

CITY OF SANDY SPRINGS, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

Prepared by:
Finance Department

Submitted by:
Eden Freeman
City Manager

CITY OF SANDY SPRINGS, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION



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December 12, 2022

Honorable Russell K. Paul, Mayor,
Members of the City Council, and
Citizens of Sandy Springs, Georgia

Ladies and Gentlemen:

The Annual Comprehensive Financial Report of the City of Sandy Springs, Georgia, for the fiscal year ended June 30, 2022, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City of Sandy Springs. The report has been prepared in accordance with generally accepted accounting principles. All disclosures necessary to enable an interested reader to gain an understanding of the government's financial activities have been included.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Sandy Springs for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Sandy Springs' financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.



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PROFILE OF THE GOVERNMENT

Sandy Springs celebrated its 17th anniversary in 2022, incorporated in December of 2005. The City is positioned in the heart of the metro area in Fulton County, Georgia. It is the second largest city in metropolitan Atlanta and the seventh largest city in the State of Georgia. Sandy Springs is a demographically diverse community and covers a 38 square mile area. Twenty-two miles of the Chattahoochee River flow through Sandy Springs, creating a unique recreational opportunity within a metropolitan setting.

Policymaking and legislative authority of the government is vested in the Mayor and six council members, who are elected for four-year terms. Council members are elected by district, and the Mayor is elected at-large by popular vote. The Mayor and council members serve until their successors are qualified and certified. Terms of office begin after the certification of the election and swearing into office.

The City operates under a council/manager form of government, where the Council is the legislative authority, and the Mayor possesses all of the executive powers granted to the government under the constitution and laws of the State of Georgia and the City of Sandy Springs charter. The City Manager maintains all administrative powers granted to the government under the constitution and laws of the State of Georgia and the City's charter. The City is empowered to levy a property tax on both real and personal property located within its boundaries and is qualified to levy all other taxes granted to municipalities within the State of Georgia.

The City's General Services including Public Works/TSPLOST, Community Development, IT, Finance, Economic Development, Communications, Facilities, Municipal Court, Recreation and Parks, and Performing Arts Center Operations are performed by employees of the City of Sandy Springs. The City's call center and 911 services, as well as Public Works Field Services, Fleet Services, City Attorney's Office and Municipal Court Solicitor are conducted with private sector partners.

Sanitation services are provided through contracts with private carriers. Water and sewer services are delivered to residential and commercial properties by the City of Atlanta and Fulton County. The City created a legally separate entity, the City of Sandy Springs Public Facilities Authority (the "Authority"), to assist with the leasing and multi-year contracting of capital facilities. The Sandy Springs Hospitality Board is a component unit of the City and functions as the tourism and marketing arm of the government. In addition, the City has a joint venture with the City of Johns Creek for Emergency 911 services through the Chattahoochee River E911 Authority (ChatComm) and with the North Fulton Cities of Alpharetta, Milton



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and Roswell for a unified radio system through the North Fulton Regional Radio System Authority (NFRRSA).

The annual budget serves as the foundation for the City's financial plan and assists in the control of the financial stability and health of the government. The Mayor and Council are required to adopt a final budget no later than the close of the fiscal year. The budget is prepared by fund, function, and department. Since Fiscal Year 2007, the budgeting process included performance management initiatives. Amounts in this budget may be re-allocated within funds by approval of the City Manager as long as the total budgeted amounts do not exceed the approved appropriations by fund.

LOCAL ECONOMY

Sandy Springs is located at the crossroads of one of the most traveled east-west and north-south vehicular connections with prime access to Interstate 285 and Georgia Highway 400, with Interstate 75 located just west of the City's border. Four stations on the MARTA rail transit system also serve Sandy Springs, creating an attractive transportation location for business. Close to 6,000 businesses, from small, family-owned retailers to world-known corporate headquarters, currently call Sandy Springs home.

The City's largest employers are hospitals and regional corporate headquarters. More than 40 percent of the available hospital beds in the metropolitan Atlanta area are located in Sandy Springs. The City is home to nationally recognized Children's Healthcare of Atlanta, Northside Hospital and Emory Saint Joseph's Hospital. Sandy Springs is also home to a large number of Fortune 500 and 1000 companies. Among those corporate employers are United Parcel Service, WestRock, Veritiv Corp., Newell Brands Inc., Intercontinental Exchange/NYSE, ServiceMaster and Graphic Packaging. In addition, nationally and internationally recognized brands including Cox Communications, Inspire Brands and Mercedes Benz USA call Sandy Springs their corporate home. The City's commercial properties comprise more than 42 percent of the total tax digest by property value, which ensures a strong economic foundation for the government.

Niche ranks Sandy Springs number 22 for Best City to Live in the U.S. and number 21 as Best City for Young Professionals^[1]. Sandy Springs is home to a flourishing dining scene and nighttime activities, a place where one can expend energy paddle boarding on the river or enjoy one of the City's many parks and green spaces and enjoy live entertainment.

According to the US Census^[2], the estimated population for Sandy Springs is 110,926. There were approximately 54,061 households reported, with an estimated 51 percent recorded as home ownership.



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The median value of owner-occupied housing in 2022 was \$588,300. The average household size was two (2) people, with a median household income of \$94,456.

Quality of life is an important component in attracting and keeping residents and businesses in Sandy Springs. In August 2018, the curtain went up on the Sandy Springs Performing Arts Center and in just a short time; the theatre complex became a prime destination in the metropolitan area. City Springs is intended to be a community gathering spot, and it has exceeded all expectations. In addition to the hub of energy created through the performances and events at City Springs, tremendous redevelopment activity has occurred throughout the city, with many new retailers and restaurants coming online.

NATIONAL ECONOMY

According to the Bureau of Labor Statistics^[3] for August 2022, unemployment for the State of Georgia decreased to 2.8 % from 3.3% last year. Citywide the unemployment increased to 3.2 from 3.1% last year. These unemployment rates are reflective of the recovery from the height of the pandemic during the prior years.

According to August 2022 S&P CoreLogic Case-Shiller Home Price Indices^[4], home prices continue to increase across the United States. The national index, which covers all nine U.S. census divisions, reported an 18% annual decrease down from 19.9% in the previous month.

LONG TERM FINANCIAL PLANNING

As detailed within the following financial statements, the City's policy is to maintain a minimum General Fund balance reserve of 25% of the next year operating expenditures. Excess fund balances over reserve requirements will be used in subsequent periods for pay-as-you-go capital projects and one-time non-recurring expenditures.

To facilitate the provision of city services, the government is committed to a consistent millage rate for property taxes. The City's operating millage rate of 4.731 mills is statutorily set and cannot be increased without a public referendum. In addition, when residential property is reassessed, if a homeowner has filed for the proper homestead exemption, the assessment cannot be raised more than 3% (or the rate of inflation) in any one year for city taxes. Neighboring jurisdictions are not bound by the 3% cap in the



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utilization of increased assessments, where a large proportion of their increased assessments fall on the back of homeowners.

The City is expected to continue developing as an economic hub and preferred location for business and residential investment. Additionally, the commercial community continues to experience significant re-development through builders and investors developing mixed-use areas.

MAJOR INITIATIVES FOR THE YEAR

- Completed and implemented a comprehensive pay plan and job classification study. This study allowed the City to evaluate the duties and responsibilities, scope and complexity of a position description to determine the job title that most appropriately matches the job specifications and standards. The study also aligns the role with the most competitive compensation at market-based rates for work performed
- Implemented a Fleet Fund to ensure adequate funding is available for the retirement of assets and the purchase of new vehicles
- Fire Station #2 was approximately 98% complete with an official opening scheduled early FY23.
- Design and engineering of Trail Segment 2A
- Continued improvements to Ison Springs Elementary, Sandy Springs Middle and Ridgeview Middle School through intergovernmental Agreements with Fulton County Schools
- Completed shoreline restoration and dock expansion at Morgan Falls Overlook Park
- Opened Northwood Park through partnership with a private developer, resurfaced tennis, pickleball, and basketball courts at Hammond Park
- Partnered with Art Sandy Springs to install sculptures at Marsh Creek Rain Garden
- Began the engagement process for the Next Ten Comprehensive Plan and City Springs Master Plan 10-Year update
- Began improvements to the Community Development permitting process



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TSPLOST



On November 9, 2021, a referendum passed to continue to impose an additional 0.75 percent Transportation Special Purpose Local Option Sales Tax (“TSPLOST”) to begin on April 1, 2022. Approximately \$546 million was estimated to be raised by the imposition of this additional tax to improve the County’s transportation infrastructure through various capital transportation projects within these cities to be collected through March 31, 2027.

At the close of the fiscal year, one project (a one-time payment to GDOT for enhancements to bridges across GA-400) was completed while the rest were still in pre-planning.

INITIATIVES FOR FUTURE YEARS

- Begin constructing Veterans Park, Public Safety Building, Fire Station #1 and update construction to Fire Station #5
- Construct Trail Segment 2A and complete design for Trail Segment 2E
- Complete the Master Plan for Old Riverside Park
- Implement Abernathy South Greenway enhancements, mitigate erosion and streambank issues along Nancy Creek at Windsor Meadows Park
- Implement major enhancements to the Morgan Falls Overlook Athletic Complex
- Complete the Next Ten Five-Year Update and the City Springs Master 10-Year Update
- Conduct a comprehensive review of the City’s Development Code
- Begin the process to create citywide design guidelines
- Update the City’s impact fee ordinance, conduct a 5-year update to the Community Development Block Grant Consolidated Plan
- Update the Roswell Road Small Area Plan, focused on the Crossroads Node

FINANCIAL POLICIES

In developing and evaluating the City’s accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safety of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits requires



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estimates and judgments by management. All internal control evaluations occur within the above framework.

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

As part of the City's annual single audit, required in conformity with provisions of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs as well as to determine that the City has complied with applicable laws and regulations.

Budgetary Controls - The City maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The official level of city budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. Administrative transfers of appropriations within a department may be authorized by the City Manager to meet unforeseen needs, as long as the total budgeted amounts do not exceed the original appropriations by department. The City's budget procedures, together with such procedures for discretely presented component units, are more fully explained in the accompanying notes to the financial statements. The City maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year end are carried forward to the ensuing year's budget on a case by case basis.

OTHER INFORMATION

Awards and Achievements - The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sandy Springs for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the sixteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.



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

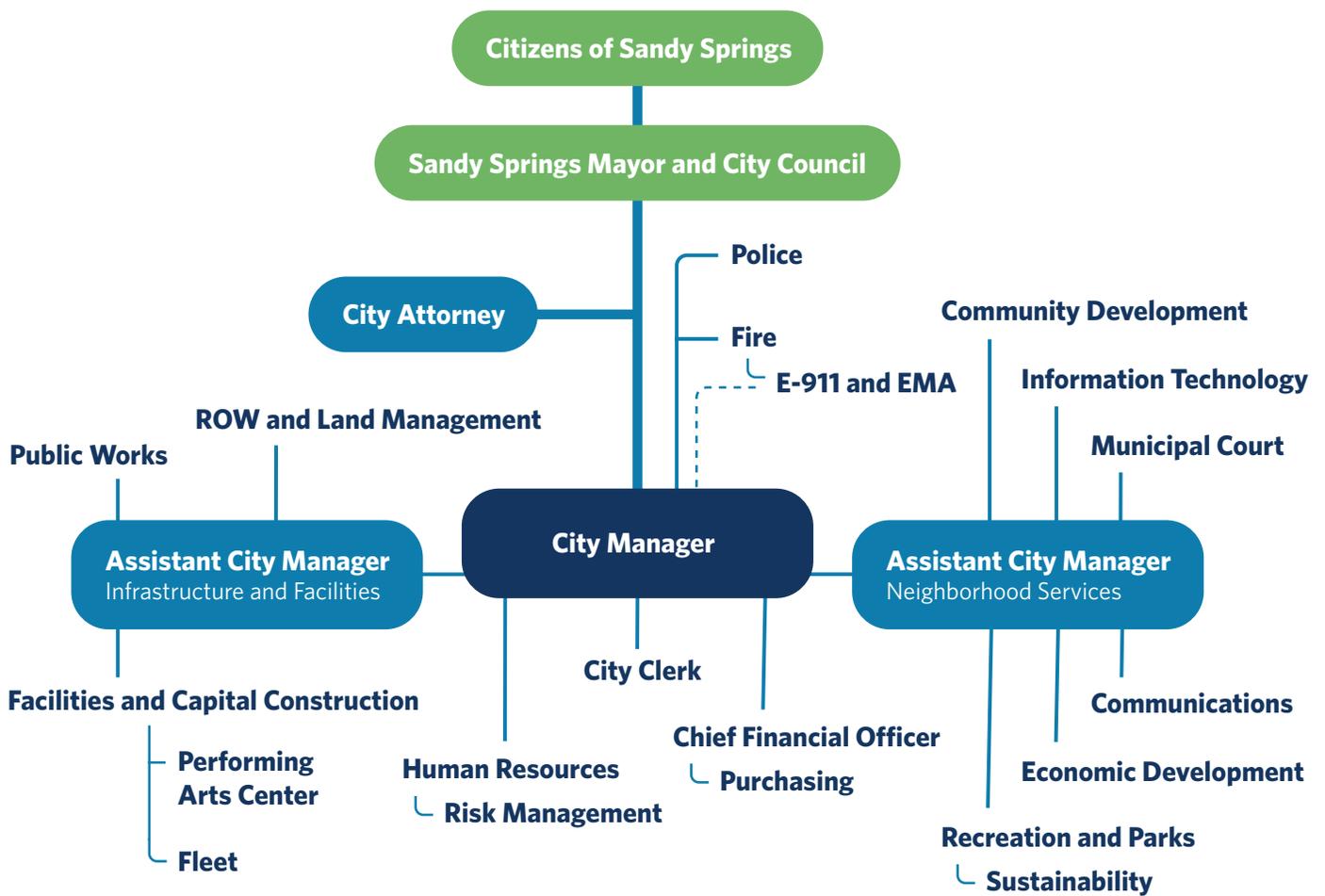
Acknowledgments - The preparation of the report could not have been accomplished without the efficient and dedicated efforts of the staff of the Finance Department, the auditors for the City and its component units, and the cooperation of City staff in various departments. Our sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

Respectfully submitted,

Eden E. Freeman
City Manager

Toni Carlisle
Chief Financial Officer

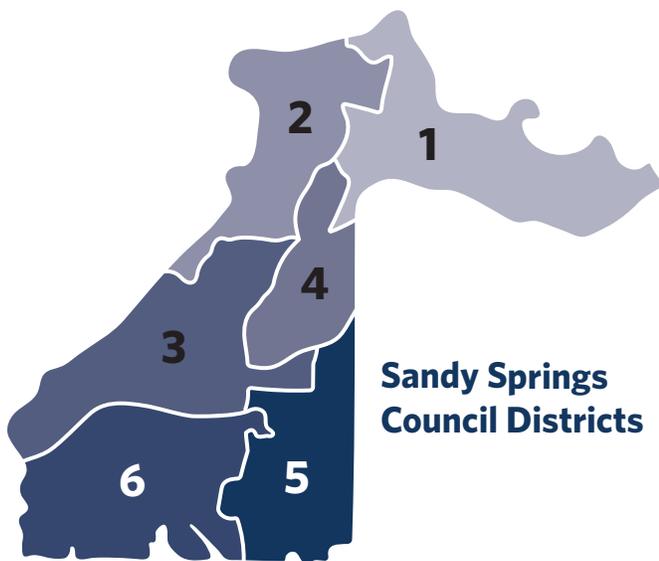
- [1] Source: Niche.com
- [2] Source: Census Reporter.org
- [3] Source: Bureau of Labor Statistics
- [4] Source: SPGlobal.com



MAYOR AND CITY COUNCIL

Governance in Sandy Springs

The City of Sandy Springs is divided into six Council Districts. Each district is represented by a City Councilmember. The Mayor of Sandy Springs chairs the City Council.



