Vicki Benefield - Post #3



City Clerk
Karen L. Jordan

<u>Finance Director</u> Donna W. England



City Manager & Public
Works Director
Eric W. Wilmarth

Police Chief
James S. Gianfala

City Attorney
Darrell Caudill

Financial Section



The financial statements include the independent auditor's report on the financial statements, the MD&A which provides a narrative introduction, overview and analysis of the financial statements, the basic financial statements including footnotes, and supplementary information.



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council Ball Ground, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the **City of Ball Ground, Georgia** (the "City"), as of and for the fiscal year ended June 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Ball Ground, Georgia, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and District Fire Tax Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 GAAS; this includes 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or
 error, and design and perform audit procedures responsive to those risks. Such procedures include
 examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of
 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, the schedule of changes in the City's net pension liability and related ratios, and the schedule of City contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds as required by the Official Code of Georgia 48-8-121 (the "other supplementary information"), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is 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 and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions 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 November 22, 2024, 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 City's internal control over financial reporting and compliance.

Mauldin & Jerkins, LLC

Atlanta, Georgia November 22, 2024

This discussion and analysis of the City of Ball Ground, Georgia's (the "City") financial performance is prepared by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- Total Net Position is comprised of the following:
 - Net investment in capital assets of \$14,463,832 includes property and equipment, net of accumulated depreciation, and is increased for outstanding debt related to the purchase or construction of capital assets as compared to \$13,345,757 in fiscal year 2023.
 - 2) Restricted net position of \$900,138 represents the portion to be used for fire protection services (\$163,443), sewer projects (\$336,000), and capital projects (\$400,695). This is a decrease of \$75,959, or 8% from the previous year (\$976,097).
 - 3) <u>Unrestricted net position</u> of \$1,798,039 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is a decrease of \$55,934 from the previous year's balance (\$1,853,973).
- ➤ The City's total assets, \$20,495,582 and deferred outflows of resources, \$148,698, exceeded its liabilities and deferred inflows of resources of \$3,482,271 by \$17,162,009 (total net position) for the fiscal year reported as compared to \$16,175,827 as total net position in fiscal year 2023. The total assets are 5.89 times the total liabilities.
- ➤ The City's capital assets, net of accumulated depreciation, increased by \$912,191 due primarily to the capital contribution from North Mountain Brook Subdivision (Phase III) of \$908,676.
- ➤ The City's total liabilities decreased by \$342,141 or 9%. The current liabilities decreased (\$17,497) and the noncurrent liabilities decreased by \$324,644 as compared to the prior fiscal year. The decrease in current liabilities was due to the City holding a builder's cash bond of \$55,000 at the end of fiscal year 2023 and the bond was released to the builder during the current fiscal year. The substantial decrease in the noncurrent liabilities is due to the reduction of principal balances on existing debts.
- As of the close of the current fiscal year, the City of Ball Ground's governmental funds reported combined ending fund balances of \$1,703,433, a decrease of \$80,461 in comparison with the prior year. Of this amount, \$1,063,231 is unassigned and available for spending.

At the end of the current year, the unassigned fund balance for the governmental funds was \$1,063,231 or 62% of the governmental funds' fund balance. The increase in the current fiscal year's unassigned ratio is due to an increase in the General Fund cash and a reduction in accrued liabilities as compared to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis (MD&A) document introduces the City's basic financial statements. The City of Ball Ground's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes additional information in this report to supplement the basic financial statements.

Government-Wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements are designed to provide readers with a broad overview of the City of Ball Ground's finances in a manner like a private-sector business.

The first of these government-wide statements is the Statement of Net Position. This statement of net position presents information that includes all the City's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, the reader needs to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, in addition to the financial information in this report to assess the overall health of the City. The Statement of Net Position includes all assets, deferred outflows of resources, and liabilities using the accrual basis of accounting which is the accounting method used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

The second government-wide statement is the *Statement of Activities* which reports how the City's net position changed during the most recent fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City of Ball Ground that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Ball Ground include public safety (police), public works, parks, and recreation, planning and zoning, building inspection, code enforcement, municipal court services, and general administrative services. The business-type activities of the City include water and sewer, stormwater and solid waste services.

The government-wide financial statements can be found on pages 20 and 21 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 of Ball Ground, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's financing requirements and the commitment of spendable resources for the near-term. 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.

The City of Ball Ground maintains four individual governmental funds. 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, District Fire Tax Fund, American Rescue Plan Fund, and the Special Purpose Local Option Sales Tax ("SPLOST") 5 Fund. All four are presented as major funds.

The City of Ball Ground adopts an annual appropriated budget for its General Fund and District Fire Tax Fund. Budgetary comparison statements have been provided for the General Fund and District Fire Tax Fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 22 through 25 of this report.

Proprietary funds. The City of Ball Ground maintains only one type of proprietary fund called an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, stormwater, and solid waste operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, stormwater operations, and the solid waste operations. The water and sewerage fund is considered to be a major fund for the City of Ball Ground.

The basic proprietary fund financial statements can be found on pages 28 through 30 of this report.

GOVERNMENT-WIDE FINANCIAL 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 Ball Ground, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,162,009 at the close of the most recent fiscal year.

Most of the City of Ball Ground's net position reflects its investment in capital assets (e.g., land improvements, buildings and improvements, machinery and equipment, infrastructure, and vehicles), less any outstanding debt used to acquire those assets. The city uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Ball Ground'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 capital assets themselves cannot be used to liquidate these liabilities.

CITY OF BALL GROUND'S NET POSITION TABLE I

		overnmental tivities 2024		Governmental Activities 2023		Business-type Activities 2024		Business-type Activities 2023		Total 2024		Total 2023
Current and other assets	\$	1,748,972	\$	1,883,107	\$	1,434,485	\$	1,521,656	\$	3,183,457	\$	3,404,763
Capital assets	•	11,429,324	·	10,981,301	•	5,882,801	•	5,418,633	·	17,312,125	•	16,399,934
Total assets		13,178,296		12,864,408		7,317,286		6,940,289		20,495,582		19,804,697
Deferred charges		101,458		133,942		47,240		63,572		148,698		197,514
Total deferred outflow of resources		101,458		133,942		47,240		63,572		148,698		197,514
Long-term debt outstanding		2,025,733		2,208,122		938,400		1,091,100		2,964,133		3,299,222
Other liabilities		229,207		281,567		284,987		239,679		514,194		521,246
Total liabilities		2,254,940		2,489,689		1,223,387		1,330,779		3,478,327		3,820,468
Deferred inflows of resources		2,377		3,599		1,567		2,317		3,944		5,916
Total deferred inflows of resources		2,377		3,599		1,567		2,317		3,944		5,916
Net Position:												
Net investment in												
capital assets		9,514,980		9,003,980		4,948,852		4,341,777		14,463,832		13,345,757
Restricted		564,138		671,257		336,000		304,840		900,138		976,097
Unrestricted		943,319		829,825		854,720		1,024,148		1,798,039		1,853,973
Total net position	\$	11,022,437	\$	10,505,062	\$	6,139,572	\$	5,670,765	\$	17,162,009	\$	16,175,827

Total net position of the City's governmental activities increased by \$517,375 in fiscal year 2024 (\$11,022,437 in the current fiscal year versus \$10,505,062 in the prior fiscal year). The business-type activities, which include the water and sewerage fund, stormwater and solid waste fund ended the year with an increase in net position of \$468,807. The City's total net position, which includes both the governmental and business-type activities, increased \$986,182. Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, totaled \$1,798,039 which is a decrease of \$55,934 from the prior year. These funds may be used to meet the government's ongoing obligations to citizens and creditors. Only the \$900,138 portion of the City's net position is subject to external restrictions on how it may be used.

CITY OF BALL GROUND'S NET POSITION TABLE II

	overnmental tivities 2024	Governmental Activities 2023		Business-type Activities 2024		Business-type Activities 2023		Total 2024	Total 2023
Revenues:	 			 					
Charges for services	\$ 592,992	\$	606,870	\$ 1,827,615	\$	1,601,372	\$	2,420,607	\$ 2,208,242
Capital grants and contributions	1,399,972		1,359,021	1,181,180		874,448		2,581,152	2,233,469
General revenues:								_	-
Property taxes	1,666,278		1,332,175	_		-		1,666,278	1,332,175
Other taxes	506,583		501,876	-		-		506,583	501,876
Other revenues	81,208		32,247	 28,221		15,490		109,429	47,737
Total revenues	4,247,033		3,832,189	3,037,016		2,491,310		7,284,049	 6,323,499
Expenses:									
General government	689,645		663,268	_		_		689,645	663,268
Judicial	27,002		26,615	_		_		27,002	26,615
Public safety	1,413,724		1,297,243	_		-		1,413,724	1,297,243
Public works	617,966		663,367	_		-		617,966	663,367
Health and welfare	32,543		27,743	-		-		32,543	27,743
Culture and recreation	646,390		410,677	-		=		646,390	410,677
Housing and development	247,499		272,275	-		=		247,499	272,275
Interest on long-term debt	54,889		58,905	-		=		54,889	58,905
Solid waste	-		-	383,384		300,072		383,384	300,072
Water and sewerage	=		-	2,109,264		1,817,016		2,109,264	1,817,016
Stormwater	 			 75,561		49,182		75,561	 49,182
Total expenses	 3,729,658		3,420,093	 2,568,209		2,166,270		6,297,867	 5,586,363
Change in net position before transfers	517,375		412,096	468,807		325,040		986,182	737,136
Transfers	 (250,811)		<u> </u>	 250,811		<u>-</u>		<u>-</u>	 <u>-</u>
Change in net position	266,564		412,096	719,618		325,040		986,182	737,136
Net position, beginning of year	 10,505,062		10,092,966	5,670,765		5,345,725		16,175,827	 15,438,691
Net position, end of year	\$ 10,771,626	\$	10,505,062	\$ 6,390,383	\$	5,670,765	\$	17,162,009	\$ 16,175,827

Governmental Activities. The City of Ball Ground's net position in governmental activities increased by \$517,375. Significant elements that contributed to the increase of net position are discussed below.

Increase in Revenue

The increase in revenue was a major factor contributing to the increase in the net position in governmental activities as compared to the prior year. The property tax revenue increased by \$334,103 due to the larger tax base. Other revenues increased by \$48,961 largely due to the increase in investment earnings. Capital grants and contributions revenues increased by \$40,951 due to and increased Georgia DOT – LMIG Funds distribution.

Increase in Expenses

The increase in revenues offset the increase in expenses however the increase in expenses was due primarily to park additions and improvements and to the increase of public safety wages and benefit expenses. The Police department added additional personnel, added education incentives, and increased pay rates.

Increase in Total Assets

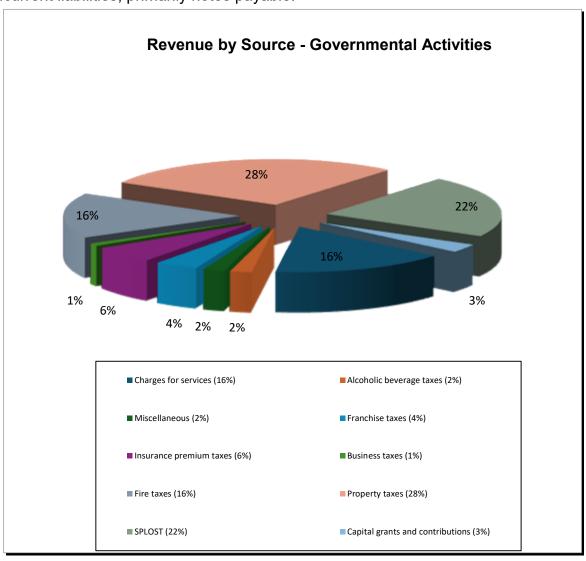
The capital assets, net of depreciation increased by \$448,023, primarily due to the contribution of infrastructure from the developer of North Mountain Brook (Phase III). Other infrastructure was added throughout the fiscal year, however, those additions was offset by the accumulated depreciation of the older infrastructure.

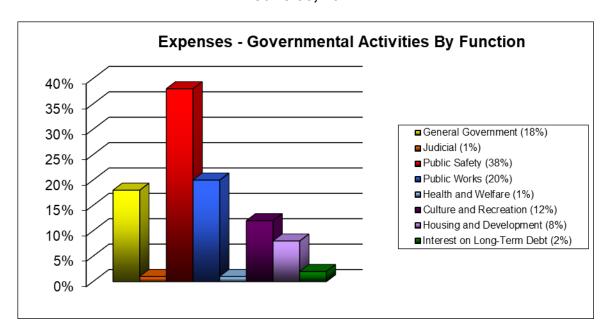
Decrease in Deferred Outflows of Resources

The decrease in deferred outflows of resources of \$32,484 was primarily due to the decrease in the pension-related items of \$27,033. The other factor for the decrease was the continued decrease of deferred charges of a prepayment penalty which is a direct result of the amortization of the prepayment penalty as it is recognized each year.

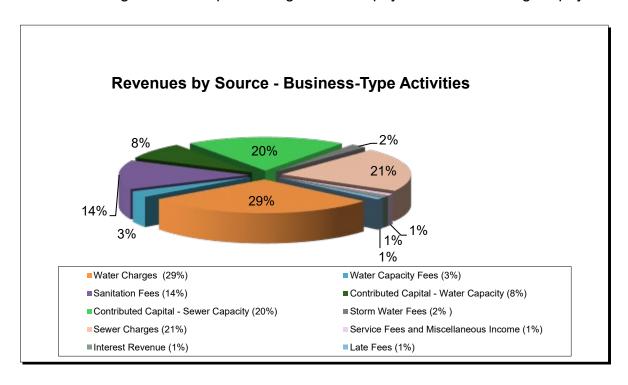
Decrease in Total Liabilities

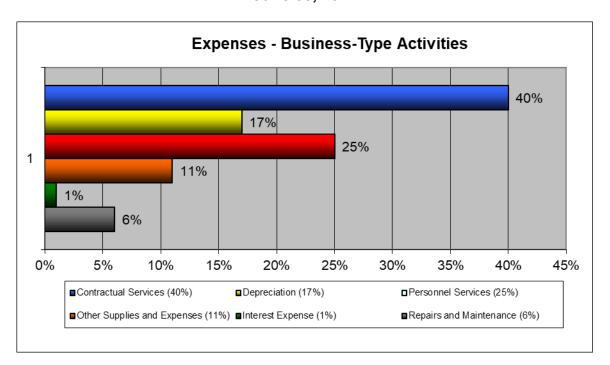
The decrease of \$234,749 as compared to the prior fiscal year is primarily due to the decrease in the noncurrent liabilities, primarily notes payable.





