



FOR CIVIL AND



2021

Annual Comprehensive Financial Report

FOR YEAR ENDED JUNE 30, 2021



City Of Atlanta, GA
Keisha Lance Bottoms, Mayor



THE CITY OF ATLANTA, GEORGIA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended June 30, 2021

Keisha Lance Bottoms
Mayor

Mohamed M. Balla
Chief Financial Officer

CITY OF ATLANTA, GEORGIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

INTRODUCTORY SECTION (Unaudited)	Page
Letter of Transmittal	i
GFOA Certificate of Achievement	xi
List of Elected and Appointed Officials.....	xii
Organization Structure	xv
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management Discussion and Analysis (Unaudited).....	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	23
Statement of Activities	25
Fund Financial Statements:	
Balance Sheet - Governmental Funds	27
Reconciliation of Governmental Funds Balance Sheet to the Government-wide Statement of Net Position	28
Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds	29
Reconciliation of Statement of Revenue, Expenditures and Changes in Fund Balance to the Government-wide Statement of Activities	30
Statement of Net Position - Proprietary Funds	31
Statement of Revenue, Expenses, and Changes in Fund Net Position - Proprietary Funds	33
Statement of Cash Flows - Proprietary Funds	34
Statement of Fiduciary Net Position - Fiduciary Funds	36
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	37
Component Units' Financial Statements:	
Statement of Net Position	39
Statement of Activities	41
Notes to Financial Statements	42

CITY OF ATLANTA, GEORGIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

Required Supplementary Information (Unaudited):

Schedule of Employer Net Pension Liability and Related Ratios- General Employees', Firefighters', and Police Officers' Pension Plans	146
Schedule of Changes in Net Pension Liability - General Employees' Pension Plan	149
Schedule of Changes in Net Pension Liability - Firefighters' Pension Plan	150
Schedule of Changes in Net Pension Liability - Police Officers' Pension Plan	151
Schedule of Employer Contributions - General Employees', Firefighters' and Police Officers' Pension Plans	152
Schedule of Investment Returns - General Employees', Firefighters' and Police Officers' Pension Plans	153
Schedule of Changes in Net OPEB Liability and Related Ratios	154
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	155
Notes to Required Supplementary Information	156

Combining and Individual Fund Statements and Schedule:

Combining Balance Sheet - Nonmajor Governmental Funds	159
Combining Statement of Revenue, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	161
Combining Balance Sheet - Nonmajor Governmental Funds - Tax Allocations Districts	163
Combining Statement of Revenue, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds - Tax Allocation Districts	164
Combining Balance Sheet - Nonmajor Governmental Funds - Other Special Revenue Funds	165
Combining Statement of Revenue, Expenditures and Changes in Fund Balance - Nonmajor Government Funds - Other Special Revenue Funds	166
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual:	
Special Revenue Funds	167
Tax Allocation Districts - Debt Service Funds	175
Other Special Revenue Funds	182
Combining Statement of Net Position - Nonmajor Proprietary Funds	190
Combining Statement of Revenue, Expenditures and Changes in Net Position - Nonmajor Proprietary Funds	191
Combining Statement of Cash Flows - Nonmajor Proprietary Funds	192
Combining Statement of Net Position - Internal Service Funds	193
Combining Statement of Revenue, Expenditures and Changes in Fund Net Position - Internal Service Funds	194
Combining Statement of Cash Flows - Internal Service Funds	195
Combining Statement of Net Position - Pension Trust Funds and Custodial Fund	196
Combining Statement of Changes in Plan Net Position - Pension Trust Funds and Custodial Fund	197

CITY OF ATLANTA, GEORGIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

STATISTICAL SECTION (Unaudited)

Net Position by Component.....	198
Changes in Net Position	199
Program Revenues by Function/Program.....	200
Fund Balances, Governmental Funds.....	201
Changes in Fund Balance, Governmental Funds	202
Assessed and Estimated Actual Value of Taxable Property	203
Direct and Overlapping Property Tax Rates	204
Principal Property Tax Payers	205
Property Tax Levies and Collections	206
Taxable Sales by Category	207
Direct and Overlapping Sales Tax Rates.....	208
Principal Sales Tax Remitters	209
Ratio of Outstanding Debt by Type	210
Ratio of General Bonded Debt Outstanding.....	211
Direct and Overlapping Governmental Activities Debt.....	212
Legal Debt Margin Information	214
Schedule of Revenue Bond Coverage - Department of Aviation.....	215
Schedule of Revenue Bond Coverage - Department of Watershed Management.....	216
Demographic and Economic Statistics.....	217
Principal Employers	218
Full-time Equivalent City Government Employees by Function/Program	219
Operating Indicators by Function/Program.....	220
Capital Asset Statistics by Function/Program	221



Introductory Section



City of Atlanta

Keisha Lance Bottoms
MAYOR

55 TRINITY AVENUE, S.W.
ATLANTA, GEORGIA 30303-0300

Mohamed M. Balla
CHIEF FINANCIAL OFFICER

Tel (404) 330-6100

December 17, 2021

The Honorable Felicia Moore, President
Members of City Council
Atlanta City Council
55 Trinity Avenue
Atlanta, Georgia 30303

Dear President Moore and Members of the Atlanta City Council:

The Finance Department is pleased to present the Annual Comprehensive Financial Report (“ACFR”), of the City of Atlanta, Georgia (the “City”), for the fiscal year ended June 30, 2021. State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements, presented in conformity with generally accepted accounting principles in the United States of America (“GAAP”). The law further requires that these statements be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The ACFR has been prepared by the City in accordance with those principles and standards. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion & Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Responsibility for the accuracy and completeness of the data, and the fairness of the presentation including all disclosures, rests with management. We believe that the data, as presented, is accurate in all material respects, presents fairly the City’s financial position and results of operations, as measured by the financial activity of its various funds. To provide a reasonable basis for making these representations, the City has established an internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City’s financial statements that are in conformance with GAAP. The cost of internal controls should never outweigh their benefits. The City’s framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert, to the best of our knowledge and belief, that the ACFR is complete and reliable in all material respects.

The City’s financial statements have been audited by *KPMG LLP*. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2021,

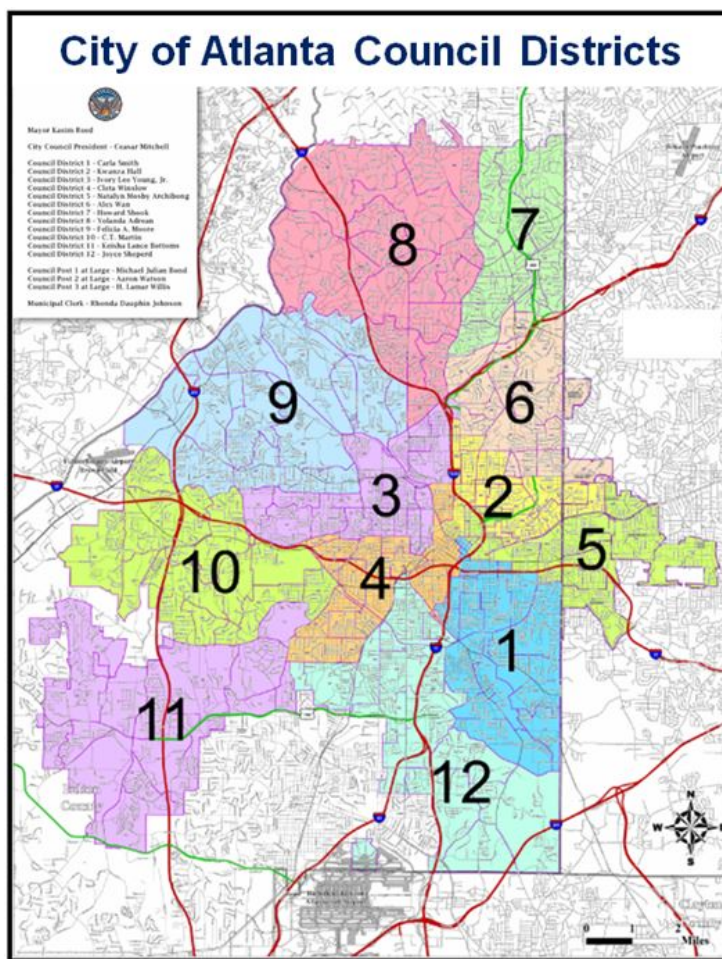
are free of material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. The independent auditors rendered unmodified opinions that the City's financial statements for the year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This report and other historical audited financial statements, prior year(s) fiscal operating budgets, as well as the Popular Annual Financial Report, may also be accessed via the City's website at www.atlantaga.gov.

CITY OF ATLANTA GOVERNMENT OVERVIEW

The City, incorporated in 1847, is located in the north-central part of the state, which is the top growth area in Georgia and has been one of the highest growth areas of the country for over three decades. The City currently occupies a land area of 134 square miles, with a population of 498,715 in the City and 6 million people in the Atlanta Metropolitan area, according to 2020 United States Census Bureau estimates. The Atlanta-Sandy Springs-Roswell, GA MSA (commonly referred to as Metropolitan Atlanta) is the ninth largest metropolitan area in the country. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City's policy-making and legislative authority are vested in a governing council (City Council) consisting of fifteen members and an elected City Council President who serves as presiding officer. The City Council's primary responsibilities are adopting ordinances, adopting the budget and setting policy for the City. The City's Mayor is responsible for carrying out the policies and ordinances of the City, for overseeing the day-to-day operations of the City, and for appointing and directing the heads of



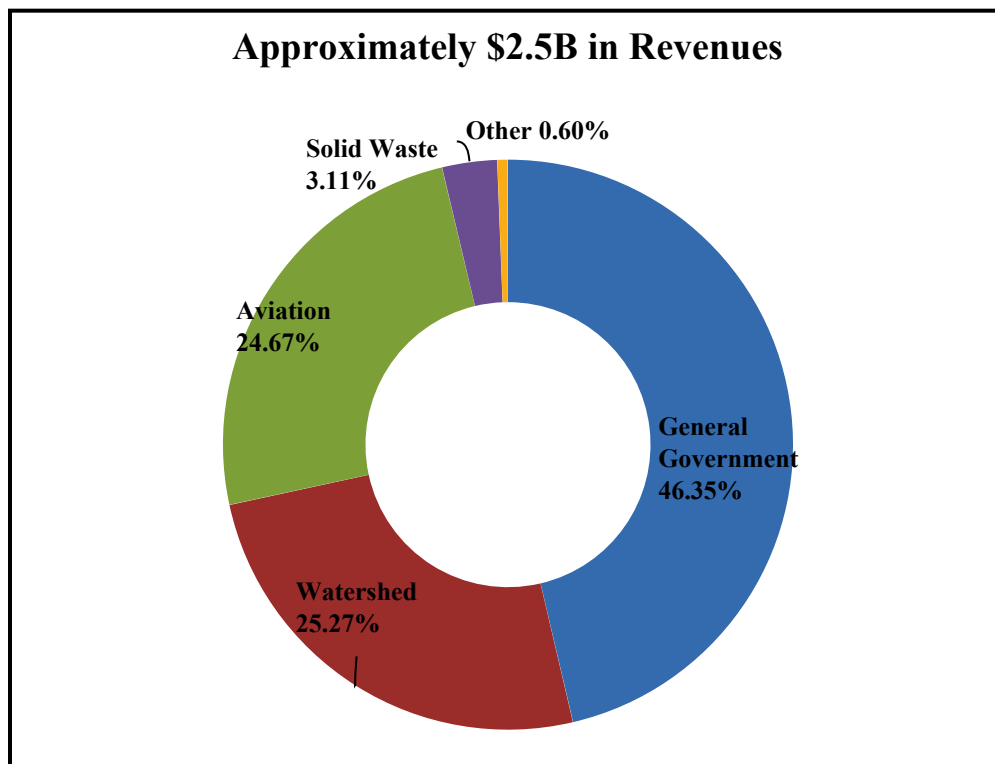
the various departments. The City Council is elected on a non-partisan basis. Council members serve four-year terms, as does the Mayor. The Mayor is limited to two consecutive terms. There are no term limits for Council Members or for the Council President. Twelve of the council members are elected by district. The Mayor, the three remaining Council Members and the Council President are elected at large.

Annual budgets are adopted for the General Fund, Special Revenue Funds, and Debt Service Funds with the level of legal budgetary control established at the office level by City Council. The City is required to adopt a balanced budget each year and maintain budgetary controls to ensure compliance with legal

provisions of the annual appropriated budget approved by the Mayor and City Council. The amounts of anticipated revenues and appropriated expenditures for the annual budget are controlled by the City Charter and various ordinances adopted by the City Council. Appropriations for capital projects are adopted by the City Council, principally on an individual basis, when the project is initially approved.

PRIMARY CITY FUNCTIONS

The City provides a full range of municipal services including police and fire protection, the maintenance of streets and other infrastructure, recreational activities and cultural events, land use and building regulations, and solid waste collection and disposal. The City’s Joint Operations Command Center (JOC) ensures that essential personnel from the Atlanta Police Department, Atlanta Fire and Rescue Department, Department of Public Works, Department of Parks and other key operational agencies can monitor weather, traffic, and reports of power outages and fallen trees to ensure a rapid and coordinated response to weather events or other events affecting public safety. The City accounts for solid waste collection and disposal activities separately within the reporting entity and attempts to recover operating costs of the function through user charges. The City is responsible for water operations and infrastructure along with operating the world’s second busiest airport which is financed exclusively with airport-generated income.



The City is self-insured for workers' compensation, parts of the medical and dental plan, and general claims liabilities. The City pays for such claims as they become due. The City engages an external actuary to provide an actuarial estimate of its liabilities for self-insured expenses, with the exception of legal claims. The City Council has oversight responsibility for the City’s Pension Trust Funds; however, the defined benefit pension plans are directly governed by the combined Pension Investment Board. In December 2017, the City of Atlanta adopted legislation to combine the management of its three separate pension plans and create one board of trustees to be known as the City of Atlanta Defined Benefit Pension Plan Investment Board in order to improve administrative efficiency, governance and investment returns.

In addition, the City is financially accountable as of June 30, 2021 for the Atlanta-Fulton County Recreation Authority, the Solid Waste Management Authority (SWMA), the Atlanta Public Safety and

Judicial Facilities Authority (APSFJA), Atlanta Housing Opportunity, Inc., and the Atlanta Development Authority, (doing business as Invest Atlanta); all of which are included as part of the ACFR. Certain organizations are not included within the scope of this report since they are established by the Constitution of the State of Georgia or state laws and are administered independent of the City of Atlanta. These include the Atlanta Independent School System (School System) and the Atlanta Housing Authority (AHA).

ECONOMIC DEVELOPMENT

To promote economic development in undeveloped or underdeveloped areas, the City utilizes its redevelopment agent, the Atlanta Development Authority, which does business as Invest Atlanta. Invest Atlanta spearheads diverse policies and activities which support increased private investment and job growth. Invest Atlanta also issues limited obligation Tax Allocation District (“TAD”) bonds on behalf of the City. TAD bonds are not secured by the full faith and credit of the City but are secured solely by and payable from specified pledged revenues. The pledged revenues are the tax allocation increments, or the amount of property taxes generated within the TAD, that exceed the amount collected from the same area prior to development. Tax allocation districts have proven to be an effective and useful economic development tool. The Atlantic Station mixed-use development and the opening of the world’s largest Aquarium were products of TAD bonds and further strengthen the City’s core business districts. Development and re-development in the Atlanta BeltLine TAD are projected to create 50,000 permanent jobs and 48,000 construction jobs.

Additionally, public transportation initiatives included in the Atlanta BeltLine will also play a vital role in ensuring continued building and investing in the City. As of November 2021, the Atlanta BeltLine consists of 8.7 miles of open mainline trail, 4.5 miles of mainline trail in planning, 7.3 miles of mainline trail in design, and 1.2 miles of mainline trail under construction with an additional 0.6 miles out to bid. There are also more than 10.3 completed miles of connector trail. Moreover, there has been \$7.9 billion in adjacent private economic development and more than 23,300 jobs created to date. As the city continues to grow, the Department of City Planning manages construction and development activity throughout the City of Atlanta. During fiscal year 2021, the City issued more than 7,491 building permits worth over \$5 billion in new construction.

Atlanta continues to grow as a national market for attracting businesses of all sizes and creating jobs through its highly skilled workforce. The low cost of doing business, as well as its robust research and technology community, provide a strong foundation for its continued success. Following the objective of the One Atlanta: Economic Mobility, Recovery and Resiliency Plan, Invest Atlanta remains focused on advancing equity through local and middle-wage job creation and has helped facilitate the creation of 6,987 new full time and expansion job opportunities across the city. The total economic output generated was nearly \$3 billion, and the total Capital Investment in fiscal year 2021 was \$902 million.

Although the city is thriving, the pandemic created unprecedented changes in our economy. In response to the severe economic hardships caused by the COVID-19 pandemic, particularly on Atlanta’s small business community, Invest Atlanta launched four new distinctive relief programs. Mayor Keisha Lance Bottoms issued an Executive Order creating a \$7 million emergency fund to provide assistance to those impacted by COVID-19. The Business Continuity Loan Fund provided small businesses up to \$30,000 of working capital to help mitigate losses from required closures and other pandemic-related disruptions. The Strength in Beauty Fund made possible through philanthropic support provided \$1,000 grants to independent licensed cosmetology professionals in Atlanta who had reduced earnings due to COVID-19. The CreATL Relief Fund, also supported by philanthropic dollars, provided \$1,000 grants to Atlanta’s

independent creative workers who lost work due to the pandemic. The Resurgence Grant Fund is the largest of the relief funds and Invest Atlanta's largest program in its history. This fund is supported by the federal CARES Act and provided grants to businesses to cover up to \$40,000 of business expenses made to continue operations during the pandemic such as plexiglass installation or modifying interior space for social distancing. Resurgence grant recipients also were eligible for \$10,000 of technical assistance such as legal or marketing support to help adapt to COVID requirements.

Between the four funds, Invest Atlanta directly assisted 827 businesses across the City of Atlanta; \$20,297,022 in COVID relief funds were deployed through micro loans and grants; and 9,179 jobs were created or retained. Furthermore, 52% of all COVID relief recipients are minority-owned businesses, and 49% are women-owned businesses.

LOCAL ECONOMY

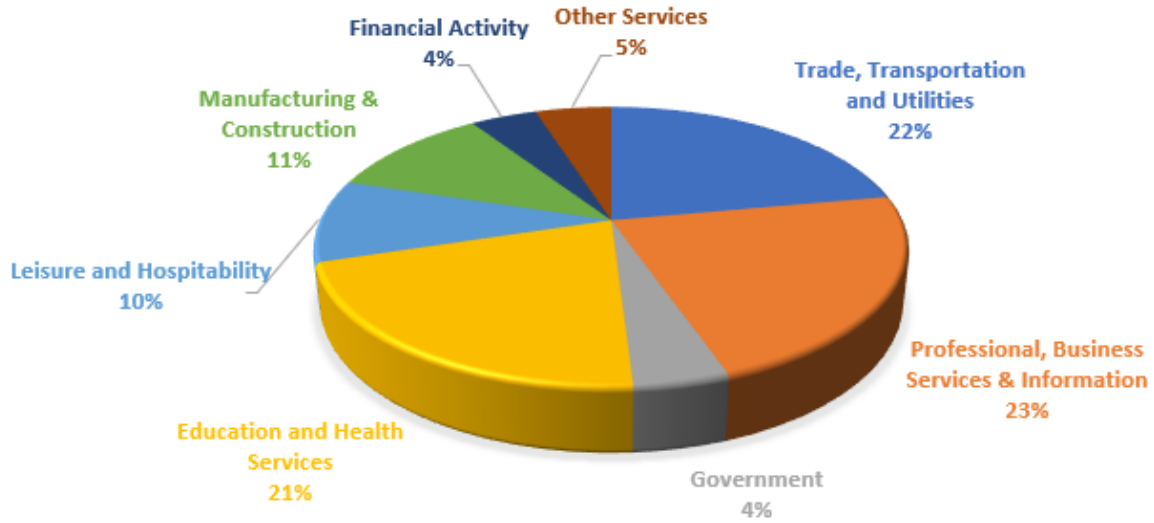
In 2021, the COVID-19 pandemic continued to cause abrupt declines in employment, economic growth, and key City revenues. Unlike the 2008 financial crisis, COVID-19 is an external “disruption” impacting the entire economy both nationally and globally. These unparalleled times pose a serious threat to the City of Atlanta’s existing and future General Fund revenues which are used for operating expenses. Although the City received federal funding, the anticipated full recovery of revenues is still unknown.

To combat the spread of COVID-19, the City of Atlanta has enacted numerous COVID-19 restrictions such as shelter in place mandates and closure of City businesses, buildings, and courts. As a result, the fiscal year 2022 General Fund budget was developed to reflect expected decreases in certain major revenue sources that are highly sensitive to the economic factors affected by the COVID-19 pandemic. These major revenue sources are local option sales tax, licenses and permits, public utility alcoholic beverages, fines, hotel/motel, and other taxes.

Due to the evolving nature of COVID-19 and the responses of governments, businesses, and individuals to the pandemic, the City is unable to predict, among other things: (a) the scope, duration or extent of any other outbreak or pandemic (b) the existing or additional restrictions or warnings which may be imposed by local, state or federal governments, (c) nor the timing of the relaxation or release of such restrictions. The City will continue to monitor and adjust where needed.

Business development, an educated workforce, innovation, above average population growth and strong housing markets will help to ensure the Atlanta metropolitan area maintain post-pandemic growth. Atlanta's high concentration of college-educated workers, business partners, high-tech companies, innovation centers, national healthcare nonprofits and research universities will continue to attract technology companies in life sciences, software development, research and development, healthcare, professional and business services, and advanced manufacturing. Access to workers, especially skilled labor, is vital and many companies are attracted to Atlanta due to its large and diverse labor pool. In addition, the high concentration of colleges and universities ensure a large supply of experienced faculty, newly minted college graduates, and student interns.

EMPLOYMENT BY INDUSTRY



The Atlanta area is home to over 57 colleges and universities enrolling more than 250,000 students annually. The City is poised to benefit from national trends of population shifting from suburbs and exurbs back to urban cores driven by transportation costs, traffic congestion, and a renewed interest in urban living which is particularly prevalent in the Atlanta metro region.

The remainder of the page is intentionally left blank

Major Initiatives and Financial Planning

Priorities and Investments



Safe, Welcoming, and Inclusive City

- Mayor unveils “One Atlanta: One APD” immediate action plan to address violent crime in the city
- Mayor announces historic expansion of 10,000 streetlights as part of the “One Atlanta-Light up the Night” crime and traffic crash prevention initiative
- City sets record with eighth consecutive perfect score on Human Rights Campaign’s (HRC) Municipal Equality Index



World Class Employees, Infrastructure, and Services

- Mayor launches Progressive Atlanta Advisory Council, a group to provide recommendations to help achieve the Mayor’s vision for equity for all
- City partners with Policing Alternatives & Diversion Initiative to provide 311 Community Referral Services and Law Enforcement Assisted Diversion expanded to all areas of the city
- Hartsfield-Jackson Atlanta International Airport recognized with the U.S. Green Building Council Regional Leadership Award and the 2021 Airport Minority Advisory Council Airport of the Year Award



Ethical, Transparent, and Fiscally Responsible Government

- Mayor’s legislation to integrate Invest Atlanta with WorkSource Atlanta is approved by City Council



Thriving Neighborhoods, Communities, and Businesses

- City launches Fix It Phase II: Operation Clean Sweep
- Mayor announces that, as of 2020, 75% of city residents lived within half a mile of fresh food- a major milestone toward the Mayor’s goal of 85% by 2022



Residents that are Equipped for Success

- Mayor announces \$50 million in new bond funding for affordable housing to advance the goals of creating or preserving 20,000 affordable homes by 2026

In fiscal year 2021, Mayor Bottoms continued her focus on the priorities and initiatives of One Atlanta and the five pillars of that vision, while at the same time, prioritizing key emerging and critical issues. Keeping the City's residents and visitors safe continues to be a top priority for Mayor Bottoms.

Mayor Keisha Lance Bottoms, with the support of the Atlanta Committee for Progress (ACP), announced expanded and accelerated measures to reduce violent crime and improve public safety in the City of Atlanta.

The approach integrates crime fighting measures such as recruiting more officers with police training to ensure the city's men and women in blue are responsive to and prepared for the needs of Atlanta's diverse neighborhoods.

The ACP support builds on Mayor Bottoms' recently announced initiative, "One Atlanta: One APD Immediate Action Plan." That foundational plan has a dual focus on decreasing gang and gun violence, street racing, auto crimes and nuisance properties while also improving APD recruitment and retention, continuing police training and reform, expanding the city's security camera network and supporting neighborhood safety planning. These efforts were supported by city council with the adoption of legislation for the Atlanta Police Department retention incentives and increased security cameras to boost the "One Atlanta-Light Up the Night" crime and traffic initiative.

In addition to the commitment of public safety, Mayor Bottoms reiterated her commitment to closing and reimagining the Atlanta Detention Center, saying "This nearly 500,000-square-foot, 17-story-building holds approximately 30 people a night. Reimagining a different use for this facility is a good financial move for the city. It will also help us tackle issues like homelessness, addiction and mental health, which ultimately makes our city safer and our communities stronger."

Moreover, the city has initiated additional financial incentives for increasing revenues. The Mayor expanded incentives related to the beltline. The Atlanta City Council approved legislation creating a Special Service District (SSD) that will provide approximately \$100 million towards completing the Atlanta BeltLine's 22-mile multi-use trail loop. Passage of the SSD unlocks an additional \$100 million in philanthropic contributions, as well as an anticipated \$50 million in grants and other sources. The legislation also compliments \$100 million from the BeltLine Tax Allocation District (TAD) for trail construction and other initiatives.

In October 2020, the Mayor's Worksource legislation passed. The Atlanta City Council approved legislation to authorize an intergovernmental agreement between the City of Atlanta and Invest Atlanta for the purpose of further aligning its workforce development services as provided by WorkSource Atlanta. The legislation noted that combining Invest Atlanta and WorkSource Atlanta will reinforce key partnerships and create stronger outcomes for employers and residents, advancing Atlanta's economic growth and mobility goals. This integration, in support of the Mayor's One Atlanta Economic Mobile, Recovery and Resiliency Plan, will work towards improving economic mobility and job opportunities for Atlantans.

Additionally, Mayor Bottoms announced the City's first-ever comprehensive effort to activate public land for affordable housing. This initiative was a top priority for the Mayor's One Atlanta Housing Affordability Action Plan, released in July of 2019. The activation of public land complements efforts already underway and will help maintain Atlanta's economic diversity and ensure long-term affordability for our residents.

As of April 2021, the administration has completed an inventory of public property and presented the first four properties slated for activation for affordable housing development to City Council's Community Development and Human Services Committee.

Three of the properties are single lots that will be developed as single-family plus accessory dwelling unit housing. The other property is a 0.9-acre site across from City Hall that will be developed as dense, mixed-use infill housing in conjunction with Invest Atlanta.

In addition, Mayor Bottoms signed an Administrative Order creating an interagency advisory council to identify more public land for development as affordable housing. The advisory council includes City staff, representatives from Invest Atlanta, Atlanta Housing, the Metro Atlanta Land Bank, community members, and other affordable housing partners. This group will seek to achieve long-term affordability through innovative design and financing practices in new housing developed on public property. In December 2020, the Mayor announced \$50 million in new bond funding for affordable housing to advance the goals of creating or preserving 20,000 affordable homes by 2026.

In August 2020, the Mayor allocated \$22 million from the Coronavirus Relief Fund towards emergency rental assistance for Atlantans, including rental, utility, and/or security deposit assistance. This was initiated to help keep renters in their homes. Administered by the United Way of Greater Atlanta, the program will provide rental, utility or security deposit assistance to more than 6,700 City of Atlanta residents. Renters who had experienced a loss of income because of the pandemic are eligible to get help paying past due rent, utilities or security deposits for a maximum of \$3,000 per household. The Mayor also extended a moratorium on residential evictions and filings due to COVID-19.

Additional federal funds were also allocated from the American Rescue Plan (ARP). In May 2021, the Mayor announced the City's American Rescue Plan allocation. The City's allocation of American Rescue Plan funds will be used to address pressing needs, including significant investments in public safety and rental assistance for our residents.

Furthermore, Mayor Bottoms outlined initiatives to increase opportunities for young people, including reigniting the city's Hire Atlanta Youth summer jobs program. The City has hired a Senior Director of Youth Engagement who will partner with APS and other organizations to increase opportunities for young people. The City is implementing the One Atlanta Virtual Summer Residency, an "earn-to-learn" program for young people between 14 and 18 years old. The Mayor is also providing paid internship and employment opportunities for those between the ages of 18 and 24. In addition, she has called on Atlanta's business community to provide at least 1,000 job opportunities for young people in Atlanta.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City in connection with its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

The City also earned the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report for the fiscal year ended June 30, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest national standards for preparation of state and local government popular reports.

Finally, the GFOA awarded the City the Distinguished Budget Presentation Award for the adopted budget book for fiscal year 2021. This award recognizes state and local governments that have prepared budget documents of the very highest quality.

OTHER INFORMATION

Acknowledgments

The preparation and completion of this ACFR represents the culmination of numerous efforts by many City employees. We would like to express our sincere appreciation to the Department of Finance’s staff, the City’s other operating and supporting departments, as well as the certified public accounting firm of KPMG, LLP for making this report possible.

This ACFR reflects our ongoing commitment to the citizens of the City of Atlanta, the Atlanta City Council and all interested readers of this report to provide information with the highest standards of financial reporting.

Respectively submitted,



Keisha Lance Bottoms
Mayor



Mohamed M. Balla
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Atlanta
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

City Officials



Keisha Lance Bottoms
Mayor

Jon Keen
Chief Operating Officer

Carmen Chubb
Chief of Staff

Mohamed M. Balla
Chief Financial Officer

Nina Hickson
City Attorney

MEMBERS OF CITY COUNCIL

Felicia A. Moore
Council President

Carla Smith
District 1

Amir R. Farokhi
District 2

Antonio Brown
District 3

Cleta Winslow
District 4

Natalyn Mosby Archibong
District 5

Jennifer N. Ide
District 6

Howard Shook
District 7

J.P. Matzigkeit
District 8

Dustin Hillis
District 9

Andrea L. Boone
District 10

Marci Collier Overstreet
District 11

Joyce M. Sheperd
District 12

Michael Julian Bond
Post 1, At-Large

Matt Westmoreland
Post 2, At-Large

Andre Dickens
Post 3, At-Large

Foris Webb
Municipal Clerk

JUDICIAL OFFICERS

COURT OPERATIONS	Christopher T. Portis <i>Chief Judge</i>
PUBLIC DEFENDER	Kenneth Days III <i>Public Defender</i>
SOLICITOR	Raines F. Carter <i>Solicitor</i>

BOARD OFFICERS

ATLANTA CITIZENS REVIEW DIRECTOR	Samuel Lee Reid III <i>Executive Director</i>
ETHICS OFFICER	Jabu M. Sengova <i>Ethics Officer</i>
OFFICE OF INSPECTOR GENERAL	Shannon Manigault <i>Inspector General</i>
CITY INTERNAL AUDITOR	Amanda Noble <i>City Auditor</i>

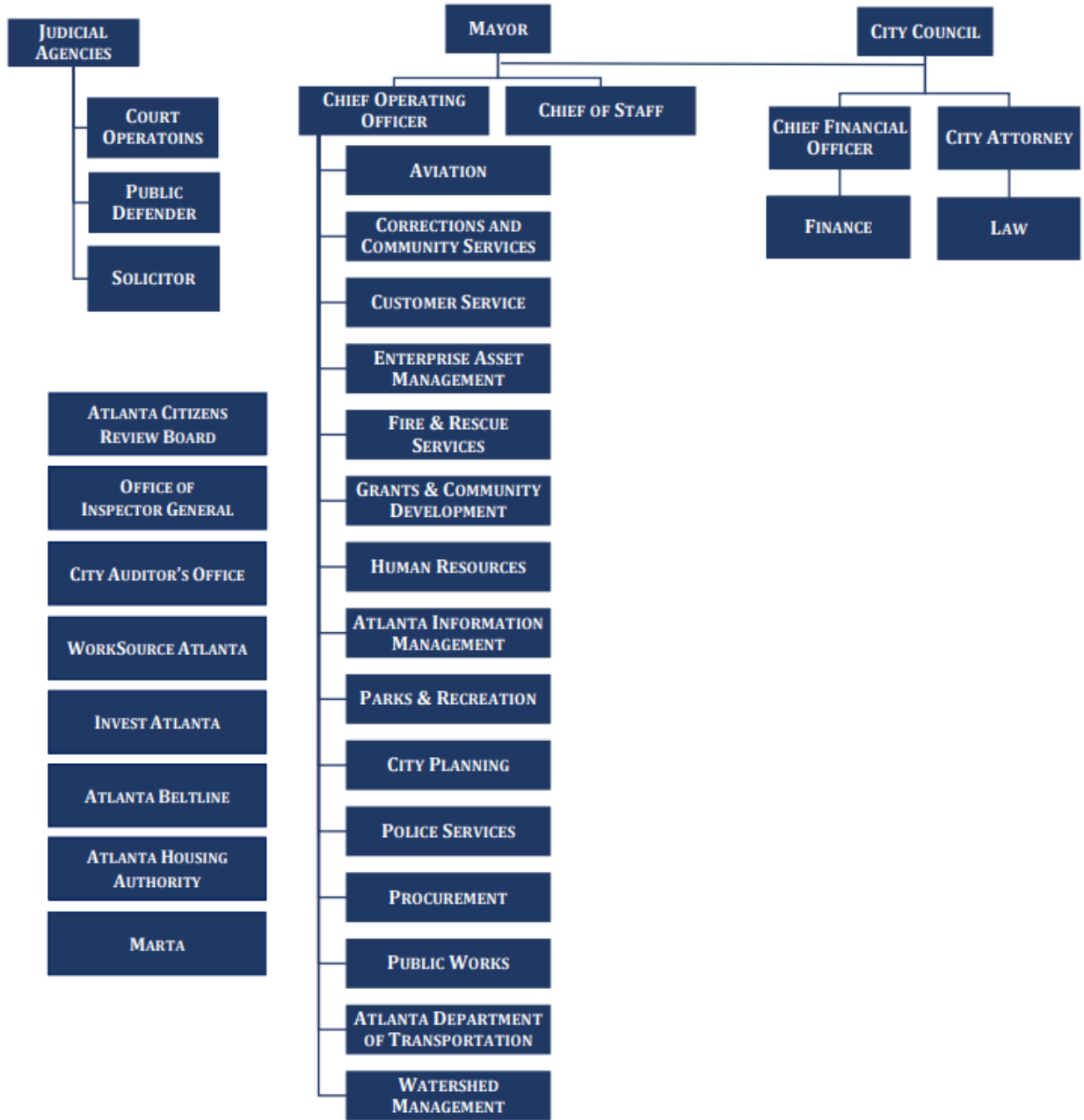
DEPARTMENT OFFICERS

AVIATION	Balram Bheodari <i>General Manager</i>
CORRECTIONS	Elder Dancy <i>Interim Corrections Chief</i>
CUSTOMER SERVICE	Salethea Graham <i>Commissioner</i>
ENTERPRISE ASSETS MANAGEMENT	Remy Saintil <i>Commissioner</i>
FINANCE	Mohamed M. Balla <i>Chief Financial Officer</i>
FIRE & RESCUE SERVICES	Roderick Smith <i>Fire Chief</i>
GRANTS and COMMUNITY DEVELOPMENT	Deborah Lonon <i>Commissioner</i>
HUMAN RESOURCES	Jeffery Norman <i>Commissioner</i>
ATLANTA INFORMATION MANAGEMENT	Jason Sankey <i>Chief Information Officer</i>
LAW	Nina Hickson <i>City Attorney</i>
PARKS & RECREATION	John Dargle <i>Commissioner</i>
CITY PLANNING	Tim Keane <i>Commissioner</i>
POLICE SERVICES	Rodney Bryant <i>Police Chief</i>
PROCUREMENT	Martin Clarke <i>Chief Procurement Officer</i>
PUBLIC WORKS	Al Wiggins Jr. <i>Commissioner</i>
ATLANTA DEPARTMENT OF TRANSPORTATION	Josh Rowan <i>Commissioner</i>
WATERSHED MANAGEMENT	Mikita Browning <i>Commissioner</i>

Atlanta City Council Member

			
Felicia A. Moore President	Michael Julian Bond Post 1 At-Large	Matt Westmoreland Post 2 At-Large	Andre Dickens Post 3 At-Large
			
Carla Smith District 1	Amir R. Farokhi District 2	Antonio Brown District 3	Clela Winslow District 4
			
Natalyn Mosby Archibong District 5	Jennifer N. Ide District 6	Howard Shook District 7	J. P. Matzigkeit District 8
			
Dustin Hillis District 9	Andrea L. Boone District 10	Marci Collier Overstreet District 11	Joyce M. Sheperd District 12

City Organizational Structure





THIS PAGE INTENTIONALLY LEFT BLANK



Financial Section



KPMG LLP
Suite 2000
303 Peachtree Street, N.E.
Atlanta, GA 30308-3210

Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Atlanta, Georgia:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Atlanta, Georgia (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Atlanta-Fulton County Recreation Authority and Atlanta Development Authority, which collectively represent all of the City's aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for all of the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Atlanta Development Authority's discretely presented component units, ADA/CAU Partner's Inc.; Imagine Downtown Managing Member 2007 QEI, LLC; and Imagine Downtown, Inc. were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Atlanta, Georgia, as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in Note I.G. to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4-21, the schedules of employer net pension liability and related ratios, schedules of changes in net pension liability, schedules of employer contributions, schedule of investment returns – General Employees; Firefighters' and Police Officers' Pension Plans, schedule of changes in net OPEB liability and related ratios, and schedule of revenue, expenditures and changes in fund balance – budget and actual – general fund, on pages 146-157 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedule and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KPMG LLP

December 17, 2021

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

As management of the City of Atlanta (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2021, as a part of the overall Annual Comprehensive Financial Report (ACFR). This overview compares the fiscal year ended June 30, 2021 with the fiscal year ended June 30, 2020. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, which can be found on pages i-x of this report.

Overview of the Financial Statements

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

Financial Highlights

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflow of resources at the close of fiscal year 2021 by \$8.2 billion as compared to \$7.9 billion at the close of fiscal year 2020. This amount represents the City's Net Position. Net Position is the difference between the City's assets and deferred outflows and the City's liabilities and deferred inflows.
- The City's total net position increased by \$275.8 million compared to fiscal year 2020. The increase was due mainly to an increase in net investment in capital assets of \$232.9 million and a decrease in restricted net position of \$46.1 million offset by a decrease in unrestricted net deficit of \$89.1 million.
- As of the close of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$1,154.5 million. The overall General Fund balance increased \$0.6 million or 0.3% to \$187.0 million. The increase was mainly due to growth in revenues related mainly to property taxes, local option sales taxes and federal funding received from the American Rescue Plan Act (ARP) due to the COVID-19 public health emergency offset by personnel expenses.
- The City's long-term debt, including capital leases, at June 30, 2021 totaled \$7.3 billion, a net decrease of \$378.6 million or 4.96%. The decrease was mainly due to debt service payments and refundings on existing obligations.

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

The *Statement of Net Position* presents information on all of the City's assets and liabilities, deferred outflows and deferred inflows with the difference reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited)

June 30, 2021

The *Statement of Activities* presents information showing how the City's Net Position changed during the most recent fiscal year. All changes in the Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are designed to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, police, fire, corrections, public works, parks and recreation and cultural affairs.

The business-type activities of the City include the Departments of Watershed Management (Water and Wastewater System), Aviation (Hartsfield-Jackson Atlanta International Airport), Sanitation (Solid Waste), Parks and Recreational Facilities, City Plaza and Parking Deck.

The government-wide financial statements include not only the City itself (known as the primary government), but also the legally separate Atlanta Fulton County Recreation Authority and the Atlanta Development Authority (d/b/a Invest Atlanta), both of which the City is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government. The Atlanta Housing Opportunity, Inc. is presented as a component unit, however their financial statements are blended with the primary government. Other blended component units of the City include Atlanta Public Safety, Judicial Facilities Authority and Solid Waste Management Authority. Certain organizations are not included within the scope of this report since they were established by the Constitution of the State of Georgia or state laws and are administered by separate boards that act independently of the City. Included in this category are the Atlanta Independent School System and the Atlanta Housing Authority.

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

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

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 revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited)

June 30, 2021

The City maintains thirty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the general fund and capital project fund, which are considered to be major funds. Data from the other twenty-nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements beginning on page 159 in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget in the Required Supplementary Information section of this report.

The City has a formal fund balance policy applicable to governmental funds included in its Charter. The policy defines fund balance categories consistent with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, sets spending priority within the categories, establishes the authority to commit or assign balances and establishes a minimum fund balance for the general fund. In addition, the policy addresses the time period required for the general fund to replenish any deficiency in the minimum fund balance, as well as specifies how fund balance above the recommended range may be spent. For a full discussion of the City's fund balance policy, please refer to the Notes to the Financial Statements, section I. D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances.

Proprietary funds - The City maintains two different types of proprietary funds. *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 the business-type activities of the Water and Wastewater System (Department of Watershed Management), the Hartsfield-Jackson Atlanta International Airport (Department of Aviation), Sanitation Services (Solid Waste), Parks and Recreational Facilities, Parking Deck and City Plaza. Additionally, the Municipal Option Sales Tax (MOST) is reported under the Department of Watershed Management Fund where the activities for the MOST receipts are expended for the purpose intended, to be in compliance with the State's guidelines.

An *internal service fund* is a fund used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the maintenance and operation of its fleet of vehicles and its group insurance fund for employees and retirees. Because these services benefit both governmental and business-type functions, the net position and change in net position is impacted through the allocation of services, based upon usage, between governmental activities and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements. The proprietary fund financial statements provide separate information for the Department of Watershed Management and the Department of Aviation, which are considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements presented on page 193 in this report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

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

Required Supplementary and other information - In addition to the basic financial statements, this report also presents certain required supplementary information on the City's schedule of employer net pension liability and related ratios, changes in net pension liability, the employer contributions, and the investment returns for the General Employees' Pension Plan, Firefighters' Pension Plan, and Police Officers' Pension Plan, and the schedule of changes in net OPEB liability and related ratios, and General Fund information. Required supplementary information can be found following the notes in this report. The combining and individual funds statements, referred to earlier in connection with non-major governmental and proprietary funds follow the required supplementary information. Required supplementary information can be found beginning on page 146 of this report.

Financial Analysis - Government-wide Statements

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, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$8.2 billion at the close of the year ended June 30, 2021. Table 1 summarizes the assets and deferred outflows of resources, liabilities and deferred inflows of resources and Net Position for governmental activities, business-type activities, and the total primary government.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

Table 1. City of Atlanta Net Position, Years Ended June 30, 2021 and June 30, 2020 (in thousands):

	Government Activities		Business-type Activities		Total Primary Government Total	
	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 1,388,108	\$ 1,258,920	\$ 3,593,485	\$ 3,898,031	\$ 4,981,593	\$ 5,156,951
Capital assets, net of depreciation	1,213,766	1,179,187	12,501,671	12,358,361	13,715,437	13,537,548
Total assets	<u>2,601,874</u>	<u>2,438,107</u>	<u>16,095,156</u>	<u>16,256,392</u>	<u>18,697,030</u>	<u>18,694,499</u>
Deferred outflows of resources	282,591	233,202	399,686	351,989	682,277	585,191
Total assets and deferred outflows of resources	<u>2,884,465</u>	<u>2,671,309</u>	<u>16,494,842</u>	<u>16,608,381</u>	<u>19,379,307</u>	<u>19,279,690</u>
Long-term liabilities						
Current	357,157	389,936	1,093,545	998,089	1,450,702	1,388,025
Non-current	2,593,044	2,524,131	6,696,395	6,934,773	9,289,439	9,458,904
Total Liabilities	<u>2,950,201</u>	<u>2,914,067</u>	<u>7,789,940</u>	<u>7,932,862</u>	<u>10,740,141</u>	<u>10,846,929</u>
Deferred inflows of resources	329,491	378,976	157,659	177,590	487,150	556,566
Total Liabilities and deferred inflows of resources	<u>3,279,692</u>	<u>3,293,043</u>	<u>7,947,599</u>	<u>8,110,452</u>	<u>11,227,291</u>	<u>11,403,495</u>
Net Position						
Net investment in capital assets	337,961	253,197	6,605,281	6,457,144	6,943,242	6,710,341
Restricted	982,164	852,179	948,329	1,124,454	1,930,493	1,976,633
Unrestricted (deficit)	<u>(1,715,352)</u>	<u>(1,727,110)</u>	<u>993,633</u>	<u>916,331</u>	<u>(721,719)</u>	<u>(810,779)</u>
Total Net Position	<u>\$ (395,227)</u>	<u>\$ (621,734)</u>	<u>\$ 8,547,243</u>	<u>\$ 8,497,929</u>	<u>\$ 8,152,016</u>	<u>\$ 7,876,195</u>

By far the largest portion of the City's net position, \$6.9 billion or 85.2%, reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debts and deferred outflows/inflows of resources used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt and deferred inflows/outflows of resources, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$1.9 billion or 23.7%, represents resources that are subject to external restrictions on how they may be used.

The City reported a positive balance of \$1.0 billion in unrestricted net position for business-type activities. For governmental activities, the City reported a negative balance of \$1.7 billion in unrestricted net position, primarily due to the net pension liability as well as the net OPEB liability. The general fund reported a positive balance of \$157.4 million in unrestricted (committed, assigned and unassigned) fund balance. Unrestricted fund balance represents the spendable resources available for governmental activities, without externally enforceable limitation. The major contributing factors to the difference between unrestricted fund balance and unrestricted net position is the exclusion of long term debt and capital asset balances which are not part of the current financial resources measurement focus presentation required of governmental funds.

CITY OF ATLANTA, GEORGIA

**Management's Discussion and Analysis (Unaudited)
June 30, 2021**

Financial Analysis - Government-wide Statements, continued

Table 2. City of Atlanta's Changes in Net Position, Years Ended June 30, 2021 and June 30, 2020 (in thousands):

	Government Activities		Business-type Activities		Total Primary Government Total	
	As of June 30, 2021*	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021*	As of June 30, 2020
Revenues:						
Program revenues:						
Charges for services	\$ 160,995	\$ 201,466	\$ 885,512	\$ 997,791	\$ 1,046,507	\$ 1,199,257
Operating grants and contributions	126,556	55,389	—	—	126,556	55,389
Capital grants and contributions	—	—	150,100	258,186	150,100	258,186
General revenues:						
Property taxes	469,842	435,683	—	—	469,842	435,683
Other taxes	317,846	333,982	154,957	146,696	472,803	480,678
Investment income	4,812	17,786	19,976	96,867	24,788	114,653
Non-capital grants	64,421	—	114,805	80,881	179,226	80,881
Other	—	362	(604)	(4,841)	(604)	(4,479)
Total revenues	<u>1,144,472</u>	<u>1,044,668</u>	<u>1,324,746</u>	<u>1,575,580</u>	<u>2,469,218</u>	<u>2,620,248</u>
Expenses:						
General government:	409,827	259,946	—	—	409,827	259,946
Police	237,194	205,209	—	—	237,194	205,209
Fire	100,939	83,403	—	—	100,939	83,403
Corrections	4,021	17,339	—	—	4,021	17,339
Public Works	99,567	124,193	—	—	99,567	124,193
Parks, Recreation and Cultural Affairs	65,197	66,907	—	—	65,197	66,907
Interest on long-term debt	33,983	37,555	—	—	33,983	37,555
Water and Wastewater System	—	—	465,471	465,908	465,471	465,908
Department of Aviation	—	—	713,012	716,194	713,012	716,194
Sanitation	—	—	62,374	64,601	62,374	64,601
Other	—	—	1,596	1,471	1,596	1,471
Total Expenses	<u>950,728</u>	<u>794,552</u>	<u>1,242,453</u>	<u>1,248,174</u>	<u>2,193,181</u>	<u>2,042,726</u>
Change in Net Position before transfers	193,744	250,116	82,293	327,406	276,037	577,522
Transfers in(out)	32,979	22,287	(32,979)	(22,287)	—	—
Change in Net Position	<u>226,723</u>	<u>272,403</u>	<u>49,314</u>	<u>305,119</u>	<u>276,037</u>	<u>577,522</u>
Net Position (Deficit), Beginning of period, as restated, see Note I.G*	<u>(621,950)</u>	<u>(894,137)</u>	<u>8,497,929</u>	<u>8,192,810</u>	<u>7,875,979</u>	<u>7,298,673</u>
Net Position (Deficit), End of Period	<u>\$ (395,227)</u>	<u>\$ (621,734)</u>	<u>\$ 8,547,243</u>	<u>\$ 8,497,929</u>	<u>\$ 8,152,016</u>	<u>\$ 7,876,195</u>

*Amounts were adjusted to reflect the impact of GASB No. 84

Revenue for the City in fiscal year 2021 totaled approximately \$2.5 billion, a \$151 million decrease when compared to the year 2020. Charges for services decreased \$152.7 million or 12.7% for the primary government as a whole which is due mainly to the significant decline in airport passenger traffic as a result of the COVID-19 pandemic. Other concessions decreased by \$64.1 million, parking by \$41.6 million, and landing fees by \$1.6 million. Charges for services of governmental activities decreased by \$40.5 million or 20.1%, and business-type activities charges decreased by \$112.3 million or 11.3%. The decreased charges for business-type activities were the result of decreases in passenger traffic as a result of the pandemic and a reduction in water/wastewater revenue related to recoveries. The increase in operating grants of \$71.2 million or 128.5%, is primarily the result of increased federal funding related to multiple projects. Business-type activities capital grants and contributions decreased by \$108.1 million due mainly to the decrease in federal funding related to capital projects. Property taxes

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited)

June 30, 2021

Financial Analysis - Government-wide Statements, continued

during fiscal year 2021 increased by \$34.2 million or 7.8%, due mainly to new construction projects completed throughout the City. Other taxes decreased by \$7.9 million or 1.6% driven primarily by the COVID- 19 pandemic resulting in losses of \$7 million hotel/motel, \$7 million alcohol taxes, \$2 million public utility, \$1 million real estate taxes offset by an increase of \$8 million for Municipal Option Sale Tax (MOST).

Total expenses for the City were \$2.2 billion in fiscal year 2021, a increase of \$150.5 million or 7.4% when compared to fiscal year ended June 30, 2020. Total expenses for governmental activities, excluding transfers increased by \$156.2 million or 19.7% year-over-year. Expenses for business-type activities decreased by \$5.7 million, or 0.5% compared to fiscal year 2020.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

Financial Analysis - Government-wide Statements, continued

Governmental Activities - A comparative analysis of the governmental activities program revenues and expenses is presented below.

Figure 1. Program Revenues Compared to Expenses, Year Ended June 30, 2021 (in thousands):

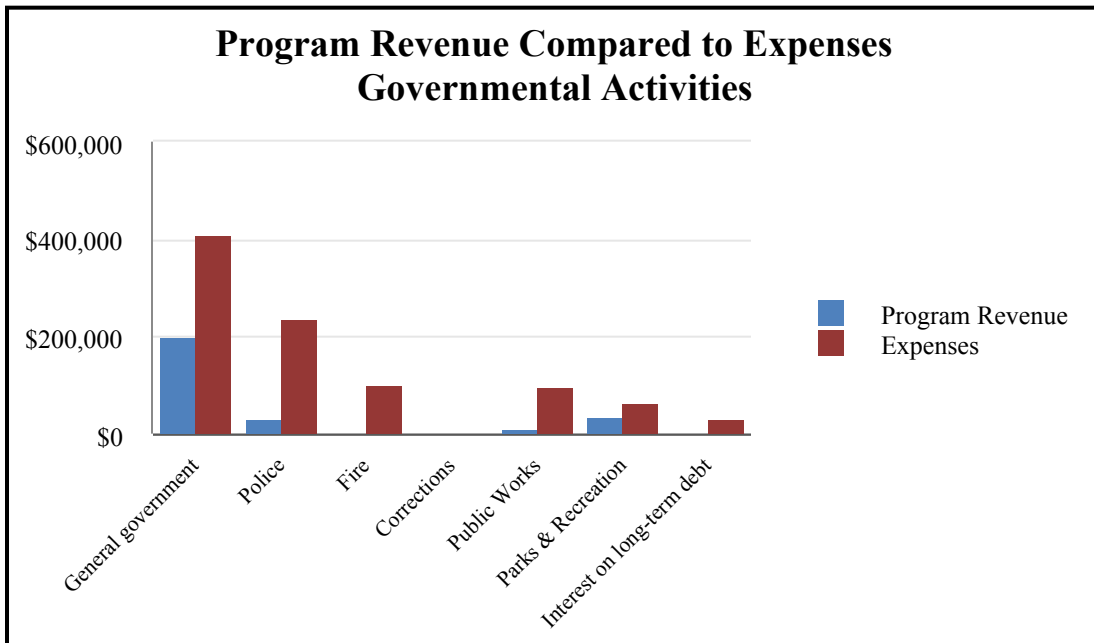
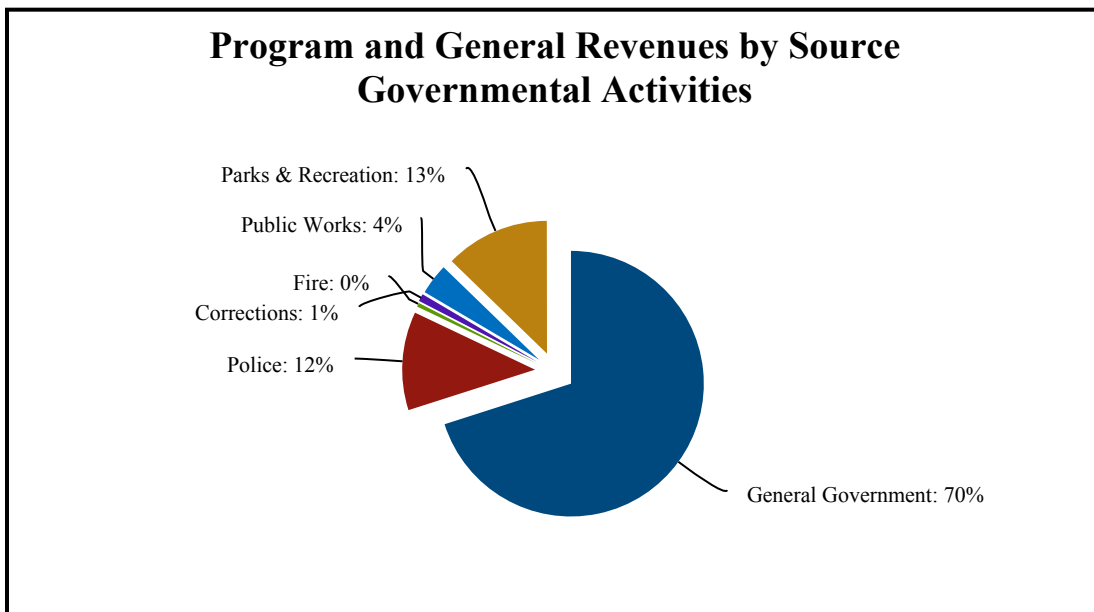


Figure 2. Program Revenues for Governmental Activities, Year Ended June 30, 2021:



CITY OF ATLANTA, GEORGIA

**Management’s Discussion and Analysis (Unaudited)
June 30, 2021**

Financial Analysis - Business-type activities

Business-type activities - A comparative analysis and discussion of expenses and program revenues for the enterprise operations is presented below.

Figure 3 - Expenses for Business-type Activities, Year Ended June 30, 2021 (in thousands):

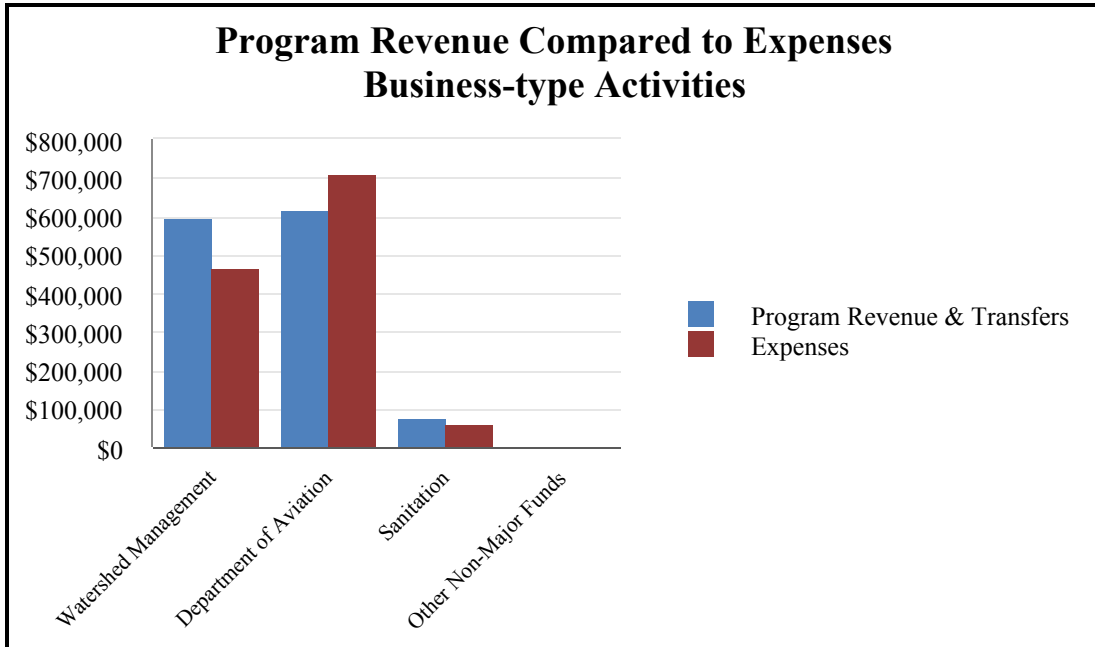
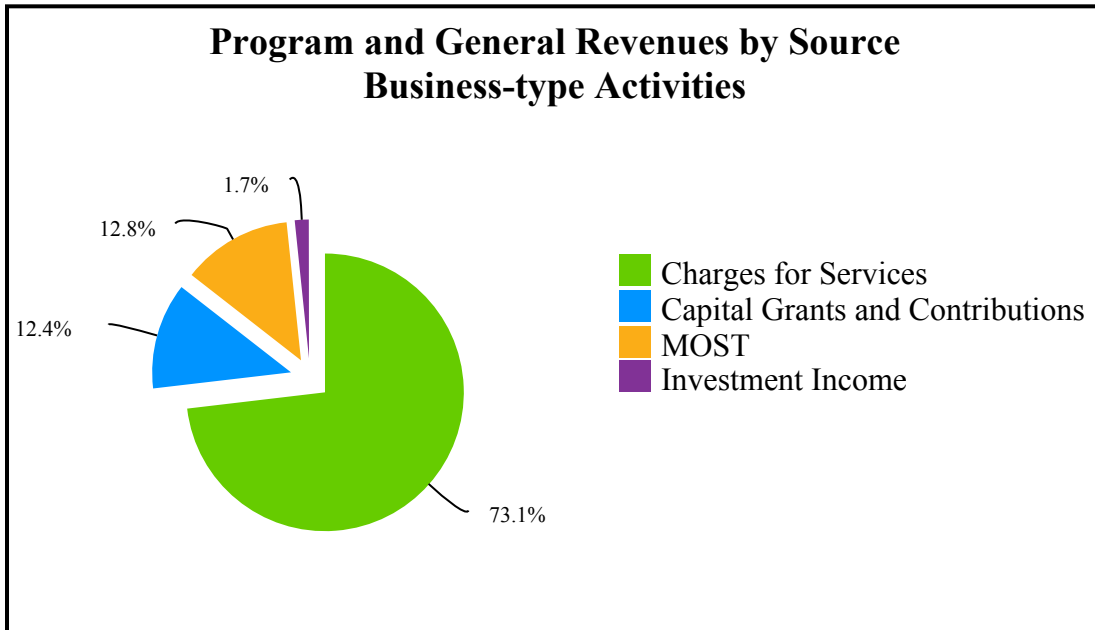


Figure 4 - Program Revenues for Business-type Activities, Year Ended June 30, 2021:



CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

Financial Analysis - Business-type activities, continued

Department of Watershed Management (DWM) The net position for DWM for the twelve month period ended June 30, 2021 increased by \$131.6 million or 3.8% to \$3.6 billion.