Mayor Rusty Paul
rpaul@sandyspringsga.gov



DISTRICT 1
John Paulson
jpaulson@sandyspringsga.gov



DISTRICT 2
Melody Kelley
mkelley@sandyspringsga.gov



DISTRICT 3
Melissa Mular
mmular@sandyspringsga.gov



DISTRICT 4
Jody Reichel
jreichel@sandyspringsga.gov



DISTRICT 5
Tiberio "Tibby" DeJulio
tdejulio@sandyspringsga.gov



DISTRICT 6
Andy Bauman
abauman@sandyspringsga.gov

City of Sandy Springs, Georgia

Listing of Principal Officials

City Manager

Eden E. Freeman

Chief Financial Officer

Toni Carlisle

Assistant City Manager Infrastructure and Facilities

Open

Assistant City Manager Neighborhood Services

Kristin Byars-Smith

Chief of Fire

Keith Sanders

Chief of Police

Ken DeSimone

City Clerk

Raquel D. Gonzalez

Communications Director

Dan Coffey (Interim)

Community Development Director

Ginger Sottile

Court Administrator

Cheston Roney

Economic Development Director

Open

Facilities and Construction Director

David Wells

Human Resources Director

Jennifer Emery

Information Technology Director

Jonathan Crowe

Performing Arts Center Director

Ramin Djaved (Interim)

Public Works Director

William Martin

Recreation and Parks Director

Michael Perry



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sandy Springs
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and Members
of the City Council of the
City of Sandy Springs, Georgia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sandy Springs, Georgia (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sandy Springs, Georgia, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As described in Note 7 and Note 8 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of July 1, 2021. This standard significantly changed the accounting for the City's leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

-
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and General Fund – Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax (the "supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 12, 2022

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of the City of Sandy Springs (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$517,106,137 (total net position), which represents an increase of \$32,198,006 or 6.7% from the prior year. Of the total net position, \$118,853,158 (unrestricted net position) is available to meet the ongoing obligations of the government.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$221,557,899. This represents an increase of \$6,807,842 from the prior year.
- Total governmental fund revenues were \$160,368,695, an increase of \$13,980,979 or 9.55%.
- Total governmental fund expenditures were \$153,560,853, an increase of \$13,952,129 or 9.99% over the prior year.

Overview of the Financial Statements

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

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the City'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, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report functions of the City that are principally supported by taxes (governmental activities). The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation, housing and community development.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City are governmental funds.

Governmental funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City'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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The General Fund, American Recovery Plan Act Fund (ARPA), Capital Projects Fund, TSPLOST Fund and Public Facilities Authority Fund are considered to be major funds.

The City adopts an annual appropriated budget for all its governmental funds, except capital project funds for which project length budgets are adopted. A budgetary comparison statement has been provided for the general fund and each of the special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18 through 20 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 47 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedules as presented on a generally accepted accounting principal basis in this section. These schedules are intended to demonstrate the City's compliance with the legally adopted and amended budgets.

The combining and individual fund statements and schedules, referred to earlier, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 50 and 51 of this report. Required supplementary information can be found on pages 48 and 49 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the City's case, assets exceeded liabilities and deferred inflows of resources by \$517,106,137, representing a \$32,198,006 or 6.7% increase over last year.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The largest portion of the City's net position, \$330,327,766 reflects its investment in capital assets (e.g., buildings, machinery and equipment, roadways, sidewalks, culverts, and signals); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Other than the amount of net position, \$67,925,213, that is restricted as to use by law or agreement, the remaining portion of the City's net position represents unrestricted net position of \$118,853,158 that is available to meet the ongoing obligations of the government. This amount represents 92.7% of current governmental expenses.

The City has current and other assets of \$249,342,814, an increase of \$9,594,947 or 4% over the prior year. These assets include \$188,773,380 of cash and investments.

The City's capital assets are \$522,186,994, which represents an increase of \$18,839,079 or 3.74%. The increase is primarily infrastructure projects.

Long-term liabilities decreased \$8,652,527 or 3.63% as debt is repaid.

The table below summarizes the City's Net Position for 2022 and 2021.

City of Sandy Springs Net Position

	<u>Governmental Activities</u>		<u>Dollar</u>	<u>Percent</u>
	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>	
Assets				
Current assets	\$ 249,342,814	\$ 239,747,867	\$ 9,594,947	4.00 %
Capital assets, net of accumulated depreciation	522,186,994	503,347,915	18,839,079	3.74
Total assets	<u>771,529,808</u>	<u>743,095,782</u>	<u>28,434,026</u>	<u>3.83</u>
Deferred charges on bond refunding	<u>15,084,335</u>	<u>15,983,023</u>	<u>(898,688)</u>	<u>(5.62)</u>
Liabilities				
Current liabilities	39,449,632	35,434,773	4,014,859	11.33
Long-term liabilities	<u>229,938,374</u>	<u>238,590,901</u>	<u>(8,652,527)</u>	<u>(3.63)</u>
Total liabilities	<u>269,388,006</u>	<u>274,025,674</u>	<u>(4,637,668)</u>	<u>(1.69)</u>
Deferred service concession arrangement receipts	<u>120,000</u>	<u>145,000</u>	<u>(25,000)</u>	<u>(17.24)</u>
Net Position				
Net investment in capital assets	330,327,766	316,301,742	14,026,024	4.43
Restricted	67,925,213	59,747,342	8,177,871	13.69
Unrestricted	<u>118,853,158</u>	<u>108,859,047</u>	<u>9,994,111</u>	<u>9.18</u>
Total net position	<u>\$ 517,106,137</u>	<u>\$ 484,908,131</u>	<u>\$ 32,198,006</u>	<u>6.64 %</u>

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Governmental activities: Governmental activities are those that have a direct impact on its citizens such as public safety, zoning, recreation, and parks and road improvements. The table below reflects changes in net position for 2022 and 2021.

City of Sandy Springs Changes in Net Position

	<u>Governmental Activities</u>		<u>Dollar Increase (Decrease)</u>	<u>Percent</u>
	<u>2022</u>	<u>2021</u>		
Revenues				
Program revenues:				
Charges for services	\$ 15,554,910	\$ 10,899,959	4,654,951	42.71 %
Operating grants and contributions	4,750,388	4,567,629	182,759	4.00
Capital grants and contributions	22,897,495	24,503,340	(1,605,845)	(6.55)
General revenues:				
Property taxes	48,843,037	46,896,331	1,946,706	4.15
Sales and use taxes	35,415,246	29,163,162	6,252,084	21.44
Hotel/motel taxes	4,277,495	2,630,102	1,647,393	62.64
Franchise taxes	9,092,140	9,024,621	67,519	0.75
Business taxes	10,438,099	10,155,354	282,745	2.78
Insurance premium taxes	7,782,186	7,535,304	246,882	3.28
Unrestricted investment earnings	420,041	124,317	295,724	237.88
Miscellaneous revenues	931,294	590,010	341,284	57.84
Total revenues	<u>160,402,331</u>	<u>146,090,129</u>	<u>14,312,202</u>	<u>9.80</u>
Expenses				
General government	23,440,173	23,490,759	(50,586)	(0.22)
Judicial	940,350	1,215,519	(275,169)	(22.64)
Public safety	51,837,529	43,481,583	8,355,946	19.22
Public works	30,916,105	27,268,850	3,647,255	13.38
Health and welfare	-	1,006,918	(1,006,918)	(100.00)
Culture and recreation	10,689,505	12,178,080	(1,488,575)	(12.22)
Housing and development	4,711,685	4,954,816	(243,131)	(4.91)
Interest on long-term debt	5,668,978	5,993,692	(324,714)	(5.42)
Total expenses	<u>128,204,325</u>	<u>119,590,217</u>	<u>8,614,108</u>	<u>7.20</u>
Change in net position	32,198,006	26,499,912	5,698,094	21.50 %
Net position, beginning of year	<u>484,908,131</u>	<u>458,408,219</u>		
Net position, end of year	<u>\$ 517,106,137</u>	<u>\$ 484,908,131</u>		

**CITY OF SANDY SPRINGS, GEORGIA
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Revenues: Charges for services includes fines and forfeitures, E911 telephone service charges, impact fees, and licenses and permits. These revenues increased \$4,654,951, or 42.71%, primarily from increased revenue from the performing arts center which had been adversely affected by the pandemic in the prior year. Capital grants and contributions decreased by \$1,605,845 or 6.55% as the availability of federal and state funding decreased. Property taxes increased \$1,946,706 or 4.15% as assessed property values have increased. Sales and use taxes and Hotel/motel taxes increased \$6,252,084 (21.44%) and \$1,647,393 (62.64%), respectively, and were driven by recovery in the retail economy and travel economy. Franchise taxes, business taxes and insurance premium taxes were consistent with the prior year and increased 1%, 2.78% and 3.28%, respectively. Unrestricted investment earnings increased \$295,724 or 237% as interest rates increase. Miscellaneous revenues increased \$341,284 or 57.84% primarily from sales of fixed assets.

Expenses: General government expenses were consistent with the prior year and decreased slightly under 1%. Public safety expenses increased \$8,355,946 or 19.22% in line with general economic conditions. Public works expenses increased \$3,647,255 or 13.38% because of increased cost of delivering transportation projects. Culture and recreation expenses decreased \$1,488,575 or 12.22% as prior year costs included certain debt issuance costs related to recreation projects. Health and welfare costs decreased \$1,006,918 as prior year costs were funded by Community Development Block Grants which were not available in the current year. Interest expenses decreased \$324,714 or 5.42% as a result of refinancing of certain debt issues.

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.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Governmental funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. The table below summarizes governmental revenues for 2022 and 2021.

City of Sandy Springs Governmental Revenues, Expenditures and Changes in Fund Balances

	<u>Governmental Funds</u>		Dollar	Percent
	2022	2021	Increase (Decrease)	
Revenues:				
Taxes				
Property taxes	\$ 48,814,649	\$ 46,926,777	\$ 1,887,872	4.02 %
Sales taxes	35,415,246	29,434,154	5,981,092	20.32
Hotel/Motel taxes	4,277,495	2,630,102	1,647,393	62.64
Franchise taxes	9,092,140	9,024,621	67,519	0.75
Business taxes	10,438,099	10,155,354	282,745	2.78
Insurance premium taxes	7,782,186	7,535,304	246,882	3.28
Licenses and Permits	4,310,020	2,769,757	1,540,263	55.61
Intergovernmental Revenues	27,458,676	29,065,918	(1,607,242)	(5.53)
Charges for Services	8,283,089	5,078,542	3,204,547	63.10
Fines and Forfeitures	2,789,934	2,879,793	(89,859)	(3.12)
Interest Income	420,041	124,317	295,724	237.88
Other	1,287,120	763,077	524,043	68.67
Total Revenues	160,368,695	146,387,716	13,980,979	10
Expenditures:				
General Government	17,287,366	17,785,070	(497,704)	(2.80)
Judicial	928,723	1,207,231	(278,508)	(23.07)
Public Safety	51,701,275	57,696,164	(5,994,889)	(10.39)
Public Works	26,935,911	32,377,554	(5,441,643)	(16.81)
Health and Welfare	-	1,006,918	(1,006,918)	(100.00)
Culture and Recreation	9,277,909	9,577,701	(299,792)	(3.13)
Housing and Development	4,702,822	4,912,573	(209,751)	(4.27)
Capital Outlay	27,527,393	-	27,527,393	-
Debt Service	15,199,454	15,045,513	153,941	1.02
Total Expenditures	153,560,853	139,608,724	13,952,129	9.99
Excess of Revenues over Expenditures	6,807,842	6,778,992	28,850	0.43
Other Financing Sources (Uses)				
Proceeds from Financed Purchase	-	2,958,011	(2,958,011)	(100.00)
Proceeds from Bond Issuance	-	214,940,000	(214,940,000)	100.00
Premium on Bonds	-	5,509,473	(5,509,473)	100.00
Payments on Refunding Bond Escrow	-	(159,950,566)	159,950,566	100.00
Net Change in Fund Balance	6,807,842	70,235,910	(63,428,068)	(90.31)
Fund Balance, Beginning of Year	214,750,057	144,514,147	70,235,910	48.60
Fund Balance, End of Year	\$ 221,557,899	\$ 214,750,057	\$ 6,807,842	3.17 %

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$221,557,899, an increase of \$6,807,842. Of this balance, \$1,695,262 is considered nonspendable as these items are not expected to be converted to cash; \$107,811,037 is restricted by law or contractual agreement; \$1,192,805 is committed by resolution of the City Council; \$52,852,861 has been assigned by management for infrastructure projects; \$20,929,552 has been assigned to cover budgeted expenditures in excess of revenues for fiscal year 2023; and \$37,076,382 is considered unassigned and can be used to meet the near term operating needs of the City.

Total governmental revenues increased \$13,980,979 or 10%. Property taxes increased \$1,887,872 or 4.02% as assessed property values have increased. Sales taxes and Hotel/motel taxes have increased \$5,981,092 (20.32%) and \$1,647,393 (62.64%), respectively, as the general economy has improved. Licenses and permits have increased \$1,540,263 or 55.61% as the City continues to be a desirable location for new businesses and development. Intergovernmental revenues have decreased only modestly by \$1,607,242 or 5.53%. Charges for services increased \$3,204,547 or 63.10% as revenues from the performing arts center rebound from the pandemic. Interest income increased \$295,724 or 237% as interest rates have increased.

Total governmental expenditures have increased \$13,952,129 or 9.99%. General government expenditures decreased \$497,704 or 2.8% and is primarily attributable to additional capital expenditures of public buildings and infrastructure in the prior year. Public safety expenditures decreased \$5,994,889 or 10.39% spending on building projects was reported in Capital Outlay in fiscal year 2022. Public works expenditures decreased \$5,441,643 or 16.81% as construction expenditures for infrastructure projects were reported in Capital Outlay in fiscal year 2022. Culture and recreation expenditures decreased \$299,792 or 3.13% as capital related projects were reported in Capital Outlay in fiscal year 2022.

The City refinanced certain debt issues in fiscal 2021 and is reflected under other financing sources (uses). There was no refinancing or issuance of additional debt in fiscal 2022.

General Fund

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance was \$59,644,401 a decrease of \$10,011,149 or 14.37%. As a measure of the liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance at June 30, 2022 was \$37,076,382 and represents 43.18% of total general fund expenditures. The following table compares revenues and expenses for the General Fund for fiscal years 2022 and 2021.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

City of Sandy Springs General Fund Revenues, Expenditures and Changes in Fund Balances

	<u>General Fund</u>		<u>Dollar</u>	<u>Percent</u>	
	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>		
Revenues:					
Property taxes	\$ 48,814,649	\$ 46,926,777	\$ 1,887,872	4.02	%
Sales taxes	35,415,246	29,434,154	5,981,092	20.32	
Franchise taxes	9,092,140	9,024,621	67,519	0.75	
Business taxes	10,359,877	10,067,952	291,925	2.90	
Insurance premium tax	7,782,186	7,535,304	246,882	3.28	
Licenses and permits	4,310,020	2,769,757	1,540,263	55.61	
Intergovernmental revenues	183,342	5,560,855	(5,377,513)	(96.70)	
Charges for services	2,884,759	740,582	2,144,177	289.53	
Fines and forfeitures	2,460,443	2,537,398	(76,955)	(3.03)	
Interest earned	411,043	120,186	290,857	242.01	
Other	<u>1,257,120</u>	<u>724,663</u>	<u>532,457</u>	<u>73.48</u>	
Total revenues	<u>122,970,825</u>	<u>115,442,249</u>	<u>7,528,576</u>	<u>6.52</u>	
Expenditures:					
General government	17,012,557	17,086,373	(73,816)	(0.43)	
Judicial	928,723	1,207,231	(278,508)	(23.07)	
Public safety	40,242,860	40,767,316	(524,456)	(1.29)	
Public works	13,096,101	12,384,345	711,756	5.75	
Culture and Recreation	7,815,800	5,844,398	1,971,402	33.73	
Housing and development	4,564,771	3,720,239	844,532	22.70	
Debt service:					
Principal	2,020,914	798,811	1,222,103	152.99	
Interest	<u>189,371</u>	<u>134,854</u>	<u>54,517</u>	<u>40.43</u>	
Total expenditures	<u>85,871,097</u>	<u>81,943,567</u>	<u>3,927,530</u>	<u>4.79</u>	
Excess of revenues over expenditures	37,099,728	33,498,682	3,601,046	10.75	
Proceeds from financed purchases	-	2,958,011	(2,958,011)	(100.00)	
Transfers in	2,980,930	13,062,189	(10,081,259)	(77.18)	
Transfers out	<u>(50,091,807)</u>	<u>(29,725,315)</u>	<u>(20,366,492)</u>	<u>68.52</u>	
Net change in fund balance	(10,011,149)	19,793,567	(29,804,716)	(150.58)	
Fund balance, beginning of year	<u>69,655,550</u>	<u>49,861,983</u>	<u>19,793,567</u>	<u>39.70</u>	
Fund balance, end of year	<u>\$ 59,644,401</u>	<u>\$ 69,655,550</u>	<u>\$ (10,011,149)</u>	<u>(14.37)</u>	%

Total General Fund revenues have increased \$7,528,576 or 6.5%. Property taxes have increased \$1,887,872 or 4.02% as property values and the tax digest have increased. Franchise taxes remained comparable to prior year and increased less than 1%. Sales taxes have increased \$5,981,092, or 20.32%, as the retail economy increased during the fiscal year. Business taxes and Insurance premium taxes increased modestly by 2.9% and 3.28%, respectively. Licenses and permits increased \$1,540,263 or 55.61% as several large building permits were issued for the Aria Development, Roswell Assisted Living Facility and Fairfield at Sandy Springs. Intergovernmental revenues decreased \$5,377,513 or 96.7% as the prior year benefitted from federal pandemic relief grants. Charges for services increased \$2,144,177 or 289% as the performing arts center resumed programs after pandemic restrictions were lifted. Interest revenues have increased \$290,857 or 242.01% as interest rates have risen. Other revenues have increased \$532,457 or 73.48% primarily from sale of assets.