Along with the increase in revenues of \$414,844, the governmental activities had an increase in total expenses of \$309,565 when comparing the expenses by function of fiscal year 2024 to that of the prior year. The largest increases were in culture and recreation (\$235,713) and public safety (\$116,481). The increase in the culture and recreation function was due to improvements and additions to the city park facilities. The increase in public safety function is due to the police department increasing staff and implementing education pay incentives and higher pay rates.





Business-Type Activities. The overall revenues increased by \$545,706 in the current year due to several key factors. The most significant factor is the contributed capital from the developer of the North Mountain Brook Subdivision (Phase III), \$283,418. The increase in charges for services, \$226,243 due to the increased customer base and to some changes to the water rates. Another factor was the increase in investment earnings, \$12,731 due to the larger balances and higher interest rates.

During the current fiscal year, the charges for services increased by \$226,243 as compared to the previous fiscal year. The increase is due to the continued development of subdivisions and housing which resulted in more water (109), sewer (103), stormwater (131), and more sanitation (119) customers which directly resulted in the increased operating revenues.

Some highlights of the business-type operations were as follows:

- During the current fiscal year, the number of water customers increased by 109, the number of sewer customers increased by 103, and the number of stormwater customers increased by 131, and the number of solid waste customers increased by 119. The percentage increases are as follows: water 7%, sewer 10%, stormwater 12%, and solid waste 10%.
- During the current fiscal year, the operating revenue generated from water and sewerage, stormwater, and solid waste charges for service increased as a direct result of the increased number of customers. The water and sewerage charges increased by \$163,568 or 13%, stormwater charges increased by \$8,283 or 15%, and solid waste charges increased by \$54,392 or 17%.

Financial Analysis of the Government's Funds

As noted earlier, the City of Ball Ground 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. An 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. The governmental funds are comprised of the following: General Fund, 1 special revenue funds (District Fire Tax Fund) and a capital projects fund (SPLOST 5 Fund).

As of the end of the current fiscal year, the City of Ball Ground's governmental funds reported combined ending fund balances of \$1,703,433, a decrease of \$80,461, in comparison with the prior year. Although the City's growth yielded to a larger tax base and higher property tax collections in the current year however unlike the prior year the City did not receive additional Coronavirus State and Local Fiscal Recovery Funds (ARP).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year fund balance increased \$134,178 from the prior year for an ending fund balance \$1,144,341 or an increase of 13%. The increase in fund balance is the result of increased revenues from the sale of building permits and increased tax collections from the larger tax base and from contributions. In addition, the unassigned portion of fund balance increased \$128,483 or 14% as compared to last fiscal year.

The District Fire Tax fund balance increased by \$25,415 as compared to the last fiscal year. The 2023 Fire Tax Mill rate (2.764) was a slight decrease as compared to 2022 Fire Tax Mill rate (2.984) therefore the increase in revenues was due to the larger tax base.

The SPLOST 5 fund balance decreased by \$240,054 as compared to the previous fiscal year. While the intergovernmental SPLOST revenue increased \$34,303, the capital outlay expenditures for roads and streets increased \$203,813 primarily due to the increased number of paving and storm drain projects. However, the capital outlay expenditures for public safety decreased \$280,624 as compared to the prior year. During the prior year, the City added a Police Department building to the City Hall.

General Fund Budgetary Highlights

Revenues:

• The overall General Fund revenues exceeded the budget by \$227,016. The 2023 property tax collections were under budget due to the slowdown of anticipated new growth and a slower than expected collection rate.

- Franchise taxes exceeded the budget by \$4,921 due to the increased electrical and natural gas franchise tax revenue. The increased taxes were a result of more roof tops as compared to last fiscal year.
- Business taxes were slightly under budget by \$2,738 due primarily to insurance premium tax collections. The budget is based on anticipated population and anticipated insurance sales for the City's citizens.
- Licenses and permits revenues exceeded budget by \$126,303 primarily due to the increased building permit revenue from issuing building permits to ongoing and new developments in the City. The City issued 79 new building permits during the fiscal year.
- Intergovernmental revenues exceeded the budget by \$53,799 primarily due to a larger than anticipated LMIG distribution and an extra LMIG payment.
- Charges for services revenue exceeded budget by \$33,407 due to the increased rental fee revenue for the use of City facilities and parks. The continued utilization of online reservations and payments from the City's website for the City's park facilities has yielded an increase of park rental revenue.
- Fines and forfeitures revenue were under budget by \$59,508 due to the police department being short staffed due to some injuries and family leave.
- Investment earnings exceeded the budget by \$35,828 due to maintaining larger bank balances and diversifying the types of investments.
- Contributions of \$20,930 were not anticipated at the time the budget was approved. Contributions of \$20,300 for the additions to the Veterans Memorial and \$630 for the Veteran's Memorial Bricks were not budgeted.
- Miscellaneous revenue exceeded the budget by \$20,691 due to the receipts of reimbursements for damaged property.

Expenditures:

General government – City Council line exceeded budget by \$12,203 due to the extensive training and travel by the elected body during the fiscal year. The City of Ball Ground has a relatively new elected body that has participated extensively in training sessions provided by the Georgia Municipal Association as well as the Carl Vinson School of Government. Council Members attended courses from Newly Elected Officials Training to Downtown Development, Economic Development, Utilities Management, Parks and Recreation, etc. Additional funding will be allocated in future years to accommodate this elevated participation in valuable training.

- General government Office of Mayor line exceeded budget by \$7,626 due to a budgeting error for insurance.
- General government Buildings exceeded budget by \$3,816 due to the addition of a new building (police station) whose utility load had not yet been calculated for in the current year budget with any type of historical data on which to base the estimate.
- Judicial courts' line exceeded the budget by \$2,752 due to an increase in dues and fees
 related to court services and software.
- Culture and recreation Parks line overran the budget by \$251,702 due to several factors increased grounds to maintain and which resulted in higher grounds maintenance costs \$50,129; unbudgeted but necessary repairs and maintenance to the park facilities (repairs to inside and outside of city gym, painting, and repairing some park facilities, reran water line for Lions Field concession stand, remodel softball field concession building for Parks office), \$70,000; communications increased \$9,082 due to adding new parks office computer and RecDesk software; supplies and materials increased \$101,576 due to the creation of a pocket park (City Connections) in downtown area; supplies and materials for Botanical Garden, \$5,452; Veterans Memorial ceremony, \$6,577; and the higher electricity and natural gas expenditures \$9,945.
- Culture and recreation Tree City exceeded budget by \$32,269 due to unbudgeted but necessary removal of unsafe trees. The City contracted a professional tree service to inspect and remove potentially dangerous trees from all public rights of way and parks.
- Housing and development Planning and zoning exceeded budget by \$38,106 primarily due to the professional services lines (the added scope to the budgeted purchase of GIS software, which added to the building of the core GIS layers) and outsourcing engineering plan reviews.
- Housing and development Downtown Ball Ground exceeded the budget by \$7,410 due to several factors – increased number of city events and advertising.

There was a continuous monitoring of revenues exceeding budget prior to authorizing expenditures that ran more than budget, resulting in a fiscal year end with overall revenue exceeding overall expenditures.

District Tax Fund Highlights

Revenues of \$614,503 exceeded anticipated collections of \$516,292. The taxes collected by the city are payable to the County through an intergovernmental agreement for the County to provide fire protection services to the citizens of the City of Ball Ground. The expenditure to the City is based upon the billed District Fire Tax and it exceeded the budget by \$77,032. However, the increase in the fund balance of \$25,415 was a direct result of the timing of the service contract with the County. The agreement with the County is for the twelve months ending September 30 of each year.

SPLOST Fund Highlights

Revenue totaled \$825,267, which was \$87,167 more than anticipated due to the increase in the monthly SPLOST distribution.

The sales tax was used for various projects in the city. Expenditures for the current year were \$1,065,821 of which \$460,475 was used for public works projects and costs such as roads, streets, storm drains and other infrastructure improvements, \$129,568 was used for public safety and costs such as purchase of police vehicles, construction costs for the new police department wing to City Hall, \$258,455 was used for culture and recreation (parks), and \$217,323 was used for debt service payments.

This fund was the source of debt service payments on leases funding City Hall, Roberts Lake Park property, 2020 police vehicle, 2021 police vehicle #1, 2021 #2 police vehicle, 2022 Ford 150 police vehicle, 2022 police vehicle, and City Hall electronic sign. The debt service payments for the current year were \$128,447(City Hall/PD Building); \$24,822, (Roberts Lake Park property), \$14,121 (2020 police vehicle), \$11,077 (2021 police vehicle #1), \$13,686 (2021 police vehicle #2), \$11,427 (2022 police truck), \$13,743 (2022 police vehicle #1), for a total of \$217,323 debt service payments.

Proprietary Funds Highlights

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

The total net position increased by \$468,807, which was an increase of 8%. The restricted portion of the net position increased by \$31,160 while the unrestricted net position of four proprietary funds decreased by \$169,428.

Capital Assets and Debt Administration

The City of Ball Ground's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$17,312,125 (net of accumulated depreciation). Capital assets investments include land, construction in progress, land improvements, buildings, machinery and equipment, infrastructure, and vehicles.

Major additions of capital assets this fiscal year were the following:

- Police Department building, \$865,187
- Strippling Street storm drain project, \$29,045
- Veterans Memorial, \$33,640
- John Deere Z930M zero turn mowers (2), \$26,000
- 2022 Ford F150 4x4 vehicle, \$36,840
- 2023 Ford F250 4x4 vehicle, \$67,515
- 2022 brush cutter, \$6,250
- Northridge Road paving, \$111,606
- Scoreboard Field # 2, \$8,195
- Rehabilitation of Calvin Farmer Park playground equipment, \$65,844
- Groover Street East drainage project phase II, \$16.850
- HOMA sewer pump (Howell Bridge Lift Station shelf pump), \$26,978
- Mound Street paving (Main Street to Depot), \$62,932
- Old Canton Road (at library) cross drain, \$11,606
- Cartersville Street ADA sidewalks, \$60,712
- Howell Bridge lift station improvements, \$53,050
- Pedestrian railroad crossing on Valley Street, \$45,149
- Calvin Farmer Parking Lot (corner of Old Dawsonville Road and Groover Street), \$39,924
- Calvin Farmer Park walking path and spillway, \$45,874
- Calvin Farmer Park parking lot exit improvement, \$10,606
- Master Meter (vault accessories) Holcomb Crossing, \$41,832
- Sage Hill lift station improvements, \$64,850
- Old Dawsonville Road lift station improvements, \$62,400
- Calvin Farmer Park retaining wall, \$16,818
- 2003 Kubota Tractor (with loader and bush hog), \$13,750
- Groover Street to Main Street sidewalk and storm drain improvement, \$91,894
- Altitude Valve (Ball Ground Highway and Lantern Walk), \$40,580
- 2018 Polaris Ranger, \$14,000

CITY OF BALL GROUND'S CAPITAL ASSETS (Net of accumulated depreciation)

	Governmen	ntal Activities Business-type Activities					Total				
	2024		2023		2024		2023		2024		2023
Land	\$ 2,120,815	\$	2,120,815	\$	352,377	\$	352,377	\$	2,473,192	\$	2,473,192
Construction in progress	-		778,679		-		-		-		778,679
Land improvements	903,307		903,307		45,000		45,000		948,307		948,307
Buildings	3,462,474		2,597,287		112,105		112,105		3,574,579		2,709,392
Machinery and equipment	386,406		386,406		1,323,991		1,146,408		1,710,397		1,532,814
Infrastructure	13,010,969		12,019,806		9,431,340		8,708,098		22,442,309		20,727,904
Vehicles	458,039		370,249		<u> </u>		<u> </u>		458,039		370,249
Total	20,342,010		19,176,549		11,264,813		10,363,988		31,606,823		29,540,537
Less accumulated depreciation	(8,912,686)		(8,195,248)		(5,382,012)		(4,945,355)		(14,294,698)		(12,217,938)
Total	\$ 11,429,324	\$	10,981,301	\$	5,882,801	\$	5,418,633	\$	17,312,125	\$	17,322,599

More detailed information on the City's capital assets can be found in Note 4 on pages 41 and 42 in the financial statements.

City of Ball Ground's Long-Term Debt

	Jur	ne 30, 2024	Jui	ne 30, 2023
Governmental activities:		_		
Financed purchases	\$	91,065	\$	158,678
Notes payable		1,853,045		1,960,742
Compensated absences		49,802		35,138
Net pension liability		223,991		242,317
Total		2,217,903		2,396,875
Business-type activities:				
Bonds payable		712,934		797,048
Notes payable		221,015		279,808
Compensated absences		28,058		22,385
Net pension liability		147,595		156,033
Total		1,109,602		1,255,274

More detailed information on the City's long-term debt can be found in Note 6 on pages 43 through 46 in the notes to the financial statements.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Donna W. England, Finance Director, City of Ball Ground, P.O. Box 285, Ball Ground, Georgia 30107.

Basic Financial Statements



The financial statements include the government-wide statement of net position and government-wide statement of activities which include all of the primary government's governmental activities and business-type activities. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements.

