

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022





City of Alpharetta, Georgia

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

Prepared By:

Thomas G. Harris, CPA
Director of Finance

Submitted By:

Chris Lagerbloom
City Administrator





INTRODUCTORY SECTION



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INTRODUCTORY SECTION

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MAYOR
JIM GILVIN

MAYOR PRO TEM
DAN MERKEL

COUNCIL MEMBERS

JASON BINDER
DOUG DERITO
JOHN HIPES
DAN MERKEL
DONALD MITCHELL
BRIAN WILL

CITY ADMINISTRATOR
CHRIS LAGERBLOOM

**TO THE HONORABLE MAYOR, MEMBERS OF THE CITY COUNCIL, CITIZENS,
BUSINESSES, AND STAKEHOLDERS OF THE CITY OF ALPHARETTA:**

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose. Since the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Mauldin & Jenkins, LLC, have issued an unmodified (“clean”) opinion on the City of Alpharetta’s financial statements for the year ended June 30, 2022. The independent auditor’s report is located at the front of the financial section of this report.

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

OUR HISTORY

From the North Georgia Mountains to the Chattahoochee River along a Cherokee Indian trail, a tiny village named New Prospect Camp Ground was formed. This village made up of tents, a log school, and an arbor became a trading post where Indians and settlers exchanged their goods. The surrounding countryside provided excellent farmland, especially for cotton. On December 11, 1858, the town was chartered and became the county seat of Milton County. The town was renamed Alpharetta from the Greek words “alpha” meaning first and “retta” meaning town.

Located approximately 25 miles north of the City of Atlanta, Alpharetta occupies a land area of approximately 27 square miles and serves an estimated population of 66,127. Population growth

has been fueled in part by the City’s strong economic base as well as the annexation of surrounding communities.

With the incorporation of the City of Milton and the City of John’s Creek, all unincorporated areas within north Fulton County have been absorbed. As such, future growth will be through internal development and redevelopment as opposed to annexation.

GOVERNMENT PROFILE

The City operates under a strong mayoral form of government, whereby the mayor possesses all the executive and administrative powers granted to the government under the constitution and laws of the State of Georgia and the City charter. Policy making and legislative authority are vested in the governing council, consisting of the mayor and six (6) council members, all elected on a non-partisan basis. The mayor is chosen by popular vote. City Council members run for a specific post, but they are elected by a city-wide vote. The City’s elected officials serve four (4) year terms which begin on January 2nd immediately following the date of election into office. Council members elected for three (3) consecutive terms are not eligible for the succeeding term. A mayor elected and qualified for two (2) consecutive terms is not eligible for a succeeding term. Elections are held every two (2) years and are conducted by the Fulton County Board of Elections. The Mayor and City Council appoint a City Administrator to carry out the day to day operations of the City.

The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events. Sanitation services are provided through relationships with private operators. The City created a legally separate entity, the Development Authority of Alpharetta, to assist with, among other things, capital funding. Financial information for the Development Authority has been included within this document and additional information can be found in the Notes to the Financial Statements in Note I(A).

OUR COMMUNITY



Population (nighttime) **65,799**

Population (daytime) **122,000**

Square Miles **27**

Bond Rating **AAA**

Highest credit rating available. Alpharetta is one of only 221 cities nationwide to earn an AAA bond rating from Moody's Investors Service.

INFRASTRUCTURE

ADVANTAGES

Our story goes like this: During the late-90s dot-com boom, the City of Alpharetta started to grow from the ground up—literally. Hundreds of miles of fiber optic cables were buried throughout the city, and the state's largest electricity provider, Georgia Power, took it a step further by establishing a series of redundant electric networks throughout the city.

Nearly **700** Tech Companies

60% Download Speeds Above U.S. Average

25M Total Sq. Ft. Office Space

ACCESSIBILITY

Because Alpharetta is just a quick drive from Atlanta, businesses are conveniently positioned right by the world's busiest airport. And if that's not enticing enough, there are plenty of other ways to get around whether you prefer to drive by car or ride public transit, Alpharetta makes sure businesses and their workers get to where they need to go.

22 Miles from Alpharetta to Downtown Atlanta

4 Major Highways

4 MARTA Routes to Atlanta

BUSINESS CLIMATE

LOCAL COMPANIES

There's a reason why more than 700 technology-based businesses have made their home in Alpharetta, and it's not just the nice houses and great weather. Our fiber-optic network is the most extensive and redundant in the Southeast, and we work closely with state and local economic development agencies to provide tax credits and incentives to complement any brand of business. Some of the biggest and most recognized names in the tech industry are thriving here in Alpharetta.