Table 3 - Department of Watershed Management Revenues and Expenses - Year Ended June 30, 2021 and June 30, 2020 (in thousands):

	Year Ended June 30		Change
	2021	2020	
REVENUES			
Total operating revenues	\$ 453,149	\$ 478,397	\$ (25,248)
Non-operating revenues, net	163,241	176,108	(12,867)
Total revenues	<u>616,390</u>	<u>654,505</u>	<u>(38,115)</u>
EXPENSES			
Total operating expenses	353,911	328,492	25,419
Non-operating expenses			
Interest expense	108,438	135,411	(26,973)
Other expenses	3,122	2,005	1,117
Total expenses	<u>465,471</u>	<u>465,908</u>	<u>(437)</u>
Income before Capital Contributions & Transfers	<u>150,919</u>	<u>188,597</u>	<u>(37,678)</u>
Capital Contributions	7,684	54,704	(47,020)
Transfers, net	(26,989)	(20,990)	(5,999)
Change In Net Position	<u>131,614</u>	<u>222,311</u>	<u>(90,697)</u>
Net Position, beginning of period	<u>3,428,472</u>	<u>3,206,161</u>	<u>222,311</u>
Net Position, end of period	<u>\$ 3,560,086</u>	<u>\$ 3,428,472</u>	<u>\$ 131,614</u>

Total DWM revenues for the year ended June 30, 2021 decreased \$38.1 million or 5.8% to \$616.4 million compared to June 30, 2020. Total operating revenues which primarily consist of water and wastewater fees, licenses and permits, and intergovernmental revenue, decreased by \$25.2 million or 5.3% to \$453 million. The decrease is due to an reduction in other revenue related to recoveries.

Non-operating revenue decreased by \$12.9 million which was due to a decrease related to a non-cash change in investment income due to an effective swap termination from prior year and a decrease in tax revenue due to the COVID-19 pandemic. Of the \$163.2 million in non-operating revenues, for 2021 the MOST (Municipal Option Sale Tax) totaled \$155.0 million compared with \$146.7 million in fiscal year 2020, an increase of 5.6%. Pilot and Franchise Fees paid by DWM are also included as an offset in net transfer amounts and totaled \$20.5 million during fiscal year 2021.

Total DWM expenses decreased \$0.4 million or 0.1% to \$465.5 million when compared to the year ended June 30, 2020. The primary reason for the decrease was due to a reduction in consultants and debt related interest expenses. Total operating revenues less operating expenses, or operating margin, was \$99.2 million for fiscal year 2021, a decrease of \$50.7 million or 33.8% compared to fiscal year 2020.

CITY OF ATLANTA, GEORGIA

**Management's Discussion and Analysis (Unaudited)
June 30, 2021**

Financial Analysis - Business-type activities, continued

Department of Aviation (DOA) The net position for DOA for the twelve month period ended June 30, 2021 decreased by \$94.0 million or 1.8% to \$5.1 billion.

Table 4 - Department of Aviation Revenues and Expenses - Year Ended June 30, 2021 and June 30, 2020 (in thousands):

	Year Ended June 30		Change
	2021	2020	
REVENUES			
Operating revenues	\$ 354,470	\$ 442,318	\$ (87,848)
Investment income	11,676	67,418	(55,742)
Non-operating revenues, net	198,138	246,604	(48,466)
Total revenues	<u>564,284</u>	<u>756,340</u>	<u>(192,056)</u>
EXPENSES			
Operating expenses	604,430	595,697	8,733
Interest expense	94,455	112,353	(17,898)
Total expenses	<u>698,885</u>	<u>708,050</u>	<u>(9,165)</u>
(Loss) income before Capital Contributions & Transfers	<u>(134,601)</u>	<u>48,290</u>	<u>(182,891)</u>
Capital Contributions	44,956	29,615	15,341
Transfers Net	<u>(4,339)</u>	<u>—</u>	<u>(4,339)</u>
Change In Net Position	<u>(93,984)</u>	<u>77,905</u>	<u>(171,889)</u>
Net Position, beginning of period	<u>5,197,779</u>	<u>5,119,874</u>	<u>77,905</u>
Net Position, end of period	<u>\$ 5,103,795</u>	<u>\$ 5,197,779</u>	<u>\$ (93,984)</u>

Total DOA revenues for the year ended June 30, 2021 of \$564.3 million decreased by \$192.1 million or 25.39% year over year due to significant decrease in passenger traffic as a result of the COVID-19 pandemic. Total operating revenues decreased \$87.8 million, or 19.9% when compared to fiscal year 2020. Operating revenues decreased primarily due to decreases in concessions, parking and ground transportation.

Non-operating revenues consist of net investment income, passenger facility charges (PFC's), customer facility charges (CFC's), and other non-operating income net of expenses. PFCs were \$90.2 million in fiscal year 2021 compared with \$154.4 million in fiscal year 2020. CFCs, which are collected to fund the financing and operation of the Rental Car Center, were \$21.0 million in fiscal 2021 compared with \$34 million in fiscal 2020. Net investment income was \$11.7 million during fiscal year 2021 compared to \$67.4 million in fiscal year 2020.

Total DOA expenses decreased by \$9.2 million or 1.3% to \$698.9 million. Operating expenses for the period were \$604.4 million which reflect an increase of \$8.7 million or 1.5% over June 30, 2020. Salaries and employee benefits expense contributed \$8.0 million to this increase which is attributed to staffing of vacant positions, an increase in hazardous and comp-time pay related to COVID-19 pandemic and yearly adjustments related to pension. These increases were offset by decreases in salaries, sworn officers and overtime and other postemployment benefit liabilities. Repairs, maintenance, and other contractual services decreased by \$7.9 million, which is primarily attributed to a decrease in consulting and

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

Financial Analysis - Business-type activities, continued

professional services in fiscal year 2021 compared to 2020. Other operating expenses decreased by \$3.5 million in comparison to fiscal year 2020. This decrease was driven by decreases in major maintenance type expenditures and litigation expenses which were offset by an increase in fuel facility costs and insurance expenses. Depreciation and amortization expenses increased by \$13.3 million year over year, which is attributable to a net increase of \$422.6 million of depreciable assets during fiscal year 2021.

The restricted portion of DOA's Net Position represents bond reserve funds that are restricted under the bond ordinance related to aviation debt, and capital projects restricted by Federal PFC regulations for the purposes authorized including the payment of future indebtedness. Major components of the Airport's construction in process are concourse projects, airfield and runway projects, concourse transportation system (AGTS), terminal/passenger projects and security/operations projects.

Financial Analysis of the Government's Funds

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

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

As of June 30, 2021, the City's governmental funds reported combined ending fund balances of \$1,154.5 million, an increase of \$126.8 million or 12.3%. The increase was primarily due to additional property taxes and local option taxes. Unassigned fund balance is available for spending at the City's discretion. As of June 30, 2021, the unrestricted fund balance is the combination of unassigned fund balance of \$99.0 million, assigned fund balance of \$19.5 million, and committed fund balance of \$24.2 million and totals \$142.7 million.

The General Fund is the chief operating fund of the City. During fiscal 2021, the fund balance of the general fund increased by \$0.6 million or 0.3% to \$187.0 million. The increase in fund balance of \$0.6 million was mainly due to growth in revenues related mainly to property taxes, local option sales taxes and federal funding received from the American Rescue Plan Act (ARP) due to the COVID-19 public health emergency offset by personnel expenses.

The Capital Project Fund has numerous projects ongoing to address the infrastructure and facilities maintenance backlog. Funding is primarily from the General Obligation bond issued in fiscal year 2015 as well as additional bonds.

CITY OF ATLANTA, GEORGIA

**Management’s Discussion and Analysis (Unaudited)
June 30, 2021**

Financial Analysis - Government Funds, continued

General Fund Budgetary Highlights

The General Fund is used to account for all activities of the City not otherwise accounted for by a specified fund. It is also the largest of the City's funds, comprised of mostly general tax revenues and provides basic city services such as Police, Fire & Rescue, and Parks & Recreation Services. Each departmental expenditure budget must be developed and justified each year during the legally required budget adoption process. Total 2021 General Fund revenues on a generally accepted accounting principles (GAAP) basis were \$635.2 million, \$33.7 million more than the final budget of \$601.4 million. Fiscal year 2021 final revenue budget does not include prior year fund balance. Current year property taxes were \$234.7 million which was \$6.7 million more than budget. Local option sales taxes totaled \$117.6 million which was \$4.6 million less than budget. Licenses and permits revenue of \$84.8 million was \$21.0 million less than budget. The Hotel-Motel transfer-out excise tax is budgeted as transfer-in revenue and amounted to \$6.8 million, a decrease of \$6.8 million compared to \$13.6 million in fiscal year 2020.

Total 2021 General Fund expenditures on a GAAP basis were \$613.1 million, which was 16.6 million or 2.6% less than the original budgeted expenditures. An adjustment of \$(16.6) million, (indicated on page 155) was made to correct the budget variance.

Capital Assets and Debt Administration

Table 5 - Capital Assets Schedule (in thousands):

Capital assets, net of depreciation, for the governmental and business-type activities are as follows:

	Government Activities		Business-type Activities		Total Primary Government Total	
	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020
Land	\$ 236,037	\$ 230,972	\$ 995,006	\$ 994,826	\$ 1,231,043	\$ 1,225,798
Land improvements	13,450	15,775	1,730,624	1,819,060	1,744,074	1,834,835
Buildings and building improvements	308,317	282,501	8,472,500	7,622,077	8,780,817	7,904,578
Other property and equipment	60,009	70,936	270,625	292,115	330,634	363,051
Infrastructure	294,765	293,399	—	—	294,765	293,399
Construction in progress	301,188	285,604	1,032,916	1,630,282	1,334,104	1,915,886
Total	<u>\$ 1,213,766</u>	<u>\$ 1,179,187</u>	<u>\$ 12,501,671</u>	<u>\$ 12,358,360</u>	<u>\$ 13,715,437</u>	<u>\$ 13,537,547</u>

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

Capital Assets and Debt Administration, continued

Capital assets - The City's investment in capital assets for its governmental and business type activities as of June 30, 2021 and June 30, 2020 totaled \$13.7 billion and \$13.5 billion, net of accumulated depreciation respectively. This investment in capital assets includes land, buildings and systems, improvements, construction in progress, machinery and equipment, park facilities, roads, highways, and bridges. The net increase in the City's investment in capital assets for the year ended June 30, 2021 was \$177.9 million or 1.3%.

Highlights of capital asset activity during the year ended June 30, 2021 included the following:

- \$182.0 million was added to the Construction-In-Progress (CIP) balance for various Department of Watershed Management projects and \$727.5 million of assets was transferred from CIP and placed in-service.
- \$356.6 million was added to the Construction-In-Progress (CIP) balance related to various Department of Aviation projects and \$408.5 million of assets was transferred from CIP and placed in-service.
- \$46.7 million was added to the Construction-In-Progress (CIP) balance related to various Governmental Infrastructure projects and \$31.1 million of assets was transferred from CIP and placed in-service.
- Depreciation expense during fiscal year 2021 totaled \$455.1 million city-wide.

Additional information on the City's capital assets can be found in Note III.D. in the Notes to the Financial Statements.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

**Management's Discussion and Analysis (Unaudited)
June 30, 2021**

Capital Assets and Debt Administration, continued

Long-term debt balances for governmental and business-type activities are as follows:

Table 6 - Long-Term Debt Schedule (in thousands):

	Government Activities		Business-type Activities		Total Primary Government Total	
	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020	As of June 30, 2021	As of June 30, 2020
General obligation and annual bonds	\$ 247,650	\$ 273,900	\$ —	\$ —	\$ 247,650	\$ 273,900
Premium on bonds	21,157	23,922	—	—	21,157	23,922
Certificate of participation	59,160	63,380	—	—	59,160	63,380
Premiums	6,058	7,056	—	—	6,058	7,056
APSJFA revenue bonds	17,555	20,070	—	—	17,555	20,070
Premiums	1,551	2,090	—	—	1,551	2,090
SWMA revenue refunding bonds	2,050	4,015	—	—	2,050	4,015
Limited obligation bonds	290,205	323,960	—	—	290,205	323,960
Premium on bonds	8,557	11,216	—	—	8,557	11,216
Other general long-term obligations	39,864	40,774	—	—	39,864	40,774
Intergovernmental agreements	366,456	415,796	—	—	366,456	415,796
Loan Payable	868	926	—	—	868	926
Water and Wastewater Revenue Bonds	—	—	2,724,235	2,720,285	2,724,235	2,720,285
Bond issuance discounts	—	—	(499)	(623)	(499)	(623)
Bond issuance premiums	—	—	205,805	279,265	205,805	279,265
GEFA notes payable	—	—	181,208	185,690	181,208	185,690
Airport Facilities Revenue Bonds	—	—	2,563,290	2,815,580	2,563,290	2,815,580
Issuance premiums	—	—	304,028	244,558	304,028	244,558
Issuance discounts	—	—	(80)	(92)	(80)	(92)
Capital lease obligation (equipment)	—	—	8,407	10,526	8,407	10,526
City Plaza	—	—	7,880	8,240	7,880	8,240
Premiums	—	—	713	801	713	801
Parking Deck	—	—	12,340	13,195	12,340	13,195
Premiums	—	—	1,229	1,444	1,229	1,444
Capital Leases:						
General fund	45,836	22,390	—	—	45,836	22,390
Water and Wastewater System	—	—	133,350	138,691	133,350	138,691
Aviation	—	—	7,612	8,069	7,612	8,069
Total	\$ 1,106,967	\$ 1,209,495	\$ 6,149,518	\$ 6,425,629	\$ 7,256,485	\$ 7,635,124

CITY OF ATLANTA, GEORGIA

Management’s Discussion and Analysis (Unaudited) June 30, 2021

Long-term debt, continued

Long-term debt - The City’s long-term debt, including capital leases, reflected a net decrease of \$378.6 million or 5.0% during the current twelve-month period. General and limited obligation debt decreased by \$65.4 million in fiscal year 2021. The Department of Aviation debt (excluding capital leases) decreased by \$192.8 million and Department of Watershed Management debt including GEFA notes payable (excluding capital leases) decreased by \$73.9 million. Government-wide capital lease obligations increased by \$15.5 million during the current fiscal year.

The City’s underlying ratings for its outstanding bonds at June 30, 2021 were as follows:

Table 7 - City of Atlanta Bond Ratings

City of Atlanta Municipal Bond Ratings	Moody's Investor Services	Standard & Poor's	Fitch
GENERAL OBLIGATION BONDS	Aa1	AA+	AA+
WATER AND WASTEWATER REVENUE BONDS	Aa2	AA-	AA-
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT REVENUE BONDS	Aa3	A+	AA-

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The City’s outstanding general obligation debt is significantly less than the current debt limitation of \$3.9 billion. See the Legal Debt Margin Information in the Statistical Section, Schedule 16 of this report.

There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 2021, the City believes it is in compliance with all significant limitations and restrictions. Additional information regarding the City’s long-term obligations can be found in Note III. H. in the Notes to the Financial Statements.

COVID-19 Policy Response, Economic Factors and Next Year’s Budgets

In FY2021, the pandemic continued to have financial impacts and hardships on Atlanta businesses. As a result, the fiscal year 2021 General Fund budget was developed to reflect expected decreases in certain major revenue sources that are highly sensitive to the economic factors affected by the COVID-19 pandemic. These major revenue sources are local option sales tax, licenses and permits, public utility, alcoholic beverages, fines, hotel/motel, and other taxes.

Additionally, the economic dislocation caused by the novel coronavirus disease ("COVID-19") pandemic, combined with travel restrictions, public health concerns about the contagion and social distancing requirements resulted in drastic and unprecedented reductions in passenger volumes and flights at the Airport and most other U.S. airports. The resultant restrictions have had an adverse effect on airlines serving the Airport, Airport concessionaires and Airport revenues and continue to have an ongoing impact on the Airport. International travel restrictions and the inconsistencies in restrictions from region to region are also creating uncertainty and a slower recovery in international travel. In normal times, the airport is the world’s busiest for passenger traffic. It is the number one high-tech airport in the nation. It has excellent access to mass transit. Extreme weather events capable of shutting down the airport are relatively rare. The airport makes the Atlanta area an ideal location to operate corporate headquarters due

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited)

June 30, 2021

COVID-19 Policy Response, Economic Factors and Next Year's Budgets, continued
to its large number of direct domestic and international flights. In post-pandemic America, multi-state and multi-national companies based in Atlanta will fly executives and salespeople everywhere almost every day.

Production sites near Hartsfield-Jackson International Airport and/or near cold storage facilities appeal to manufacturers of perishable biomedical products (e.g., plasma-based pharmaceuticals) that require cold storage and cold shipping. Lightweight, highly perishable, or time-sensitive products are well suited to air transportation, and therefore many high-tech production companies consider the extensive air cargo facilities at Hartsfield-Jackson to be essential to their operations. The airport also makes Atlanta an excellent hub from which to manage operations or provide business services to a geographically disperse client base.

Prior to the pandemic, Atlanta was the sixth most-visited city by U.S. visitors – behind only Orlando in the South. That high ranking was mostly due to Atlanta's large meetings and convention industry, which focused primarily on business travelers. The metro Atlanta market ranks seventh among US cities in terms of its inventory of hotel rooms. The area's high reliance on business travel was a major deterrent to growth in 2020, but will be a positive factor once a medical solution to the virus is widely available.

Also, prior to the pandemic the Georgia Aquarium was Atlanta's most popular attraction. A major expansion of the Georgia Aquarium is in the works, which should boost its popularity even further once the pandemic has run its course. Cyclical improvements in the national and regional economies is expected to boost Georgia's hospitality industry. Full recovery of hotel occupancy rates could take several years, according to experts. Looking forward, airport improvements will help Atlanta to become even more popular as a destination for tourists, persons attending business meetings & conventions, trade shows, as well as sporting/cultural events.

Moreover, the Atlanta area is highly specialized in transportation, logistics, warehousing, and wholesale trade, with employment concentrated in these inherently cyclical industries. The continued growth in US and global GDP in 2021 will support these industries and in turn Atlanta's economy. Large projects announced in 2020 include Home Depot will build three new warehousing facilities in DeKalb, Fulton, and Henry counties, creating 1,000 jobs. Hello Fresh will build a distribution center in Newnan, bringing 750 jobs to Coweta County. Amazon will build a new fulfillment center in Coweta County, creating 500 jobs.

Despite COVID-19, Atlanta continues to develop as an inland port for transportation, distribution and warehousing products. The connectivity of Georgia's ports to the interstate system, rail, and air cargo is excellent. Among major US metros, Atlanta is a relatively low-cost, low-risk place to operate a warehouse. A substantial amount of high-tech warehouse/distribution space is under construction, which will provide the capacity for additional growth of Atlanta transportation and logistics cluster.

Given the federal budget situation, one major long-term plus for Atlanta is that the metro area is not very dependent on federal government jobs. The Atlanta MSA's only sizable federal employer is the CDC – about 9,200 employees. Atlanta is not the home of a major military base. Federal, state, and local government jobs combined account for only about 12 percent of total employment in metro Atlanta versus 15 percent for the state and the nation. Thus, public-sector restructuring should be less problematic for Atlanta's growth than for growth elsewhere in Georgia or the nation.

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2021

COVID-19 Policy Response, Economic Factors and Next Year's Budgets, continued

The City Finance Office will continue to closely monitor revenue trends from COVID-19 for alignment with recent expectations and potential revision or mid-year corrective measures to budgeted revenue. Though the CARES Act and the American Rescue Plan Act funding will mitigate some of the economic impact of Covid-19 on the General Fund, revenues are not expected to fully recover until the health crisis is resolved.

Highlights of the fiscal year 2022 budget include:

- Balanced the General Fund Budget without raising property taxes; keeping commitment to increase pay for police officers and firefighters and avoided personnel layoffs and furloughs.
- Department of Watershed Management revenue anticipation of \$577 million, an increase of \$7.0 million or 1.2% compared to fiscal 2021.
- Department of Aviation revenue anticipation of \$425 million, an increase of \$55 million or 15% compared to fiscal 2021.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Chief Financial Officer, 14th Floor City Hall Tower, 68 Mitchell St. SW, Atlanta, Georgia 30303.



Basic Financial Statements



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF ATLANTA, GEORGIA
Statement of Net Position
June 30, 2021
(Dollars in Thousands)

	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 290	\$ 1,947	\$ 2,237	\$ 54,320
Restricted cash	862,942	760,202	1,623,144	94,149
Equity in cash management pool	265,399	1,707,800	1,973,199	—
Restricted investments	33,415	—	33,415	—
Receivables (net of allowance for uncollectibles)	96,916	142,540	239,456	12,229
Due from other governments	49,079	50,479	99,558	—
Due from component unit	—	—	—	3,877
Capital lease receivable, current portion	—	—	—	4,302
Internal balances	55,688	(55,688)	—	—
Inventories	609	25,182	25,791	—
Other restricted assets	—	29,669	29,669	—
Prepaid expenses and other current assets	3,684	1,426	5,110	2,423
Total current assets	1,368,022	2,663,557	4,031,579	171,300
Noncurrent assets:				
Restricted cash	—	—	—	25,465
Restricted investments	—	838,941	838,941	—
Investments	—	—	—	9,121
Due from primary government	—	—	—	641,583
Capital assets:				
Capital assets not being depreciated	537,225	2,027,922	2,565,147	356,094
Capital assets being depreciated	1,987,819	17,348,755	19,336,574	508,566
Less accumulated depreciation	(1,311,278)	(6,875,006)	(8,186,284)	(212,593)
Investments in joint venture	—	66,987	66,987	—
Restricted investments in escrow	12,180	—	12,180	—
Due from component unit	—	24,000	24,000	46,299
Other assets	7,906	—	7,906	16,388
Long-term receivable	—	—	—	7,602
Total noncurrent assets	1,233,852	13,431,599	14,665,451	1,398,525
Total Assets	2,601,874	16,095,156	18,697,030	1,569,825
Deferred outflows of resources:				
Pension related deferred outflows	200,882	63,953	264,835	—
OPEB related deferred outflows	69,218	35,939	105,157	—
Deferred losses on swap termination and debt refunding	12,491	299,794	312,285	2,996
Total deferred outflows of resources	282,591	399,686	682,277	2,996
Total assets and deferred outflows of resources	2,884,465	16,494,842	19,379,307	1,572,821

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Net Position
June 30, 2021
(Dollars in Thousands)

	Governmental Activities	Business-type Activities	Total	Component Units
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 173,088	\$ 183,560	\$ 356,648	\$ 12,218
Accrued expenses	10,986	60,653	71,639	—
Accrued interest payable	2,951	89,187	92,138	11,686
Current portion of claims payable	3,270	1,795	5,065	—
Contract retentions	1,581	18,322	19,903	—
Due to other governments	3,909	—	3,909	—
Due to component unit	15,821	—	15,821	—
Other liabilities	—	3,816	3,816	3,726
Current portion of unearned revenue	38,834	3,779	42,613	2,871
Commercial paper notes payables	—	534,783	534,783	—
Current portion of Net OPEB liability	23,995	11,610	35,605	—
Current portion of long-term debt, capital leases, SWAPS	75,955	185,595	261,550	36,749
Current portion of other liabilities	6,767	445	7,212	597
Total current liabilities	<u>357,157</u>	<u>1,093,545</u>	<u>1,450,702</u>	<u>67,847</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt	622,951	5,826,326	6,449,277	772,378
Noncurrent portion of claims payable	68,057	17,067	85,124	—
Noncurrent portion of capital leases	41,605	137,597	179,202	—
Noncurrent portion of contract retentions	—	3,766	3,766	—
Noncurrent portion of unearned revenue	—	21,470	21,470	—
Net pension liability	853,897	397,128	1,251,025	—
Net OPEB liability, net of current portion	591,909	261,186	853,095	—
Due to primary government	—	—	—	33,917
Due to component unit	350,635	—	350,635	—
Other long-term liabilities	63,990	31,855	95,845	34,247
Total non-current liabilities	<u>2,593,044</u>	<u>6,696,395</u>	<u>9,289,439</u>	<u>840,542</u>
Total Liabilities	<u>2,950,201</u>	<u>7,789,940</u>	<u>10,740,141</u>	<u>908,389</u>
Deferred inflows of resources				
Pension related deferred inflows	122,584	38,100	160,684	—
OPEB related deferred inflows	199,001	119,559	318,560	—
Accumulated deferred gain on refundings	—	—	—	297,019
Accumulated increase in fair value of derivative instruments	7,906	—	7,906	—
Total deferred inflows of resources	<u>329,491</u>	<u>157,659</u>	<u>487,150</u>	<u>297,019</u>
Total liabilities and deferred inflows of resources	<u>3,279,692</u>	<u>7,947,599</u>	<u>11,227,291</u>	<u>1,205,408</u>
NET POSITION				
Net investment in capital assets	337,961	6,605,281	6,943,242	251,466
Restricted for:				
Debt service	459,900	404,275	864,175	35,583
Programs	249,241	—	249,241	87,880
Capital projects	273,023	544,054	817,077	—
Unrestricted (deficit)	<u>(1,715,352)</u>	<u>993,633</u>	<u>(721,719)</u>	<u>(7,516)</u>
Total Net Position (Deficit)	<u>\$ (395,227)</u>	<u>\$ 8,547,243</u>	<u>\$ 8,152,016</u>	<u>\$ 367,413</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Activities
For the Year Ended June 30, 2021
(Dollars in Thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		TOTALS	Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities		
Primary Government								
Governmental activities:								
General government	\$ 409,827	\$ 113,454	\$ 89,185	\$ —	\$ (207,188)	\$ —	\$ (207,188)	
Police	237,194	19,150	15,053	—	(202,991)	—	(202,991)	
Fire	100,939	576	453	—	(99,910)	—	(99,910)	
Corrections	4,021	1,456	1,145	—	(1,420)	—	(1,420)	
Public Works	99,567	6,039	4,747	—	(88,781)	—	(88,781)	
Parks, Recreation and Cultural Affairs	65,197	20,320	15,973	—	(28,904)	—	(28,904)	
Interest on long-term debt	33,983	—	—	—	(33,983)	—	(33,983)	
Total Governmental activities	950,728	160,995	126,556	—	(663,177)	—	(663,177)	
Business-type activities:								
Watershed Management	465,471	453,149	—	7,684	—	(4,638)	(4,638)	
Aviation	713,012	354,470	—	142,416	—	(216,126)	(216,126)	
Sanitation	62,374	76,767	—	—	—	14,393	14,393	
Parking Deck	822	—	—	—	—	(822)	(822)	
City Plaza	774	1,126	—	—	—	352	352	
Total Business-type activities	1,242,453	885,512	—	150,100	—	(206,841)	(206,841)	
Total Primary Government	\$2,193,181	\$1,046,507	\$ 126,556	\$ 150,100	\$ (663,177)	\$ (206,841)	\$ (870,018)	
Component Units	\$ 124,898	\$ 20,487	\$ 40,557	\$ 54,879				\$ (8,975)
General Revenues								
					234,010	—	234,010	—
					235,832	—	235,832	—
					177,986	154,957	332,943	—
					139,860	—	139,860	700
					4,812	19,976	24,788	5,701
					64,421	114,805	179,226	—
					—	(604)	(604)	14,940
Total General revenues					856,921	289,134	1,146,055	21,341
Transfers					32,979	(32,979)	—	—
Total general revenues, special items and transfers					889,900	256,155	1,146,055	21,341
Change in net position					226,723	49,314	276,037	12,366
Dividends					—	—	—	(100)
Net Position (Deficit) - beginning of period, as restated (Note I.G.)					(621,950)	8,497,929	7,875,979	355,147
NET POSITION (DEFICIT) - END OF PERIOD					\$ (395,227)	\$ 8,547,243	\$8,152,016	\$ 367,413

The accompanying notes are an integral part of this statement



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF ATLANTA, GEORGIA
Balance Sheet
Governmental Funds
June 30, 2021
(Dollars in Thousands)

	General Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 290	\$ —	\$ —	\$ 290
Cash and cash equivalents, restricted	—	185,633	677,309	862,942
Equity in cash management pool	22,709	24,413	215,337	262,459
Restricted investments	—	—	33,415	33,415
Receivables:				
Taxes	5,522	—	15,869	21,391
Accounts	34,036	—	41,479	75,515
Due from other governments	—	—	49,079	49,079
Due from other funds	195,389	—	—	195,389
Investments in escrow	—	12,180	—	12,180
TOTAL ASSETS	\$ 257,946	\$ 222,226	\$ 1,032,488	\$ 1,512,660
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 56,355	\$ 14,151	\$ 98,302	\$ 168,808
Accrued expenditures	9,334	—	406	9,740
Contract retentions	4	1,025	552	1,581
Due to other governments	—	—	3,909	3,909
Due to other funds	—	11,721	115,403	127,124
Unearned revenue	—	—	38,834	38,834
Total Liabilities	65,693	26,897	257,406	349,996
Deferred inflows of resources				
Deferred inflows of property taxes	5,215	—	2,918	8,133
Total liabilities and deferred inflows of resources	70,908	26,897	260,324	358,129
Fund Balances:				
Nonspendable	29,637	—	—	29,637
Restricted	—	195,329	786,835	982,164
Committed	24,228	—	—	24,228
Assigned	19,534	—	—	19,534
Unassigned	113,639	—	(14,671)	98,968
Total fund balances	187,038	195,329	772,164	1,154,531
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 257,946	\$ 222,226	\$ 1,032,488	\$ 1,512,660

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Reconciliation of Governmental Funds Balance Sheet
To the Government-wide Statement of Net Position
For the Year Ended June 30, 2021
(Dollars in Thousands)

Total fund balances		\$ 1,154,531
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Deferred inflows for property taxes are not recognized as current year revenues and, therefore, are classified as deferred inflows in the governmental funds		8,133
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Land and construction in progress	537,225	
Cost of capital assets	1,987,819	
Less: accumulated depreciation	(1,311,278)	1,213,766
Deferred results and contributions to pension plans made after the measurement date are recorded as expenditures in governmental funds but must be deferred in the statement of net position		
Deferred outflows-General pension	34,107	
Deferred outflows-Fire pension	61,968	
Deferred outflows-Police pension	104,807	200,882
Certain amounts related to the OPEB liability are deferred and amortized over time		
Deferred outflows of resources-OPEB	69,218	69,218
Other assets include amounts that used current financial resources at the fund level but will be offset against future revenues in the government-wide statements		
	12,491	12,491
Internal service funds are used by management to charge the costs of automotive services as well as transactions related to the provision of life, accident and medical insurance benefits through outside insurance companies for permanent employees and retirees. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Capital assets included above related to the internal service fund	(334)	
Net Position for internal service fund	(10,526)	(10,860)
Certain amounts related to the net pension liability are deferred and amortized over time		
Deferred inflows of resources- General pension	(20,656)	
Deferred inflows of resources- Fire pension	(35,212)	
Deferred inflows of resources- Police pension	(66,716)	(122,584)
Certain amounts related to the OPEB liability are deferred and amortized over time		
Deferred inflows of resources-OPEB	(199,001)	(199,001)
Long-term liabilities, including capital leases, are not due and payable in the current period and therefore are not reported in governmental funds.		
Accrued interest payable	(2,951)	(2,951)
Due to component units	(366,456)	
Long-term debt	(247,650)	
Certificates of Participation	(59,160)	
APSJFA revenue bonds	(17,555)	
SWMA revenue refunding bonds	(2,050)	
Limited obligation bonds	(290,205)	
Capital leases	(45,836)	
Other general long-term obligations	(39,864)	
Unamortized premiums (discounts) on bond issues	(37,323)	
Vacation and compensated absences payable	(36,840)	
Loans payable	(868)	
Net Pension liability	(853,897)	
Net OPEB obligation	(615,904)	
Health, dental and general claims payable	(75,936)	
Workers' compensation	(29,308)	(2,718,852)
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ (395,227)

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Revenue, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021
(Dollars in Thousands)

	General Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 234,662	\$ —	\$ 235,832	\$ 470,494
Local and municipal option sales taxes	117,588	—	60,398	177,986
Public utility, alcoholic beverage and other taxes	105,180	—	34,680	139,860
Licenses and permits	84,794	—	880	85,674
Charges for current services	4,826	—	35,961	40,787
Fines, forfeitures and penalties	10,695	321	1,028	12,044
Investment income	1,388	316	3,077	4,781
Intergovernmental revenues and contributions:				
Federal revenues	64,402	—	116,252	180,654
State and local grants and contributions	19	8	10,296	10,323
Building rentals and concessions	3,502	—	546	4,048
Other	8,126	4,194	6,122	18,442
Total revenues	635,182	4,839	505,072	1,145,093
EXPENDITURES				
Current:				
General government	204,524	23,497	224,957	452,978
Police	219,859	1,740	22,916	244,515
Fire	100,297	756	2,272	103,325
Corrections	2,721	41	1,462	4,224
Public Works	39,204	11,929	32,000	83,133
Parks, recreation and cultural affairs	40,977	4,083	11,907	56,967
Debt Service:				
Principal payments	4,200	10,731	65,425	80,356
Interest payments	1,270	6,487	26,810	34,567
Paying agent fees	30	2	34	66
Total Expenditures	613,082	59,266	387,783	1,060,131
Excess (deficiency) of revenues over expenditures	22,100	(54,427)	117,289	84,962
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	2,303	—	—	2,303
Issuance of long term debt	—	3,455	594	4,049
Premium from bond issuance	—	544	—	544
Transfers in	31,361	57,703	25,839	114,903
Transfers out	(55,152)	(827)	(23,989)	(79,968)
Total Other Financing Sources (Uses)	(21,488)	60,875	2,444	41,831
Net change in fund balance	612	6,448	119,733	126,793
Fund Balance:				
Beginning of the period, as restated see Note I.G	186,426	188,881	652,431	1,027,738
FUND BALANCE, END OF PERIOD	\$ 187,038	\$ 195,329	\$ 772,164	\$ 1,154,531

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Reconciliation of Statement of Revenue, Expenditures and Changes in Fund Balance
To the Government-wide Statement of Activities
For the Year Ended June 30, 2021
(Dollars in Thousands)

Net change in fund balance - total governmental funds	\$	126,793
Amounts reported for governmental activities in the Statement of Activities are different because:		
Property taxes in the statement of activities that do not provide current financial resources are reported as deferred inflows in the governmental funds		(652)
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 in the current period.		
Capital outlays	83,396	
Depreciation expense	<u>(48,817)</u>	34,579
The issuance of long-term debt (capitalized leases) provides current financial resources to governmental funds. Repayment of debt (bonds, certificates of participation and capitalized leases) is an expenditure in the governmental funds but the repayments reduce long-term liabilities in the statement of net position. This amount is the net effect of these differences in treatment of long-term debt.		
Payments on long-term debt	127,931	
Issuance of long-term debt	(32,364)	
Capitalization of premiums and discounts	(544)	
Amortization of premiums and discounts	<u>7,505</u>	102,528
Internal service funds are used by management to charge the costs of automotive services as well as transactions related to the provision of life, accident and medical insurance benefits through outside insurance companies for permanent employees and retirees. The net revenues of these activities are reported as governmental funds for affected departments.		
	<u>(2,719)</u>	(2,719)
Pension related items reported in the statement of activities that do not require the use of current financial resources to governmental funds.		
Deferred outflows-General pension	8,744	
Deferred outflows-Fire pension	17,355	
Deferred outflows-Police pension	37,056	
Deferred inflows of resources- General pension	29,254	
Deferred inflows of resources- Fire pension	(2,110)	
Deferred inflows of resources- Police pension	<u>15,572</u>	105,871
OPEB related items reported in the statement of activities that do not require the use of current financial resources to governmental funds.		
Deferred outflows-OPEB	(12,405)	
Deferred inflows of resources-OPEB	<u>4,414</u>	(7,991)
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 accrued interest payable	<u>650</u>	650
Change in due from other parties	(10,758)	
Change in net pension liability	(103,756)	
Amortization of deferred losses on refunding	(1,361)	
Change in health, dental and general claims payable	(60,936)	
Change in vacation and compensated absences	(12,162)	
Change in net OPEB obligation	56,513	
Change in workers' compensation	<u>124</u>	(132,336)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>226,723</u></u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Net Position
Proprietary Funds
June 30, 2021
(Dollars in Thousands)

	Business Activities - Enterprise Funds			Governmental Activities	
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Total	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,934	\$ 13	—	\$ 1,947	\$ —
Restricted cash and cash equivalents	171,087	589,115	—	760,202	—
Equity in cash management pool	796,355	907,187	4,258	1,707,800	2,940
Receivables:					
Accounts	224,590	22,066	54,442	301,098	10
MOST receivable	15,313	—	—	15,313	—
Less allowance for doubtful accounts	(153,625)	(8,037)	(12,209)	(173,871)	—
Total receivables, net	<u>86,278</u>	<u>14,029</u>	<u>42,233</u>	<u>142,540</u>	<u>10</u>
Due from other governments	50,479	—	—	50,479	—
Inventories	12,058	13,124	—	25,182	609
Prepaid expenses	—	1,426	—	1,426	3,684
Restricted assets	<u>652</u>	<u>29,017</u>	<u>—</u>	<u>29,669</u>	<u>—</u>
Total current assets	<u>1,118,843</u>	<u>1,553,911</u>	<u>46,491</u>	<u>2,719,245</u>	<u>7,243</u>
Noncurrent assets:					
Restricted investments	165,982	672,959	—	838,941	—
Investment in joint venture	66,987	—	—	66,987	—
Due from other component units	24,000	—	—	24,000	—
Capital assets:					
Land	129,138	584,230	3,862	717,230	136
Construction in progress	291,429	741,487	—	1,032,916	—
Land improvements	13,204	3,583,712	1,801	3,598,717	29
Land purchased for noise abatement	—	277,776	—	277,776	—
Buildings and other structures	—	5,091,310	45,040	5,136,350	5,507
Water collection and distribution system	5,510,556	—	—	5,510,556	—
Water and wastewater plant and treatment facilities	2,252,026	—	—	2,252,026	—
Machinery, equipment, and other	299,928	512,201	38,977	851,106	3,782
Less accumulated depreciation	(2,796,947)	(4,042,671)	(35,388)	(6,875,006)	(9,120)
Capital assets, net	<u>5,699,334</u>	<u>6,748,045</u>	<u>54,292</u>	<u>12,501,671</u>	<u>334</u>
Total noncurrent assets	<u>5,956,303</u>	<u>7,421,004</u>	<u>54,292</u>	<u>13,431,599</u>	<u>334</u>
Total assets	<u>7,075,146</u>	<u>8,974,915</u>	<u>100,783</u>	<u>16,150,844</u>	<u>7,577</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related deferred outflows	22,438	35,352	6,163	63,953	—
OPEB related deferred outflows	17,453	15,611	2,875	35,939	—
Accumulated losses on debt refunding	271,055	28,739	—	299,794	—
Total assets and deferred outflows of resources	<u>\$ 7,386,092</u>	<u>\$ 9,054,617</u>	<u>\$ 109,821</u>	<u>\$ 16,550,530</u>	<u>\$ 7,577</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Net Position
Proprietary Funds
June 30, 2021
(Dollars in Thousands)

	Business Activities - Enterprise Funds			Total	Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds		Internal Service Fund
LIABILITIES					
Liabilities:					
Current liabilities					
Accounts payable	\$ 35,024	\$ 29,289	\$ 4,920	\$ 69,233	\$ 4,280
Accrued expenses	15,168	44,390	1,095	60,653	1,246
Current portion of unearned revenue	—	3,779	—	3,779	—
Current portion of Net OPEB	5,771	4,548	1,291	11,610	—
Current portion of claims payable	995	800	—	1,795	—
Current portion of other liabilities	229	168	48	445	—
Deposits and advances	9,708	—	—	9,708	—
Accrued interest payable	—	37,148	—	37,148	—
Due to other funds	—	—	29,637	29,637	38,628
Current portion of other debt	9,163	33,950	—	43,113	—
Current maturities of capital leases	9,092	—	2,192	11,284	—
Accrued workers' compensation	1,778	490	1,548	3,816	—
Current liabilities	<u>86,928</u>	<u>154,562</u>	<u>40,731</u>	<u>282,221</u>	<u>44,154</u>
Current liabilities payable from restricted assets:					
Accounts payable	39,308	65,311	—	104,619	—
Accrued interest payable	23,203	28,813	23	52,039	—
Contract retention	6,609	11,713	—	18,322	—
Commercial paper notes payables	35,969	498,814	—	534,783	—
Current maturities of capital leases	—	488	—	488	—
Current maturities of long-term debt	90,265	39,190	1,255	130,710	—
Total current liabilities payable from restricted assets	<u>195,354</u>	<u>644,329</u>	<u>1,278</u>	<u>840,961</u>	<u>—</u>
Total current liabilities	<u>282,282</u>	<u>798,891</u>	<u>42,009</u>	<u>1,123,182</u>	<u>44,154</u>
Noncurrent liabilities					
Long-term debt, excluding current maturities	3,011,321	2,794,098	20,907	5,826,326	—
Capital lease obligations, excluding current maturities	124,258	7,124	6,215	137,597	—
Unearned revenue	—	21,470	—	21,470	—
Net pension liability	192,726	160,617	43,785	397,128	—
Net OPEB liability	121,855	99,995	39,336	261,186	—
Claims payable	16,022	813	232	17,067	—
Contract retention, excluding current portion	—	3,766	—	3,766	—
Accrued workers' compensation	6,938	1,911	6,041	14,890	—
Landfill postclosure costs	—	—	16,965	16,965	—
Total noncurrent liabilities	<u>3,473,120</u>	<u>3,089,794</u>	<u>133,481</u>	<u>6,696,395</u>	<u>—</u>
Total Liabilities	<u>3,755,402</u>	<u>3,888,685</u>	<u>175,490</u>	<u>7,819,577</u>	<u>44,154</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related deferred inflows	13,084	22,044	2,972	38,100	—
OPEB related deferred inflows	57,520	40,093	21,946	119,559	—
Total liabilities and deferred inflows of resources	<u>3,826,006</u>	<u>3,950,822</u>	<u>200,408</u>	<u>7,977,236</u>	<u>44,154</u>
NET POSITION					
Net investment in capital assets	2,966,433	3,606,718	32,130	6,605,281	334
Restricted					
Debt service	—	404,275	—	404,275	—
Capital projects	—	544,054	—	544,054	—
Unrestricted (deficit)	<u>593,653</u>	<u>548,748</u>	<u>(122,717)</u>	<u>1,019,684</u>	<u>(36,911)</u>
Total Net Position (Deficit)	<u>\$ 3,560,086</u>	<u>\$ 5,103,795</u>	<u>\$ (90,587)</u>	<u>\$ 8,573,294</u>	<u>\$ (36,577)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(26,051)</u>	
Net position of business-type activities				<u>\$ 8,547,243</u>	

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Revenue, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Total	Internal Service Fund
Operating revenues:					
Charges for services	\$ 431,226	\$ 170,985	\$ 75,789	\$ 678,000	\$ 198,821
Sewer service charges from other governmental units	20,983	—	—	20,983	—
Rentals, admissions and concessions	—	159,344	1,126	160,470	—
Other	940	24,141	978	26,059	2,203
Total operating revenues	453,149	354,470	77,893	885,512	201,024
Operating expenses:					
Salaries and employee benefits	96,244	105,262	22,694	224,200	127,212
Utilities	21,281	8,141	357	29,779	508
Supplies and materials	17,319	3,694	1,607	22,620	9,790
Repairs, maintenance and other contractual services	12,049	150,092	265	162,406	5,376
Motor equipment services	6,120	—	7,632	13,752	426
Engineering and consultant fees	39,530	22,773	14,694	76,997	882
General services and other costs	44,196	28,660	12,234	85,090	58,037
Depreciation and amortization	117,172	285,808	3,313	406,293	60
Total operating expenses	353,911	604,430	62,796	1,021,137	202,291
Operating income (loss)	99,238	(249,960)	15,097	(135,625)	(1,267)
Non-operating revenues (expenses):					
Investment income, net of capitalized interest	8,284	11,676	16	19,976	31
Municipal Option Sales Tax revenue	154,957	—	—	154,957	—
Interest expense	(108,438)	(94,455)	(1,049)	(203,942)	(192)
Passenger facility charges	—	90,153	—	90,153	—
Customer facility charges	—	7,307	—	7,307	—
Non-capital grants	—	114,805	—	114,805	—
Other revenue (expenses), net	(3,122)	(14,127)	(125)	(17,374)	2
Total nonoperating revenues (expenses), net	51,681	115,359	(1,158)	165,882	(159)
Income (loss) before capital contributions and transfers	150,919	(134,601)	13,939	30,257	(1,426)
Capital contributions	7,684	44,956	—	52,640	—
Transfers in	—	—	3,367	3,367	—
Transfers out	(26,989)	(4,339)	(5,018)	(36,346)	(1,956)
Change in net position	131,614	(93,984)	12,288	49,918	(3,382)
Net Position, beginning of period	3,428,472	5,197,779	(102,875)	8,523,376	(33,195)
Net Position, end of period	\$ 3,560,086	\$ 5,103,795	\$ (90,587)	\$ 8,573,294	\$ (36,577)
			Change in net position	49,918	
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds				(604)	
			Change in net position of business-type activities	\$ 49,314	

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Total	Internal Service Fund
Cash flows from operating activities					
Cash received from user charges	\$ 454,000	\$ 377,879	\$ 78,871	\$ 910,750	\$ 201,703
Cash received for interfund services received	10,097	—	—	10,097	—
Cash paid for interfund services received	(8,680)	—	—	(8,680)	—
Cash paid to employees for services	(122,356)	(111,425)	(32,781)	(266,562)	(126,956)
Cash paid to suppliers for goods and services	(114,018)	(215,791)	(39,222)	(369,031)	(75,211)
Net cash provided by (used in) operating activities	219,043	50,663	6,868	276,574	(464)
Cash flows from noncapital financing activities					
Non-capital grants and donations	—	114,805	—	114,805	—
Non-capital distributions	(3,122)	—	—	(3,122)	—
Transfers in	150,265	—	3,367	153,632	—
Transfers out	(26,989)	—	(5,018)	(32,007)	(1,956)
Net cash provided by (used in) noncapital financing activities	120,154	114,805	(1,651)	233,308	(1,956)
Cash flows from capital and related financing activities					
Capital grants and donations	7,684	48,238	—	55,922	—
Principal repayments of long-term debt	(511,253)	(617,347)	(3,435)	(1,132,035)	—
Acquisition, construction and improvements of capital assets	(289,369)	(397,361)	69	(686,661)	1
Passenger and customer facility charges	—	89,145	—	89,145	—
Proceeds from bond/note issuances	525,091	505,513	—	1,030,604	—
Premium from issuance of debt	—	97,231	—	97,231	—
Interest paid	(127,865)	(146,206)	(1,172)	(275,243)	(192)
Net cash used in capital and related financing activities	(395,712)	(420,787)	(4,538)	(821,037)	(191)
Cash flows from investing activities					
Change in equity in cash management pool	9,850	(68,234)	(940)	(59,324)	2,580
Interest on investments	9,147	22,775	16	31,938	31
Purchases of restricted investments	—	(496,436)	—	(496,436)	—
Sales and redemptions of restricted investments	—	574,592	—	574,592	—
Net cash provided by (used in) investing activities	18,997	32,697	(924)	50,770	2,611
Decrease in cash and cash equivalents	(37,518)	(222,622)	(245)	(260,385)	—
Cash and cash equivalents:					
Beginning of year	210,539	811,750	245	1,022,534	—
End of year	\$ 173,021	\$ 589,128	\$ —	\$ 762,149	\$ —

continued

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Total	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 99,238	\$ (249,960)	\$ 15,097	\$ (135,625)	\$ (1,267)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	117,172	285,808	3,313	406,293	60
Changes in assets and liabilities					
Accounts receivable - net of allowance	(907)	7,932	978	8,003	679
Inventories	519	(1,234)	—	(715)	(171)
Due from other funds	6,276	—	—	6,276	—
Prepaid expenses	—	273	(1,216)	(943)	(3,684)
Due (from) other governmental units, net	11,666	—	—	11,666	—
Investment in joint venture	2,641	—	—	2,641	—
Accounts payable and accrued expenses	(30,422)	21,033	3,223	(6,166)	(5,125)
Unearned revenue	—	(3,779)	—	(3,779)	—
Other liabilities	—	(9,410)	(8,871)	(18,281)	256
Claims payable	12,671	—	—	12,671	—
Customer deposits	189	—	—	189	—
Due to other funds	—	—	(5,656)	(5,656)	8,788
Net cash provided by (used in) operating activities	<u>\$ 219,043</u>	<u>\$ 50,663</u>	<u>\$ 6,868</u>	<u>\$ 276,574</u>	<u>\$ (464)</u>
Schedule of noncash capital and related financing activity:					
Acquisition of capital assets with accounts payable	\$ 39,308	\$ 65,312	\$ —	\$ 104,620	—
Amortization of bond discount and premium, net	73,336	31,777	—	105,113	—
Accrued contract retention	—	15,479	—	15,479	—
Retainage payable	6,609	—	—	6,609	—

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021
(Dollar amounts in thousands)

	Pension Trust Funds	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ 76,749	\$ —
Equity in cash management pool	—	232
Receivables:		
Other employee contributions	1,935	—
Other employer contributions	8,060	—
Due from brokers	3,110	—
Accrued interest receivable	3,750	—
Other receivables	13,653	—
Total receivables	30,508	—
Investments:		
Cash and cash equivalents	40,605	—
Domestic fixed income securities	849,979	—
Domestic equities	3,047,941	—
International fixed income securities	3,809	—
International equities	296,215	—
Alternative partnerships:		
Real estate	56,940	—
Limited partnerships	63,007	—
Commingled funds	149,896	—
Total investments	4,508,392	—
Total assets	4,615,649	232
LIABILITIES		
Payables:		
Accounts payable	7,387	—
Due to brokers for investments purchased	17,717	—
Total liabilities	25,104	—
Net Position Restricted for Pension and Custodial	\$ 4,590,545	\$ 232

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Pension Trust Funds	Custodial Fund
Additions		
Contributions:		
Employer contributions	\$ 181,896	\$ —
Employee contributions	53,054	—
Refunds and other	300	—
Gifts and bequests	—	14
Total Contributions	235,250	14
Investment income:		
Net change in fair value of investments	1,109,135	—
Investment income	27,407	1
Less: Investment expenses	(8,832)	—
Net investment income	1,127,710	1
Total Additions	1,362,960	15
Deductions		
Benefit payments	327,525	—
Administrative expenses	5,126	—
Total Deductions	332,651	—
Change in net position	1,030,309	15
Net position held in trust for pension benefits/custodial:		
Beginning of period, as restated (Note I.G.)	3,560,236	217
End of period	\$ 4,590,545	\$ 232

The accompanying notes are an integral part of this statement



Component Units

Atlanta Fulton County Recreation Authority - Established to account for the acquisitions, construction, maintenance, and operation of an athletic coliseum, and the Atlanta Zoo.

Atlanta Development Authority – Atlanta Development Authority, d/b/a Invest Atlanta, is the official economic development authority for the City of Atlanta. Its purpose is to strengthen Atlanta's economy and global competitiveness in order to create increased opportunity and prosperity for the people of Atlanta.



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF ATLANTA, GEORGIA
Component Units
Statement of Net Position
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 16,588	\$ 37,732	\$ 54,320
Restricted cash and cash equivalents	—	94,149	94,149
Receivables:			
Accounts	1,164	—	1,164
Other receivables	—	11,065	11,065
Total receivables	<u>1,164</u>	<u>11,065</u>	<u>12,229</u>
Due from other component units	—	3,877	3,877
Current portion of capital lease receivable	—	4,302	4,302
Prepaid expenses and other assets	8	2,415	2,423
Total current assets	<u>17,760</u>	<u>153,540</u>	<u>171,300</u>
Noncurrent Assets:			
Unrestricted assets:			
Due from primary government	369,717	271,866	641,583
Investments	—	9,121	9,121
Other receivable	—	3,099	3,099
Mortgage loans receivable	—	4,503	4,503
Due from other component units	—	46,299	46,299
Other assets	—	16,388	16,388
Total unrestricted assets	<u>369,717</u>	<u>351,276</u>	<u>720,993</u>
Restricted assets:			
Cash	25,465	—	25,465
Total restricted assets	<u>25,465</u>	<u>—</u>	<u>25,465</u>
Capital assets - at cost:			
Land	22,497	113,115	135,612
Construction-in-progress	—	220,482	220,482
Land improvements	347	5,809	6,156
Buildings and improvements	442,369	39,366	481,735
Other property and equipment	15,807	4,868	20,675
	<u>481,020</u>	<u>383,640</u>	<u>864,660</u>
Less accumulated depreciation	(183,981)	(28,612)	(212,593)
Capital assets, net	<u>297,039</u>	<u>355,028</u>	<u>652,067</u>
Total assets	<u>709,981</u>	<u>859,844</u>	<u>1,569,825</u>
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated deferred losses on debt refunding	\$ 1,958	\$ 1,038	\$ 2,996
Total assets and deferred outflows of resources	<u>\$ 711,939</u>	<u>\$ 860,882</u>	<u>\$ 1,572,821</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Component Units
Statement of Net Position
For the Year Ended June 30, 2021
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Totals
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 33	\$ 12,185	\$ 12,218
Accrued interest payable	—	11,686	11,686
Other liabilities	24	3,702	3,726
Unearned revenues	—	2,871	2,871
Current portion of long-term debt	—	27,984	27,984
Total current liabilities	<u>57</u>	<u>58,428</u>	<u>58,485</u>
Liabilities payable from restricted assets:			
Current portion of long-term debt	8,765	—	8,765
Other liabilities	597	—	597
Total liabilities payable from restricted assets	<u>9,362</u>	<u>—</u>	<u>9,362</u>
Long-term liabilities:			
Long-term debt, less current portion	363,950	408,428	772,378
Other long-term liabilities	—	34,247	34,247
Due to primary government	9,917	24,000	33,917
Total long-term liabilities	<u>373,867</u>	<u>466,675</u>	<u>840,542</u>
Total liabilities	<u>383,286</u>	<u>525,103</u>	<u>908,389</u>
DEFERRED INFLOWS OF RESOURCES			
Accumulated deferred gain on refundings	296,237	782	297,019
Total liabilities and deferred inflows of resources	<u>679,523</u>	<u>525,885</u>	<u>1,205,408</u>
NET POSITION			
Net investment in capital assets	2,100	249,366	251,466
Restricted	12,938	110,525	123,463
Unrestricted (deficit)	17,378	(24,894)	(7,516)
Total net position	<u>\$ 32,416</u>	<u>\$ 334,997</u>	<u>\$ 367,413</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Component Units
Statement of Activities
For the Year Ended June 30, 2021
(Dollars in Thousands)

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	TOTALS
Component Units							
Business-type activities							
Atlanta Fulton County Recreation Authority	\$ 42,555	\$ 2,119	\$ 92	\$ 7,979	\$ (32,365)	\$ —	\$ (32,365)
Atlanta Development Authority	82,343	18,368	40,465	46,900	—	23,390	23,390
Total Business-type activities	<u>124,898</u>	<u>20,487</u>	<u>40,557</u>	<u>54,879</u>	<u>(32,365)</u>	<u>23,390</u>	<u>(8,975)</u>
Total Component Units	<u>\$ 124,898</u>	<u>\$ 20,487</u>	<u>\$ 40,557</u>	<u>\$ 54,879</u>	<u>\$ (32,365)</u>	<u>\$ 23,390</u>	<u>\$ (8,975)</u>
General revenues:							
Other taxes					\$ 700	\$ —	\$ 700
Investment income					5,391	310	5,701
Other					8,699	6,241	14,940
Total General revenues					<u>14,790</u>	<u>6,551</u>	<u>21,341</u>
Change in net position					(17,575)	29,941	12,366
Dividends					—	(100)	(100)
Net position - beginning of period					<u>49,991</u>	<u>305,156</u>	<u>355,147</u>
Net position - end of period					<u>\$ 32,416</u>	<u>\$ 334,997</u>	<u>\$ 367,413</u>

The accompanying notes are an integral part of this statement



Notes to the Financial Statements

City of Atlanta, Georgia

Notes to Financial Statements

Contents

	Page
I. Summary of Significant Accounting Policies	
A. Reporting Entity	42
B. Basis of Presentation	45
C. Measurement Focus and Basis of Accounting	47
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances	47
E. New Accounting Pronouncements	56
F. Use of Estimates	58
G. Change in Accounting Principle	58
II. Stewardship, Compliance and Accountability	
A. Compliance with Finance Related Legal and Contractual Provisions	58
B. Budgets and Budgetary Accounting	59
C. Deficit Fund Balances	59
III. Detailed Notes on All Funds	
A. Deposits and Investments	60
B. Property Taxes, LOST, MOST, TSPLOST and Car Rental Taxes	72
C. Tax Abatements	73
D. Capital Assets	75
E. Interfund Receivables, Payables, and Transfers	77
F. Leases	78
G. Restricted Net Position and Restricted Assets	84
H. Long-Term Obligations	86
IV. Other Information	
A. Risk Management	104
B. Commitments and Contingent Liabilities	106
V. Pensions and Postemployment Benefits	
A. Pensions	112
B. Post-Employment Benefits	135
VI. Subsequent Events	
Subsequent Events	143

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

I. Summary of Significant Accounting Policies

The accounting principles of the City of Atlanta ("City") conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental entities. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the City are described herein.