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Total General Fund expenditures increased \$3,927,530 or 4.79%. General government expenditures remained consistent with the prior year with a slight decrease of \$73,816 or less than 1%. Public safety expenditures decreased \$524,456 or 1.29% as prior year expenditures included purchases of fire vehicles not necessary in the current fiscal year. Public works expenditures increased \$711,756 or 5.75% primarily due to increased project expenditures. Culture and recreation increased \$1,971,402 or 33.73% as the performing arts center resumed operations as pandemic restrictions are lifted. Housing and development costs increased \$844,532 or 22.7% based on increases in code enforcement and inspections. Principal and interest increased \$1,222,103 and \$54,517, as the prior year benefitted from certain debt refunding.

American Recovery Plan Act

The City received \$6,934,153 in pandemic relief thru the American Recovery Plan Act (ARPA). These funds will be expended in future years and have been recorded as unearned revenues at June 30, 2022.

Capital Projects Fund

The Capital Projects fund is primarily funded by transfers from the General Fund designated for capital improvements. This fund received transfers of \$37,161,265 and \$8,173,785 for fiscal 2022 and 2021, respectively. Revenues for 2022 and 2021 were \$3,669,702 and \$1,514,473, respectively, an increase of \$2,155,229 or 142.31%. These revenues are primarily related to federal and state transportation grants and are based upon availability.

Expenditures for 2022 and 2021 were \$29,207,643 and \$15,954,779, respectively, an increase of \$13,252,864 or 83.07% as the pace of completion for city infrastructure and related projects increased.

Public Facilities Authority Fund

The Public Facilities Authority Fund is used to serve as a financing and ownership partner for major city developments. It is primarily funded thru transfers from the General Fund. Transfers for 2022 and 2021 were \$13,557,925 and \$22,801,530, respectively.

Total expenditures excluding debt service for 2022 and 2021 were \$7,024,512 and \$13,778,014, respectively, a decrease of \$6,753,502. Debt service expenditures for 2022 and 2021 were \$12,624,640 and \$14,030,631, respectively. Expenditures are primarily related to the construction of public safety facilities.

TSPLOST

The TSPLOST fund is used to account for the proceeds of the transportation special purpose local option sales tax for the various improvement projects as approved by voter referendum. Total revenues for 2022 and 2021 were \$22,876,367 and \$19,994,974, respectively, an increase of \$2,881,393 or 14.41% as the local retail economy improves. Expenditures for 2022 and 2021 were \$13,058,741 and \$7,042,842, respectively, an increase of \$6,015,899 or 85.42% as more TSPLOST projects come online.

General Fund Budgetary Highlights

The General Fund budget versus actual comparison can be found on pages 48 and 49. For fiscal year 2022, the City had an overall favorable budget variance of \$18,598,107.

Total revenues were \$8,540,369 better than budgeted. Property taxes reflect a favorable budget variance of \$3,198,978, or 7.01%, as budgeted tax revenues are based on prior year collections as the tax digest continues to grow. Sales taxes were \$9,015,246 or 34.15% better than budgeted as the local economy improves at a faster rate than projected. Franchise taxes were \$692,140 or 8.24% better than budgeted and is primarily related to electric

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

franchise fees which were better than projected due to favorable weather conditions and growth in the electric utilities within the city. Insurance premium taxes were \$282,186 better than the budget. Charges for services were \$969,461 worse than budgeted as the Performing Art Center had lower than anticipated ticket sales during the year. Interest earned was \$311,043 better than budgeted with increased interest rates. All other revenue categories reflect modest variances as the city continues to use very conservative revenue estimates.

Total expenditures were \$8,196,808 better than budgeted. Public safety expenditures were \$730,539 or 1.78% better than budgeted due to very conservative budget estimates. Public works expenditures were \$2,223,436, or 14.51%, better than budgeted due to significantly less in repairs and maintenance of storm water infrastructure than originally projected. Housing and development expenditures were \$370,680 better than budgeted, permitting and parking expenditures were significantly less than budgeted along with the related revenues. All other expenditure categories reflect favorable budget variances as the City continues to use very conservative budget models.

Capital Asset and Debt Administration

Capital Assets The City's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$522,186,994 (net of accumulated depreciation). This represents an increase of \$18,839,079 or 3.74% over the prior year. The increase is primarily driven by the public works projects. Additional information on the City's capital assets can be found in note 6 on page 37 of this report.

City of Sandy Springs Capital Assets (net of depreciation)

	<u>Governmental Activities</u>		<u>Dollar</u>	<u>Percent</u>
	<u>2022</u>	<u>2021</u>	<u>Increase</u> <u>(Decrease)</u>	
Land	\$ 75,856,675	\$ 66,922,182	\$ 8,934,493	13.35 %
Construction in progress	70,292,138	69,038,710	1,253,428	1.82
Buildings	131,131,282	134,927,739	(3,796,457)	(2.81)
Improvements	83,249,056	81,893,715	1,355,341	1.66
Machinery and equipment	15,806,567	18,553,558	(2,746,991)	(14.81)
Infrastructure	144,130,488	132,012,011	12,118,477	9.18
Lease assets	1,720,788	-	1,720,788	-
	<u>\$ 522,186,994</u>	<u>\$ 503,347,915</u>	<u>\$ 18,839,079</u>	<u>3.74 %</u>

Long-term Debt At the end of fiscal year 2022 and 2021, the City had total debt outstanding of \$240,892,375 and \$250,812,079, respectively. For the prior fiscal year 2021, the City issued \$214.9M of bonds of which \$134.9M was used to refinance the Series 2015 bonds. The remaining debt is comprised of leases related to equipment purchases and notes payable for infrastructure improvements. All debt is backed by the full faith and credit of the City.

Additional information on the City's long-term debt can be found in note 8 on page 38 of this report.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

Economic Factors and Next Year’s Budgets and Rates

All of these factors were considered in preparing the City’s budget for the 2022 fiscal year.

- Sustainability of Existing Services – the City has deployed a philosophy of budgetary evaluation, which reviews the needs of the City to the standard, which realizes that services and associated costs should not be appropriated if they are not justified as long-term goals of the organization. This philosophy is solidified during the budget process, with a multi-year financial outlook that provides the conduit to evaluate government priorities, realign and diversify revenue structures, and provide the data for decision making for continued financial success.
- Cost of Government – The operating millage rate of 4.731 mills is statutorily set and cannot be changed without a referendum. As part of the financial strategic plan, the government is committed to a consistent millage rate for property taxes, to facilitate the provision of city services.
- Infrastructure Improvements – The City provided substantial capital funding to continue the work started in prior years to begin to address a significant backlog of existing infrastructure deficiencies. Funding was allocated for repaving program, intersection improvements, parks, buildings, machinery and equipment, roadways, sidewalks, culverts, equipment and signals.
- Economy Impact – The City’s revenues and expenditures were implemented with a conservative approach to reflect the economic conditions that are expected to continue through 2022 and in to 2023.
- The City restricts the use of one-time revenues to capital projects.

Requests for Information

This financial report is designed to provide a general overview of the City of Sandy Springs’ finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, City of Sandy Springs, 1 Galambos Way, Sandy Springs, Georgia, 30328, or by calling 770-730-5600.

CITY OF SANDY SPRINGS, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2022

	Primary Government	Component Units	
	Governmental Activities	Sandy Springs Hospitality & Tourism	Development Authority
ASSETS			
Cash and cash equivalents	\$ 188,773,380	\$ 1,663,911	\$ 108,661
Investments	1,250,000	-	-
Taxes receivable, net of allowances	4,930,779	-	-
Accounts receivable, net of allowances	970,509	-	-
Due from other governments, net of allowances	4,912,642	-	-
Due from primary government	-	276,400	-
Restricted:			
Cash and cash equivalents	46,810,242	-	-
Inventories	30,740	-	-
Prepaid items	1,664,522	28,957	-
Capital assets:			
Nondepreciable	146,148,813	-	-
Depreciable, net of accumulated depreciation and amortization	376,038,181	-	-
Total assets	771,529,808	1,969,268	108,661
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on bond refunding	15,084,335	-	-
Total deferred outflows of resources	15,084,335	-	-
LIABILITIES			
Accounts payable	17,908,279	47,195	-
Accrued liabilities	3,297,249	-	-
Due to component unit	276,400	-	-
Unearned revenue	7,013,703	-	-
Compensated absences, due within one year	1,338,371	-	-
Financed purchases, due within one year	1,046,271	-	-
Bonds payable, due within one year	7,250,000	-	-
Note payable, due within one year	497,549	-	-
Lease liability, due within one year	821,810	-	-
Compensated absences, due in more than one year	1,338,370	-	-
Financed purchases, due in more than one year	3,470,984	-	-
Bonds payable, due in more than one year	220,520,985	-	-
Note payable, due in more than one year	3,676,485	-	-
Lease liability, due in more than one year	931,550	-	-
Total liabilities	269,388,006	47,195	-
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	120,000	-	-
Total deferred inflows of resources	120,000	-	-
NET POSITION			
Net investment in capital assets	330,327,766	-	-
Restricted:			
Infrastructure improvements	65,967,772	-	-
Public safety projects	770,527	-	-
Tourism	-	1,922,073	-
Development	1,186,914	-	108,661
Unrestricted	118,853,158	-	-
Total net position	\$ 517,106,137	\$ 1,922,073	\$ 108,661

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

CITY OF SANDY SPRINGS, GEORGIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 23,440,173	\$ 886,045	\$ -	\$ -
Judicial	940,350	2,460,443	-	-
Public safety	51,837,529	3,879,072	4,566,429	-
Public works	30,916,105	1,124,649	30,000	21,944,554
Culture and recreation	10,689,505	2,915,506	153,959	188,428
Housing and development	4,711,685	4,289,195	-	764,513
Interest on long-term debt	5,668,978	-	-	-
Total governmental activities	128,204,325	15,554,910	4,750,388	22,897,495
Total primary government	\$ 128,204,325	\$ 15,554,910	\$ 4,750,388	\$ 22,897,495
Component Units				
Sandy Springs Hospitality & Tourism	\$ 750,280	\$ -	\$ 1,464,191	\$ -
Development Authority	185,702	-	201,342	-
Total component units	\$ 935,982	\$ -	\$ 1,665,533	\$ -
General revenues:				
Property taxes				
Sales taxes				
Hotel/Motel taxes				
Franchise taxes				
Excise taxes				
Business taxes				
Insurance premium tax				
Unrestricted investment earnings				
Miscellaneous revenues				
Total general revenues				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

**Net (Expenses) Revenues and
Changes in Net Position**

Primary Government	Component Units	
Governmental Activities	Sandy Springs Hospitality & Tourism	Sandy Springs Development Authority
\$ (22,554,128)	\$ -	\$ -
1,520,093	-	-
(43,392,028)	-	-
(7,816,902)	-	-
(7,431,612)	-	-
342,023	-	-
(5,668,978)	-	-
(85,001,532)	-	-
(85,001,532)	-	-
-	713,911	-
-	-	15,640
-	713,911	15,640
48,843,037	-	-
35,415,246	-	-
4,277,495	-	-
9,092,140	-	-
78,222	-	-
10,359,877	-	-
7,782,186	-	-
420,041	-	-
931,294	184	-
117,199,538	184	-
32,198,006	714,095	15,640
484,908,131	1,207,978	93,021
\$ 517,106,137	\$ 1,922,073	\$ 108,661

CITY OF SANDY SPRINGS, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2022

ASSETS	General Fund	ARPA Fund	Capital Projects Fund	TSPLOST Fund	Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 55,731,724	\$ 6,934,153	\$ 55,314,828	\$ 58,885,828	\$ 1,519,362	\$ 10,387,485	\$ 188,773,380
Investments	1,250,000	-	-	-	-	-	1,250,000
Taxes receivable, net of allowances	4,486,280	-	-	-	-	444,499	4,930,779
Other receivables, net of allowances	378,596	-	7,710	-	-	464,203	850,509
Intergovernmental receivables, net of allowances	-	-	2,463,449	2,035,586	-	413,607	4,912,642
Restricted:							
Cash and cash equivalents	-	-	-	-	46,810,242	-	46,810,242
Due from other funds	4,258,128	-	294,527	-	-	-	4,552,655
Inventory	30,740	-	-	-	-	-	30,740
Prepaid items	1,607,727	-	56,795	-	-	-	1,664,522
Total assets	\$ 67,743,195	\$ 6,934,153	\$ 58,137,309	\$ 60,921,414	\$ 48,329,604	\$ 11,709,794	\$ 253,775,469
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 6,139,355	\$ -	\$ 8,027,111	\$ 2,219,316	\$ 1,037,435	\$ 485,062	\$ 17,908,279
Accrued liabilities	1,752,643	-	586,644	-	-	-	2,339,287
Due to other funds	-	-	-	-	3,667,667	884,988	4,552,655
Due to component unit	-	-	-	-	-	276,400	276,400
Unearned revenue	79,550	6,934,153	-	-	-	-	7,013,703
Total liabilities	7,971,548	6,934,153	8,613,755	2,219,316	4,705,102	1,646,450	32,090,324
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	118,147	-	-	-	-	-	118,147
Unavailable revenue - intergovernmental	9,099	-	-	-	-	-	9,099
Total deferred inflow of resources	127,246	-	-	-	-	-	127,246
FUND BALANCES							
Fund balances:							
Nonspendable:							
Inventory	30,740	-	-	-	-	-	30,740
Prepaid items	1,607,727	-	56,795	-	-	-	1,664,522
Restricted:							
Public safety projects	-	-	-	-	-	770,527	770,527
Capital projects	-	-	-	-	42,105,140	-	42,105,140
Infrastructure improvements	-	-	-	58,702,098	-	5,046,358	63,748,456
Housing and development	-	-	-	-	-	1,186,914	1,186,914
Committed:							
Tree replacement	-	-	-	-	-	1,192,805	1,192,805
Assigned:							
Capital projects	-	-	49,466,759	-	1,519,362	-	50,986,121
Public safety projects	-	-	-	-	-	49,500	49,500
Tree replacement	-	-	-	-	-	63,199	63,199
Federal programs	-	-	-	-	-	1,754,041	1,754,041
2023 fiscal year appropriations of fund balance							
Unassigned	20,929,552	-	-	-	-	-	20,929,552
Unassigned	37,076,382	-	-	-	-	-	37,076,382
Total fund balances	59,644,401	-	49,523,554	58,702,098	43,624,502	10,063,344	221,557,899
Total liabilities, deferred inflows of resources, and fund balances	\$ 67,743,195	\$ 6,934,153	\$ 58,137,309	\$ 60,921,414	\$ 48,329,604	\$ 11,709,794	
Amounts reported for governmental activities in the statement of net position are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 522,186,994							
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. (226,766,002)							
Some revenues are not available in the current period and, therefore, are not reported in the funds. 127,246							
Net position of governmental activities \$ 517,106,137							