We could talk about Alpharetta's exceptional business climate all day long, but nothing speaks to our success quite like our track record. Here are just a few names we're proud to work with.

TOP 10 EMPLOYERS

Providing a strong economic foundation for our community, the City of Alpharetta is pleased to recognize the top 10 employers –based on the number of employees.



<i>Employer</i>	<i>No. of Employees</i>
ADP, INC.	2,231
FISERV, INC.	2,088
EQUIFAX INFORMATION SERVICES	1,669
LEXIS NEXIS RISK SOLUTIONS	1,384
VERIZON	1,095
E*TRADE	878
ERNST & YOUNG U.S. LLP	806
HEWLETT PACKARD ENTERPRISE COMPANY	738
SYNCHRONY FINANCIAL	600
LOCUMTENENS.COM	496

Source: City of Alpharetta Division of Economic Development, 2022

WORKFORCE

COMPETITIVE EDGE

Every business on the planet, from Mom & Pop stores to Fortune 500 companies, is only as good as its employees. And in Alpharetta, we're proud to be home to some of the smartest minds in the world of tech.

65.0 percent of Alpharetta's residents own a bachelor's degree or higher, which is nearly double the national average for young adults. And there are plenty of them, too. With a **daytime population over 122,000**, Alpharetta boasts close to 3,000 workers per square mile; that's more than major metropolitan areas like Charlotte, Dallas, Austin, or Phoenix.

EDUCATION

When it comes to college degrees, our workforce has credentials that are hard to compete with. No matter what heights our businesses desire to reach, our workers come equipped with the invaluable knowledge it takes to get there.

26.4%

Graduate or Professional Degree



64.6%

Bachelor's Degree



6.6%

Associate's Degree

PROFESSIONS

Need more proof that Alpharetta is a rising hub in the business world? Consider that 82% of Alpharetta residents are employed in professional, managerial, technical, sales and administrative positions. Our citizens don't just have degrees—they've got the experience and working knowledge needed to take any business to the next level.

20%

Individuals Earn \$100K or More



82%

Employed in Professional/ Technical Sector



66K

Total City Population

PERSONNEL

Alpharetta's consistent population nearly doubles during the day. That means that employees are coming from throughout the region to work for Alpharetta's rising tech companies. With great accessibility and a superior quality of life, it's no wonder we're the 6th fastest-growing city in the nation, and it's getting better every day.

122K

Daytime Population



1M+

People With 30-Minute Drive Time



2,923

Workers Per Square Mile

Top City in the Nation For Health IT

Healthcare
Informatics
Healthcare IT Leadership, Vision & Strategy

The Best Small Cities to Start a Small Business

verizon✓

BUDGET BASIS AND STRUCTURE

The annual budget serves as the foundation for the City's financial plan and assists in control of the financial stability and health of the government. The Mayor and Council are legally required to adopt a balanced budget (i.e., revenues = expenditures) no later than the close of the fiscal year. The City legally adopts annual budgets for all Governmental Funds (with the exception of the Capital Project Funds which are adopted on a project-length basis) Proprietary, and Fiduciary Funds. The City's fiscal year runs from July 1st through June 30th.

The City's budget is created under a hybrid performance-based budgeting system. This type of budgeting system blends the traditional historical financial trend model with the performance-based model of identifying a level of performance for each type of service/program and the resources necessary to operate it, as well as describes the structure of the departments and the programs into which they are divided. The legal level-of-control (i.e., the spending level at which expenditures may not legally exceed appropriations) resides at the department level within a given fund. As such, reallocation of appropriations between line-items is acceptable within a given department (with a few exceptions). Budget amendments that increase overall departmental appropriations (excluding grant/donation appropriations) or cross departments must be approved in advance by the City Council. These amendments are typically brought for consideration by City Council during the mid-year budget review process.

STRATEGIC FINANCIAL PLANNING

The City Council, City Administration, and City departments have displayed impressive financial stewardship over the years through an established philosophy of budgetary evaluation. This philosophy entails reviewing the needs of the City relative to the standard that services and associated costs should not be appropriated unless they are justified as strategic goals of the organization that serve to accomplish our guiding principles. This philosophy is a foundation of our budget process as evidenced by the Finance Department's direction to departments that base operating budgets should be submitted in line with the City's revenue trends and forecasted service delivery needs.