STATEMENT OF NET POSITION JUNE 30, 2024

			Drimon	, Cayaramant				
	Primary Government							
		vernmental Activities		ness-Type ctivities	Total			
Accete								
<u>Assets</u> Cash	\$	1,059,444	\$	683,337	\$	1,742,781		
Taxes receivable, net	Ψ	13,455	Ψ	-	Ψ	13,455		
Accounts receivable, net		22,977		210,160		233,137		
Intergovernmental receivable		68,798		-		68,798		
Interfund balances		(220)		220		, -		
Prepaid items		236,114		39,698		275,812		
Inventories		· -		148,370		148,370		
Restricted cash		348,404		352,700		701,104		
Capital assets:								
Non-depreciable		2,120,815		352,377		2,473,192		
Depreciable, net of accumulated depreciation		9,308,509		5,530,424		14,838,933		
Total assets		13,178,296		7,317,286		20,495,582		
Deferred Outflows of Resources								
Deferred charges - prepayment penalty		29,766		_		29,766		
Pension-related items		71,692		47,240		118,932		
Total deferred outflows of resources		101,458		47,240		148,698		
Liabilitiaa		·				· · · · · · · · · · · · · · · · · · ·		
<u>Liabilities</u> Liabilities:								
		30,334		88,181		110 515		
Accounts payable Accrued liabilities		3,068		00, 10 1		118,515 3,068		
				562				
Accrued interest payable Customer deposits payable		3,635		16,700		4,197 16,700		
Unearned revenue		<u>-</u>		8,342		8,342		
Noncurrent liabilities:		_		0,042		0,042		
Compensated absences, due within one year		47,312		26,655		73,967		
Compensated absences, due in more than one year		2,490		1,403		3,893		
Bonds payable, due within one year		_,		86,577		86,577		
Bonds payable, due in more than one year		_		626,357		626,357		
Notes payable, due within one year		91,012		57,970		148,982		
Notes payable, due in more than one year		1,762,033		163,045		1,925,078		
Financed purchases, due within one year		53,846		-		53,846		
Financed purchases, due in more than one year		37,219		_		37,219		
Net pension liability, due in more than one year		223,991		147,595		371,586		
Total liabilities		2,254,940		1,223,387		3,478,327		
<u>Deferred Inflows of Resources</u>								
Pension-related items		2,377		1,567		3,944		
Total deferred outflows of resources		2,377		1,567		3,944		
Net Position								
Net investment in capital assets		9,514,980		4,948,852		14,463,832		
Restricted:		0,011,000		.,0 .0,00=		,,		
Fire protection services		163,443		_		163,443		
Sewer projects		,		336,000		336,000		
Capital projects		400,695		-		400,695		
Unrestricted		943,319		854,720		1,798,039		
Total net position	\$	11,022,437	\$	6,139,572	\$	17,162,009		

The accompanying notes are an integral part of this statement.

CITY OF BALL GROUND, GEORGIA STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

							Net (Expense) Revenue and Changes in Net Position							
				Program	ues		Primary Government							
Functions/Programs	Expenses		Charges for Services		Capital Grants and Contributions		Governmental Activities		Business-Type Activities			Total		
Governmental activities:														
General government	\$	689,645	\$	112,097	\$	-	\$	(577,548)	\$	-	\$	(577,548)		
Judicial		27,002		65,592		-		38,590		-		38,590		
Public safety		1,413,724		340		-		(1,413,384)		-		(1,413,384)		
Public works		617,966		1,450		1,379,042		762,526		-		762,526		
Health and welfare		32,543		-		-		(32,543)		-		(32,543)		
Culture and recreation		646,390		51,865		20,930		(573,595)		-		(573,595)		
Housing and development		247,499		361,648		-		114,149		-		114,149		
Interest on long-term debt		54,889		-		-		(54,889)		-		(54,889)		
Total governmental activities		3,729,658		592,992		1,399,972		(1,736,694)		-		(1,736,694)		
Business-type activities:														
Water and sewerage		2,109,264		1,383,451		1,020,918		-		295,105		295,105		
Solid waste		383,384		381,891		-		-		(1,493)		(1,493)		
Stormwater		75,561		62,273		160,262		-		146,974		146,974		
Total business-type activities		2,568,209		1,827,615		1,181,180		-		440,586		440,586		
Total primary government	\$	6,297,867	\$	2,420,607	\$	2,581,152		(1,736,694)		440,586		(1,296,108)		
	_	eral revenues: xes:												
	F	Property taxes						1,666,278		_		1,666,278		
		ranchise taxes	;					168,821		-		168,821		
	A	Alcoholic bever	age ta	xes				74,866		_		74,866		
		Business taxes	Ū					36,264		-		36,264		
	lı	nsurance prem	ium ta	axes				218,828		_		218,828		
		inancial institu						7,804		-		7,804		
	Un	restricted inves	stment	t earnings				41,375		28,221		69,596		
		scellaneous		· ·				39,833		-		39,833		
		Total general	reven	ues				2,254,069		28,221		2,282,290		
		Change in r						517,375		468,807		986,182		
	Net p	oosition, beginr						10,505,062		5,670,765		16,175,827		
	Net p	position, ending	g of fis	cal year			\$	11,022,437	\$	6,139,572	\$	17,162,009		

The accompanying notes are an integral part of this statement.

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2024

Assets		General		strict Fire ax Fund	S	PLOST 5	Go	Total vernmental Funds
Cash	\$	1,056,976	\$	2,468	\$	_	\$	1,059,444
Taxes receivable	Ψ	7,851	Ψ	5,604	Ψ	_	Ψ	13,455
Accounts receivable		22,977		-		_		22,977
Intergovernmental receivable		287		367		68,144		68,798
Prepaid items		81,110		155,004		-		236,114
Restricted cash		15,000		, -		333,404		348,404
Total Assets	\$	1,184,201	\$	163,443	\$	401,548	\$	1,749,192
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities:								
Accounts payable	\$	29,481	\$	-	\$	853	\$	30,334
Due to other funds		220		-		-		220
Accrued liabilities		3,068		-		-		3,068
Total Liabilities		32,769		-		853		33,622
Deferred Inflows of Resources:								
Unavailable revenue - property taxes		7,091		5,046		-		12,137
Total Deferred Inflows of Resources		7,091		5,046		-		12,137
Fund balances: Nonspendable:								
Prepaid items Restricted:		81,110		155,004		-		236,114
Fire protection services		-		3,393		_		3,393
Capital projects		-		-		400,695		400,695
Unassigned		1,063,231		-		-		1,063,231
Total Fund Balances		1,144,341		158,397		400,695		1,703,433
Total liabilities, deferred inflows								
of resources, and fund balances	\$	1,184,201	\$	163,443	\$	401,548	\$	1,749,192

The accompanying notes are an integral part of this statement.

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

Total governmental fund balances		\$	1,703,433
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds. Cost Less: accumulated depreciation	\$ 20,342,010 (8,912,686)		11,429,324
Some receivables are not available to pay current period expenditures, and therefore, are deferred inflows of resources in the governmental funds. Property taxes			12,137
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources, and therefore, are not reported in the governmental funds.			
Deferred outflows of resources related to pensions Deferred inflows of resources related to pensions Net pension liability	\$ 71,692 (2,377) (223,991)	_	(154,676)
Long-term liabilities and related items are not due and payable in the current period and are not reported in the governmental funds. Compensated absences Accrued interest payable Financed purchases Notes payable Deferred charges - prepayment penalty	\$ (49,802) (3,635) (91,065) (1,853,045) 29,766		(1,967,781)
Net position of governmental activities	·	\$	11,022,437

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

	General	District Fire Tax Fund	SPLOST 5	Total Governmental Funds
Revenues:	. 4 550 400	.	•	A 0.4 7 0.005
Taxes	\$ 1,556,482	\$ 614,503	\$ -	\$ 2,170,985
Licenses and permits	403,303	-	-	403,303
Intergovernmental	88,799	-	817,375	906,174
Charges for services	124,097	-	-	124,097
Fines and forfeitures	65,592	-	-	65,592
Investment earnings	36,828	4,547	7,872	49,247
Contributions	20,930	-	-	20,930
Miscellaneous	39,833			39,833
Total revenues	2,335,864	619,050	825,247	3,780,161
Expenditures:				
Current:				
General government	598,168	-	-	598,168
Judicial	27,002	-	-	27,002
Public safety	735,681	593,635	20,447	1,349,763
Public works	82,651	-	115,212	197,863
Health and welfare	24,423	-	-	24,423
Culture and recreation	478,091	-	57,442	535,533
Housing and development	247,499	-	-	247,499
Capital outlay:				
Public safety	-	-	109,120	109,120
Public works	-	-	345,263	345,263
Culture and recreation	-	-	201,013	201,013
Debt service:				
Principal	7,279	-	168,031	175,310
Interest and fiscal charges	372	-	49,293	49,665
Total expenditures	2,201,166	593,635	1,065,821	3,860,622
Excess (deficiency) of revenues over				
expenditures	134,698	25,415	(240,574)	(80,461)
·	,	_0,	(= :=,=: :)	(00, 101)
Other financing sources (uses):				
Transfers in	-	-	520	520
Transfers out	(520)			(520)
Total other financing sources (uses)	(520)	-	520	
Net change in fund balances	134,178	25,415	(240,054)	(80,461)
Fund balances, beginning of fiscal year	1,010,163	132,982	640,749	1,783,894
Fund balances, end of fiscal year	\$ 1,144,341	\$ 158,397	\$ 400,695	\$ 1,703,433
•				

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:			
Net change in fund balances - total governmental funds:		\$	(80,461)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.			
Capital outlay Depreciation expense	\$ 700,465 (717,438)	_	(16,973)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, donations, and disposals) is to increase net position.			
Infrastructure donated to the city			464,996
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
Property taxes			1,876
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. This amount is the net effect of these differences in the treatment of long-term debt and related items. Principal payments - financed purchases Principal payments - notes payable	\$ 67,613 107,697	-	175,310
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds: Change in compensated absences Change in accrued interest Amortization of deferred charges Pension expense	\$ (14,664) 227 (5,451) (7,485)		(27,373)
Change in net position - governmental activities		\$	517,375

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues				
Property taxes	\$ 1,056,016	\$ 1,056,016	\$ 1,049,899	\$ (6,117)
Franchise taxes	163,900	163,900	168,821	4,921
Business taxes	340,500	340,500	337,762	(2,738)
Licenses and permits	277,000	277,000	403,303	126,303
Intergovernmental	35,000	35,000	88,799	53,799
Charges for services	90,690	90,690	124,097	33,407
Fines and forfeitures	125,100	125,100	65,592	(59,508)
Investment earnings	1,000	1,000	36,828	35,828
Contributions	500	500	20,930	20,430
Miscellaneous	19,142	19,142	39,833	20,691
Total revenues	2,108,848	2,108,848	2,335,864	227,016
Expenditures				
General government:				
Legislative	30,150	30,150	42,353	(12,203)
Clerk of Council	93,233	93,233	92,444	789
Mayor	12,600	12,600	20,226	(7,626)
City Manager	36,958	36,458	32,610	3,848
Elections	400	400	-	400
General administration	360,086	354,586	337,219	17,367
General government buildings	64,000	69,500	73,316	(3,816)
Judicial:				
Municipal court	24,250	24,250	27,002	(2,752)
Public safety:				
Patrol	812,605	813,105	735,681	77,424
Public works:				
Highways and streets	104,196	104,196	82,651	21,545
Health and welfare:				
Community center	9,750	9,750	8,010	1,740
Senior center	16,500	16,500	16,413	87
Culture and recreation:				
Parks	186,000	186,000	437,702	(251,702)
Library	3,000	3,000	3,000	-
Tree City	5,120	5,120	37,389	(32,269)
Housing and development:				
Planning and zoning	147,850	147,850	183,956	(36,106)
Building department	50,000	50,000	31,633	18,367
Main Street department	24,500	24,500	31,910	(7,410)
Debt service:				(0-0)
Principal	7,000	7,000	7,279	(279)
Interest and other charges	650	650	372	278
Total expenditures	1,988,848	1,988,848	2,201,166	(212,318)
Excess of revenues over expenditures	120,000	120,000	134,698	14,698
Other financing sources (uses):				
Transfers out	(120,000)	(120,000)	(520)	119,480
Total other financing sources (uses)	(120,000)	(120,000)	(520)	119,480
Net change in fund balance	-	-	134,178	134,178
Fund balance, beginning of fiscal year	1,010,163	1,010,163	1,010,163	-
Fund balance, end of fiscal year	\$ 1,010,163	\$ 1,010,163	\$ 1,144,341	\$ 134,178

DISTRICT FIRE TAX FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	 Final Budget	Actual	ariance From al Budget
Revenues				
Property taxes	\$ 516,292	\$ 516,292	\$ 614,503	\$ 98,211
Investment earnings	1,150	1,150	4,547	3,397
Total revenues	 517,442	517,442	619,050	101,608
Expenditures Public safety:				
Fire protection services	516,603	516,603	593,635	(77,032)
Total expenditures	 516,603	516,603	593,635	(77,032)
Net change in fund balance	839	839	25,415	24,576
Fund balance, beginning of fiscal year	 132,982	 132,982	 132,982	 _
Fund balance, end of fiscal year	\$ 133,821	\$ 133,821	\$ 158,397	\$ 24,576

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2024

Assets	 Sewerage	 Waste	Fund	 Total
Aggeta	_		_	_
Current assets:				
Cash	\$ 548,567	\$ 103,085	\$ 31,685	\$ 683,337
Accounts receivable, net	160,948	42,208	7,004	210,160
Prepaid items	39,110	588	-	39,698
Inventories	148,370	-	-	148,370
Due from other funds	220	361	53	634
Restricted cash	352,700	-	-	352,700
Total current assets	 1,249,915	146,242	38,742	1,434,899
Non-current assets:				
Capital assets:				
Non-depreciable	326,777	-	25,600	352,377
Depreciable, net of accumulated depreciation	4,794,118	-	736,306	5,530,424
Total capital assets	 5,120,895	_	761,906	5,882,801
Total non-current assets	 5,120,895	-	761,906	5,882,801
Total assets	6,370,810	146,242	800,648	7,317,700
Deferred Outflows of Resources				
Pension-related items	 47,240		 	 47,240
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	65,992	22,189	-	88,181
Accrued interest payable	562	-	-	562
Unearned revenue	8,342	-	-	8,342
Due to other funds	414	-	-	414
Compensated absences, current	26,655	-	-	26,655
Current portion of notes payable	57,970	-	-	57,970
Payable from restricted assets:				
Customer deposits payable	16,700	-	-	16,700
Current portion of bonds payable	86,577	-	-	86,577
Total current liabilities	263,212	22,189	-	285,401
Non-current liabilities:				
Compensated absences	1,403	-	-	1,403
Notes payable	163,045	-	-	163,045
Bonds payable	626,357	-	-	626,357
Net pension liability	 147,595	 		 147,595
Total non-current liabilities	 938,400	-	-	938,400
Total liabilities	1,201,612	22,189	-	 1,223,801
<u>Deferred Inflows of Resources</u>				
Pension-related items	 1,567		 	 1,567
Net Position				
Net investment in capital assets	4,186,946	-	761,906	4,948,852
Restricted for capital improvements	336,000	-	· -	336,000
Unrestricted	691,925	124,053	38,742	854,720
Total net position	\$ 5,214,871	\$ 124,053	\$ 800,648	\$ 6,139,572