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

CITY OF SANDY SPRINGS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	ARPA Fund	Capital Projects Fund	TSPLOST Fund	Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 48,814,649	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,814,649
Sales taxes	35,415,246	-	-	-	-	-	35,415,246
Hotel/Motel taxes	-	-	-	-	-	4,277,495	4,277,495
Auto excise taxes	-	-	-	-	-	78,222	78,222
Franchise taxes	9,092,140	-	-	-	-	-	9,092,140
Business taxes	10,359,877	-	-	-	-	-	10,359,877
Insurance premium tax	7,782,186	-	-	-	-	-	7,782,186
Licenses and permits	4,310,020	-	-	-	-	-	4,310,020
Intergovernmental	183,342	-	3,639,702	22,876,367	-	759,265	27,458,676
Charges for services	2,884,759	-	-	-	-	5,398,330	8,283,089
Fines and forfeitures	2,460,443	-	-	-	-	329,491	2,789,934
Interest earned	411,043	-	-	-	152	8,846	420,041
Contributions	153,959	-	30,000	-	-	-	183,959
Miscellaneous	1,103,161	-	-	-	-	-	1,103,161
Total revenues	<u>122,970,825</u>	<u>-</u>	<u>3,669,702</u>	<u>22,876,367</u>	<u>152</u>	<u>10,851,649</u>	<u>160,368,695</u>
Expenditures:							
Current:							
General government	17,012,557	-	274,809	-	-	-	17,287,366
Judicial	928,723	-	-	-	-	-	928,723
Public safety	40,242,860	-	728,177	-	7,024,512	3,705,726	51,701,275
Public works	13,096,101	-	13,839,810	-	-	-	26,935,911
Culture and recreation	7,815,800	-	87,322	-	-	1,374,787	9,277,909
Housing and development	4,564,771	-	122,392	-	-	15,659	4,702,822
Capital outlay	-	-	14,155,133	13,058,741	-	313,519	27,527,393
Debt service:							
Principal	2,020,914	-	-	-	7,055,000	287,000	9,362,914
Interest	189,371	-	-	-	5,569,640	77,529	5,836,540
Total expenditures	<u>85,871,097</u>	<u>-</u>	<u>29,207,643</u>	<u>13,058,741</u>	<u>19,649,152</u>	<u>5,774,220</u>	<u>153,560,853</u>
Excess (deficiency) of revenues over expenditures	<u>37,099,728</u>	<u>-</u>	<u>(25,537,941)</u>	<u>9,817,626</u>	<u>(19,649,000)</u>	<u>5,077,429</u>	<u>6,807,842</u>
Other financing sources (uses):							
Transfers in	2,980,930	-	37,161,265	-	13,557,925	-	53,700,120
Transfers out	(50,091,807)	-	-	-	-	(3,608,313)	(53,700,120)
Total other financing sources (uses)	<u>(47,110,877)</u>	<u>-</u>	<u>37,161,265</u>	<u>-</u>	<u>13,557,925</u>	<u>(3,608,313)</u>	<u>-</u>
Net change in fund balances	(10,011,149)	-	11,623,324	9,817,626	(6,091,075)	1,469,116	6,807,842
Fund balances, beginning of year	<u>69,655,550</u>	<u>-</u>	<u>37,900,230</u>	<u>48,884,472</u>	<u>49,715,577</u>	<u>8,594,228</u>	<u>214,750,057</u>
Fund balances, end of year	<u>\$ 59,644,401</u>	<u>\$ -</u>	<u>\$ 49,523,554</u>	<u>\$ 58,702,098</u>	<u>\$ 43,624,502</u>	<u>\$ 10,063,344</u>	<u>\$ 221,557,899</u>

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

CITY OF SANDY SPRINGS, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

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

Net change in fund balances - total governmental funds	\$	6,807,842
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 or amortization expense. This is the amount by which capital outlays exceeded depreciation expense or amortization expense in the current period.		18,124,575
The effect of disposals of capital assets is to decrease net position.		(1,831,589)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		33,636
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the repayment of the principal of the City's long-term debt.		9,362,914
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.		<u>(299,372)</u>
Change in net position - governmental activities	\$	<u><u>32,198,006</u></u>

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

CITY OF SANDY SPRINGS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City, which was incorporated in 2005, operates under a charter adopted December 1, 2005, as a municipal corporation governed by an elected mayor and a six-member council. The government provides such services as police protection, fire and rescue services, cultural and recreational activities, housing and development and public works.

The accompanying financial statements present the City and its component units, three entities for which the City is considered to be financially accountable. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

The Sandy Springs Hospitality & Tourism has been included as a discretely presented component unit in the accompanying financial statements. A voting majority of the Sandy Springs Hospitality & Tourism’s governing body is appointed by the City and the City provides a significant amount of funding to the Hospitality & Tourism. The Sandy Springs Hospitality & Tourism does not have the power to levy taxes, determine its own aggregate budget without the approval of the City of Sandy Springs, Georgia, or issue bonded debt. Financial information with regard to the Sandy Springs Hospitality & Tourism can be obtained from their administrative offices at 1 Galambos Way, Sandy Springs, Georgia 30328. Separate financial statements for the Sandy Springs Hospitality & Tourism are not prepared.

The Sandy Springs Development Authority has been included as a discretely presented component unit in the financial statements. The Authority provides taxable and tax-exempt bond financing opportunities pursuant to the Georgia Development Authorities Law to stimulate diverse, high-quality economic development, in accordance with the City’s policy for economic development incentives. The Development Authority operates under the direction of a seven member board and meets on an as-needed basis. Members serve four-year terms. Each member is appointed by the Mayor and confirmed by City Council, and the City can impose its will on the Development Authority by influencing the activities undertaken by the Development Authority. Separate financial statements for the Sandy Springs Development Authority are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Public Facilities Authority of the City of Sandy Springs (the "Authority") has been included as a blended component unit in the accompanying financial statements. All members of the City Council serve as members for the Authority. Although it is legally separate from the City, its sole purpose is to create a governmental entity by which a municipality can, through contractual relationships, lease space for terms over one year, by using the Authority to serve as a financing and ownership partner for major city developments. The debt and assets of the Authority have been reported as a form of the City's debt and assets and all debt service activity is reported as debt service activity of the City.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The primary government is reported separately from its discretely presented component units. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. However, any inter-fund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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 those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers most revenues to be available if they are collected within 60 days of the end of the current fiscal period; however, grant revenues are considered to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and other long-term liabilities are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 34, major individual governmental funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The **ARPA Fund** is a special revenue fund used to account for all local fiscal recovery funds received through the American Rescue Plan Act.

The **Capital Projects Fund** is used to account for the capital expenditures made by the City.

The **TSPLOST Fund** is a capital projects fund used to account for the proceeds of the transportation special purpose local option sales tax for the various improvement projects as approved by voter referendum.

The **Public Facilities Authority Fund** is a capital projects fund used to serve as a financing and ownership partner for major city developments.

Additionally, the City reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as confiscations/forfeitures, emergency telephone system charges, hotel/motel tax revenues, automobile rental tax revenues, and various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

The **capital projects funds** account for financial resources to be used for the acquisition and construction of major capital projects.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Encumbrances

The City employed encumbrance accounting during the year. Encumbrances, if existing at the end of the fiscal year, are recorded and appropriations lapse at year end. Open encumbrances would then be an assignment of fund balance since the commitments would be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at June 30, 2022, and none were recorded.

E. Budgets

Formal budgetary accounting is employed as a management control device for the general fund, special revenue funds, and capital projects funds of the City. The governmental funds budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the general fund and special revenue funds. Project-length budgets are adopted for the capital projects funds. During the fiscal year ended June 30, 2022, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

All unencumbered budget appropriations lapse at the end of each year.

F. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf/S1+ rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

H. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.”

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items in both government-wide and fund financial statements and the expenditure is recognized as the benefits are received.

J. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories reported in the governmental funds are equally offset by nonspendable fund balance, which indicates that they do not constitute “available, spendable resources.”

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NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

Capital assets, which include buildings, improvements, machinery and equipment, infrastructure, and right to use leased assets, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The City has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

Capital assets and right to use leased assets of the City are depreciated/amortized using the straight line method over the following useful lives:

Buildings	20-50 years
Right-to-use leased buildings	3-5 years
Improvements	15-40 years
Machinery and equipment	3-20 years
Infrastructure	40-60 years

Fully depreciated assets still in service are carried in the capital asset accounts.

L. Leases

Lessee

The City of Sandy Springs is a lessee for several building leases. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessee (continued)

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The City has one item that qualifies for reporting in this category, which is the deferred charge on refunding. The deferred charge on refunding is reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

The government-wide statement of net position reports the *deferred service concession arrangement receipts* as a deferred inflow of resources. This balance includes the effect of deferring the recognition of revenue from the present value of installment payments to be received by the City under the tennis center service concession arrangement. The balance of the deferred inflow of resources as of June 30, 2022 will be recognized as a revenue and increase net position over the remaining life of the contract. As of June 30, 2022 the present value of the service concession arrangement was \$120,000 and will be amortized over the life of the agreement ending June 30, 2023. The second item reported as a deferred inflow of resources arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and intergovernmental revenues as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

N. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

O. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity

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

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

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council, through City Ordinance, has expressly delegated to the Finance Director the authority to assign funds for particular purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund and other governmental funds may only report negative unassigned fund balances. The City has a policy to maintain an unassigned fund balance in the General Fund of twenty-five percent of the subsequent year's budgeted expenditures and outgoing transfers.

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

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

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

Q. 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 and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$226,766,002 difference are as follows:

Financed purchases	\$ (4,517,255)
Bonds payable, including premiums and discounts	(227,770,985)
Deferred charges on refunding	15,084,335
Notes payable	(4,174,034)
Lease liabilities	(1,753,360)
Compensated absences (i.e., vacation)	(2,676,741)
Accrued interest	<u>(957,962)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (226,766,002)</u></u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 or amortization expense.” The details of this \$18,124,575 difference are as follows:

Capital outlay	\$ 35,146,311
Depreciation expense	(16,196,431)
Amortization expense - lease assets	<u>(825,305)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u><u>\$ 18,124,575</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that “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.” The details of this \$299,372 difference are as follows:

Compensated absences (i.e., vacation)	\$	(466,934)
Accrued interest		42,526
Amortization of bond premium		1,023,724
Amortization of deferred charges on refunding		<u>(898,688)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	\$	<u><u>(299,372)</u></u>

NOTE 3. LEGAL COMPLIANCE - BUDGETS

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Director of Finance and the City Manager. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution. The following funds had an excess of actual expenditures over appropriations for the fiscal year ended June 30, 2022:

General Fund		
General government: Human resources	\$	1,999
Public safety: E911		1,144,762
Debt service: Principal		796,139
Debt service: Interest		35,995
Confiscated Assets Fund		39,454
E911 Fund		466,272
Hotel/Motel Fund		824,787
Impact Fees Fund		<u>15,659</u>
	\$	<u><u>3,325,067</u></u>

These expenditures in excess of appropriations were funded by greater than anticipated revenues and available fund balance.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits as of June 30, 2022 are summarized as follows:

Statement of Net Position:

Cash and cash equivalents	\$ 188,773,380
Investments	1,250,000
Restricted cash and cash equivalents	46,810,242
	\$ 236,833,622

Cash deposited with financial institutions	\$ 141,227,116
Cash deposited with Georgia Fund 1	94,356,506
Investments	1,250,000
	\$ 236,833,622

Credit risk. State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Operating funds of the City are currently invested in the Georgia Fund 1.

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

At June 30, 2022, information on the credit risk and interest rate risk related to the City's investments is disclosed as follows:

Investment	Weighted Average Maturity (Years)	Credit Rating	Fair Value
Georgia Fund 1	0.12	AAAf/S1	\$ 94,356,506
Certificates of Deposit	1.32	(a)	1,250,000
			\$ 95,606,506

(a) These certificates of deposit are not rated.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose investment in the Georgia Fund 1 within the fair value hierarchy.

The City's certificate of deposit are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

Custodial credit risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2022, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. As of June 30, 2022, all of the City's bank balances were collateralized as defined by GASB and required by State Statutes.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1, which is also the lien date. The City contracts with Fulton County to bill and collect City of Sandy Springs property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on October 15 of each year. Property taxes are recorded as receivables and deferred inflows of resources when assessed. Revenues are recognized when available.

Receivables at June 30, 2022, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>TSPLOST</u>	<u>Nonmajor Governmental</u>
Receivables:				
Intergovernmental	\$ 9,412,927	\$ 2,463,449	\$ 2,035,586	\$ 413,607
Taxes	4,722,280	-	-	444,499
Other	378,596	7,710	-	464,203
Total receivables	14,513,803	2,471,159	2,035,586	1,322,309
Less allowance for uncollectible	9,648,927	-	-	-
Net total receivable	<u>\$ 4,864,876</u>	<u>\$ 2,471,159</u>	<u>\$ 2,035,586</u>	<u>\$ 1,322,309</u>

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NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the year ended June 30, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Nondepreciable capital assets:					
Land	\$ 66,922,182	\$ 1,382	\$ -	\$ 8,933,111	\$ 75,856,675
Construction in progress	69,038,710	31,722,903	(1,831,589)	(28,637,886)	70,292,138
Total	<u>135,960,892</u>	<u>31,724,285</u>	<u>(1,831,589)</u>	<u>(19,704,775)</u>	<u>146,148,813</u>
Capital assets, being depreciated:					
Buildings	148,934,690	-	-	-	148,934,690
Improvements	94,035,356	549,703	-	3,728,383	98,313,442
Machinery and equipment	49,313,184	1,687,560	-	99,300	51,100,044
Infrastructure	209,180,969	1,184,763	-	15,877,092	226,242,824
Total	<u>501,464,199</u>	<u>3,422,026</u>	<u>-</u>	<u>19,704,775</u>	<u>524,591,000</u>
Less accumulated depreciation for:					
Buildings	(14,006,951)	(3,796,457)	-	-	(17,803,408)
Improvements	(12,141,641)	(2,922,745)	-	-	(15,064,386)
Machinery and equipment	(30,759,626)	(4,533,851)	-	-	(35,293,477)
Infrastructure	(77,168,958)	(4,943,378)	-	-	(82,112,336)
Total	<u>(134,077,176)</u>	<u>(16,196,431)</u>	<u>-</u>	<u>-</u>	<u>(150,273,607)</u>
Total capital assets being depreciated, net	<u>367,387,023</u>	<u>(12,774,405)</u>	<u>-</u>	<u>19,704,775</u>	<u>374,317,393</u>
Governmental activities capital assets, net excluding lease assets	<u>\$ 503,347,915</u>	<u>\$ 18,949,880</u>	<u>\$ (1,831,589)</u>	<u>\$ -</u>	<u>520,466,206</u>
Lease assets, net (Note 7)					<u>1,720,788</u>
Total capital assets, net as reported in the statement of net position					<u>\$ 522,186,994</u>

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

Governmental activities:	
General government	\$ 5,741,406
Judicial	10,382
Public safety	2,569,539
Public works	5,430,872
Culture and recreation	2,433,935
Housing and development	10,297
Total depreciation expense - governmental activities	<u>\$ 16,196,431</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LEASE ASSETS

A summary of lease asset activity for the City for the year ended June 30, 2022, is as follows:

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Governmental activities:				
Lease assets:				
Buildings	\$ 2,546,093	\$ -	\$ -	\$ 2,546,093
Total	<u>2,546,093</u>	<u>-</u>	<u>-</u>	<u>2,546,093</u>
Less accumulated amortization for:				
Buildings	-	(825,305)	-	(825,305)
Total	<u>-</u>	<u>(825,305)</u>	<u>-</u>	<u>(825,305)</u>
Total lease assets, net	<u>\$ 2,546,093</u>	<u>\$ (825,305)</u>	<u>\$ -</u>	<u>\$ 1,720,788</u>

NOTE 8. LONG-TERM DEBT

Changes in Long-Term Liabilities

The following is a summary of long-term debt activity of the City for the year ended June 30, 2022:

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable	\$ 229,170,000	\$ -	\$ (7,055,000)	\$ 222,115,000	\$ 7,250,000
Plus: Premiums	6,679,709	-	(1,023,724)	5,655,985	-
Total bonds payable	<u>235,849,709</u>	<u>-</u>	<u>(8,078,724)</u>	<u>227,770,985</u>	<u>7,250,000</u>
Financed purchases from direct borrowings	5,538,351	-	(1,021,096)	4,517,255	1,046,271
Notes payable from direct borrowings	4,668,119	-	(494,085)	4,174,034	497,549
Lease liability	2,546,093	-	(792,733)	1,753,360	821,810
Compensated absences	<u>2,209,807</u>	<u>1,591,220</u>	<u>(1,124,286)</u>	<u>2,676,741</u>	<u>1,338,371</u>
Governmental activity					
Long-term liabilities	<u>\$ 250,812,079</u>	<u>\$ 1,591,220</u>	<u>\$ (11,510,924)</u>	<u>\$ 240,892,375</u>	<u>\$ 10,954,001</u>

For governmental activities, compensated absences are generally liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings

During April 2019, the City entered into an agreement with a financial institution to finance the purchase of vehicles and equipment for fire protection services. The vehicles and equipment have an original cost of \$4,287,603. Annual payments of \$698,336, including interest at a rate of 3.25% began in April 2019 and will continue through April 2025.