A. Reporting Entity

The Financial Reporting Entity

The City is a municipal corporation governed by the Mayor and the City Council. In evaluating how to define the City for financial reporting purposes, the management of the City has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Each discretely presented component unit is reported separately in the basic financial statements to emphasize that it is legally separate from the City Government.

All blended component units have a June 30 fiscal year end. Of the discretely presented component units, the Atlanta Fulton County (Recreation Authority) has a December 31 fiscal year end and the Atlanta Development Authority, d/b/a Invest Atlanta (Invest Atlanta), has a June 30 fiscal year end.

Blended Presented Component Units

Atlanta Public Safety and Judicial Facilities Authority ("APSJFA"), Solid Waste Management Authority ("SWMA"), and Atlanta Housing Opportunity, Inc. (AHOI) are legally separate from the City, but governed by boards appointed by the Mayor and/or the City Council. There exists a financial benefit/burden relationship between the City and these entities. APSJFA, SWMA, and AHOI are reported as if they are a part of the primary government because their primary purpose is to provide services to the City. The general fund of AHOI is reported as a special revenue fund of the City. APSJFA and SWMA's capital project funds are reported as capital project funds of the City.

Separate audited financial statements for AHOI may be obtained from Invest Atlanta, 133 Peachtree Street, NE, Suite 2900, Atlanta, GA 30303. Separate financial statements are not prepared for APSJFA and SWMA.

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the Atlanta Fulton County Recreation Authority ("Recreation Authority") and the Atlanta Development Authority ("Invest Atlanta"). They are reported as discretely presented component units because the governing body of each of these component units is not substantively the same as the primary

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

government. All the discretely presented component units are accounted for as proprietary fund types.

Atlanta Fulton County Recreation Authority ("Recreation Authority") - Created in 1960, the principal activities of the Recreation Authority include the maintenance and oversight of an athletic stadium (the "Stadium"), an athletic coliseum (the "Arena"), and the Atlanta Fulton County Zoo, Inc. ("Zoo"), for which the Recreation Authority acts as lessee under a leasehold interest granted by the City. The Mayor appoints the majority of the governing body of the Recreation Authority. The City has a two-thirds interest in the Recreation Authority and Fulton County has one-third interest. The separate financial statements may be obtained from the Atlanta Fulton County Recreation Authority, 1 State Farm Drive, Atlanta, Georgia, 30303.

The City, Fulton County (*"the County"*), and the Zoo by contractual agreement with the Recreation Authority, will fund any deficiencies in principal and interest payments on the applicable revenue bonds issued for construction and capital improvements of the Arena and the Zoo. The funding of any deficiencies related to the Arena is based on the proportionate ownership interest noted above for the City and Fulton County. For the Arena, there were no such deficiencies during the fiscal year that required funding by the City or Fulton County. When the related Arena revenue bonds have been fully paid, the Recreation Authority will convey fee simple title of the Arena to the City and Fulton County based on their proportionate shares noted above, upon joint request of the City and Fulton County. The component unit presentation in the financial statements of the Recreation Authority consolidates the operations of the Stadium and Arena.

Atlanta Development Authority ("Invest Atlanta") - Invest Atlanta is the economic development agency for the City of Atlanta, created effective January 1, 1997, to promote the revitalization and growth of the City through a comprehensive and centralized program focusing on community development and redevelopment. It includes the Downtown Development Authority and Urban Residential Finance Authority and discretely presented component units: Atlanta Beltline Inc., Inner City Development Corporation, ADA/CAU Partners, Inc., Pryor Road/Lakewood LLC, Imagine Downtown Inc., and Imagine Downtown Managing Member 2007 QEI, LLC. The Mayor and City Council are responsible for appointing the members of the Board of Directors of Invest Atlanta and have the ability to impose their will on Invest Atlanta. The separate audited financial statements may be obtained from Invest Atlanta, 133 Peachtree Street, N.E., Suite 2900, Atlanta, Georgia 30303.

Joint Ventures

The *Atlanta-Fulton County Water Resource Commission ("Commission")* is a joint venture between Fulton County ("the County") and the City for the construction and operation of a water treatment plant accounted for under the equity method of accounting. The Commission is governed by a seven-member management commission; three members are appointed by the City, three by the County, and one independent member is elected by majority vote of the other members. The City

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

and County also approve the annual budget of the Commission. Under the terms of the amended Joint Venture Agreement, the City and the County equally share the costs of all capital expenditures. Capital contributions are recorded during the year in which the additions to capital assets are accrued, whether paid or recorded as a liability, including retainage. The City and County did not contribute any funds for the current fiscal year.

The costs of operations of the plant are paid directly by the County as incurred. The County is subsequently reimbursed by the City for its pro rata share of the cost of operations, net of personnel costs paid by the City. The costs of operations, including personnel costs, are allocated between the City and the County on the basis of water delivered to each. The City's share of those operating costs was approximately \$3,420,000 for the year ended June 30, 2021. The costs are reflected in operating costs. At June 30, 2021, the City owes the County approximately \$393,000 for expenses and capital costs associated with the joint venture.

Financial information for the Commission summarized below is as of and for the year ended December 31, 2020 (in thousands):

Total assets	\$ 129,123
Total fund net position	\$ 128,429
Total operating revenue	\$ 9,079
Total operating expenses	\$ 14,424
Net loss	\$ (5,282)

The separate financial statements of the Commission may be obtained from the Commission, 9750 Spruill Road, Alpharetta, Georgia 30022.

Atlanta Regional Commission - Under Georgia law, the City, in conjunction with other cities and counties in metropolitan Atlanta, is a member of the Atlanta Regional Commission (“ARC”) and is required to pay annual dues thereto. During the fiscal year ended June 30, 2021, the City paid \$315,071 in dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality in the area. The OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC.

Separate financial statements may be obtained from the Atlanta Regional Commission at 229 Peachtree Street NE, STE 100, Atlanta, GA, 30303.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Related Organizations

The City is also responsible for appointing a majority of the members of the boards of the Atlanta Housing Authority (AHA), Atlanta Urban Redevelopment Agency (AURA), and the Downtown Development Authority of the City of Atlanta (DDA). The City's accountability for AHA does not extend beyond making appointments to the Board. AURA and DDA are reported as blended component units of Invest Atlanta.

B. Basis of Presentation

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. The effect of material interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on user fees and charges for services. City activities are reported separately from certain legally separate component units for which the City is financially accountable. Interfund services provided and used are not eliminated.

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

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, with the latter excluded from the government-wide financial statements. Major individual governmental funds and proprietary funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Basis of Presentation, continued

The City reports the following major governmental funds:

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

The *Capital Project Fund* is used to account for the acquisition, construction or improvement of capital assets. Although reported as a single fund in aggregate, it is comprised of multiple, separately tracked accounts and projects funded with the proceeds of long-term debt.

The City reports the following major enterprise funds:

The *Department of Watershed Management Fund (DWM)* accounts for all activities associated with the provision and management of clean water, wastewater and storm water systems, and water pollution control services to individuals, organizations and other governmental units within and around the City.

The *Department of Aviation Fund (DOA)* accounts for the activities of the William B. Hartsfield - Maynard H. Jackson Atlanta International Airport.

Additionally, the City reports the following fund types:

Internal Service Funds account for the services and activities that provide services to the other funds and departments on a cost-reimbursement basis. Over time, the internal service funds function basically on a break-even basis. Such services include the Fleet Services as well as Group Insurance transactions related to the provision of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees of the City.

Fiduciary Fund Types:

The *Pension Trust Funds* account for activities in which the City acts as trustee for an individual or organization. The *Pension Trust Funds* accumulate resources for pension benefit payments to members and their beneficiaries of the General Employees' (defined benefit and contribution plans), Fire Fighters' and Police Officers' benefit plans.

The *Perpetual Care Fund* account for funds where upon death, people give money to the City to maintain their cemetery plots.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds, as part of fiduciary funds, while on the accrual basis, do not have a measurement focus since they do not report net position.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, compensated absences, claims and judgments, and worker's compensation are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances

Cash Equivalents

The City considers all highly liquid debt securities with an original maturity of three months or less to be cash equivalents. The Georgia Fund 1 (GF1) is a stable net asset value investment pool managed by the State of Georgia (Office of State Treasurer) and is not registered with the SEC. The GF1 operates in a manner consistent with SEC Rule 2a-7 of the Investment Company Act of 1940 and is considered a SEC Rule 2a-7- like pool. The fair value of the participant shares is computed weekly with pool earnings distributed on a monthly basis based on equivalent shares owned by participants based on \$1.00 per share.

Separate financial statements of the GF1 may be obtained from the Office of the Georgia State Treasurer, 200 Piedmont Avenue, Suite 1202, West Tower, Atlanta, Georgia 30334-5527.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Investments

The OCGA 36-83-4 authorizes the City to invest in (a) Obligations of this state or of other states; (b) Obligations issued by the United States government; (c) Obligations fully insured or guaranteed by the United States government or a United States government agency; (d) Obligations of any corporation of the United States government; (e) Prime bankers' acceptances; (f) The local government investment pool established by Code Section 36-83-8; (g) Repurchase agreements; and (h) Obligations of other political subdivisions of this state. Also, "pursuant to Code Section 50-17-53 and the other powers of the State Depository Board, the State Depository Board shall establish policies and procedures related to the approval of third-party service providers and the ongoing monitoring of participation in deposit placement programs in accordance with this Code section." The City's investment policy follows that of State Code and further puts limitations on Maximum Maturities, Ratings and Portfolio Percentage Limitations. By statute, which differs from the OCGA 36-83-4, up to 55% of the cost basis of the investment portfolio for the General Employees' Pension Plan, the Firefighters' Pension Plan and the Police Officers' Pension Plan (The Plans) may consist of U.S. corporate equity securities. Additionally, in accordance with authorized investment laws, the Plans can invest in various mortgage-backed securities, such as collateralized mortgage obligations ("CMOs") and government backed mortgage securities. These are separately identified in the disclosure of custodial credit risk (see Note III. A). In 2014, the General Employees' Pension Board, the Firefighters' Pension Board and the Police Officers' Pension Board (The Pension Boards) authorized The Plans to invest in alternative investments, not to exceed 5% of the total investments.

Investments, except in the pension funds, consist primarily of U.S. Government securities and are stated at fair value. Pension fund investments, which also include bonds and U.S. Government and other domestic and foreign securities, are stated at fair value or net asset value as a practical expedient to fair value at June 30, 2021. Repurchase Agreements are reported at amortized cost.

The City maintains a cash management pool whereby operating cash is held. This pool is not considered a separate accounting entity for financial reporting purposes; instead, each participating fund's equity in the cash management pool is recorded as such on its Statement of Net Position. Related interest income is allocated to each participating fund based on each fund's recorded equity in the pool.

Inventories

Inventories are stated at cost (substantially first-in, first-out) which is not in excess of market. Inventories are accounted for using the purchase method whereby inventories are recorded as expenditures or expenses when they are used.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Prepaid Items

Payments for services that benefit future periods are recorded as prepaid expenses in accordance with the consumption method.

Restricted Assets

Restricted assets represent amounts which are required to be maintained pursuant to external restrictions imposed by Federal Government, banks, etc., relating to the passenger and customer facility charges; construction, renewal and extension and sinking funds; funds received for specific purposes pursuant to U. S. Government grants; municipal option sales tax; and various special purposes taxes.

Capital Assets

Capital assets, which include property, easements, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks, and similar items) used in governmental and business-type activities of the City, are recorded in the statement of net position at historical cost (or estimated historical cost). Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Donated capital assets and capital assets received in a service concession arrangement are recorded at acquisition value. Expenses for replacements, maintenance, repairs, and betterments, which do not materially prolong the life of the related asset, are charged to expenditures/expenses when incurred. All reported capital assets, except land and construction in progress, are depreciated.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Depreciation is computed using the straight-line method over the following estimated useful lives:

Governmental-type Activities:

Buildings	20-50 years
Building improvements	20 years
Land improvements	10-25 years
Furniture and equipment	5-15 years
Vehicles	5-25 years
Infrastructure	25-50 years
Aircraft, Helicopter	17 years

Business-type activities:

Department of Aviation:

Runways, taxiways, and other land improvements	10-35 years
Terminal and maintenance buildings and other structures	10-35 years
Other property and equipment	2-20 years

Department of Watershed Management:

Water and wastewater plant and treatment facilities	50 years
Water collection and distribution system	75 years
Wastewater system	67 years
Stormwater drainage system	75 years
Machinery, equipment, and other	5-15 years
Land improvements	10-20 years

Sanitation:

Buildings	20-50 years
Equipment	5-15 years

Parks and Recreational Facilities:

Buildings	20-50 years
Other property and equipment	5-20 years

Internal Service Fund:

Buildings	20-50 years
Other property and equipment	5-15 years

City of Atlanta and Fulton County Recreation Authority:

(as a discretely presented component unit):

Buildings and improvements	7-30 years
Other property and equipment	3-20 years

Atlanta Development Authority:

(as a discretely presented component unit):

Buildings and improvements	26-30 years
Furniture and equipment	3-5 years

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

The City has elected not to capitalize works of art and historical treasures based on its policy that these items are not held for financial gain. They will be preserved and any proceeds from the sale of the items will be used to acquire other collections.

Interest is capitalized on proprietary fund assets constructed with the proceeds of tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project against interest earned on invested proceeds over the same period. The Department of Watershed Management and the Department of Aviation capitalized approximately \$0.089 million and \$6.9 million respectively, in net interest costs during the year ended June 30, 2021.

Compensated Absences

City employees are awarded sick and vacation time as determined by personnel policies. A maximum accrual of 25 to 45 days of vacation leave is authorized, depending upon length of service. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation leave balance. The liability has been calculated using the vesting method, in which vacation amounts for 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. The liability for compensated absences is only reported in governmental funds if they have matured.

Employees can accrue unlimited amounts of sick leave. Sick leave can be taken only due to personal illness or, in certain cases, illness of family members. Sick leave is not intended to be paid out except under special circumstances where the City Council has given approval and the necessary funds are available. Consequently, the City does not record an accrued liability for accumulated sick pay.

Bond Premiums and Discounts

In the government-wide and proprietary fund financial statements, the unamortized balances of bond premiums and bond discounts are presented as adjustments to the respective liability balances. Bond premiums and discounts are amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Insurance costs related to the issuance of bonds are reported as prepaid insurance and are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts in the statement of revenue, expenditures, and changes in fund balance in the period incurred. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Fund Balances

City of Atlanta Code of Ordinances Section 6-315 provides authority pertaining to fund balances. Fund balances are classified as: (1) Nonspendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. *Nonspendable fund balance* refers to amounts that are not in spendable form or are legally required to remain intact. *Restricted fund balance* refers to amounts that are subject to externally enforceable legal restrictions by either debt covenants, or laws or regulations of other governments. *Committed fund balance* refers to amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Council prior to the end of the fiscal year. The same formal action is required to remove the limitation. *Assigned fund balance* refers to amounts that are intended to be used for specific purposes. The Chief Financial Officer of the City may recommend assignment of fund balances subject to approval of the City Council. *Unassigned fund balance* refers to the residual net resources and are the excess of nonspendable, restricted, committed and assigned. The general fund is the only fund that reports a positive unassigned fund balance amount.

Spending Prioritization Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, restricted amounts shall be considered to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts.

Authority to Commit or Assign Funds Policy

Commitments or assignments of funds will only be used for specific purposes. Committed balances or assigned balances will only be established pursuant to formal action by the City Council, upon recommendation from the Chief Financial Officer. Such commitments or assignments cannot exceed the available fund balance in any particular fund.

Minimum Unrestricted Balance in the General Fund Policy

The City maintains a minimum unrestricted fund balance in the General Fund ranging from no less than 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers. At any time, the unrestricted fund balance is within the range of 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers, upon recommendation by the Chief Financial Officer, the City Council may authorize additional transfers to a fund at its discretion, up to a maximum of 5% per year of the subsequent year's budgeted revenues in preparation for adoption of the upcoming year's budget. If the unrestricted fund balance falls below the minimum 15% of the subsequent year's budgeted expenditures and outgoing transfers, replenishment of shortages will be made within specified time periods and upon the recommendation of the Chief Financial Officer. Should the unrestricted fund balance of the General Fund exceed the maximum of 20%, such

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

surplus fund balance may be considered for transfer to deficit balances in other funds and for one-time expenditures that are nonrecurring. At least 50% of surplus fund balance must be used to reduce any deficit fund balance prior to allocation for any one-time expenditure.

Below are the fund balance classifications for the governmental funds at June 30, 2021 (dollars in thousands).

	General Fund	Capital Project Funds	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Net Advances Receivable	\$ 29,637	\$ —	\$ —	\$ 29,637
Restricted				
Tax Allocation Districts	—	—	31,376	31,376
Debt Service	—	—	459,898	459,898
Expendable Trust	—	—	45,986	45,986
HUD Section 108 Loans	—	—	3,249	3,249
TSPLOST	—	—	115,510	115,510
AHOI	—	—	38,751	38,751
HUD Home Investment	—	—	540	540
Capital Projects	—	195,329	77,696	273,025
E911	—	—	14,082	14,082
Agency Fund	—	—	(253)	(253)
	—	195,329	786,835	982,164
Committed	24,228	—	—	24,228
Assigned				
Contract Services	13,818	—	—	13,818
Supplies	5,369	—	—	5,369
Capital	321	—	—	321
Other	26	—	—	26
	19,534	—	—	19,534
Unassigned				
HUD -Community Development	—	—	(1,787)	(1,787)
Intergovernmental grants	—	—	(12,884)	(12,884)
General Fund	113,639	—	—	113,639
	113,639	—	(14,671)	98,968
Total Fund Balance	\$ 187,038	\$ 195,329	\$ 772,164	\$ 1,154,531

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Encumbrances are commitments to unfilled purchase orders or unfilled contracts. Funds have been committed to a specific order, but the goods or services have not been billed or received. The City has outstanding encumbrances at June 30, 2021 as follows (dollars in thousands):

	<u>General Fund</u>
Contract Services	\$ 13,818
Supplies	5,369
Capital	321
Other	26
Total	<u>\$ 19,534</u>

Net Position

Net position is classified and displayed in three components, as applicable:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is excluded from the calculation of net investment in capital assets.

Restricted - Consists of assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. When an expense is incurred for purposes for which there are both restricted and unrestricted assets available, it is the City's policy to apply those expenses to restricted assets, to the extent such are available, and then to unrestricted assets.

Unrestricted - All other assets that constitute the components of net position that do not meet the definition of "restricted" or "net investment in capital assets."

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resource (expense) until then. The *deferred losses on refunding* results from the difference in the carrying value of refunded debt and reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The *effective portion of swaps* relates to the Department of Watershed Management swaps considered to be derivatives, which are accounted for as deferred outflows of resources. The amount for *pensions and OPEB* relates to certain differences between projected and actual actuarial results, certain differences between projected and actual investment earnings, as well as contributions between measurement and reporting dates, which are accounted for as deferred outflows of resources.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Changes in the fair value of effective hedging derivatives are reported as deferred inflows or outflows of resources. The *deferred gain on refunding* results from the difference in the carrying value of refunded debt and reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amounts for *pensions and OPEB* relate to certain differences between projected and actual actuarial results and certain differences between projected and actual investment earnings, which are accounted for as deferred inflows of resources.

Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, employment, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in the governmental and proprietary funds. Grant contributions in the proprietary funds are for the purpose of construction activities, principal debt service reimbursements, land or easement acquisitions, or aid related to the COVID-19 Pandemic. They are recorded in the statement of revenue, expenses, and changes in net position as capital contributions and non-capital grants. For all funds, a grant receivable is recorded when all applicable eligibility requirements have been met.

General Services Costs

The City allocates a portion of general services costs (such as purchasing, accounting, budgeting, personnel administration, and certain other costs based on allocation methods determined by an independent study) to the Department of Aviation, the Department of Watershed Management, the Sanitation Fund and the Internal Service Fund in order to more fully reflect the actual cost of providing these services. For the year ended June 30, 2021, such allocated expenses amounted to approximately \$8,680,000 for the Department of Watershed Management, approximately \$10,935,000 for the Department of Aviation, approximately \$8,021,000 for the Sanitation Fund, and approximately \$8,760,000 for the Internal Service Funds.

Net Pension Liability

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 Atlanta Pension Plans (Pension Plans), and additions to/deductions from the Pension Plans' fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. For the year ended June 30, 2021, the net pension liability for the City is approximately \$1.25 billion.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances, continued

Net OPEB Liability

For purposes of measuring the net other postemployment liability (OPEB), deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. For the year ended June 30, 2021, the net OPEB liability for the City is approximately \$889 million.

E. New Accounting Pronouncements

Pronouncements effective for the 2021 Financial Statements:

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. This Statement was effective for fiscal years beginning after December 15, 2019. See impact of Change in Accounting Principle in Note I.G.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement was effective for reporting periods beginning after December 15, 2019. There was no impact of this pronouncement to the City's financial statements.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This statement is effective for fiscal years ending after December 15, 2021. The City has adopted this Statement in its 2021 Annual Comprehensive Financial Report.

Pronouncements issued, but not yet effective, which will be adopted by the City in future years:

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement establishes accounting and financial reporting standards focused on certain lease liabilities that currently are not reported. Comparability of financial statements among governments will be enhanced by requiring lessees and lessors to report leases under a single model. Decision-usefulness will also be enhanced by requiring notes to financial statements related to the timing, significance, and purpose of leasing

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

E. New Accounting Pronouncements, continued

arrangements. This Statement is effective for fiscal years beginning after December 15, 2020. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The Statement establishes accounting requirements for interest cost incurred before the end of a construction period. It enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies the accounting for interest cost incurred before the end of a construction period. This Statement is effective for reporting periods beginning after December 15, 2020. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement is effective for fiscal years beginning after June 15, 2021. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). This Statement is effective for fiscal years beginning after June 15, 2021. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for fiscal years beginning after June 15, 2022. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government and end users (governments). This Statement is effective for fiscal years beginning after June 15, 2022. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

E. New Accounting Pronouncements, continued

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This Statement is effective for fiscal years beginning after June 15, 2021. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenditures/expenses and disclosures. Actual results could differ from those estimates.

G. Change in Accounting Principle

During fiscal year 2021, the City adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The City previously reported the activity of the Agency Fund as a fiduciary fund. Through the implementation of this statement, it has been determined such activity is more appropriately reported in a special revenue fund.

Additionally, the City previously reported the activity of the Perpetual Care Fund as a special revenue fund. Through the implementation of this statement, it has been determined that such activity is more appropriately reported as a custodial fiduciary fund. Accordingly, the newly established custodial fund reports a restated beginning net position of \$216,175, and corresponding restated fund balance of non-major governmental, total governmental funds, and governmental activities.

II. Stewardship, Compliance and Accountability

A. Compliance with Finance Related Legal and Contractual Provisions

- In 2019, the City received notice from the Securities and Exchange Commission that it is investigating the expenditure and use of Airport revenue and local taxes on aviation fuel, grant compliance, and the preparation and transmission of the Airport's Annual Comprehensive

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Compliance with Finance Related Legal and Contractual Provisions, continued

Financial Report. The City has received a subpoena and continues to cooperate with the investigation, but is unable to predict the ultimate resolution.

- In 2019, the City received notice from the Office of the Inspector of the United States Department of Housing and Urban Development that it is investigating the funding approval and HOME Investment Partnerships Agreement with the United States Department of Housing and Urban Development in connection with The Center for Working Families, Inc. The City has received a subpoena and continues to cooperate with the investigation, but is unable to predict the ultimate resolution.
- In 2019, the City received notice from the Federal Aviation Administration that it is investigating the unlawful diversion of airport revenues to the City. The City has received a subpoena for unredacted legal bills in conjunction with previous notices of its intent to conduct a financial review of airport operations. The City continues to cooperate with the investigation, but is unable to predict the ultimate resolution.
- In 2016, the City received notice from the United States Attorney's Office for the Northern District of Georgia that it was investigating matters relating to corruption at the City. The City has received 12 subpoenas and several informal requests for information connected to the ongoing investigation and continues to cooperate with the Department. The investigation has resulted in the conviction of 3 former employees, 4 vendor/contractors and the indictment of 2 former employees and 2 vendor/contractors. The investigation continues and the Department of Justice has not indicated when it will conclude.

B. Budgets and Budgetary Accounting

Detailed information pertaining to the budget is included in the Required Supplementary Information section on page 155.

C. Deficit Fund Balances

The following funds reported deficits in fund balance at June 30, 2021:

- Intergovernmental Grants fund had an accumulated deficit of approximately \$12.9 million. This deficit was primarily the result of timing differences between the expense and drawing down the grant funds. The City will ensure timely billing of Grant expenses and resolve unallowable expenditures.
- Community Development Grant fund had an accumulated deficit of approximately \$1.8 million. This deficit was primarily the result of timing differences between the expense and drawing down the grant funds. The City will ensure timely billing of Grant expenses and resolve unallowable expenditures.
- Sanitation Services Fund had an accumulated deficit of approximately \$110.2 million. Lack of adequate billing to cover costs is contributing to this deficit. Therefore, Ordinance 18-O-1300 and Ordinance 19-O-1297 were both adopted in fiscal year 2019 to adjust the current solid waste rate structures to implement best practices and meet the future demands of the City's

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

C. Deficit Fund Balances, continued

service area. The increase in the rate structure is expected to cover this deficit fund balance. It is expected that the full impact of the assessment to increase revenue will occur in upcoming years.

- Group Insurance Fund had a deficit of approximately \$37.2 million. This deficit was primarily due to the rate structure. The City adopted Resolution 19-R-4736 in fiscal year 2019 to address the rate structure. The Resolution provides for a price modification during a renewal term based upon the cost of claims and other factors. It is anticipated that future rate increases will be implemented to reduce the deficit fund balance.
- Agency Fund had a deficit of approximately \$253 thousand. This deficit was primarily the result of timing differences between the expenses and revenues.

III. Detailed Notes on All Funds

A. Deposits and Investments

Following are components of the City’s cash and cash equivalents, and investments (excluding the Pension and Custodial Funds and the Component Units) at June 30, 2021 (dollars in thousands).

	Primary Government				Component Units	
	Unrestricted	Restricted	Cash Pool	Total	Unrestricted	Restricted
Cash and Cash Equivalents	\$ 2,237	\$1,623,144	\$ 55,723	\$1,681,104	\$ 54,320	\$ 119,614
Georgia Fund 1	—	—	428,935	428,935	—	—
State and Local Bonds	—	196,100	780,543	976,643	—	—
Federal Agency Obligations	—	464,105	502,437	966,542	—	—
US Treasury Obligations	—	108,624	205,561	314,185	—	—
Repurchase Agreements (Repos)	—	103,367	—	103,367	—	—
Other Investment Pools	—	12,340	—	12,340	9,121	—
	<u>\$ 2,237</u>	<u>\$2,507,680</u>	<u>\$1,973,199</u>	<u>\$4,483,116</u>	<u>\$ 63,441</u>	<u>\$ 119,614</u>

The OCGA 36-83-4 authorizes the City to invest in (a) Obligations of this state or of other states; (b) Obligations issued by the United States government; (c) Obligations fully insured or guaranteed by the United States government or a United States government agency; (d) Obligations of any corporation of the United States government; (e) Prime bankers' acceptances; (f) The local government investment pool established by Code Section 36-83-8; (g) Repurchase agreements; and (h) Obligations of other political subdivisions of this state. The General Employees’ Pension Fund is also authorized to invest in corporate bonds and debentures which are not in default as to principal and interest; corporate stocks, common or preferred; first loans on real estate where the loans are guaranteed by the Administrator of Veterans Affairs or by the Federal Housing Authority of the United States; certificates of deposit in national banks and state banks insured by the FDIC; alternative investments, and any other investments approved by the Pension Board. The Pension Trust Funds also invest in collateralized mortgage obligations (CMOs). These securities are based on cash flows from interest and principal payments on underlying mortgages. CMOs are sensitive

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

to prepayments of mortgages, which may result from a decline in interest rates. The City invests in these securities in part to maximize yields and in part to hedge against a rise in interest rates.

Concentration of Credit Risk - Primary Government

The City diversifies its use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. The City's investment portfolios, in aggregate, should be diversified to limit market and credit risk in general accord with the following limitations.

Investment Type	Maximum Maturity	Ratings			Portfolio Limitation	
		S&P	Moody's	Fitch	Minimum	Maximum
U.S. Treasuries	5 years	>AA/A-2	>Aa2/P-1	>AA/A-2	15%	100%
U.S. Agencies/Instrumentalities	5 years	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	75%
Obligations of other political units in the State of Georgia	5 years	>AA/A-2	>Aa2-P-1	>AA/A-2	0%	25%
Other Municipal Securities	5 years	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	25%
Repurchase Agreements (Repos)/GICs	180 days	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	50%
Bankers Acceptances (BA's)	270 days	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	10%
Local Government Investment Pools	N/A	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	40%
Certificates of Deposits (CD's)	3 years	>AA/A-2	>Aa2/P-1	>AA/A-2	0%	25%

The allocation may be adjusted in response to changing market conditions, cash flow requirements and according to the discretion of the Chief Financial Officer.

Custodial Credit Risk - Deposits

To control custodial credit risk, the City's investment policy requires all securities and collateral to be held by an independent third-party custodian in the City's name. The custodian provides the City with monthly values.

Concentration of Credit Risk - Investments

The City's investment policy also requires that the weighted-average maturity of the total portfolio not exceed three (3) years and shall limit the maturity of any single security to five (5) years. The City shall have the authority to invest up to \$100,000,000 in municipal bonds which do not meet the Maximum Maturity and Ratings guidelines above. Those \$100,000,000 of municipal bonds will be allowed to have single security maximum maturities of up to 10 years and minimum investment grade ratings (BBB-/Baa3/BBB-). All other criteria herein will be still need to be met.

The City's General Employees' Pension Plan's investment policy sets targets of 42% invested in domestic equity, 28% in international equity, 25% in domestic fixed income, and 5% alternative investments. The City's Firefighters' and Police Officers' Pension Plans' investment policy sets targets of 61% invested in domestic equity, 9% in international equity, 25% in domestic fixed income, and 5% in alternative investments.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Pooled Cash and Investments Held in the State Treasury

The City maintains a cash and investment pool that is available for use by all funds. Each participating fund's portion of this pool is displayed on the accompanying financial statements as "Equity in cash management pool". The primary objectives of the pool are safety of capital, liquidity, investment income, and diversification. It is managed to maintain a constant net asset value of \$1.00 and a weighted average maturity of 90 days or less, with the maximum maturity of any investment limited to 397 days. At June 30, 2021, the GF1 weighted average maturity was 40 days. Portfolio composition in GF1 consisted of various investments allowed by State code above. The Annual report can be found at the following website: <https://ost.georgia.gov/divisions-offices/investments/georgia-fund-1>.

The City has adopted an investment policy (the "Policy") to minimize the inherent risks associated with deposits and investments. The primary objective of the Policy is to invest funds to provide for the maximum safety of principal and liquidity. The Policy also identifies certain provisions of the Official Code of Georgia Annotated (OCGA) that address interest risk, credit risk, and concentration of credit risk. The Policy governs all governmental and business-type activities for the City but does not govern the Pension Plans.

Under the Policy, the City's investment portfolio, in aggregate, is to be diversified to limit its exposure to interest rate, credit and concentration risks by observing the above limitations, outlined under the Concentration of Credit Risk- Primary Government section.

Fair Value Measurement - Primary Government

GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes the inputs into three categories - Level 1, Level 2 and Level 3 inputs - considering the relative reliability of the inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted (unadjusted) prices in active markets for identical financial assets or liabilities that are accessible at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the financial asset or liability.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present the City's financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2021 (in thousands):

	Level 1	Level 2	Level 3	Total
Debt securities:				
US Treasury Obligations	\$ 314,185	\$ —	\$ —	\$ 314,185
Federal Agency Obligations	—	966,542	—	966,542
State and Local Bonds	—	976,643	—	976,643
Total debt securities	314,185	1,943,185	—	2,257,370
Repurchase Agreements	—	103,367	—	103,367
Total investments at fair value	<u>\$ 314,185</u>	<u>\$ 2,046,552</u>	<u>\$ —</u>	<u>\$ 2,360,737</u>
Other Investments				
Georgia Fund 1 and other investment pools				441,275
Total Investments				<u>\$ 2,802,012</u>

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified as Level 2 are subject to pricing by an alternative pricing source due to a lack of information by the primary vendor. There were no Level 3 securities.

INVESTMENT RISK DISCLOSURES

Interest Rate Risk. Interest rate risk is the risk that changes in market rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Additionally, the fair values of the investments may be highly sensitive to interest rate fluctuations. By policy, the City establishes maximum maturity dates by investment type in order to limit interest rate risk. The City manages its exposure to interest rate risk by purchasing a combination of shorter-term and longer-term investments, and by timing cash flows from maturities so that a portion is maturing, or coming close to maturing, evenly over time as necessary to provide the cash flow and liquidity needs for operations.

The City has the ability and generally has the intent to hold all investments until their respective maturity dates. The average maturity of the City's pooled cash and investments governed by the Policy as of June 30, 2021, was approximately 0.79 years. If it becomes necessary or strategically prudent for the City to sell a security prior to maturity, the policy allows for occasional restructuring of the portfolio to minimize the loss of market value and/or to maximize cash flows.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Credit Risk. Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Interest Rate and Credit Risks

As of June 30, 2021, the City had the following investments with the corresponding credit ratings and maturities (dollars in thousands):

Type of Investments	Credit Rating	Maturity					Carrying Value
		Under 30 Days	31 - 180 Days	181 - 365 Days	1 - 5 Years	Over 5 Years	
State and local bonds	Aaa-Baa2	\$ 118,666	\$ 330,074	\$ 76,336	\$ 370,675	\$ 80,892	\$ 976,643
Federal Agency Obligations	Aaa/AA+	27,079	250,962	117,673	570,828	—	966,542
US Treasury Obligations	Exempt	15,016	216,930	71,116	11,123	—	314,185
Georgia Fund 1 and other investment pools	AAAf	441,275	—	—	—	—	441,275
Repurchase Agreements	NR	—	—	—	—	103,367	103,367
		<u>\$ 602,036</u>	<u>\$ 797,966</u>	<u>\$ 265,125</u>	<u>\$ 952,626</u>	<u>\$ 184,259</u>	<u>\$ 2,802,012</u>

Custodial Credit Risk.

Custodial credit risk - Deposits

It is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Custodial credit risk - Investments

It is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Through the Georgia Secure Deposit Program, public deposits held with covered depositories participating in the program in excess of FDIC insurance limits are protected through a combination of collateral pledged by the bank and the contingent liability provisions of the program that require participating banks to jointly cover all deposits not protected by FDIC insurance and the sale of pledged collateral in the event of a loss. The Depository agrees that, as long as the State Treasurer of the State of Georgia or any Public Body has Public Funds on deposit with the Depository, the Depository shall maintain at all times Pledged Securities with an aggregate Fair Market Value equal to at least the Required Collateral determined by the State Treasurer. The City requires that the market value of collateralized pledged securities must be at least 102% for Repurchase Agreements. All investments of the City are either held by the City or by counterparties in the City's name; therefore, the City's investments had no custodial risk as of June 30, 2021.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Concentration of Credit Risk.

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the OCGA. At June 30, 2021, individual issuers that represent 5% or more of total financial instruments by investment type were as follows:

Issuer	Investment Type	Investment %
Federal Home Loan Mtg Corp	Agency Bond	16.7 %
United States	Treasury	9.1 %
State of Georgia	Local Gov't Investment Pool	16.4 %

Investments in Pension Plans

The City has three defined benefit pension plans for full-time employees; the General Employees' Pension Plan (GEPP), the Police Officers' Pension Plan (PPP) and the Firefighters' Pension Plan (FPP) (collectively, the "Plans"). Each Plan was administered by its own Board of Trustees until December 2017. In December 2017, the City of Atlanta adopted legislation to combine the management of its three separate pension plans and create one Board of Trustees to be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the Board) to improve administrative efficiency, governance and investment returns.

The Board is ultimately responsible for making all decisions regarding the administration of the Plans, including the management of Plan assets, and for carrying out the investment policy on behalf of their respective Plans. The Plans' investments are managed by various investment managers under contracts with the respective Plans who have discretionary authority over the assets managed by them, within the investment guidelines, established by the Board. The investments are held in trust by the Plans' custodians in each of the Plans' name. These assets are held exclusively for the purpose of providing benefits to members of the Plans and their beneficiaries. Identified below are the investment types authorized by the Board for each of the Plans. The investment policies also identify certain provisions addressing interest rate risk, credit risk and concentration of credit risk.

The Plans, by policy, are to invest their cash in domestic equities, domestic fixed income securities, international equities, international fixed income, alternative investments and cash equivalents. These instruments consist of common and preferred stock, obligations of the U.S. government and agencies (GNMA, FHLMC, and FNMA securities and CMO's), corporate bonds, and certificates of deposit. The Plans have strict limitations on the amounts managers are allowed to invest in any one issuer in all classes of securities. The Plans also invest in Repurchase Agreements which must be fully collateralized by the U.S. government or agency guaranteed securities. As of June 30, 2021, the Plans had an alternative investment in a limited partnership totaling \$63,007,000, with some

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

outstanding commitments. As part of the Partnership Agreement (Partnership), the Plan may not voluntarily withdraw from the partnership prior to its dissolution, and no limited partnership interest is redeemable or purchasable by the partnership at the option of the Plan.

Fair Value Measurement - Pensions

GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes the inputs in to three categories - Level 1, Level 2 and Level 3 inputs - considering the relative reliability of the inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted (unadjusted) prices in active markets for identical financial assets or liabilities that are accessible at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the financial asset or liability.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Plans also have investments held through limited partnerships and commingled vehicles for which fair value is estimated using the NAV reported by the investment manager as a practical expedient to fair value. Such investments have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of fiduciary net position.

The following tables present the fiduciary funds financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2021 (in thousands):

	June 30, 2021			Total
	Level 1	Level 2	Level 3	
Short term investments				
Cash and cash equivalents	\$ 40,605	—	—	40,605
Debt securities:				
Asset backed securities	—	17,051	—	17,051
Comingled bond funds	—	160,360	—	160,360
Corporate and municipal bonds	—	273,615	—	273,615
Bond exchange traded funds	17,023	—	—	17,023
U.S. agency securities	—	103,878	—	103,878
U.S. treasury securities	195,786	—	—	195,786
Total debt securities	212,809	554,904	—	767,713
Equity securities:				
Commingled equity funds	—	1,856,428	—	1,856,428
Common stock	728,477	—	—	728,477
Exchange traded funds	260,964	—	—	260,964
Total equity securities	989,441	1,856,428	—	2,845,869
Commingled Funds	—	149,896	—	149,896
Stable value funds	—	36,450	—	36,450
Total investments at fair value	\$ 1,242,855	2,597,678	—	3,840,533
Investments measured at NAV:				
Commingled bond funds				44,882
Commingled equity funds				503,030
Private equity funds				63,007
Real estate funds				56,940
Total investments measured at NAV				667,859
Total investments				\$ 4,508,392

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Debt and Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. These securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market. Commingled equity funds, and stable value funds classified in Level 2 are valued using prices quoted in active markets for those investment types and the readily determinable fair value per share (unit) which is determined based on the publication of the price or on the basis of current transactions. There were no Level 3 investments.

Investments in privately held limited partnerships and commingled vehicles which do not have a readily determinable fair value are valued using the NAV provided by the general partner/investment manager as of June 30, 2021. The monthly or quarterly values of the partnership investments provided from the general partner are reviewed by the Plan to determine if any adjustments are necessary. The Plan currently has no plans to sell any of the investments resulting in these assets being carried at the NAV estimated by the general partner/investment manager.

Securities Lending

State statutes and the Board policies permit the Plans to lend their securities to broker dealers and other entities, provided that the securities are fully collateralized for at least 102% of securities loaned and that collateral is received prior to the release of the securities by the custodian. All lending securities can be terminated on demand by either the Plans or the borrower, with securities delivered to the Plans within a specified period of time.

As of June 30, 2021, the General Employees', Police Officers', and Firefighters' Pension Plans had no funds under a Securities Lending Agreement.

Alternative Investments

As of June 30, 2021, the Plans had alternative investments totaling \$63.0 million in the form of limited partnerships and approximately \$56.9 million in real estate funds.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

As of June 30, 2021, the related unfunded commitments of the Plans' alternative investments and limitations and restrictions on the Plans' ability to redeem or sell are summarized as follows (in thousands):

	<u>Unfunded commitments</u>	<u>Redemptions frequency (if currently eligible)</u>	<u>Redemptions notice period</u>
<u>General Employees' Pension Plan</u>			
Private equity fund	\$ 3,582,424	not eligible	not eligible
<u>Firefighters' Pension Plan</u>			
Private equity fund	\$ 2,013,355	not eligible	not eligible
<u>Police Officers' Pension Plan</u>			
Private equity fund	\$ 2,795,486	not eligible	not eligible

Pension Trust Fund's Investment Risk Disclosures

Interest Rate and Credit Risks. As of June 30, 2021, the Pension Plans had the following fixed income investments with the corresponding credit ratings and maturities (dollars in thousands):

<u>Type of Investments</u>	<u>Credit Rating</u>	<u>Maturity</u>					<u>Fair Value</u>
		<u>Under 1 year</u>	<u>1 - 3 years</u>	<u>3 - 5 years</u>	<u>5 - 10 years</u>	<u>Over 10 years</u>	
U.S. treasury securities	NR	\$ 6,672	\$ 20,828	\$ 66,243	\$ 80,176	\$ 21,867	\$ 195,786
U.S. agency securities	AAA/AA+	—	—	1,080	—	—	1,080
U.S. agency securities	AGY	1,677	42	11,489	910	88,680	102,798
Corporate and municipal bonds	A-/AA/AAA	6,430	19,956	49,007	75,612	24,449	175,454
Corporate and municipal bonds	B+/BBB/ BBB-	495	6,404	10,553	60,682	16,779	94,913
Bond exchange traded funds	NR	17,023	—	—	—	—	17,023
Commingled bond fund	NR	76,479	—	—	—	—	76,479
Asset-backed securities	NR	—	—	5,395	—	—	5,395
CMOs	AAA	—	—	—	—	2,189	2,189
CMOs	NR	—	—	—	—	9,467	9,467
State and local obligations	AAA/AA+	—	486	1,116	782	863	3,247
State and local obligations	BBB-	1	—	—	—	—	1
Commingled bond fund	NR	128,763	—	—	—	—	128,763
		<u>\$ 237,540</u>	<u>\$ 47,716</u>	<u>\$ 144,883</u>	<u>\$ 218,162</u>	<u>\$ 164,294</u>	<u>\$ 812,595</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Custodial Risk. As of June 30, 2021, the Pension Plans had no deposits or investments with custodial risk.

Concentration Credit Risk. Investments in any one issuer that represent 5% or more of total investments by each Defined Benefit Pension Plan are as follows (dollars in thousands):

<u>Issuer</u>	<u>Type</u>	<u>Fair Value</u>
Firefighters' Pension Plan:		
BlackRock Growth Index Fund	Commingled Equity Fund	\$ 381,051
NT Collective Russell Index Fund	Commingled Bond Fund	51,251
Johnston International Equity Group	Commingled Equity Fund	75,262
NT Collective Commingled Equity Fund	Commingled Equity Fund	85,304
Police Officers' Pension Plan:		
Johnston International Equity Group	Commingled Equity Fund	\$ 134,447
Artisan Partners Asset Management Inc.	Commingled Equity Fund	96,417
BlackRock Growth Index Fund	Commingled Equity Fund	676,890
General Employees' Pension Plan:		
BlackRock Equity Index Fund	Domestic Equities	\$ 320,215
Artisan Funds	Equity Exchange Traded Fund	132,842
Johnston International Equity Group	Commingled Equity Fund	191,662
BlackRock Mid Cap Equity Fund	Commingled Equity Fund	150,983

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates could adversely affect an investment's or deposit's fair value. The Defined Benefit Plan's investment policies allow domestic and international equities, domestic and international fixed income, alternative investments and cash equivalents.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The following table provides investments of the Defined Benefit Plans in international markets. As of June 30, 2021, the exposure to foreign currency risk is as follows (dollars in thousands):

Currency:	Country:	Fixed Income	Equity	Total
Euro	Belgium	\$1,275	—	\$1,275
Euro	France	—	1,762	1,762
Euro	Germany	—	4,196	4,196
Euro	Ireland	—	686	686
Euro	Italy	—	612	612
Euro	Netherlands	743	2,203	2,946
Euro	Spain	—	536	536
Euro	United Kingdom	980	2,941	3,921
Total Euro		<u>2,998</u>	<u>12,936</u>	<u>15,934</u>
Australian Dollar	Australia	—	1,723	1,723
Brazilian Real	Brazil	—	1,637	1,637
Canadian Dollar	Canada	—	5,724	5,724
Chinese Yuan Renminbi	China	—	1,944	1,944
Denmark	Denmark	—	2,846	2,846
Indian Rupee	India	—	2,768	2,768
Israeli New Shekel	Israel	—	1,468	1,468
Japanese Yen	Japan	—	5,934	5,934
Mexican Peso	Mexico	—	579	579
Peruvian Sol	Peru	—	483	483
Russian Federation	Russian Federation	—	580	580
South African rand	South Africa	—	669	669
Sweden Krona	Sweden	—	1,969	1,969
Swiss Franc	Switzerland	811	1,864	2,675
New Taiwan Dollar	Taiwan	—	628	628
Various foreign currencies	Emerging Markets Region	—	12,109	12,109
Various foreign currencies	Europe/Far East Region	—	2,220	2,220
Various foreign currencies	International Region	—	238,134	238,134
Total Securities subject to Foreign Currency Risk		<u><u>\$3,809</u></u>	<u><u>\$296,215</u></u>	<u><u>\$300,024</u></u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Property Taxes, Local Option Sales Taxes, Municipal Option Sales Tax, Transportation Special Purpose Local Option Sales and Use Taxes, and Car Rental Taxes

Property taxes include amounts levied on all real, public utility, and tangible property within the City corporate limits. Senate Bill 177, Act 431 was signed April 30, 1999 and became effective January 1, 2000 (Taxpayers Bill of Rights). One key component of this legislation pertains to prevention of indirect tax increases due to property value appreciation and/or inflation. The O.C.G.A. 48-5-32.1 requires levying authorities; municipalities, counties, and school boards to either rollback property millage rates for property value appreciation by a corresponding millage equivalent or follow specific requirements if the levying authority chooses not to rollback their millage rate. House Bill 820, effective January 1, 2019, approved a "COA floating exemption" which caps the annually adjusted residential value at 2.6% percent over the automatically determined base year value and waived certain provisions of O.C.G.A. 48-5-32.1. The City's tax digest is coterminous with the Atlanta Independent School System, and overlaps portions of Fulton and DeKalb counties (the "Counties"), and Grady Hospital. Property taxes are normally levied and billed by July 1, on the assessed value of all real and personal property and property owner of record as of January 1. City property taxes are due 45 days from the date of billing for Fulton County; and 60 days from date of billing for DeKalb County. The distribution of the City's 2020 millage rate (tax rate per \$1,000 assessed taxable value) to its funds and to the Atlanta Independent School System (which operates as a separate legal entity and is not included in the City's financial reporting entity) is as follows:

Millage Rates:	
General Fund	\$ 7.850
General Obligation Bond Sinking Fund:	
City Bonds	1.880
Park Improvement Fund (included in Capital Projects Funds)	0.500
Board of Education (operations)	20.740
Special Tax District DeKalb County	1.387
	<u>32.357</u>

The Fulton and DeKalb County Tax Assessors establish assessed values at 40% of the fair market value. The property valuation in calendar year 2020 resulted in a gross assessed value of \$41,133,154,249 which includes tax exempt values. The City's millage rates are set in June of each year. Public utility values are assessed by the State Board of Equalization and are billed and collected by the Fulton and DeKalb Tax Commissioner's Offices.

The Fulton and DeKalb County Tax Commissioners' offices act as the City's billing and collection agents. The contracted fees due to the Counties for billing and collection services amounted to \$4,266,067 in fiscal year 2021. Real and tangible property taxes are payable to the Counties on August 15th and become delinquent on August 16th. Interest accrues at the rate of 1% per month on the 16th of each month and a 10% tax penalty accrues 90 days after the due date. Any remaining unpaid property tax amounts will attach as an enforceable lien on the property as of January 1 of the following year. A 1% local option sales tax is levied in Fulton County, of which the City receives a percentage of that amount based on a pre-defined formula. This amount is collected by the State of

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Property Taxes, Local Option Sales Taxes, Municipal Option Sales Tax, Transportation Special Purpose Local Option Sales and Use Taxes, and Car Rental Taxes, continued

Georgia and remitted to the City on a one-month lag. The tax law requires an offsetting reduction in property tax during each subsequent year of assessment equal to the amount of sales tax revenue received in the prior year.

Pursuant to paragraph (1) of subsection (b) of O.C.G.A. Section 48-8-121, the City of Atlanta imposed an additional 0.4% sales tax to be collected for 5 years for the purpose of transportation improvements and congestion reduction. Through a referendum, the voters approved the 0.4% TSPLOST in November 2016. The maximum amount of net proceeds to be collected is \$380,000,000. The TSPLOST began on January 1, 2017 and continues for up to five (5) years thereafter, or until such time the TSPLOST has raised revenues sufficient to provide the City the net proceeds equal to or greater than the maximum amount, whichever comes first. Proceeds from TSPLOST for fiscal year 2021 were approximately \$60,398,000, of which \$5,903,000 was receivable from the Georgia Department of Revenue at June 30, 2021.

A 3% excise tax on all rental motor vehicles was implemented in June 1996. This car rental tax is intended to be used to promote industry trade, commerce, and tourism and to fund various capital outlay projects throughout the City. The capital outlay projects include infrastructure improvements necessary for the City to continue building a community that is stable, diverse and economically sound. See Note Section IV-B- Clean Water Atlanta Program regarding the levy of a 1% Municipal Option Sales Tax.

C. Tax Abatements

The City of Atlanta's tax abatement encourages economic development and growth throughout the City. The total economic impact to the City of the abatement is approximately \$5.5 billion along with the creation of 11,976 jobs and 1,550 housing units.

The City offers a reduction in property taxes through the structure of financing arrangements. Specifically, Invest Atlanta, a tax-exempt public organization created independently from the City, may enter into agreements with private individuals or entities in order to incentivize businesses to build, relocate, expand, or renovate in the City. These agreements involve a bond issuance and sale-leaseback transaction, whereby Invest Atlanta takes title to property and leases it back to the private individual or entity.

The private individual or entity is responsible for making ad valorem tax payments on its leasehold interest. The rental payments for the leasehold offset the debt service on the bonds over a fixed 10-year term, so that at the end of the incentive period the bonds are fully retired, and the company regains title of the property through an option to purchase.

The City's long-standing policy for Development Incentives provides for a 50% ramp up over a 10-year period. Following completion of construction, a company pays property taxes on its leasehold

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

C. Tax Abatements, continued

interest in the project of 50% of the fair market value of the real and/or personal property in the first year, with a 5% increase each year over a 10-year period, after which the company takes title back to the property and must then pay taxes on the full fair market value of the property. The company has a smaller property tax obligation through this financing arrangement than it would under outright ownership of the property due to the reduced value of the company's leasehold interest in the property over the designated ramp-up period.

Invest Atlanta considers the economic impacts of a proposed project and weighs such benefits against the costs of reduced revenue impacts when considering whether to enter into a taxable revenue bond deal with an individual or entity. Generally eligible projects involve a commitment of significant capital investment and/or the creation of net new jobs to the City, which propose a favorable return on investment for the City. For residential projects, a commitment by the developer to provide affordable housing may be required. There are no additional commitments other than to provide the aforementioned tax treatment. There are no provisions for recapturing incentives; however, Invest Atlanta can immediately return title to a company for a non-performing project, which cancels the incentive going forward. There are no amounts receivable from other governments. There are no quantitative thresholds used to determine disclosures of these type agreements.

<u>Tax Abatement Program</u>	<u>Total Amount of Taxes Abated For the year 2020</u>	
Atlanta Development Authority d/b/a Invest Atlanta	\$	1,573,765

The City property tax revenues were reduced by approximately \$6.5 million under agreements entered into with Fulton County, Georgia.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Capital Assets

A summary of capital assets activity and changes in accumulated depreciation for the year ended June 30, 2021 follows (dollars in thousands):

	Balance at June 30, 2020	Additions	Deletions and Retirements	Transfers	Balance at June 30, 2021
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 230,972	\$ 5,065	\$ —	\$ —	\$ 236,037
Construction in progress	285,604	46,680	—	(31,096)	301,188
Total capital assets not being depreciated	<u>516,576</u>	<u>51,745</u>	<u>—</u>	<u>(31,096)</u>	<u>537,225</u>
Capital assets being depreciated:					
Land improvements	119,694	232	—	—	119,926
Buildings and building improvements	468,853	27,303	—	9,883	506,039
Other property and equipment	308,079	4,116	(519)	—	311,676
Infrastructure	1,028,965	—	—	21,213	1,050,178
Total capital assets being depreciated	<u>1,925,591</u>	<u>31,651</u>	<u>(519)</u>	<u>31,096</u>	<u>1,987,819</u>
Total capital assets	<u>2,442,167</u>	<u>83,396</u>	<u>(519)</u>	<u>—</u>	<u>2,525,044</u>
Less: Accumulated Depreciation					
Land improvements	103,919	2,557	—	—	106,476
Buildings and building improvements	186,352	11,370	—	—	197,722
Other property and equipment	237,143	15,043	(519)	—	251,667
Infrastructure	735,566	19,847	—	—	755,413
Total accumulated depreciation	<u>1,262,980</u>	<u>48,817</u>	<u>(519)</u>	<u>—</u>	<u>1,311,278</u>
Governmental activities capital assets, net	<u>\$ 1,179,187</u>	<u>\$ 34,579</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,213,766</u>

Depreciation expense was charged to governmental funds as follows (dollars in thousands):

General government	\$ 9,354
Police	4,795
Fire	2,897
Public Works	20,653
Parks, Recreation and Cultural Affairs	11,118
Total	<u>\$ 48,817</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Capital Assets, continued

	Balance at June 30, 2020	Additions	Deletions and Retirements	Transfers	Balance at June 30, 2021
Business-type activities:					
Capital assets not being depreciated					
Land	\$ 994,826	\$ 17	\$ —	\$ 163	\$ 995,006
Construction in progress	1,630,282	538,587	—	(1,135,953)	1,032,916
Total capital assets not being depreciated	<u>2,625,108</u>	<u>538,604</u>	<u>—</u>	<u>(1,135,790)</u>	<u>2,027,922</u>
Capital assets being depreciated					
Land improvements	3,587,453	31	—	11,233	3,598,717
Buildings and other structures	11,796,964	—	—	1,101,968	12,898,932
Other property and equipment	818,784	11,132	(1,399)	22,589	851,106
Total capital assets being depreciated	<u>16,203,201</u>	<u>11,163</u>	<u>(1,399)</u>	<u>1,135,790</u>	<u>17,348,755</u>
Total capital assets	<u>18,828,309</u>	<u>549,767</u>	<u>(1,399)</u>	<u>—</u>	<u>19,376,677</u>
Less: Accumulated Depreciation					
Land improvements	1,768,393	99,700	—	—	1,868,093
Buildings and other structures	4,174,887	252,159	(614)	—	4,426,432
Other property and equipment	526,669	54,435	(623)	—	580,481
Total accumulated depreciation	<u>6,469,949</u>	<u>406,294</u>	<u>(1,237)</u>	<u>—</u>	<u>6,875,006</u>
Business-type activities capital assets, net	<u>\$ 12,358,360</u>	<u>\$ 143,473</u>	<u>\$ (162)</u>	<u>\$ —</u>	<u>\$ 12,501,671</u>

Construction in Progress

In addition to the capital assets and construction in progress (CIP) already recorded in the City's financial statements, there are development and redevelopment projects ongoing through Invest Atlanta, a component unit of the City, where the CIP is recorded. Upon completion of those projects and acceptance by the City, the appropriate recording as capital assets on the City's financial statements will take place. Through June 30, 2021, there is approximately \$220.5 million of CIP recorded in Invest Atlanta's financial statements for Atlanta BeltLine corridor design and other developments that are expected to become assets of the City.