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

	Water and Sewerage	Solid Waste	Stormwater Fund	Total
Operating revenues: Charges for service	\$ 1,383,451	\$ 381,891	\$ 62,273	\$ 1,827,615
Total operating revenues	1,383,451	\$ 381,891 381,891	\$ 62,273 62,273	\$ 1,827,615 1,827,615
· · · ·			02,270	1,021,010
Operating expenses:	624.060	40.500		000 500
Personnel services	634,069	48,529	-	682,598
Contractual services	842,706	303,706	-	1,146,412
Other supplies and expenses	215,526	31,149	27,240	273,915
Depreciation	388,336		48,321	436,657
Total operating expenses	2,080,637	383,384	75,561	2,539,582
Net operating income (loss)	(697,186)	(1,493)	(13,288)	(711,967)
Non-operating revenue (expenses):				
Interest revenue	27,687	490	44	28,221
Interest expense	(28,627)	_	_	(28,627)
Total non-operating revenue (expenses)	(940)	490	44	(406)
Net income (loss) before capital				
contributions and transfers	(698,126)	(1,003)	(13,244)	(712,373)
Capital contributions - infrastructure	283,418	-	160,262	443,680
Capital contributions - water capacity sales	211,000	-	, -	211,000
Capital contributions - sewer capacity sales	526,500	_	_	526,500
Total capital contributions and transfers	1,020,918		160,262	1,181,180
Change in net position	322,792	(1,003)	147,018	468,807
Net position, beginning of fiscal year	4,892,079	125,056	653,630	5,670,765
Net position, end of fiscal year	\$ 5,214,871	\$ 124,053	\$ 800,648	\$ 6,139,572

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

		Vater and Sewerage	Solid Waste	ormwater Fund	Totals
Cash flows from operating activities: Receipts from customers Payments to employees Payments to suppliers	\$	1,354,446 (620,182) (1,095,624)	\$ 374,110 (48,529) (313,563)	\$ 60,849	\$ 1,789,405 (668,711) (1,436,427)
Net cash provided by (used in) operating activities		(361,360)	12,018	33,609	(315,733)
Cash flows from capital and related financing activities:					
Principal paid on capital debt Interest paid on capital debt Capital contributions - tap sales Purchases of capital assets		(142,907) (29,051) 737,500 (440,294)	- - - -	- - - (16,851)	(142,907) (29,051) 737,500 (457,145)
Net cash provided by (used in) capital and related financing activities		125,248		(16,851)	108,397
Cash flows from investing activities: Interest received		27,687	 490	44	28,221
Net cash provided by investing activities		27,687	490	 44	28,221
Net increase (decrease) in cash		(208,425)	12,508	16,802	(179,115)
Cash, beginning of fiscal year		1,109,692	90,577	14,883	1,215,152
Cash, end of fiscal year	\$	901,267	\$ 103,085	\$ 31,685	\$ 1,036,037
Reconciliation of cash: Unrestricted Restricted	\$	548,567 352,700 901,267	\$ 103,085 - 103,085	\$ 31,685 - 31,685	\$ 683,337 352,700 1,036,037
Reconciliation of operating loss to net cash provided by (used in) operating activities:					
Operating loss	\$	(697,186)	\$ (1,493)	\$ (13,288)	\$ (711,967)
Adjustments to reconcile operating income loss to net cash provided by (used in) operating activities: Depreciation expense Change in assets, deferred inflows and outflows of resources, and liabilities:		388,336	-	48,321	436,657
Increase in accounts receivable, net Increase in due from other funds Increase in inventory (Increase) decrease in prepaid items Decrease in pension related deferred outflows Increase in accounts payable Increase in unearned revenue Increase in compensated absences Decrease in net pension liability Increase in due to other funds Decrease in pension related deferred inflows		(30,132) (220) (43,975) (8,469) 16,332 15,928 1,127 5,673 (8,438) 414 (750)	(7,781) (361) - 4 - 21,649 - - - -	(1,424)	(39,337) (581) (43,975) (8,465) 16,332 37,577 1,127 5,673 (8,438) 414 (750)
Net cash provided by (used in) operating activities	<u>\$</u>	(361,360)	\$ 12,018	\$ 33,609	\$ (315,733)
Noncash capital related activities Donations of capital assets	\$	283,418	\$ -	\$ 160,262	\$ 443,680

Notes to the Financial Statements



The notes to the financial statements are a required component of the basic financial statements of the City. The notes present required and essential information for the fair presentation of the statements that have not been disclosed on the face of the financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. THE REPORTING ENTITY

The City of Ball Ground, Georgia (the "City") operates under a City Council-Manager form of government and provides the following services to its citizens: public safety (police), public works, parks and recreation, planning and zoning, building inspection, code enforcement, municipal court services, and general administrative services. In addition, the City also offers water, sewer, and sanitation services to the City's residents and the surrounding area.

In conformity with generally accepted accounting principles, as set forth in the Statement of GASB No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, as amended, the City has determined the Downtown Development Authority to be a discretely presented component unit, however, as of June 30, 2024 the activity of the Downtown Development Authority was not material to the City and has not been included in the financial statements.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City's funds are grouped into two broad fund classifications: Governmental and Proprietary. The governmental funds include the General Fund, one special revenue fund (District Fire Tax Fund), and a capital projects fund (SPLOST 5 Fund), while the proprietary funds include the enterprise funds (Water and Sewerage Fund, Solid Waste Fund, and Stormwater Fund).

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the City, the primary government, as a whole. For the most part, the effect of interfund activity has been removed from these statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position should be reported as restricted when constraints placed on use of net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for capital improvements result from the capital projects funds and the restrictions on their net position use. The net position restricted for fire protection services results from the restriction on the use of the tax.

D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current fiscal year or within sixty days of fiscal year end and available to pay obligations of the current fiscal year): property taxes, sales tax, intergovernmental grants and investment earnings. Other revenues, including licenses and permits, and certain charges for services are recorded as revenue when received in cash because they are generally not measurable prior to receipt.

In accordance with GASB Statement No. 33 Accounting and Financial Reporting for Non-exchange Transactions, the corresponding assets (receivables) in non-exchange transactions are recognized in the period when the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and other long-term liabilities, which have not matured are recorded when due for payment. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (Continued)

The City reports the following major governmental funds:

General Fund: This 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.

SPLOST 5 Fund: This is a capital projects fund to account for financial resources to be used for the acquisition or construction of major capital projects as approved in a referendum for a special purpose local option sales tax dated November 2, 2017. The collection of this tax began in July 2018.

District Fire Tax Fund: This is a special revenue fund to be used to account for monies received from a restricted property tax levy for fire protection services.

The City reports the following major enterprise funds:

Water and Sewerage Fund: This fund accounts for the development, operation and maintenance of the utility system that provides water and sewerage service, and for the development of an infrastructure system capable of providing sewerage service.

Solid Waste Fund: This fund accounts for the operation of the City's garbage collection services.

Stormwater Fund: This enterprise fund accounts for the collection of fees for construction of, and upgrades to, stormwater drains and related expenses.

All proprietary funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility receivables are recorded at each fiscal year end. In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements.

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 City's enterprise funds are charges for water and sewer usage, and sanitation pickup. Operating expenses for the enterprise funds include all costs to operate the water and sewer system and the contracted operations of sanitation services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. ENCUMBRANCES

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. CASH

Cash includes amounts in demand deposits. Statutes authorize the City to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's, Investors Service, Inc., negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association, repurchase agreements when collateralized by U.S. Government or agency obligations, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

G. RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by nonspendable fund balance in the General Fund only to indicate that they are not available for appropriation and are not expendable available financial resources.

H. INVENTORIES

Inventories consist of supplies and are stated at cost. Inventories are accounted for on the first-in, first-out (FIFO) method of accounting for inventory. The City uses the consumption method of accounting for inventories under which materials and supplies are recorded as inventory when purchased and are recorded as an expense when used.

I. PREPAID ITEMS

Payments to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance, which indicates that they do not constitute available, spendable financial resources even though they are a component of net current position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. CAPITAL ASSETS

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation. General infrastructure assets acquired prior to July 1, 2003 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The threshold for capitalization for infrastructure and other capital assets is \$5,000.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Estimated
Asset Class	<u>Useful Lives</u>
Land improvements	10-20 years
Infrastructure	20-30 years
Buildings	50 years
Building improvements	20 years
Vehicles	2-15 years
Machinery and equipment	3-15 years

K. COMPENSATED ABSENCES

The liability for compensated absences in the government-wide and proprietary fund statements consists of unpaid, accumulated annual leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial 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 only has one item that qualifies for reporting in this category not related to pensions. It is the deferred charge on early lease retirement reported in the government-wide statement of net position. A deferred charge on early lease retirement results from the prepayment penalty incurred at the time of refunding. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item not related to pensions, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The City also has deferred inflows and outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. For the current year, the City has four (4) items that fall into this category: (1) the difference between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five year period; (2) experience gains or losses 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; (3) changes in the actuarial assumptions; and (4) contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability. These contributions will reduce the City's net pension liability in the subsequent fiscal year.

M. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

N. LONG-TERM OBLIGATIONS

In the government-wide financial statement 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, if any, are deferred and amortized over the term of the bond using the effective interest method.

Proprietary fund type loans payable are reported as liabilities at their outstanding value.

In the fund financial statements, governmental fund types report the face amount of the debt issued as other financing sources and issuance costs as expenditures.

O. 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 Ball Ground 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. BUDGETS AND BUDGETARY CONTROL

The City Manager prepares a draft of the annual budget from which the Mayor prepares a proposed budget. The City then advertises in a local newspaper giving notice regarding a public hearing in which local citizens may give their input regarding the proposed budget. The City also places a copy of the proposed budget on file for public inspection prior to the actual approval. Once all of these steps have been taken, the Mayor and City Council then formally adopt the annual balanced budget in a legally permissible manner. The legal level of control of the budget of the City is at the department level. All appropriations lapse at fiscal year end. During the current fiscal year, there were amendments made to the original budget.

Budgets have been legally adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles and on the same basis of accounting used by each fund to which the budget applies. Budgets are adopted annually for all governmental funds, with the exception of the capital projects funds, for which project-length budgets are adopted.

The following departments of the General Fund and other funds were over expended:

General Fund	
Legislative	\$ 12,203
Mayor	7,626
General government buildings	3,816
Municipal court	2,752
Culture and recreation - parks	251,702
Culture and recreation - Tree City	32,269
Housing and development - planning and zoning	36,106
Housing and development - Main Street department	7,410
Debt service - principal	279
District Fire Tax Fund	77.032

These over expenditures were funded with revenues received in excess of anticipated.

The remainder of this page is intentionally left blank.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. FUND BALANCE

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 current assets, current liabilities, and deferred inflows of resources. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- Nonspendable Fund balances are reported as nonspendable when amounts cannot be spent because they
 are either:
 - (a) Not in spendable form (i.e., items that are not expected to be converted to cash such as inventory and prepaids);
 - (b) Legally or contractually required to be maintained intact; or
 - (c) Long-term advances of current resources made to another fund, to be repaid over a period extending beyond one fiscal year. Only the General Fund reports nonspendable fund balances related to advances from other funds.
- Restricted Fund balances are reported as restricted when there are limitations imposed on their use either through the:
 - (a) Enabling legislation adopted by the City;
 - (b) Through external parties (creditors, grantors, or laws or regulations of other governments); or
 - (c) Constitutional provisions.
- 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. These self-imposed limitations must be set in place
 prior to the end of the fiscal year.
- 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 Manager or the City Finance Director or the City Manager's designee to assign fund
 balances. With the exception of the General Fund, amounts in all other governmental funds that are not
 nonspendable, restricted, or committed will be considered to be assigned. Also, at the fiscal year end, any
 appropriation of existing fund balance to eliminate a projected budgetary deficit in the next fiscal year's budget
 is considered to be an assignment of fund balance.
- 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 fund balances in other funds are reported as unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. FUND BALANCE (Continued)

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:

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets, deferred outflows of resources, 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.

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

NOTE 2. SUMMARY OF DEPOSIT BALANCES AND INVESTMENTS

Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. The Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State.

As of June 30, 2024, the City's bank balances of \$2,581,692 were either fully covered by standard FDIC insurance or held at a bank participating in the Secure Deposit Program and thus collateralized in compliance with the state requirements.

NOTE 3. RECEIVABLES

Receivables at June 30, 2024, for the City's individual governmental and proprietary funds are as follows:

	General			District Fire Tax	PLOST 5			
Taxes	\$	7,851	\$	5,604	\$	-		
Accounts Intergovernmental		22,977 287		367		- 68,144		
Net total receivables	\$	31,115		\$ 5,971	\$	68,144		
	Water and Sewerage			Solid Waste	Stormwater		Total	
Taxes Accounts Intergovernmental	\$	- 186,267 -	\$	- 48,876 -	\$	- 8,106 -	\$	13,455 266,226 68,798
Gross receivables Less allowance for		186,267		48,876		8,106		348,479
uncollectibles		(25,319)	_	(6,668)		(1,102)		(33,089)
Net total receivables	\$	160,948	\$	42,208	\$	7,004	\$	315,390

The City contracted with Cherokee County to bill and collect the City's 2023 real and personal property taxes. Ad valorem tax on motor vehicles and mobile homes are collected by the Cherokee County Tax Commissioner and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes were levied as of August 1, 2023. Secured property tax payments were due on November 15, 2023. The City has not established a date for liens.

Assessed values are established by the Cherokee County Tax Assessor's office and are currently calculated at 40% of the market value. Based on the 2023 City millage levy of 3.938 mills, a property owner would pay approximately \$3.94 per \$1,000 of assessed valuation.

NOTE 4. CAPITAL ASSETS

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

	 Beginning Balance	 Additions	Transfers		dditions Transfers Disposals		Disposals		Ending Balance	
Governmental Activities:										
Capital assets, not being depreciated:										
Land	\$ 2,120,815	\$ -	\$	-	\$	-	\$	2,120,815		
Construction in progress	778,679	 160,702		(939,381)						
Total	2,899,494	160,702		(939,381)		_		2,120,815		
Capital assets, being depreciated:	_							_		
Land improvements	903,307	-		-		-		903,307		
Buildings and improvements	2,597,287	-		865,187		-		3,462,474		
Machinery and equipment	386,406	-		-		-		386,406		
Infrastructure	12,019,806	916,969		74,194		-		13,010,969		
Vehicles	 370,249	87,790				-		458,039		
Total	16,277,055	1,004,759		939,381		-		18,221,195		
Less accumulated depreciation for:										
Land improvements	(754,638)	(59,161)		-		-		(813,799)		
Buildings and improvements	(780,253)	(89,928)		-		-		(870,181)		
Machinery and equipment	(237,137)	(54,096)		-		-		(291,233)		
Infrastructure	(6,214,724)	(466,273)		-		-		(6,680,997)		
Vehicles	(208,496)	(47,980)		-		-		(256,476)		
Total	(8,195,248)	(717,438)		-		-		(8,912,686)		
Total capital assets, being					•					
depreciated, net	8,081,807	287,321		939,381		-		9,308,509		
Governmental activities		_								
capital assets, net	\$ 10,981,301	\$ 448,023	\$		\$		\$	11,429,324		

The remainder of this page is intentionally left blank.