During October 2020, the City entered into an agreement to finance the purchase of vehicles and equipment for fire protection services. The vehicles and equipment have an original cost of \$2,958,011. Annual payments of \$444,484, including interest at a rate 1.28% begin in October 2021 and will continue through October 2027.

The debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,046,271	\$ 96,548	\$ 1,142,819
2024	1,072,162	70,658	1,142,820
2025	1,098,792	44,029	1,142,821
2026	427,844	16,640	444,484
2027	433,320	11,164	444,484
2028	438,866	5,617	444,483
	<u>\$ 4,517,255</u>	<u>\$ 244,656</u>	<u>\$ 4,761,911</u>

Bonds Payable

During November 2015, the Public Facilities Authority issued \$159,475,000 of Series 2015 Revenue Bonds for the purpose of (a) financing the cost of acquiring, constructing and installing certain public buildings in connection with the City Center Project, and (b) paying the cost necessary to accomplish the foregoing. The bonds carry a rate of interest ranging from 2.0% – 5.0% per annum and mature May 1, 2047. The bonds are payable solely from the City through a lease agreement with the Authority, whereby the City agrees to make rental payments in an amount sufficient to enable the Authority to make the annual and semi-annual principal and interest payments. The City has unconditionally agreed to levy taxes, without limitation as to rate or amount, as necessary to meet its obligation under this agreement. During fiscal year 2021, the Public Facilities Authority refunded \$129,940,000 of the Series 2015 Bonds through the issuance of the Series 2020 Refunding Revenue Bonds.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

In fiscal year 2021, the Public Facilities Authority issued \$161,770,000 of Series 2020 Refunding Revenue Bonds to (i) refund the Public Facilities Revenue Bonds, Series 2015, maturing in the years 2027 through 2047 and (ii) paying the costs of issuing the Series 2020 Bonds. The Public Facilities Authority defeased \$129,940,000 of the 2015 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The City has pledged its full faith and credit and taxing power to service the debt. The Series 2020 bonds bear interest at rates ranging from 0.22% to 2.58% and are payable semi-annually on May 1 and November 1 beginning in May of 2021 through the maturity date of May 1, 2047. The refunding transaction undertaken by the Public Facilities Authority resulted in aggregate debt service savings of \$16,674,801 and an economic gain (net present value of the aggregate debt service savings) of \$12,706,737. The current outstanding amount of debt considered legally defeased equals \$129,940,000 as of June 30, 2022.

Also during fiscal year 2021, the Public Facilities Authority issued \$53,170,000 of Series 2020B Revenue Bonds to (i) acquire, construct, and install certain public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, and (ii) pay expenses necessary to accomplish the foregoing. The City has pledged its full faith and credit and taxing power to service the debt. The Series 2020B bonds bear interest at rates ranging from 2% to 5% and are payable semi-annually on May 1 and November 1 beginning in May of 2021 through the maturity date of May 1, 2040.

The City's debt service requirements to maturity on the revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 7,250,000	\$ 5,376,076	\$ 12,626,076
2024	7,510,000	5,113,318	12,623,318
2025	7,690,000	4,936,132	12,626,132
2026	7,975,000	4,645,378	12,620,378
2027	8,295,000	4,334,498	12,629,498
2028-2032	44,420,000	18,699,086	63,119,086
2033-2037	49,135,000	13,982,166	63,117,166
2038-2042	47,510,000	8,624,048	56,134,048
2043-2047	42,330,000	3,331,684	45,661,684
Total	<u>\$ 222,115,000</u>	<u>\$ 69,042,386</u>	<u>\$ 291,157,386</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Notes Payable from Direct Borrowings

The City has executed a note payable agreement with the State Road and Tollway Authority (SRTA). The note, financed through the Georgia Transportation Infrastructure Bank (GTIB), allowed the City to borrow \$2,750,000 for the Windsor Parkway Realignment Project. The project was completed and the note finalized in August 2016. Monthly payments of principal and interest in the amount of \$19,611 are due until the note matures on August 1, 2029. The note bears interest at 1.66%.

The City's debt service requirements to maturity on the note are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 210,549	\$ 24,781	\$ 235,330
2024	214,070	21,259	235,329
2025	217,650	17,678	235,328
2026	221,292	14,038	235,330
2027	224,993	10,336	235,329
2028-2030	500,480	9,400	509,880
Total	<u>\$ 1,589,034</u>	<u>\$ 97,492</u>	<u>\$ 1,686,526</u>

The City has executed a note payable agreement with the U.S. Department of Housing and Urban Development under the Section 108 Loan Guarantee Program. The note, financed through Suntrust Bank, allowed the City to borrow \$2,872,000 for the South Roswell Road Sidewalk Project. The City intends to pay back this note using future CDBG grant revenues. Annual principal payments in the amount of \$287,000 begin August 1, 2021 and are due until the note matures on August 1, 2030. Interest payments are due semi-annually beginning August 1, 2019 until maturity. The note bears interest at a variable rate of 0.2% above the applicable LIBOR rate for the first day of each month.

The City's debt service requirements to maturity on the note are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 287,000	\$ 70,186	\$ 357,186
2024	287,000	62,774	349,774
2025	287,000	55,189	342,189
2026	287,000	47,431	334,431
2027	287,000	39,398	326,398
2028-2031	1,150,000	72,543	1,222,543
Total	<u>\$ 2,585,000</u>	<u>\$ 347,521</u>	<u>\$ 2,932,521</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Leases

City as a Lessee

In July 2020, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Building 300 for a term of four (4) years. The initial lease liability was recorded in the amount of \$662,997. As of June 30, 2022, the value of the lease liability was \$450,128. The City is required to make variable monthly principal and interest payments from \$18,589 to \$19,340. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of three years and the value of the right-to-use asset as of the end of the current fiscal year was \$662,997 and had accumulated amortization of \$220,999.

In July 2020, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Building 400 for a term of four (4) years. The initial lease liability was recorded in the amount of \$826,067. As of June 30, 2022, the value of the lease liability was \$560,842. The City is required to make variable monthly principal and interest payments from \$23,161 to \$24,097. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of three years and the value of the right-to-use asset as of the end of the current fiscal year was \$826,067 and had accumulated amortization of \$275,356.

In July 2020, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Suites 501 and 510 for a term of four (4) years. The initial lease liability was recorded in the amount of \$806,389. As of June 30, 2022, the value of the lease liability was \$547,481. The City is required to make variable monthly principal and interest payments from \$22,609 to \$23,523. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of three years and the value of the right-to-use asset as of the end of the current fiscal year was \$806,389 and had accumulated amortization of \$268,796.

In August 2020, the City entered into a lease agreement as lessee for the use of a building located at 4410 Bankers Circle for a term of five (5) years. The initial lease liability was recorded in the amount of \$250,640. As of June 30, 2022, the value of the lease liability was \$194,909. The City is required to make variable monthly principal and interest payments from \$4,875 to \$5,487. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of four years and the value of the right-to-use asset as of the end of the current fiscal year was \$250,640 and had accumulated amortization of \$60,154.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Leases (Continued)

City as a Lessee (continued)

The City's debt service requirements to maturity on the leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 821,810	\$ 27,565	\$ 849,375
2024	856,164	10,814	866,978
2025	64,440	923	65,363
2026	10,946	27	10,973
Total	<u>\$ 1,753,360</u>	<u>\$ 39,329</u>	<u>\$ 1,792,689</u>

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2022 is as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
General Fund	Public Facilities Authority	\$ 3,667,667
General Fund	Nonmajor governmental funds	590,461
Capital Projects Fund	Nonmajor governmental funds	294,527
		<u>\$ 4,552,655</u>

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The composition of amounts due from/to the primary government and its component unit is as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Hospitality & Tourism	Nonmajor governmental funds	\$ 276,400

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	\$ 2,980,930
Capital Projects Fund	General Fund	36,533,882
Capital Projects Fund	Nonmajor governmental funds	627,383
Public Facilities Authority	General Fund	13,557,925
		\$ 53,700,120

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

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

In addition to the liabilities enumerated in the statement of net position, at June 30, 2022, the City has contractual commitments on uncompleted contracts of \$14,928,990.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

The City of Sandy Springs' Profit Sharing Plan is a single employer defined contribution plan established and administered by the City of Sandy Springs for all full time employees. At June 30, 2022, there were 459 plan members. The City contributes 12% of each employee's salary directly to the Plan. Additionally, the City offers to match 100% for each dollar of employee contributions up to 5% of the employee's salary. Employees are not required to contribute to the Plan. Employees are eligible after one month of employment and are fully vested after three months. Plan provisions and contribution requirements are established and may be amended by the City's Council. For the fiscal year ending June 30, 2022, the City's contribution to the Plan, which was also the City's pension expense, was \$3,651,432 and employees contributed \$1,508,049.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which Fulton County has paid on behalf of the City of Sandy Springs. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. 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 ARC, 229 Peachtree St NE, STE 100, Atlanta, Georgia 30303.

The Chattahoochee River 911 Authority (ChattComm) was created pursuant to the provisions of the Official Code of Georgia Annotated (OFGA) Section 36-75-1 by the cities of Sandy Springs and Johns Creek. ChattComm Board membership includes the City Manager from each participating city, or their designee. ChattComm was created by the two cities contributing a pre-determined capital amount necessary to equip the facility. In accordance with GASB 14: *The Financial Reporting Entity*, ChattComm was determined to be a joint venture; however, the City does not have an equity interest in the joint venture. The cities have also pledged their future E911 revenues to ChattComm to pay for the operation of the emergency 911 answering facility. Additionally, the two cities will be responsible for funding any operating deficits as well as any future capital purchases of ChattComm. For the year ended June 30, 2022, the City of Sandy Springs has collected and remitted \$3,466,272 of E911 revenues. Since the inception of ChattComm, the City of Sandy Springs has contributed approximately \$8,251,000 to cover the capital and operating needs. While the General Fund of the City reports a receivable for this amount, management has evaluated the ability of the City to collect the receivable and determined the need to allow for 100% of the outstanding receivable as of June 30, 2022. At June 30, 2022, ChattComm had a negative net position of (\$11,443,675). Separate financial statements may be obtained from the City of Sandy Springs, who has been contracted by ChattComm to serve as the accountants, at 1 Galambos Way, Sandy Springs, Georgia 30328.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. JOINT VENTURES (CONTINUED)

In July 2013 the cities of Alpharetta, Milton, Roswell, and Sandy Springs created the North Fulton Regional Radio System Authority (the "Authority"), which was established by Georgia House Bill 526. The Authority will provide an interoperable, high quality, and reliable and uninterrupted communication signal for public safety and public services within the area in which the Authority has operational capability. The Authority's Board membership includes the City Manager or City Administrator, or his or her designee, from each participating city. The Authority was created by the cities contributing a pre-determined capital amount necessary to fund the construction and equipping of the radio system. In accordance with GASB 14: *The Financial Reporting Entity*, the Authority was determined to be a joint venture; however, the City does not have an equity interest in the joint venture. For the fiscal year ended June 30, 2022, the City of Sandy Springs contributed \$602,027 to the Authority. Separate financial statements may be obtained from the City of Milton, who has been contracted by the Authority to serve as the accountants, at 2006 Heritage Walk, Milton, Georgia 30004.

NOTE 13. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended June 30, 2022, the City received \$4,277,495 in hotel/motel taxes. Of this amount, \$3,055,843, or 71.4%, was used for the promotion of tourism, conventions, or trade shows.

NOTE 14. MOTOR VEHICLE EXCISE TAX

The City has levied an excise tax on the rental of motor vehicles. The Official Code of Georgia Annotated 48-13-93 requires that all motor vehicle excise taxes be expended or obligated contractually, in accordance with the City's ordinance, for the acquisition, construction, renovating, improving, maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety facilities or public improvements for sports and recreational facilities. During the period ended June 30, 2022, the City received \$78,222 in motor vehicle excise taxes. Of this amount, \$78,222, or 100%, was used for these purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund public entity risk pool currently operating as common risk management and insurance programs for member local governments.

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

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

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

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SANDY SPRINGS, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 41,600,000	\$ 45,615,671	\$ 48,814,649	\$ 3,198,978
Sales taxes	26,400,000	26,400,000	35,415,246	9,015,246
Franchise taxes	8,400,000	8,400,000	9,092,140	692,140
Business taxes	8,340,000	8,673,413	10,359,877	1,686,464
Insurance premium tax	7,500,000	7,500,000	7,782,186	282,186
Licenses and permits	2,580,000	2,580,000	4,310,020	1,730,020
Intergovernmental	7,534,152	7,634,152	183,342	(7,450,810)
Charges for services	3,854,220	3,854,220	2,884,759	(969,461)
Fines and forfeitures	2,200,000	2,200,000	2,460,443	260,443
Interest earned	100,000	100,000	411,043	311,043
Contributions	750,000	750,000	153,959	(596,041)
Miscellaneous	723,000	723,000	1,103,161	380,161
Total revenues	<u>109,981,372</u>	<u>114,430,456</u>	<u>122,970,825</u>	<u>8,540,369</u>
Expenditures:				
Current:				
General government:				
Mayor and council	231,227	231,227	215,049	16,178
City manager	1,002,647	1,281,566	1,104,093	177,473
General operations	5,350,186	5,556,745	4,397,299	1,159,446
Legal services	1,205,955	1,319,482	996,927	322,555
Human resources	618,688	636,729	638,728	(1,999)
Facilities and buildings	5,352,518	5,616,297	4,709,099	907,198
City clerk	811,187	824,085	581,822	242,263
Data processing/MIS	2,757,351	2,832,769	2,750,989	81,780
Public information	1,657,232	1,692,696	1,618,551	74,145
Total general government	<u>18,986,991</u>	<u>19,991,596</u>	<u>17,012,557</u>	<u>2,979,039</u>
Judicial	<u>1,247,724</u>	<u>1,280,077</u>	<u>928,723</u>	<u>351,354</u>
Public safety:				
Police department	22,956,861	25,294,871	23,713,203	1,581,668
Fire department	13,576,046	14,459,863	14,166,230	293,633
E911	1,213,389	1,218,665	2,363,427	(1,144,762)
Total public safety	<u>37,746,296</u>	<u>40,973,399</u>	<u>40,242,860</u>	<u>730,539</u>
Public works:				
Public works	12,091,172	12,296,312	11,546,096	750,216
Sanitation and wastewater	2,602,367	2,426,367	1,269,441	1,156,926
Storm drainage	420,858	596,858	280,564	316,294
Total public works	<u>15,114,397</u>	<u>15,319,537</u>	<u>13,096,101</u>	<u>2,223,436</u>
Culture and recreation				
Recreation	3,825,164	3,878,986	3,337,198	541,788
Special facilities	6,333,269	6,310,708	4,478,602	1,832,106
Total culture and recreation	<u>10,158,433</u>	<u>10,189,694</u>	<u>7,815,800</u>	<u>2,373,894</u>

Continued

CITY OF SANDY SPRINGS, GEORGIA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Housing and development				
Building/inspection/code enforcement	\$ 4,115,805	\$ 4,572,115	\$ 4,425,846	\$ 146,269
Economic development	352,108	363,336	138,925	224,411
Total housing and development	<u>4,467,913</u>	<u>4,935,451</u>	<u>4,564,771</u>	<u>370,680</u>
Debt service				
Principal	1,224,775	1,224,775	2,020,914	(796,139)
Interest	153,376	153,376	189,371	(35,995)
Total debt service	<u>1,378,151</u>	<u>1,378,151</u>	<u>2,210,285</u>	<u>(832,134)</u>
Total expenditures	<u>89,099,905</u>	<u>94,067,905</u>	<u>85,871,097</u>	<u>8,196,808</u>
Excess of revenues over expenditures	20,881,467	20,362,551	37,099,728	16,737,177
Other financing sources (uses):				
Transfers in	217,168	1,120,000	2,980,930	1,860,930
Transfers out	<u>(25,087,198)</u>	<u>(50,091,807)</u>	<u>(50,091,807)</u>	-
Total other financing sources (uses)	<u>(24,870,030)</u>	<u>(48,971,807)</u>	<u>(47,110,877)</u>	<u>1,860,930</u>
Net change in fund balances	(3,988,563)	(28,609,256)	(10,011,149)	18,598,107
Fund balance, beginning of year	<u>69,655,550</u>	<u>69,655,550</u>	<u>69,655,550</u>	-
Fund balance, end of year	<u>\$ 65,666,987</u>	<u>\$ 41,046,294</u>	<u>\$ 59,644,401</u>	<u>\$ 18,598,107</u>

Note: See footnotes 1 and 3 of the basic financial statements for budgetary policies.

NONMAJOR GOVERNMENTAL FUNDS

Confiscated Assets Fund – To account for the use of confiscated drug money by the City's Police Department, which are restricted by State law in purpose.