Additionally, DWM advanced \$24.0 million to Invest Atlanta related to the development of the Clear Creek Project. Upon completion of the project, both the project costs and any portion of the advance not expended will revert to the DWM. At June 30, 2021, total project costs to date were \$23.9 million. Clear Creek Chemical System Improvements and System Wide Flow Monitoring construction was completed in FY2021. The project comprised of the upgrade of the four Sodium Hypochlorite (NaOCl) Storage Tanks, replacement of pump and piping system at Clear Creek CSCF, replacement of the drum screen at Custer Avenue CSF, and improvement of flow monitoring for regulatory compliance purposes at all the treatment facilities.

Invest Atlanta is holding title to land within the Beltline Tax Allocation District, that is commonly referred to as the North East Corridor proper (NE Corridor). The NE Corridor was originally

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

D. Capital Assets, continued

purchased for an amount equal to \$45.0 million for the purpose of redevelopment by Invest Atlanta. Subsequent to its development, certain parcels of land have been sold and as of June 30, 2021, the land value is now estimated at \$44.0 million. Upon completion of redevelopment, it is anticipated that title to the land will be transferred to the City.

In fiscal year 2021, Atlanta Beltline Inc. transferred two additional sections of the Beltline corridor to Invest Atlanta. These sections were for parcels at Murphy Crossing and on the Southside Trail. The amount transferred was \$5.6 million.

E. Interfund Receivables, Payables, and Transfers

During the course of its operations, the City makes transfers between funds to finance operations, provide services, acquire assets and service debt. To the extent that certain transfers between funds had not occurred as of year-end, balances of interfund amounts receivable or payable have been recorded. Interfund receivable and payable balances as of June 30, 2021, are as follows (dollars in thousands):

		<u>Due to</u>
		<u>General Fund</u>
Due from	Capital Projects	\$ 11,721
	Non-major Governmental	115,403
	Internal Service	38,628
	Non-major Enterprise	29,637
	Total	<u>\$ 195,389</u>

During the year ended June 30, 2008, the DWM advanced funds to a component unit, Invest Atlanta, for future work on a consent decree project. Due to the nature of this transaction, the interfund balances are considered long-term for financial reporting purposes.

Balances as of June 30, 2021, are as follows (dollars in thousands):

	<u>Due from Component Units</u>	<u>Due to Primary Government</u>
Department of Watershed Management	\$ 24,000	\$ —
Atlanta Development Authority	—	24,000
Total	<u>\$ 24,000</u>	<u>\$ 24,000</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

E. Interfund Receivables, Payables, and Transfers, continued
Transfers

Transfers for the year ended June 30, 2021, are as follows (dollars in thousands):

		<u>Transfer from</u>							
		<u>General Fund</u>	<u>Capital Projects</u>	<u>DOA</u>	<u>DWM</u>	<u>Internal Services</u>	<u>Non-major Enterprise</u>	<u>Non-major Government</u>	<u>Total</u>
Transfer to	General Fund	\$ —	\$ 800	\$ —	\$ 20,877	\$ —	\$ —	\$ 9,684	\$ 31,361
	Capital Projects	44,318	—	4,339	6,112	1,956	978	—	57,703
	Non-major Governmental	9,411	27	—	—	—	2,096	14,305	25,839
	Non-major Enterprise	1,423	—	—	—	—	1,944	—	3,367
	Total	<u>\$ 55,152</u>	<u>\$ 827</u>	<u>\$ 4,339</u>	<u>\$ 26,989</u>	<u>\$ 1,956</u>	<u>\$ 5,018</u>	<u>\$ 23,989</u>	<u>\$ 118,270</u>

Transfers are used (1) to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments are due, and (3) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

F. Leases

Department of Aviation (DOA)

Tenant and concession agreements

The City leases terminal space, aircraft maintenance and overhaul facilities, cargo facilities, hangars, and other structures to air carriers and other tenants at the Airport under various operating leases, a majority of which terminate no later than 2035. The total cost of the facilities described above that are substantially leased to various tenants is \$6.5 billion with a carrying value of \$3.7 billion. Depreciation expense for fiscal year 2021 on the facilities was \$182.6 million.

Certain of the leases provide for fixed and variable rental payments, and all are generally designed to allow the Department of Aviation to meet its debt service requirements and recover certain operating and maintenance costs. Rental receipts related to the terminal are based on the cost of the facilities. In addition, certain of the agreements under which the Department of Aviation receives revenue from the operation of concessions at the Airport, provide for the payment of a fee based on the greater of an aggregated percentage of gross receipts or a guaranteed minimum.

The Airport Use and Lease Agreement provides for the payment of rentals, fees, and charges for airline use and occupancy airfield and terminal facilities to allow the City to recover all operating and maintenance expenses, Bond debt service, and coverage on Bond debt service allocable to the

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

airfield and terminal cost centers. Coverage is to be calculated at 20% for outstanding Bonds and Bonds to be issued for the Terminal Modernization Project. Coverage is to be calculated at 30% for other future Bonds. Required terminal rentals, fees, and charges are offset by a credit of a share of terminal concessions revenues and a per passenger credit.

At June 30, 2021 minimum future rentals and fees to be received under non-cancelable leases or concession agreements for each fiscal year are as follows (dollars in thousands):

2022	\$	258,853
2023		263,378
2024		332,660
2025		407,573
2026		415,169
2027-2031		2,195,225
2032-2036		3,437,832
		<u>\$ 7,310,690</u>

The agreement covering the operation of the parking lot does not provide for a minimum fee and is therefore not included in the above table. Revenue from this source, which is solely a function of parking receipts as defined was approximately \$65.8 million for the year ended June 30, 2021.

Capital Lease Obligations

On October 27, 2017, DOA entered into a lease-purchase agreement with NORESKO-SG, LLC, for the acquisition, installation, and lease purchase financing of certain equipment and other property. This lease agreement is classified as a capital lease obligation for accounting purposes.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

The annual lease obligation requirements as of June 30, 2021 are as follows (in thousands):

Year:	Principal	Interest	Total debt service
2022	\$ 488	\$ 179	\$ 667
2023	519	168	687
2024	551	156	707
2025	585	143	728
2026	621	129	750
2027-2031	3,686	407	4,093
2032-2036	1,162	34	1,196
Total	\$ 7,612	\$ 1,216	\$ 8,828

Department of Watershed Management (DWM)

On August 31, 2016, DWM entered into an installment purchase agreement for the purchase of certain heavy equipment. This agreement is reflected as an installment purchase obligation at the present value of the aggregate payments due over the remaining life of the agreement. Included in other property and equipment as of June 30, 2021 is approximately \$7,143,000 of heavy duty equipment to be ultimately acquired under this installment purchase agreement. The accumulated amortization on this equipment is \$1,850,000 as of June 30, 2021 and related amortization expense was \$476,000 for the year ended June 30, 2021.

On November 30, 2017, DWM entered into an addendum to the existing installment purchase agreement for the purchase of a nutrient recovery system. This agreement is reflected as an installment purchase obligation at the present value of the aggregate payments due over the remaining life of the agreement. There were no costs included in other property and equipment as of June 30, 2021 of the \$11 million nutrient recovery system to be ultimately acquired under this addendum to the installment purchase agreement. Included in construction in progress related to the installment purchase agreement was \$7,376,000 as of June 30, 2021.

On December 19, 2017, DWM entered into two equipment-lease purchase agreements for the purchase of an energy service performance initiative. These lease agreements qualified as capital leases for accounting purposes and the lease payments are reflected as capital lease obligations at the present value of the aggregate payments due over the remaining life of the leases. There were no costs included in other property and equipment as of June 30, 2021 of the \$114,296,923 energy service performance initiative to be ultimately acquired under these equipment-lease purchase agreements. Included in construction in progress related to the equipment-lease purchase agreements was \$107,578,000 as of June 30, 2021.

On April 29, 2020, the City of Atlanta entered into Equipment Schedule No. 5 to the Master Lease Agreement with First Municipal Credit Company, LLC (Grant Capital Lease #5) for the purpose of

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

refinancing the outstanding lease liability of \$13.5 million on Equipment Schedule No. 3 (Grant Capital Lease #3) in the original amount of \$14.8 million.

The value of future minimum installment purchase payments as of June 30, 2021, is as follows (in thousands):

Fiscal year		
2022	\$	13,446
2023		13,446
2024		13,446
2025		13,446
2026		11,222
2027-2031		61,367
2032-2036		39,409
Total minimum payments		<u>165,782</u>
Less amount representing interest		<u>(32,432)</u>
Minimum installment purchase payments	\$	<u><u>133,350</u></u>

Sanitation Fund

The Sanitation Department entered into a master lease agreement for the acquisition and replacement of heavy duty vehicles. This agreement is reflected as a capital lease at the value of the aggregate payments due over the remaining life of the agreement. Included in vehicles as of June 30, 2021 is \$13,244,065 of heavy duty equipment to be ultimately acquired under this installment purchase agreement. The accumulated amortization on this equipment is \$2,701,000 at June 30, 2021.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

The value of future payments as of June 30, 2021, is as follows (in thousands):

Fiscal year	
2022	\$ 2,458
2023	2,458
2024	2,458
2025	1,622
Total minimum payments	<u>8,996</u>
Less amount representing interest	<u>(589)</u>
Minimum installment purchase payments	<u>\$ 8,407</u>
Capital Asset Value	\$ 13,244
Accumulated Amortization	<u>(2,701)</u>
Net Capital Asset Value	<u>\$ 10,543</u>

General Fund

Capital Lease Obligations

In October 2018 the City entered into two equipment-lease purchase agreements for the purchase of an energy service performance initiatives. These lease agreements qualified as capital leases for accounting purposes and the lease payments are reflected as capital lease obligations at the present value of the aggregate payments due over the remaining life of the leases. There were no costs included in other property and equipment as of June 30, 2021 of the \$20,110,279 energy service performance initiative to be ultimately acquired under these equipment-lease purchase agreements. Included in construction in progress related to the equipment-lease purchase agreements was \$17,029,033 as of June 30, 2021.

On August 2, 2017, the City entered into an Intergovernmental Lease Agreement with the Atlanta Fulton County Recreation Authority for the purpose of financing the design, acquisition, construction, installation and equipping of a portion of the Zoo Parking Garage consisting of a 3-story structured parking deck totaling approximately 400,000 square feet with approximately 1,000 parking spaces. In January 2021 the Zoo Parking Garage was placed in service and included in buildings as of June 30, 2021 is \$37,098,138 for the Zoo Parking Garage to be ultimately acquired under this agreement. The accumulated depreciation on this building is \$927,453 as of June 30, 2021.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

The total of the future minimum lease payments is as follows (dollars in thousands):

Fiscal Year	Ameresco	Johnson Controls	Zoo Parking Deck	Other Capital Leases	Total
2022	\$ 625	\$ 1,045	\$ 2,471	\$ 1,839	\$ 5,980
2023	644	1,071	2,468	—	4,183
2024	663	1,110	2,472	—	4,245
2025	683	1,144	2,473	—	4,300
2026	703	1,179	2,470	—	4,352
2027-2031	3,845	6,098	12,349	—	22,292
2032-2036	349	—	12,349	—	12,698
2037-2041	—	—	2,470	—	2,470
Total minimum payments	7,512	11,647	39,522	1,839	60,520
Less amounts representing interest	(959)	(1,387)	(12,307)	(31)	(14,684)
Minimum capital lease payments	\$ 6,553	\$ 10,260	\$ 27,215	\$ 1,808	\$ 45,836
Gross Capital Asset Value	\$ —	\$ —	\$ 37,098	\$ 58,128	\$ 95,226
Accumulated Amortization	—	—	(927)	(50,647)	(51,574)
Net Capital Asset Value	\$ —	\$ —	\$ 36,171	\$ 7,481	\$ 43,652

Operating Leases

The City has entered into several lease agreements for operating purposes. These lease agreements qualify as operating leases for accounting purposes.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

F. Leases, continued

The future minimum lease payments are as follows (dollars in thousands):

2022	\$	2,156
2023		1,737
2024		1,672
2025		1,563
2026		1,593
2027-2031		7,896
2032-2036		8,426
2037-2041		3,346
2042-2046		<u>976</u>
Total minimum payments	\$	<u>29,365</u>

The total amount of lease expenditures for the year ended June 30, 2021, amounted to \$4,678,000.

G. Restricted Net Position and Restricted Assets

The various bond covenants require certain restrictions of net position of the Department of Aviation. Restricted net position at June 30, 2021 is as follows (dollars in thousands):

	Department of Aviation
Debt service and debt service reserve	<u>\$ 404,275</u>
Capital Projects	<u>544,054</u>
Total	<u><u>\$ 948,330</u></u>

The General Fund, because of covenants required by the 1998 Georgia Municipal Association Certificates of Participation, is required to keep certain restricted balances. This includes the investment account related to the 1998 lease pool, as discussed further in Note III. H. The Municipal Option Sales Tax Fund (MOST), as required by City ordinance, is required to transfer all revenue collections to the Department of Watershed Management for the purpose of funding water, wastewater and storm water infrastructure improvement and repair. The Other Governmental Funds contain restricted assets representing amounts which are required to be maintained pursuant to City ordinances for capital purposes, renewal and extension and sinking funds, and funds received for specific purposes pursuant to U. S. Government grants.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

G. Restricted Net Position and Restricted Assets, continued

Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources that may be used only to service outstanding debt. Other assets are restricted by bond ordinances for capital purposes. Restricted assets of the enterprise funds at June 30, 2021 are as follows (dollars in thousands):

	<u>Department of Watershed Management</u>	<u>Department of Aviation</u>	<u>Total</u>
Renewal and Extension Fund:			
Cash and cash equivalents	\$ —	\$ 14,847	\$ 14,847
Other assets	—	7,787	7,787
Passenger Facility Charge Fund:			
Cash and cash equivalents	—	66,637	66,637
Other assets	—	18,579	18,579
Investments	—	494,678	494,678
Customer Facility Charge Fund:			
Cash and cash equivalents	—	20,685	20,685
Other assets	—	1,892	1,892
Construction Fund:			
Cash and cash equivalents	—	260,953	260,953
Sinking Funds:			
Cash and cash equivalents	—	225,993	225,993
Other assets	—	759	759
Investments	—	178,281	178,281
Construction Revenue Funds:			
Cash and cash equivalents	171,087	—	171,087
Sinking Fund:			
Cash and cash equivalents	—	—	—
Restricted interest receivable	652	—	652
Investments - Guaranteed Investment Contracts	165,982	—	165,982
Total	<u>\$ 337,721</u>	<u>\$ 1,291,091</u>	<u>\$ 1,628,812</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations

Changes in long-term liabilities for governmental activities during the fiscal year ended June 30, 2021, follow (dollars in thousands):

	Balance at June 30, 2020	Additions	Reductions	Balance at June 30, 2021	Due within One Year
Governmental activities:					
Long-term debt:					
General obligation and annual bonds	\$ 273,900	\$ 3,455	\$ (29,705)	\$ 247,650	\$ 27,225
Issuance premiums	23,922	544	(3,309)	21,157	—
	<u>297,822</u>	<u>3,999</u>	<u>(33,014)</u>	<u>268,807</u>	<u>27,225</u>
Certificate of Participation	63,380	—	(4,220)	59,160	4,430
Issuance premiums	7,056	—	(998)	6,058	—
	<u>70,436</u>	<u>—</u>	<u>(5,218)</u>	<u>65,218</u>	<u>4,430</u>
APSJFA revenue bonds	20,070	—	(2,515)	17,555	2,615
Issuance premiums	2,090	—	(539)	1,551	—
	<u>22,160</u>	<u>—</u>	<u>(3,054)</u>	<u>19,106</u>	<u>2,615</u>
SWMA revenue refunding bonds	4,015	—	(1,965)	2,050	2,050
Limited obligation bonds	323,960	—	(33,755)	290,205	34,385
Issuance premiums	11,216	—	(2,659)	8,557	—
	<u>335,176</u>	<u>—</u>	<u>(36,414)</u>	<u>298,762</u>	<u>34,385</u>
Other long-term debt:					
Loan Payable	926	—	(58)	868	59
1998 GMA lease pool	32,444	—	—	32,444	—
Intergovernmental agreements	415,796	594	(49,934)	366,456	15,821
Installment sale program	8,330	—	(910)	7,420	960
Capital leases	22,390	28,315	(4,869)	45,836	4,231
	<u>1,209,495</u>	<u>32,908</u>	<u>(135,436)</u>	<u>1,106,967</u>	<u>91,776</u>
Other long-term liabilities:					
Vacation and compensation payable	24,678	15,693	(3,531)	36,840	—
Health and dental claims payable	4,252	56,790	(56,433)	4,609	789
General claims payable	10,748	64,724	(4,145)	71,327	3,270
Net Pension liability	750,141	198,737	(94,981)	853,897	—
Net OPEB liability	672,417	22,666	(79,179)	615,904	23,995
Workers' compensation	29,432	5,269	(5,393)	29,308	5,978
	<u>1,491,668</u>	<u>363,879</u>	<u>(243,662)</u>	<u>1,611,885</u>	<u>34,032</u>
Total governmental activities long-term liabilities	<u>\$ 2,701,163</u>	<u>\$ 396,787</u>	<u>\$ (379,098)</u>	<u>\$ 2,718,852</u>	<u>\$ 125,808</u>

For the governmental activities, other long-term liabilities are primarily liquidated by the General Fund.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Changes in long-term liabilities for business-type activities during the fiscal year ended June 30, 2021, follow (dollars in thousands):

	Balance at June 30, 2020	Additions	Reductions	Balance at June 30, 2021	Due within One Year
Business-type activities:					
Long-term debt:					
Department of Aviation					
Facilities revenue bonds	\$ 2,815,580	\$ 364,600	\$ (616,890)	\$ 2,563,290	73,140
Bond issuance premiums	244,558	97,231	(37,761)	304,028	—
Bond issuance discounts	(92)	—	12	(80)	—
Capital lease obligations (equipment)	8,069	—	(457)	7,612	488
Department of Watershed Management					
System revenue bonds	2,720,285	505,380	(501,430)	2,724,235	90,265
Bond issuance premiums	279,265	—	(73,460)	205,805	—
Bond issuance discounts	(623)	—	124	(499)	—
GEFA notes payable	185,690	—	(4,482)	181,208	9,163
Capital lease obligations (equipment)	138,691	—	(5,341)	133,350	9,092
Nonmajor funds					
Capital lease obligations (equipment)	10,526	—	(2,119)	8,407	2,192
Revenue Bond - City Plaza	8,240	—	(360)	7,880	370
Bond issuance premiums	801	—	(88)	713	—
Revenue Bond - Parking Deck	13,195	—	(855)	12,340	885
Bond issuance premiums	1,444	—	(215)	1,229	—
Total long-term debt	<u>6,425,629</u>	<u>967,211</u>	<u>(1,243,322)</u>	<u>6,149,518</u>	<u>185,595</u>
Other long-term liabilities					
Unearned revenue	29,028	—	(3,779)	25,249	3,779
Landfill postclosure liability	16,763	202	—	16,965	—
Health and dental claims payable	2,404	31,945	(31,747)	2,602	445
Contract retention	35,534	—	(13,446)	22,088	18,322
General claims payable	3,342	16,405	(3,042)	16,705	1,795
Net Pension liability	364,223	70,452	(37,547)	397,128	—
Net OPEB liability	319,681	9,355	(56,240)	272,796	11,610
Workers' compensation	21,189	1,346	(3,829)	18,706	3,816
Total other long-term liabilities	<u>792,164</u>	<u>129,705</u>	<u>(149,630)</u>	<u>772,239</u>	<u>39,767</u>
Total business-type activities long-term liabilities	<u>\$ 7,217,793</u>	<u>\$ 1,096,916</u>	<u>\$ (1,392,952)</u>	<u>\$ 6,921,757</u>	<u>\$ 225,362</u>
Component Units					
Long-term Debt and other obligations					
Atlanta Fulton County Recreation Authority					
Due to primary government	\$ 17,571	\$ —	\$ (7,654)	\$ 9,917	\$ —
Revenue bonds	382,825	—	(10,110)	372,715	8,765
Total Atlanta Fulton County Recreation Authority	<u>400,396</u>	<u>—</u>	<u>(17,764)</u>	<u>382,632</u>	<u>8,765</u>
Atlanta Development Authority					
Revenue and other bonds	407,712	5,305	(25,145)	387,872	23,845
Bond issuance premiums	18,572	—	(1,355)	17,217	—
Housing Opportunity Bonds	—	594	—	594	—
Notes payable	—	20,580	—	20,580	—
Notes payable	9,431	—	(2,948)	6,483	4,139
Other long-term liabilities:					
Loans payable	3,666	—	—	3,666	—
Due to primary government	24,000	—	—	24,000	—
Other long-term liabilities	34,368	—	(121)	34,247	—
Total Atlanta Development Authority	<u>497,749</u>	<u>26,479</u>	<u>(29,569)</u>	<u>494,659</u>	<u>27,984</u>
Total component units long-term liabilities	<u>\$ 898,145</u>	<u>\$ 26,479</u>	<u>\$ (47,333)</u>	<u>\$ 877,291</u>	<u>\$ 36,749</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Governmental-type Activities

General Obligation Bonds and Annual General Obligation Bonds- are direct general obligations secured by the full faith and credit of the City. Principal and interest are payable through the general and debt service funds from ad valorem taxes levied on all taxable property within the City.

On November 14, 2019 the City issued its City of Atlanta Various Purpose General Obligation Bonds, Series 2019A in the aggregate principal amount of \$3,350,000 (the “Series 2019A Bonds”) and City of Atlanta General Obligation Refunding Bonds, Series 2019B in the aggregate principal amount of \$16,290,000 (the “Series 2019B Bonds”). The Series 2019A Bonds were issued for the purpose of (a) providing funds for renovating, improving, adding to, and equipping certain existing municipal buildings and facilities, and (b) paying certain costs of issuance. The Series 2019B Bonds were issued for the purpose of refunding a portion of the City of Atlanta General Obligation Refunding Bonds, Series 2009A, \$22,730,000 and (b) paying certain costs of issuance. By issuing the Series 2019B bonds, the City obtained an estimated economic gain of approximately \$1.06 million and obtained a net present value savings of approx \$638 thousand.

On June 29, 2021, the City issued its City of Atlanta Various Purpose General Obligation Bonds, Series 2021A in the aggregate principal amount of \$3,455,000 (the “Series 2021A Bonds”). The Series 2021A Bonds were issued for the purpose of (a) providing funds for the cost of acquiring a site or sites and constructing and equipping thereon municipal buildings and facilities, of acquiring property, both real and personal, necessary or desirable for use in connection therewith and (b) paying certain costs of issuance.

Certificate of Participation-On February 22, 2018 the Georgia Municipal Association (“GMA,” also referred to herein as the “Trustor”) issued \$43,335,000 in aggregate of Certificates of Participation (City of Atlanta Public Safety Projects), Series 2018 pursuant to the Indenture of Trust and Assignment of Installment Sale Agreement, dated as of February 1, 2018 (the “Indenture”), between GMA and U.S. Bank National Association, as trustee (the “Trustee”). The Series 2018 Certificates were issued for the purpose of : (a) acquiring various public safety projects in the City of Atlanta (the “City”), and (b) paying certain costs of issuance related to the Series 2018 Certificates.

Limited Obligation Bonds - Tax Allocation District Bonds are not general obligations of the City, but limited obligations of the City secured solely by and payable solely from tax allocation increments and local option sales tax revenues, the income of any, derived from the investment thereof, certain reserves and payments and the credit and liquidity facility and the standby guaranty. Neither the faith and credit nor the taxing power of the State of Georgia or any political subdivision thereof, including the City and Fulton County, is pledged as a security for the payment of principal, of redemption premium, if any and interest on the bonds.

On December 21, 2017, the City of Atlanta refunded all outstanding Atlantic Station Series 2007 Bonds in the amount of \$44.6 million and a portion of the Atlantic Station Series 2006 Bonds in the amount of \$80.2 million. The City issued the Atlantic Station Refunding Series 2017 Bonds in the aggregate par amount of \$85,380,000. The Series 2017 Refunding Bonds were issued for the purpose of (a) refunding all of the City’s outstanding Tax Allocation Refunding Bonds (Atlantic

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Station Project), Series 2007 (the “Series 2007 Bonds”), (b) refund a portion of the City’s outstanding Subordinate Lien Tax Allocation Bonds (Atlantic Station Project), Series 2006 (the “Subordinate Series 2006 Bonds”), (c) fund certain accounts with respect to the Series 2017 Bonds, including, among others, the Series 2017 Debt Service Reserve Account, and (d) pay certain costs of issuance related to the Series 2017 Bonds. By issuing the Series 2017 Bonds, the City obtained an estimated economic gain of approximately \$62.94 million and a net present value savings of approximately \$20.2 million.

Loan Payable- In July 2015, the City entered into an agreement by and between the Georgia Transportation Infrastructure Bank (GTIB), by and through the State Road and Tollway Authority (“SRTA”) in the aggregate principle amount of \$1,000,000. In FY 2019 the proceeds of the the GTIB loan were drawn down and used to fund the Street Light LED Conversion Project (Transportation Infrastructure Repair and Replacement). The repayment schedule commenced on March 1, 2019.

Intergovernmental Agreements:

Atlanta Urban Redevelopment Agency

On December 12, 2019, the Atlanta Urban Redevelopment Agency was provided authorization to issue the Atlanta Urban Redevelopment Agency Taxable Revenue Bonds (City’s Park Department Building Project) Series 2019 in the aggregate amount of \$25,000,000. The Series 2019 bonds were issued to provide financing for the cost of acquisition, construction and equipping of two vacant buildings, located at 160 Trinity Avenue, SW, Atlanta, Georgia 30303 and 185 Ted Turner Drive, SW, Atlanta, Georgia 30303, totaling approximately 129,000 gross square feet, and the associated land, for use by, among others, the City of Atlanta Department of Parks and Recreation and any other City Department, governmental agency or other tenant as may be designated, from time to time, by the City, together with a general use parking facility consisting of approximately 225 parking spaces, all located in the Urban Redevelopment Area (the “Project”) (including without limitation, reimbursing the City for certain eligible costs of the Project incurred or expended prior to the date of issuance of the Series 2019 Bonds) and paid certain cost related to the issuance of the Series 2019 Bonds.

Invest Atlanta

In September 2017, the Atlanta Development Authority d/b/a Invest Atlanta (the “Issuer”) issued \$25,700,000 in aggregate principal amount of its Revenue Bonds (Homeless Opportunity Project), Taxable Series 2017 (“Series 2017 Bonds”), for the purpose of: (a) financing, in whole or in part, the acquisition, renovation, installation and equipping of certain capital costs and related administrative and other expenses associated with emergency shelter, permanent supportive housing and transportation projects (collectively, the “Project”); and (b) paying certain costs of issuance related to the Series 2017 Bonds. The Regional Commission of Homelessness at the United Way (Homeless Commission”) offered a philanthropic match to the Series 2017 Bonds of up to \$25,000,000 which will be added to proceeds of the Series 2017 Bonds to fund the costs of the Project.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

In December 2017, the Atlanta Development Authority d/b/a Invest Atlanta (the “Issuer”) issued \$47,000,000 in aggregate principal amount of its Revenue Bonds (Beltline T-SPLOST Project), Taxable Series 2017 (“Series 2017 Bonds”), for the purpose of: (a) financing the acquisition and installation of lighting and security systems, and the acquisition of critical right-of-way to complete an approximately 21-mile loop circumscribing Atlanta Tax Allocation District number six- Beltline (“The Beltline TAD”). The City agreed to make payments to the Issuer (Invest Atlanta) from T-SPLOST Collections for such services in amounts sufficient to enable the Issuer (Invest Atlanta) to pay, when due, the principal of, and interest on the Series 2017 Bond and other amounts due under the bond resolution.

Atlanta Fulton County Recreation Authority

On August 2, 2017, the City entered into an Intergovernmental Lease Agreement with the Atlanta Fulton County Recreation Authority for the purpose of financing the design, acquisition, construction, installation and equipping of a portion of the Zoo Parking Garage consisting of a 3-story structured parking deck totaling approximately 400,000 square feet with approximately 1,000 parking spaces. See Note III.F for further discussion of this capital lease agreement.

Urban Residential Finance Authority.

On March 4, 2021, the Urban Residential Finance Authority issued up to \$50,000,000 of Georgia Taxable Draw-Down Revenue Bonds (Housing Opportunity Program), Series 2021 for the purpose of providing proceeds from the sale of the bonds to AHOI from which loans will be made to finance single-family housing and multi-family housing in the City and to provide land assemblage for such purposes. The City has guaranteed that it will make payments sufficient in time and amount to enable AHOI to pay the principal and interest on the bonds, with the guarantee lasting the full term of the debt. As of June 30, 2021, the principal balance of the Series 2021 bonds was \$594,300.

Arbitrage Rebate

The arbitrage rebate liability on all City issued obligations is treated as a claim or judgment upon occurrence. Certain City long-term debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the Federal government to the extent that those earnings exceed the interest cost on the related tax-exempt debt. At June 30, 2021, the City had no arbitrage rebate liability.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

A summary of governmental-type activities bonds payable and other general long-term obligations as of June 30, 2021, is as follows (dollars in thousands):

General Obligation Bonds:	
2014A Refunding Issue, \$15,365, 4.00% - 5.00%, due December 1, 2026	\$ 7,100
2014B Taxable Refunding Issue, \$40,025, 1.281% - 3.339%, due December 1, 2025	8,170
2015 Public Imp. Issue, \$252,000, 4.50% - 5.00%, due December 1, 2034	213,780
2016 Various Purpose General Obligation Bond \$3,575, 2.000%-4.000%, due December 1, 2025	1,970
2019A Various Purpose General Obligation Bonds \$3,350, 4.000% - 5.000%, due December 1, 2029	3,085
2019B General Obligation Refunding Bonds, \$16,290, 4.000%, due December 1, 2022	10,090
2021A Various Purpose General Obligation Refunding Bonds, \$3,455 3.00% - 4.000%, due June 30, 2031	3,455
	<hr/>
	247,650
Bond issuance premiums	21,157
Total general obligation and annual bonds payable	<hr/>
	268,807
Certificate of Participation:	
2016 City Court of Atlanta Project, Refunding \$32,160, 4.000%-5.000%, due December 1, 2026	19,410
2018 City of Atlanta Public Safety Projects Series, \$43,335, 3.000%-5.000%, due June 30, 2038	39,750
	<hr/>
	59,160
Bond issuance premiums	6,058
Total certificate of participation	<hr/>
	65,218
APSJFA Revenue Bonds	
2016 Public Safety Facility Project, \$27,150, 4.25% - 5.00%, issued by the Atlanta Public Safety Judicial Facilities Authority, due December 1, 2026	17,555
Bond issuance premium	1,551
Total APSJFA revenue bonds payable	<hr/>
	19,106
SWMA Revenue Refunding Bonds:	
Series 2008, \$20,265, 4.00% - 5.00% issued by the Solid Waste Management Authority due December 1, 2021	2,050
	<hr/>
Limited Obligation Bonds:	
2001 Westside Project, \$14,995, (5.000% at June 30, 2021), due December 1, 2021	305
2005A Westside Project, \$72,350, (5.000% at June 30, 2021), due December 1, 2023	20,470
2005B Westside Project, \$10,215, (5.000% at June 30, 2021), due December 1, 2023	2,975
2006 Atlantic Station, \$166,515, (5.00% at June 30, 2021), December 1, 2024	55,205
2008 Westside, \$63,760 3.27%, due December 1, 2037	40,600
2014 Perry Bolton Project, \$21,000, 3.00% - 5.00%, due July 1, 2041	13,770
2016B Princeton Lakes Refunding, \$4,955, 3.25%, due January 1, 2027	4,265
2016A Beltline Refunding, \$21,600, 3.00%-5.00%, due June 30, 2031	16,710
2016B Beltline Refunding, \$39,035, 3.00%-5.00%, due June 30, 2031	30,675
2016C Beltline Refunding, \$6,290, 1.984%-4.579%, due June 30, 2031	4,800
2016D Beltline Project, \$39,605, 3.00%-5.00%, due June 30, 2031	29,115
2016E Beltline Project, \$38,325, 1.984%-3.879%, due June 30, 2025	18,520
2017 Atlantic Station Refunding, \$85,380, 5.000%, due December 01, 2024	52,795
	<hr/>
Total Limited Obligation Bonds	290,205

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Bond issuance premiums	8,557
Total limited obligation bonds payable	298,762
Total bonds payable	653,943
Other general long-term debt	
GTIB Loan, \$1,000, 2.48%, due February 1, 2034	868
1998 GMA Loan Pool, \$32,444, 4.75%, due November 30, 2028	32,444
1998 Installment Sale Program, \$103,130, 5.00%, due December 1, 2023 (1998 COPS)	7,420
2007 Intergovernmental Agreement guaranteed payments toward 2007A Zoo Revenue Bonds, \$14,315,4.125% - 5.00%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2027	3,007
2010 Intergovernmental Agreement guaranteed payments toward Series 2010 Taxable Recovery Zone Economic Development Bonds, \$22,775, 5.370%, issued by the Atlanta Urban Redevelopment Agency, due January 1, 2028	10,805
2014 Intergovernmental Agreement Guaranteed payments toward 2014A Park Improvement Revenue and Refunding Bonds, \$61,180, 2.00%-5.00%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2025	49,345
2015 Intergovernmental Agreement Guaranteed payments toward 2015 Revenue Bonds (New Downtown Atlanta Stadium Project), \$224,655, 1.40% - 5.00%, issued by the Atlanta Development Authority, due July 1, 2044	206,825
2017 Intergovernmental Agreement Guaranteed payments toward 2017 URFRA Taxable Revenue Bond, \$63,685, 1.250%-2.839%, due June 30, 2037	49,455
2017 Intergovernmental Agreement Guaranteed payments toward 2017 Revenue Bonds (Homeless Opportunity Project), \$25,700, 1.500%-3.565%, issued by the Atlanta Development Authority due June 30, 2037	22,440
2019 Intergovernmental Agreement Guaranteed payments toward 2019 Revenue Bonds (AURA City Park Building Project), \$25,000, 1.767%-3.298%, issued by the Atlanta Urban Redevelopment Agency due December 01, 2039	23,985
2021 Intergovernmental Agreement Guaranteed payments toward 2021 Taxable Draw Down Revenue Bond (Housing Opportunity Program), \$50,000, 1.05%, issued by the Urban Residential Finance Authority, due March 4, 2026.	594
	407,188
Capital leases	45,836
Total long-term debt	\$ 1,106,967

Business-type Activities

Revenue bonds are payable solely from revenues generated by enterprise fund activities. The various revenue bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of a flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. There are a number of limitations and restrictions contained in the various bond indentures.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Department of Aviation (DOA)

The City has issued various revenue bonds on behalf of the Department of Aviation to finance its extensive airport capital improvement projects. The net revenues, as defined in the 2000 Airport Master Bond Ordinance as supplemented and amended, generated by operating activities are pledged as security for the bonds. Interest is payable semi-annually on the first of January and July.

The City has issued commercial paper, classified as short-term debt, and bond anticipation notes, classified as short-term and long-term debt, to provide interim financing for long-term projects that will ultimately be funded with bonds, PFC debt, or City dollars through its renewal and extension fund.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Summary of Department of Aviation long-term debt at June 30, 2021, consists of the following (dollars in thousands):

Facilities Revenue Bonds:	
General Revenue and Refunding Bonds:	
Airport General Revenue Refunding Bonds, Series 2012A, combination serial at 2.00% – 5.00% and term, at 4.00% – 5.00% through 2042	54,660
Airport General Revenue Refunding Bonds, Series 2012B, combination serial at 3.00% – 5.00% and term, at 5.00% through 2042	160,285
Airport General Revenue Refunding Bonds, Series 2012C, combination serial at 4.00% – 5.00% and term, at 5.00% through 2042	195,395
Airport General Revenue and Refunding Bonds, Series 2014B, 3.0% - 5.0%, due serially through 2033	118,495
Airport General Revenue and Refunding Bonds, Series 2014C, 2.0% - 5.0%, due serially through 2030	87,705
Airport General Revenue Bond - Non-AMT Series 2019A at 2.00% – 5.00% due serially through 2049	47,150
Airport General Revenue Bond - AMT Series 2019B at 2.00% – 5.00% due serially through 2049	254,215
Airport General Revenue Bond - AMT Series 2019E at 4.00% – 5.00% due serially through 2039	98,695
Airport General Revenue Refunding Bonds - Non-AMT Series 2020A at 4.00% - 5% due serially through 2030	238,530
Airport General Revenue Refunding Bonds - AMT Series 2020B at 4% - 5% due serially through 2030	126,070
Total General Revenue and Refunding Bonds	<u>1,381,200</u>
Passenger Facility Charge (PFC) and Subordinate Lien General Revenue Bonds:	
PFC and Subordinate Lien General Revenue Refunding Bonds, Series 2014A at 4.0% - 5.0%, due serially through 2034	523,605
PFC and Subordinate Lien GARB Non-AMT, Series 2019C, at 4.00% – 5.00%, due serially through 2040	185,670
PFC and Subordinate Lien GARB AMT, Series 2019D, at 4.00% – 5.00%, due serially through 2040	220,105
PFC and Subordinate Lien General Revenue Refunding Bonds, Series 2019F, at 4.00% – 5.00%, due serially through 2025	119,025
Total PFC and Subordinate Lien General Revenue Bonds	<u>1,048,405</u>
Customer Facility Charge (CFC) Restricted Revenue Bonds:	
City of College Park Taxable Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project, Series 2006A at 5.758% - 5.965% (Conduit Debt)	122,000
City of College Park Taxable Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B at 4.0% - 4.5% (Conduit Debt)	11,685
Total Customer Facilities Charge Revenue Bonds	<u>133,685</u>
Total Facilities Revenue Bonds	<u>2,563,290</u>
Deferred amounts:	
Bond issuance premiums	304,028
Bond issuance discounts	(80)
	<u>303,948</u>
Capital Leases	7,612
Total long-term debt	<u><u>\$ 2,874,850</u></u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

On September 10, 2019, the Department of Aviation issued \$47,150,000 in the aggregate principal amount for the Airport General Revenue Bonds, Series 2019A (NON-AMT), \$254,215,000 in the aggregate principal amount for the Airport General Revenue Bond, Series 2019B (AMT), \$185,670,000 in the aggregate principal amount for the Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2019C (NON-AMT) and \$220,105,000 in the aggregate principal amount for the Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2019D (AMT). The 2019 Bonds were issued for the purpose of providing funds to, among other things: (a) finance or refinance the costs of planning, engineering, design, acquisition and construction of all or a portion of the 2019 Projects, which constitutes a portion of the Capital Plan to 2023; (b) pay capitalized interest during construction on a portion of the 2019 Bonds; (c) fund a deposit to the Debt Service Reserve account to meet Debt Service Reserve requirements related to the 2019 Bonds; and (d) pay certain costs of issuance with respect to the Series 2019 Bonds.

On October 29, 2019, the Department of Aviation issued \$100,585,000 in the aggregate principal amount for the Airport General Revenue Refunding Bonds, Series 2019E (NON-AMT), \$154,435,000 in the aggregate principal amount for the Airport Passenger Facility Charge and Subordinate Lien General Revenue Refunding Bonds, Series 2019F (NON-AMT). The Series 2019 Refunding Bonds were issued for the purpose of providing funds to among other things: (a) refund and redeem all or a portion of the outstanding principal amount of the Refunded Bonds; and (b) pay certain costs of issuance with respect to the Series 2019 Refunding Bonds. By issuing the Series 2019 bonds, the City obtained an estimated economic gain of approximately \$93.10 million and obtained a net present value savings of approx \$43 million.

On October 8, 2020, the City issued its Airport General Revenue Refunding Bonds, Series 2020A (Non-AMT) in the amount of \$238,530,000 and Airport General Revenue Refunding Bonds, Series 2020B (AMT) in the amount of \$126,070,000. These bonds were issued to refund and redeem all or a portion of the outstanding principal amount of the Series 2010C and Series 2011B Refunded Bonds and to pay certain cost of issuance for the Series 2020 Refunding Bonds. By issuing the Series 2020 bonds, the city obtained an estimated economic gain of approximately \$133.4 million and obtained a net present value of savings of approximately \$102.1 million.

Commercial Paper Notes: On August 7, 2019, the Department of Aviation issued an aggregate amount of \$950MM for Commercial Paper Notes J/K/L. The Notes J/K/L were issued to provide funds, on a short-term, interim basis, to: (a) finance and or refinance, a portion of the costs of the planning, engineering, design, acquisition, and construction of certain improvements to the Airport, as further described in the Twenty-Fifth Supplemental Bond Ordinance and (b) refund in whole or in part the principal and interest of any Outstanding D/F/H&I Commercial Paper Notes and 2018 Bond Anticipation Notes (BANs). The Series J Notes may be repaid and reissued as often as necessary to effectuate the purposes set forth in the Twenty-Fifth Supplemental Bond Ordinance, so long as the aggregate principal amount outstanding of the Series J Notes, does not exceed \$350 million at any one time, or such lesser amount specified in the related New Program Order. The Series K Notes may be repaid and reissued as often as necessary to effectuate the purposes set forth

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

in the Twenty-Fifth Supplemental Bond Ordinance, so long as the aggregate principal amount outstanding of the Series K Notes, does not exceed \$475 million at any one time, or such lesser amount specified in the related New Program Order. The Series L Notes may be repaid and reissued as often as necessary to effectuate the purposes set forth in the Twenty-Fifth Supplemental Bond Ordinance, so long as the aggregate principal amount outstanding of the Series L Notes, does not exceed \$125 million at any one time, or such lesser amount specified in the related New Program Order.

Changes in commercial paper notes are as follows (in thousands):

	Balance at June 30, 2020	Additions	Reclass	Retirements	Balance at June 30, 2021	Due within one year
Commercial paper notes	\$ 357,902	140,912	—	—	498,814	498,814
Total notes	<u>\$ 357,902</u>	<u>140,912</u>	<u>—</u>	<u>—</u>	<u>498,814</u>	<u>498,814</u>

All Department of Aviation bond ordinances require the maintenance of sinking funds to provide for debt service on the related bonds. The Airport Master Bond Ordinance also requires the Department of Aviation to maintain a ratio of Net Airport Revenue to Aggregate Debt Service, as defined, of at least 120%.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Department of Watershed Management

Summary of revenue bonds payable and GEFA notes payable at June 30, 2021 consists of the following (dollars in thousands):

Revenue and Refunding Revenue Bonds:

Water and Wastewater Revenue Bonds, \$1,096,140 Series 1999A, (5.50%), due serially and term through 2022	\$ 75,460
Water and Wastewater Revenue Bonds, \$415,310 Series 2001A, (5.50%), due serially and term through 2027	85,055
Water and Wastewater Revenue Bonds, \$849,330 Series 2004A, combination serial (5.75%), due serially and term through 2030	134,110
Water and Wastewater Refunding Revenue Bonds, \$448,965 Series 2009B, combination serial (4.00% - 5.50%) and term bonds (5.25-5.375%), due serially and term through 2039	53,100
Water and Wastewater Refunding Revenue Bonds, \$200,140 Series 2013B, (5.0% - 5.50%), due serially and term through 2030	65,190
Water and Wastewater Revenue Refunding Bonds, \$1,237,405 Series 2015, (2.00% - 5.00%), due serially and term through 2043	854,045
Water and Wastewater Revenue Refunding Bonds, \$226,175 Series 2017A, (3.50% - 5.00%), due serially through 2039	219,880
Water and Wastewater Revenue Refunding Bonds, \$51,210 Series 2018A, serial bonds (5.00%), due serially through 2041	51,210
Water and Wastewater Revenue Refunding Bonds, \$289,730 Series 2018B, term bonds (3.50% - 5.00%), due serially through 2047	280,010
Water and Wastewater Revenue Refunding Bonds, \$288,900 Series 2018C, serial bonds (4.00% - 5.00%), due serially through 2038	288,900
Water and Wastewater Revenue Refunding Bonds, \$14,020 Series 2018D, term bonds (3.50% - 5.00%), due serially through 2028	11,620
Water and Wastewater Revenue Refunding Bonds, \$103,135, Series 2019, serial bonds (2.00% - 5.00%), due serially through 2038	100,275
Water and Wastewater Revenue Refunding Bonds, \$61,949, Taxable Series 2020, serial bonds (2.00% - 5.00%), due serially through 2057	790
Water and Wastewater Revenue Refunding Bonds, \$504,590, Series 2020, serial bonds (2.00% - 5.00%), due serially through 2038	504,590
	2,724,235
Bond issuance premiums	205,805
Bond issuance discounts	(499)
Total revenue bonds	2,929,541
Georgia Environmental Facilities Authority (GEFA) Notes Payable:	
Georgia Environmental Facilities Authority (GEFA) \$4,669 Loan, 3.00% due serially through 2024	842
Georgia Environmental Facilities Authority (GEFA) \$19,006 Loan, 3.82%, due serially through 2036	12,099
Georgia Environmental Facilities Authority (GEFA) \$19,034 Loan, 3.92%, due serially through 2037	12,821
Georgia Environmental Facilities Authority (GEFA) \$19,021 Loan, 4.12%, due serially through 2038	13,544
Georgia Environmental Facilities Authority (GEFA) \$31,409 Loan, 3.00%, due serially through 2037	20,477
Georgia Environmental Facilities Authority (GEFA) \$31,053 Loan, 3.00%, due serially through 2038	20,901
Georgia Environmental Facilities Authority (GEFA) \$31,216 Loan, 3.00%, due serially through 2038	20,698
Georgia Environmental Facilities Authority (GEFA) \$5,500 Loan, 3.00%, due serially through 2033	3,622
Georgia Environmental Facilities Authority (GEFA) \$3,000 Loan, 3.81%, due serially through 2033	2,041
Georgia Environmental Facilities Authority (GEFA) \$34,990 Loan, (3.00%), due serially through 2035	26,974
Georgia Environmental Facilities Authority (GEFA) \$51,426 maximum gross loan (2.03%), due serially through 2038	45,896
Georgia Environmental Facilities Authority (GEFA) \$45,000 maximum gross loan (2.25%), construction status	176
Georgia Environmental Facilities Authority (GEFA) \$12,851 maximum gross loan (2.25%), construction status	641
Georgia Environmental Facilities Authority (GEFA) \$25,000 maximum gross loan (2.25%), construction status	476
Total GEFA notes payable	181,208
Capital leases	133,350
Total long-term debt	\$ 3,244,099

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

The revenue bonds are payable from DWM revenue and are collateralized by DWM's revenue remaining after reasonable and necessary operating and maintenance costs. In addition, the bond ordinances require the maintenance of sinking funds to provide for debt service on the related bonds. The ordinances require that revenue must be 110% of maximum annual debt service.

On July 11, 2018, the City of Atlanta issued approximately \$289.7 million of its Water and Wastewater Revenue Refunding Bonds, Series 2018B (the "Series 2018B Bonds"). The Series 2018B Bonds were issued to: (a) pay all or a portion of the cost of the 2018 Project; (b) pay the outstanding principal portion of maturing 2015 Commercial Paper Notes; (c) fund a deposit to the Debt Service Reserve Account and (d) pay the costs of issuance related to the Series 2018B Bonds.

On October 24, 2018, the City of Atlanta issued approximately \$288.9 million of its Water and Wastewater Revenue Refunding Bonds, Series 2018C (the "Series 2018C Bonds"). The Series 2018C Bonds were issued to: (a) refund all of the City's outstanding Series 2013A bonds; and (b) pay the costs of issuance related to the Series 2018C Bonds. By issuing the Series 2018C bonds, the City obtained and estimated economic gain of approximately \$53.96 million and obtained a net present value savings of approx \$34.5 million.

On November 28, 2018, the City of Atlanta issued approximately \$14.0 million of its Water and Wastewater Revenue Refunding Bonds, Series 2018D (the "Series 2018D Bonds"). The Series 2018D Bonds were issued to: (a) fund all or a portion of the cost of the Series 2018D project; and (b) pay the costs of issuance related to the Series 2018D Bonds.

On August 29, 2019, the City of Atlanta issued approximately \$103.1 million of its Water and Wastewater Revenue Refunding Bonds, Series 2019 (the "Series 2019 Bonds"). The Series 2019 Bonds were issued to: (a) refund a portion of the City's Water and Wastewater Revenue Bonds, Series 2009B; and (b) pay the costs of issuance related to the Series 2019 Bonds. By issuing the Series 2019A bonds the City obtained a net present value savings of approx \$39.9 million.

On September 18, 2020 the City of Atlanta issued its Water and Wastewater Draw-Down Revenue Bond (North Fork Project), Taxable Series 2020 in the aggregate amount of \$61,949,715 (The "Series 2020 WIFIA Bonds"). The Series 2020 WIFIA Bonds were issued for the purpose of financing certain eligible project costs of the North Fork Storage Tank and Pump Station Project and costs of issuance related to the Series 2020 WIFIA Bonds.

On October 29, 2020, the City of Atlanta issued approximately \$504.6 million of its Water and Wastewater Revenue Refunding Bonds, Series 2020 (the "Series 2020 Bonds"). The Series 2020 Bonds were issued to: (a) refunding the "Refunding Bonds," which comprised of a portion of the City's outstanding Water and Wastewater Revenue Refunding Bonds, Series 2013B bonds (the "Series 202013B Bonds"); and Water and Wastewater Revenue Refunding Bonds, Series 2013B bonds (the "Series 202013B Bonds") and (b) paying the cost of insurance related to the Series 2020 Bonds. By issuing the Series 2020 bonds the City obtained a net present value savings of approximately \$52.4 million.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Commercial Paper Notes Payable

In August 2018, DWM authorized the issuance of the following Water and Wastewater Revenue Commercial Paper Notes (Series 2018 Notes), up to the amount of \$125,000,000. On August 1, 2018, DWM entered into a Letter of Credit and Reimbursement Agreement which expires on August 2, 2021 with Wells Fargo Bank, National Association to facilitate the payment of principal and interest on the Series 2018 Notes in the principal amount of \$125 million for the 2018 Commercial Paper Program. The Series 2018 Notes were issued to: (A) finance or refinance, on an interim basis, the costs of planning, engineering, design, acquisition, construction and reconstruction of certain additions, extensions, improvements and betterments included as a part of a multi-phase long term capital improvement program for DWM, (B) refund in whole or in part the principal of and interest on outstanding Series 2018 Notes, and (C) pay expenses necessary to accomplish the foregoing. Revenue of DWM is pledged as security for payments on the Series 2018 Notes, which is junior and subordinate to the pledge of revenue securing DWM's long-term debt.

The Series 2018 Notes do not constitute a debt, liability, or obligation of the City's governmental funds, or a pledge of the faith and credit or taxing power of the City. The Series 2018 Notes are considered a short-term obligation of DWM and may be repaid and reissued as often as necessary to affect the purposes set out in the program.

Short-term debt activity for the years ended June 30, 2021, was as follows (in thousands):

	<u>2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>2021</u>
Commercial paper	\$ 16,258	19,711	—	35,969

The City issued \$19,711,000 of its Series 2018 Water and Wastewater Commercial Paper Notes during fiscal year 2021.

Sanitation Fund

State and federal laws and regulations require the City to place final covers on its four landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. The City has landfill sites at Cascade Road, Key Road, Gun Club Road, and East Confederate Road. All City landfills were certified by the State of Georgia as closed during 2001 and only post-closure care costs will be incurred in the future. Although post-closure care costs will be paid over the remaining number of post-closure years, the City accrued a liability for those costs as the landfills were accepting waste. The \$16,964,598 reported as the landfill post-closure costs liability at June 30, 2021, represents the cumulative amount of post-closure costs expected to be incurred over the required 30 year monitoring period which began in 2001. These amounts are estimates calculated by management of the City of what it would cost to perform all post-closure care. Actual costs may differ from estimates due to inflation, changes in technology or regulations. Post-closure care costs will be funded by future sanitary charges of the Sanitation Fund or from future contributions from the General Fund, if necessary.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Interest Rate Exchange Agreements (SWAPs) and Associated Bonds

General Government

On June 25, 1998, the City, along with other Georgia municipal entities, entered into an interest rate swap agreement with Morgan Guaranty Trust Company of New York (Swap 1). The City's swap agreement is associated with a portion of the fixed rate Georgia Local Government Grantor Trust Certificates of Participation, Series 1998A with a total principal amount of \$150,126,000. The City is responsible for \$32,444,000 of principal of the Series 1998A bonds and \$32,444,000 of notional amount of the Series 1998A Swap.

The following Georgia Local Government Grantor Trust COPs, dated June 1, 1998, are associated with Swap 1:

<u>Georgia Local Government Grantor Trust COP</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
City of Atlanta's portion of Series 1998A	June 1, 2028	\$32,444,000
Other Municipalities' portion of Series 1998A	June 1, 2028	117,682,000
Total		<u><u>\$150,126,000</u></u>

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2021, classified by type, and the changes in fair value of such derivative instruments for the years then ended are as follows (in thousands):

Swap	Terms	2021 Changes in Fair Value		Fair Value at June 30, 2021		Notional
		Classification	Amount	Classification	Amount	
1	Receive-fixed interest rate swaps	Deferred Inflow	\$2,354	Hedging	\$7,906	32,444

The fair value was estimated using zero coupon method. This method calculates the future net settlement payments required by the swaps, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of the swaps.

The fair values of derivative liabilities have been adjusted for nonperformance risk, which includes, but may not be limited to, the City's own credit risk. Inputs to the valuation techniques for the City's over-the-counter interest rate swaps are categorized as Level 2 as defined in GASB Statement No. 72.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

The following table displays the objective and terms of the City's hedging derivative instrument that was outstanding as of June 30, 2021, along with the credit rating of the counterparty.

Swap	Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
1	Receive-fixed interest rate swap	Hedge of changes in fair values of fixed debt obligations	\$32,444,000	7/21/1998	6/1/2028	Receive 4.75%; pay SIFMA + 31bps	AA/Aa2/A+

* AA issued by Fitch, London; Aa2 issued by Moody's, New York; A+ issued by Standard & Poor's, New York.

Risks

Credit Risk - Credit risk is the risk that a counterparty will not fulfill its obligations. A counterparty's likelihood of default under the terms of the agreement can be measured by the credit ratings of the counterparty. The counterparty is rated AA as issued by Fitch, London, Aa2 as issued by Moody's, New York, and A+ as issued by Standard & Poor's, New York.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the City's financial instruments or its cash flows. The City is exposed to interest rate risk on its receive-fixed, pay-variable interest rate swap. The fixed rate payments made on the Series 1998A bonds and the fixed rate payments received on the swap offset each other, leaving the City to make variable rate swap payments based on the SIFMA index plus 0.31%. As of June 30, 2021, the SIFMA index rate was 0.03% and the floating interest rate paid on the swap was 0.34%. As a result of the City being exposed to interest rate risk, variable rate payments on the swap will increase if the SIFMA index increases.

Basis Risk - Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedge item are based on different reference rates. The City is not exposed to basis risk on its receive-fixed interest rate swap hedging instrument because the fixed-rate payments made to the counterparty exactly offset the fixed rate payments received from the counterparty.

Termination Risk - Termination risk is the risk that a hedging derivative instrument's unscheduled end will affect the City's asset and liability strategy or will present the City with a potentially significant unscheduled termination payment to the counterparty. The swap can be voluntarily terminated for economic reasons, or involuntarily terminated as a result of an event of default or other termination event.

Rollover Risk - Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The City is not exposed to rollover risks because the hedging derivative instrument associated with the hedgeable debt item extends to the maturity of the hedgeable debt item.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Debt Service Requirements

The following summarizes the debt service requirements of long-term debt at June 30, 2021 (dollars in thousands):

Year Ended June 30	Governmental Activities					
	General Obligations		SWMA Revenue Bonds		APSJFA Revenue Bond	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 27,225	\$ 11,088	\$ 2,050	\$ 41	\$ 2,615	\$ 743
2023	16,705	10,119	—	—	2,715	642
2024	14,585	9,383	—	—	2,835	523
2025	15,330	8,675	—	—	2,980	377
2026	15,815	7,942	—	—	3,130	227
2027-2031	81,015	28,485	—	—	3,280	76
2032-2036	76,975	7,757	—	—	—	—
	<u>\$ 247,650</u>	<u>\$ 83,449</u>	<u>\$ 2,050</u>	<u>\$ 41</u>	<u>\$ 17,555</u>	<u>\$ 2,588</u>
Year Ended June 30	Certificate of Participation		Limited Obligations		Other General LT Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
	2022	\$ 4,430	\$ 2,753	\$ 34,385	\$ 11,762	\$ 21,071
2023	4,635	2,541	36,730	10,431	22,124	7,406
2024	4,835	2,335	73,225	8,893	21,470	6,773
2025	5,045	2,120	81,175	5,587	18,894	6,222
2026	5,290	1,879	11,855	3,112	20,271	5,726
2027-2031	14,425	6,622	48,975	7,824	130,241	20,882
2032-2036	13,895	3,458	1,485	854	99,972	8,911
2037-2041	6,605	334	—	594	66,020	558
2042-2046	—	—	2,375	59	52,961	—
	<u>\$ 59,160</u>	<u>\$ 22,042</u>	<u>\$ 290,205</u>	<u>\$ 49,116</u>	<u>\$ 453,024</u>	<u>\$ 64,493</u>
Year Ended June 30	Business-Type Activities				Watershed Management Revenue Bonds	
	Aviation		GA Environmental Facilities-DWM		Principal	Interest
	Principal	Interest	Principal(1)	Interest	2022	\$ 90,265
2022	\$ 73,140	\$ 127,823	\$ 9,163	\$ 5,215	\$ 94,972	\$ 114,535
2023	76,880	119,880	9,444	4,940	95,303	110,005
2024	95,720	115,911	9,645	4,656	102,268	105,319
2025	121,300	110,721	9,691	4,369	108,018	87,891
2026	140,620	104,163	9,983	4,077	610,200	419,715
2027-2031	883,805	398,887	54,632	15,670	685,296	279,722
2032-2036	459,300	218,435	59,636	6,963	702,538	126,394
2037-2041	544,285	105,240	19,014	495	200,604	22,812
2042-2046	100,500	23,453	—	—	34,602	1,760
2047-2051	67,740	5,552	—	—	129	7
2052-2056	—	—	—	—	40	—
2057-2061	—	—	—	—	—	—
	<u>\$ 2,563,290</u>	<u>\$ 1,330,065</u>	<u>\$ 181,208</u>	<u>\$ 46,385</u>	<u>\$ 2,724,235</u>	<u>\$ 1,387,128</u>

(1) Includes the anticipated full debt service of three loans currently in construction status. The City is drawing down on these respective loans, not to exceed the aggregate amount of \$82.9 million.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Debt Service Requirements, continued

Year Ended June 30	Business-Type Activities					
	City Plaza		Downtown Parking Deck		Solid Waste	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 370	\$ 330	\$ 855	\$ 533	\$ 2,192	\$ 265
2023	385	314	925	497	2,270	188
2024	405	297	970	459	2,350	108
2025	425	276	1,005	420	1,595	28
2026	445	254	1,040	373	—	—
2027-2031	2,605	902	6,100	1,006	—	—
2032-2036	3,245	266	1,445	21	—	—
	<u>\$ 7,880</u>	<u>\$ 2,639</u>	<u>\$ 12,340</u>	<u>\$ 3,309</u>	<u>\$ 8,407</u>	<u>\$ 589</u>

Year Ended June 30	Component Units			
	Recreation Authority		Atlanta Development Authority	
	Principal	Interest	Principal	Interest
2022	\$ 8,765	\$ 16,943	\$ 27,984	\$ 16,777
2023	9,120	16,590	30,601	15,981
2024	7,350	16,265	15,415	15,373
2025	19,625	22,694	16,000	14,731
2026	60,840	77,916	81,565	63,011
2027-2031	72,035	53,695	81,890	45,346
2032-2036	71,485	37,543	77,280	25,381
2037-2041	84,045	20,060	63,620	8,743
2042-2046	39,450	2,193	—	—
	<u>\$ 372,715</u>	<u>\$ 263,899</u>	<u>\$ 394,355</u>	<u>\$ 205,343</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

H. Long Term Obligations, continued

Defeased Debt

The City has defeased various bond issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, removed as a liability from the City's government-wide and proprietary fund financial statements.