NOTE 4. CAPITAL ASSETS (Continued)

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

	Beginning Balance	Additions	Disposals	Ending Balance	
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	\$ 352,377	\$ -	\$ -	\$ 352,377	
Total	352,377			352,377	
Capital assets, being depreciated:					
Land improvements	45,000	-	-	45,000	
Machinery and equipment	1,146,408	177,583	-	1,323,991	
Buildings	112,105	-	-	112,105	
Infrastructure	8,708,098	723,242		9,431,340	
Total	10,011,611	900,825		10,912,436	
Less accumulated depreciation for:					
Land improvements	(27,250)	(3,000)		(30,250)	
Machinery and equipment	(808,818)	(113,522)	-	(922,340)	
Buildings	(41,772)	(9,824)	-	(51,596)	
Infrastructure	(4,067,515)	(310,311)	<u> </u>	(4,377,826)	
Total	(4,945,355)	(436,657)		(5,382,012)	
Total capital assets, being					
depreciated, net	5,066,256	464,168		5,530,424	
Business-type activities					
capital assets, net	\$ 5,418,633	\$ 464,168	<u> </u>	\$ 5,882,801	

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

Governmental Activities:		
General government	\$	67,957
Public safety		67,623
Public works		459,486
Health and welfare		8,120
Culture and recreation		114,252
		_
Total depreciation expense - governmental activities	\$	717,438
Business-Type Activities:	· <u> </u>	
Water and sewerage	\$	388,336
Stormwater		48,321
Total depreciation expense - business-type activities	\$	436,657

NOTE 5. INTERGOVERNMENTAL REVENUE AND RECEIVABLE

The following amounts are due from other governments at June 30, 2024:

Due from Cherokee County:	_	
SPLOST 5 Fund - Special Purpose Local Option Sales Tax	\$	68,144
General Fund – taxes		287
District Fire Tax Fund – taxes		367
	\$	68,798

The following amounts are a breakdown of intergovernmental revenues as of June 30, 2024 as referenced on the Statement of Revenues, Expenditures, and Changes in Fund Balances on page 24:

General Fund:	_	
Georgia DOT – LMIG Funds	\$	88,799
SPLOST Fund:		
Special Purpose Local Option Sales Tax	\$	817,375

NOTE 6. LONG-TERM DEBT

Governmental Activities

Direct borrowings, reported as financed purchases in the governmental activities consisted of the following as of June 30, 2024:

Magnolia Bank, purchase of an electronic sign installed at City Hall, original lease amount of \$34,430, with an interest rate of 4.14%, monthly payments of \$638 until maturity in 2025.	\$	5.017
Magnolia Bank, purchase of a 2020 police vehicle, original lease amount of \$52,078, with	Ψ	0,017
an interest rate of 4.06%, monthly payments of \$1,177 until maturity in 2024.		3,507
Magnolia Bank, purchase of a 2021 police vehicle, original lease amount of \$41,664, with an interest rate of 3.21%, monthly payments of \$923 until maturity in 2025.		8,201
Magnolia Bank, purchase of a 2021 police vehicle, original lease amount of \$51,567, with an interest rate of 3.03%, monthly payments of \$1,144 until maturity in 2026.		18,960
Magnolia Bank, purchase of a 2022 police vehicle, original lease amount of \$42,981, with an interest rate of 3.03%, monthly payments of \$952 until maturity in 2026.		26,596
Magnolia Bank, purchase of a 2022 police vehicle, original lease amount of \$51,657, with an interest rate of 3.03%, monthly payments of \$1,145 until maturity in 2026.		28,784

NOTE 6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

The direct borrowings above are all secured by the financed assets and the full faith and taxing authority of the City.

Direct borrowings in the form of notes payable in the governmental activities consisted of the following as of June 30, 2024:

GEFA, purchase of land for Roberts Lake Park, original note \$425,000 with an interest rate of 1.59%, monthly payments of \$2,068 until maturity in 2040. \$345,629 Regions, refinance of city hall and construction of new police department, original note amount of \$1,700,000 with an interest rate of 2.53%, monthly payments of \$9,070 until maturity in 2037. 1,507,416

The direct borrowings above are all secured by the financed assets and the full faith and taxing authority of the City.

Business-Type Activities

Revenue Bonds payable in the Water and Sewerage Fund consisted of the following as of June 30, 2024:

Regions, refinance water and sewer system, original bonds (Series 2016) amount of \$1,290,000 with an interest rate of 2.785%, monthly installments of \$8,800 until maturity in 2032. \$712,934

The revenue bonds of the City carry a requirement that the City maintain a coverage ratio of 1.10 as of the close of each fiscal year. In the event in which the City fails to maintain the required coverage ratio or fails to make the required debt service payments, the bonds can be accelerated and made due and payable immediately.

Direct borrowings in the form of notes in the Water and Sewerage Fund consisted of the following as of June 30, 2024:

Regions, refinance public works facility, original lease amount of \$281,525 with	
an interest rate of 2.85%, monthly payments of \$2,156 until maturity in 2029.	\$ 118,434
GEFA, construction of north sewer line expansion, original note \$173,200 with	
an interest rate of 1.52%, monthly payments of \$1,557 until maturity in 2027.	48,788
Lease One Magnolia, purchase of Hydro-Vac Trailer, original lease amount of	
\$70,070 with an interest rate of 4.35%, monthly payments of \$1,597 until	
maturity in 2027.	53.793

The direct borrowings above are all secured by the assets and the revenues of the City's water and sewerage system.

NOTE 6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Additionally, the GEFA note carries a requirement that the City maintain a coverage ratio of 1.05 as of the close of each fiscal year. In the event in which the City fails to maintain the required coverage ratio or fails to make the required debt service payments, the note can be accelerated and made due and payable immediately.

Long-term liability activity for the year ended June 30, 2024 is as follows:

	E	Beginning Balance	Α	dditions	Re	eductions	Ending Balance	ie Within One Year
Governmental Activities:								
Compensated absences	\$	35,138	\$	41,820	\$	27,156	\$ 49,802	\$ 47,312
Net pension liability		242,317		182,039		200,365	223,991	-
Notes payable from direct								
borrowings		1,960,742		-		107,697	1,853,045	91,012
Financed purchases payable								
from direct borrowings		158,678		_		67,613	91,065	 53,846
Governmental activities								
long-term liabilities	\$	2,396,875	\$	223,859	\$	402,831	\$ 2,217,903	\$ 192,170
Business-Type Activities:							 _	
Compensated absences	\$	22,385	\$	27,215	\$	21,542	\$ 28,058	\$ 26,655
Net pension liability		156,033		117,219		125,657	147,595	-
Notes payable from direct		279,808		-		58,793	221,015	57,970
borrowings								
Revenue bonds		797,048				84,114	712,934	 86,577
Business-type activities							<u> </u>	
long-term liabilities	\$	1,255,274	\$	144,434	\$	290,106	\$ 1,109,602	\$ 171,202

The compensated absences liability will be paid from the General Fund or the Water and Sewerage Fund from which employees' salaries are paid. The net pension liability will be paid from the General Fund or the Water and Sewerage Fund from which contributions to the City's pension plan are paid.

Notes Payable – Payments of interest and principal related to the notes, bonds and financed purchases payable for the next five years and until maturity are as follows:

Governmental Activities Notes Payable

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2025	\$ 91,012	\$ 42,655	\$ 133,667
2026	93,155	40,512	133,667
2027	95,349	38,317	133,666
2028	97,597	36,069	133,666
2029	99,900	33,766	133,666
2030-2034	536,039	132,293	668,332
2035-2039	821,500	42,671	864,171
2040	18,493	 123	18,616
	\$ 1,853,045	\$ 366,406	\$ 2,219,451

NOTE 6. LONG-TERM DEBT (Continued)

Notes Payable (Continued):

Business-Type Activities Notes Payable

Fiscal Year Ending June 30,	Principal	Interest	1	Total Debt Service
2025	\$ 57,970	\$ 5,740	\$	63,710
2026	59,673	4,036		63,709
2027	55,196	2,286		57,482
2028	24,801	1,068		25,869
2029	 23,375	 340		23,715
	\$ 221,015	\$ 13,470	\$	234,485

Revenue Bonds – The following table represents the debt service requirements for the City's revenue bonds as of June 30, 2024:

Fiscal Year Ending June 30,	Principal	 Interest	 otal Debt Service
2025	\$ 86,577	\$ 19,019	\$ 105,596
2026	89,054	16,542	105,596
2027	91,601	13,995	105,596
2028	94,192	11,404	105,596
2029	96,916	8,680	105,596
2030-2032	254,594	9,397	263,991
	\$ 712,934	\$ 79,037	\$ 791,971

Financed Purchases – Governmental. The City has entered into financed purchase agreements for financing the acquisition of equipment and building improvements used in governmental activities. The financing arrangements qualify as a financed purchase for accounting purposes (titles transfer at end of lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions. The City's governmental activities had \$275,836 of equipment and improvements acquired through financed purchases, with \$140,693 of accumulated depreciation expense as of June 30, 2024. The related annual amortization of the financed assets is included with depreciation expense for capital assets.

The City's total financed purchase debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	<u>P</u>	Principal	 nterest	 Total
2025	\$	53,846	\$ 1,949	\$ 55,795
2026		30,213	660	30,873
2027		7,006	44	7,050
	\$	91,065	\$ 2,653	\$ 93,718

NOTE 7. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The "City of Ball Ground Retirement Plan"), covering all of the City's full-time employees effective July 1, 2017. 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 death benefits to plan members and beneficiaries. The Plan includes all full-time employees of the City as well as the City's elected officials and there is no waiting period to commence participating in the Plan. Benefits vest after five years of service for employees and eight years of service for elected officials. City employees may retire at age 65 with five years of service to obtain normal retirement benefits. For elected officials, this is age 65 with eight years of service. The benefit is calculated based on total years of service and a 1.50% multiplier times their final average earnings for the 5 highest consecutive years of service. An employee may elect early retirement at age 55 at a reduced benefit provided they have 10 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 writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, P.O. Box 105377, Atlanta, Georgia 30348 or by calling (404) 688-0472.

Plan Membership. As of January 1, 2024, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Retirees receiving benefits	2
Vested former employees not yet receiving benefits	5
Active employees	16
Active elected officials	4
	27

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 (2.50%), as determined by the City Council. For the fiscal year ended June 30, 2024, the City's recommended contribution rate was 6.68% of annual payroll; actual contributions came to 5.69%.

City contributions to the Plan were \$69,893 for the fiscal year ended June 30, 2024. Employees of the City of Ball Ground contributed \$30,971 to the Plan.

NOTE 7. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City

The City's net pension liability was 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, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.25%
Salary increases 3.00% - 8.50%, including inflation
Investment rate of return 7.375%, net of pension plan investment expense, including inflation

Mortality rates for the January 1, 2024 valuation were based on the sex-distinct Pri-2012 headcount weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The Pri-2012 mortality tables were determined to contain sufficient provisions appropriate to reasonably reflect future mortality improvement, based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019 conducted by the City's actuary in November and December of 2019. Mortality experience will be reviewed periodically and updated if necessary.

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, 2023 are summarized in the table below:

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	0%	
Total	100%	

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

NOTE 7. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (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 of the City. The changes in the components of the net pension liability of the City for the fiscal year ended June 30, 2024 were as follows:

	 al Pension iability (a)	Fiduciary t Position (b)	Net Pension Liability (a) - (b)			
Balances at 6/30/2023	\$ 809,886	\$ 411,536	\$	398,350		
Changes for the year:	 _					
Service cost	40,154	-		40,154		
Interest	62,512	-		62,512		
Differences between expected and actual experience	10,713	-		10,713		
Contributions—employer	-	67,343		(67,343)		
Contributions—employee	-	27,286		(27,286)		
Net investment income	-	55,833		(55,833)		
Benefit payments, including						
refunds of employee contributions	(4,839)	(4,839)		-		
Administrative expense	-	(10,319)		10,319		
Net changes	108,540	135,304		(26,764)		
Balances at 6/30/2024	\$ 918,426	\$ 546,840	\$	371,586		

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

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

	 Decrease 6.375%)	 count Rate 7.375%)	1% Increase (8.375%)		
City's net pension liability	\$ 499.252	\$ 371.586	\$	264.464	

NOTE 7. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

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.

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$73,975 At June 30, 2024, the City reported deferred outflows of resources related to pensions from the following sources:

	red Outflows Resources	Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$ 27,733	\$	-		
Differences between expected and actual experience	40,952		-		
Changes of assumptions	-		(3,944)		
Contributions made subsequent to the measurement					
date for the Plan	 50,247				
Total	\$ 118,932	\$	(3,944)		

City contributions subsequent to the measurement date of \$50,247 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2025	\$ 21,381
2026	18,777
2027	21,949
2028	2,634
Total	\$ 64,741

NOTE 8. COMMITMENTS AND CONTINGENCIES

There are no suits pending on unasserted claims that would result in material liabilities to the City. The City has entered into various agreements and contracts in the normal course of business. Such agreements do not give rise to assets or liabilities considered to be material at June 30, 2024.

NOTE 9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers' compensation for which the City carries the following insurance coverages.

There were no significant reductions of insurance coverage compared to the prior fiscal year. Settled claims have not exceeded the commercial excess coverage in any of the past three fiscal years.

Risk Pools

The City joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, and to follow loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the City in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims is "IBNR" ("Incurred but not reported") established by an actuary. The City has not compiled a record of the claims paid up to the applicable deductible for the prior fiscal year or the current fiscal year. The City is unaware of any claim for which the City is liable (up to the applicable deductible) that was outstanding and unpaid at June 30, 2024. No provisions have been made in the financial statements for the fiscal year ended June 30, 2024 for any estimate of potential unpaid claims.

The City has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the City has no legal obligation to pay its own workers' compensation claims. The City is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the City's annual contribution, the City has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency, as management believes the likelihood for assessment is remote.

NOTE 10. JOINT VENTURE

The City, along with cities and counties in the ten (10) county Atlanta Metropolitan area, is represented by board members of the Atlanta Regional Commission (ARC). Representation in a regional development center (RDC) is provided for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The City paid no annual dues to the ARC for the fiscal year ended June 30, 2024 because currently all dues are paid on the City's behalf by Cherokee County. An RDC Board membership includes the Chief Elected Official of each County and the Chief Elected Official of a municipality within the County.