E911 Fund – To account for the collection and expenditures of E911 fees, which are restricted by state law.

Tree Fund – This fund is used to account for the charges for services collected by the City from third parties who remove trees during the land development process pursuant to the City's Tree Replacement Ordinance. The revenues in this fund are committed by an Ordinance passed by the City Council.

Federal Grants Fund – To account for the expenditures and revenues of federal grants.

CDBG Fund – To account for the expenditures and revenues of the Community Development Block Grant, which are restricted under the terms of the grant agreements.

Hotel/Motel Fund – To account for the 7% lodging tax levied in the City, which are restricted by state law.

Auto Excise Tax Fund – To account for automobile rental excise taxes levied in the City, which are restricted by state law.

Impact Fees Fund – To account for fees assessed upon development activity that are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the government's impact fee ordinance.

CITY OF SANDY SPRINGS, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2022

ASSETS	Special Revenue Funds			
	Confiscated Assets Fund	E911 Fund	Tree Fund	CDBG Fund
Cash	\$ 830,565	\$ -	\$ 1,544,247	\$ 2,528,818
Taxes receivable	-	-	-	-
Intergovernmental receivable	-	-	-	413,607
Other receivable	-	464,203	-	-
Total assets	\$ 830,565	\$ 464,203	\$ 1,544,247	\$ 2,942,425
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 10,538	\$ 464,203	\$ -	\$ 1,470
Due to other funds	-	-	288,243	-
Due to component unit	-	-	-	-
Total liabilities	10,538	464,203	288,243	1,470
FUND BALANCES				
Restricted:				
Public safety projects	770,527	-	-	-
Infrastructure improvements	-	-	-	-
Housing and development	-	-	-	1,186,914
Committed:				
Tree replacement	-	-	1,192,805	-
Assigned:				
Public safety projects	49,500	-	-	-
Tree replacement	-	-	63,199	-
Federal programs	-	-	-	1,754,041
Total fund balances	820,027	-	1,256,004	2,940,955
Total liabilities and fund balances	\$ 830,565	\$ 464,203	\$ 1,544,247	\$ 2,942,425

Special Revenue Funds				
Hotel/ Motel Fund	Auto Excise Tax Fund	Impact Fees Fund		Total Nonmajor Governmental Funds
\$ 422,362	\$ -	\$ 5,061,493		\$ 10,387,485
437,626	6,873	-		444,499
-	-	-		413,607
-	-	-		464,203
<u>\$ 859,988</u>	<u>\$ 6,873</u>	<u>\$ 5,061,493</u>		<u>\$ 11,709,794</u>
\$ -	\$ -	\$ 8,851		\$ 485,062
583,588	6,873	6,284		884,988
276,400	-	-		276,400
<u>859,988</u>	<u>6,873</u>	<u>15,135</u>		<u>1,646,450</u>
-	-	-		770,527
-	-	5,046,358		5,046,358
-	-	-		1,186,914
-	-	-		1,192,805
-	-	-		49,500
-	-	-		63,199
-	-	-		1,754,041
<u>-</u>	<u>-</u>	<u>5,046,358</u>		<u>10,063,344</u>
<u>\$ 859,988</u>	<u>\$ 6,873</u>	<u>\$ 5,061,493</u>		<u>\$ 11,709,794</u>

CITY OF SANDY SPRINGS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Confiscated Assets Fund	E911 Fund	Tree Fund	CDBG Fund
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	759,265
Charges for services	-	3,466,272	807,409	-
Fines and forfeitures	329,491	-	-	-
Interest income	-	-	-	8,846
Total revenues	329,491	3,466,272	807,409	768,111
EXPENDITURES				
Current:				
Public safety	239,454	3,466,272	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Capital outlay	-	-	-	313,519
Debt service:				
Principal	-	-	-	287,000
Interest	-	-	-	77,529
Total expenditures	239,454	3,466,272	-	678,048
Excess of revenues over expenditures	90,037	-	807,409	90,063
OTHER FINANCING USES				
Transfers out	-	-	(288,243)	-
Total other financing uses	-	-	(288,243)	-
Net change in fund balances	90,037	-	519,166	90,063
FUND BALANCES, beginning of year	729,990	-	736,838	2,850,892
FUND BALANCES, end of year	\$ 820,027	\$ -	\$ 1,256,004	\$ 2,940,955

Special Revenue Funds			
Hotel/ Motel Fund	Auto Excise Tax Fund	Impact Fees Fund	Total Nonmajor Governmental Funds
\$ 4,277,495	\$ 78,222	\$ -	\$ 4,355,717
-	-	-	759,265
-	-	1,124,649	5,398,330
-	-	-	329,491
-	-	-	8,846
<u>4,277,495</u>	<u>78,222</u>	<u>1,124,649</u>	<u>10,851,649</u>
-	-	-	3,705,726
1,374,787	-	-	1,374,787
-	-	15,659	15,659
-	-	-	313,519
-	-	-	287,000
-	-	-	77,529
<u>1,374,787</u>	<u>-</u>	<u>15,659</u>	<u>5,774,220</u>
2,902,708	78,222	1,108,990	5,077,429
<u>(2,902,708)</u>	<u>(78,222)</u>	<u>(339,140)</u>	<u>(3,608,313)</u>
<u>(2,902,708)</u>	<u>(78,222)</u>	<u>(339,140)</u>	<u>(3,608,313)</u>
-	-	769,850	1,469,116
-	-	4,276,508	8,594,228
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,046,358</u>	<u>\$ 10,063,344</u>

CITY OF SANDY SPRINGS, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 200,000	\$ 200,000	\$ 329,491	\$ 129,491
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>329,491</u>	<u>129,491</u>
Expenditures:				
Public safety	200,000	200,000	239,454	(39,454)
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>239,454</u>	<u>(39,454)</u>
Net change in fund balances	-	-	90,037	90,037
Fund balances, beginning of year	<u>729,990</u>	<u>729,990</u>	<u>729,990</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 729,990</u></u>	<u><u>\$ 729,990</u></u>	<u><u>\$ 820,027</u></u>	<u><u>\$ 90,037</u></u>

CITY OF SANDY SPRINGS, GEORGIA
E911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 3,000,000	\$ 3,000,000	\$ 3,466,272	\$ 466,272
Total revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,466,272</u>	<u>466,272</u>
Expenditures:				
Public safety	3,000,000	3,000,000	3,466,272	(466,272)
Total expenditures	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,466,272</u>	<u>(466,272)</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
TREE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 150,000	\$ 150,000	\$ 807,409	\$ 657,409
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>807,409</u>	<u>657,409</u>
Excess of revenues over expenditures	150,000	150,000	807,409	657,409
Other financing uses:				
Transfers out	(331,000)	(331,000)	(288,243)	42,757
Total other financing uses	<u>(331,000)</u>	<u>(331,000)</u>	<u>(288,243)</u>	<u>42,757</u>
Net change in fund balances	(181,000)	(181,000)	519,166	700,166
Fund balances, beginning of year	<u>736,838</u>	<u>736,838</u>	<u>736,838</u>	<u>-</u>
Fund balances, end of year	<u>\$ 555,838</u>	<u>\$ 555,838</u>	<u>\$ 1,256,004</u>	<u>\$ 700,166</u>

CITY OF SANDY SPRINGS, GEORGIA
CDBG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 849,439	\$ 759,265	\$ (90,174)
Interest income	-	-	8,846	8,846
Total revenues	-	849,439	768,111	(81,328)
Expenditures:				
Capital outlay	-	600,000	313,519	286,481
Debt service:				
Principal	-	653,208	287,000	366,208
Interest	81,217	81,217	77,529	3,688
Total expenditures	81,217	1,334,425	678,048	656,377
Net change in fund balances	(81,217)	(484,986)	90,063	575,049
Fund balances, beginning of year	2,850,892	2,850,892	2,850,892	-
Fund balances, end of year	<u>\$ 2,769,675</u>	<u>\$ 2,365,906</u>	<u>\$ 2,940,955</u>	<u>\$ 575,049</u>

CITY OF SANDY SPRINGS, GEORGIA
HOTEL/MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,600,000	\$ 1,600,000	\$ 4,277,495	\$ 2,677,495
Total revenues	<u>1,600,000</u>	<u>1,600,000</u>	<u>4,277,495</u>	<u>2,677,495</u>
Expenditures:				
Culture and recreation	550,000	550,000	1,374,787	(824,787)
Total expenditures	<u>550,000</u>	<u>550,000</u>	<u>1,374,787</u>	<u>(824,787)</u>
Excess of revenues over expenditures	1,050,000	1,050,000	2,902,708	1,852,708
Other financing uses:				
Transfers out	(1,050,000)	(1,050,000)	(2,902,708)	(1,852,708)
Total other financing uses	<u>(1,050,000)</u>	<u>(1,050,000)</u>	<u>(2,902,708)</u>	<u>(1,852,708)</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
AUTO EXCISE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 70,000	\$ 70,000	\$ 78,222	\$ 8,222
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>78,222</u>	<u>8,222</u>
Excess of revenues over expenditures	70,000	70,000	78,222	8,222
Other financing uses:				
Transfers out	(70,000)	(70,000)	(78,222)	(8,222)
Total other financing uses	<u>(70,000)</u>	<u>(70,000)</u>	<u>(78,222)</u>	<u>(8,222)</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 200,000	\$ 200,000	\$ 1,124,649	\$ 924,649
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>1,124,649</u>	<u>924,649</u>
Expenditures:				
Housing and development	-	-	15,659	(15,659)
Total expenditures	<u>-</u>	<u>-</u>	<u>15,659</u>	<u>(15,659)</u>
Excess of revenues over expenditures	200,000	200,000	1,108,990	908,990
Other financing uses:				
Transfers out	(200,000)	(904,832)	(339,140)	565,692
Total other financing uses	<u>(200,000)</u>	<u>(904,832)</u>	<u>(339,140)</u>	<u>565,692</u>
Net change in fund balances	-	(704,832)	769,850	1,474,682
Fund balances, beginning of year	<u>4,276,508</u>	<u>4,276,508</u>	<u>4,276,508</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,276,508</u>	<u>\$ 3,571,676</u>	<u>\$ 5,046,358</u>	<u>\$ 1,474,682</u>

CITY OF SANDY SPRINGS, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
TSPLOST 2016
FOR THE YEAR ENDED JUNE 30, 2022

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Traffic Efficiency Improvements	\$ 18,000,000	\$ 18,566,765	\$ 7,876,851	\$ 2,113,983	\$ 9,990,834	21.66 %
Perimeter Transit Last Mile Connectivity, Sidewalk Program, Mt. Vernon Highway Multiuse Path	28,500,000	28,950,743	7,278,739	5,955,018	13,233,757	14.93 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements, Hammond Drive, Phase 1 Efficiency Improvements	41,649,009	41,947,504	14,726,463	1,786,740	16,513,203	33.65 %
TSPLOST TIER 2						
Perimeter Transit Last Mile Connectivity, Sidewalk Program, Mt. Vernon Highway Multiuse Path, SR 400 Trail System, Roberts Drive Multiuse Path	12,500,000	- (1)	-	-	-	100.00 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements	350,991	- (1)	-	-	-	100.00 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements	2,704,716	- (1)	-	-	-	100.00 %
TSPLOST TIER 3						
Roadway Maintenance and Paving	15,617,086	- (1)	-	-	-	100.00 %
TOTAL TSPLOST	\$ 119,321,802	\$ 89,465,012	\$ 29,882,053	\$ 9,855,741	\$ 39,737,794	

Notes:

(1) - In 2021 the City determined that the funding from these taxes would not be sufficient to reach tiers 2 and 3; therefore, the City moved all budgets up to tier 1.

CITY OF SANDY SPRINGS, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
TSPLOST 2021
FOR THE YEAR ENDED JUNE 30, 2022

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Operations and Safety Improvements	\$ 18,325,000	\$ 18,325,000	\$ -	\$ -	\$ -	0.00 %
Pedestrian and Bike Improvements	21,779,153	21,779,153	-	-	-	0.00 %
Bridges	6,160,000	6,160,000	-	3,203,000	3,203,000	52.00 %
Congestion Relief	38,500,000	38,500,000	-	-	-	0.00 %
TSPLOST TIER 2						
Pedestrian and Bike Improvements	14,958,380	14,958,380	-	-	-	0.00 %
TSPLOST TIER 3						
Pedestrian and Bike Improvements	4,958,380	4,958,380	-	-	-	0.00 %
Maintenance and Safety Enhancements	10,000,000	10,000,000	-	-	-	0.00 %
TOTAL TSPLOST	\$ 114,680,913	\$ 114,680,913	\$ -	\$ 3,203,000	\$ 3,203,000	

COMPONENT UNITS

Sandy Springs Hospitality & Tourism – To account for the revenue and expenditures of promoting tourism within the City as funded by Hotel/Motel tax revenue.

Sandy Springs Development Authority – To account for the development activities undertaken throughout the City.

CITY OF SANDY SPRINGS, GEORGIA

**BALANCE SHEET
COMPONENT UNIT - SANDY SPRINGS HOSPITALITY & TOURISM
JUNE 30, 2022**

ASSETS

Cash	\$	1,663,911
Due from primary government		276,400
Prepaid items		<u>28,957</u>
Total assets	\$	<u><u>1,969,268</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	<u>47,195</u>
Total liabilities		<u>47,195</u>

FUND BALANCE

Nonspendable - prepaid items		28,957
Restricted for tourism		<u>1,893,116</u>
Total fund balance		<u>1,922,073</u>
Total liabilities and fund balance	\$	<u><u>1,969,268</u></u>

CITY OF SANDY SPRINGS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - SANDY SPRINGS HOSPITALITY & TOURISM
FOR THE YEAR ENDED JUNE 30, 2022

REVENUES

Intergovernmental	\$	1,374,787
Miscellaneous		<u>184</u>
Total revenues		<u>1,374,971</u>

EXPENDITURES

Current:		
Housing and development		<u>750,280</u>
Total expenditures		<u>750,280</u>
Net change in fund balance		624,691

FUND BALANCE, beginning of year		<u>1,297,382</u>
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FUND BALANCE, end of year	\$	<u><u>1,922,073</u></u>
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CITY OF SANDY SPRINGS, GEORGIA
BALANCE SHEET
COMPONENT UNIT - DEVELOPMENT AUTHORITY
JUNE 30, 2022

ASSETS

Cash	\$ 108,661
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Total assets	<u>\$ 108,661</u>
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FUND BALANCE

Restricted for development	\$ 108,661
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Total fund balance	<u>\$ 108,661</u>
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CITY OF SANDY SPRINGS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2022

REVENUES		
Miscellaneous	\$	<u>201,342</u>
Total revenues		<u>201,342</u>
EXPENDITURES		
Current:		
Community development		<u>185,702</u>
Total expenditures		<u>185,702</u>
Net change in fund balance		15,640
FUND BALANCE, beginning of year		<u>93,021</u>
FUND BALANCE, end of year	\$	<u><u>108,661</u></u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Sandy Springs' Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Page

Financial Trends..... **65**

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 **70**

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity **75**

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..... **78**

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 **81**

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 report for the relevant year.