Below is a description of the City's defeased bonds and the outstanding balances as of June 30, 2021 (dollars in thousands):

Description of Bonds	Date Originally Issued	Original par Amount	Redemption Call Date	Date Defeased	Maturities Defeased	Interest Rate Defeased Bonds %	Amount Defeased	Outstanding 6/30/2021
Revenue Bonds								
2013B Water & Wastewater	9/12/2013	\$ 200,140	11/1/2030	10/29/2020	2021-2030	4.5-5.25%	\$ 58,170	\$ 65,190
2015 Water & Wastewater	3/12/2015	<u>\$1,237,405</u>	11/1/2043	10/29/2020	2021-2043	5%	<u>\$ 364,180</u>	<u>\$ 854,045</u>
		<u>\$1,437,545</u>					<u>\$ 422,350</u>	<u>\$ 919,235</u>

IV. Other Information

A. Risk Management

The City purchases a variety of insurance policies, including but not limited to all risks property and specific liability policies. The City also purchases distinct and separate insurance policies for Hartsfield-Jackson Atlanta International Airport, including but not limited to property, airport owners and operators liability, and environmental liability. The policy limits are established in order to maximize potential recovery via insurance in the event of loss. Policy limits may range up to \$1 billion based on exposure to loss, and policies are subject to a range of deductibles. The City has not received any insurance settlements in the past three years that exceed commercial insurance coverage.

The City also administers an Owner Controlled Insurance Program (OCIP) that provides insurance coverage for enrolled contractors for certain construction projects at the airport. These policies include, but are not limited to, builders risk, general liability, workers' compensation and pollution liability.

Insurance requirements are established with contractors and consultants that do business with the City based on the scope of services and nature of the project(s). Contractors and consultants are generally required to maintain certain types of insurance coverage including but not limited to,

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Risk Management, continued

general liability, automobile liability, workers' compensation and professional liability. There has not been any material change to insurance coverage from the previous year.

Self-insurance

The City is self-insured for parts of the medical and dental plan, workers' compensation and general claims liabilities. The City pays for such claims as they become due. These claim liabilities are accounted for in the governmental activities of the government-wide financial statements and the applicable enterprise funds.

Workers' Compensation

The City's workers' compensation liability is calculated by an outside actuary. Liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated including amounts for claims incurred but not yet reported. The calculation of the present value of future workers' compensation liabilities, as calculated by the outside actuary, is based on a discount rate of 3.5% for 2021. The City has annual excess insurance coverage with a \$5 million per occurrence retention with no annual aggregate limit.

Health and Dental Insurance

The City's medical plan under Anthem Point of Service and its dental plan under Anthem PPO High/Low Option are fully self-insured. The Kaiser HMO, Aetna Dental DHMO and UHC Vision Plan are fully insured. The City's health and dental liability is calculated by an outside actuary firm. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not yet reported.

General Claims

The City is self-insured for actions presented against the City for fortuitous and/or negligent acts or omissions of its' officers and employees during the course and scope of employment. Actions based on the use of a City vehicle in the occurrence are self-insured and the City's governmental immunity is waived subject to statutory limits imposed by law. The City's Law Department administers these claims against the City. The City maintains a commercial policy of insurance for acts or omissions occurring on or about Hartsfield Jackson International Airport. The insurance carrier administers the claims for Hartsfield Jackson International Airport.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Risk Management, continued

Changes in the balances of claims liabilities for workers' compensation, health/dental insurance and general claims liabilities during the year ended June 30, 2021 were as follows (dollars in thousands):

	Beginning of period liability	Period claims and changes in estimates	Claim payments	End of period liability
Workers' compensation:				
2020	\$ 57,750	\$ 2,968	\$ (10,097)	\$ 50,621
2021	\$ 50,621	\$ 6,615	\$ (9,222)	\$ 48,014
Health and Dental claims:				
2020	\$ 7,676	\$ 80,116	\$ (81,136)	\$ 6,656
2021	\$ 6,656	\$ 88,735	\$ (88,180)	\$ 7,211
General claims liability:				
2020	\$ 21,194	\$ 7,203	\$ (14,307)	\$ 14,090
2021	\$ 14,090	\$ 81,129	\$ (7,187)	\$ 88,032

B. Commitments and Contingent Liabilities

Litigation

There have been ante litem notices based on incidents related to the civil unrest that occurred during the summer of 2020, but no new litigation at this point. The City is subject to various suits and proceedings arising in the ordinary conduct of its affairs and has been named as defendant in numerous lawsuits. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be reasonably estimated. The City has been named as defendant in several other suits and actions claiming personal and property damages. In the opinion of the City Attorney, all suits and actions now pending, or likely to be filed, will be resolved without a material effect on the financial position of the City.

Grants from Governments

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

Construction and Commitments

At June 30, 2021, the total estimated remaining costs on committed projects are \$59.7 million for the City, \$927.2 million for the Department of Aviation, and \$213.4 million for the Department of Watershed Management.

Department of Aviation

In an Assignment, Assumption and Release Agreement and Claim Resolution Agreement dated February 25, 2011, the City entered into settlement agreements with Northwest Airlines and the Georgia Environmental Protection Division (EPD) to settle all claims in exchange for transfer and assumption of environmental obligations of Leased Space formerly between Northwest and the

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

Georgia EPD. As of June 30, 2021, a restricted non-current asset is recorded for approximately \$5.1 million as a result of this settlement.

Department of Watershed Management

Other Governments

In July 1968, the City and DeKalb County, Georgia (DeKalb County) entered into an agreement (the "Clayton Agreement") providing for the construction of a 120 million gallons per day (MGD) water pollution control facility to be known as the R.M. Clayton Water Reclamation Center (the "Plant"). Pursuant to the Clayton Agreement, the City agreed to assume responsibility for the financing, construction, operation, and maintenance of the Plant. The Clayton Agreement gives DeKalb County the right to use 25 MGD, or 20.83%, of the plant capacity. The Clayton Agreement with DeKalb County was amended in 1987, to increase DeKalb County's capacity in the Plant to 50 MGD, which is 48.54% of the 103 MGD of average daily flow capacity.

In 1977, DeKalb County entered into an agreement for 2.62 MGD, or 5.82%, of the capacity rights in the South River Water Reclamation Center and 2.60 MGD, or 12.38%, of the capacity rights in the Intrenchment Creek Water Reclamation Center. These two Water Reclamation Centers, along with the R.M. Clayton Water Reclamation Center, are hereafter referred to as the "Plants".

Additional capital improvements may be made to the Plants to relieve excessive flows and/or loads that impair the efficient operation of the City's sewer system, to improve existing processes, to improve the efficiency of current operations, or to comply with applicable laws. In any such event, the DWM and DeKalb County have agreed to share the costs of such capital improvements, generally upon the basis of relative sewerage flow contributed by the City and DeKalb County, respectively.

DeKalb County, Fulton County, the City of Hapeville, the City of East Point and the City of College Park (collectively, the "Municipalities") share in the costs of the operation and maintenance of the R.M. Clayton, South River, Intrenchment Creek and Utoy Creek Water Reclamation Centers based upon the ratio that their sewerage flow bears to the total flows to the Plants. The Municipalities' share of the operation and maintenance costs for the Plants was \$20,983,000 for the year ended June 30, 2021. These payments are treated as operating revenue for the Department of Watershed Management.

The Municipalities have agreed to share in the capital improvement costs made to certain Plants with their share being based on their portion of the sewerage flow. The Municipalities' shares of the capital improvement costs was \$7,684,000 for the year ended June 30, 2021. These payments are treated as capital contributions. The amounts receivable from the Municipalities is included in the amount due from other governments in the accompanying financial statements.

Contingencies

Litigation - The Department is subject to various lawsuits and proceedings arising in the ordinary conduct of its affairs and has been named as defendant in several lawsuits claiming personal property damages. The City is working with most of the property owners to settle these claims that

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

primarily relate to water and sewer overflow issues. The nature of the Department's operations and the matters currently being alleged are such that similar suits may be filed in the future. The outcomes of these matters are not expected to materially affect the Department's financial position.

Other than the lawsuits discussed above, the Department has been named defendant of a class-action lawsuit in May 2014. Plaintiffs plead for a class-action lawsuit and allege that a payment-in-lieu-of-taxes (PILOT) and Franchise Fee paid by the Water and Wastewater enterprise fund to the City's General Fund is an illegal tax that must cease. The class seeks a refund for all allegedly illegal taxes paid since June 29, 2009, plus interest. The estimated maximum potential liability in that litigation is approximately \$62 million, and based on the current information available, the City believes it is more likely than not that it will be successful in its defense.

Consent Decrees for Wastewater System

DWM is subject to two related consent decrees the City entered into to resolve alleged violations of the Federal Clean Water Act and the Georgia Water Quality Control Act.

On October 10, 1995, the Upper Chattahoochee Riverkeeper Fund, Inc. (the "Riverkeeper"), brought suit against the City pursuant to the citizen suit provision of the Clean Water Act seeking injunctive relief and the assessment of civil penalties. Subsequently, the United States of America, acting at the request and on behalf of the Environment Protection Agency (EPA), and the State of Georgia, at the request of the Georgia Environmental Protection Division (EPD), also filed a complaint against the City alleging violations of the Clean Water Act and seeking similar relief. The actions were consolidated.

The plaintiffs alleged that the City violated the terms of its permits that authorize discharge of wastewater from the City's Combined Sewer Overflows (CSO) Control Facilities and its wastewater treatment facilities. In 1998, the plaintiffs and the City agreed to the entry of a consent decree relating to the CSO Control Facilities. On December 20, 1999, the First Amended Consent Decree (the "FACD") was entered into with the United States District Court for the Northern District of Georgia. The United States, the State of Georgia, and the City are the parties to the FACD. Because claims brought by Riverkeeper were resolved under the CSO Consent Decree, Riverkeeper is not a party to the FACD. Current CSO related contract commitments for the wastewater project are \$156,137,000.

CSO Consent Decree

With respect to the October 10, 1995 action brought against the City by Riverkeeper, the court dismissed allegations regarding the phosphorus reduction program and common law nuisance claims, but found that the City violated federal and State water pollution laws with regard to the City's operation of its Tanyard Creek, Proctors Creek/North Avenue, and Proctor Creek/Greensferry CSO treatment facilities. As mentioned, the City and the citizen plaintiffs settled the lawsuit in what is referred to as the CSO Consent Decree (EPA and the EPD also joined). The CSO Consent Decree required the City to study the performance of the existing CSO treatment facilities, evaluate treatment alternatives that may be necessary for meeting State water quality standards, and improve the performance, maintenance, operation, and management of the existing treatment facilities. As

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

of June 30, 2021, all projects required under the CSO Consent Decree were substantially complete. Remaining liabilities for the CSO are approximately \$29,881,000.

First Amended Consent Decree

The FACD resolved allegations regarding the City's wastewater treatment facilities, inter-jurisdictional requirements, and the City's sewerage collection and transmission system. For the wastewater treatment facilities, the FACD requires the City to: continue its ongoing wastewater treatment facilities Capital Improvement Program to complete upgrades at the R.M. Clayton, Utoy Creek, Intrenchment Creek, and South River Water Reclamation Centers; install and implement a maintenance management system, revise the current operations program, and implement upgrades to the current laboratory information system; and review its inter-jurisdictional agreements to address overloading and pretreatment issues. There are milestones that must be completed on schedule. The provisions regarding the wastewater treatment facilities were completed in March 2004. All capital improvements, upgrades, and repairs under the FACD had an original completion date of July 1, 2014.

Amendment to the First Amended Consent Decree

On September 24, 2012, the court entered an amendment to the FACD. This amendment contained five changes: (1) it extended the deadlines on the work to rehabilitate and provide capacity relief in the City's sewerage collection and transmission system with the final deadline for this work under the FACD extended from 2014 to 2027; (2) it eliminated the requirement that sewer lines that were merely surcharging as opposed to overflowing be upgraded; (3) it required that the City complete one major project, the Peachtree Creek Storage and Pump Station by July 1, 2014; (4) it required the City to reassess its financial capability on July 1, 2020 and accelerate remaining projects if financial conditions substantially improve; and (5) it required the City to report certain performance metrics to federal and state environmental protection agencies on a semi-annual basis as opposed to a quarterly basis. This amendment allowed the City to continue to improve the financial condition of its water and wastewater system, balance its competing system needs, and prevent a substantial increase in the burden on its ratepayers.

Clean Water Atlanta Program

The City is actively seeking federal and state grants and loans and other sources of funding to perform the tasks outlined above as part of its Clean Water Atlanta (the "CWA") Program. Key elements of the comprehensive funding and financing plan include the following:

- **Municipal Option Sales Tax (MOST)** - Effective October 1, 2004, a 1% municipal sales and use tax is being collected for retail sales and use occurring in the incorporated city limits of the City of Atlanta. Proceeds from this tax are used for operations, debt service and funding renovations to the City's water and sewer system. The MOST was approved by the City's residents in the July 2004 general election for a period not to exceed four years and for raising not more than \$750,000,000. Up to two extensions, at four years each can be approved by a vote of the City's residents. In the February 2008 general election, the residents approved the first extension and in the March 2012 general election, the residents approved the second extension. In 2010, the

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

- statute was amended to allow up to three four-year extensions. In May 2018, the City of Atlanta secured state legislative approval for additional referenda to continue MOST as a funding source for the Department's system improvements. Proceeds from the MOST for the year ended June 30, 2021 were approximately \$154,957,000, of which approximately \$15,313,000 was receivable from the Georgia Department of Revenue at June 30, 2021.
- Federal Appropriation - Some small Federal grants have been obtained and efforts to secure additional Federal grants continue.
- State GEFA Loans - The State of Georgia passed legislation to provide up to \$50 million per year in low interest Georgia Environmental Facilities Authority (GEFA) loans to the City. The City is pursuing the maximum loan amount for each year of the CWA Program. Liabilities for these loans will be recorded at the time funds are drawn. In fiscal year 2021, the City received no GEFA funding. As of June 30, 2021, the City had \$181,208,000 in short and long-term loans outstanding to GEFA.
- The City Council approved annual increases to the current water and wastewater rates to support revenue bonds financing the five year portion (2008 - 2012) of the CWA Capital Improvement Program. The graduated three tiered rate structure is intended to minimize, to the extent possible, the impact of rate increases on ratepayers to maintain affordability and to permit water conservation. The fiscal year 2017 - 2021 rates are summarized below. In addition to the rates shown below, each water and wastewater bill includes a \$.15 per 100 cubic feet security surcharge. In July 2012, the City Council approved holding the current water and wastewater rates at fiscal year 2012 levels through fiscal year 2021.

Graduated Monthly Water Rate Structure:

Water Consumption	2017	2018	2019	2020	2021
Base Charge	\$ 6.56	\$ 6.56	\$ 6.56	\$ 6.56	\$ 6.56
1-3 ccf	\$ 2.58	\$ 2.58	\$ 2.58	\$ 2.58	\$ 2.58
4-6 ccf	\$ 5.34	\$ 5.34	\$ 5.34	\$ 5.34	\$ 5.34
Above 7 ccf	\$ 6.16	\$ 6.16	\$ 6.16	\$ 6.16	\$ 6.16

Graduated Monthly Wastewater Rate Structure:

Water Consumption	2017	2018	2019	2020	2021
Base Charge	\$ 6.56	\$ 6.56	\$ 6.56	\$ 6.56	\$ 6.56
1-3 ccf	\$ 9.74	\$ 9.74	\$ 9.74	\$ 9.74	\$ 9.74
4-6 ccf	\$ 13.64	\$ 13.64	\$ 13.64	\$ 13.64	\$ 13.64
Above 7 ccf	\$ 15.69	\$ 15.69	\$ 15.69	\$ 15.69	\$ 15.69

Consent Orders for Drinking Water System

The City is subject to two administrative Consent Orders issued by the Georgia Department of Natural Resources Environmental Protection Division. They are dated December 9, 1997, and

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

March 21, 2003. Those Orders require capital improvement at the Chattahoochee and Hemphill Treatment Plants, as well as operational improvement to ensure compliance with Georgia Rules for Safe Drinking water. While the City is in substantial compliance with the provisions of both Orders, certain aspects of the capital program remain to be completed. Estimated remaining cost to satisfy the CSO is \$26,438,000.

Estimated Capital Costs to Complete Compliance with Decrees and Orders

The DWM is in the midst of a Capital Improvement Program mandated by court orders, regulatory and priority requirements. This Capital Improvement Program details all of the improvements needed through 2027 to meet the aforementioned objectives. The current cost estimate of the overall Capital Improvement Program is approximately \$1.36 billion. Total capital cost recorded to date is approximately \$3.62 billion.

The following is a summary of the funded and unfunded future costs to complete projects by type based on the current estimate:

<u>Project Types</u>	Total 2006-2027 CIP (In millions)	Remaining Cost 2022-2027 CIP (In millions)
Wastewater Projects:		
Consent Decree Program (CSO)	\$ 858	30
First Amended Consent Decree Program (SSO)	1,845	624
Regulatory	163	1
Renewal & Extension Fund Projects	892	351
	<u>3,758</u>	<u>1,006</u>
Water Projects:		
Consent Order	70	26
Non-Consent Order	1,217	328
	<u>1,287</u>	<u>354</u>
	<u>\$ 5,045</u>	<u>1,360</u>

COVID-19 Pandemic

Information regarding the COVID-19 pandemic and its effects evolves on a weekly basis, rendering predictions difficult to make with any reasonable degree of certainty. Due to the evolving nature of the COVID-19 pandemic, including variants of COVID-19 and the acceptance and effectiveness of the COVID-19 vaccines, and the responses of governments, businesses, and individuals to the COVID-19 pandemic, the City cannot predict, the scope, duration or extent of the COVID-19 pandemic or any other outbreak or pandemic may have on the operations of the Airport and the revenues and expenditures of the Department of Aviation.

The impact to water and wastewater revenues are primarily driven by a decrease in commercial and industrial water usage. The collection of Sales Tax revenues has decreased as a result of reduced consumer spending within the City. The City's Department of Watershed Management (the "Department") also anticipates increased defaults from households which are unable to pay their

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Commitments and Contingent Liabilities, continued

current and past due bills. In addition, the Department could incur additional costs for ongoing emergency operations during the course of the COVID-19 pandemic.

There are expected General Fund decreases in certain major revenue sources that are highly sensitive to the economic factors affected by the COVID-19 pandemic. These major revenue sources are local option sales tax, licenses and permits, public utility, fines, hotel/motel, and other taxes.

The City Finance Office will continue to closely monitor revenue trends from COVID-19 for alignment with recent expectations and potential revision or mid-year corrective measures to revenues. Though federal funding will mitigate some of the economic impact of Covid-19 on the General Fund, revenues are not expected to fully recover until the health crisis is resolved.

V. Pensions and Postemployment Benefits

A. Pensions

The City maintains the following separately administered pension plans:

Plan Type	Plan Name
Agent multiple-employer, defined benefit	The General Employees' Pension Plan
Single employer, defined benefit	Firefighters' Pension Plan
Single employer, defined benefit	Police Officers' Pension Plan
Single employer, defined contribution	General Employees' Defined Contribution Plan

Plans Administration

In December 2017, the City adopted legislation to combine the management of its three separate pension plans and create one board of trustees to be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the Board) in order to improve administrative efficiency, governance and investment returns. The City consolidated and set minimum requirements for the Investment Board of Trustees of the three Pension Plans in order to optimize investment returns, establish national leadership in pension management best practices, and increase the City revenues available for compensation of active employees.

The Plans are administered, as one multiple-employer, defined-benefit plan and two single employer, defined benefit plans, by the Board which includes the Chair who is an appointee of the Mayor, the Mayor or a designee serving as Vice Chair of the Investment Board, three city council members appointed by the Mayor, one member appointed by the Atlanta Board of Education (School System), one member appointed by the President of the Atlanta City Council who is a participant in any of the three Plans, the City's Chief Financial Officer, the Human Resources Commissioner, and four members elected by active and retired participants as follows: one from the City of Atlanta General Employees' Pension Fund, one from the Atlanta Public Schools General Employees Pension Fund, one from the Firefighters' Pension Fund, and one from the Police Officers' Pension Fund. Each pension law modification must be adopted by at least two-thirds vote of the City Council and be approved by the Mayor.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

A stand-alone audited financial report is issued for each of the three defined benefit plans and can be obtained from the City of Atlanta, 68 Mitchell Street, S.W. Suite 1600 Atlanta, GA 30303. The defined contribution plan does not have separately issued financial statements. The condensed financial statements for the defined contribution plan can be found on page 134.

The valuation date for the three defined benefit plans is July 1, 2019, with the results rolled forward to the measurement date of June 30, 2020. The allocation of the pension liability to the various funds is based upon fiscal year 2020 contributions from the various departments. The City is presenting the net pension liability as of the measurement date of June 30, 2020 for the fiscal year 2021 financial statements.

The General Employees' Pension Plan

Plan Description

The General Employees' Pension Plan (GEPP) is an agent multiple-employer defined benefit plan and was established by a 1924 Act of the State of Georgia Legislature to provide retirement benefits for full-time permanent employees of the City of Atlanta (the City), (excluding sworn personnel of the Police and Fire Rescue Departments of the City), and the employees of the Atlanta Board of Education (the School System) who are not covered under the Teachers Retirement System of Georgia. Until 1983, the Georgia Legislature established all requirements and policies of the GEPP. By a constitutional amendment, effective July 1983, control over all aspects of the GEPP transferred to the City under the principle of Home Rule. The types of benefits offered by the GEPP are: retirement, disability, and pre-retirement death benefits. Classified employees and certain non-classified employees pay grade 18 and below not covered by either the Firefighters' or Police Officers' Pension Plans, and hired after September 1, 2005 are required to become members of the GEPP.

The funding methods and determination of benefits payable were established by the legislative acts creating the GEPP, as amended, and in general, provide that funds are to be accumulated from employee contributions, City and School System contributions, and income from the investment of accumulated funds.

General Employees' Pension Plan

a. Contribution requirements of the GEPP - The City

Under the Georgia Legislature principle of Home Rule and the Atlanta Code of Ordinances, Section 6, the Board has the authority to administer the Plan including establishing and amending contribution requirements. The funding methods and determination of benefits payable were established by the Atlanta Code of Ordinances, Part 1, Section 6 legislative acts creating the Plan, as amended, and in general, provide that funds are to be accumulated from employee contributions for defined benefits, City contributions, and income from the investment of accumulated funds.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Beginning on November 1, 2011, employees participating in the Plan and hired before September 1, 2011, or after January 1, 1984, had an increase of 5% in their mandatory contributions into the Plan fund in which they participate. The contribution is such that the new contribution is 12% of salary (without a designated beneficiary) or 13% of salary (with a designated beneficiary).

Employees hired on or after September 1, 2011 who are below pay grade 19 or its equivalent are required to participate in a hybrid defined-benefit plan with a mandatory defined-contribution component. The defined-benefit portion of this plan includes a mandatory 8% employee contribution and 1% multiplier.

The defined contribution element is governed and accounted for separately, and includes a mandatory employee contribution of 3.75% of salary which is matched 100% by the City. Additionally, these employees may voluntarily contribute up to an additional 4.25% of salary, which is also matched 100% by the City. Employees vest in the amount of the City's contribution at a rate of 20% per year and become fully vested in the City's contribution after 5 years of participation.

Beginning in fiscal year 2012, there is a cap on the maximum amount of the City's contribution to the Plan measured as a percentage of payroll. The City's annual contribution to the Plan may not exceed 35% of payroll of the participants in the City's three defined-benefit pension plans. In the event that this 35% cap is reached, the City will fund any overage for the first 12-month period from its reserves. During that period, the City's management must agree on an alternative method to reduce the overage. If no alternative is reached, beginning in the second 12-month period, the City and the participants will equally split the cost of the overage, subject only to a provision that employee contributions may not increase more than 5%. Contribution requirements may be amended by the Board under the authority of the City ordinance, but the employer contribution requirement is subject to State minimums. During the year ended June 30, 2021, the City contributions were \$48,764,000.

b. Contribution requirements of the GEPP - School System

Obligations to contribute to the Plan are subject to minimum funding standards of the Georgia Public Retirement Systems Standards law and are established by the Board. Previously, the School System's policy was to contribute to the Plan based on a level percent of payroll amortization method using a closed amortization period with 12.5 years remaining. By resolution adopted by the Atlanta Independent School System's Board on June 2, 2014, the School System changed its funding policy whereby each year's employer contribution will be equal to the prior year's amount, increased by 3%, until the Plan is fully funded. In addition, active participants are required to contribute 7% of pay to the Plan (8% if a participant is married or elects to name a covered beneficiary).

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

c. Description of GEPP benefit terms - The City

In June 2011, the City Council approved changes for the City's GEPP, effective on September 1, 2011 for new hires, and November 1, 2011 for existing employees.

Prior to the change approved in June 2011, the GEPP provided monthly retirement benefits that initially represent 3% for each year of credited service times the participants' final average three-year earnings (limited to 80% of the average). Retirement benefits were adjusted annually based on the change in the consumer price index, limited to 3% per year. Upon the death of a vested participant who has beneficiary coverage, his or her eligible beneficiary(ies) would be entitled to three fourths of the amount the deceased participant was receiving or would have been entitled to receive.

The retirement age increased to age 62 for participants in the GEPP. Early Retirement Age is changed from any age (as long as vested) with penalty to age 52 for hires after September 1, 2011. Upon retirement, these participants will receive an annually calculated cost of living increase to their pension benefit that may not exceed 1% and is based upon the Consumer Price Index. Sick and vacation leave are no longer applied to retirement benefits for employees hired after September 1, 2011.

Below are the terms the GEPP has established to receive benefits.

Normal Pension

Hired before July 1, 2010:

Age 60 after completing 10 years of service.

Monthly benefit is 2.5% of average monthly salary for each year of credited service.

Hired between July 1, 2010 and October 31, 2011:

Age 60 after completing 15 years of service.

Monthly benefit is 2.0% of average monthly salary for each year of credited service.

Hired after October 31, 2011:

Age 62 after completing 15 years of service.

Monthly benefit is 1.0% of average monthly salary for each year of credited service.

This amount cannot be less than \$12 per month for each year of service, capped at 80% of average monthly salary.

The average monthly salary for participants hired before November 1, 2011, is the average of the highest consecutive 36 months of salary. For those employees hired after October 31, 2011, the average monthly salary is the average of the highest consecutive 120 months of salary.

Early Pension:

The monthly benefit for employees hired before November 1, 2011, is reduced by one half of 1% per month for the first 60 months and by one quarter of 1% per month for the

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

remaining months by which age at retirement is less than 60. More favorable early retirement adjustments may apply to participants in prior plans. Unreduced early retirement is available with 30 years of credited service. For employees hired after October 31, 2011, the monthly benefit amount is reduced by one half of 1% per month before age 62.

Hired before July 1, 2010

10 years of credited service.

Hired between July 1, 2010 and October 31, 2011

15 years of credited service.

Hired after October 31, 2011

Age 52 and 15 years credited service.

Disability:

Service requirement:

Five years of credited service for non-job-related disability. None for job related disability.

Normal pension based on service accrued and final average salary at disability, payable immediately; cannot be less than 50% of average monthly salary. This amount is payable until attainment of normal retirement age at which time the benefit is recalculated to include years while disabled as years of service.

d. Amendment of the eligibility for participation in the City of Atlanta, Georgia General Employees' Pension Plan

Effective September 1, 2005, a participant in the City of Atlanta Defined Contribution Plan (the "Defined Contribution Plan") who (i) is a permanent, full-time employee of the City of Atlanta, (ii) is either a classified employee, as defined in section 114-84 of the Code of Ordinances of the City of Atlanta, or an employee whose payroll grade level is 18 or below and (iii) either has never received a distribution from the Defined Contribution Plan or has repaid to the Defined Contribution Plan the full amount of any prior distribution pursuant to the terms of such plan, may elect at any time before January 31, 2005 to transfer his vested and unvested account balance under the Defined Contribution Plan, excluding any amounts attributable to rollover contributions from other plans and voluntary after-tax employee contributions made under the Defined Contribution Plan, to the fund established under this act, 1927 Ga. Laws, as amended, and shall be credited with (A) such service and monthly earnings as the employee would have been credited if he had participated under the terms in this act during the period that he participated in the Defined Contribution Plan and (B) if such employee previously participated under the terms of this act and elected to transfer the actuarial present value of his benefit under this act to the Defined Contribution Plan pursuant to Ordinance No. 02-0-0791, such service and monthly earnings as were used to determine the amount so transferred.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Effective January 1, 2018, a participant in the City of Atlanta Defined Contribution Plan (the "Defined Contribution Plan") on December 13, 2017 (date of passage of Ordinance No. 17-O-1826) who: (i) is a permanent, full-time employee of the City of Atlanta who was hired between January 1, 2001 and December 31, 2005, and (ii) either has never received a distribution from the Defined Contribution Plan or has repaid to the Defined Contribution Plan the full amount of any prior distribution pursuant to the terms of such plan, and (iii) has executed a payment plan, which shall not exceed five (5) years from the date that it is signed, to contribute all additional sums that such employee would have contributed to the General Employees' Pension Fund. Specifically, an additional 1-2% of salary for any period of employment between January 1, 2001 and September 1, 2011; and an additional 6-7% of salary for any period of employment between September 1, 2011 and January 1, 2018 as applicable.

Such employees may elect at any time before April 30, 2018 to transfer their vested and unvested account balance under the Defined Contribution Plan, excluding any amounts attributable to rollover contributions from other plans and voluntary after-tax employee contributions made under the Defined Contribution Plan, to the fund established under this act, 1927 Ga. Laws, page 265, as amended, and shall be credited with (A) such service and monthly earnings as the employee would have been credited if they had participated under the terms of this act during the period that they participated in the Defined Contribution Plan and (B) if such employee previously participated under the terms of this act and elected to transfer the actuarial present value of his benefit under this act to the Defined Contribution Plan pursuant to Ordinance No. 02-0-0791, such service and monthly earnings as were used to determine the amount so transferred.

e. Description of GEPP benefit terms - the School System

The major provisions of the GEPP for the School System are as stated below.

Normal Pension: a participant may retire at age 60 after completing 10 years of service. The monthly benefit is 2.5% of the average monthly salary for each year of credited service. This amount cannot be less than \$17 per month for each year of service, and is capped at 80% of average monthly salary. Average monthly salary is defined as the highest average monthly base compensation over any 36-month period.

Early Pension: a participant must have 10 years of credited service. The normal pension monthly amount is reduced by one half of 1% per month for the first 60 months and one quarter of 1% per month for the remaining months by which age at retirement is less than 60. Un-reduced early retirement is available with 30 years of credited service.

Disability: a participant must have 5 years of credited service for non-job related disability. For job-related disability there is no service requirement. Normal pension is based on service accrued and final average salary at disability, payable immediately; cannot be less than 50% of the average monthly salary. This amount is paid until attainment of normal retirement age at which time the benefit is recalculated to value years while disabled as years of service.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Firefighters' and Police Officers' Plans

Plan Description

The City of Atlanta, Firefighters' (FPP) and Police Officers' (PPP) Pension Plans are single-employer defined-benefit plans. They were established by a 1924 Act of the State of Georgia Legislature to provide retirement benefits for full-time sworn firefighters and police officers of the City of Atlanta (the City) Fire Rescue Department and the Police Department. Until 1983, the Georgia Legislature established all requirements and policies of the FPP and PPP. By a constitutional amendment, effective July 1983, control over all aspects of the FPP and PPP transferred to the City under the principle of Home Rule. The types of benefits offered by the FPP and PPP are: retirement, disability, and pre-retirement death benefits. Participants should refer to the Atlanta, Georgia, Code of Ordinances, Section 6 (Plan agreement) for more complete information. Under the principle of Home Rule and the Atlanta Code of Ordinances, Section 6, the Board has the authority to establish and amend benefit terms and contributions.

a. Contribution Requirements to the FPP and PPP

Under the Georgia Legislature principle of Home Rule and the Atlanta Code of Ordinances, Section 6, the Board has the authority to administer the FPP and PPP including establishing and amending contribution requirements. The funding methods and determination of benefits payable were established by the Atlanta Code of Ordinances, Section 6 legislative acts creating the FPP and PPP, as amended, and in general, provide that funds are to be accumulated from employee contributions, City contributions, and income from the investment of accumulated funds.

Sworn personnel employed by the Fire Rescue Department and Police Department are required to contribute to the FPP and PPP. Employees must contribute either 8% of base pay, if hired after August 31, 2011, 12% of base pay if hired before September 1, 2011 without an eligible beneficiary, or 13% of base pay if hired before September 1, 2011 with an eligible beneficiary. Contribution requirements may be amended by the Board under the authority of the City ordinance, but the employer contribution requirement is subject to State minimums.

On November 1, 2011, the sworn personnel of the Fire Rescue Department and Police Department participating in the FPP and PPP and hired before September 1, 2011, or after January 1, 1984, had an increase of 5% in their mandatory contributions into the FPP and PPP. The contribution is such that the new contribution is 12% of salary (without a designated beneficiary) or 13% of salary (with a designated beneficiary). Where an Actuarial Valuation anticipates that the City's actuarially determined contribution for the next fiscal year will exceed 35% of the total payroll, contributions may be increased, by no more than 5% of compensation, in order to fund the overage.

Employees hired on or after September 1, 2011 who are sworn members of the Fire Rescue Department and Police Department are required to participate in a hybrid defined-benefit plan with a mandatory defined-contribution component. The defined-benefit portion of this

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

plan will include a mandatory 8% employee contribution, and a 1% multiplier. The retirement age increased to age 57 for participants in the FPP and PPP. Early Retirement Age is changed from any age (as long as vested) with penalty to age 47 for hires after September 1, 2011. Upon retirement, these participants will receive an annually calculated cost of living increase to their pension benefit that may not exceed 1% and is based upon the Consumer Price Index. Sick and vacation leave are no longer applied to retirement benefits for hires after September 1, 2011.

Employer contributions to the FPP and PPP during the year ended June 30, 2021 were \$24,628,000 and \$35,709,000, respectively.

b. Description of the Benefit Terms for FPP and PPP

In June 2011, the City Council approved changes to the benefits for the FPP and PPP, effective on September 1, 2011 for new hires, and November 1, 2011 for existing employees. Currently, sworn personnel employed by the Fire Rescue Department and Police Department are required to contribute to the FPP and PPP, respectively.

Prior to the change approved in June 2011, the FPP and PPP provided monthly retirement benefits that initially represent 3% for each year of credited service times the participants' final average three year earnings (limited to 80% of the average). Retirement benefits were adjusted annually based on the change in the consumer price index, limited to 3% per year. Upon the death of a vested participant who has beneficiary coverage, his or her eligible beneficiary(ies) would be entitled to three fourths of the amount the deceased participant was receiving or would have been entitled to receive. Below are the terms the FPP and PPP has established to receive benefits.

Normal retirement age:	Any age with at least 30 years of creditable service (participants who are covered by the '05 Amendment*);
	Age 55 with at least 10 years of creditable service (hired prior to July 1, 2010);
	Age 55 with at least 15 years of creditable service, (hired prior to September 1, 2011);
	Age 57 with at least 15 years of creditable service;
	Age 65 with at least 5 years of creditable service

*The 2005 Amendment also implemented a "30 and Out" provision for all three plans. This "30 and Out" provision allows any employee who has 30 years of service to retire at any age without any age adjustment or age penalty. However, sick leave can not be used to reach the 30 years of service. The employee must have worked for 30 years. The 2005 Amendment also increased the multiplier for the Firefighters' Pension Fund to 3.0 for all years of service and placed an 80% cap on the Average Monthly Salary. In addition, the 2005 Amendment increased the multiplier for the General Employees' Pension Fund from 2.0 to 2.5 for all years of service. Lastly, the 2005 Amendment allowed members of the Defined Contribution Fund who or either classified (eligible for over time) or under pay grade 18 a one-time opportunity to move to the Defined Benefit Plan.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

For early retirement there is an adjustment of the retirement benefit being reduced by 0.5% for each month by which the participant's early retirement age precedes normal retirement age (for employees hired after August 31, 2011). The retirement benefit is reduced by 0.5% for each of the first 60 months and by 0.25% for each additional month by which the participant's early retirement age precedes the normal retirement age (for employees hired before September 1, 2011).

Early retirement age: Any age with at least 10 years of creditable service (hired before July 1, 2010)

Any age with at least 15 years of creditable service (hired from July 1, 2010 to August 31, 2011)

Minimum age 47 with at least 15 years of service for participants hired after August 31, 2011.

For participants who incur a catastrophic injury in the line of duty, the basic pension formula is 100% of the top salary for the grade and position occupied by the participant at the time of disability.

For a service-connected disability for participants hired before 1986, the basic pension formula is the greater of 70% of the top salary for the employee's grade and position occupied by the participant at the time of disability or basic pension formula, offset by worker's compensation payments such that the combination of payments cannot exceed 100% of the participant's salary at the time of disability.

For participants hired on or after January 1, 1986, the basic pension formula is the greater of 50% of average monthly earnings at the time of disability or basic pension formula, offset by worker's compensation payments such that the combination of payments cannot exceed 75% of the participant's salary at the time of disability (payable until the earlier of recovery from disability or Normal Retirement Age).

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Pre-retirement death benefit: 75% of the basic pension formula (payable to the eligible beneficiary upon death not in the line-of-duty).

100% of base pay offset by worker’s compensation or other payments (payable to the eligible beneficiary beginning two years after the death in the line-of-duty).

75% of the larger of the basic pension formula or 70% of top salary for the employee's grade (payable to the eligible beneficiary beginning two years after death in the line-of-duty).

75% of the basic pension formula (payable to the eligible beneficiary beginning two years after death in the line-of-duty if the employee was covered by the 1986 amendment).

Membership

As of the beginning of the fiscal year ended June 30, 2020, pension plan membership consisted of the following:

	General Employees - The City	Firefighters	Police Officers
Inactive plan members or beneficiaries currently receiving benefits	3,991	1,086	1,662
Inactive plan members entitled to, but not yet receiving benefits	884	19	26
Active plan members	3,674	951	1,751
Total membership	<u>8,549</u>	<u>2,056</u>	<u>3,439</u>

The Plans’ Investments

The investments for the Plans are made within the Public Retirement Systems Investment Authority Law of the Georgia Code (OCGA 47-20-80). The Board has been granted the authority by City Ordinance to establish and amend the Plans' investment policy. The Board is responsible for making all decisions with regard to the administration of the Plans, including the management of Plans' assets, establishing the investment policy and carrying out the policy on behalf of the Plans.

The Plans’ investments are managed by various investment managers under contract with the Board who has discretionary authority over the assets managed by them and within the investment guidelines as established by the Board. The investments are held in trust by the Plans' custodian in

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

the Plans' names. These assets are held exclusively for the purpose of providing benefits to members of the respective Plans' and their beneficiaries.

State of Georgia Code and City statutes authorize the Plans to invest in U.S. government obligations, U.S. government agency obligations, State of Georgia obligations, obligations of a corporation of the U.S. government, the Georgia Fund 1 (a government investment pool maintained by the State of Georgia), and alternative investments. The Plans invest in repurchase agreements only when they are collateralized by U.S. government or agency obligations. The Plans are also authorized to invest in collateralized mortgage obligations (CMOs) to maximize yields. These securities are based on cash flows from interest payments on underlying mortgages. CMOs are sensitive to prepayment by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and mortgagees refinance their mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if mortgagees pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

In the development of the current asset allocation plan, the Board reviews the long-term performance and risk characteristics of various asset classes, balancing the risks and rewards of market behavior, and reviewing state legislation regarding investments options. There were no changes to the investment policy in fiscal year 2021. The policy may be amended by the Board with a majority vote of its members.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

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. Estimates of real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2021, are summarized in the table below.

<u>General Employees' Plan</u>		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	42 %	6.65%
International equity	28 %	7.94%
Fixed income	25 %	0.50%
Alternative investments	5 %	6.51%
	<u>100 %</u>	

<u>Firefighters' and Police Officers' Plans</u>		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad equity market	7 %	6.01%
Domestic large-cap equity	30 %	6.91%
Domestic mid-cap equity	15 %	8.91%
Domestic small-cap equity	9 %	5.01%
International equity	9 %	3.31%
Fixed income	25 %	0.81%
Alternative investments	5 %	7.51%
	<u>100 %</u>	

For the year ended June 30, 2021, the annual money-weighted rate of return for General Employees', Firefighters' and Police Officers' Pension Plan investments, net of pension plan investment expense was 31.35%, 33.28%, and 33.34%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Net Pension Liability

The total pension liability is based on the July 1, 2019 actuarial valuation rolled forward to June 30, 2020 using standard roll-forward techniques (dollars in thousands):

	<u>General Employees' (City)</u>	<u>Firefighters'</u>	<u>Police Officers'</u>	<u>Total</u>
Total pension liability	\$1,920,062	\$ 990,698	\$1,524,959	\$ 4,435,719
Plan fiduciary net position	<u>1,317,795</u>	<u>716,418</u>	<u>1,150,481</u>	<u>3,184,694</u>
Net pension liability	<u>\$ 602,267</u>	<u>\$ 274,280</u>	<u>\$ 374,478</u>	<u>\$ 1,251,025</u>
 Plan fiduciary net position as a percentage of the total pension liability	 68.63 %	 72.31 %	 75.44 %	

The net pension liability of the General Employees' (the City), Firefighters' and Police Officers' Plans allocated among the general government, the Department of Aviation, the Department of Watershed Management and Other Non-major Enterprise Funds as June 30, 2021 (dollars in thousands):

	<u>General Employees'</u>	<u>Firefighters'</u>	<u>Police Officers'</u>	<u>Total</u>
General Government	\$ 298,182	\$ 211,196	\$ 344,519	\$ 853,897
Department of Aviation	67,574	63,084	29,959	160,617
Department of Watershed Management	192,726	—	—	192,726
Other Non-major Enterprise	<u>43,785</u>	<u>—</u>	<u>—</u>	<u>43,785</u>
Total	<u>\$ 602,267</u>	<u>\$ 274,280</u>	<u>\$ 374,478</u>	<u>\$ 1,251,025</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Changes in Net Pension Liability

The City is presenting the net pension liability for the year June 30, 2021 based on the June 30, 2020 measurement date, as follows (dollars in thousands):

<u>General Employees' - the City</u>	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at June 30, 2020	\$ 1,895,114	1,333,862	561,252
Changes for the year:			
Service cost	24,972	—	24,972
Interest expense	134,473	—	134,473
Difference between expected and actual investments earnings	(3,944)	—	(3,944)
Contributions - employer	—	48,219	(48,219)
Contributions - employee	—	19,599	(19,599)
Net investment income	—	47,653	(47,653)
Benefit payments and refunds	(130,553)	(130,553)	—
Administrative expenses	—	(1,252)	1,252
Other	—	267	(267)
Net changes	24,948	(16,067)	41,015
Balances at June 30, 2021	\$ 1,920,062	1,317,795	602,267

<u>Firefighters'</u>	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at June 30, 2020	\$ 971,323	727,344	243,979
Changes for the year:			
Service cost	11,779	—	11,779
Interest expense	70,940	—	70,940
Demographic experience	(11,664)	—	(11,664)
Contributions - employer	—	15,626	(15,626)
Contributions - employee	—	6,130	(6,130)
Net investment income	—	19,489	(19,489)
Other Income	—	48	(48)
Benefit payments and refunds	(51,680)	(51,680)	—
Administrative expenses and other	—	(539)	539
Net changes	19,375	(10,926)	30,301
Balances at June 30, 2021	\$ 990,698	716,418	274,280

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

<u>Police Officers'</u>	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at June 30, 2020	\$ 1,472,276	1,163,143	309,133
Changes for the year:			
Service cost	21,287	—	21,287
Interest expense	108,027	—	108,027
Demographic experience	(3,318)	—	(3,318)
Contributions - employer	—	21,571	(21,571)
Contributions - employee	—	12,141	(12,141)
Net investment income	—	27,714	(27,714)
Benefit payments and refunds	(73,313)	(73,313)	—
Administrative expenses	—	(815)	815
Other	—	40	(40)
Net changes	52,683	(12,662)	65,345
Balances at June 30, 2021	\$ 1,524,959	1,150,481	374,478

Discount Rate

The discount rates used to measure the total pension for the Plans is as indicated below. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the actuarial determined contributions rates from employers and employees. 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 periods of projected benefit payments to determine the total pension liability. Following are the discount rates as of June 30, 2020:

<u>General Employees' Plan</u>	<u>Firefighters'</u>	<u>Police Officers'</u>
7.25%	7.41%	7.41%

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plans, calculated using the discount rates for each Plan as well as what the Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (dollars in thousands):

	Discount Rate		
	1% Decrease 6.25%	Current 7.25%	1% Increase 8.25%
General Employees - the City	\$ 806,409	602,267	429,592
Firefighters' Pension	404,035	274,280	168,243
Police Officers' Pension	584,512	374,478	204,121

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2019 rolled forward to the June 30, 2020 measurement date, using the following actuarial assumptions, applied to all periods included in the measurement.

	Inflation	Salary increases	Investment rate of return
General Employees'	2.25%	3.00%	7.25%
Firefighters'	2.25%	4.00%	7.41%
Police Officers'	2.25%	4.00%	7.41%

The General Pension Plan's last experience study was conducted in 2017 and covered the period from July 1, 2011 to June 30, 2016. The Police and Firefighters' Plans' last experience study was conducted in 2011.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

The actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate are as follows:

	General Employees' - the City	Firefighters'	Police Officers'
Valuation date	July 1, 2019	July 1, 2019	July 1, 2019
Actuarial cost method	Entry age	Entry age normal	Entry age normal
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed
Remaining amortization period	21 years	21 years	21 years
Asset valuation method	Market value	Market value	Market value

For the General Employees' Plan, the pre-retirement mortality assumption was based on the approximate RP-2006 Blue Collar Employee Table, loaded by 25% for males and females. The post-retirement mortality assumption for healthy annuitants was based on the approximate RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% for males and females. The mortality assumption for disabled retirees was based on the approximate RP-2006 Disabled Retiree Table, loaded by 25% for males and females.

For the Firefighters' and Police Officers' Pension Plans the mortality assumption was changed from the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale AA to the PUB-2010 Public Safety Mortality Table with generational mortality projects using Scale MP-2017.

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

The City recognized total pension expense of \$89,833,000 for the year ended June 30, 2021. Of the total pension expense, \$73,841,000 was recognized in the governmental activities and \$15,992,000 was recognized in the business type activities, \$10,856,000 was recognized for the General Employees' Plan, \$35,132,000 was recognized for the Firefighters' Plan, and \$43,845,000 was recognized for the Police Officer's Plan.

Deferred outflows of resources totaling \$264,835,000 with \$109,101,000 of contributions made after the plan's measurement date, \$34,079,000 for demographic gains/losses, \$37,473,000 for assumption changes, \$1,549,000 in changes in proportion and differences between employer's contribution and proportionate share of contributions and \$82,633,000 for net investment change.

Deferred inflows of resources totaling \$160,684,000 with \$118,864,000 for demographic gains/losses, \$1,549,000 in proportion and differences between employer's contribution and proportionate share of contributions, and \$40,271,000 for assumption changes.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

The following table presents a summary of deferred inflows and outflows of resources related to the pension plans (dollars in thousands):

	Year of deferral	Amortization period (in years)	Beginning of year balance	Additions	Deductions	End of year balance
General employees'						
Deferred Inflows						
Difference between expected and actual experience	2017	4.00	\$ (4,456)	—	4,456	—
	2018	4.00	(24,174)	—	12,086	(12,088)
	2019	4.00	(3,182)	—	1,062	(2,120)
	2020	4.00	—	(3,945)	987	(2,958)
Assumption changes	2018	4.00	(47,444)	—	23,722	(23,722)
Net difference between projected and actual pension investments income	2016	5.00	14,532	—	(14,532)	—
	2017	5.00	(27,904)	—	27,904	—
	2018	5.00	(18,814)	—	18,814	—
	2019	5.00	12,300	—	(12,300)	—
Changes in proportion and differences between employer's contribution and proportionate share of contribution	2019		(2,676)	—	2,676	—
	2020		—	(1,549)	—	(1,549)
			<u>\$ (101,818)</u>	<u>(5,494)</u>	<u>64,875</u>	<u>\$ (42,437)</u>
Deferred Outflows						
Net difference between projected and actual pension investments income	2016	5.00	\$ —	14,532	(14,532)	—
	2017	5.00	—	(27,904)	13,952	(13,952)
	2018	5.00	—	(18,814)	6,270	(12,544)
	2019	5.00	—	12,300	(3,076)	9,224
	2020	5.00	—	46,745	(9,348)	37,397
Contributions subsequent to the measurement date			48,219	48,764	(48,219)	48,764
Changes in proportion and differences between employer's contribution and proportionate share of contribution	2019		2,676	—	(2,676)	—
	2020		—	1,549	—	1,549
			<u>\$ 50,895</u>	<u>77,172</u>	<u>(57,629)</u>	<u>\$ 70,438</u>
Firefighters'						
Deferred Inflows						
Demographic gain/loss	2015	11.95	\$ (13,304)	—	1,915	(11,389)
	2016	12.10	(15,259)	—	1,884	(13,375)
	2018	6.09	(7,290)	—	1,782	(5,508)
	2020	6.11	—	(11,664)	1,908	(9,756)
Assumption changes	2019	5.98	(7,136)	—	1,433	(5,703)
			<u>\$ (42,989)</u>	<u>(11,664)</u>	<u>8,922</u>	<u>\$ (45,731)</u>
Deferred Outflows						
Net difference between projected and actual pension investments income	2016	5.00	\$ 11,341	—	(11,341)	—
	2017	5.00	(13,411)	—	6,705	(6,706)
	2018	5.00	(11,692)	—	3,898	(7,794)
	2019	5.00	16,186	—	(4,047)	12,139
	2020	5.00	—	33,251	(6,650)	26,601
Contributions subsequent to the measurement date			15,626	24,628	(15,626)	24,628
Demographic gain/loss	2014	12.30	5,170	—	(820)	4,350
	2017	6.36	2,553	—	(761)	1,792
	2019	5.98	10,319	—	(2,071)	8,248
Assumption changes	2014	12.30	8,324	—	(1,322)	7,002
	2018	6.09	13,523	—	(3,306)	10,217
			<u>\$57,939</u>	<u>57,879</u>	<u>(35,341)</u>	<u>\$ 80,477</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

	Year of deferral	Amortizati on period (in years)	Beginning of year balance	Additions	Deductions	End of year balance
<u>Police Officers'</u>						
Deferred Inflows						
Net difference between projected and actual pension investments income	2016	5.00	\$ 16,404	—	(16,404)	—
	2017	5.00	(22,564)	—	22,564	—
	2018	5.00	(14,086)	—	14,086	—
	2019	5.00	17,829	—	(17,829)	—
Demographic gain/loss	2015	10.65	(17,269)	—	3,056	(14,213)
	2016	11.03	(21,831)	—	3,105	(18,726)
	2018	6.03	(28,719)	—	7,126	(21,593)
	2019	5.84	(5,538)	—	1,144	(4,394)
	2020	5.78	—	(3,318)	574	(2,744)
Assumption changes	2019	5.84	(13,671)	—	2,825	(10,846)
			<u>\$ (89,445)</u>	<u>(3,318)</u>	<u>20,247</u>	<u>\$ (72,516)</u>
Deferred Outflows						
Net difference between projected and actual pension investments income	2016	5.00	\$ —	16,403	(16,403)	—
	2017	5.00	—	(22,564)	11,282	(11,282)
	2018	5.00	—	(14,086)	4,695	(9,391)
	2019	5.00	—	17,829	(4,457)	13,372
	2020	5.00	—	56,961	(11,392)	45,569
Contributions subsequent to the measurement date			21,571	35,709	(21,571)	35,709
Demographic gain/loss	2014	11.08	16,672	—	(3,282)	13,390
	2017	6.44	8,881	—	(2,582)	6,299
Assumption changes	2014	11.08	6,131	—	(1,206)	4,925
	2018	6.03	20,388	—	(5,059)	15,329
			<u>\$ 73,643</u>	<u>90,252</u>	<u>(49,975)</u>	<u>113,920</u>
			Grand total of deferred inflows			<u>\$(160,684)</u>
			Grand total of deferred outflows			<u>\$264,835</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

The following table presents a summary of allocations to the departments in the collective deferred outflows and deferred inflows of resources as indicated above for the year ended June 30, 2021 (amounts in thousands):

	Balance June 30, 2021	General Government	Department of Watershed Management	Department of Aviation	Other non-major enterprise funds
General employees'					
Deferred Inflows					
Changes in proportion and differences between employer's contribution and proportionate share of contribution	(1,549)	(412)	—	(1,137)	—
Demographic gain/loss	(17,166)	(8,499)	(5,493)	(1,926)	(1,248)
Assumption Changes	(23,722)	(11,745)	(7,591)	(2,662)	(1,724)
	<u>(42,437)</u>	<u>(20,656)</u>	<u>(13,084)</u>	<u>(5,725)</u>	<u>(2,972)</u>
Deferred Outflows					
Net difference between projected and actual pension investments income	20,125	9,964	6,440	2,258	1,463
Changes in proportion and differences between employer's contribution and proportionate share of contribution	1,549	—	394	—	1,155
Contributions subsequent to the measurement date	48,764	24,143	15,604	5,472	3,545
	<u>70,438</u>	<u>34,107</u>	<u>22,438</u>	<u>7,730</u>	<u>6,163</u>
Deferred amount to be amortized	\$ (20,763)	\$ (10,692)	\$ (6,250)	\$ (3,467)	\$ (354)
Firefighters'					
Deferred Inflows					
Demographic gain/loss	(40,028)	(30,821)	—	(9,207)	—
Assumption changes	(5,703)	(4,391)	—	(1,312)	—
	<u>(45,731)</u>	<u>(35,212)</u>	<u>—</u>	<u>(10,519)</u>	<u>—</u>
Deferred Outflows					
Net difference between projected and actual pension investments income	24,240	18,665	—	5,575	—
Assumption changes	17,219	13,259	—	3,960	—
Demographic gain/loss	14,390	11,080	—	3,310	—
Contributions subsequent to the measurement date	24,628	18,964	—	5,664	—
	<u>80,477</u>	<u>61,968</u>	<u>—</u>	<u>18,509</u>	<u>—</u>
Deferred amount to be amortized	\$ 10,118	\$ 7,792	\$ —	\$ 2,326	\$ —
Police Officers'					
Deferred Inflows					
Demographic gain/loss	(61,670)	(56,737)	—	(4,933)	—
Assumption changes	(10,846)	(9,979)	—	(867)	—
	<u>(72,516)</u>	<u>(66,716)</u>	<u>—</u>	<u>(5,800)</u>	<u>—</u>
Deferred Outflows					
Net difference between projected and actual pension investments income	38,268	35,207	—	3,061	—
Assumption changes	20,254	18,634	—	1,620	—
Demographic gain/loss	19,689	18,114	—	1,575	—
Contributions subsequent to the measurement date	35,709	32,852	—	2,857	—
	<u>113,920</u>	<u>104,807</u>	<u>—</u>	<u>9,113</u>	<u>—</u>
Deferred amount to be amortized	\$ 5,695	\$ 5,239	\$ —	\$ 456	\$ —

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Contributions subsequent to the measurement date in the amount of \$109,101,000 will be recognized as a reduction of the net pension liability during the year ended June 30, 2022. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows (amount in thousands):

General employees'

	Amortization amount	General Government	Department of Watershed Management	Department of Aviation	Other non-major enterprise units
2022	\$ (45,655)	\$ (23,016)	\$ (14,216)	\$ (5,501)	\$ (2,922)
2023	4,106	2,033	1,315	81	677
2024	11,437	5,663	3,660	904	1,210
2025	9,349	4,628	2,991	1,049	681
2026 and thereafter	—	—	—	—	—
	<u>\$ (20,763)</u>	<u>\$ (10,692)</u>	<u>\$ (6,250)</u>	<u>\$ (3,467)</u>	<u>\$ (354)</u>

Firefighters'

2022	\$ (548)	\$ (422)	\$ —	\$ (126)	\$ —
2023	6,157	4,742	—	1,415	—
2024	9,567	7,367	—	2,200	—
2025	3,848	2,963	—	885	—
2026 and thereafter	(8,906)	(6,858)	—	(2,048)	—
	<u>\$ 10,118</u>	<u>\$ 7,792</u>	<u>\$ —</u>	<u>\$ 2,326</u>	<u>\$ —</u>

Police Officers'

2022	\$ (5,828)	\$ (5,361)	\$ —	\$ (467)	\$ —
2023	5,454	5,017	—	437	—
2024	8,703	8,006	—	697	—
2025	5,750	5,290	—	460	—
2026 and thereafter	(8,384)	(7,713)	—	(671)	—
	<u>\$ 5,695</u>	<u>\$ 5,239</u>	<u>\$ —</u>	<u>\$ 456</u>	<u>\$ —</u>

Defined Contribution Plan

Atlanta, Georgia Code of Ordinances Section 6-2(c) sets forth the City's General Employees' Defined Contribution Plan. The Plan provides funds at retirement for employees of the City and in the event of death, provides funds for their beneficiaries, through an arrangement by which contributions are made to the Plan by employees and the City. The current contribution of the City is 6% of employee payroll. Employees also make a mandatory pretax contribution of 6% plus have the option to contribute amounts up to the amount legally limited for retirement contributions.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

Each employee directs how the funds in their retirement account shall be invested. The employee may direct lump sum distributions from their retirement account upon separation from the City, death, disability (pursuant to the City's disability retirement provisions), or retirement.