The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RDCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources, (O.C.G.A. 50-8-39.1). Separate financial statements may be obtained from:

Atlanta Regional Commission 229 NE Peachtree Street, Suite 100 Atlanta, GA 30303

NOTE 11. TAX ABATEMENTS

For the year ended June 30, 2024, the City's property tax revenues were reduced by \$9,650 under an agreement entered into by the Development Authority of Cherokee County. The authority entered into agreements with various entities under the economic development laws of the State of Georgia which qualify for disclosure under GASB Statement No. 77, *Tax Abatement Disclosures*. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

Required Supplementary Information



This section of the ACFR includes the required schedules that report information regarding the City of Ball Ground's Defined Benefit Pension Plan.

These schedules include:

Schedule of Changes in the City's Net Pension Liability and Related Ratios Schedule of City Contributions

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

		2024		2023		2022	2021		
Total pension liability Service cost Interest Difference between expected and actual experience Changes of benefit terms	\$	40,154 62,512 10,713	\$	43,804 46,608 9,543 122,163 (3	\$	35,864 38,786 23,867	\$	32,612 33,134 7,649 265,867	
Benefit payments, including refunds of employee contributions Net change in total pension liability		(4,839) 108,540		(800) 221,318	,	98,517		339,262	
Total pension liability - beginning Total pension liability - ending (a)	\$	809,886 918,426		588,568 809,886	\$	490,051 588,568	\$	150,789 490,051	
	Ψ	910,420	Ψ	809,880	Ψ	300,300	Ψ	490,031	
Plan fiduciary net position Contributions - employer Contributions - employee Net investment income (loss) Benefit payments, including refunds of employee contributions	\$	67,343 27,286 55,833 (4,839)	\$	248,116 22,746 (65,458) (800)	\$	61,949 19,699 32,234	\$	38,369 16,711 8,494	
Administrative expenses Net change in plan fiduciary net position		(10,319) 135,304		(11,682) 192,922		(10,656) 103,226		(10,419) 53,155	
Plan fiduciary net position - beginning Plan fiduciary net position - ending (b)		411,536 546,840	\$	218,614 411,536	\$	115,388 218,614	\$	62,233 115,388	
City's net pension liability - ending (a) - (b)	\$	371,586	\$	398,350	\$	369,954	\$	374,663	
Plan fiduciary net position as a percentage of the total pension liability		59.54%	Ψ	50.81%	Ψ	37.14%	Ψ	23.55%	
Covered payroll	\$	919,828	\$	937,262	\$	849,384	\$	659,581	
City's net pension liability as a percentage of covered payroll	Ψ	40.40%	Ψ	42.50%	Ψ	43.56%	Ψ	56.80%	
		2020		2019		2018			
Total pension liability Service cost Interest Difference between expected and actual experience Assumption changes Changes of benefit terms Net change in total pension liability	\$	35,989 10,554 16,644 (17,126) (\$	31,881 5,815 21,382 - - 59,078	\$	- - - 45,650 45,650			
Total pension liability - beginning Total pension liability - ending (a)	\$	104,728 150,789	\$	45,650 104,728	\$	45,650			
Plan fiduciary net position Contributions - employer Contributions - employee Net investment income (loss) Benefit payments, including refunds of employee contributions Administrative expenses Net change in plan fiduciary net position	\$	27,616 15,093 2,410 (11,383) 33,736	\$	19,745 14,587 1,321 (11,373) 24,280	\$	2,693 3,830 68 (2,374) 4,217			
Plan fiduciary net position - beginning Plan fiduciary net position - ending (b)		28,497 62,233		4,217 28,497	\$	4,217			
		88,556	\$	76,231	\$	41,433			
	*	00.000	Ψ	10,231	Ψ	41,433			
City's net pension liability - ending (a) - (b)	\$			27 240/		0.040/			
City's net pension liability - ending (a) - (b) Plan fiduciary net position as a percentage of the total pension liability Covered payroll	<u>\$</u> \$	41.27%		27.21% 548,487	\$	9.24% 485,261			

Notes to the Schedule:

- (1) The schedule will present 10 years of information once it is accumulated.
- (2) Changes of assumptions. In 2020, amounts reported as changes of assumptions resulted from changes to the retirement rate, mortality table, inflation rate, investment rate of return, and salary growth.
- (3) Changes of benefit terms. Effective June 2022, plan participants employed or in office prior to July 2017 were credited with three (3) additional years of past service at no cost, for benefit computation.

CITY OF BALL GROUND, GEORGIA REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN SCHEDULE OF CITY CONTRIBUTIONS

Actuarially determined contribution Contributions in relation to the actuarially determined contribution		2024	 2023	 2022	2021		
		60,296 69,893	\$ 69,893 66,943	\$ 65,749 247,314 (3)	\$	61,048 61,048	
Contribution deficiency (excess)	\$	(9,597)	\$ 2,950	\$ (181,565)	\$		
Covered payroll Contributions as a percentage of covered payroll		1,229,099 5.69%	\$ 937,262 7.14%	\$ 849,384 29.12%	\$	659,581 9.26%	
		2020	 2019	2018			
Actuarially determined contribution Contributions in relation to the actuarially determined contribution	\$	31,057 31,057	\$ 24,975 24,975	\$ 17,382 17,382			
Contribution deficiency (excess)	\$		\$ <u>-</u>	\$ <u>-</u>			
Covered payroll Contributions as a percentage of covered payroll	\$	555,581 5.59%	\$ 491,634 5.08%	\$ 342,165 5.08%			

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date Cost Method

Actuarial Asset Valuation Method

Assumed Rate of Return on Investments Projected Salary Increases Cost-of-Living Adjustment Amortization Method January 1, 2024 Entry Age Normal

Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

7.375%

2.25% plus service based merit increases

0.00%

The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs, 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. The total amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability. In a year when the 10-year or 30-year corridor applies, the following year, the prior year bases are combined into one 10-year or 30-year base.

Remaining Amortization Period

None Remaining

- (2) The schedule will present 10 years of information once it is accumulated.
- (3) After the change in benefits which increased the net pension liability during FY2021, the City was required to make an additional, one time contribution payment of \$180,365 to true up its cumulative contributions.

Other Supplementary Information



This section of the ACFR includes the Special Report that is applicable to the 2018 Special 1 Percent Sales and Use Tax required by the State of Georgia

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED JUNE 30, 2024

2017 Issue

	Original	Current		Expenditures				Estimated	
Project	Estimated Cost	 Estimated Cost	F	rior Fiscal Current Years Fiscal Year				% of Completion	
City Hall debt service	\$ 615,816	\$ 623,205	\$	494,758	\$	128,447	\$	623,205	100.00%
Valley Street debt service	276,000	242,051		242,051		-		242,051	100.00%
Water/Sewer system improvements including capacity purchases	200,000	13,962		13,962		-		13,962	100.00%
Public safety - law enforcement facilities, vehicles, equipment	400,000	1,338,551		1,138,551		193,622		1,332,173	99.52%
Transportation facilities and improvements	1,100,000	1,549,676		1,085,201		460,475		1,545,676	99.74%
Community center, parks, and recreation	374,692	632,273		346,595		283,277		629,872	99.62%
Total SPLOST 5 Issue	\$ 2,966,508	\$ 4,399,718	\$	3,321,118	\$	1,065,821	\$	4,386,939	



STATISTICAL SECTION

(Unaudited)

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

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources (property taxes and charges for water and sewerage services).

Debt Capacity

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.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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.

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

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 6,687,758	\$ 7,593,181	\$ 7,368,453	\$ 7,575,317	\$ 8,201,750	\$ 7,833,999	\$ 8,269,493	\$ 8,942,820	\$ 9,003,980	\$ 9,514,980
Restricted for capital projects (1)	97,770	14,747	66,885	278,489	_	137,185	193,236	309,323	533,867	400,695
Restricted for fire protection services (2)	44,365	58,759	61,829	67,619	76,145	87,605	99,143	116,554	137,390	163,443
Restricted for federal programs (4)	-	-	-	-	-	-	-	24	-	-
Unrestricted	639,405	483,272	513,797	519,359	596,226	630,204	508,625	724,245	829,825	943,319
Total governmental activities net position	\$ 7,469,298	\$ 8,149,959	\$ 8,010,964	\$ 8,440,784	\$ 8,874,121	\$ 8,688,993	\$ 9,070,497	\$ 10,092,966	\$ 10,505,062	\$ 11,022,437
Puginosa typa activities										
Business-type activities	¢ 2.027.200	¢ 2,002,072	¢ 2745040	¢ 2614065	¢ 2.420.420	¢ 2.402.074	Ф 2.00E.10E	¢ 4064076	¢ 4244777	¢ 4040.0E0
Net investment in capital assets	\$ 2,827,290	\$ 2,993,873	\$ 2,745,948	\$ 2,614,965	\$ 2,438,120	\$ 2,402,074	\$ 3,005,186	\$ 4,264,076	\$ 4,341,777	\$ 4,948,852
Restricted	-	- 207 420	-	9,000	25,500	161,000	189,340	250,840	304,840	336,000
Unrestricted	292,132	307,420	358,514	378,612	412,286	991,311	702,191	830,809	1,024,148	854,720
Total business-type activities net position	\$ 3,119,422	\$ 3,301,293	\$ 3,104,462	\$ 3,002,577	\$ 2,875,906	\$ 3,554,385	\$ 3,896,717	\$ 5,345,725	\$ 5,670,765	\$ 6,139,572
Primary government										
Net investment in capital assets	\$ 9,515,048	\$ 10,587,054	\$ 10,114,401	\$ 10,190,282	\$ 10,639,870	\$ 10,236,073	\$ 11,274,679	\$ 13,206,896	\$ 13,345,757	\$ 14,463,832
Restricted for capital projects (1)	97,770	14,747	66,885	278,489	-	137,185	193,236	309,323	533,867	400,695
Restricted for fire protection services (2)	44,365	58,759	61,829	67,619	76,145	87,605	99,143	116,554	137,390	163,443
Restricted for sewer projects (3)	_	-	-	9,000	25,500	161,000	189,340	250,840	304,840	336,000
Restricted for federal programs (4)	-	-	-	-	-	-	-	24	-	-
Unrestricted	931,537	790,692	872,311	897,971	1,008,512	1,621,515	1,210,816	1,555,054	1,853,973	1,798,039
Total primary government net position	\$ 10,588,720	\$ 11,451,252	\$ 11,115,426	\$ 11,443,361	\$ 11,750,027	\$ 12,243,378	\$ 12,967,214	\$ 15,438,691	\$ 16,175,827	\$ 17,162,009

⁽¹⁾ Restricted net position for capital projects is comprised mostly of SPLOST funds which are restricted to expenditure on the specific projects included in the voter approved referendum.

⁽²⁾ Restricted net position for fire protection services results from the levy of a property tax to fund contractual payments to Cherokee County to provide fire protection services in the City.

⁽³⁾ Restricted net position for the purchase of sewer capacity.

⁽⁴⁾ Restricted net position for the net position of American Rescue Plan Act fund activity.

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

(Unaudited)

	2015	2016		2017	2018	 2019	 2020	2021	 2022	2023	2024
Expenses											
Governmental activities:											
General government	\$ 327,737	\$ 333,29		350,428	\$ 349,860	\$ 359,166	\$ 362,327	\$ 439,568	\$ 524,585	\$ 663,268	\$ 689,645
Judicial	13,424	14,70		13,819	15,999	14,540	10,662	20,064	16,792	26,615	27,002
Public safety	393,339	613,48		688,478	627,020	695,399	784,720	943,291	898,252	1,297,243	1,413,724
Public works	389,150	457,80		441,150	443,263	594,262	795,476	782,421	752,427	663,367	617,966
Health and welfare	9,574	15,20		8,930	18,981	26,016	14,431	21,380	23,871	27,743	32,543
Culture and recreation	168,878 (3			209,371	247,991	236,311	251,489	423,402	298,751	410,677	646,390
Housing and development	24,910	48,19		35,280	37,998	88,344	101,882	103,714	266,030	272,275	247,499
Interest on long-term debt	85,431	119,38	<u>/</u>	48,025	 47,054	 43,849	 46,624	 40,968	 55,262	 58,905	 54,889
Total governmental activities expenses	1,412,443	1,825,88	<u> 7 </u>	1,795,481	1,788,166	2,057,887	 2,367,611	2,774,808	2,835,970	3,420,093	3,729,658
Business-type activities:											
Water and sewerage	942,247	1,086,47		1,155,508	1,066,424	1,177,487	1,174,081	1,378,390	1,614,284	1,817,016	2,109,264
Sanitation	124,953	121,50	9	165,030	155,194	167,277	205,289	236,239	282,537	300,072	383,384
Storm water Total business type activities expenses	1 067 200	1 207 00	- —	1 220 529	 1 221 619	 1 244 764	 3,135	 32,069	 68,781	 49,182	 75,561
Total business-type activities expenses	1,067,200	1,207,98		1,320,538	 1,221,618	 1,344,764	 1,382,505	 1,646,698	 1,965,602	 2,166,270	 2,568,209
Total primary government expenses	\$ 2,479,643	\$ 3,033,87	<u> </u>	3,116,019	\$ 3,009,784	\$ 3,402,651	\$ 3,750,116	\$ 4,421,506	\$ 4,801,572	\$ 5,586,363	\$ 6,297,867
Program Revenues											
Governmental activities:											
Charges for Service:											
General government	\$ 12,755	\$ 14,85	5 \$	18,470	\$ 16,788	\$ 18,300	\$ 17,440	\$ 17,975	\$ 81,873	\$ 100,096	\$ 112,097
Judicial	40,761	40,03	0	65,648	61,148	83,453	52,971	94,513	81,150	116,928	65,592
Public safety	105	18	5	377	148	210	215	270	270	340	340
Public works	-		-	-	-	-	30	30	3,850	1,450	1,450
Culture and recreation	25,829	24,60		24,358	25,448	28,574	17,335	56,546	19,927	50,465	51,865
Housing and development	75,004	85,16		69,542	34,991	41,066	108,500	58,360	244,026	337,591	361,648
Capital grants and contributions	1,344,012	1,491,55	<u>3</u>	529,323	 1,005,043	 1,107,983	 729,364	 1,480,315	 1,984,017	 1,359,021	 1,399,972
Total governmental activities program revenues	1,498,466	1,656,39	<u> </u>	707,718	1,143,566	 1,279,586	 925,855	 1,708,009	 2,415,113	 1,965,891	 1,992,964
Business-type activities:											
Charges for services:	CEE 447	745.00	2	702 620	702 454	047 704	011 004	074 000	1 111 616	1 010 000	1 202 451
Water and sewerage Solid waste	655,447 120,024	745,09 143,61		793,629 162,395	793,154 172,386	817,721 179,759	911,904 207,869	971,283 265,165	1,144,646 283,526	1,219,883 327,499	1,383,451 381,891
Stormwater	120,024	143,01	_	102,393	172,300	179,739	30,624	44,365	48,815	53,990	62,273
Capital grants and contributions	1,060,937	500,90	7	164,500	152,000	219,450	 905,155	706,619	1,683,078	874,448	1,181,180
Total business-type activities program revenues	1,836,408	1,389,61	2	1,120,524	1,117,540	1,216,930	 2,055,552	1,987,432	3,160,065	2,475,820	3,008,795
Total primary government program revenues	\$ 3,334,874	\$ 3,046,00	2 \$	1,828,242	\$ 2,261,106	\$ 2,496,516	\$ 2,981,407	\$ 3,695,441	\$ 5,575,178	\$ 4,441,711	\$ 5,001,759