CITY OF SANDY SPRINGS, GEORGIA

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Primary government:					
Net investment in capital assets	\$ 330,327,766	\$ 316,301,742	\$ 318,342,207	\$ 297,446,240	\$ 276,338,164
Restricted	67,925,213	59,747,342	48,435,304	44,985,095	61,044,391
Unrestricted	118,853,158	108,859,047	91,630,708	81,376,670	52,871,010
Total primary government net position	<u>\$ 517,106,137</u>	<u>\$ 484,908,131</u>	<u>\$ 458,408,219</u>	<u>\$ 423,808,005</u>	<u>\$ 390,253,565</u>

2017	2016	2015	2014	2013
\$ 253,053,379	\$ 243,216,434	\$ 216,411,054	\$ 189,462,862	\$ 170,948,189
8,476,972	5,755,644	3,658,688	3,394,508	2,706,067
87,470,740	84,692,787	84,692,787	87,581,276	82,177,486
<u>\$ 349,001,091</u>	<u>\$ 333,664,865</u>	<u>\$ 304,762,529</u>	<u>\$ 280,438,646</u>	<u>\$ 255,831,742</u>

CITY OF SANDY SPRINGS, GEORGIA

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

	2022	2021	2020	2019	2018
Expenses					
General government	\$ 23,440,173	\$ 23,490,759	\$ 22,032,642	\$ 20,570,073	\$ 14,774,462
Judicial	940,350	1,215,519	1,350,747	1,500,223	1,621,822
Public safety	51,837,529	43,481,583	40,247,937	40,621,132	37,471,210
Public works	30,916,105 (5)	27,268,850	21,716,386	17,614,378	22,343,592
Health and welfare	-	1,006,918 (4)	-	-	-
Culture and recreation	10,689,505	12,178,080	8,668,399	11,784,629	12,125,056
Housing and development	4,711,685	4,954,816	4,525,417	6,249,077	5,750,697
Interest on long-term debt	5,668,978	5,993,692	6,275,574	6,489,771	6,317,627
Total expenses	\$ 128,204,325	\$ 119,590,217	\$ 104,817,102	\$ 104,829,283	\$ 100,404,466
Program revenues					
Charges for services:					
General government	\$ 886,045	\$ 869,166	\$ 853,600	\$ 1,721,471	\$ 871,594
Judicial	2,460,443	2,537,398	2,203,624	2,543,046	2,650,421
Public safety	3,879,072	3,907,187	4,207,705	4,127,827	3,653,718
Public works	1,124,649	676,095	915,039	1,598,758	7,040,817 (2)
Culture and recreation	2,915,506	771,329	1,318,119	1,480,729	644,594
Housing and development	4,289,195	2,138,784	2,210,204	2,130,066	4,019,473
Operating grants and contributions	4,750,388	4,567,629 (3)	76,200	1,933	151,259
Capital grants and contributions	22,897,495	24,503,340	22,994,707	22,994,063	22,775,443
Total program revenues	\$ 43,202,793	\$ 39,970,928	\$ 34,779,198	\$ 36,597,893	\$ 41,807,319
Net (expense)/revenue	\$ (85,001,532)	\$ (79,619,289)	\$ (70,037,904)	\$ (68,231,390)	\$ (58,597,147)
General Revenues and Other Changes in Net Position					
Taxes					
Property taxes	\$ 48,843,037	\$ 46,896,331	\$ 42,913,155	\$ 38,192,028	\$ 34,803,725
Sales taxes	35,415,246 (6)	29,163,162	27,790,829	28,981,123	27,474,424
Other taxes	31,589,920	29,345,381	29,938,267	32,009,808	31,285,973
Unrestricted investment earnings	420,041	124,317	1,521,138	1,852,629	912,960
Miscellaneous revenues	931,294	590,010	2,474,729	750,242	2,811,263
Gain on sale of capital assets	-	-	-	-	2,561,276
Total	\$ 117,199,538	\$ 106,119,201	\$ 104,638,118	\$ 101,785,830	\$ 99,849,621
Change in Net Position	\$ 32,198,006	\$ 26,499,912	\$ 34,600,214	\$ 33,554,440	\$ 41,252,474

Notes:

- (1) - In 2016 the City (through its Public Facilities Authority) issued \$159,475,000 Series 2015 Revenue Bonds.
- (2) - In 2018 the City increased impact fees and there were several new projects and developments.
- (3) - In 2021 the City received COVID-19 relief funding from the Coronavirus Relief Fund.
- (4) - In 2021 the City experienced significant costs associated with community health initiatives responding to the COVID -19 pandemic.
- (5) - In 2022 the City experienced a significant increase in non-depreciable road resurfacing projects.
- (6) - In 2022 the City experienced an increase in sales tax revenue resulting from businesses re-opening following the pandemic.

	2017	2016	2015	2014	2013
\$	12,198,772	\$ 11,497,805	\$ 10,882,951	\$ 11,467,033	\$ 10,830,697
	1,530,501	1,480,915	1,580,859	1,660,176	1,691,681
	35,514,365	34,184,497	37,612,816	33,310,061	39,889,067
	18,888,072	16,052,761	18,784,694	21,225,313	19,079,592
	-	-	-	-	-
	8,545,292	15,500,207	6,506,492	6,086,076	5,803,498
	5,872,460	5,294,454	3,953,501	3,733,446	3,238,942
	6,421,029	4,541,961 (1)	105,166	122,202	90,881
\$	<u>88,970,491</u>	<u>\$ 88,552,600</u>	<u>\$ 79,426,479</u>	<u>\$ 77,604,307</u>	<u>\$ 80,624,358</u>
\$	839,593	\$ 788,373	\$ 795,720	\$ 746,020	\$ 826,641
	2,611,790	2,850,289	3,295,524	3,417,669	3,324,956
	3,585,456	3,486,436	3,493,548	3,122,072	3,554,021
	3,004,014	1,403,124	945,755	1,127,751	465,425
	682,874	779,550	774,113	848,996	945,132
	4,441,424	3,157,280	2,847,881	2,061,439	1,663,665
	5,625	3,091	33,619	34,733	25,462
	2,665,236	3,292,060	3,779,357	6,503,664	7,024,050
\$	<u>17,836,012</u>	<u>\$ 15,760,203</u>	<u>\$ 15,965,517</u>	<u>\$ 17,862,344</u>	<u>\$ 17,829,352</u>
\$	<u>(71,134,479)</u>	<u>\$ (72,792,397)</u>	<u>\$ (63,460,962)</u>	<u>\$ (59,741,963)</u>	<u>\$ (62,795,006)</u>
\$	33,556,314	\$ 33,240,654	\$ 32,196,455	\$ 30,945,648	\$ 29,173,500
	29,989,575	25,812,125	25,513,897	24,444,122	23,727,126
	30,980,394	30,749,432	28,949,996	27,864,930	26,793,423
	1,091,867	489,424	200,608	113,666	147,672
	790,598	614,813	923,889	980,501	482,999
	850,242	-	-	-	12,675
\$	<u>97,258,990</u>	<u>\$ 90,906,448</u>	<u>\$ 87,784,845</u>	<u>\$ 84,348,867</u>	<u>\$ 80,337,395</u>
\$	<u>26,124,511</u>	<u>\$ 18,114,051</u>	<u>\$ 24,323,883</u>	<u>\$ 24,606,904</u>	<u>\$ 17,542,389</u>

CITY OF SANDY SPRINGS, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Taxes	Sales Taxes	Hotel/Motel Taxes	Franchise Taxes	Business Taxes	Total
2013	\$ 29,173,500	\$ 23,727,126	\$ 3,763,907	\$ 9,311,894	\$ 13,717,622	\$ 79,694,049
2014	30,945,648	24,444,122	3,866,704	9,164,266	14,833,960	83,254,700
2015	32,196,455	25,513,897	4,462,241	9,671,503	14,816,252	86,660,348
2016	33,240,654	25,812,125	5,262,170	9,842,953	15,644,309	89,802,211
2017	33,556,314	29,989,575	5,492,264	9,715,393	15,772,737	94,526,283
2018	34,803,725	27,474,424	5,531,780	9,224,562	16,529,631	93,564,122
2019	38,192,028	28,981,123	5,681,086	9,626,740	16,701,982	99,182,959
2020	42,913,155	27,790,829	3,873,529	9,875,047	16,189,691	100,642,251
2021	46,896,331	29,163,162	2,630,102	9,024,621	17,690,658	105,404,874
2022	48,843,037	35,415,246	4,277,495	9,092,140	18,220,285	115,848,203

CITY OF SANDY SPRINGS, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund					
Nonspendable - Prepays	\$ 1,607,727	\$ 1,072,666	\$ 332,096	\$ 111,045	\$ 308,894
Nonspendable - Inventory	30,740	20,536	26,590	32,944	-
Assigned - Stormwater projects	-	-	1,225,000	1,750,000	3,058,310
Appropriations of fund balance for next fiscal year's budget	20,929,552	1,212,505	2,567,605	17,866,830	14,526,344
Unassigned	37,076,382	67,349,843	45,710,692	26,616,192	25,373,013
Total general fund	<u>\$ 59,644,401</u>	<u>\$ 69,655,550</u>	<u>\$ 49,861,983</u>	<u>\$ 46,377,011</u>	<u>\$ 43,266,561</u>
All Other Governmental Funds					
Nonspendable - Prepays	\$ 56,795	\$ -	\$ -	\$ -	\$ -
Restricted:					
Public safety	770,527	729,990	699,370	274,645	454,191
Tourism	-	-	-	-	-
Recreation	-	-	-	-	100,522
Infrastructure improvements	63,748,456	53,160,980	40,782,753	36,126,144	27,106,782 (b)
Housing and development	1,186,914	2,850,892	2,928,130	2,804,178	-
Debt service	-	-	-	-	-
Capital projects	42,105,140	49,715,577 (c)	5,413,633	4,179,490	25,388,237
Committed:					
Tree replacement	1,192,805	736,838	661,527	480,219	284,427
Recreation	-	-	-	-	285,325
Assigned:					
Capital projects	50,986,121	37,900,230	43,182,939	35,111,789	11,812,923
Recreation	-	-	983,812	2,225,000	-
Community development	-	-	-	-	-
Public safety projects	49,500	-	-	-	-
Tree replacement	63,199	-	-	-	-
Federal programs	1,754,041	-	-	-	-
Appropriations of fund balance for next fiscal year's budget	-	-	-	-	-
Total all other governmental funds	<u>\$ 161,913,498</u>	<u>\$ 145,094,507</u>	<u>\$ 94,652,164</u>	<u>\$ 81,201,465</u>	<u>\$ 65,432,407</u>

(a) In 2016 the City (through its Public Facilities Authority) issued \$159,475,000 Series 2015 Revenue Bonds.

(b) In 2018 the City TSPLOST program began.

(c) In 2021 the Public Facilities Authority issued Series 2020 and Series 2020B bonds, the proceeds of which were restricted for capital projects.

2017	2016	2015	2014	2013
\$ 835,278	\$ 133,121	\$ -	\$ 2,003	\$ 4,894,352
-	-	-	-	-
2,993,250	2,551,567	989,978	467,379	906,466
16,775,312	12,758,427	9,532,370	7,056,652	7,266,222
21,894,817	22,341,887	25,341,826	26,400,192	20,522,843
<u>\$ 42,498,657</u>	<u>\$ 37,785,002</u>	<u>\$ 35,864,174</u>	<u>\$ 33,926,226</u>	<u>\$ 33,589,883</u>
\$ -	\$ -	\$ -	\$ -	\$ -
367,997	243,874	680,588	826,567	867,578
-	-	1,101	1,101	1,075
31,278	121,603	123,385	106,448	122,086
8,077,697	2,989,421	2,853,614	2,384,926	1,715,328
-	-	-	-	-
-	3,657,953 (a)	-	-	-
55,340,593	145,089,744 (a)	-	-	-
250,357	-	-	-	-
-	-	-	-	-
31,805,684	31,887,995	49,572,700	54,276,325	52,729,595
-	-	-	-	-
-	41,678	41,678	38,469	41,595
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 95,873,606</u>	<u>\$ 184,032,268</u>	<u>\$ 53,273,066</u>	<u>\$ 57,633,836</u>	<u>\$ 55,477,257</u>

CITY OF SANDY SPRINGS, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018
Revenues					
Taxes	\$ 115,819,815	\$ 105,706,312	\$ 100,517,135	\$ 99,174,113	\$ 93,780,228
Licenses and permits	4,310,020	2,769,757	2,823,665	2,977,714	4,984,317
Intergovernmental	27,458,676	29,065,918 (4)	22,911,157	22,830,155	22,775,443
Charges for services	8,283,089	5,078,542	5,678,785	7,532,520	11,016,993
Fines and forfeitures	2,789,934	2,879,793	3,033,974	2,919,796	2,879,306
Contributions	183,959	1,200	76,200	1,933	151,259
Interest earned	420,041	124,317	1,684,604	1,936,622	912,960
Miscellaneous	1,103,161	761,877	2,646,596	922,109	714,941
Total revenues	<u>160,368,695</u>	<u>146,387,716</u>	<u>139,372,116</u>	<u>138,294,962</u>	<u>137,215,447</u>
Expenditures					
Current:					
General government	17,287,366	17,785,070	20,692,633	18,336,795	21,743,685
Judicial	928,723	1,207,231	1,342,742	1,492,453	1,619,227
Public safety	51,701,275	57,696,164 (5)	41,065,976	42,329,360	36,932,141
Public works	26,935,911	32,377,554	33,310,882	31,428,914	30,090,874
Health and welfare	-	1,006,918	-	-	-
Culture and recreation	9,277,909	9,577,701	10,461,625	16,105,238	65,731,006 (3)
Housing and development	4,702,822	4,912,573	4,399,163	6,206,702	5,713,276
Capital outlay	27,527,393 (6)	-	-	-	-
Debt service:					
Principal	9,362,914	5,793,811	3,915,241	4,632,679	3,581,612
Interest	5,836,540	6,752,795	7,248,183	7,379,407	7,335,973
Costs of issuance	-	2,498,907	-	81,915	-
Total expenditures	<u>153,560,853</u>	<u>139,608,724</u>	<u>122,436,445</u>	<u>127,993,463</u>	<u>172,747,794</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,807,842</u>	<u>6,778,992</u>	<u>16,935,671</u>	<u>10,301,499</u>	<u>(35,532,347)</u>
Other Financing Sources (Uses)					
Issuance of long term debt	-	60,498,907	-	2,872,000	-
Proceeds from sale of capital assets	-	-	-	1,418,406	5,859,052
Proceeds from financed purchases	-	2,958,011	-	4,287,603	-
Transfers in	53,700,120	44,037,504	35,645,853	32,954,060	37,190,638
Transfers out	(53,700,120)	(44,037,504)	(35,645,853)	(32,954,060)	(37,190,638)
Total other financing sources (uses)	<u>-</u>	<u>63,456,918</u>	<u>-</u>	<u>8,578,009</u>	<u>5,859,052</u>
Net change in fund balances	<u>\$ 6,807,842</u>	<u>\$ 70,235,910</u>	<u>\$ 16,935,671</u>	<u>\$ 18,879,508</u>	<u>\$ (29,673,295)</u>
Debt service as a percentage of noncapital expenditures	12.8%	11.5%	12.0%	13.0%	11.3%

(1) In 2014 the City made several large capital outlays for a large infrastructure project, land acquisitions, and park improvements, as well as purchased several new fire trucks. All together capital outlays increase approximately \$17 million from the prior year, thus resulting in increase of functional expenditures and decreases in the change in fund balance.

(2) In 2015 the City began construction on the new city center development project, then moved the activity to Culture and Recreation in 2016.

(3) In 2018 the City made several large capital outlays and expenditures for the City Center Project and the building opened in May 2018.

(4) In 2021 the City received COVID-19 relief funding from the Coronavirus Relief Fund.

(5) In 2021 the Public Facilities Authority had construction in progress on several fire stations.

(6) In 2022 several of the City's construction projects started back up following significant delays due to the pandemic.