The City of Atlanta has a contract with Prudential Financial for managing the 401(a) Defined Contribution Plan, 457(b) and 457 Roth Deferred Compensation Plans (collectively, the "Contribution Plans"). Under the current contract, Prudential uses a Net Unit Value (NUV) pricing of investments instead of the Net Asset Value (NAV). Both are units of value used to determine the daily worth of participant accounts. NAV is the measure of value for shares of a mutual fund, while NUV is the measure of value for units of a Separate Account.

All modifications to the Contribution Plan, including contribution requirements, must receive the recommendations and advice from the offices of the Chief Financial Officer and the City Attorney, respectively. Each pension law modification must be adopted by at least two-thirds vote of the City Council and be approved by the Mayor.

All new employees, hired after July 1, 2001, who previously would have been enrolled in the General Employees' Defined Benefit Plan, were enrolled in the General Employees' Defined Contribution Plan.

During 2002, persons employed prior to July 1, 2001 were given the option to transfer to the General Employees' Defined Contribution Plan.

Effective September 1, 2005, classified employees and certain non-classified employees pay grade 18 and below then enrolled in the General Employees' Defined Contribution Plan had the one-time option of transferring to the General Employees' Pension Plan. Classified employees and certain non-classified employees pay grade 18 and below, not covered by either the Police Officers' or Firefighters' Pension Plans, hired after September 1, 2005 are required to become members of the General Employees' Pension Plan.

Amendments to Defined Contribution Plan

Employees hired on or after September 1, 2011, who are either sworn members of the police department or the Fire Rescue Department, or who are below payroll grade 19 or its equivalent, are required to participate in the mandatory defined contribution component which includes a mandatory employee salary contribution of 3.75% and is matched 100% by the City. Additionally, these employees may voluntarily contribute up to an additional 4.25% of salary which is also matched 100% by the City. Employees vest in the amount of the City's contributions at a rate of 20% per year and become fully vested in the City's contribution after 5 years of participation.

As of June 30, 2021, there were 1,682 participants in the General Employees' Defined Contribution Plan. The covered payroll for employees in the Plan was \$121,995,033. Employer contributions

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

A. Pensions, continued

for the year ended June 30, 2021, were approximately \$14,395,000 and employee contributions were approximately \$13,463,000, totaling 22.8% of covered payroll. In addition, there were another 3,966 Defined Contribution Plan participants in the hybrid plans.

The General Employees' Defined Contribution Plan uses the accrual basis of accounting. Investments are reported at fair value, based on quoted market prices and there were no non-governmental individual investments that exceeded 5% of the net position of the Plan.

Condensed financial statement information for the Defined Contribution Plan for the year ended June 30, 2021, is shown below (dollars in thousands):

Current assets:		
Investments		
Domestic fixed income securities	\$	46,225
Domestic equities	\$	41,482
Commingled funds	\$	149,896
Other assets	\$	12,993
Total Assets	\$	<u>250,596</u>
Current liabilities		
Accounts payable	\$	<u>103</u>
Total net position held in trust for pension benefits	\$	<u><u>250,493</u></u>
Additions:		
Employer contributions	\$	14,395
Employee contributions	\$	13,463
Refunds and other	\$	46,806
Total additions	\$	<u>74,664</u>
Deductions:		
Benefit payments	\$	17,859
Administrative expenses	\$	46
Total deductions	\$	<u>17,905</u>
Change in net position held in trust for pension benefits	\$	<u><u>56,759</u></u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits

Plan Description: The City of Atlanta Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan which provides Other Post-employment Benefits (OPEB) to eligible retirees, dependents and their beneficiaries. The Plan was established by legislative acts and functions in accordance with existing City laws. The Plan provides members upon eligible retirement, with lifetime healthcare, prescription drug, dental, and life insurance benefits. Separate financial statements are not prepared for the OPEB Plan.

Funding Policy: The City is not required by law or contractual agreement to provide funding for OPEB other than the pay-as-you-go amounts necessary to provide current benefits to retirees, eligible dependents and beneficiaries. For the fiscal year ended June 30, 2021, the City made approximately \$47.3 million “pay-as-you-go” benefit payments on behalf of the Plan, note there were no refunds included. Retiree contributions vary based on the plan elected, dependent coverage and Medicare eligibility. Eligible retirees receiving benefits contributed approximately \$46 million through their required contributions.

Contributions: Pay-as-you-go premiums net of retiree contributions. There has not been a Trust established for this plan.

Plan Membership: The Valuation Date is June 30, 2020 and claims and participant data is collected as of this date. Employees covered by benefit terms as of June 30, 2020 consisted of the following:

<u>Participant Data</u>	<u>Medical</u>	<u>Dental</u>	<u>Life Insurance</u>
Inactive employees or beneficiaries currently receiving benefits	6,971	7,183	7,050
Active employees	8,146	8,146	8,146
	<u>15,117</u>	<u>15,329</u>	<u>15,196</u>

Net OPEB Liability

The City's Net OPEB liability was measured as of June 30, 2020 and the total OPEB Liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

Actuarial Assumptions: The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement unless otherwise specified:

Inflation	2.25%
Salary Increases	4.00% for Police and Firefighters, 3.50% plus age related salary scale for General employees
Discount Rate	2.21%
Healthcare costs trend rates:	
Medical (non-MA)	16%, then 6.75% grading down by 25 bps annually to an ultimate rate of 4.50% in 2031
Medicare Advantage (MA)	For the first year -1.9%, then 4.5% every year after
Dental	16% for the first year, 3.0% every year after
Mortality Rates (Healthy)	Mortality Table for public safety employees, projected generationally using Scale MP-2017. For General Employees, RP-2006 Blue Collar Healthy Annuitant times 1.25 projected generationally with Scale SSA2016-2D.
Mortality Rates:	
Employee (General Employees):	RP-2006 Blue Collar Employee Table, loaded by 25% with generational projection (Scale SSA2016-2D)
Employee (Fire and Police):	PUB-2010 Sex-Distinct Public Safety Employees Mortality Table with generational projection using Scale MP-2017
Healthy (General Employees):	RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% with generational projection (Scale SSA2016-2D)
Healthy (Fire and Police):	PUB-2010 Sex-Distinct Public Safety Employees Mortality Table with generational projection using Scale MP-2017
Disabled (General Employees):	RP-2006 Blue Collar Disabled Annuitant Table, loaded by 25% and projected with scale SSA2016-2D
Disabled (Fire and Police):	PUB-2010 Sex-Distinct Public Safety Employees Mortality Table with generational projection using Scale MP-2017

Discount rate

The discount rate used to measure the total OPEB liability was 2.21%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of the sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2020 actuarial valuation, the Entry Age Normal Actuarial Cost Method was used for the health care cost trend rates. The health care trend measures the anticipated overall rate at which health plan costs are expected to increase in the future. Currently there are no assets set aside that are legally held exclusively for OPEB.

Year ending June 30,	Non-Medicare	Medicare Adv	Dental	Trend on Penalty Amount
2022	6.75 %	4.50 %	3.00 %	4.50 %
2023	6.50 %	4.50 %	3.00 %	4.50 %
2024	6.25 %	4.50 %	3.00 %	4.50 %
2025	6.00 %	4.50 %	3.00 %	4.50 %
2026	5.75 %	4.50 %	3.00 %	4.50 %
2027	5.50 %	4.50 %	3.00 %	4.50 %
2028	5.25 %	4.50 %	3.00 %	4.50 %
2029	5.00 %	4.50 %	3.00 %	4.50 %
2030	4.75 %	4.50 %	3.00 %	4.50 %
2031 and after	4.50 %	4.50 %	3.00 %	4.50 %

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The determined actuarial valuations of OPEB provided under the Plan incorporated the use of various assumptions including demographic, salary increases, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions. This amount is then discounted to determine the Total OPEB Liability. Amounts determined regarding the funded status of the Plan are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

The remainder of the page is intentionally left blank

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

This exhibit summarizes the major benefit provisions as included in the valuation. To the best of our knowledge, the summary represents the substantive plans as of the measurement date. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions.

Early Retirement:

General Employees:

Any age with 10 years of creditable service (if hired prior to July 1, 2010),

Any age with 15 years of creditable service (if hired before September 1, 2011),

Age 52 with 15 years of creditable service (if hired after August 31, 2011).

Police Officers and Firefighters:

Any age with 10 years of creditable service (if hired before July 1, 2010),

Any age with 15 years of service (if hired before September 1, 2011),

Age 47 with 15 years of service (if hired after August 31, 2011).

Normal Retirement

General Employees: Earlier of:

Age 65 regardless of service (all employees),

Age 60 with 5 years of service (if hired before July 1, 2010),

Age 60 with 10 years of service (if hired before September 1, 2011),

Age 62 with 10 years of service (if hired before August 31, 2011).

Police Officers and Firefighters: Earlier of:

Any age with 30 years of service (only if covered by the '05 Amendment),

Age 55 with 5 years of service (if hired prior to July 1, 2010),

Age 55 with 10 years of service (if hired prior to July 1, 2011),

Age 57 with 10 years of service (if hired after June 30, 2011),

Age 65 with 5 years of service (all employees).

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

The following table shows the elements of the City’s OPEB cost for the year and changes in the City’s net OPEB liability to the Plan for the year ended June 30, 2020 (dollars in thousands):

Change in Net OPEB liability	
Service cost	21,113
Interest expense	34,641
Difference between expected and actual experience	(25,587)
Changes of assumptions	(86,222)
Benefit payments and refunds	<u>(47,343)</u>
Net change in total OPEB liability	(103,398)
Total OPEB liability - beginning	<u>992,098</u>
Total OPEB liability - ending	<u><u>\$ 888,700</u></u>

The net OPEB liability allocated among the General Government, the Department of Aviation, the Department of Watershed Management and Other Non-major Enterprise Funds as June 30, 2021 (dollars in thousands):

	Net OPEB Liability	
General Government	\$	615,904
Department of Airport		104,543
Department of Watershed Management		127,626
Other Non-major Enterprise		<u>40,627</u>
Total	\$	<u><u>888,700</u></u>

- Benefit Types:** Medical, prescription drug, dental and life insurance.
- Duration of Coverage:** Lifetime.
- Dependent Benefits:** Medical, prescription drug, dental, and life insurance.
- Dependent Coverage:** Lifetime.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

Summary of Key Valuation Result: Total OPEB Liability (TOL) represents the value of all future benefit payments for current retirees and active employees taking into account assumptions about demographics, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions.

Net OPEB Liability	\$ 888,700	\$ 992,098
Reporting Date	June 30, 2021	June 30, 2020
Annual OPEB Expense (Benefit)	\$ (31,446,397)	\$ (13,801,943)
Service Cost at Beginning of Year	21,112,771	18,509,803
Total Covered Payroll	483,478,163	416,861,529

Sensitivity of the Net OPEB liability to changes in the discount rate and healthcare cost trend rates

The following presents the net OPEB liability of the City as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current rate. Also, shown is the TOL as if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

Net OPEB Liability Sensitivity to Changes in Discount Rate

	Discount Rate		
	1% Decrease	Current	1% Increase
	1.21%	2.21%	3.21%
Net OPEB Liability	\$ 1,031,958	\$ 888,700	773,893

Net OPEB Liability Sensitivity to Changes in Healthcare Cost Trend

	Healthcare Cost Trend		
	1% Decrease	Current	1% Increase
	15%	16%	17%
Net OPEB Liability	\$ 774,314	\$ 888,700	1,032,741

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the City recognized OPEB benefit of approximately \$31.4 million. Of the total OPEB expense (benefit), \$17.0 million was recognized in the governmental activities and \$14.4 million was recognized in the business type activities.

The deferred outflows of resources totaled approximately \$93 million, with approximately \$61 million for demographic gains/losses, approximately \$16 million in differences between employer's contributions and proportionate share of contributions, and approximately \$16 million in

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

assumption changes. The deferred inflows of resources totaled approximately \$306 million, with approximately \$21 million for demographic gains/losses, approximately \$16 million in differences between employer's contributions and proportionate share of contributions, and approximately \$269 million in assumption changes.

The following table presents a summary of deferred inflows and outflows of resources related to the OPEB (dollars in thousands):

	Year of deferral	Amortization period (in years)	Beginning of year balance	Additions	Deductions	Allocation for Proportionate Share	Total
<u>OPEB</u>							
Deferred Inflows							
Changes in proportion and differences between employer's contributions and proportionate share of contributions							
	2019	5	(15,604)	—	15,604	—	—
	2020	5	—	(16,060)	—	—	(16,060)
Demographic gain/loss	2020		—	(25,587)	4,264	(11,692)	(33,015)
Assumption Changes							
	2017	5	(70,257)	—	23,418	—	(46,839)
	2018	5	(226,192)	—	75,398	—	(150,794)
	2020	5	—	(86,221)	14,369	—	(71,852)
			<u>\$(312,053)</u>	<u>\$(127,868)</u>	<u>\$ 133,053</u>	<u>\$ (11,692)</u>	<u>\$(318,560)</u>
Deferred Outflows							
Changes in proportion and differences between employer's contributions and proportionate share of contributions							
	2019	5	15,604	—	(15,604)	—	—
	2020	5	—	16,060	—	—	16,060
Demographic gain/loss	2017	5	5,887	—	(1,962)	—	3,925
	2018	5	59,508	—	(19,837)	—	39,671
	2019	5	22,012	—	(4,401)	11,692	29,303
Assumption Changes							
	2019	5	20,250	—	(4,052)	—	16,198
			<u>\$ 123,261</u>	<u>16,060</u>	<u>(45,856)</u>	<u>11,692</u>	<u>105,157</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

B. Post-Employment Benefits, continued

The following table presents a summary of allocations to the departments in the collective deferred outflows and deferred inflows of resources as indicated above for the year ended June 30, 2021 (amounts in thousands):

	<u>Total</u>	<u>General Government</u>	<u>Department of Watershed Management</u>	<u>Department of Aviation</u>	<u>Other non-major enterprise funds</u>
Deferred Inflows					
Proportionate share of contribution	\$ (16,060)	(7,804)	(147)	(4,427)	(3,682)
Demographic gain/loss	(33,015)	(16,263)	(9,832)	(3,790)	(3,130)
Assumption Changes	(269,485)	(174,934)	(47,541)	(31,876)	(15,134)
	<u>(318,560)</u>	<u>(199,001)</u>	<u>(57,520)</u>	<u>(40,093)</u>	<u>(21,946)</u>
Deferred Outflows					
Proportionate share of contribution	\$ 16,060	2,101	8,420	5,539	—
Demographic gain/loss	72,899	54,943	7,424	8,169	2,363
Assumption Changes	16,198	12,174	1,609	1,903	512
	<u>105,157</u>	<u>69,218</u>	<u>17,453</u>	<u>15,611</u>	<u>2,875</u>
Deferred amount to be amortized	<u>\$ (213,403)</u>	<u>(129,783)</u>	<u>(40,067)</u>	<u>(24,482)</u>	<u>(19,071)</u>

Amounts reported as deferred outflow of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows (amount in thousands):

	<u>Deferred amount to be amortized</u>	<u>General Government</u>	<u>Department of Watershed Management</u>	<u>Department of Aviation</u>	<u>Other non-major enterprise units</u>
2022	\$ (87,200)	(54,731)	(16,115)	(9,205)	(7,149)
2023	(87,200)	(54,731)	(16,115)	(9,205)	(7,149)
2024	(10,182)	(4,814)	(1,936)	(1,941)	(1,491)
2025	(10,182)	(4,814)	(1,936)	(1,941)	(1,491)
2026 and thereafter	(18,639)	(10,693)	(3,965)	(2,190)	(1,791)
	<u>\$ (213,403)</u>	<u>\$ (129,783)</u>	<u>\$ (40,067)</u>	<u>\$ (24,482)</u>	<u>\$ (19,071)</u>

Deferred Compensation Plan

The City has adopted a deferred compensation plan in accordance with the 1997 revisions of Section 457 of the Internal Revenue Code. The deferred compensation plan, available to all City employees, allows an employee to voluntarily defer up to 25% of his/her gross compensation, not to exceed certain limits per year. Each participant selects one of three providers to administer the investment of the deferred funds. Administrative costs of the plan are deducted from the participants' accounts. The deferred compensation plan assets are held in custodial accounts for the exclusive benefit of the plan participants and their beneficiaries, and are therefore not included in the City's financial statements.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

VI. Subsequent Events

General Government

Centennial Yards Redevelopment (Gulch Redevelopment Project)

In Fiscal Year 2019, the City approved Master Draw-Down Compounding Interest Tax Allocation Bonds (Westside Gulch Area Project) in an amount not to exceed \$40,000,000 in aggregate principal and Downtown Development Authority of the City of Atlanta Draw-Down Infrastructure Fee Compound Interest Revenue Bonds (Gulch Enterprise Zone Project) in an amount not to exceed \$1,250,000,000 aggregate principal.

The Master Draw-Down Compounding Interest Tax Allocation Bonds (Westside Gulch Area Project) are special and limited obligations of the issuer payable solely from and secured solely by the pledged revenues and other amounts specifically pledged therefore under the Master Indenture. The bonds do not constitute an indebtedness of the issuer or the State of Georgia within the meaning of Article IX, Section V of the Constitution of the State of Georgia. Neither the faith and credit nor the taxing power of the issuer, the State of Georgia or any political subdivision thereof is, except to the extent provided within the Master Indenture, pledged to the payment of the principal or of interest on the bonds. On November 19th, 2021, \$24,900,000 in West Side Gulch Area Project Tax Allocation District Bonds were issued and delivered.

The Downtown Development Authority of the City of Atlanta Draw-Down Infrastructure Fee Compound Interest Revenue Bonds (Gulch Enterprise Zone Project) are special and limited obligations of the issuer payable solely from and secured solely by the Intergovernmental Payments specifically pledged therefor under the Master Indenture. The bonds do not constitute an indebtedness of the City or the State of Georgia within the meaning of Article IX Section V of the Constitution of the State of Georgia. Neither the faith and credit nor the taxing power of the City or any political subdivision of the State of Georgia is, except to the extent provided under the Master Indenture and in the Intergovernmental Agreement. On November 19th, 2021, \$100,000 in Gulch Enterprise Zone Project Infrastructure Fee Compound Interest Revenue Bonds were issued and delivered.

Solid Waste Litigation

Resolution No. 21-R-4115 adopted by the Atlanta City Council on October 18, 2021, and approved by the Mayor on October 19, 2021, the City was authorized to settle the following two lawsuits: (i) Anne McKillips, Gary McKillips, and 351 Group, LLC, on behalf of themselves and other similarly situated persons v. City of Atlanta, Georgia, Civil Action File No. 2021-CV-345903 (the “McKillips Lawsuit”) is a lawsuit pending the Superior Court of Fulton County regarding the assessment of frontage-based and multi-family unit-based charges against condominium and commercial property owners and their properties in the City of Atlanta pursuant to Section 130-84 of the City of Atlanta Code of Ordinances; and (ii) Melissa Stanford, on behalf of herself and the class of owners of commercial properties in the City of Atlanta v. City of Atlanta, Georgia, Civil Action File No. 2019-CV-322978 (the “Stanford lawsuit”; together with the McKillips Lawsuit, the “Lawsuits”) is a lawsuit pending in the Superior Court of Fulton County regarding the assessment of frontage fees against private “commercial” property owners, including various multi-family property types, in the City of Atlanta pursuant to Section 130-84 of the City of Atlanta Code of Ordinances. As part of the settlement of the Lawsuits, the Atlanta City Council authorized the payment of (\$19,000,000.00), which shall be paid into an escrow account by the City to fund, among other things, all claims made by the named plaintiffs in the Lawsuits and settlement class members.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2021

Notes to the Financial Statements - Continued

VI. Subsequent Events, continued

General Obligation Bonds

In Fiscal Year 2022, the City authorized the issuance of: (a) the Series 2021B Bonds as Public Purpose General Obligation Bonds, in an aggregate principal amount not to exceed \$4,000,000 and (b) the Series 2021C Refunding Bonds as General Obligation Refunding Bonds in a principal amount not to exceed \$198,000,000. The proceeds of the Series 2021B Bonds will be used for the purpose of: (a) providing funds to pay, or to be applied or contributed toward, the cost of the Series 2021B Project (as defined herein) and (b) paying certain costs of issuance related to the Series 2021B Bonds. The proceeds of the Series 2021C Refunding Bonds, together with certain additional funds made available by the City, will be used for the purpose of: (a) providing funds to redeem or refund all or a portion of the Refunded Bonds (as defined herein) and (b) paying certain costs of issuance related to the Series 2021C Refunding Bonds.

Special Service District (SSD)

The Atlanta City Council approved legislation creating a Special Service District (SSD) that will provide approximately \$100 million towards completing the Atlanta BeltLine's 22-mile multi-use trail loop. Passage of the SSD unlocks an additional \$100 million in philanthropic contributions, as well as an anticipated \$50 million in grants and other sources. The legislation also compliments \$100 million from the BeltLine Tax Allocation District (TAD) for trail construction and other initiatives.

The SSD is a targeted tax district where commercial and multi-family property owners pay slightly more in property taxes to fund improvements from which they will benefit.

Department of Aviation

On October 6th, 2021, the Department of Aviation issued \$44,305,000 in the aggregate principal amount for the Airport General Revenue Refunding Bonds, Series 2021A (Non-AMT), \$129,985,000 in the aggregate principal amount for the Airport General Revenue Refunding Bonds, Series 2021B (Non-AMT), and \$161,585,000 in the aggregate principal amount for the Airport General Revenue Refunding Bonds, Series 2021C (AMT). The Series 2021 Refunding Bonds were issued for the purpose of providing funds to among other things: (a) refund and redeem all of the outstanding principal amount of the Refunded Bonds; and (b) pay certain costs of issuance with respect to the Series 2021 Refunding Bonds. By issuing the Series 2021 bonds, the city obtained an estimated economic gain of approximately \$125.5 million and obtained a net present value of savings of approximately \$118.0 million.

Department of Watershed Management

On July 29, 2021 the City of Atlanta issued its Water and Wastewater Commercial Paper Notes, Series 2021 in the aggregate amount of \$125,000,000 (the "Series 2021 Commercial Paper Notes"). The Series 2021 Commercial Paper Notes were issued to (a) pay the principal of and interest on the maturing Series 2018 Commercial Paper Notes or amounts required to reimburse any draw on a related credit facility for the Series 2018 Commercial Paper Notes; and (b) pay the costs associated with the issuance of the Series 2021 Commercial Paper Notes. The Series 2018 Commercial Paper Notes were fully refunded on July 29, 2021.



THIS PAGE INTENTIONALLY LEFT BLANK



Required Supplementary Information

CITY OF ATLANTA, GEORGIA
 Required Supplementary Information
 Schedule of Employer Net Pension Liability and Related Ratios
 General Employees' Pension Plan
 Year Ended June 30
 (Dollars in thousands)
 (Unaudited)

General Employees' Pension Plan

	2020	2019	2018	2017	2016	2015	2014
Total pension liability	\$1,920,062	\$1,895,114	\$1,872,962	\$1,941,752	\$1,915,577	\$1,873,213	\$1,832,883
Plan fiduciary net position	\$1,317,795	\$1,333,862	\$1,300,987	\$1,229,420	\$1,122,786	\$1,153,715	\$1,145,333
Employers net pension liability	\$ 602,267	\$ 561,252	\$ 571,975	\$ 712,332	\$ 792,791	\$ 719,498	\$ 687,550
Plan fiduciary net position as a percentage of total pension liability	68.63 %	70.38 %	69.46 %	63.31 %	58.61 %	61.59 %	62.49 %
Covered payroll	\$ 176,470	\$ 180,549	\$ 171,195	\$ 158,839	\$ 151,625	\$ 145,654	\$ 142,494
Employers net pension liability as a percentage of covered payroll	341.29 %	310.86 %	334.11 %	448.46 %	522.86 %	493.98 %	482.51 %

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Required Supplementary Information
 Schedule of Employer Net Pension Liability and Related Ratios
 Firefighters' Pension Plan
 Year Ended June 30
 (Dollars in thousands)
 (Unaudited)

Firefighters' Pension Plan	2020	2019	2018	2017	2016	2015	2014
Total pension liability	\$ 990,698	\$ 971,323	\$ 937,070	\$ 897,096	\$ 861,493	\$ 853,690	\$ 846,325
Plan fiduciary net position	\$ 716,418	\$ 727,344	\$ 718,133	\$ 669,508	\$ 612,637	\$ 644,649	\$ 658,508
Employers net pension liability	\$ 274,280	\$ 243,979	\$ 218,937	\$ 227,588	\$ 248,856	\$ 209,041	\$ 187,817
Plan fiduciary net position as a percentage of total pension liability	72.31 %	74.88 %	76.64 %	74.63 %	71.11 %	75.51 %	77.81 %
Covered payroll	\$ 49,940	\$ 47,197	\$ 46,962	\$ 47,479	\$ 46,918	\$ 47,181	\$ 44,508
Employers net pension liability as a percentage of covered payroll	549.22 %	516.94 %	466.20 %	479.34 %	530.41 %	443.06 %	421.98 %

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Required Supplementary Information
 Schedule of Employer Net Pension Liability and Related Ratios
 Police Officers' Pension Plan
 Year Ended June 30
 (Dollars in thousands)
 (Unaudited)

<u>Police Officers' Pension Plan</u>	2020	2019	2018	2017	2016	2015	2014
Total pension liability	\$1,524,959	\$1,472,276	\$1,439,664	\$1,394,134	\$1,317,840	\$1,294,907	\$1,270,494
Plan fiduciary net position	\$1,150,481	\$1,163,143	\$1,130,389	\$1,051,671	\$ 950,415	\$ 983,385	\$ 987,507
Employers net pension liability	\$ 374,478	\$ 309,133	\$ 309,275	\$ 342,463	\$ 367,425	\$ 311,522	\$ 282,987
Plan fiduciary net position as a percentage of total pension liability	75.44 %	79.00 %	78.52 %	75.44 %	72.12 %	75.94 %	77.73 %
Covered payroll	\$ 94,943	\$ 88,768	\$ 90,948	\$ 104,788	\$ 92,965	\$ 93,836	\$ 91,840
Employers net pension liability as a percentage of covered payroll	394.42 %	348.25 %	340.06 %	326.82 %	395.23 %	331.99 %	308.13 %

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Changes in Net Pension Liability
General Employees' Pension Plan
Year ended June 30
(Dollars in thousands)
(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Service cost	\$ 24,972	\$ 20,216	\$ 18,850	\$ 21,238	\$ 20,230	\$ 20,191	\$ 19,644
Interest	134,473	132,670	142,508	139,298	136,155	133,276	130,279
Change of benefit terms	—	—	34,081	—	—	—	—
Demographic experience	—	—	—	—	1,610	(1,399)	—
Differences between expected and actual experience	(3,944)	(4,244)	(48,346)	(17,825)	—	—	—
Changes of assumptions	—	—	(94,889)	—	—	—	—
Benefit payments, including refunds of member contributions	(130,553)	(126,491)	(120,993)	(116,536)	(115,631)	(111,738)	(108,175)
Net change in total pension liability	24,948	22,151	(68,789)	26,175	42,364	40,330	41,748
Total pension liability - beginning	1,895,114	1,872,963	1,941,752	1,915,577	1,873,213	1,832,883	1,791,135
Total pension liability - ending	<u>\$ 1,920,062</u>	<u>\$ 1,895,114</u>	<u>\$ 1,872,963</u>	<u>\$ 1,941,752</u>	<u>\$ 1,915,577</u>	<u>\$ 1,873,213</u>	<u>\$ 1,832,883</u>
Plan fiduciary net position:							
Contributions - employer	\$ 48,219	\$ 47,220	\$ 51,903	\$ 53,817	\$ 54,236	\$ 48,015	\$ 42,145
Contributions - member	19,599	35,639	20,671	18,243	19,173	16,975	17,366
Net investment income	47,653	77,334	121,682	152,258	12,257	56,575	188,381
Benefit payments, including member refunds	(130,553)	(126,491)	(120,993)	(116,536)	(115,631)	(111,738)	(108,175)
Administrative expenses	(1,252)	(832)	(1,806)	(1,148)	(964)	(1,445)	(8,813)
Other	267	5	110	—	—	—	—
Net changes in plan fiduciary net position	(16,067)	32,875	71,567	106,634	(30,929)	8,382	130,904
Plan fiduciary net position - beginning	1,333,862	1,300,987	1,229,420	1,122,786	1,153,715	1,145,333	1,014,429
Plan fiduciary net position - ending	1,317,795	1,333,862	1,300,987	1,229,420	1,122,786	1,153,715	1,145,333
Plan net pension liability - ending	<u>\$ 602,267</u>	<u>\$ 561,252</u>	<u>\$ 571,976</u>	<u>\$ 712,332</u>	<u>\$ 792,791</u>	<u>\$ 719,498</u>	<u>\$ 687,550</u>

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Changes in Net Pension Liability
Firefighters' Pension Plan
Year ended June 30
(Dollars in thousands)
(Unaudited)

	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 11,779	\$ 11,773	\$ 11,925	\$ 12,155	\$ 12,013	\$ 12,612	\$ 13,783
Interest	70,940	68,477	65,668	63,123	62,584	60,396	59,473
Differences between expected and actual experience	—	—	—	—	—	—	10,092
Demographic experience	(11,664)	12,391	(10,855)	4,835	(22,794)	(23,053)	
Changes of assumptions	—	(8,569)	20,135	—	—	—	16,251
Benefit payments, including refunds of member contributions	(51,680)	(49,819)	(46,898)	(44,510)	(44,000)	(42,590)	(41,629)
Net change in total pension liability	19,375	34,253	39,975	35,603	7,803	7,365	57,970
Total pension liability - beginning	971,323	937,070	897,095	861,493	853,690	846,325	788,355
Total pension liability - ending	<u>\$ 990,698</u>	<u>\$ 971,323</u>	<u>\$ 937,070</u>	<u>\$ 897,096</u>	<u>\$ 861,493</u>	<u>\$ 853,690</u>	<u>\$ 846,325</u>
Plan fiduciary net position:							
Contributions - employer	\$ 15,626	\$ 21,194	\$ 21,882	\$ 17,901	\$ 16,454	\$ 20,866	\$ 20,656
Contributions - member	6,130	5,980	5,945	5,711	5,667	5,637	5,670
Net investment income (loss)	19,489	32,146	68,379	78,247	(9,895)	2,651	112,374
Other	48	—	—	1	150	(427)	(374)
Benefit payments, including member refunds	(51,680)	(49,819)	(46,898)	(44,510)	(44,000)	(42,590)	(41,268)
Administrative expenses	(539)	(290)	(683)	(479)	(388)	4	—
Net change in plan fiduciary net position	(10,926)	9,211	48,625	56,871	(32,012)	(13,859)	97,058
Plan fiduciary net position - beginning	727,344	718,133	669,508	612,637	644,649	658,508	561,450
Plan fiduciary net position - ending	716,418	727,344	718,133	669,508	612,637	644,649	658,508
Plan net pension liability - ending	<u>\$ 274,280</u>	<u>\$ 243,979</u>	<u>\$ 218,937</u>	<u>\$ 227,588</u>	<u>\$ 248,856</u>	<u>\$ 209,041</u>	<u>\$ 187,817</u>

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Changes in Net Pension Liability
Police Officers' Pension Plan
Year ended June 30
(Dollars in thousands)

	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 21,287	\$ 19,836	\$ 21,230	\$ 24,887	\$ 21,573	\$ 22,387	\$ 23,755
Interest	108,027	105,604	102,549	97,265	95,436	91,326	89,442
Changes of benefit terms	(3,318)	(6,683)	(42,971)	16,627	(34,253)	(33,047)	—
Differences between expected and actual experience	—	—	—	—	—	—	36,363
Changes of assumptions	—	(16,496)	30,506	—	—	—	13,373
Benefit payments, including refunds of member contributions	(73,313)	(69,649)	(65,785)	(62,484)	(59,823)	(56,253)	(51,070)
Net change in total pension liability	52,683	32,612	45,529	76,295	22,933	24,413	111,863
Total pension liability - beginning	1,472,276	1,439,664	1,394,135	1,317,840	1,294,907	1,270,494	1,158,631
Total pension liability - ending	<u>\$ 1,524,959</u>	<u>\$ 1,472,276</u>	<u>\$ 1,439,664</u>	<u>\$ 1,394,135</u>	<u>\$ 1,317,840</u>	<u>\$ 1,294,907</u>	<u>\$ 1,270,494</u>
Plan fiduciary net position:							
Contributions - employer	\$ 21,571	\$ 31,232	\$ 34,176	\$ 27,493	\$ 25,441	\$ 32,693	\$ 30,197
Contributions - member	12,141	11,273	10,555	10,830	11,825	11,224	11,157
Net investment income	27,714	60,466	100,532	125,938	(10,177)	8,734	168,964
Other	40	—	76	—	193	4	(327)
Benefit payments, including member refunds	(73,313)	(69,649)	(65,785)	(62,484)	(59,823)	(56,253)	(51,299)
Administrative expenses	(815)	(568)	(836)	(521)	(429)	(524)	—
Net change in plan fiduciary net position	(12,662)	32,754	78,718	101,256	(32,970)	(4,122)	158,692
Plan fiduciary net position - beginning	1,163,143	1,130,389	1,051,671	950,415	983,385	987,507	828,815
Plan fiduciary net position - ending	1,150,481	1,163,143	1,130,389	1,051,671	950,415	983,385	987,507
Plan net pension liability - ending	<u>\$ 374,478</u>	<u>\$ 309,133</u>	<u>\$ 309,275</u>	<u>\$ 342,464</u>	<u>\$ 367,425</u>	<u>\$ 311,522</u>	<u>\$ 282,987</u>

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Employer Contributions -
General Employees', Firefighters' and Police Officers' Pension Plans
Year ended June 30
(Dollars in thousands)
(Unaudited)

General Employees'	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarily determined contributions	\$ 48,764	\$ 48,219	\$ 47,220	\$ 51,903	\$ 53,817	\$ 54,236	\$ 48,015	\$ 42,145	\$ 38,688	\$ 35,237
Contributions in relation to the actuarily determined contribution	48,764	48,219	47,220	51,903	53,817	54,236	48,015	42,145	38,688	35,237
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 188,795	\$ 176,470	\$ 180,549	\$ 171,195	\$ 158,839	\$ 151,625	\$ 145,654	\$ 142,494	\$ 133,069	\$ 139,107
Contributions as a percentage of covered payroll	25.8 %	27.3 %	26.2 %	30.3 %	33.9 %	35.8 %	33.0 %	29.6 %	29.1 %	25.3 %
Firefighters'	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarily determined contributions	\$ 24,628	\$ 15,626	\$ 21,194	\$ 21,882	\$ 17,901	\$ 16,454	\$ 20,866	\$ 20,656	\$ 17,491	\$ 21,092
Contributions in relation to the actuarily determined contribution	24,628	15,626	21,194	21,882	17,901	16,454	20,866	20,656	17,491	21,092
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 50,060	\$ 49,940	\$ 47,197	\$ 46,962	\$ 47,479	\$ 46,918	\$ 47,181	\$ 44,508	\$ 42,797	\$ 39,482
Contributions as a percentage of covered payroll	49.2 %	31.3 %	44.9 %	46.6 %	37.7 %	35.1 %	44.2 %	46.4 %	40.9 %	53.4 %
Police Officers'	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarily determined contributions	\$ 35,709	\$ 21,571	\$ 31,232	\$ 34,176	\$ 27,493	\$ 25,441	\$ 32,693	\$ 30,197	\$ 26,525	\$ 33,748
Contributions in relation to the actuarily determined contribution	35,709	21,571	31,232	34,176	27,493	25,441	32,693	30,197	26,525	33,748
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ 102,498	\$ 94,943	\$ 88,768	\$ 90,948	\$ 104,788	\$ 92,965	\$ 93,836	\$ 91,840	\$ 88,297	\$ 73,688
Contributions as a percentage of covered payroll	34.8 %	22.7 %	35.2 %	37.6 %	26.2 %	27.4 %	34.8 %	32.9 %	30.0 %	45.8 %

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Required Supplementary Information
 Schedule of Investment Returns -
 General Employees', Firefighters' and Police Officers' Pension Plans
 Year ended June 30
 (Unaudited)

General Employees' Pension Plan -
 the City

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual money-weight rate of return	31.35%	3.56%	6.09%	10.27%	13.32%	1.24%	4.64%	19.26%	17.55%	0.93%

Firefighters' Pension
 Plan

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual money-weight rate of return	33.28%	2.74%	4.75%	9.85%	13.15%	-1.13%	0.79%	21.01%	15.34%	1.68%

Police Officers' Pension
 Plan

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual money-weight rate of return	33.34%	2.47%	5.74%	10.00%	14.19%	-0.71%	1.22%	21.37%	15.73%	0.99%

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Required Supplementary Information
 Schedule of Changes in Net OPEB Liability and Related Ratios
 Year ended June 30
 (Dollars in thousands)
 (Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service cost	\$ 21,113	\$ 18,510	\$ 30,350	\$ 35,579
Interest	34,641	36,254	42,319	36,735
Change in benefit terms	—	—	(1,262)	—
Differences between expected and actual experience	(25,587)	26,415	99,182	11,772
Changes of assumptions	(86,222)	24,298	(376,987)	(140,512)
Benefit payments	(47,343)	(63,315)	(51,540)	(48,947)
Net change in total OPEB liability	(103,398)	42,162	(257,938)	(105,373)
Total OPEB liability - beginning	992,098	949,936	1,207,874	1,313,247
Total OPEB liability - ending	<u>\$ 888,700</u>	<u>\$ 992,098</u>	<u>\$ 949,936</u>	<u>\$ 1,207,874</u>
Plan Fiduciary net position as a percentage of total OPEB liability	N/A	N/A	N/A	N/A
Covered Employee Payroll	\$ 483,478	\$ 416,862	\$ 378,659	\$ 384,478
City's net OPEB liability as a percentage of covered-employee payroll	<u>183.81 %</u>	<u>237.99 %</u>	<u>250.87 %</u>	<u>314.16 %</u>

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA
General Fund
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2021
(Dollars in Thousands)

Notes and Comments:

Total revenue for Original and Final, per Council approval, was \$601,443

To ensure the Actual Column is consistent with the Statement of Revenue, Expenses and Changes in Fund Balance, the Original and Final Budget figures reflect the following adjustments:

Total Budget for Revenues:	\$ 673,407	
less: Operating Transfer Budget	(36,683)	Reflected in other financing sources and uses as a transfer in
less: Proceeds from sales of assets	(404)	Reflected in other financing sources and uses
less: Indirect Cost Recovery	(34,877)	Reflected as an offset to General Government expenditures
Total Revenues	\$ 601,443	

	<u>Budgeted Amounts</u>			Actual Amounts	Variance with Budget
	Original	Adjustment	Final Budget		
Revenues:					
Property taxes	\$ 227,930	\$ —	\$ 227,930	\$ 234,662	\$ 6,732
Local and municipal option sales taxes	122,150	—	122,150	117,588	(4,562)
Public utility, alcoholic beverage and other taxes	104,803	—	104,803	105,180	377
Licenses and permits	105,786	—	105,786	84,794	(20,992)
Charges for current services	3,273	—	3,273	4,826	1,553
Fines, forfeitures and penalties	14,430	—	14,430	10,695	(3,735)
Investment income	3,107	—	3,107	1,388	(1,719)
Intergovernmental Revenues and Contributions:					
Federal Revenues	—	—	—	64,402	64,402
State and Local Grants and Contributions	—	—	—	19	19
Building rentals and concessions	4,275	—	4,275	3,502	(773)
Other	15,689	—	15,689	8,126	(7,563)
Total revenues	601,443	—	601,443	635,182	33,739
Expenditures:					
General government	249,458	(44,934)	204,524	204,524	—
Police	212,009	7,850	219,859	219,859	—
Fire	93,198	7,099	100,297	100,297	—
Corrections	3,552	(831)	2,721	2,721	—
Public works	—	39,204	39,204	39,204	—
Parks, recreation and cultural affairs	40,022	955	40,977	40,977	—
Debt service					
Principal payments	21,608	(17,408)	4,200	4,200	—
Interest payments	9,779	(8,509)	1,270	1,270	—
Paying agent fees	104	(74)	30	30	—
Total expenditures	629,730	(16,648)	613,082	613,082	—
Excess (Deficiency) of revenues over expenditures	(28,287)	16,648	(11,639)	22,100	33,739
Other financing sources (uses):					
Proceeds from sale of assets	404	—	404	2,303	1,899
Transfers in	36,683	—	36,683	31,361	(5,322)
Transfers out	(8,800)	—	(8,800)	(55,152)	(46,352)
Total other financing sources (uses):	28,287	—	28,287	(21,488)	(49,775)
Net change in fund balance	—	16,648	16,648	612	(16,036)
Fund balance, beginning of the period	186,426	—	186,426	186,426	—
Fund balance, end of period	\$ 186,426	\$ 16,648	\$ 203,074	\$ 187,038	\$ (16,036)

See accompanying notes to required supplementary schedules and accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Notes to Required Supplementary Information
Year ended June 30, 2021
(Unaudited)

(1) Schedule of Changes in the Net Pension Liability

The total pension liability contained in this schedule was provided by the General Employees' Plan actuary, Segal Actuarial Services and the Firefighters' and Police Officers' Pension Plan actuary, Southern Actuarial Services. For the General Employees' Plan, a separate actuarial valuation is completed separately for the City and the School System. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the respective Plan.

(2) Schedule of Employer Contributions

The required contributions and percentage of those contributions actually made are presented in the schedule.

(3) Changes of Assumptions and Benefit Terms

Changes of assumptions for Pension Plans: For fiscal year 2017, the General Employees' Pension Plan changed the pre-retirement mortality assumption from the sex-distinct RP-2000 Combined Healthy Mortality Table, to the approximate RP-2006 Blue Collar Employee Table, loaded by 25% for males and females. The post-retirement mortality assumption for healthy annuitants was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, to the approximate RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% for males and females. The mortality assumption for disabled retirees was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table, to the approximate RP-2006 Disabled Retiree Table, loaded by 25% for males and females. The Firefighters' and Police Officers' Pension Plans mortality rates were based on the sex-distinct rates set forth in the PUB-2010 Mortality Table for public safety retirees, with generational improvements in Mortality using Scale MP-2017.

Changes of assumptions for OPEB: The valuation-year per capita healthcare costs and healthcare trend assumptions were updated. The discount rate effective June 30, 2020 was 2.21%. For June 30, 2019, the effective discount rate was 3.50%. For June 30, 2018, the effective discount rate was 3.87%. The police and fire mortality assumptions were changed to match the mortality assumptions used for the GASB 68 reports for the fiscal year ending June 30, 2020 reporting date. The Medicare Part B penalty was accounted for in the total claims cost spread among all current retirees enrolled in Medicare Advantage plans.

Budgetary Data

The City is required to adopt a balanced budget each year and maintain budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Mayor and City Council. Annual budgets are adopted for the General Fund as well as the following non-Major funds: Community Development, Emergency Telephone System, Intergovernmental Grants, Tax Allocation Districts, Other Special Revenue, and the Debt Service Fund with the level of legal budgetary control established by the City Council at the department level. The General Government consists of central support such as Executive Offices, Finance, Human Resources, Information Management, Procurement, and Planning. The budgetary comparisons for these non-major funds are included in the combining statements. The Capital Projects Funds adopt project-length budgets. In preparing the budgets, the Government utilizes GAAP for all legally required budgeted funds. The budget is prepared and presented to City Council for adoption. The adopted budget is available on the City Web-site.

CITY OF ATLANTA, GEORGIA
Notes to Required Supplementary Information
Year ended June 30, 2021
(Unaudited)

The amounts of anticipated revenues and appropriated expenditures for the annual budget are controlled by the City Charter and various ordinances adopted by the City Council.

The responsibility for revenue anticipations and specified appropriations is fixed by law by the Budget Commission, which is composed of the Mayor, the Chief Financial Officer, the Chair of the City Council Finance Committee, and two other members of City Council. The Budget Commission may not anticipate in any year an amount in excess of 99% of the normal revenues of the City actually collected during the previous year (unless tax rates or fees are increased) plus any accumulated cash surplus carried forward from the previous year. Grant revenues are anticipated in the Community Development and Intergovernmental Grants Funds in the year the grant is awarded to the City, although the funds may not be received in the same year. Grant revenue is therefore not considered to be over-anticipated until the activity for which the funds were granted is completed, and actual revenues are less than anticipated revenues.

After the initial annual budget is adopted, it may be amended for interdepartmental transfers of appropriations with the approval of City Council. Intra-departmental transfers of appropriations among individual budgetary accounts may be initiated by a department head with the approval of the Chief Operating Officer, the Chair of the City Council Finance Committee, and the Chief Financial Officer.

Total appropriations for any fund may be increased if, during the year, sources of revenue become available to the City in excess of original anticipations, and these amounts are anticipated by the Budget Commission and subsequently appropriated by City Council. No such additional appropriations were required during the year ended June 30, 2021.

All appropriations, except for the General Fund's construction, bond proceed funds, and Special Revenue funds, lapse at the end of the year, but are considered during the following year's budgeting process. Contractually encumbered appropriations and certain unencumbered appropriations in the General Fund do not lapse, but are carried forward to the ensuing budget year as budgetary amendments.

During 2021, the General Fund did not have expenditures that exceeded appropriations at the fund level.

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes.

Community Development Fund - Established to account for the revenue and expenditures provided under Title I of the Housing and Community Development Act of 1974 which provides for development of viable urban communities, including decent housing and suitable living environments and expansion of economic opportunities, principally for persons of low and moderate incomes.

Emergency Telephone System Fund - Established to account for the revenues and expenditures associated with the operation and management of the Emergency Telephone System.

Inter-Governmental Grants Fund - Established to account for the revenues and expenditures for miscellaneous grants except for those recorded in the Department of Aviation, Department of Watershed Management, and the Community Development Funds.

Empowerment Zone Fund - Established to account for grant revenue and expenditures related to community redevelopment in distressed communities.

C.A.R.E.S Assistance and Economic Relief Fund - Established to account for revenue and expenditures related to CARES Act 2020 relief funds received from the Federal Government to cover costs incurred due to the public health emergency Coronavirus.

Tax Allocation Districts - Established by the law creating the district to account for the use of tax increments to develop a specific area. The Districts include:

<i>Northwest Atlanta</i>	<i>Metropolitan Parkway</i>
<i>Hollowell/M.L. King</i>	<i>Stadium Neighborhoods</i>
<i>Campbelton Road</i>	

Other Special Revenue - Accounts for other restricted monies (expendable trust funds) that are classified as Special Revenue Funds. Established to account for activities in which the city acts as trustee for an individual organization, or other governmental units. These funds include:

<i>Expendable Trust Fund</i>	<i>Hotel/Motel Excise Tax Fund</i>
<i>Home Investment Partnership Trust Fund</i>	<i>Atlanta Housing Opportunity, Inc.</i>
<i>Section 108 Loan Trust</i>	<i>Agency Fund</i>
<i>Car Rental Excise Tax Fund</i>	

Debt Service Fund

Bond Service Fund - Established for the accumulation of resources to meet current and future debt service requirements on general long-term debt.

TSPLOST - Established to record transportation projects including roads, bridges, public transit, rails, airports, buses, seaports, including without limitation road, street, bridges and all accompanying infrastructure and services necessary to provide access to these transportation facilities. Collections from special purpose local option sales and use tax (TSPLOST) within the City, for a limited period, will fund these activities.

Tax Allocation Districts - Established to account for the proceeds of bonds issued and the collection of the tax increments created for developments within the specific Districts and repayment of the bonds. The Districts include:

<i>Atlantic Station</i>	<i>Eastside</i>
<i>Westside</i>	<i>Atlanta Beltline</i>
<i>Princeton Lake</i>	

Capital Projects Funds

Park Improvement Fund - For permanent improvements to parks, the zoo, and recreation facilities funded by an ad valorem tax levy.

Special Assessment Fund - For the accumulation and expenditures of resources for various public improvements, which are financed through assessment to individual property owners.

General Government Capital Outlay Fund - Established to record the acquisition, construction or improvement of capital assets which are funded by working capital obtained from certificates of participation and funds allocated from general government resources (transfers): dedicated taxes or a combination of financing sources which are not funded by the issuance of general obligation bonds.

Solid Waste Management Authority Fund - Established to account for the revenues and expenditures associated with the operation and management of debt financings related to post-closure costs of City landfills. The Solid Waste Management Authority, a blended component unit of the City, is legally separate from the City, and is governed by a board appointed by the Mayor and City Council.