(continued)

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	 2015	2016	 2017	 2018	2019	 2020	 2021	2022	2023	2024
Net (Expense)/Revenue Governmental Activities Business-type activities	\$ 86,023 769,208	\$ (169,497) 181,629	\$ (1,087,763) (200,014)	\$ (644,600) (104,078)	\$ (778,301) (127,834)	\$ (1,441,756) 673,047	\$ (1,066,799) 340,734	\$ (420,857) 1,194,463	\$ (1,454,202) 309,550	\$ (1,736,694) 440,586
Total primary government net expense	\$ 855,231	\$ 12,132	\$ (1,287,777)	\$ (748,678)	\$ (906,135)	\$ (768,709)	\$ (726,065)	\$ 773,606	\$ (1,144,652)	\$ (1,296,108)
General Revenues and Other Changes in Net Position Governmental activities: Taxes Property taxes Other taxes Unrestricted investment earnings Miscellaneous Gain on sale of capital assets Transfers	\$ 532,160 243,623 1,042 14,030 - 32,685	\$ 582,945 251,678 841 11,991 2,703	\$ 636,121 256,299 755 23,592 32,001	\$ 712,772 276,163 945 28,526 56,014	\$ 832,606 335,417 3,694 39,921 -	\$ 816,385 337,834 4,109 11,954 90,886	\$ 1,064,172 344,706 2,974 31,911 -	\$ 1,213,727 381,645 2,256 96,509 - (250,811)	\$ 1,332,175 501,876 16,796 15,451 -	\$ 1,666,278 506,583 41,375 39,833
Total governmental activities	\$ 823,540	\$ 850,158	\$ 948,768	\$ 1,074,420	\$ 1,211,638	\$ 1,261,168	\$ 1,443,763	\$ 1,443,326	\$ 1,866,298	\$ 2,254,069
Business-type activities Investment earnings Miscellaneous Gain on sale of capital assets Transfers	\$ 168 19,989 4,284 (32,685)	\$ 187 55 - -	\$ 179 3,004 - -	\$ 226 1,967 - -	\$ 813 350 - -	\$ 2,388 3,044 - -	\$ 1,598 - - -	\$ 704 - 3,030 250,811	\$ 10,641 4,186 663	\$ 28,221 - - -
Total business-type activities	(8,244)	242	3,183	2,193	1,163	5,432	1,598	254,545	15,490	28,221
Total primary government	\$ 815,296	\$ 850,400	\$ 951,951	\$ 1,076,613	\$ 1,212,801	\$ 1,266,600	\$ 1,445,361	\$ 1,697,871	\$ 1,881,788	\$ 2,282,290
Change in Net Position Governmental activities Business-type activities	\$ 909,563 760,964	\$ 680,661 181,871	\$ (138,995) (196,831)	\$ 429,820 (101,885)	\$ 433,337 (126,671)	\$ (180,588) 678,479	\$ 376,964 342,332	\$ 1,022,469 1,449,008	\$ 412,096 325,040	\$ 517,375 468,807
Total primary government	\$ 1,670,527	\$ 862,532	\$ (335,826)	\$ 327,935	\$ 306,666	\$ 497,891	\$ 719,296	\$ 2,471,477	\$ 737,136	\$ 986,182

The large increases in the recreation function are related to the following:

⁽²⁾ The City received over \$900,000 in on-behalf payments from the County's bond proceeds for construction of various City owned park improvements.

⁽³⁾ The City's newly constructed recreational facility and related equipment has depreciation applied for the first year.

Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

											(L	Jnaudited)
	 2015	2016	2017	2018	,	2019	2020	2021	2022	2023		2024
General Fund Nonspendable - prepaids Nonspendable - advances Restricted Unassigned	\$ 18,433 111,632 10,211 424,042	\$ 20,222 151,632 14,747 327,516	\$ 18,547 141,632 - 450,548	\$ 23,809 - 205,000 528,865	\$	25,472 55,704 - 475,650	\$ 37,244 55,704 - 585,512	\$ 45,948 - - 664,697	\$ 93,476 - - 726,483	\$ 75,415 - - 934,748	\$	81,110 - - 1,063,231
Total general fund	\$ 564,318	\$ 514,117	\$ 610,727	\$ 757,674	\$	556,826	\$ 678,460	\$ 710,645	\$ 819,959	\$ 1,010,163	\$	1,144,341
All Other Governmental Funds Nonspendable - prepaid items Restricted - capital projects Restricted - fire protection (2) Restricted - federal programs (3) Unassigned (deficit)	\$ 39,178 87,559 41,250 - -	\$ 51,945 - 1,229 - (8,239)	\$ 58,425 - 417 - (41,863)	\$ 65,702 70,573 181 - -	\$	73,626 - 517 - (28,124)	\$ 83,486 137,185 531 - -	\$ 94,315 191,314 2,523 - -	\$ 109,234 680,422 4,672 24	\$ 128,618 640,749 4,364 - -	\$	155,004 400,695 3,393 - -
Total all other governmental funds	\$ 167,987	\$ 44,935	\$ 16,979	\$ 136,456	\$	46,019	\$ 221,202	\$ 288,152	\$ 794,352	\$ 773,731	\$	559,092

⁽²⁾ This restricted fund balance was created in 2015 due to the inclusion of the District Fire Tax Fund's fire protection services contract with Cherokee County.

⁽³⁾ Restricted for use under Coronavirus State and Local Fiscal Recovery Fund program.

Change in Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited) 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 Revenues Taxes 785,891 832,703 (2) \$ 899,089 (2) \$ 989,747 1,167,193 \$ 1,253,922 1,409,584 \$ 1,597,216 1,832,529 \$ 2,170,985 87,654 100,015 88,012 51,601 59,261 125,940 76,735 273,491 376,551 403,303 Licenses and permits Intergovernmental 500,101 415,146 437,950 1,004,561 1,003,715 728,092 952,461 1,117,109 1,247,547 906,174 Charges for service 26,039 24,792 24,735 25,774 28,889 17,580 56,446 76,455 113,391 124,097 94,513 Fines and forfeitures 40,761 40,030 65,648 61,148 83,453 52,971 81,150 116,928 65,592 1,278 1,065 928 1,097 4,489 3,398 2,481 49,247 Investment earnings 5,381 21,348 61,200 20,930 Contributions 85,951 71,200 330 106,922 Rental income 3,610 3,856 3,725 4,362 10,420 8,135 19,867 39,921 11,954 31,911 96,509 15,451 39,833 Miscellaneous 24,164 2,386,921 2,625,048 3,830,667 Total revenues 1,541,705 1,486,942 1,611,154 2,162,784 2,195,840 3,244,411 3,780,161 Expenditures General government 282,469 292,255 305,054 295,051 312,952 304,964 344,845 492,136 555,021 598,168 Judicial 13,424 14,706 13,819 15,999 14,540 10,662 20,064 16,792 26,615 27,002 Public safety 375,170 591,168 (2) 663,835 (2) 583,625 655,713 749,178 853,644 1,034,629 1,194,356 1,349,763 Public works 104,254 115,393 79,187 92,903 370,359 145,504 429,496 361,981 609,421 197,863 8,364 13,337 12,876 Health and welfare 7,058 10,532 17,513 12,559 15,367 19,239 24,423 Culture and recreation 72,075 126,563 112,291 156,556 135,406 148,895 364,642 222,143 317,968 535,533 Housing and development 24,910 48,190 35,280 37,998 88,344 95,250 103,714 266,030 272,275 247,499 Capital outlay 536,466 (1) 261,732 203,777 642,752 886,961 802,721 285,265 823,092 531,194 655,396 Debt service Interest 76,759 64,081 45,104 41,493 38,960 40,682 35,655 48,530 53,651 49,665 54,802 Issuance costs Principal 102,490 1,610,403 148,139 156,430 157,458 160,467 169,455 999,344 176,645 175,310 2,470,882 Total expenditures 1,596,381 3,192,630 1,613,544 2,033,339 2,678,206 2,619,656 4,280,044 3,756,385 3,860,622 Excess (deficiency) of revenues over (under) expenditures (54,676)(1,705,688)(2,390)129,445 (291,285)(275.042)5,392 (1,035,633)74,282 (80,461)Other Financing Sources (Uses) Transfers in 16,000 35,639 Transfers out (16,000)(150,000)51,002 15,920 56,979 Financed purchases 37,043 Issuance of note payable 1,552,990 459,430 93,743 1,751,567 94,638 520 Proceeds from sale of capital assets 80,000 2,703 34,001 663 (520)112,429 13,941 Total other financing 51,002 1,571,613 71,044 136,979 571,859 93,743 1,651,147 95,301 sources (uses) 615,514 (3,674)\$ (134,075) 68,654 266,424 (291,285)296,817 99,135 169,583 (80,461) Net change in fund balances \$ Debt service as a percentage of noncapital expenditures 17% 57% 14% 11% 12% 32%

⁽¹⁾ The City received over \$900,000 in on-behalf payments from the County's bond proceeds for construction of various City owned park improvements.

⁽²⁾ Taxes increased in 2015 due to the inclusion of the District Fire Tax Fund's - Fire Tax revenue (3,436 mills) which was levied to fund fire protection services expenditures.

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Digest Year	Real Property	Personal Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2015	2014	\$50,186,520	\$742,086	\$3,393,280	\$ (743,234.00)	\$53,578,652	8.811 (1)	\$133,946,630	40.00
2016	2015	56,487,320	1,165,260	2,622,520	(726,961)	59,548,139	8.575 (2)	148,870,348	40.00
2017	2016	66,304,560	1,215,404	2,181,020	(934,863)	68,766,121	8.290	171,915,303	40.00
2018	2017	76,250,280	2,339,470	1,811,140	(1,310,231)	79,090,659	8.037	197,726,648	40.00
2019	2018	86,551,570	3,903,673	1,491,660	(2,060,900)	89,886,003	8.269	224,715,008	40.00
2020	2019	96,142,770	5,845,337	1,277,660	(2,139,111)	101,126,656	7.976	252,816,640	40.00
2021	2020	108,064,156	4,838,038	1,108,460	(1,730,932)	112,279,722	8.292	280,699,305	40.00
2022	2021	124,925,300	8,193,968	961,458	(2,535,888)	131,544,838	7.925	328,862,095	40.00
2023	2022	165,579,070	8,552,845	837,867	(1,844,796)	173,124,986	6.922	432,812,465	40.00
2024	2023	209,643,967	15,679,355	996,309	(1,999,723)	224,319,908	6.702	560,799,770	40.00

⁽¹⁾ The increase in the millage rate is due to the inclusion of the Fire District Tax levy (3.436 mills) to fund contractual payments for Fire Protection Services to Cherokee County.

Source: Cherokee County Tax Digest

Notes: Property in the county is reassessed once every three years. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

⁽²⁾ The decrease in the total millage rate is due to the decrease of the City's mill rate from (5.375 mills to 5.139 mills) however the Fire District Tax levy (3.436 mills) remained the same as the previous year. The Fire District Tax levy is to fund contractual payments for Fire Protection Services to Cherokee County.

Direct and Overlapping Property Tax Rates Last Ten Years

(rate per \$1,000 of assessed value)

			Direct Rate					Ove	rlapping Rate				_
						Cherokee C	County		State of Georgia	Cherokee	County Sch	nools	_
Fiscal Year	Tax Digest Year	City of Ball Ground	Fire District Special District (1)	Total	General Maintenance and Operations	Fire District Special District	Parks County Wide	Total BOC Rate	Maintenance and Operations	Maintenance and Operations	Bonded Debt	Total	Total Rates Direct and Overlapping
2015	2014	5.375	3.436	8.811	5.728	0.000	0.744	6.472	0.15	19.450	0.000	19.450	34.883
2016	2015	5.139	3.436	8.575	5.720	0.000	0.744	9.947	0.10	19.450	0.000	19.850	38.472
2017	2016	4.916	3.374	8.290	5.680	0.000	0.609	6.472	0.50	19.450	0.000	19.850	35.112
2018	2017	4.739	3.298	8.037	5.483	0.000	0.581	6.064	0.00	18.950	0.500	19.850	33.951
2019	2018	5.000	3.269	8.269	5.366	0.000	0.503	5.869	0.00	18.950	0.500	19.850	33.988
2020	2019	4.707	3.269	7.976	5.216	0.000	0.480	5.696	0.00	18.450	1.000	19.450	33.122
2021	2020	5.000	3.292	8.292	5.212	0.000	0.461	5.673	0.00	18.450	1.000	19.450	33.415
2022	2021	4.633	3.292	7.925	5.212	0.000	0.434	5.646	0.00	18.200	1.250	19.450	33.021
2023	2022	3.938	2.984	6.922	4.995	0.000	0.354	5.349	0.00	16.450	1.500	17.950	30.221
2024	2023	3.938	2.764	6.702	4.954	0.000	0.319	5.273	0.00	16.450	1.500	17.950	29.925

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Ball Ground.

^{(1) 2014} the cities within Cherokee County became responsible for the collection of the Special District Fire Tax. However the Cherokee County Board of Commissioners continued to be responsible for setting the millage rate for this tax. All prior years Cherokee County billed and collected this tax on the behalf of the cities.