	2017	2016	2015	2014	2013
\$	94,499,719	\$ 89,787,515	\$ 86,357,021	\$ 83,324,826	\$ 79,868,967
	5,284,871	4,069,503	3,817,492	2,906,357	2,482,713
	2,380,642	3,887,278	3,931,859	5,480,553	6,528,813
	6,914,186	5,288,144	4,596,207	4,767,729	4,264,512
	2,966,094	3,107,404	3,738,842	3,649,861	4,032,615
	328,994	3,091	55,785	34,733	25,462
	1,091,867	489,424	200,608	113,666	147,672
	790,598	614,813	971,677	980,501	482,999
	<u>114,256,971</u>	<u>107,247,172</u>	<u>103,669,491</u>	<u>101,258,226</u>	<u>97,833,753</u>
	18,482,980	15,900,684	28,833,479 (2)	18,791,585 (1)	12,105,333
	1,531,040	1,477,948	1,577,453	1,657,894	1,691,077
	34,853,005	33,733,508	36,818,536	36,939,432 (1)	31,338,228
	26,117,779	27,296,011	26,276,197	25,725,759	24,765,819
	-	-	-	-	-
	102,723,830	67,514,805 (2)	6,815,373	12,018,423 (1)	6,414,601
	6,441,126	5,357,955	4,931,583	4,474,792	3,556,669
	-	-	-	-	-
	4,016,664	791,182	776,790	978,094	2,928,142
	7,470,230	3,810,937	107,079	121,562	97,087
	-	914,011	-	-	-
	<u>201,636,654</u>	<u>156,797,041</u>	<u>106,136,490</u>	<u>100,707,541</u>	<u>82,896,956</u>
	<u>(87,379,683)</u>	<u>(49,549,869)</u>	<u>(2,466,999)</u>	<u>550,685</u>	<u>14,936,797</u>
	388,305	182,196,838	-	725,000	3,507,449
	3,546,371	33,061	44,177	1,217,237	59,612
	-	-	-	-	-
	30,672,451	52,802,746	31,191,169	26,177,079	29,057,954
	<u>(30,672,451)</u>	<u>(52,802,746)</u>	<u>(31,191,169)</u>	<u>(26,177,079)</u>	<u>(29,057,954)</u>
	<u>3,934,676</u>	<u>182,229,899</u>	<u>44,177</u>	<u>1,942,237</u>	<u>3,567,061</u>
\$	<u>(83,445,007)</u>	<u>\$ 132,680,030</u>	<u>\$ (2,422,822)</u>	<u>\$ 2,492,922</u>	<u>\$ 18,503,858</u>
	13.5%	6.8%	1.2%	1.5%	4.3%

CITY OF SANDY SPRINGS, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Taxes	Sales Taxes	Hotel/Motel Taxes	Franchise Taxes	Business Taxes	Total
2013	\$ 29,348,418	\$ 23,727,126	\$ 3,763,907	\$ 9,311,894	\$ 13,717,622	\$ 79,868,967
2014	31,015,774	24,444,122	3,866,704	9,164,266	14,833,960	83,324,826
2015	31,893,128	25,513,897	4,462,241	9,671,503	14,816,252	86,357,021
2016	33,225,958	25,812,125	5,262,170	9,842,953	15,644,309	89,787,515
2017	33,529,750	29,989,575	5,492,264	9,715,393	15,772,737	94,499,719
2018	35,019,831	27,474,424	5,531,780	9,224,562	16,529,631	93,780,228
2019	38,183,182	28,981,123	5,681,086	9,626,740	16,701,982	99,174,113
2020	43,059,031	27,519,837	3,873,529	9,875,047	16,189,691	100,517,135
2021	46,926,777	29,434,154	2,630,102	9,024,621	17,690,658	105,706,312
2022	48,814,649	35,415,246	4,277,495	9,092,140	18,220,285	115,819,815

CITY OF SANDY SPRINGS, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS

Calendar Year	Real Property				Personal Property	
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Motor Vehicles	Other (1)
2012	\$ 3,756,986,980	\$ 2,681,350,440	\$ 9,188,790	\$ 411,200	\$ 286,683,680	\$ 50,794,652
2013	3,833,666,050	2,796,044,990	9,452,520	417,120	311,678,440	51,788,000
2014	3,890,836,390	2,692,498,250	8,588,690	312,520	267,150,490	68,968,965
2015	4,143,679,220	3,004,411,100	7,995,190	113,480	187,532,150	79,418,444
2016	4,274,611,200	3,178,568,040	9,964,420	113,480	128,485,280	58,405,806
2017	4,287,740,310	3,346,676,380	9,233,920	113,480	84,974,890	55,208,940
2018	5,209,552,730	3,542,347,870	8,934,839	232,280	57,197,080	53,479,113
2019	5,569,524,370	4,062,572,960	10,010,190	87,520	40,913,220	90,693,443
2020	5,754,347,030	4,045,474,710	10,963,440	97,960	30,398,740	85,978,670
2021	6,226,269,420	4,165,935,530	13,957,880	103,080	22,570,250	99,626,230

Source: Fulton County Tax Commissioner

(1) Reflects conservation use.

Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 550,368,934	\$ 6,235,046,808	4.731	\$ 15,587,617,020	40%
537,793,108	6,465,254,012	4.731	16,163,135,030	40%
523,071,081	6,405,284,224	4.731	16,013,210,560	40%
603,418,507	6,819,731,077	4.731	17,049,327,693	40%
626,029,331	7,024,118,895	4.731	17,560,297,238	40%
565,443,801	7,218,504,119	4.731	18,046,260,298	40%
889,548,811	7,982,195,101	4.731	19,955,487,753	40%
974,401,936	8,799,399,767	4.731	21,998,499,418	40%
947,687,936	8,979,572,614	4.731	22,448,931,535	40%
1,191,907,854	9,336,554,536	4.731	23,341,386,340	40%

CITY OF SANDY SPRINGS, GEORGIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN CALENDAR YEARS
(rate per \$1,000 of assessed value)

Calendar Year	Direct		Overlapping School District				Total Direct & Overlapping Rates
	Sandy Springs (1)	Fulton County	Operating Millage	Debt Service Millage	Total School District Millage	State	
2012	4.731	10.551	18.502	-	18.502	0.250	34.034
2013	4.731	10.551	18.502	-	18.502	0.200	33.984
2014	4.731	10.551	18.502	-	18.502	0.200	33.984
2015	4.731	10.500	18.502	-	18.502	0.050	33.783
2016	4.731	10.700	18.483	-	18.483	0.000	33.914
2017	4.731	10.630	18.483	-	18.483	0.000	33.844
2018	4.731	10.430	17.796	-	17.796	0.000	32.957
2019	4.731	10.119	17.796	-	17.796	0.000	32.646
2020	4.731	9.996	17.796	-	17.796	0.000	32.523
2021	4.731	9.776	17.590	-	17.590	0.000	32.097

Source: Fulton County Tax Commissioner

Note: As set forth in the City's Charter, the millage rate cannot exceed 4.731 mills unless a higher limit is approved through a referendum by a majority of qualified voters of the City.

(1) Total rate is for M&O. No components to separately display.

CITY OF SANDY SPRINGS, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT CALENDAR YEAR AND NINE FISCAL YEARS AGO
JUNE 30, 2022

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Development Authority of Fulton County	\$ 163,798,786	1	1.75 %	\$ 118,417,338	1	1.83 %
Cousins Northpark 500/600 LLC	91,565,217	2	0.98			
REJV Concourse Atlanta LLC	71,395,169	3	0.76			
Georgia Power Company	62,059,839	4	0.66	45,501,025	4	0.70
SPUS8 CCC LP	58,404,878	5	0.63			
Cousins Northpark Owner 400 LLC	58,150,650	6	0.62			
Concourse Owner V/VI LLC	55,162,363	7	0.59			
US REIF Lakeside Commons Georgia	48,747,053	8	0.52			
Piedmont Operating Partnership LP	44,020,873	9	0.47			
POP Property Owner LLC	41,222,472	10	0.44			
FULCOPROP Fifty Six LLC				64,679,630	2	1.00
485 Properties LLC				59,938,341	3	0.93
BT Property, LLC				33,990,911	5	0.53
FULLCOPROP 400, LLC				32,602,731	6	0.50
Highwoods DLF 97 26 DFL 99 32				31,560,000	7	0.49
Teachers Concourse				31,246,479	8	0.48
Ctech Holdings LLC				29,049,740	9	0.45
FEF V Atlanta Portfolio SPE LLC				28,048,480	10	0.43
Totals	\$ 694,527,300		7.44 %	\$ 475,034,675		7.34 %

Source: Fulton County Tax Commissioner

CITY OF SANDY SPRINGS, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Period Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 27,145,118	\$ 26,489,079	97.6	\$ 634,873	\$ 27,123,952	99.92 %
2014	27,612,718	27,453,075	99.4	131,384	27,584,459	99.90
2015	28,502,532	28,290,291	99.3	181,097	28,471,388	99.89
2016	30,754,398	30,678,557	99.8	54,078	30,732,635	99.93
2017	31,940,164	31,638,544	99.1	278,918	31,917,462	99.93
2018	32,925,336	32,533,102	98.8	385,183	32,918,285	99.98
2019	36,117,676	35,807,887	99.1	291,473	36,099,360	99.95
2020	39,557,447	39,337,612	99.4	208,883	39,546,495	99.97
2021	41,123,937	40,908,215	99.5	205,431	41,113,646	99.97
2022	42,792,126	42,552,344	99.4	-	42,552,344	99.44

Source: Fulton County Tax Commissioner

CITY OF SANDY SPRINGS, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Period Ended June 30,	Governmental Activities					Percentage of Personal Income (1)	Per Capita (1)
	Bonds Payable	Notes Payable	Financed Purchases Payable	Lease Liability	Total		
2013	\$ -	\$ 212,060	\$ 5,447,268	\$ -	\$ 5,659,328	0.12 %	\$ 56.92
2014	-	-	5,406,234	-	5,406,234	0.11	54.19
2015	-	-	4,629,444	-	4,629,444	0.09	45.43
2016	179,186,870	2,497,296	3,838,262	-	185,522,428	3.50	1,761.34
2017	175,738,334	2,590,946	2,556,253	-	180,885,533	3.30	1,711.26
2018	172,229,890	2,397,156	1,678,431	-	176,305,477	3.19	1,651.74
2019	168,635,288	5,072,124	4,140,387	-	177,847,799	3.21	1,634.68
2020	164,918,678	4,871,797	3,175,473	-	172,965,948	3.13	1,589.80
2021	235,849,709	4,668,119	5,538,351	-	246,056,179	4.12	2,223.45
2022	227,770,985	4,174,034	4,517,255	1,753,360	238,215,634	3.36	2,152.60

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF SANDY SPRINGS, GEORGIA

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST SEVEN FISCAL YEARS

Fiscal Year	Bonds Payable	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2016	\$ 179,186,870	\$ 3,657,953	\$ 175,528,917	1.00%	\$ 1,661
2017	175,738,334	-	175,738,334	0.97%	1,663
2018	172,229,890	-	172,229,890	0.86%	1,614
2019	168,635,288	-	168,635,288	0.77%	1,580
2020	164,918,678	-	164,918,678	0.73%	1,516
2021	235,849,709	-	235,849,709	1.05%	2,131
2022	227,770,985	-	227,770,985	0.98%	2,053

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City had no bonded debt prior to 2016.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

CITY OF SANDY SPRINGS, GEORGIA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping general obligation debt:			
Fulton County	\$ 234,408,000 (2)	11.489 %	\$ 26,931,415
Total overlapping debt	<u>234,408,000</u>		<u>26,931,415</u>
City direct debt:			
Bonds payable	227,770,985	100	227,770,985
Notes payable	4,174,034	100	4,174,034
Financed purchases	4,517,255	100	4,517,255
Lease liability	<u>1,753,360</u>	100	<u>1,753,360</u>
Total direct debt	<u>238,215,634</u>		<u>238,215,634</u>
Total direct and overlapping debt	<u>\$ 472,623,634</u>		<u>\$ 265,147,049</u>

Source: Assessed value date used to estimate applicable percentages and debt outstanding obtained from Fulton County School District.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

(2) Obtained from the fiscal year 12/31/2020 Fulton County Annual Comprehensive Financial Report. The fiscal year 12/31/2021 was not available.

CITY OF SANDY SPRINGS, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Period	Population (1)	Personal Income (amounts expressed in thousands) (1)	Per Capita Personal Income (1)	Median Age (1)	Unemployment Rate (2)
2013	99,419	\$ 4,805,815	\$ 48,339	33.4	8.8 %
2014	99,770	5,115,208	51,270	35.0	5.8
2015	101,908	5,091,731	49,964	35.6	4.4
2016	105,330	5,307,263	50,387	35.4	4.2
2017	105,703	5,478,269	51,827	35.6	3.7
2018	106,739	5,531,962	51,827	35.7	2.8
2019	108,797	5,966,101	54,837	36.4	3.7
2020	110,779	6,074,788	54,837	36.4	3.7
2021	110,664	6,068,482	54,837	36.5	3.1
2022	110,926	7,091,166	63,927	36.7	3.2

(1) Source: U. S. Census Bureau

(2) Georgia Department of Labor

CITY OF SANDY SPRINGS, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2022			2013		
	Employees (1)	Rank	Percentage of Total City Employment (2)	Employees (1)	Rank	Percentage of Total City Employment (2)
United Parcel Service General	2,294	1	3.5%	1,620	4	3.1%
Onetrust LLC	1,750	2	2.7%			
Optomi, LLC	1,750	3	2.7%	3,674	1	7.0%
IBM Corporation	1,719	4	2.6%			
Intercontinental Exchange, Inc.	1,084	5	1.6%	875	7	1.7%
Inspire Brands, Inc. & Subsidiaries	999	6	1.5%			
Newell Brands Inc.	980	7	1.5%			
Westrock Shared Services, LLC	847	8	1.3%			
Cox Enterprises, Inc.	838	9	1.3%	1,754	2	3.3%
Prestige Staffing	800	10	1.2%			
Cisco Systems, Inc.				1,750	3	3.3%
Oracle America Inc				1,054	5	2.0%
Airwatch LLC				912	6	1.7%
AT&T Mobility				730	8	1.4%
National Account Svc, Co.				690	9	1.3%
Walden Security				690	10	1.3%
Totals	13,061		19.8%	13,749		26.2%

(1) Source: City of Sandy Springs employer's business license filing

(2) Source: U.S. Bureau of Labor Statistics

CITY OF SANDY SPRINGS, GEORGIA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	80	65	72	73	53	50	50	49	46	46
Judicial	10	8	11	11	12	12	12	12	13	13
Public safety										
Police										
Officers	169	143	153	149	142	137	133	129	124	129
Civilians	17	21	21	25	37	22	22	22	14	17
Fire										
Firefighters (1)	117	110	110	113	113	109	115	96	138	133
Civilians	5	6	6	5	7	4	1	1	1	2
Emergency Management	1	1	1	-	-	-	-	-	-	-
Public works										
Highways and streets	44	38	42	37	34	32	32	31	30	30
Culture and recreation (3)	38	64	103	78 (2)	12	11	11	10	7	7
Housing and development	45	33	39	36	40	39	39	34	30	30
Total	526	489	558	527	450	416	415	384	403	407

Source: City of Sandy Springs Human Resources Department

(1) Includes the full time equivalents for the part time positions.

(2) Increase due to the Performing Arts Center at the new City Springs facility opening at the end of fiscal year 2018.

(3) Consists of R&P and CSS FT & PT.

CITY OF SANDY SPRINGS, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Ordinances approved	26	31	21	31	30	35	38	48	32	26
Court cases	20,267	18,434	20,267	18,024	18,529	19,550	18,323	18,323	22,313	22,943
Grants managed	13		6	14	9	12	13	17	26	16
Police										
Calls for service	100,111	113,838	135,868	129,057	111,374	121,704	93,201	95,138	99,525	102,319
Part 1 crimes reported (1)	1,802	1,814	1,963	2,205	2,312	2,744	2,727	2,766	3,012	2,924
Traffic citations issued	19,293	12,654	17,835	13,059	35,979	23,936	24,125	21,274	22,877	21,519
Fire										
Incident responses	14,368	14,138	13,875	11,812	12,049	13,251	10,853	11,347	12,177	12,069
Average response time	6.24 min	7.15 min	7.04 min	7.02 min	7.01 min	7	7	7	7.5 minutes	7 minutes
Fire safety programs conducted	143	48	551	633	285	622	369	463	378	403
Inspections conducted	7,297	7,316	5,511	5,336	6,981	5,617	4,448	5,729	4,160	3,449
Highways and streets										
Traffic signals timed	131	132	132	136	136	132	130	126	124	123
Average days to repair pothole	3-days	1-2 days	1-2 days	1-2 days	1-3 days	1-3 days	1-3 days	1-5 days	1-5 days	1-5 days
Community development										
Stormwater plans reviewed	80	57	80	91	85	87	68	57	42	55
New building permits issued	4,064	2,083	2,033	2,025	2,418	2,197	2,127	2,749	1,442	1,458
Parcels annexed	0	0	0	0	0	0	0	0	0	0
Culture and recreation										
Park acres maintained	295	276	272	272	272	272	220	220	220	227
Park & facilities	27	27	26	26	26	17	17	17	17	16
Annual program registrants	89,229	60,157	73,832	115,071	94,996	50,206	52,268	45,110	45,110	83,857

Sources: Various City departments.

(1) Stats are reported using NIBRS (National Incident-Based Reporting System). Sandy Springs transitioned to NIBRS in February 2019. NIBRS captures single crime incident details and information on any other offense within the same incident. For more info on NIBRS – see: <https://www.fbi.gov/services/cjis/ucr/nibrs>

CITY OF SANDY SPRINGS, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations (1)	1	1	1	1	1	1	1	1	1	1
Patrol Units	226	226	220	210	205	191	191	176	156	137
Patrol Zones	9	9	9	9	9	8	8	8	8	8
Fire stations										
Leased (1)	-	-	-	1	1	1	1	1	1	1
Owned	5	4	4	3	3	3	3	3	3	3
Public Works										
Streets (miles)	302	302	302	302	302	302	360	360	360	360
Traffic Signals	132	132	132	136	136	132	126	126	123	123
Culture and recreation										
Park acreage	295	272	272	272	272	272	220	220	220	227
Recreational facilities	27	26	26	26	26	17	17	17	17	16

Source: Various City departments.

(1) Reflects building operating lease.

Capital asset indicators are not available for the following functions: general government, judicial, and housing and development.