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF ATLANTA, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Special Revenue Funds						Debt Service Funds		
	Community Development	Emergency Telephone System	Inter-Governmental Grants	Empowerment Zone	Cares Assistance & Economic Relief	Tax Allocation Districts	Other Special Revenue	Bond Service Fund	Tax Allocation Districts
ASSETS									
Cash and cash equivalents, restricted	\$ 5,267	\$ —	\$ 23,284	\$ —	\$ 115,318	\$ 31,143	\$ 36,312	\$ 121,923	\$ 289,800
Equity in cash management pool	—	14,305	—	—	—	—	67,376	—	—
Restricted investments	—	—	—	—	—	—	498	—	32,917
Receivables									
Taxes	—	—	—	—	—	943	4,583	1,480	2,621
Accounts	2	1,017	1,671	—	—	—	24,800	661	12,945
Due from other governments	10,053	—	36,240	—	—	—	2,786	—	—
TOTAL ASSETS	\$ 15,322	\$ 15,322	\$ 61,195	\$ —	\$ 115,318	\$ 32,086	\$ 136,355	\$ 124,064	\$ 338,283
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES									
Liabilities:									
Account payable	\$ 9,859	\$ 990	\$ 39,091	\$ (220)	\$ 5,626	\$ 10	\$ 39,149	\$ —	\$ 127
Accrued expenditures	5	250	8	—	—	—	111	—	—
Contract retentions	—	—	109	—	—	—	—	—	—
Due to other governments	—	—	—	—	—	—	3,800	—	109
Due to other funds	7,166	—	34,852	220	70,858	(13)	4,777	(547)	1,220
Unearned Revenue	—	—	—	—	38,834	—	—	—	—
Total liabilities	17,030	1,240	74,060	—	115,318	(3)	47,837	(547)	1,456
Deferred inflows of resources									
Deferred inflows of property taxes	79	—	19	—	—	713	245	1,461	79
Total liabilities and deferred inflows of resources	17,109	1,240	74,079	—	115,318	710	48,082	914	1,535
Fund Balances:									
Restricted (deficit)	—	14,082	—	—	—	31,376	88,273	123,150	336,748
Unassigned (deficit)	(1,787)	—	(12,884)	—	—	—	—	—	—
Total Fund Balances (deficit)	(1,787)	14,082	(12,884)	—	—	31,376	88,273	123,150	336,748
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES (DEFICIT)	\$ 15,322	\$ 15,322	\$ 61,195	\$ —	\$ 115,318	\$ 32,086	\$ 136,355	\$ 124,064	\$ 338,283

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA

Combining Balance Sheet
 Nonmajor Governmental Funds
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

Capital Project Funds					
TSPLOST	Park Improvement	Special Assessment	General Government Capital Outlay	Solid Waste Management Authority	Total Nonmajor Governmental Funds
\$ —	\$ —	\$ —	\$ 53,868	\$ 394	\$ 677,309
112,821	13,793	7,042	—	—	215,337
—	—	—	—	—	33,415
5,903	339	—	—	—	15,869
—	130	253	—	—	41,479
—	—	—	—	—	49,079
<u>\$ 118,724</u>	<u>\$ 14,262</u>	<u>\$ 7,295</u>	<u>\$ 53,868</u>	<u>\$ 394</u>	<u>\$ 1,032,488</u>
\$ 2,771	\$ 654	\$ 71	\$ 174	\$ —	\$ 98,302
—	32	—	—	—	406
443	—	—	—	—	552
—	—	—	—	—	3,909
—	—	—	(3,118)	(12)	115,403
—	—	—	—	—	38,834
<u>3,214</u>	<u>686</u>	<u>71</u>	<u>(2,944)</u>	<u>(12)</u>	<u>257,406</u>
—	322	—	—	—	2,918
<u>3,214</u>	<u>1,008</u>	<u>71</u>	<u>(2,944)</u>	<u>(12)</u>	<u>260,324</u>
115,510	13,254	7,224	56,812	406	786,835
—	—	—	—	—	(14,671)
<u>115,510</u>	<u>13,254</u>	<u>7,224</u>	<u>56,812</u>	<u>406</u>	<u>772,164</u>
<u>\$ 118,724</u>	<u>\$ 14,262</u>	<u>\$ 7,295</u>	<u>\$ 53,868</u>	<u>\$ 394</u>	<u>\$ 1,032,488</u>

CITY OF ATLANTA, GEORGIA
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ending June 30, 2021

	Special Revenue Funds						Debt Service Funds		
	Community Development	Emergency Telephone System	Inter-Governmental Grants	Empowerment Zone	Cares Assistance & Economic Relief	Tax Allocation Districts	Other Special Revenue	Bond Service Fund	Tax Allocation Districts
REVENUES									
Property Taxes	\$ —	\$ 126	\$ —	\$ —	\$ —	\$ 9,529	\$ —	\$ 72,709	\$ 138,317
Local and Municipal Option Sales taxes	—	—	—	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—	28,629	4,778	—
Licenses and permits	—	—	—	—	—	—	880	—	—
Charges for current services	—	23,413	—	—	—	—	3,143	—	—
Fines, forfeitures and penalties	—	—	—	—	—	—	1,028	—	—
Investment Income	—	—	—	—	—	39	1,049	81	1,394
Intergovernmental Revenues and Contributions:									
Federal revenues, grants and contributions	9,015	—	25,037	—	81,179	—	1,021	—	—
State and local governments	—	—	5,835	—	—	—	4,461	—	—
Total intergovernmental revenues	9,015	—	30,872	—	81,179	—	5,482	—	—
Building Rentals and Concessions	—	—	—	—	—	—	546	—	—
Other	—	4	—	—	—	—	6,075	1	42
Total Revenues	9,015	23,543	30,872	—	81,179	9,568	46,832	77,569	139,753
EXPENDITURES									
Current:									
Executive Offices	586	—	15,094	—	63,750	—	399	—	—
Personnel and human services	—	—	—	—	6,573	—	2,206	—	—
Courts and judicial agencies	55	—	144	—	—	—	—	—	—
Finance	869	—	230	—	3,824	—	—	—	—
Housing, planning and development	1,061	—	5,620	—	—	—	7,236	—	—
Nondepartmental	8,561	773	3,601	—	5,107	865	28,330	714	61,407
Total general government	11,132	773	24,689	—	79,254	865	38,171	714	61,407
Police	993	17,928	1,729	—	—	—	1,502	—	—
Fire	—	—	176	—	—	—	—	—	160
Corrections	—	—	—	—	—	—	1,462	—	—
Public Works	22	—	5,928	—	—	—	2,171	—	—
Parks, recreation and cultural affairs	227	—	365	—	1,925	—	5,775	—	—
Debt Service:									
Principal payments	—	—	—	—	—	1,040	—	29,705	32,715
Interest payments	—	—	—	—	—	598	1,561	12,160	12,359
Paying agent fees	—	—	—	—	—	—	—	7	25
Total Expenditures	12,374	18,701	32,887	—	81,179	2,503	50,642	42,586	106,666
Excess (Deficiency) of Revenues Over (under) Expenditures	(3,359)	4,842	(2,015)	—	—	7,065	(3,810)	34,983	33,087
OTHER FINANCING SOURCES (USES)									
Issuance of Long Term Debt	—	—	—	—	—	—	594	—	—
Transfers in	—	14,305	11	—	—	—	9,397	30	—
Transfers out	—	(14,305)	—	—	—	—	(9,684)	—	—
Total Other Financing Sources (Uses)	—	—	11	—	—	—	307	30	—
Net Change in Fund Balances	(3,359)	4,842	(2,004)	—	—	7,065	(3,503)	35,013	33,087
FUND BALANCE (DEFICIT):									
Beginning of the period, as restated (Note I.G)	1,572	9,240	(10,880)	—	—	24,311	91,776	88,137	303,661
FUND BALANCE (DEFICIT), END OF PERIOD	\$ (1,787)	\$ 14,082	\$ (12,884)	\$ —	\$ —	\$ 31,376	\$ 88,273	\$ 123,150	\$ 336,748

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA

Combining Statement of Revenue, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds For the Year Ending June 30, 2021

Capital Project Funds						Total Nonmajor Governmental Funds
TSPLOST	Park Improvement	Special Assessment	General Government Capital Outlay	Solid Waste Management Authority		
\$ —	\$ 15,151	\$ —	\$ —	\$ —	\$ 235,832	
60,398	—	—	—	—	60,398	
—	1,273	—	—	—	34,680	
—	—	—	—	—	880	
—	—	1,274	8,131	—	35,961	
—	—	—	—	—	1,028	
389	59	32	33	1	3,077	
—	—	—	—	—	116,252	
—	—	—	—	—	10,296	
—	—	—	—	—	126,548	
—	—	—	—	—	546	
—	—	—	—	—	6,122	
60,787	16,483	1,306	8,164	1	505,072	
128	—	—	—	—	79,957	
—	—	—	—	—	8,779	
—	—	—	—	—	199	
—	—	—	6	1	4,930	
—	(55)	—	(2)	—	13,860	
1,229	6,645	—	—	—	117,232	
1,357	6,590	—	4	1	224,957	
—	—	759	5	—	22,916	
—	—	—	1,936	—	2,272	
—	—	—	—	—	1,462	
22,711	—	—	1,168	—	32,000	
—	3,503	—	112	—	11,907	
—	—	—	—	1,965	65,425	
—	—	—	—	132	26,810	
—	2	—	—	—	34	
24,068	10,095	759	3,225	2,098	387,783	
36,719	6,388	547	4,939	(2,097)	117,289	
—	—	—	—	—	594	
—	—	—	—	2,096	25,839	
—	—	—	—	—	(23,989)	
—	—	—	—	2,096	2,444	
36,719	6,388	547	4,939	(1)	119,733	
78,791	6,866	6,677	51,873	407	652,431	
\$ 115,510	\$ 13,254	\$ 7,224	\$ 56,812	\$ 406	\$ 772,164	

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds-Tax Allocation Districts
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Special Revenue Funds					Debt Service Funds						
	NW Atlanta	Hollowell/ M.L. King	Campbelton Road	Metropolitan Parkway	Stadium Neighborhoods	Total	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	Total
ASSETS												
Cash and cash equivalents, restricted	\$ 21,769	\$ 1,668	\$ 5,555	\$ 1,633	\$ 518	\$ 31,143	\$ 22,891	\$ 77,809	\$ 6,923	\$ 93,819	\$ 88,358	\$ 289,800
Restricted investments	—	—	—	—	—	—	4,250	—	—	28,667	—	32,917
Receivable:												
Taxes	503	243	151	51	(5)	943	180	1,328	17	443	653	2,621
Accounts	—	—	—	—	—	—	165	11,532	—	389	859	12,945
TOTAL ASSETS	\$ 22,272	\$ 1,911	\$ 5,706	\$ 1,684	\$ 513	\$ 32,086	\$ 27,486	\$ 90,669	\$ 6,940	\$ 123,318	\$ 89,870	\$ 338,283
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES												
Liabilities:												
Account payable	—	—	—	—	10	10	—	93	—	4	30	127
Due to other governments	—	—	—	—	—	—	109	—	—	—	—	109
Due to other Funds	3	35	(41)	(17)	7	(13)	52	754	159	78	177	1,220
Total Liabilities	3	35	(41)	(17)	17	(3)	161	847	159	82	207	1,456
Deferred inflows of resources												
Deferred inflows of property taxes	384	148	160	16	5	713	100	(522)	11	154	336	79
Total liabilities and deferred inflows of resources	387	183	119	(1)	22	710	261	325	170	236	543	1,535
Fund Balance:												
Restricted	21,885	1,728	5,587	1,685	491	31,376	27,225	90,344	6,770	123,082	89,327	336,748
Total Fund Balances	21,885	1,728	5,587	1,685	491	31,376	27,225	90,344	6,770	123,082	89,327	336,748
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 22,272	\$ 1,911	\$ 5,706	\$ 1,684	\$ 513	\$ 32,086	\$ 27,486	\$ 90,669	\$ 6,940	\$ 123,318	\$ 89,870	\$ 338,283

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds-Tax Allocation Districts
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Special Revenue Funds						Debt Service Funds					
	NW Atlanta	Hollowell/ M.L. King	Campbelton Road	Metropolitan Parkway	Stadium Neighborhoods	Total	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	Total
REVENUE												
Property Taxes	\$ 7,505	\$ 483	\$ 1,046	\$ 270	\$ 225	\$ 9,529	\$ 22,788	\$ 26,458	\$ 2,278	\$ 24,196	\$ 62,597	\$ 138,317
Investment Income	25	3	8	2	1	39	324	122	10	877	61	1,394
Other	—	—	—	—	—	—	—	42	—	—	—	42
Total Revenues	7,530	486	1,054	272	226	9,568	23,112	26,622	2,288	25,073	62,658	139,753
EXPENDITURES												
Current:												
Fire	—	—	—	—	—	—	—	—	160	—	—	160
Nondepartmental	100	386	38	308	33	865	46	6,858	29	8,209	46,265	61,407
Total general government	100	386	38	308	33	865	46	6,858	189	8,209	46,265	61,567
Debt Service:												
Paying agent fees	—	—	—	—	—	—	7	10	—	—	8	25
Principal payment	1,040	—	—	—	—	1,040	11,665	8,675	620	—	11,755	32,715
Interest payment	598	—	—	—	—	598	5,029	1,224	162	771	5,173	12,359
Total Expenditures	1,738	386	38	308	33	2,503	16,747	16,767	971	8,980	63,201	106,666
Excess (Deficiency) of Revenue Over (under) Expenditures	5,792	100	1,016	(36)	193	7,065	6,365	9,855	1,317	16,093	(543)	33,087
Net Change in Fund Balances	5,792	100	1,016	(36)	193	7,065	6,365	9,855	1,317	16,093	(543)	33,087
FUND BALANCE:												
Beginning of the period	16,093	1,628	4,571	1,721	298	24,311	20,860	80,489	5,453	106,989	89,870	303,661
FUND BALANCE, END OF PERIOD	\$ 21,885	\$ 1,728	\$ 5,587	\$ 1,685	\$ 491	\$ 31,376	\$ 27,225	\$ 90,344	\$ 6,770	\$ 123,082	\$ 89,327	\$ 336,748

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds-Other Special Revenue Funds
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Other Special Revenue Funds							Total Other Special Revenue
	Expendable Trust	Home Investment Partnership Trust	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Atlanta Housing Opportunity, Inc.	Agency Fund	
ASSETS								
Cash and cash equivalents, restricted	\$ 12,660	\$ 4,480	\$ 3,249	\$ —	\$ —	\$ 15,770	153	\$ 36,312
Equity in cash management pool	38,739	—	—	—	1,281	—	27,356	67,376
Investments	498	—	—	—	—	—	—	498
Receivables:								
Taxes	—	—	—	—	4,583	—	—	4,583
Accounts	912	—	—	187	—	22,719	982	24,800
Due from other governments	—	2,513	—	—	—	273	—	2,786
TOTAL ASSETS	\$ 52,809	\$ 6,993	\$ 3,249	\$ 187	\$ 5,864	\$ 38,762	\$ 28,491	\$ 136,355
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Account payable	6,555	3,856	—	—	—	—	28,738	39,149
Accrued expenditures	105	—	—	—	—	—	6	111
Due to other governments	—	—	—	185	3,604	11	—	3,800
Due to other funds	—	2,515	—	2	2,260	—	—	4,777
Total liabilities	6,660	6,371	—	187	5,864	11	28,744	47,837
Deferred inflows of resources								
Deferred inflows of property taxes	163	82	—	—	—	—	—	245
Total liabilities and deferred inflows of resources	6,823	6,453	—	187	5,864	11	28,744	48,082
Fund Balances:								
Restricted(deficit)	45,986	540	3,249	—	—	38,751	(253)	88,273
Total Fund Balance (deficit)	45,986	540	3,249	—	—	38,751	(253)	88,273
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 52,809	\$ 6,993	\$ 3,249	\$ 187	\$ 5,864	\$ 38,762	\$ 28,491	\$ 136,355

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds-Other Special Revenue Funds
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Other Special Revenue Funds							Total Other Special Revenue
	Expendable Trust	Home Investment Partnership Trust	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Atlanta Housing Opportunity, Inc.	Agency Fund	
REVENUES								
Other Taxes	\$ —	\$ —	\$ —	\$ 1,285	\$ 27,344	\$ —	\$ —	\$ 28,629
Licenses and permits	880	—	—	—	—	—	—	880
Charges for current services	3,143	—	—	—	—	—	—	3,143
Fines, forfeitures and penalties	1,028	—	—	—	—	—	—	1,028
Investment Income	362	—	2	—	—	685	—	1,049
Intergovernmental Revenues and Contributions:								
Federal revenues	—	1,021	—	—	—	—	—	1,021
State and local grants and contributions	4,461	—	—	—	—	—	—	4,461
Total intergovernmental revenues	4,461	1,021	—	—	—	—	—	5,482
Building rentals and concessions	546	—	—	—	—	—	—	546
Other	6,075	—	—	—	—	—	—	6,075
Total Revenues	16,495	1,021	2	1,285	27,344	685	—	46,832
EXPENDITURES								
Current:								
Executive Offices	399	—	—	—	—	—	—	399
Personel and human services	1,953	—	—	—	—	—	253	2,206
Housing, planning and development	6,692	544	—	—	—	—	—	7,236
Nondepartmental Total general government	694	170	—	1,285	20,511	5,670	—	28,330
	9,738	714	—	1,285	20,511	5,670	253	38,171
Police	1,502	—	—	—	—	—	—	1,502
Corrections	1,462	—	—	—	—	—	—	1,462
Public Works	2,171	—	—	—	—	—	—	2,171
Parks, recreation and cultural affairs	5,775	—	—	—	—	—	—	5,775
Debt Service:								
Interest Payments	—	—	—	—	—	1,561	—	1,561
Total Expenditures	20,648	714	—	1,285	20,511	7,231	253	50,642
Excess (Deficiency) of Revenues Over (under) Expenditures	(4,153)	307	2	—	6,833	(6,546)	(253)	(3,810)
OTHER FINANCING SOURCES (USES)								
Issuance of Long Term Debt	—	—	—	—	—	594	—	594
Transfers in	4,162	—	—	—	—	5,235	—	9,397
Transfers out	(2,851)	—	—	—	(6,833)	—	—	(9,684)
Total Other Financing Sources (Uses)	1,311	—	—	—	(6,833)	5,829	—	307
Net Change in Fund Balances	(2,842)	307	2	—	—	(717)	(253)	(3,503)
FUND BALANCE:								
Beginning of the period, as restated (Note 1. g.)	48,828	233	3,247	—	—	39,468	—	91,776
FUND BALANCE (deficit), END OF PERIOD	\$ 45,986	\$ 540	\$ 3,249	\$ —	\$ —	\$ 38,751	\$ (253)	\$ 88,273

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds

Special Revenue Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ending June 30, 2021

(Dollars in Thousands)

	Community Development Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal Revenues	6,625	32,329	9,015	(23,314)
Total Revenues	6,625	32,329	9,015	(23,314)
EXPENDITURES				
Current:				
Executive Offices	1,638	2,002	586	1,416
Courts and judicial agencies	10	97	55	42
Finance	1,290	2,518	869	1,649
Housing, planning and development	2,057	2,957	1,061	1,896
Nondepartmental	—	22,128	8,561	13,567
General government	4,995	29,702	11,132	18,570
Police	683	1,915	993	922
Fire	—	—	—	—
Total public safety	683	1,915	993	922
Public Works	585	362	22	340
Parks, recreation and cultural affairs	297	297	227	70
Debt Service:				
Principal payment	6	6	—	6
Interest payment	59	59	—	59
Total Expenditures	6,625	32,341	12,374	19,967
Excess (deficiency) of revenues over (under) expenditures	—	(12)	(3,359)	(3,347)
FUND BALANCE:				
Fund balance, beginning of period	1,572	1,572	1,572	—
Fund Balance (Deficit), End of Period	\$ 1,572	\$ 1,560	\$ (1,787)	\$ (3,347)

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds

Special Revenue Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ending June 30, 2021

(Dollars in Thousands)

	Emergency Telephone System Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ —	\$ —	\$ 126	\$ 126
Charges for current services	20,703	20,703	23,413	2,710
Other	—	—	4	4
Total Revenues	20,703	20,703	23,543	2,840
EXPENDITURES				
Current:				
Nondepartmental	491	491	773	(282)
General government	491	491	773	(282)
Police	20,212	38,687	17,928	20,759
Total public safety	20,212	38,687	17,928	20,759
Total Expenditures	20,703	39,178	18,701	20,477
Excess (deficiency) of revenues over (under) expenditures	—	(18,475)	4,842	23,317
Other Financing Sources (Uses):				
Proceeds of Sales of Capital Assets	—	9,238	—	(9,238)
Transfers In	—	9,238	14,305	5,067
Transfers Out	—	(9,238)	(14,305)	(5,067)
Total Other Financing Sources (Uses)	—	9,238	—	(9,238)
Excess (deficiency) of revenues over (under) expenditures	—	(9,237)	4,842	14,079
FUND BALANCE				
Fund balance, beginning of period	9,240	9,240	9,240	—
Fund Balance, End of Period	\$ 9,240	\$ 3	\$ 14,082	\$ 14,079

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds

Special Revenue Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ending June 30, 2021

(Dollars in Thousands)

	Inter-governmental Grants Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal Revenues	\$ 87,733	\$ 74,426	\$ 25,037	\$ (49,389)
State and local governments	14,477	35,674	5,835	(29,839)
Total intergovernmental revenues	<u>102,210</u>	<u>110,100</u>	<u>30,872</u>	<u>(79,228)</u>
Total Revenues	<u>102,210</u>	<u>110,100</u>	<u>30,872</u>	<u>(79,228)</u>
EXPENDITURES				
Current:				
Executive offices	40,168	6,618	15,094	(8,476)
Courts and judicial agencies	—	—	144	(144)
Finance	2,199	5,606	230	5,376
Housing, planning and development	10,814	13,494	5,620	7,874
Nondepartmental	134	41,237	3,601	37,636
General government	<u>53,315</u>	<u>66,955</u>	<u>24,689</u>	<u>42,266</u>
Police	7,205	11,511	1,729	9,782
Fire	74	330	176	154
Total public safety	<u>7,279</u>	<u>11,841</u>	<u>1,905</u>	<u>9,936</u>
Public Works	41,560	18,183	5,928	12,255
Parks, recreation and cultural affairs	37	1,859	365	1,494
Total Expenditures	<u>102,191</u>	<u>98,838</u>	<u>32,887</u>	<u>65,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19</u>	<u>11,262</u>	<u>(2,015)</u>	<u>13,277</u>
Other Financing Sources (Uses):				
Transfers in	—	—	11	11
Total Other Financing Sources (Uses)	<u>—</u>	<u>—</u>	<u>11</u>	<u>11</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19</u>	<u>11,262</u>	<u>(2,004)</u>	<u>(13,266)</u>
FUND BALANCE (Deficit):				
Fund balance (deficit), beginning of period	<u>(10,880)</u>	<u>(10,880)</u>	<u>(10,880)</u>	<u>—</u>
Fund Balance (deficit), End of Period	<u>\$ (10,861)</u>	<u>\$ 382</u>	<u>\$ (12,884)</u>	<u>\$ (13,266)</u>

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	NW Atlanta Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 5,811	\$ 5,811	\$ 7,505	\$ 1,694
Investment Income	115	115	25	(90)
Other	10,575	9,495	—	(9,495)
Total Revenues	16,501	15,421	7,530	(7,891)
EXPENDITURES				
Current:				
Nondepartmental	13,803	13,803	100	13,703
General government	13,803	13,803	100	13,703
Principal payments	2,120	1,040	1,040	—
Interest payments	578	578	598	(20)
Total Expenditures	16,501	15,421	1,738	13,683
Excess of revenues over expenditures	—	—	5,792	5,792
FUND BALANCE:				
Fund balance, beginning of period	16,093	16,093	16,093	—
Fund Balance, End of Period	\$ 16,093	\$ 16,093	\$ 21,885	\$ 5,792

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Hollowell-Martun Luther King Dr. Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 932	\$ 932	\$ 483	\$ (449)
Investment Income	1	1	3	2
Other	1,616	1,616	—	(1,616)
Total Revenues	2,549	2,549	486	(2,063)
EXPENDITURES				
Current:				
Nondepartmental	2,549	2,549	386	2,163
General government	2,549	2,549	386	2,163
Total Expenditures	2,549	2,549	386	2,163
Excess (deficiency) of revenues over (under) expenditures	—	—	100	100
FUND BALANCE:				
Fund balance, beginning of period	1,628	1,628	1,628	—
Fund Balance, End of Period	\$ 1,628	\$ 1,628	\$ 1,728	\$ 100

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Campbelton Road Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 2,227	\$ 2,227	\$ 1,046	\$ (1,181)
Investment Income	4	4	8	4
Other	2,092	2,092	—	(2,092)
Total Revenues	4,323	4,323	1,054	(3,269)
EXPENDITURES				
Current:				
Nondepartmental	4,323	4,323	38	4,285
General government	4,323	4,323	38	4,285
Total Expenditures	4,323	4,323	38	4,285
Excess (deficiency) of revenues over (under) expenditures	—	—	1,016	1,016
FUND BALANCE:				
Fund balance, beginning of period	4,571	4,571	4,571	—
Fund Balance, End of Period	\$ 4,571	\$ 4,571	\$ 5,587	\$ 1,016

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Metropolitan Parkway Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 804	\$ 804	\$ 270	\$ (534)
Investment Income	5	5	2	(3)
Other	1,162	1,162	—	(1,162)
Total Revenues	1,971	1,971	272	(1,699)
EXPENDITURES				
Current:				
Nondepartmental	1,971	1,971	308	1,663
General government	1,971	1,971	308	1,663
Total Expenditures	1,971	1,971	308	1,663
Excess (deficiency) of revenues over (under) expenditures	—	—	(36)	(36)
FUND BALANCE:				
Fund balance, beginning of period	1,721	1,721	1,721	—
Fund Balance, End of Period	\$ 1,721	\$ 1,721	\$ 1,685	\$ (36)

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Stadium Neighborhoods -Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Stadium Neighborhoods Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 194	\$ 194	\$ 225	\$ 31
Other	498	498	1	(497)
Total Revenues	692	692	226	(466)
EXPENDITURES				
Current:				
Nondepartmental	692	692	33	659
General government	692	692	33	659
Total Expenditures	692	692	33	659
Excess (deficiency) of revenues over (under) expenditures	—	—	193	193
FUND BALANCE:				
Fund balance, beginning of period	298	298	298	—
Fund Balance, End of Period	\$ 298	\$ 298	\$ 491	\$ 193

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Atlantic Station Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 21,870	\$ 21,870	\$ 22,788	\$ 918
Investment Income	400	400	324	(76)
Other	7,987	7,987	—	(7,987)
Total Revenues	30,257	30,257	23,112	(7,145)
EXPENDITURES				
Current:				
Nondepartmental	645	645	46	599
General government	645	645	46	599
Debt Service:				
Paying agent fees	35	35	7	28
Principal payments	20,555	18,665	11,665	7,000
Interest payments	6,931	6,931	5,029	1,902
Total Expenditures	28,166	26,276	16,747	9,529
Excess (deficiency) of revenues over (under) expenditures	2,091	3,981	6,365	2,384
FUND BALANCE:				
Fund balance, beginning of period	20,860	20,860	20,860	—
Fund Balance, End of Period	\$ 22,951	\$ 24,841	\$ 27,225	\$ 2,384

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Westside Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 23,295	\$ 23,295	\$ 26,458	\$ 3,163
Charges for Recurring Services	72	72	—	(72)
Investment Income	350	350	122	(228)
Other	34,186	34,186	42	(34,144)
Total Revenues	57,903	57,903	26,622	(31,281)
EXPENDITURES				
Current:				
Nondepartmental	54,944	54,944	6,858	48,086
General government	54,944	54,944	6,858	48,086
Debt Service:				
Paying agent fees	9	9	10	(1)
Principal payments	9,080	9,080	8,675	405
Interest payments	2,171	2,171	1,224	947
Total Expenditures	66,204	66,204	16,767	49,437
Excess (deficiency) of revenues over (under) expenditures	(8,301)	(8,301)	9,855	18,156
FUND BALANCE:				
Fund balance, beginning of period	80,489	80,489	80,489	—
Fund Balance, End of Period	\$ 72,188	\$ 72,188	\$ 90,344	\$ 18,156

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Princeton Lake Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 2,061	\$ 2,061	\$ 2,278	\$ 217
Investment Income	5	5	10	5
Other	8,224	8,224	—	(8,224)
Total Revenues	10,290	10,290	2,288	(8,002)
EXPENDITURES				
Current:				
Nondepartmental	1,149	1,149	29	1,120
General government	1,149	1,149	29	1,120
Fire	4,057	4,057	160	3,897
Total public safety	4,057	4,057	160	3,897
Principal payments	620	620	620	—
Interest payments	159	159	162	(3)
Total Expenditures	5,985	5,985	971	5,014
Excess (deficiency) of revenues over (under) expenditures	4,305	4,305	1,317	(2,988)
FUND BALANCE:				
Fund balance, beginning of period	5,453	5,453	5,453	—
Fund Balance, End of Period	\$ 9,758	\$ 9,758	\$ 6,770	\$ (2,988)

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Eastside Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 21,696	\$ 21,696	\$ 24,196	\$ 2,500
Investment Income	2,000	2,000	877	(1,123)
Other	97,303	94,219	—	(94,219)
Total Revenues	120,999	117,915	25,073	(92,842)
EXPENDITURES				
Current:				
Nondepartmental	117,895	117,895	8,209	109,686
General government	117,895	117,895	8,209	109,686
Debt Service:				
Paying agent fees	20	20	—	20
Interest payments	1,194	—	771	(771)
Total Expenditures	119,109	117,915	8,980	108,935
Excess (deficiency) of revenues over (under) expenditures	1,890	—	16,093	16,093
FUND BALANCE:				
Fund balance, beginning of period	106,989	106,989	106,989	—
Fund Balance, End of Period	\$ 108,879	\$ 106,989	\$ 123,082	\$ 16,093

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Tax Allocation Districts-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Atlanta Beltline Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 53,395	\$ 53,395	\$ 62,597	\$ 9,202
Investment Income	3	3	61	\$ 58
Other	20,331	20,331	—	(20,331)
Total Revenues	73,729	73,729	62,658	(11,071)
EXPENDITURES				
Current:				
Nondepartmental	57,326	57,326	46,265	11,061
General government	57,326	57,326	46,265	11,061
Debt Service:				
Paying agent fees	—	—	8	(8)
Principal payments	11,755	11,755	11,755	—
Interest payments	4,932	4,932	5,173	(241)
Total Expenditures	74,013	74,013	63,201	10,812
Excess (deficiency) of revenues over (under) expenditures	(284)	(284)	(543)	(259)
FUND BALANCE:				
Fund balance, beginning of period	89,870	89,870	89,870	—
Fund Balance, End of Period	\$ 89,586	\$ 89,586	\$ 89,327	\$ (259)

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 TSPLOST-Debt Service Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	TSPLOST			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Local and Municipal Option Sales	\$ —	\$ —	\$ 60,398	\$ 60,398
Investment Income	—	—	389	389
Other	113,977	113,977	—	(113,977)
State and local governments	—	36,295	—	(36,295)
Total Revenues	113,977	150,272	60,787	(89,485)
EXPENDITURES				
Current:				
Executive Offices	2,144	75	128	(53)
Nondepartmental	131	88,762	1,229	87,533
General government	2,275	88,837	1,357	87,480
Public Works	111,702	61,435	22,711	38,724
Total Expenditures	113,977	150,272	24,068	126,204
Excess (deficiency) of revenues over (under) expenditures	—	—	36,719	36,719
FUND BALANCE:				
Fund balance, beginning of period	78,791	78,791	78,791	—
Fund Balance, End of Period	\$ 78,791	\$ 78,791	\$ 115,510	\$ 36,719

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds Debt Service Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual For the Year Ending June 30, 2021 (Dollars in Thousands)

	Bond Service Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 71,120	\$ 71,120	\$ 72,709	\$ 1,589
Other Taxes	1,429	1,429	4,778	3,349
Investment Income	105	105	81	(24)
Other	—	—	1	1
Total Revenues	72,654	72,654	77,569	4,915
EXPENDITURES				
Current:				
Nondepartmental	30,674	30,674	714	29,960
General government	30,674	30,674	714	29,960
Debt Service:				
Paying agent fees	103	103	7	96
Principal payment	29,717	29,717	29,705	12
Interest payment	12,160	12,160	12,160	—
Total Expenditures	72,654	72,654	42,586	30,068
Excess of revenues over expenditures	—	—	34,983	34,983
Other Financing Sources (Uses):				
Transfers In	—	—	30	30
Total Other Financing Sources (Uses)	—	—	30	30
Excess of revenues over expenditures and other uses	—	—	35,013	35,013
FUND BALANCE:				
Fund balance, beginning of period	88,137	88,137	88,137	—
Fund Balance, End of Period	\$ 88,137	\$ 88,137	\$ 123,150	\$ 35,013

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Other Special Revenue Funds
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Expendable Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
License & Permits	\$ —	\$ 854	\$ 880	\$ 26
Charges for Recurring Services	—	3,129	3,143	14
Fines, Forfeitures and Penalties	—	1,020	1,028	8
Investment Income	—	188	362	174
Intergovernmental Revenues:				
State and local governments	—	3,213	4,461	1,248
Building Rentals and Concessions	—	529	546	17
Other	—	6,064	6,075	11
Total Revenues	—	14,997	16,495	1,498
EXPENDITURES				
Current:				
Executive Offices	258	2,064	399	1,665
Personnel and human services	2	7,070	1,953	5,117
City Council	2	34	—	34
Courts and judicial agencies	—	429	—	429
Finance	—	10,879	—	10,879
Housing, planning, and development	559	18,384	6,692	11,692
Nondepartmental	953	7,518	694	6,824
Total general government	<u>1,774</u>	<u>46,378</u>	<u>9,738</u>	<u>36,640</u>
Police	1,155	5,772	1,502	4,270
Fire	—	271	—	271
Corrections	59	2,841	1,462	1,379
Total public safety	<u>1,214</u>	<u>8,884</u>	<u>2,964</u>	<u>5,920</u>
Public Works	58	7,383	2,171	5,212
Parks, recreation and cultural affairs	3,037	15,764	5,775	9,989
Total Expenditures	<u>6,083</u>	<u>78,409</u>	<u>20,648</u>	<u>57,761</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,083)</u>	<u>(63,412)</u>	<u>(4,153)</u>	<u>59,259</u>
Other Financing Sources (Uses):				
Transfers in	—	4,163	4,162	(1)
Transfers out	—	(1,241)	(2,851)	(1,610)
Total Other Financing Sources (Uses)	—	2,922	1,311	(1,611)
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>(6,083)</u>	<u>(60,490)</u>	<u>(2,842)</u>	<u>57,648</u>
FUND BALANCE (DEFICIT):				
Fund balance, beginning of the period, as restated (Note I. G.)	48,828	48,828	48,828	—
Fund Balance (Deficit), End of Period	<u>\$ 42,745</u>	<u>\$ (11,662)</u>	<u>\$ 45,986</u>	<u>\$ 57,648</u>

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Home Investment Partnership Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental Revenues				
Federal Revenues	\$ 3,260	\$ 3,525	\$ 1,021	\$ (2,504)
Total intergovernmental revenues	3,260	3,525	1,021	(2,504)
Total Revenues	3,260	3,525	1,021	(2,504)
EXPENDITURES				
Current:				
Executive Offices	9	274	—	274
Housing, planning and development	3,251	3,251	544	2,707
Nondepartmental	—	—	170	(170)
General government	3,260	3,525	714	2,811
Total Expenditures	3,260	3,525	714	2,811
Excess (deficiency) of revenues over (under) expenditures	—	—	307	307
FUND BALANCE:				
Fund balance, beginning of period	233	233	233	—
Fund Balance, End of Period	\$ 233	\$ 233	\$ 540	\$ 307

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds

Other Special Revenue Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ending June 30, 2021

(Dollars in Thousands)

	Section 108 Loan Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Investment Income	\$ —	\$ —	\$ 2	\$ 2
Total Revenues	—	—	2	2
EXPENDITURES				
Current:				
Parks, recreation and cultural affairs	—	—	—	—
Total Expenditures	—	—	—	—
Excess of revenues over expenditures	—	—	2	2
FUND BALANCE:				
Fund balance, beginning of period	3,247	3,247	3,247	—
Fund Balance, End of Period	\$ 3,247	\$ 3,247	\$ 3,249	\$ 2

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Car Rental Excise Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ 1,195	\$ 1,195	\$ 1,285	\$ 90
Total Revenues	1,195	1,195	1,285	90
EXPENDITURES				
Current:				
Nondepartmental	1,195	1,195	1,285	(90)
General government	1,195	1,195	1,285	(90)
Total Expenditures	1,195	1,195	1,285	(90)
Excess of revenues over expenditures	—	—	—	—
FUND BALANCE:				
Fund balance, beginning of period	—	—	—	—
Fund Balance, End of Period	\$ —	\$ —	\$ —	\$ —

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Hotel/Motel Excise Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ 63,940	\$ 63,940	\$ 27,344	\$ (36,596)
Total Revenues	63,940	63,940	27,344	(36,596)
EXPENDITURES				
Current:				
Nondepartmental	44,769	44,769	20,511	24,258
General government	44,769	44,769	20,511	24,258
Total Expenditures	44,769	44,769	20,511	24,258
Excess of revenues over expenditures	19,171	19,171	6,833	(12,338)
Other Financing Sources (Uses):				
Transfers Out	(19,171)	(19,171)	(6,833)	12,338
Total Other Financing Sources (Uses)	(19,171)	(19,171)	(6,833)	12,338
Excess (deficiency) of revenues over (under) expenditures and other financing uses	—	—	—	—
FUND BALANCE:				
Fund balance, beginning of period	—	—	—	—
Fund Balance, End of Period	\$ —	\$ —	\$ —	\$ —

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Atlanta Housing Opportunity, Inc. Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ —	\$ —	685	\$ 685
Total Revenues	—	—	685	685
EXPENDITURES				
Current:				
Nondepartmental	—	—	5,670	(5,670)
General government	—	—	5,670	(5,670)
Debt Service:				
Interest Payment	—	—	1,561	(1,561)
Total Expenditures	—	—	7,231	(7,231)
Excess (deficiency) of revenues over (under) expenditures	—	—	(6,546)	(6,546)
Other Financing Sources (Uses):				
Issuance of Long Term Debt			594	594
Transfers In	—	—	5,235	5,235
Total Other Financing Sources (Uses)	—	—	5,829	5,829
Excess (deficiency) of revenues over (under) expenditures and other financing uses	—	—	(717)	(717)
FUND BALANCE:				
Fund balance, beginning of period	39,468	39,468	39,468	—
Fund Balance, End of Period	\$ 39,468	\$ 39,468	\$ 38,751	\$ (717)

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Cares Assistance & Economic Relief			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Federal Revenues	77,375	77,375	81,179	(3,804)
Total intergovernmental revenues	77,375	77,375	81,179	(3,804)
Total Revenues	77,375	77,375	81,179	(3,804)
EXPENDITURES				
Current:				
Executive Offices	61,800	74,426	63,750	10,676
Personnel and human services	4,751	6,573	6,573	—
Finance	4,019	22	3,824	(3,802)
Nondepartmental	3,889	4,824	5,107	(283)
General government	74,459	85,845	79,254	6,591
Parks, recreation and cultural affairs	2,935	2,807	1,925	882
Total Expenditures	77,394	88,652	81,179	7,473
Excess (deficiency) of revenues over (under) expenditures	(19)	(11,277)	—	(11,277)
FUND BALANCE:				
Fund balance, beginning of period	—	—	—	—
Fund Balance (Deficit), End of Period	\$ (19)	(11,277)	\$ —	\$ (11,277)

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Other Special Revenue Funds
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Agency Funds			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other	—	—	—	—
Total intergovernmental revenues	—	—	—	—
Total Revenues	—	—	—	—
EXPENDITURES				
Current:				
Personnel and human services	—	—	253	(253)
General government	—	—	253	(253)
Total Expenditures	—	—	253	(253)
Excess (deficiency) of revenues over (under) expenditures	—	—	(253)	253
FUND BALANCE:				
Fund balance, beginning of period	—	—	—	—
Fund Balance (Deficit), End of Period	\$ —	—	\$ (253)	\$ 253

See accompanying independent auditors' report

Nonmajor Proprietary Funds



Enterprise Funds

Enterprise funds are used to report any activity for which a fee is charged to external users for good or services.

Operations of enterprise funds are designed to be self-supporting. The Department of Watershed Management, Department of Aviation, Sanitation Services, Parking Deck and City Plaza are accounted for as enterprise funds. The latter three were determined to be nonmajor proprietary funds and are presented herein.

Sanitation Services Fund - Established to account for the operation of sanitary services activities, including collection and disposal of garbage, recycled materials and yard trimmings.

Parking Deck - Established to account for the operations of the parking deck located between Capital Avenue and Washington Street, south of Trinity Avenue and adjacent to City Hall.

City Plaza - Established to account for the financial activities of the City Plaza.

Internal Services - Established to accumulate and allocate costs internally among the City's various functions.

CITY OF ATLANTA, GEORGIA

Nonmajor Proprietary Funds Combining Statement of Net Position For the Year Ending June 30, 2021 (Dollars in Thousands)

	Sanitation Services	Parking Deck	City Plaza	Totals
ASSETS				
Current assets:				
Equity in cash management pool	\$ —	\$ 1,406	\$ 2,852	\$ 4,258
Receivables:				
Accounts	54,416	26	—	54,442
Less allowance for doubtful accounts	(12,209)	—	—	(12,209)
Total receivables	<u>42,207</u>	<u>26</u>	<u>—</u>	<u>42,233</u>
Due from Other Funds	—	—	—	—
Total current assets	<u>42,207</u>	<u>1,432</u>	<u>2,852</u>	<u>46,491</u>
Noncurrent assets:				
Capital assets:				
Land	582	—	3,280	3,862
Land improvements	1,327	—	474	1,801
Buildings and other structures	2,443	23,480	19,117	45,040
Machinery and other	38,977	—	—	38,977
Less accumulated depreciation	(26,519)	(6,261)	(2,608)	(35,388)
Capital assets, net	<u>16,810</u>	<u>17,219</u>	<u>20,263</u>	<u>54,292</u>
Total assets	<u>\$ 59,017</u>	<u>\$ 18,651</u>	<u>\$ 23,115</u>	<u>\$ 100,783</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related deferred outflows	6,163	—	—	6,163
OPEB related deferred outflow	2,875	—	—	2,875
Total assets and deferred outflows of resources	<u>\$ 68,055</u>	<u>\$ 18,651</u>	<u>\$ 23,115</u>	<u>\$ 109,821</u>
LIABILITIES AND NET POSITION				
Current Liabilities				
Accounts payable	\$ 4,920	\$ —	\$ —	\$ 4,920
Accrued expenses	1,095	—	—	1,095
Due to other funds	29,637	—	—	29,637
Current portion of Claims payable	48	—	—	48
Current maturities of capital leases	2,192	—	—	2,192
Current portion of Net OPEB	1,291	—	—	1,291
Accrued workers' compensation	1,548	—	—	1,548
Current liabilities	<u>40,731</u>	<u>—</u>	<u>—</u>	<u>40,731</u>
Liabilities payable from restricted assets:				
Accrued interest payable	23	—	—	23
Current maturities of long-term debt	—	885	370	1,255
Total liabilities payable from restricted assets	<u>23</u>	<u>885</u>	<u>370</u>	<u>1,278</u>
Total current liabilities	<u>40,754</u>	<u>885</u>	<u>370</u>	<u>42,009</u>
Long-term liabilities:				
Long-term debt, excluding current maturities	—	12,684	8,223	20,907
Capital lease obligation, excluding current maturities	6,215	—	—	6,215
Net pension liability	43,785	—	—	43,785
Net OPEB liability	39,336	—	—	39,336
Claims payable	232	—	—	232
Accrued workers' compensation	6,041	—	—	6,041
Landfill postclosure costs	16,965	—	—	16,965
Total long-term liabilities	<u>112,574</u>	<u>12,684</u>	<u>8,223</u>	<u>133,481</u>
Total liabilities	<u>153,328</u>	<u>13,569</u>	<u>8,593</u>	<u>175,490</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related deferred inflows	2,972	—	—	2,972
OPEB related deferred inflows	21,946	—	—	21,946
Total liabilities and deferred inflows of resources	<u>\$ 178,246</u>	<u>\$ 13,569</u>	<u>\$ 8,593</u>	<u>\$ 200,408</u>
Net Position:				
Net Investment in capital assets, net of related debt	16,810	3,650	11,670	32,130
Unrestricted (deficit)	(127,001)	1,432	2,852	(122,717)
Total net position	<u>\$ (110,191)</u>	<u>\$ 5,082</u>	<u>\$ 14,522</u>	<u>\$ (90,587)</u>

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Revenue, Expenditures and Changes in Net Position
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Sanitation Services	Parking Deck	City Plaza	Totals
Operating revenues:				
Charges for services	\$ 75,789	\$ —	\$ —	\$ 75,789
Rentals, admissions, and concessions	—	—	1,126	1,126
Other	978	—	—	978
Total operating revenues	<u>76,767</u>	<u>—</u>	<u>1,126</u>	<u>77,893</u>
Operating expenses:				
Salaries and employee benefits	22,694	—	—	22,694
Utilities	357	—	—	357
Materials and supplies	1,607	—	—	1,607
Repairs, maintenance, and other contractual services	265	—	—	265
Motor equipment service	7,632	—	—	7,632
Engineering and consultant fees	14,694	—	—	14,694
General services and other costs	12,243	—	(9)	12,234
Depreciation and amortization	2,319	469	525	3,313
Total operating expenses	<u>61,811</u>	<u>469</u>	<u>516</u>	<u>62,796</u>
Operating income (loss)	<u>14,956</u>	<u>(469)</u>	<u>610</u>	<u>15,097</u>
Nonoperating revenues (expenses):				
Interest expense	(440)	(353)	(256)	(1,049)
Other revenues (expenses)	(123)	—	(2)	(125)
Investment income (loss)	5	—	11	16
Total nonoperating revenues (expenses)	<u>(558)</u>	<u>(353)</u>	<u>(247)</u>	<u>(1,158)</u>
Income (loss) before contributions and transfers	14,398	(822)	363	13,939
Transfers in	1,944	1,423	—	3,367
Transfers out	(5,018)	—	—	(5,018)
Net income	<u>11,324</u>	<u>601</u>	<u>363</u>	<u>12,288</u>
Net Position (deficit), beginning of period	<u>(121,515)</u>	<u>4,481</u>	<u>14,159</u>	<u>(102,875)</u>
Net Position (deficit), end of period	<u>\$ (110,191)</u>	<u>\$ 5,082</u>	<u>\$ 14,522</u>	<u>\$ (90,587)</u>

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Sanitation Services	Parking Deck	City Plaza	Total
Cash flow from operating activities				
Cash received from user charges	\$ 77,245	\$ —	\$ 1,626	\$ 78,871
Cash paid to employees for services	(32,781)	—	—	(32,781)
Cash paid to suppliers for goods and services	(39,231)	—	9	(39,222)
Net cash provided by operating activities	5,233	—	1,635	6,868
Cash flows from noncapital financing activities				
Transfers in	1,944	1,423	—	3,367
Transfers out	(5,018)	—	—	(5,018)
Net cash provided by (used in) noncapital financing activities	(3,074)	1,423	—	(1,651)
Cash flows from capital and related financing activities				
Principal repayments of long term debt	(1,917)	(1,070)	(448)	(3,435)
Interest paid	(563)	(353)	(256)	(1,172)
Acquisition of capital assets	71	—	(2)	69
Net cash used in capital and related financing activities	(2,409)	(1,423)	(706)	(4,538)
Cash flows from investing activities				
Change in equity in cash management pool	—	—	(940)	(940)
Interest on investments	5	—	11	16
Net cash provided by (used in) investing activities	5	—	(929)	(924)
Decrease in cash and cash equivalents	(245)	—	—	(245)
Cash and cash equivalents, beginning of period	245	—	—	245
Cash and cash equivalents, end of period	\$ —	\$ —	\$ —	\$ —
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 14,956	\$ (469)	\$ 610	\$ 15,097
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	2,319	469	525	3,313
Accounts receivables - net of allowance	478	—	500	978
Prepaid expenses	(1,216)	—	—	(1,216)
Accounts payable and accrued expenses	3,223	—	—	3,223
Other liabilities	(8,871)	—	—	(8,871)
Due to other funds	(5,656)	—	—	(5,656)
Net cash provided by operating activities	\$ 5,233	\$ —	\$ 1,635	\$ 6,868

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA

Internal Service Funds Combining Statement of Net Position For the Year Ending June 30, 2021 (Dollars in Thousands)

	Fleet Services	Group Insurance	Total
ASSETS			
Current Assets:			
Equity in cash management pool	\$ 2,940	\$ —	\$ 2,940
Receivables			
Accounts	8	2	10
Total Receivables, Net	8	2	10
Inventories	609	—	609
Prepaid Expenses	—	3,684	3,684
Total Current Assets	3,557	3,686	7,243
Non Current Assets:			
Capital Assets:			
Land	136	—	136
Land Improvements	29	—	29
Buildings and other structures	5,507	—	5,507
Other Property and Equipment	3,782	—	3,782
Less Accumulated Depreciation	(9,120)	—	(9,120)
Capital assets, nets	334	—	334
Total Assets	3,891	3,686	7,577
LIABILITIES			
Liabilities:			
Current Liabilities			
Account payable	2,149	2,131	4,280
Accrued expenses	1,149	97	1,246
Due To Other Funds	—	38,628	38,628
Current Liabilities	3,298	40,856	44,154
Total liabilities	3,298	40,856	44,154
NET POSITION			
Net investment in capital assets	334	—	334
Unrestricted (deficit)	259	(37,170)	(36,911)
Total Net Position	\$ 593	\$ (37,170)	\$ (36,577)

CITY OF ATLANTA, GEORGIA

Internal Service Funds

Combining Statement of Revenue, Expenditures and Changes in Net Position

For the Year Ending June 30, 2021

(Dollars in Thousands)

	Fleet Services	Group Insurance	Total
Operating Revenue:			
Charges for Services	\$ 34,379	\$ 164,442	\$ 198,821
Other	7	2,196	2,203
Total Operating Revenue	<u>34,386</u>	<u>166,638</u>	<u>201,024</u>
Operating Expenses:			
Salaries and Employee Benefits	11,914	115,298	127,212
Utilities	508	—	508
Supplies and Materials	9,790	—	9,790
Repairs, maintenance, and other contractual services	5,375	1	5,376
Motor Equipment Services	426	—	426
Engineering and Consultant Fees	820	62	882
General Services and Other Costs	6,360	51,677	58,037
Depreciation and Amortization	60	—	60
Total operating expenses	<u>35,253</u>	<u>167,038</u>	<u>202,291</u>
Operating Loss	<u>(867)</u>	<u>(400)</u>	<u>(1,267)</u>
Non operating revenues (expenses):			
Investment income	31	—	31
Interest expense	—	(192)	(192)
Other revenue (expenses)	—	2	2
Total non operating revenues (expenses), net	<u>31</u>	<u>(190)</u>	<u>(159)</u>
Loss before transfers:	<u>(836)</u>	<u>(590)</u>	<u>(1,426)</u>
Transfers in	—	—	—
Transfers out	<u>(1,956)</u>	<u>—</u>	<u>(1,956)</u>
Change in net position	<u>(2,792)</u>	<u>(590)</u>	<u>(3,382)</u>
Net position (deficit), beginning of period	<u>3,385</u>	<u>(36,580)</u>	<u>(33,195)</u>
Net position, (deficit) end of period	<u>\$ 593</u>	<u>\$ (37,170)</u>	<u>\$ (36,577)</u>

CITY OF ATLANTA, GEORGIA

Internal Service Funds
 Combining Statement of Cash Flows
 For the Year Ending June 30, 2021
 (Dollars in Thousands)

	Fleet Services	Group Insurance	Total
Cash flow from operating activities			
Cash received from user charges	\$ 34,384	\$ 167,319	\$ 201,703
Cash payments to employees for services	(11,657)	(115,299)	(126,956)
Cash payments to suppliers for goods and services	(23,381)	(51,830)	(75,211)
Net cash provided by (used in) operating activities	(654)	190	(464)
Cash flows from noncapital financing activities			
Net cash used in noncapital financing activities	(1,956)	—	(1,956)
Cash flows from capital and related financing activities			
Interest paid	—	(192)	(192)
Acquisition of capital assets	(1)	2	1
Net cash used in capital and related financing activities	(1)	(190)	(191)
Cash flows from investing activities			
Change in equity in cash management pool	2,580	—	2,580
Interest on investments	31	—	31
Net cash provided by investing activities	2,611	—	2,611
Increase in cash and cash equivalents	—	—	—
Cash and cash equivalents, beginning of period	—	—	—
Cash and cash equivalents, end of period	\$ —	\$ —	\$ —
Reconciliation of operating Loss to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (867)	\$ (400)	(1,267)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	60	—	60
Accounts receivables - net of allowance	(2)	681	679
Prepaid Expenses	—	(3,684)	(3,684)
Inventory	(171)	—	(171)
Accounts payable and accrued expenses	69	(5,194)	(5,125)
Other Liabilities	257	(1)	256
Due to other funds	—	8,788	8,788
Net cash provided by (used in) operating activities	\$ (654)	\$ 190	\$ (464)

See accompanying independent auditors' report

Fiduciary Funds



Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

PENSION TRUST FUNDS

General Employees' Defined Benefit Pension Fund - To account for the operations of the defined benefit pension plan covering general officers and employees of the City.

General Employees' Defined Contribution Pension Fund - To account for the operation of the defined contribution pension plan covering general officers and employees of the City.

Firefighters' Pension Fund - To account for the operations of the defined benefit pension plan covering fire fighting employees of the City.

Police Officers' Pension Fund - To account for the operations of the defined benefit pension plan covering sworn police employees of the City.

CUSTODIAL FUND

Perpetual Care Fund - To account for funds where upon death, people give money to the City to maintain their cemetery plots.

CITY OF ATLANTA, GEORGIA
Combining Statement of Net Position-Pension Trust Funds and Custodial Fund
Fiduciary Funds
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Pension Trust Funds					Custodial Fund
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	Total	Perpetual Care
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 54,691	\$ —	\$ 11,688	\$ 10,370	\$ 76,749	\$ —
Equity in Cash Pool	—	—	—	—	—	232
Receivables						
Employee Contribution	722	518	221	474	1,935	—
Employer Contribution	3,173	518	1,392	2,977	8,060	—
Due from brokers	1,054	—	1,154	902	3,110	—
Accrued interest receivable	1,454	—	1,046	1,250	3,750	—
Other receivables	1,539	11,957	19	138	13,653	—
Total receivables	<u>7,942</u>	<u>12,993</u>	<u>3,832</u>	<u>5,741</u>	<u>30,508</u>	<u>—</u>
Investments:						
Cash and cash equivalents	23,564	—	5,389	11,652	40,605	—
Domestic fixed income securities	300,253	46,225	203,574	299,927	849,979	—
Domestic equities	1,300,450	41,482	649,859	1,056,150	3,047,941	—
International fixed income securities	2,838	—	364	607	3,809	—
International equities	161,302	—	36,923	97,990	296,215	—
Alternative Investments:						
Real Estate	44,942	—	5,999	5,999	56,940	—
Limited partnerships	23,069	—	17,436	22,502	63,007	—
Commingled Funds	—	149,896	—	—	149,896	—
Total Investments	<u>1,856,418</u>	<u>237,603</u>	<u>919,544</u>	<u>1,494,827</u>	<u>4,508,392</u>	<u>—</u>
Total Assets	<u>1,919,051</u>	<u>250,596</u>	<u>935,064</u>	<u>1,510,938</u>	<u>4,615,649</u>	<u>232</u>
LIABILITIES AND NET POSITION HELD IN TRUST FOR PENSION BENEFITS						
Current liabilities:						
Accounts payable	\$ 4,512	\$ 103	\$ 1,113	\$ 1,659	\$ 7,387	\$ —
Due to brokers for investments purchased	4,840	—	5,222	7,655	17,717	—
Total liabilities	<u>9,352</u>	<u>103</u>	<u>6,335</u>	<u>9,314</u>	<u>25,104</u>	<u>—</u>
Net Position Restricted for Pension/Custodial	<u>\$ 1,909,699</u>	<u>\$ 250,493</u>	<u>\$ 928,729</u>	<u>\$ 1,501,624</u>	<u>\$ 4,590,545</u>	<u>\$ 232</u>

See accompanying independent auditors' report

CITY OF ATLANTA, GEORGIA

Combining Statement of Changes in Plan Net Position - Pension Trust Funds and Custodial Fund
Fiduciary Funds
For the Year Ending June 30, 2021
(Dollars in Thousands)

	Pension Trust Funds					Custodial Fund
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	Total	Perpetual Care
Additions:						
Contributions:						
Employer contributions	\$ 107,164	\$ 14,395	\$ 24,628	\$ 35,709	\$ 181,896	\$ —
Employee contributions	20,990	13,463	6,247	12,354	53,054	—
Refunds and other	115	139	42	4	300	—
Total contributions	<u>128,269</u>	<u>27,997</u>	<u>30,917</u>	<u>48,067</u>	<u>235,250</u>	<u>—</u>
Investment Income:						
Net change in fair value of investments	455,438	45,897	231,712	376,088	1,109,135	—
Investment income	13,057	1,135	5,373	7,842	27,407	1
Less: Investment expenses	(4,163)	(365)	(1,475)	(2,829)	(8,832)	—
Net investment income	<u>464,332</u>	<u>46,667</u>	<u>235,610</u>	<u>381,101</u>	<u>1,127,710</u>	<u>1</u>
Other						14
Total additions	<u>592,601</u>	<u>74,664</u>	<u>266,527</u>	<u>429,168</u>	<u>1,362,960</u>	<u>15</u>
Deductions:						
Benefit payments	179,988	17,859	53,035	76,643	327,525	—
Administrative expenses	2,517	46	1,181	1,382	5,126	—
Total deductions	<u>182,505</u>	<u>17,905</u>	<u>54,216</u>	<u>78,025</u>	<u>332,651</u>	<u>—</u>
Change in net position	410,096	56,759	212,311	351,143	1,030,309	15
Net position held in trust for pension benefits/Custodial:						
Beginning of period, as restated, Note I.G.	1,499,603	193,734	716,418	1,150,481	3,560,236	217
End of period	<u>\$ 1,909,699</u>	<u>\$ 250,493</u>	<u>\$ 928,729</u>	<u>\$ 1,501,624</u>	<u>\$ 4,590,545</u>	<u>\$ 232</u>

See accompanying independent auditors' report

Statistical Section



(Unaudited)

The financial information presented provides detailed data on the financial, economic, and physical characteristics of the City. These tables cover multiple fiscal years and provide financial report users with a broader and more complete understanding of the City and its financial affairs.

City of Atlanta, Georgia
Statistical Section

Contents

Financial Trends (Schedule 1 through 5)

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 (Schedule 6 through 12)

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity (Schedule 13 through 17)

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 (Schedule 18 through 19)

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 (Schedule 20 through 22)

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.

City of Atlanta

2021 Annual Comprehensive Financial Report

Schedule 1
City of Atlanta, Georgia
Net Position by Component (unaudited)
Last Ten Fiscal Periods
(accrual basis of accounting)
(Dollars in thousands)

	Fiscal Period									
	2012	2013	2014 *	2015	2016	2017	2018 **	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 7,228	\$ 95,513	\$ 53,144	\$ (292,446)	\$ 6,564	\$ 86,340	\$ 156,421	\$ 59,923	\$ 253,197	\$ 337,961
Restricted for										
Debt service	284,933	\$ 287,948	259,422	232,789	229,522	336,669	318,538	335,533	391,800	459,900
Programs	69,776	\$ 72,591	65,332	64,806	62,807	109,282	127,924	170,200	205,674	249,241
Capital projects	47,943	\$ 47,962	87,398	369,276	345,993	298,923	339,057	269,780	254,705	273,023
Unrestricted	(128,199)	(131,646)	(132,877)	(898,791)	(1,146,682)	(1,370,094)	(2,025,541)	(1,729,573)	(1,727,110)	(1,715,352)
Total Governmental Activities Net Position	\$ 281,681	\$ 372,368	\$ 332,419	\$ (524,366)	\$ (501,796)	\$ (538,880)	\$(1,083,601)	\$ (894,137)	\$ (621,734)	\$ (395,227)
Business-type Activities										
Net investment in capital assets	\$4,721,909	\$5,015,922	\$5,032,865	\$5,174,578	\$5,380,368	\$5,687,008	\$5,921,310	\$5,958,423	\$6,457,144	\$6,605,281
Restricted										
Debt service	869,781	534,521	382,414	406,162	413,288	417,463	418,808	429,034	458,750	404,275
Capital projects	—	355,001	554,081	607,322	629,667	652,115	675,680	758,005	665,704	544,054
Unrestricted	1,240,649	1,281,856	1,406,617	1,005,755	1,052,124	888,396	652,638	1,047,348	916,331	993,633
Total Business-type Activities Net Position	\$6,832,339	\$7,187,300	\$7,375,977	\$7,193,817	\$7,475,447	\$7,644,982	\$7,668,436	\$8,192,810	\$8,497,929	\$8,547,243
Primary Government										
Net investment in capital assets	\$4,729,137	\$5,111,435	\$5,086,009	\$4,882,132	\$5,386,932	\$5,773,348	\$6,077,731	\$6,018,346	\$6,710,341	\$6,943,242
Restricted										
Debt service	1,154,714	822,469	641,836	638,951	642,810	754,132	737,346	764,567	850,550	864,175
Programs	69,776	72,591	65,332	64,806	62,807	109,282	127,924	170,200	205,674	249,241
Capital projects	47,943	402,963	641,479	976,598	975,660	951,038	1,014,737	1,027,785	920,409	817,077
Unrestricted	1,112,450	1,150,210	1,273,740	106,964	(94,558)	(481,698)	(1,372,903)	(682,225)	(810,779)	(721,719)
Total Primary Government Activities Net Position	\$7,114,020	\$7,559,668	\$7,708,396	\$4,883,919	\$6,973,651	\$7,106,102	\$6,584,835	\$7,298,673	\$7,876,195	\$8,152,016

*2014 and prior has not been restated for the implementation of GASB 68.