Principal Property Taxpayers Current Year and Nine Years Ago

	2023	Tax Digest	t Year		2014	Γax Digest	Year
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	,	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Universal Alloy Corporation	\$ 14,866,450	1	6.63%				
ET-Ryman LP	6,723,140	2	3.00%				
Latimer Properties LLC	2,315,480	3	1.03%	\$	1,306,560	1	2.44%
Hunter Trail LLC	1,649,080	4	0.74%				
Ball Ground Abbington Ridge LP	1,619,759	5	0.72%				
Georgia Power Company	1,344,859	6	0.60%		655,360	3	1.22%
1500 Veterans LLC	1,316,940	7	0.59%				
MAE LLC	1,106,572	8	0.49%				
Southern Sky Development	1,057,000	9	0.47%		359,360	10	0.67%
Cherokee Growth LLC	1,056,000	10	0.47%				
Atlanta Gas Light					479,320	4	0.89%
Donald C Smith III					408,400	7	0.76%
Holcomb Crossing LLC					805,800	2	1.50%
Cherokee Bank, NA					464,640	5	0.87%
Stanley Fitts Jr & Kathleen M Fitts					404,240	8	0.75%
Ball Ground Medical Park	 				368,840	9	0.69%
Mountain Express Oil Company	·				419,240	6	0.78%
Total	\$ 33,055,280		14.74%	\$	5,671,760		10.59%

Source: Cherokee County Tax Assessor's Office

City of Ball Ground, Georgia Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year		Тах	es Levied		within the of the Levy	Col	lections	Total Collect	tions to Date
Ended June 30,	Digest Year		for the scal Year	Amount	Percentage of Levy		bsequent /ears	Amount	Percentage of Levy
2015	2014	\$	269,026	\$ 260,939	96.99%	\$	8,065	\$ 269,004	99.992%
2016	2015		292,030	282,904	96.87%		9,109	292,013	99.994%
2017	2016		326,953	324,087	99.12%		2,866	326,953	100.000%
2018	2017		365,764	362,733	99.17%		3,031	365,764	100.000%
2019	2018		441,566	438,594	99.33%		2,972	441,566	100.000%
2020	2019		469,586	465,191	99.06%		4,395	469,586	100.000%
2021	2020		555,658	549,847	98.95%		5,749	555,596	99.989%
2022	2021		604,330	599,490	99.20%		4,489	603,979	99.942%
2023	2022		675,167	669,640	99.18%		5,124	674,764	99.940%
2024	2023		833,447	826,995	99.23%		n/a	826,995	99.226%

Source: City of Ball Ground Finance Department

City of Ball Ground, Georgia **Ratios of Outstanding Debt by Type Last Ten Fiscal Years**

(Unaudited)

	Governmen	tal Activities	Bus	iness-Type Activ	vities				
Fiscal Year	Notes Payable	Financed Purchases	Revenue Bonds	Notes Payable	Financed Purchases	Total Primary Government	Percentage of Personal Income ²	City Population	Per Capita
2015	\$ -	\$ 1,636,248	\$ 1,160,653	\$ -	\$ 304,065	\$ 3,100,966	5.68%	1,563	\$ 1,984
2016	1,534,145	60,610	1,140,488	451,769	14,929	3,201,941	6.04%	1,705	1,878
2017	1,419,135	64,524	1,255,060	420,262	5,593	3,164,574	5.13%	1,869	1,693
2018	1,300,931	82,479	1,183,990	385,310	-	2,952,710	4.73%	2,000	1,476
2019	1,179,446	46,507	1,110,887	389,632	-	2,726,472	4.31%	2,047	1,332
2020	1,466,620	58,296	1,035,776	367,166	-	2,927,858	4.63%	2,135	1,371
2021	1,328,558	120,646	958,433	320,556	-	2,728,193	3.46%	2,560	1,066
2022	2,078,282	123,145	878,879	264,131	-	3,344,437	4.24%	2,786	1,200
2023	1,960,742	158,678	797,048	279,808	-	3,196,276	3.90%	3,079	1,038
2024	1,853,045	91,065	712,934	221,015	-	2,878,059	2.77%	3,228	892

Source: Notes to the Financial Statements, Pages 31-52 Demographic and Economic Statistics, Page 72 Census on Population and Housing from U.S. Census Bureau

City of Ball Ground, Georgia Direct and Overlapping Governmental Activities Debt June 30, 2024

(Unaudited)

	_	let General Obligation ot Outstanding	Percentage Applicable to the City(1)	Amount pplicable to the City(1)
Direct debt:				
Notes payable	\$	1,853,045	100.000%	\$ 1,853,045
Financed purchases payable		91,065	100.000%	 91,065
Total direct debt	\$	1,944,110		\$ 1,944,110
Overlapping general obligation debt:				
Cherokee County general obligation debt	\$	42,018,247	1.063%	\$ 446,654
Cherokee County leases		581,470	1.063%	6,181
Notes Payable		372,747,291	1.063%	3,962,304
Cherokee County School System		429,070,660	1.063%	4,561,021
Total overlapping debt	\$	844,417,668		\$ 8,976,160
Total overlapping debt	\$	844,417,668		\$ 8,976,160
Total direct and overlapping debt	\$	846,361,778		\$ 10,920,270

Source: The overlapping debt numbers were obtained from Cherokee County's 2023 Annual Comprehensive Financial Report.

Note: 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 is borne by the residents and businesses of the City of Ball Ground, Georgia. 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. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

Legal Debt Margin Information Last Ten Fiscal Years (dollars in thousands)

	2015	2016	 2017	2018	2019	2020	2021	2022	2023	2024
Assessed Value *	\$ 53,579	\$ 59,548	\$ 68,766	\$ 79,091	\$ 89,886	\$ 101,127	\$ 112,280	\$ 131,545	\$ 173,125	\$ 224,320
Debt Limit: 10% of assessed value	\$ 5,358	\$ 5,955	\$ 6,877	\$ 7,909	\$ 6,877	\$ 10,113	\$ 11,228	\$ 10,113	\$ 17,312	\$ 22,432
Less: Debt applicable to debt limit	1,636	1,595	1,484	1,383	1,226	 1,525	1,449	 2,201	2,119	 1,944
Legal Debt Margin	\$ 3,722	\$ 4,360	\$ 5,393	\$ 6,526	\$ 5,651	\$ 8,588	\$ 9,779	\$ 7,912	\$ 15,193	\$ 20,488

^{*} Source: Cherokee County Tax Digest

Pledged Revenue Coverage Water System Bonds Last Ten Fiscal Years

(Unaudited)

Water Revenue Bonds

Fiscal		(2) Operating		(1) Direct Operating	N	et Revenue Available For Debt		Debt S	Serv	vice Require	mer	nts		Times
Year		Revenue		Expenses		Service		Principal		Interest		Total		Coverage
2015	\$	810.458	\$	626,952	\$	183,506	\$	21,180	\$	49,824	\$	71.004		2.58
2016	·	874,648	•	741,448	•	133,200	•	20,165	•	50,531	•	70,696		1.88
2017		961,133		773,061		188,072		44,274		42,192		86,466 (3)	2.18
2018		947,121		747,171		199,950		71,070		34,526		105,596		1.89
2019		1,029,321		852,766		176,555		73,103		32,493		105,596		1.67
2020		1,780,703		845,864		934,839		75,111		30,485		105,596		8.85
2021		1,251,033		1,051,626		199,407		77,343		28,253		105,596		1.89
2022		2,072,988		1,222,008		850,980		79,554		33,637		113,191		7.52
2023		2,098,517		1,451,345		647,172		81,831		30,110		111,941		5.78
2024		2,120,951		1,692,301		428,650		84,114		21,463		105,577		4.06

- **Notes:** (1) Direct operating expenses excludes depreciation.
 - (2) Revenue from the sales of water and sewer capacity is counted in the operating revenue for calculation of debt service requirements.
 - (3) Refinanced USDA loan in FY2017. Lowered interest rate and shortened the term of the bond.

City of Ball Ground, Georgia Top Ten Water Customers For Fiscal Year 2024

		% of		% of
	Gallons	Total	Dollar	Total
	Used	Gallons	Amount	Billed
145 Old Canton Road*	3,042,600	3.9%	\$ 32,167.00	4.3%
820 Northridge Road*	1,660,900	2.2%	24,234.00	3.3%
155 Howell Bridge Road*	1,365,400	1.8%	14,076.00	1.9%
1380 Howell Bridge Road	1,036,500	1.3%	10,736.00	1.4%
199 Howell Bridge Road*	939,500	1.2%	\$9,247.00	1.2%
510 Gilmer Ferry Road*	379,500	0.5%	3,705.00	0.5%
248 Gilmer Ferry	322,400	0.4%	\$2,976.00	0.4%
260 Valley Street	314,300	0.4%	3,230.00	0.4%
209 West Sky	252,700	0.3%	2,555.00	0.3%
389 Mineral Springs	195,300	0.3%	1,770.00	0.2%
-	9,509,100	12.3%	\$ 104,696.00	14.1%

^{*}multiple account numbers

Note: Difference in dollar amounts billed as compared to gallons used is caused by the tiered rate system and the timing of the water use. Spikes in water usage will cause higher dollar amounts to be billed.

City of Ball Ground, Georgia Water Customers Last Ten Fiscal Years

	Number		
Fiscal	of	Number	%
Year	Customers	Increase	Increase
2015	971	36	3.9%
2016	1,031	60	6.2%
2017	1,085	54	5.2%
2018	1,109	24	2.2%
2019	1,132	23	2.1%
2020	1,193	61	5.4%
2021	1,259	66	5.5%
2022	1,311	52	4.1%
2023	1,474	163	12.4%
2024	1,583	109	7.4%

City of Ball Ground, Georgia Water and Sewer Rates June 30, 2024

Water Rates - Residential (Inside/Outside City limits)

			5	Senior					
	Senior								
	St	andard	С	itizens	Disabled				
Base Rate	\$	18.00	\$	15.00	\$	15.00			
0 - 5,000 gallons		3.95		3.95		3.95			
5,001 - 10,000 gallons		6.50		6.50		6.50			
10,001 - 20,000 gallons		8.50		8.50		8.50			
20,001 +		11.50		11.50		11.50			

Water Rates - Residential (New Developments Occupied After July 1, 2021)

	Senior							
	Standard	Citizens	Disabled					
Base Rate	\$18.00	\$18.00	\$18.00					
0 - 5,000 gallons	4.5	4.50	4.50					
5,001 - 10,000 gallons	7.5	7.50	7.50					
10,001 - 20,000 gallons	9.5	9.50	9.50					
20,001 +	12.5	12.50	12.50					

Sewer Rates

Base Rate	\$ 16.50
Per 1,000 gallons	\$ 6.00

Demographic and Economic Statistics Last Ten Calendar Years

Calendar Year	County/City Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2015	1,705	\$ 62,379	\$ 36,586	39.4	500	4.15
2016	1,869	63,254	36,718	40.9	526	4.60
2017	2,000	72,232	37,310	41.9	563	3.30
2018	2,047	77,570	29,835	41.9	565	2.90
2019	2,135	77,650	33,610	41.9	581	3.15
2020	2,560	78,913	34,747	38.2	630	2.94
2021	2,560	78,913	34,747	38.2	630	2.94
2022	2,786	82,408	36,384	38.4	617	2.70
2023	3,079	81,900	31,500	38.4	604	2.70
2024	3,228	103,929	39,780	38.2	628	3.67

Sources: Georgia Department of Labor, Bureau of the Census, Cherokee County School District and the Cherokee County Development Authority.

City of Ball Ground, Georgia Principal Employers Current Year and Nine Years Ago

		2024	1	2015				
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment		
Awnex, Inc.	113	1	14.51%	25	4	5.23%		
Universal Alloy Corporation	106	2	13.61%					
Cherokee County Board of Education	102	3	13.09%	57	1	11.92%		
Icon Engineering, Inc.	33	4	4.24%					
The Wheeler House	27	5	3.47%					
Wilkes Meat Market of Ball Ground	25	6	3.21%					
Aylo Health, LLC	25	7	3.21%					
Ball Ground Post Office	22	8	2.82%					
Waffle House	20	9	2.57%					
City of Ball Ground	20	10	2.57%	14	8	2.93%		
FRN, Inc.				29	2	6.07%		
Cool Tech HVAC, Inc.				25	3	5.23%		
Eagle Eye Communication				20	5	4.18%		
Cheshire Heating & AC				17	6	3.56%		
D-Lab Screenprinting				17	7	3.56%		
Blue Ridge Mountain Recovery Center				12	9	2.51%		
Uncle Pepper's Pizza Kitchen				9	10	1.88%		
Total	493	<u>-</u>	63.30%	225	<u>-</u>	47.07%		

Source: Ball Ground Finance Department

Full-Time-Equivalent City Government Employees by Function/Program Last Ten Fiscal Years

Function/Program										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government:										
Governing Body	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Chief Executive (Mgr. or Admin.)	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Financial Administration	1.4	1.4	1.4	1.4	1.4	1.4	1.8	2.4	3.4	2.9
Water Administration	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Human Resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Public Safety:										
Police Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Patrol	2.0	3.0	3.0	3.0	3.0	3.4	4.0	5.0	4.0	6.0
Building Inspections	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Planning and Zoning	0.6	0.6	0.6	0.6	0.6	0.6	0.6	1.4	1.4	1.7
Parks Areas	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public Works	2.4	4.1	3.4	3.4	3.4	3.4	5.4	4.4	3.4	4.4
Highways and Streets Administration	-	-	-	_	-	-	-	1.0	1.0	1.0
Sanitary Administration	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5
Total	16.2	18.9	18.2	18.2	18.2	18.6	21.6	24.0	23.0	26.0

Source: City of Ball Ground Finance Department

Operating Indicators by Function Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function Public works:										
Street resurfacing (miles)	1.6	0.5	0.8	0.5	0.6	0.4	1.1	0.7	1.5	1.1
Police protection:										
Number of citations written	216	307	548	553	624	604	1,069	781	842	437
Number of automobile accidents	43	49	67	49	60	49	53	78	75	77
Number of reported crimes	70	87	81	106	82	67	75	68	128	129

Source: City of Ball Ground Public Works and Police Department Records

City of Ball Ground, Georgia Capital Assets Statistics by Function Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function Public works: Miles of streets	16	18	18	18	18	18	19	21	21	22
Police protection: Number of stations Number of police officers	1 3	1 4	1 4	1 4	1 4	1 5	1 5	1 6	1 5	1 7
Building permits issued	67	73	35	29	35	73	58	126	106	77
Recreation and culture: Number of parks Park acreage	5 32	5 32	5 32	5 32	5 32	5 80	5 80	5 80	5 86	5 86

Source: Various City of Ball Ground Departments