** City implemented GASB 75 in 2018. Prior years were not restated.

Schedule 2

City of Atlanta, Georgia
 Changes in Net Position (unaudited)
 Last Ten Fiscal Periods
 (accrual basis of accounting)
 (Dollars in thousands)

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
Governmental Activities										
General government	\$ 215,030	\$ 148,288	\$ 346,897	\$ 472,818	\$ 308,606	\$ 464,517	\$ 392,479	\$ 344,274	259,946	409,827
Police	217,777	210,751	210,418	197,267	213,198	226,881	200,849	195,031	205,209	237,194
Fire	89,016	92,018	87,587	86,906	86,768	85,527	80,377	86,236	83,403	100,939
Corrections	35,001	31,128	32,324	33,990	34,181	36,169	33,161	25,614	17,339	4,021
Public works	47,397	64,467	72,476	73,280	93,719	130,715	155,416	121,525	124,193	99,567
Parks, recreation and cultural affairs	46,280	59,732	56,124	60,246	58,589	64,952	81,545	79,454	66,907	65,197
Interest on long-term debt	47,080	42,731	36,508	29,788	40,686	38,173	59,594	75,241	37,555	33,983
Total Governmental Activities Expenses	697,581	649,115	842,334	954,295	835,747	1,046,934	1,003,421	927,375	794,552	950,728
Business-type Activities										
Watershed Management	\$ 441,092	\$ 445,647	\$ 454,742	\$ 443,300	\$ 450,896	\$ 471,536	\$ 479,911	\$ 483,199	\$ 465,908	\$ 465,471
Aviation	504,918	585,148	638,452	628,824	640,793	673,027	667,442	688,909	716,194	713,012
Other	56,342	64,050	85,827	87,264	88,475	46,983	58,158	57,502	66,072	63,970
Total Business-type Activities Expenses	1,002,352	1,094,845	1,179,021	1,159,388	1,180,164	1,191,546	1,205,511	1,229,610	1,248,174	1,242,453
Total Primary Government Expenses	\$ 1,699,933	\$ 1,743,960	\$ 2,021,355	\$ 2,113,683	\$ 2,015,911	\$ 2,238,480	\$ 2,208,932	\$ 2,156,985	\$ 2,042,726	\$ 2,193,181
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 91,008	\$ 92,510	\$ 108,164	\$ 115,798	\$ 113,637	\$ 166,954	\$ 155,662	\$ 162,685	\$ 141,974	\$ 113,454
Public safety	19,669	21,633	29,742	33,182	32,469	31,311	35,599	30,374	26,507	21,182
Public works	2,421	3,731	4,152	5,002	5,560	7,970	7,263	8,659	7,557	6,039
Parks recreation and cultural affairs	2,556	3,581	3,405	3,519	5,454	4,698	16,284	29,137	25,428	20,320
Operating grants and contributions	56,663	75,657	63,249	51,070	61,369	73,217	65,388	54,924	55,389	126,556
Capital grants and contributions	—	—	4,540	77,707	253	—	—	—	—	—
Total Governmental Activities Program Revenue	172,317	197,112	213,252	286,278	218,742	284,150	280,196	285,779	256,855	287,551
Business-type Activities										
Charges for services										
Watershed Management	466,052	448,167	436,644	459,673	466,929	486,285	478,132	488,089	478,397	453,149
Aviation	394,132	490,386	496,252	483,022	486,812	497,955	525,477	568,507	442,318	354,470
Other	69,245	76,718	82,293	86,875	78,147	58,603	56,323	65,110	77,076	77,893
Capital grants and contributions	238,639	260,944	235,883	259,682	271,863	266,459	263,784	280,759	258,186	150,100
Total Business-type Activities Revenues	1,168,068	1,276,215	1,251,072	1,289,252	1,303,751	1,309,302	1,323,716	1,402,465	1,255,977	1,035,612
Total primary Government Revenues	\$ 1,340,385	\$ 1,473,327	\$ 1,464,324	\$ 1,575,530	\$ 1,522,493	\$ 1,593,452	\$ 1,603,912	\$ 1,688,244	\$ 1,512,832	\$ 1,323,163
Net (expense) revenue										
Governmental activities	(525,264)	(452,003)	(629,082)	(668,017)	(617,005)	(762,784)	(723,225)	(641,596)	(537,697)	(663,177)
Business-type activities	165,716	181,370	72,051	129,864	123,587	117,756	118,205	172,855	7,803	(206,841)
Total Primary Government Net Expense	\$ (359,548)	\$ (270,633)	\$ (557,031)	\$ (538,153)	\$ (493,418)	\$ (645,028)	\$ (605,020)	\$ (468,741)	\$ (529,894)	\$ (870,018)
GENERAL REVENUES and OTHER CHANGES in NET POSITION										
Governmental Activities										
Taxes										
Property taxes levied for general purposes	\$ 184,021	\$ 188,099	\$ 183,109	\$ 189,613	\$ 189,714	\$ 197,921	\$ 206,718	\$ 217,256	\$ 222,468	\$ 234,010
Property taxes levied for debt service	103,258	97,690	96,933	107,108	132,277	133,284	147,093	192,655	213,215	235,832
Local and municipal option sales tax	212,536	218,623	223,976	233,803	236,168	247,175	167,852	176,909	168,130	177,986
Public utilities franchise taxes	63,327	60,825	40,125	43,193	46,758	42,176	42,176	42,176	43,323	41,118
Business taxes	105,567	95,402	125,010	132,738	142,236	138,352	147,272	155,530	122,529	98,742
Federal and state aid not restricted for specific purposes	299	—	2	—	—	—	704	1,895	362	64,421
Investment income	2,728	679	4,228	3,864	8,445	1,288	9,803	23,073	17,786	4,812
Gain on Sale of Assets	8,185	(4,197)	—	—	—	—	—	—	—	—
Transfers	(123,580)	(114,431)	(84,250)	(118,897)	(116,023)	(34,496)	60,784	21,566	22,287	32,979
Total Governmental Activities	\$ 556,341	\$ 542,690	\$ 589,133	\$ 591,422	\$ 639,575	\$ 725,700	\$ 782,402	\$ 831,060	\$ 810,100	\$ 889,900
Business-Type Activities										
Local option sales tax	—	—	—	—	—	—	145,244	154,634	146,696	154,957
Investment income	(31,724)	58,710	35,429	32,985	41,775	5,971	23,710	202,915	96,867	19,976
Non-capital grants	—	—	—	—	—	—	—	—	80,881	114,805
Other	(12)	450	(3,053)	3	245	11,312	29,278	15,536	(4,841)	(604)
Transfers	123,580	114,431	84,250	118,897	116,023	34,496	(60,784)	(21,566)	(22,287)	(32,979)
Total Business-type Activities	91,844	173,591	116,626	151,885	158,043	51,779	137,448	351,519	297,316	256,155
Total Primary Government	\$ 648,185	\$ 716,281	\$ 705,759	\$ 743,307	\$ 797,618	\$ 777,479	\$ 919,850	\$ 1,182,579	\$ 1,107,416	\$ 1,146,055
Change in Net Position										
Governmental activities	31,077	90,687	(39,949)	(76,595)	22,570	(37,084)	59,177	189,464	272,403	226,723
Business-type activities	257,560	354,961	188,677	281,749	281,630	169,535	255,653	524,374	305,119	49,314
Total Primary Government	\$ 288,637	\$ 445,648	\$ 148,728	\$ 205,154	\$ 304,200	\$ 132,451	\$ 314,830	\$ 713,838	\$ 577,522	\$ 276,037

2014 and prior has not been restated for the implementation of GASB 68

City of Atlanta

2021 Annual Comprehensive Financial Report

Schedule 3
 City of Atlanta, Georgia
 Program Revenues by Function/Program (unaudited)
 Last Ten Fiscal Periods
 (accrual basis of accounting)
 (Dollars in thousands)

Function/Program	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Primary Government										
Governmental activities:										
Charges for Services										
General government	\$ 91,008	\$ 92,510	\$ 108,164	\$ 115,798	\$ 113,637	\$ 166,954	\$ 155,662	\$ 162,685	\$ 141,974	\$ 113,454
Police	16,729	17,506	22,351	27,149	28,598	21,066	25,624	27,460	23,964	19,150
Fire	640	808	998	906	906	1,341	815	826	721	576
Corrections	2,300	3,319	6,393	5,127	2,965	8,904	9,160	2,088	1,822	1,456
Public works	2,421	3,731	4,152	5,002	5,560	7,970	7,263	8,659	7,557	6,039
Parks, Recreation, and Cultural Affairs	2,556	3,581	3,405	3,519	5,454	4,698	16,284	29,137	25,428	20,320
Total Governmental activities	\$ 115,654	\$ 121,455	\$ 145,463	\$ 157,501	\$ 157,120	\$ 210,933	\$ 214,808	\$ 230,855	\$ 201,466	\$ 160,995
Operating Grants	\$ 56,663	\$ 75,657	\$ 63,249	\$ 51,070	\$ 61,369	\$ 73,217	\$ 65,388	\$ 54,924	\$ 55,389	\$ 126,556
Capital Grants and Contributions	\$ —	\$ —	\$ 4,540	\$ 77,707	\$ 253	\$ —	\$ —	\$ —	\$ —	\$ —
Business-type activities:										
Charges for Services										
Watershed Management	\$ 466,052	\$ 448,167	\$ 436,644	\$ 459,673	\$ 466,929	\$ 486,285	\$ 478,132	\$ 488,089	\$ 478,397	\$ 453,149
Aviation	394,132	490,386	496,252	483,022	486,812	497,955	525,477	568,507	442,318	354,470
Sanitation	53,993	54,071	55,565	54,593	46,527	54,698	54,324	62,648	74,584	76,767
Parks and Recreational Facilities	512	475	513	482	15	—	—	—	—	—
Underground Atlanta	1,898	1,707	2,309	4,229	1,695	1,281	—	—	—	—
Parking Deck	698	805	805	870	857	1,019	776	1,002	1,032	—
Permit Fund	10,716	18,464	21,541	25,977	28,155	—	—	—	—	—
City Plaza	—	—	—	—	500	1,261	960	1,460	1,460	1,126
Civic Center	1,428	1,196	1,560	724	398	344	263	—	—	—
Capital Grants & Contributions	238,639	260,944	235,883	259,682	271,863	266,459	263,784	280,759	258,186	150,100
Total Business-type activities	\$ 1,168,068	\$ 1,276,215	\$ 1,251,072	\$ 1,289,252	\$ 1,303,751	\$ 1,309,302	\$ 1,323,716	\$ 1,402,465	\$ 1,255,977	\$ 1,035,612
Total Primary Government	\$ 1,340,385	\$ 1,473,327	\$ 1,464,324	\$ 1,575,530	\$ 1,522,493	\$ 1,593,452	\$ 1,603,912	\$ 1,688,244	\$ 1,512,832	\$ 1,323,163

See accompanying independent auditors' report

City of Atlanta

2021 Annual Comprehensive Financial Report

Schedule 4

City of Atlanta, Georgia

Fund Balances, Governmental Funds (unaudited)

Last Ten Fiscal Periods

(modified accrual basis of accounting)

(Dollars in thousands)

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	4,377	4,972	11,101	1,946	15,726	5,941	5,247	21,219	29,094	29,637
Restricted	15,231	14,159	—	—	—	—	—	—	—	—
Committed	—	—	—	—	—	47,208	30,944	29,944	29,395	24,228
Assigned	26,877	20,516	12,287	7,814	7,254	8,537	10,624	14,891	19,800	19,534
Unassigned	80,235	98,517	118,597	141,254	130,169	138,396	132,065	128,158	108,137	113,639
Total General Fund	\$ 126,720	\$ 138,164	\$ 141,985	\$ 151,014	\$ 153,149	\$ 200,082	\$ 178,880	\$ 194,212	\$ 186,426	\$ 187,038
Capital Project										
Restricted	\$ —	\$ —	\$ —	\$ 327,865	\$ 298,438	\$ 247,278	\$ 291,580	\$ 216,677	\$ 188,881	\$ 195,329
Total Capital Project	\$ —	\$ —	\$ —	\$ 327,865	\$ 298,438	\$ 247,278	\$ 291,580	\$ 216,677	\$ 188,881	\$ 195,329
All Other Governmental Funds										
Unreserved, reported in										
Capital projects funds	48,909	—	—	—	—	—	—	—	—	—
Debt service funds	1,433	—	—	—	—	—	—	—	—	—
Restricted	406,854	408,501	412,152	339,006	339,884	497,596	493,938	558,836	663,527	786,835
Unassigned (deficit)	(23,388)	(14,490)	(12,815)	(2,510)	(12,035)	(19,274)	(10,960)	(10,435)	(10,880)	(14,671)
Total all other Governmental Funds	\$ 433,808	\$ 394,011	\$ 399,337	\$ 336,496	\$ 327,849	\$ 478,322	\$ 482,978	\$ 548,401	\$ 652,647	\$ 772,164

See accompanying independent auditors' report

City of Atlanta 2021 Annual Comprehensive Financial Report

Schedule 5

City of Atlanta, Georgia

Changes in Fund Balance, Governmental Funds (unaudited)

Last Ten Fiscal Periods

(Modified accrual basis of accounting)

(Dollars in thousands)

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVENUES										
Property taxes	\$ 288,771	\$ 277,919	\$ 281,369	\$ 298,123	\$ 325,494	\$ 331,389	\$ 353,616	\$ 411,591	\$ 440,064	\$ 470,494
Local and municipal option sales taxes	212,536	218,623	223,976	233,803	236,168	247,175	167,852	176,909	168,130	177,986
Public utility, alcoholic beverages and other taxes	168,894	156,227	165,135	175,931	188,994	180,528	189,448	197,706	165,852	139,860
Licenses and permits	59,922	56,473	67,994	70,703	79,523	118,063	118,350	124,533	120,283	85,674
Charges for current services	16,745	23,904	30,023	34,286	37,556	36,477	40,121	41,550	42,684	40,787
Fines, forfeitures and penalties	24,550	24,293	26,119	28,827	26,333	24,352	20,594	25,610	20,610	12,044
Investment income	2,698	699	4,115	3,779	8,289	1,308	9,803	23,073	17,656	4,781
Intergovernmental revenues and contributions										
Federal revenues	40,671	53,278	40,839	34,675	46,723	54,655	52,402	42,421	46,552	180,654
State and local grants and contributions	16,291	22,379	22,412	16,395	14,646	18,562	13,689	12,503	8,837	10,323
Building rentals and contributions	7,583	7,400	8,178	8,845	8,267	12,450	15,078	6,636	5,725	4,048
Other	6,854	9,385	13,149	14,840	5,441	19,591	20,665	32,526	11,292	18,442
TOTAL REVENUES	\$ 845,515	\$ 850,580	\$ 883,309	\$ 920,207	\$ 977,434	\$ 1,044,550	\$ 1,001,618	\$ 1,095,058	\$ 1,047,685	\$ 1,145,093
EXPENDITURES										
Current										
General government	\$ 217,879	\$ 224,452	\$ 304,137	\$ 252,123	\$ 304,634	\$ 387,514	\$ 361,235	\$ 376,955	\$ 355,634	\$ 452,978
Police	190,917	195,017	204,830	208,128	226,517	231,513	222,083	226,926	237,150	244,515
Fire	78,018	82,478	82,418	87,805	87,938	84,134	89,087	100,853	96,429	103,325
Corrections	30,675	29,203	32,108	36,243	36,662	37,444	37,811	30,519	20,442	4,224
Public works	41,547	39,516	52,132	55,846	79,667	114,303	154,518	121,913	124,812	83,133
Parks, recreation and cultural affairs	40,565	49,181	47,484	48,635	51,008	55,845	81,672	83,167	67,605	56,967
Debt service										
Principal	52,648	59,949	47,006	89,650	82,310	44,508	71,688	103,372	88,466	80,356
Interest	46,460	44,411	36,337	33,002	44,413	37,011	58,956	68,492	33,894	34,567
Bond issuance costs	311	33	1,647	1,050	375	1,162	638	66	60	66
TOTAL EXPENDITURES	\$ 699,020	\$ 724,240	\$ 808,099	\$ 812,482	\$ 913,524	\$ 993,434	\$ 1,077,688	\$ 1,112,263	\$ 1,024,492	\$ 1,060,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	146,495	126,340	75,210	107,725	63,910	51,116	(76,070)	(17,205)	23,193	84,962
Other Financing Sources (Uses)										
Proceeds from borrowing	\$ —	\$ 6	\$ 21,000	\$ 307,390	\$ 84,844	\$ 235,690	\$ 43,335	\$ 1,000	\$ 373	\$ 2,303
Capital leases	—	2,198	363	—	—	8,735	20,110	—	—	—
Premium on bonds sold	—	—	277	39,325	10,903	16,077	15,732	—	1,479	544
Issuance of refunding bonds	—	—	—	—	—	—	85,380	—	(23,308)	—
Issuance of long term debt	—	—	—	—	—	—	—	—	44,640	4,049
Payment to refunded bond escrow agent	—	—	—	(58,866)	(77,443)	(128,993)	(125,392)	—	—	—
Sales of assets	14,623	123	2,547	3,376	1,287	380	1,275	491	—	—
Transfers in (out)	(123,580)	(114,431)	(90,250)	(124,897)	(119,440)	(36,759)	63,386	21,566	22,287	34,935
Total Other Financing Sources (Uses)	\$ (108,957)	\$ (112,104)	\$ (66,063)	\$ 166,328	\$ (99,849)	\$ 95,130	\$ 103,826	\$ 23,057	\$ 45,471	\$ 41,831
NET CHANGE IN FUND BALANCE	\$ 37,538	\$ 14,236	\$ 9,147	\$ 274,053	\$ (35,939)	\$ 146,246	\$ 27,756	\$ 5,852	\$ 68,664	\$ 126,793
Debt service as a percentage of noncapital expenditures	15.1 %	15.0 %	11.8 %	15.6 %	14.8 %	8.7 %	13.4 %	17.1 %	13.4 %	11.8 %

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 6

City of Atlanta, Georgia

Assessed and Estimated Actual Value of Taxable Property (unaudited)

Last Ten Fiscal Periods

Fiscal Period Ended	Residential Property	Commercial Property	Industrial Property	Other Property(1)	Less: Tax-exempt Property(2)	Total Taxable Assessed Value	Total Direct Tax Rate
June 30, 2012	11,506,413,986	11,148,297,009	758,400,890	1,528,992,043	2,880,803,214	22,061,300,714	33.63%
June 30, 2013	10,896,664,314	10,752,062,104	723,400,082	1,658,974,465	2,660,010,749	21,371,090,216	33.68%
June 30, 2014	11,183,385,556	10,556,075,940	687,309,657	1,671,292,251	2,430,432,837	21,667,630,567	33.49%
June 30, 2015	11,687,041,707	11,151,391,836	683,832,400	1,554,353,314	2,599,674,413	22,476,944,844	33.19%
June 30, 2016	12,848,381,757	12,774,083,537	711,630,623	1,503,577,204	2,874,052,314	24,963,620,807	33.49%
June 30, 2017	13,444,916,986	12,741,070,429	746,742,197	1,357,032,493	2,726,925,124	25,562,836,981	32.6%
June 30, 2018	13,493,027,408	14,154,056,870	843,130,074	1,210,968,574	2,985,921,567	26,715,261,359	32.56%
June 30, 2019	17,863,794,272	15,356,502,641	820,071,202	1,052,958,644	2,665,173,788	32,428,152,971	30.97%
June 30, 2020	19,945,206,363	17,205,214,920	850,290,917	1,179,949,809	5,698,451,725	33,482,210,284	30.97%
June 30, 2021	21,267,932,937	17,589,854,851	844,631,642	1,430,734,819	6,125,025,157	35,008,129,092	30.97%

(1) Other Property consists of Historical, Agricultural, Conservation, Utility, Motor Vehicle, Heavy Equipment, Timber, Mobile Homes, etc.

(2) Tax Exempt Property consists of Basic Homestead, Elderly, Disabled Veteran, Freeport, etc.

Source: Assessed values are established by the Fulton & DeKalb Counties Board of Tax Assessors on January 1 of each year at 40% of the market value as required by State Law.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 7

City of Atlanta, Georgia

Direct and Overlapping Property Tax Rates (unaudited)

Last Ten Fiscal Periods

(per \$1,000 of assessed value)

Fiscal Period Ended	DeKalb County						Fulton County			
	General Operating Levy	Hospital Levy	Bond Levy	Library Levy	State of Georgia Levy	Total Levy	County Levy	County Bond Levy	Georgia State Levy	Total
June 30, 2012	9.43	0.88	0.87	1.02	0.25	12.45	10.28	0.27	0.25	10.80
June 30, 2013	10.43	0.94	0.70	1.22	0.20	13.49	10.28	0.27	0.20	10.75
June 30, 2014	10.71	0.80	—	1.16	0.15	12.82	10.21	0.27	0.15	10.63
June 30, 2015	8.22	0.80	0.01	1.06	0.10	10.19	11.78	0.27	0.10	12.15
June 30, 2016	10.39	0.89	0.01	1.11	0.05	12.45	10.50	0.25	0.05	10.80
June 30, 2017	8.76	0.74	0.48	0.97	—	10.95	10.45	0.25	—	10.70
June 30, 2018	8.69	0.74	0.43	1.18	—	11.04	10.38	0.25	—	10.63
June 30, 2019	9.64	0.73	0.33	1.17	—	11.87	10.20	0.23	—	10.43
June 30, 2020	9.30	0.65	0.36	1.37	—	11.68	9.90	0.22	—	10.12
June 30, 2021	9.36	0.64	0.35	1.38	—	11.73	9.78	0.22	—	10.00

Fiscal Period Ended	City Atlanta			Board of Education School		
	General Levy	Bond Levy	Parks Levy	Operating Levy	Bond Levy	Total
June 30, 2012	10.24	1.20	0.50	21.64	0.05	33.63
June 30, 2013	10.24	1.20	0.50	21.64	0.10	33.68
June 30, 2014	10.05	1.20	0.50	21.64	0.10	33.49
June 30, 2015	9.75	1.20	0.50	21.64	0.10	33.19
June 30, 2016	8.89	1.48	0.50	21.64	0.10	32.61
June 30, 2017	8.88	1.48	0.50	21.72	0.03	32.61
June 30, 2018	8.84	1.48	0.50	21.74	—	32.56
June 30, 2019	7.85	1.88	0.50	20.74	—	30.97
June 30, 2020	7.85	1.88	0.50	20.74	—	30.97
June 30, 2021	7.85	1.88	0.50	20.74	—	30.97

Sources: Assessed value data used to estimate applicable percentage provided by Fulton County Tax Assessor.
 Debt outstanding data provided by each governmental unit.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 9
City of Atlanta, Georgia
Property Tax Levies and Collections (unaudited)
Last Ten Fiscal Periods
(amounts expressed in thousands)

Fiscal Period Ended	Taxes Levies for the Fiscal Year	Collected within the Fiscal Year of the Levy		Total Collections to Date		
		Amount(1)	Percentage of Levy	Collections, net of adjustments in Subsequent Years	Amount	Percentage of Levy
June 30, 2012	222,633	218,472	98.13 %	3,460	221,932	99.69 %
June 30, 2013	219,177	214,494	97.86 %	3,940	218,434	99.66 %
June 30, 2014	222,103	218,184	98.24 %	3,145	221,329	99.65 %
June 30, 2015	227,842	224,808	98.67 %	2,427	227,235	99.73 %
June 30, 2016	239,875	237,840	99.15 %	1,287	239,127	99.69 %
June 30, 2017	247,078	243,948	98.73 %	2,086	246,034	99.58 %
June 30, 2018	255,610	250,068	97.83 %	3,850	255,089	99.80 %
June 30, 2019	288,539	284,140	98.48 %	3,848	287,988	99.81 %
June 30, 2020	299,597	297,027	99.14 %	1,148	298,175	99.53 %
June 30, 2021	319,118	315,332	98.81 %	—	315,332	98.81 %

(1) Does not include tax revenues retained by Fulton and DeKalb County for administrative expenses, therefore the collection rate shown is slightly less than actual.

See accompanying independent auditors' report

City of Atlanta

2021 Annual Comprehensive Financial Report

Schedule 10

City of Atlanta, Georgia

Taxable Sales by Category (unaudited)

Last Ten Fiscal Periods

(Dollars in thousands)

Local Option Sales Tax	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Food	\$ 19,260,191	\$ 20,170,413	\$ 20,421,886	\$ 21,981,932	\$ 23,194,803	\$ 23,803,463	\$ 23,941,493	\$ 24,586,292	\$ 23,301,105	\$ 22,866,378
Apparel	8,735,985	9,191,131	9,916,645	9,692,190	8,803,428	8,736,540	9,131,013	9,860,341	9,744,378	9,232,864
General	11,480,986	12,082,498	12,062,397	12,630,008	12,799,010	12,398,959	12,381,060	12,912,334	12,481,726	15,507,735
Automotive	7,620,570	6,842,220	2,350,901	2,250,224	2,403,091	2,498,320	2,233,973	2,161,219	1,841,357	2,066,761
Home	8,237,476	8,006,529	8,180,418	8,660,495	9,006,150	8,815,470	9,092,674	9,096,797	8,930,136	9,176,292
Lumber	484,572	645,845	896,719	1,030,259	1,121,857	1,149,400	1,286,249	1,472,462	1,448,243	1,584,721
Miscellaneous Services	11,682,787	12,799,653	14,187,954	13,322,206	13,045,306	13,615,484	16,045,853	16,981,506	14,059,540	17,329,467
Manufacturers	5,043,131	5,023,612	5,910,241	6,459,079	5,702,950	5,414,370	5,967,053	6,220,602	6,451,403	6,432,859
Utilities	5,653,587	6,423,578	6,283,211	6,389,567	6,452,505	6,157,788	5,857,190	6,405,020	6,504,641	6,297,342
Miscellaneous	20,689,057	19,160,653	19,497,898	19,808,260	20,986,349	20,764,655	24,247,218	27,023,556	26,007,262	27,093,138
Total	\$ 98,888,342	\$ 100,346,132	\$ 99,708,270	\$ 102,224,220	\$ 103,515,449	\$ 103,354,449	\$ 110,183,776	\$ 116,720,129	\$ 110,769,791	\$ 117,587,557
City direct sales tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Municipal Option Sales Tax (1)	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Food	\$ 24,474,659	\$ 25,875,374	\$ 27,193,787	\$ 29,072,255	\$ 31,087,468	\$ 32,390,909	\$ 18,132,972	\$ 17,821,366	\$ 17,052,504	\$ 15,557,689
Apparel	7,844,861	8,659,305	9,081,924	8,575,055	8,085,793	7,676,618	8,036,125	8,599,037	8,572,651	7,956,256
General	15,198,078	15,821,702	16,527,598	17,425,387	17,544,873	17,354,996	10,500,771	10,271,970	9,134,011	11,619,575
Automotive	1,006,061	1,088,903	862,640	893,948	887,289	905,611	1,006,166	1,101,906	1,015,990	1,130,448
Home	11,254,508	10,342,273	10,625,539	11,079,218	11,758,120	11,228,626	11,783,938	10,197,343	10,186,544	10,122,393
Lumber	811,933	937,818	1,257,158	1,361,648	1,638,714	1,611,894	1,665,362	1,913,617	2,071,562	2,137,574
Miscellaneous Services	12,914,807	17,624,898	17,423,469	17,955,003	16,713,310	17,445,223	22,418,492	32,399,300	29,053,357	17,219,463
Manufacturers	6,797,657	6,283,568	7,090,205	7,258,328	6,818,479	6,869,995	7,849,422	7,313,239	7,788,592	7,291,368
Utilities	12,243,140	7,232,826	7,386,966	7,825,616	7,674,084	7,516,300	7,608,192	8,108,857	8,305,932	8,046,606
Miscellaneous	26,593,552	25,199,982	26,787,112	29,237,076	30,911,020	28,709,431	56,242,103	56,907,475	53,514,897	54,627,306
Total	\$ 119,139,256	\$ 119,066,649	\$ 124,236,398	\$ 130,683,534	\$ 133,119,150	\$ 131,709,603	\$ 145,243,543	\$ 154,634,110	\$ 146,696,040	\$ 135,708,678
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note: (1) Effective October 1, 2004, the City began collecting a 1% Municipal Option Sales Tax (MOST) for retail sales and use occurring within the incorporated city limits of Atlanta
Source: Georgia Department of Revenue; Local Government Division

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 11
City of Atlanta, Georgia
Direct and Overlapping Sales Tax Rates (unaudited)
Last Ten Fiscal Periods

Fiscal Year	City Direct Rate	Fulton County
2012	1.00 %	7.00 %
2013	1.00 %	7.00 %
2014	1.00 %	7.00 %
2015	1.00 %	7.00 %
2016	1.00 %	7.00 %
2017	1.00 %	7.00 %
2018	1.90 %	7.00 %
2019	1.90 %	7.00 %
2020	1.90 %	7.00 %
2021	1.90 %	7.00 %

Source: Sales Tax Rates, Georgia Department of Revenue

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 12
City of Atlanta, Georgia
Principal Sales Tax Remitters (unaudited)
Last Ten Fiscal Periods

Tax Remitters	2012		2013		2014		2015		2016	
	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total
Food	\$ 24,474,659	20.54 %	\$ 25,875,374	21.73 %	\$ 27,193,787	21.88 %	\$ 29,072,255	22.25 %	\$ 31,087,468	23.35 %
Apparel	7,844,861	6.58 %	8,659,305	7.27 %	9,081,924	7.31 %	8,575,055	6.56 %	8,085,793	6.07 %
General	15,198,078	12.76 %	15,821,702	13.29 %	16,527,598	13.30 %	17,425,387	13.33 %	17,544,873	13.18 %
Automotive	1,006,061	0.84 %	1,088,903	0.91 %	862,640	0.69 %	893,948	0.68 %	887,289	0.67 %
Home	11,254,508	9.45 %	10,342,273	8.69 %	10,625,539	8.55 %	11,079,218	8.48 %	11,758,120	8.83 %
Lumber	811,933	0.68 %	937,818	0.79 %	1,257,158	1.01 %	1,361,648	1.04 %	1,638,714	1.23 %
Miscellaneous Services	12,914,807	10.84 %	17,624,898	14.80 %	17,423,469	14.05 %	17,955,003	13.74 %	16,713,310	12.56 %
Manufacturers	6,797,657	5.71 %	6,283,568	5.28 %	7,090,205	5.71 %	7,258,328	5.55 %	6,818,479	5.12 %
Utilities	12,243,140	10.28 %	7,232,826	6.07 %	7,386,966	5.94 %	7,825,616	5.99 %	7,674,084	5.76 %
Miscellaneous	26,593,552	22.32 %	25,199,982	21.16 %	26,787,112	21.56 %	29,237,076	22.37 %	30,911,020	23.22 %
Total	\$ 119,139,256	100 %	\$ 119,066,649	100 %	\$ 124,236,398	100 %	\$ 130,683,534	100 %	\$ 133,119,150	100 %
Tax Remitters	2017		2018		2019		2020		2021	
	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total
Food	\$ 32,390,909	24.59 %	\$ 18,132,972	12.48 %	\$ 17,821,366	11.52 %	\$ 17,052,504	11.62 %	\$ 15,557,689	11.46 %
Apparel	7,676,618	5.83 %	8,036,125	5.53 %	8,599,037	5.56 %	8,572,651	5.84 %	7,956,256	5.86 %
General	17,354,996	13.18 %	10,500,771	7.23 %	10,271,970	6.64 %	9,134,011	6.23 %	11,619,575	8.56 %
Automotive	905,611	0.69 %	1,006,166	0.69 %	1,101,906	0.71 %	1,015,990	0.69 %	1,130,448	0.83 %
Home	11,228,626	8.53 %	11,783,938	8.11 %	10,197,343	6.59 %	10,186,544	6.94 %	10,122,393	7.46 %
Lumber	1,611,894	1.22 %	1,665,362	1.15 %	1,913,617	1.24 %	2,071,562	1.41 %	2,137,574	1.58 %
Miscellaneous Services	17,445,223	13.25 %	22,418,492	15.44 %	32,399,300	20.95 %	29,053,357	19.81 %	17,219,463	12.69 %
Manufacturers	6,869,995	5.22 %	7,849,422	5.40 %	7,313,239	4.73 %	7,788,592	5.31 %	7,291,368	5.37 %
Utilities	7,516,300	5.71 %	7,608,192	5.24 %	8,108,857	5.24 %	8,305,932	5.66 %	8,046,606	5.93 %
Miscellaneous	28,709,431	21.80 %	56,242,103	38.72 %	56,907,475	36.80 %	53,514,897	36.48 %	54,627,306	40.25 %
Total	\$ 131,709,603	100 %	\$ 145,243,543	100 %	\$ 154,634,110	100 %	\$ 146,696,040	100 %	\$ 135,708,678	100 %

Source: Georgia Department of Revenue, Local Government Division

Note: Effective October 1, 2004, the City began collecting 1% Municipal Option Sale Tax (MOST) for retail sales and use within the incorporated city limits of Atlanta

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 13
City of Atlanta, Georgia
Ratio of Outstanding Debt by Type (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands, except per capita)

Fiscal Period Ended	Governmental Activities											% Personal Income (c)	Per Capita (c)	
	General Obligation Debt (a)	Certificate of participation	APSJFA Revenue Bonds (b)	SWMA Revenue Refunding Bonds	Limited Obligation Bonds (a)	Loans Payable	Capital Leases	1998 GMA Lease Pool	Installment Sale Program	Inter-Govt Agreements	Notes Payable			Total Governmental Activities
June 30, 2012	239,310	—	—	16,745	603,862	2,890	69,349	32,444	40,660	13,432	11,026	1,029,718	4.81 %	2,585
June 30, 2013	222,562	—	—	15,410	591,587	2,180	64,121	32,444	34,135	40,841	9,394	1,012,674	4.56 %	2,486
June 30, 2014	205,176	—	—	14,005	519,521	1,175	57,129	32,444	29,780	133,358	7,683	1,000,271	4.38 %	2,422
June 30, 2015	437,112	—	36,027	12,530	464,734	1,175	50,620	32,444	25,195	350,468	5,892	1,416,197	6.21 %	3,428
June 30, 2016	395,623	36,889	33,681	10,980	444,681	930	19,261	32,444	20,385	353,455	4,016	1,352,345	5.50 %	3,088
June 30, 2017	384,058	33,704	31,280	9,360	515,522	660	23,544	32,444	15,330	376,552	2,054	1,424,508	5.53 %	3,159
June 30, 2018	355,482	80,038	28,232	7,665	453,900	440	37,406	32,444	10,025	452,845	—	1,458,477	5.32 %	3,080
June 30, 2019	325,615	75,544	25,196	5,885	387,565	1,202	30,050	32,444	9,200	424,503	—	1,317,204	3.98 %	2,344
June 30, 2020	297,822	70,436	22,160	4,015	335,176	926	22,390	32,444	8,330	415,796	—	1,209,495	3.87 %	2,305
June 30, 2021	268,807	65,218	19,106	2,050	298,762	868	45,836	32,444	7,420	366,456	—	1,106,967	3.37 %	2,029

Fiscal Period Ended	Business-Type Activities												% Personal Income (c)	Per Capita (c)	
	Department of Aviation		Department of Watershed Management				Nonmajor Proprietary								
	Facilities Revenue Bonds and Bond Anticipation Notes	Capital Lease/Other Obligations	System Revenue Bonds	Issuance Premiums and Discounts	GEFA Notes Payable	Capital Lease/Other Obligations	Sanitation Capital Lease	Parking Deck Capital Lease	Underground Atlanta Capital Lease	City Plaza	Parking Deck	Total Business-Type Activities	Total Primary Government		
June 30, 2012	3,202,610	—	3,117,570	23,526	147,940	—	—	21,040	29,415	—	—	6,542,101	7,571,819	34.07 %	17,052
June 30, 2013	3,167,584	—	3,069,145	22,390	168,829	5,456	—	20,365	22,605	—	—	6,476,374	7,489,048	32.83 %	16,701
June 30, 2014	3,102,242	—	3,006,165	37,783	172,445	3,930	—	19,660	15,445	—	—	6,357,670	7,357,941	32.25 %	16,136
June 30, 2015	2,978,917	—	2,870,765	207,886	168,843	2,724	—	18,930	7,915	—	—	6,255,980	7,672,177	33.64 %	16,829
June 30, 2016	3,145,561	—	2,814,455	209,685	168,222	1,304	—	18,165	—	10,680	—	6,368,072	7,720,417	33.81 %	16,621
June 30, 2017	3,007,984	—	2,740,300	234,491	176,874	7,143	—	—	—	10,316	—	6,177,108	7,601,616	29.59 %	16,897
June 30, 2018	2,865,383	9,300	2,727,860	227,331	201,680	130,691	—	—	—	9,903	—	6,172,148	7,630,625	27.90 %	16,155
June 30, 2019	2,417,047	8,498	2,821,475	280,157	193,165	143,924	12,570	—	—	9,478	15,980	5,902,294	7,219,498	25.73 %	15,142
June 30, 2020	3,060,046	8,069	2,720,285	278,642	185,690	138,691	10,525	—	—	9,042	14,639	6,425,629	7,635,124	23.89 %	14,214
June 30, 2021	2,867,238	7,612	2,724,235	205,306	181,208	133,350	8,407	—	—	8,593	13,569	6,149,518	7,256,485	22.09 %	13,301 (d)

(a) Net of any discount or premium
(b) APSJFA revenue bonds reported as Limited Obligation Bonds prior to Fiscal Period 2015.
(c) See schedule for personal income and population data
(d) Personal income and per capita data not available for 2020, % based on 2019 data
Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 14
City of Atlanta, Georgia
Ratio of General Bonded Debt Outstanding (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands, except per capita)

Fiscal Period Ended	General Obligation Debt Net of Related Premiums and Discounts	Less; Amounts Restricted to Repaying Principle	Net General Obligation Debt	Certificate of Participation	SWMA Revenue Refunding Bonds	APSJFA Revenue Bond	Inter-Governmental Agreements	Notes Payable	Other Long-term Debt (a)	Capital Leases	Total	Percentage of Actual Taxable Value of Property (b)	Per Capita (c)
June 30, 2012	239,310	(58,835)	180,475	—	16,745	41,230	13,433	11,026	86,537	69,349	418,795	1.90 %	969
June 30, 2013	222,562	(62,291)	160,271	—	15,410	39,265	40,841	9,394	79,070	64,120	408,371	1.91 %	920
June 30, 2014	205,176	(66,460)	138,716	—	14,005	37,230	133,358	7,683	62,224	57,129	450,345	2.08 %	1,004
June 30, 2015	437,112	(33,451)	403,661	—	12,530	36,027	350,468	5,892	57,639	50,620	916,837	4.08 %	2,011
June 30, 2016	395,623	(14,746)	380,877	32,160	10,980	33,681	343,455	4,016	53,759	19,261	878,189	3.52 %	1,893
June 30, 2017	384,058	(31,954)	352,104	29,780	9,360	31,280	376,552	2,054	48,434	23,544	873,108	3.42 %	1,848
June 30, 2018	355,482	(33,575)	321,907	80,038	7,665	28,232	452,845	—	42,909	37,406	971,002	3.63 %	1,997
June 30, 2019	325,615	(53,041)	272,574	75,544	5,885	25,196	424,503	—	42,846	30,050	876,598	2.70 %	1,760
June 30, 2020	297,822	(85,358)	212,464	70,436	4,015	22,160	415,796	—	41,700	22,390	788,961	2.36 %	1,557
June 30, 2021	(d) 268,807	(121,923)	146,884	65,218	2,050	19,106	366,456	—	40,732	45,836	686,282	1.96 %	1,354

(a) Inclusive of GMA Lease Pool, 1998 Installment Sales Program and Section 108 loans.

(b) See Schedule 6 for assessed property value

(c) See Schedule 18 for population value

(d) Population data not available for 2020, percentage based on 2019 data

See accompanying independent auditors' report

Schedule 15

City of Atlanta, Georgia

Direct and Overlapping Governmental Activities Debt (unaudited)

(Dollars in thousands)

	Net Debt Outstanding	Percentage Applicable to City of Atlanta (a)	Amount Applicable to City of Atlanta
City of Atlanta General Obligation Debt	\$ 268,807	100.00 %	\$ 268,807
Certificate of Participation	65,218	100.00 %	65,218
APSJFA revenue bonds	19,106	100.00 %	19,106
SWMA revenue refunding bonds	2,050	100.00 %	2,050
Limited Obligation bonds	298,762	100.00 %	298,762
Capital Leases (1)	45,836	100.00 %	45,836
Net Direct Debt			699,779
Overlapping Debt:			
Fulton County (2)	326,392	47.00 %	153,404
DeKalb County (3)	210,590	4.60 %	9,687
Contractual General Obligation Debt:			
Atlanta and Fulton Recreation Authority (AFCRA):			
Series 2014A/B Park Improvement Bonds (4)	49,345	100.00 %	49,345
AFCRA Revenue Zoo Series 2007 (4)	3,007	75.00 %	2,255
Series 2017A Philips Arena Downtown Project Refunding (CRT) (4)	99,560	100.00 %	99,560
Series 2017B Philips Arena Downtown Project (CRT) (4)	40,585	100.00 %	40,585
Series 2018 Downtown Arena Bonds (4)	152,000	100.00 %	152,000
Atlanta Urban Redevelopment Agency (AURA):			
AURA Bonds Series 2010 (ADA) - COA (4)	10,805	100.00 %	10,805
AURA Downtown Parking Deck Series 2017 (ADA) - COA (4)	12,340	100.00 %	12,340
AURA Taxable Bonds Series 2019(4)	23,985	100.00 %	23,985
Urban Residential Finance Authority (URFA) - COA (4)	49,455	100.00 %	49,455
Overlapping Contractual Obligations:			
Fulton-DeKalb Hospital Authority (1)	103,310	47 %	48,556
Total Overlapping Debt			651,977
Total Direct and Overlapping Debt			\$ 1,351,756

(1) Includes the City of Atlanta and Fulton County Recreation Authority Revenue Bonds (Zoo Atlanta Parking Facility Project), Series 2017 which is now categorized as a capital lease. Outstanding balance as of June 30, 2021 is \$21,215,000.

(2) Fulton County ACFR - Year Ended December 31, 2020

(3) DeKalb County ACFR - Year Ended December 31, 2020

(4) City of Atlanta, Department of Finance

Schedule 15

City of Atlanta, Georgia

Direct and Overlapping Governmental Activities Debt (unaudited)

(continued)

(a) Method used to calculate overlapping debt:

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used by the City's capital leases and other debt.

Sources: Assessed value data used to estimate applicable percentage provided by Fulton County Tax Assessor. Debt outstanding data provided by each governmental unit.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 16
City of Atlanta, Georgia
Legal Debt Margin Information (unaudited)
Last Ten Fiscal Periods

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$2,354,198,460	\$2,201,603,385	\$2,166,763,057	\$2,247,694,484	\$2,615,707,678	\$2,680,586,893	\$2,874,146,148	\$3,850,491,690	\$3,348,221,028	\$4,113,315,425
Total net debt applicable to limit	230,680,000	215,320,000	199,215,000	395,890,000	357,955,000	350,285,000	325,430,000	299,095,000	273,900,000	247,650,000
Legal debt margin	<u>\$2,123,518,460</u>	<u>\$1,986,283,385</u>	<u>\$1,967,548,057</u>	<u>\$1,851,804,484</u>	<u>\$2,257,752,678</u>	<u>\$2,330,301,893</u>	<u>\$2,548,716,148</u>	<u>\$3,551,396,690</u>	<u>\$3,074,321,028</u>	<u>\$3,865,665,425</u>
Total net debt applicable to the limit as a percentage of debt limit	9.8 %	9.78 %	9.19 %	17.61 %	13.68 %	13.07 %	11.32 %	7.77 %	8.18 %	6.02 %

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 17A
City of Atlanta, Georgia
Department of Aviation
Schedule of Revenue Bond Coverage (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

Period	Operating Revenue (1)	Current Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)				
				General Revenue Debt	Debt Paid From PFC Revenues	Debt Paid From CARES Grant Funds	Debt Paid From Net Revenue	Coverage Percentage
2012	407,094	186,808	220,286	125,366	8,300	—	117,066	1.88
2013	497,165	211,196	285,969	157,237	—	—	157,237	1.82
2014	509,891	224,276	285,615	158,935	—	—	158,935	1.80
2015	512,952	225,189	287,763	153,298	—	—	153,298	1.88
2016	499,792	240,432	259,360	168,552	42,675	—	125,877	2.06
2017	512,726	264,125	248,601	167,951	28,318	—	139,633	1.78
2018	549,120	248,854	300,266	167,964	25,310	—	142,654	2.10
2019	619,459	316,419	303,040	168,449	26,480	—	141,969	2.13
2020	427,872	273,871	154,001	171,957	25,582	46,045	100,330	1.53
2021	387,265	291,013	96,252	136,262	8,342	101,890	26,030	3.70

- (1) Represents total operating revenues on a cash basis.
- (2) Represents total operating expenses on a cash basis.
- (3) Debt service requirements are calculated per the requirements of the Master Bond Ordinance (dated March 20, 2000), as amended.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 17B
City of Atlanta, Georgia
Department of Watershed Management
Schedule of Revenue Bond Coverage (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

Period	Operating Revenue (1)(2)	Current Operating Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Percentage
				Principal	Interest	Total (4)	
2012	596,680	192,177	404,503	46,085	180,893	226,978	1.78
2013	576,474	205,520	370,954	48,425	178,763	227,188	1.63
2014	575,656	210,265	365,391	51,370	158,893	210,263	1.74
2015	601,210	202,633	398,577	53,710	124,383	178,093	2.24
2016	614,633	224,954	389,679	56,310	155,241	211,551	1.84
2017	621,905	228,027	393,878	60,120	143,824	203,944	1.93
2018	640,537	239,020	401,517	63,650	138,913	202,563	1.98
2019	687,278	217,392	469,886	66,230	140,114	206,344	2.28
2020	654,505	217,531	436,974	74,985	135,610	210,595	2.07
2021	616,390	236,739	379,651	77,860	117,293	195,153	1.95

- (1) The Department's revenue is pledged to the extent of the annual debt service of the Revenue Bonds.
- (2) Total operating revenue plus investment income and Municipal Optional Sales Tax (MOST) included in operating transfer prior to 2018 and in nonoperating revenue in subsequent to 2018.
- (3) Total operating expenses exclusive of the payment in lieu of taxes and franchise fee, depreciation, amortization and legal fees.
- (4) Annual debt service includes sinking fund requirements of the Water and Wastewater revenue fund, net of capitalized interest.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 18
City of Atlanta, Georgia
Demographic and Economic Statistics (unaudited)
Last Ten Years

Year	Population	Personal Income (millions of dollars)	Per Capita Personal income	Median Age	Educational Attainment	School Enrollment	Unemployment Rate	
2011	432,135	214,002	39,826	34.0	85.5	49,874	9.9%	
2012	444,032	222,204	40,738	32.9	86.8	49,474	8.8%	
2013	448,409	228,134	41,307	33.2	88.0	48,831	7.8%	
2014	456,002	228,134	41,307	33.2	88.0	49,842	6.8%	
2015	463,878	244,065	43,472	33.3	88.4	50,708	5.3%	
2016	472,522	257,510	45,092	33.0	89.0	51,296	4.6%	
2017	486,290	274,129	47,348	36.4	90.5	51,662	3.8%	
2018	498,044	292,221	49,657	33.5	89.9	51,983	3.5%	
2019	506,811	312,213	52,473	33.2	90.3	52,039	8.5%	
2020	506,811	(1) 328,450	(2) 54,557	(3) 36.8	(4) 90.9	(5) 51,012	(6) 3.2%	(7)

1U.S. Census Bureau, QuickFacts Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2019; as of September 30, 2021.

2U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2020 for Atlanta MSA this figure is inclusive of Atlanta-Sandy Springs-Marietta as of September 30, 2021.

3U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2020 for Atlanta MSA as of September 30, 2021.

4 <http://censusreporter.org/profiles/16000US1304000-atlanta-ga/>

5U.S. Census Bureau, American Community Survey for City of Atlanta, % of population that attained high school degree or higher educational degrees; data based on population 25 years and over, limited to household population, excludes institutions, college dormitories, & other group quarters; data available 2015 through 2019 as of September 30, 2021.

6Georgia Department of Education - Enrollment as of October 6, 2021.

7U.S. Department of Labor, Bureau of Labor Statistics; City of Atlanta data for July 2021 (Preliminary) is not seasonally adjusted and is inclusive of Atlanta-Sandy Springs-Marietta.

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 19
City of Atlanta, Georgia
Principal Employers (unaudited)
Last Ten Years

Employer	Type of Business	2011		Employer	Type of Business	2012	
		Employees	Percentage of Total City Employment			Employees	Percentage of Total City Employment
Delta Air Lines, Inc.	Transportation	3,678	1.87 %	Delta Air Lines, Inc.	Transportation	3,815	1.98 %
The Coca-Cola Company	Manufacturing	3,670	1.87 %	The Coca-Cola Company	Manufacturing	3,469	1.80 %
International Business Machine Corp.	Technology Services	3,561	1.81 %	International Business Machine Corp.	Technology Services	4,228	2.20 %
Turner Broadcasting System, Inc.	Media/Entertainment	2,090	1.06 %	Turner Broadcasting System, Inc.	Media/Entertainment	2,163	1.12 %
Cable News network	Media	1,884	0.96 %	Cable News network	Media	1,873	0.97 %
AT & T Services Inc.	Telecommunication	1,845	0.94 %	AT & T Services Inc.	Telecommunication	1,845	0.96 %
Air Service Corp	Transportation	1,733	0.88 %	Air Service Corp	Transportation	1,733	0.90 %
Accenture LLP	Consulting	1,725	0.88 %	Accenture LLP	Consulting	1,791	0.93 %
Allied Barton Security Services	Security Services	1,465	0.74 %	Allied Barton Security Services	Security Services	1,448	0.75 %
Tenet Health System , Inc.	Healthcare	1,166	0.59 %	Tenet Health System , Inc.	Healthcare	1,140	0.59 %
Total		22,817	11.60 %	Total		23,505	12.2 %
		2013				2014	
Delta Air Lines, Inc.	Transportation	4,357	2.20 %	Accenture LLP	Consulting	2,200	1.10 %
The Coca-Cola Company	Marketing and Manufacturing	3,498	1.77 %	Air Service Corp	Transportation	2,350	1.18 %
Accenture LLP	Consulting	2,200	1.11 %	Allied Barton Security Services	Security Services	1,467	0.73 %
AT & T Services Inc.	Telecommunication	2,179	1.10 %	AT & T Services Inc.	Telecommunication	2,179	1.09 %
Turner Broadcasting System, Inc.	Media/Entertainment	2,057	1.04 %	Cable News Network	Media	1,823	0.91 %
Cable News network	Media	1,823	0.92 %	Deloitte Consulting LLP	Consulting	1,195	0.60 %
Air Service Corp	Transportation	1,733	0.88 %	Delta Air Lines, Inc.	Transportation	4,357	2.18 %
Allied Barton Security Services	Security Services	1,467	0.74 %	Tenet Health System , Inc.	Healthcare	1,359	0.68 %
Tenet Health System , Inc.	Healthcare	1,359	0.69 %	The Coca-Cola Company	Manufacturing	3,498	1.75 %
Deloitte Consulting LLP	Consulting	1,195	0.60 %	Turner Broadcasting System, Inc.	Media/Entertainment	2,057	1.03 %
Total		21,868	11.05 %	Total		22,485	11.25 %
		2015				2016	
Delta Air Lines, Inc.	Transportation	5,031	2.36 %	Accenture LLP	Consulting	2,159	0.93 %
The Coca-Cola Company	Marketing and Manufacturing	4,316	2.03 %	Air Service Corp	Transportation	1,733	0.75 %
Air Service Corp	Transportation	2,800	1.31 %	Atlanta Medical center Inc.	Healthcare	1,425	0.61 %
Accenture LLP	Consulting	2,253	1.06 %	AT & T Services Inc.	Telecommunication	2,139	0.92 %
AT & T Services Inc.	Telecommunication	1,826	0.86 %	Cable News Network	Media	1,732	0.75 %
Turner Broadcasting System, Inc.	Media/Entertainment	1,800	0.84 %	CapGemini US LLC		1,516	0.65 %
Cable News Network	Media	1,733	0.81 %	Delta Air Lines, Inc.	Transportation	5,348	2.30 %
Allied Barton Security Services	Security Services	1,645	0.77 %	The Coca-Cola Co One Coca Cola	Manufacturing	4,256	1.83 %
Tenet Health System , Inc.	Healthcare	1,275	0.60 %	The Coca-Cola Company	Marketing and Manufacturing	1,737	0.75 %
Deloitte Consulting LLP	Consulting	1,231	0.58 %	Turner Broadcasting System, Inc.	Media/Entertainment	1,614	0.69 %
Total		23,910	11.22 %	Total		23,659	10.18 %
		2017				2018	
Accenture LLP	Consulting	2,223	0.94 %	Accenture LLP	Consulting	2,063	0.79 %
Air Service Corp	Transportation	2,824	1.19 %	Air Service Corp	Transportation	2,722	1.05 %
Allied Universal Security Services	Security Services	1,594	0.01 %	Allied Universal Security Services	Security Services	1,843	0.71 %
Cable News Network	Media	1,507	0.63 %	Atl Hawks, LLC	Services	1,701	0.65 %
Deloitte Consulting	Consulting	1,236	0.52 %	Atlanta Falcons Stadium Company	Building	1,996	0.77 %
Delta Air Lines, Inc.	Transportation	5,306	2.23 %	Cable News Network	Media	1,535	0.59 %
The Coca-Cola Co One Coca Cola	Manufacturing	4,445	1.87 %	Deloitte Consulting	Consulting	1,522	0.59 %
The Coca-Cola Company	Marketing and Manufacturing	1,300	0.55 %	Delta Air Lines, Inc.	Transportation	5,962	2.29 %
Turner Broadcasting System, Inc.	Media/Entertainment	1,517	0.64 %	NCR Corporation	Management/Admin Service	2,674	1.03 %
Universal Protection	Security Services	1,596	0.67 %	The Coca-Cola Co One Coca Cola	Manufacturing	4,058	1.56 %
Total		23,548	9.25 %	Total		26,076	10.03 %
		2019				2020	
Delta Air Lines, Inc.	Transportation	6,250	2.77 %	Cortland Development Llc	Management/Admin Svc	6,995	3.87 %
The Coca Cola Co	Marketing and Manu	3,827	1.70 %	Delta Air Lines, Inc.	Transportation	5,718	3.16 %
Accenture	Consultant	2,464	1.09 %	E Cee Excursions Llc	Consultant/ Mgmt,Counselor,Bus	4,200	2.32 %
Allied Universal Security Serv.	Security & Comm	2,082	0.92 %	Marketing and	Marketing and		
Atlanta Falcons Stadium Company	Brokers	2,075	0.92 %	Manufacturing	Manufacturing	3,369	1.86 %
Cortland Management LLC	contractor, owner tran			Building	consultant/Counselor/ Finance	2,419	1.34 %
	Building	2,075	0.92 %	Accenture Llp			
	Management/Admin	1,904	0.84 %				
NCR Corporation	Management/Admin	1,819	0.81 %	Cortland Management Llc	Management/Admin Svc	2,270	1.25 %
Atl Hawks, LLC	Management/Admin	1,730	0.77 %	Allied Universal Security Serv	Security & Commodity	2,046	1.13 %
Deloitte Consulting LLP	Misc Recreation Serv	1,714	0.76 %	Brokers	Brokers		
Cable News Network, Inc.	Consultant	1,714	0.76 %	Allen Enterprises Inc	Transportation	2,020	1.12 %
	Television Broadcast			Wrapa Loc Products Inc	Health and Personal Care	2,020	1.12 %
	Station	1,529	0.68 %	Deloitte Consulting Llp	Consultant/ Mgmt,Counselor,Bus	1,610	0.89 %
Total		25,394	11.26 %	Total		32,667	18.06 %

Source: City of Atlanta, Department of Finance - Office of Revenue

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 20
City of Atlanta, Georgia
Full-time Equivalent City Government Employees by Function/Program (unaudited)
Last Ten Fiscal Periods

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Mayors Office	5	5	5	5	5	5	5	5	5	5
City Council	46	46	47	48	49	48	46	46	48	48
Finance	153	145	141	165	138	146	145	150	149	156
Planning	193	153	164	166	161	213	214	215	233	236
Procurement	34	40	46	41	41	82	81	82	77	81
Human Resources	57	148	143	147	134	136	134	141	153	144
Police										
Officers	1,959	2,001	1,973	2,009	2,007	2,368	2,420	2,402	2,205	2,425
Civilian	475	490	444	525	520	169	169	169	168	169
Fire										
Officers	985	1,060	1,060	1,062	1,064	1,069	1,086	1,086	1,089	1,143
Civilian	49	49	49	65	65	65	65	65	64	64
Corrections										
Officers	309	313	313	326	346	359	359	360	225	232
Public Works										
Streets	390	383	371	371	374	461	369	389	465	514
Refuse Collection	348	346	346	346	348	176	326	503	496	472
Parks, Recreation and Cultural Affairs	358	362	347	370	365	393	430	444	428	459
Water/Wastewater	1,535	1,475	1,515	1,486	1,567	1,162	1,096	1,243	1,382	1,384
Aviation	594	583	600	616	596	595	657	647	734	712
Total full-time equivalent employees	<u>7,490</u>	<u>7,599</u>	<u>7,564</u>	<u>7,748</u>	<u>7,780</u>	<u>7,447</u>	<u>7,602</u>	<u>7,947</u>	<u>7,921</u>	<u>8,244</u>

Source: City of Atlanta Fiscal Year 2021 Adopted Budget Book

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 21

City of Atlanta, Georgia

Operating Indicators by Function/Program (unaudited)

Last Ten Fiscal Periods

	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Police										
Arrests	38,773	46,974	44,428	42,439	35,886	35,634	32,562	31,197	28,919	16,329
Parking violations	17,105	13,613	14,818	12,430	10,621	12,335	8,393	8,446	3,219	1,713
Traffic violations	167,848	168,699	167,421	203,761	188,450	157,399	125,546	149,544	115,201	53,409
Fire										
Emergency responses	67,420	83,662	91,379	93,725	97,106	92,380	93,015	91,602	84,581	77,084
Fires extinguished	1,892	1,756	1,701	1,731	1,763	1,940	1,920	1,819	1,964	1,852
Inspections	1,155	12,112	17,843	15,710	14,234	13,226	14,026	28,422	25,976	7,840
Refuse collection										
Refuse collected (tons per day)	99,236	457	467	511	427	514	447	468	467	566
Other public works										
Miles of streets resurfaced	5	21	12	33	24	69	51	25	19	34
Potholes repaired	3,255	1,784	5,006	2,561	3,919	3,771	6,402	15,173	3,131	2,865
Parks and recreation										
Athletic field permits issued	109	249	326	449	553	469	572	588	274	105
Community center admissions	478,535	758,000	600,000	455,388	503,421	465,504	492,308	526,440	260,989	36,451
Water										
New connections	820	1,104	1,041	1,115	1,541	1,694	1,760	1,753	1,593	1,814
Water main breaks	401	432	514	372	401	588	471	358	366	346
Average daily consumption (thousands of gallons)	95,030,000	91,700,000	90,880,000	92,930,000	96,930,000	97,570,000	96,840,000	96,880,000	98,350,000	94,120,000
Peak daily consumption (thousands of gallons)	119,230,000	117,570,000	129,510,000	113,210,000	124,500,000	131,870,000	116,890,000	105,810,000	140,680,000	114,910,000
Wastewater										
Average daily sewage treatment (thousands of gallons)	111,000,000	119,394,000	127,900,000	132,738,000	132,340,000	120,940,000	129,850,000	140,100,000	133,462,000	130,222,000
Aviation										
Number of passengers served	94,393,355	95,155,163	94,778,483	98,267,049	103,689,041	104,258,612	105,208,100	109,128,294	79,743,513	49,718,951

See accompanying independent auditors' report

City of Atlanta
2021 Annual Comprehensive Financial Report

Schedule 22
City of Atlanta, Georgia
Capital Asset Statistics by Function/Program (unaudited)
Last Ten Fiscal Periods

Function/Program	Fiscal Period									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	15	14	16	17	15	15	11	11	12	13
Zone offices	6	6	6	6	6	6	6	6	6	6
Patrol units	355	357	337	377	396	359	365	420	403	377
Fire Stations	35	35	35	35	36	36	36	36	36	36
Refuse collection										
Collection trucks	84	85	95	94	88	88	87	93	95	95
Parks and recreation										
Acreage	3,904	3,922	4,395	4,781	4,810	4,816	4,970	4,798	4,847	4,847
Playgrounds	109	109	111	111	113	115	135	134	135	137
Baseball/softball diamonds	85	86	86	58	58	58	76	54	70	76
Soccer/football fields	31	32	32	36	36	36	21	16	16	16
Community centers	42	42	42	44	42	43	43	32	32	32
Water										
Water mains (miles)	2,766	2,766	2,766	2,766	2,766	2,818	2,828	2,861	2,869	2,886
Storage capacity (thousands of gallons)	246	246	247	247	247	247	247	247	247	247
Wastewater										
Sanitary sewers (miles)	2,259	2,259	2,259	2,259	2,259	1,871	1,865	1,839	1,840	1,833
Treatment capacity (thousands of gallons)	155.3MGD	181.7MGD	188.0MGD	202.0MGD	188.0MGD	188.0MGD	188.0MGD	188.0MGD	188.0MGD	188.0MGD
Aviation										
Number of Runways	5	5	5	5	5	5	5	5	5	5
Number of Feet for each Runway:										
9R 27L 9,000 feet or 2,743 meters										
9L 27R 12,390 feet or 3,777 meters										
8R 27L 10,000 feet or 3,048 meters										
8L 26R 9,000 feet or 2,743 meters										
10-28 9,000 feet or 2,743 meters										

Sources: Various city departments

See accompanying independent auditors' report