The City of Alpharetta, like many cities in our region and throughout the world, is in the midst of multiple disruptive economic pressures. As quickly as the COVID-19 pandemic and its associated social distancing measures drove a decline in economic activity, the current phase of post-lockdown economic activity coupled with Federal stimulus has resulted in a spike of economic growth. This strong economic growth can be witnessed in our revenue trends as well as our expenditure trends which seek to meet a spiking service demand from our customers while also covering unprecedented

inflationary (e.g., labor costs) and market-based cost pressures (e.g., fuel, steel, concrete, wood, etc.).

Today, more than ever, governments need to be nimble to respond to market conditions.

Alpharetta's financial planning is focused on responding to market conditions in a sustainable manner including maintaining a competitive compensation package for its staff and keeping up with market prices from our private service providers. Proactive fiscal management has positioned us to approach the challenges more effectively in the FY 2023 Budget resulting from the inflationary (e.g., labor costs) and market-based cost pressures (e.g., fuel, steel, concrete, wood, etc.). The issue of sustainability also is addressed through a diversification of revenue sources. While property taxes do represent the largest single source of revenue, significant discussion is centered on how to further diversify the City's revenue base and lessen reliance on property taxes. Existing revenue sources are evaluated on a periodic basis to ensure the underlying rate is reasonable and justifiable. Examples of revenue sources that are reevaluated periodically include all user fee-based revenue sources (i.e., permits, licenses, recreation fees, etc.).

The City has historically acknowledged the need to provide a taxation rate commensurate with the government's level of service while ensuring tax relief through efficient and effective management practices. The City levied a millage rate of 5.75 (general fund – 4.935 mills; debt service – 0.815 mills) in fiscal year 2022 which was flat with fiscal year 2021. The city's competitive tax rate, coupled with a substantial Homestead Exemption, goes to great lengths in keeping Alpharetta not only an affordable place to live, but also strategically positions us relative to neighboring areas.

The City offers multiple homestead exemptions which save our homeowners \$5 million annually and include:

- Floating Homestead exemption that caps the taxable value growth of homesteaded properties to the lesser of 3% or CPI;
- Basic Homestead exemption of \$45,000 off the assessed value of homesteaded properties which is among the highest in the State;
- Senior Basic Homestead exemption of \$25,000 off the assessed value of homesteaded properties for residents age 65 and older;
- Senior full-value exemption available to residents age 70 and older who meet certain income requirements.

In order to promote economic development, the City grants tax abatements that ultimately increase the tax base and result in greater property tax revenue, sales taxes, and other occupational taxes and related fees.

At the end of the current fiscal year, total fund balance for the general fund was \$42,887,619 which is an increase of \$7,211,020 from the prior year. This balance represents approximately 54% of 2023 budgeted operating expenditures. Approximately 29% of total fund balance, or \$12,639,800, constitutes assigned fund balance for 2023 fiscal year expenditures.

Approximately 71% of total fund balance, or \$30,247,819, constitutes unassigned fund balance. This balance represents approximately 38% of 2023 budgeted operating expenditures. By ordinance, the City has mandated that such balance not be less than 16% of budgeted operating expenditures. This requirement allows the City to maintain an adequate reserve to cover unforeseen emergencies and/or revenue shortfalls. Historically, the City has set the minimum for the emergency reserve at a level in excess of the ordinance requirement. For fiscal year end 2022, the emergency reserve requirement totals 25% which equates to \$19,700,000. The surplus after such emergency reserve and other allowances will enable the City to fund onetime future capital in the amount of \$10,547,819 as part of the annual budget to be developed for fiscal year 2024.

These fund balances have resulted from the use of prudent fiscal policies and conservative budget practices and help to ensure the City's long-term financial stability.

RELEVANT FINANCIAL POLICIES

Throughout the year, the Finance Department administers the governing council's approved Financial Management Program, which outlines the policy within which the government's finances are maintained. These policies address fund balances; the use of one-time revenues; issuance of debt; purchasing and procurement; cash and investment management; and accounting practices. In totality, these policies formulate the core criteria for which internal evaluations occur. On an annual basis the criteria establishing the Financial Management Program are reviewed in order to maintain relativity to the changing financial needs of the government.

MAJOR INITIATIVES COMPLETED DURING FISCAL YEAR 2022

The City continued its aggressive infrastructure/facility maintenance plan including funding the milling and resurfacing of multiple city streets, traffic signal system replacement, traffic control system replacement, sidewalk repair, facility roof repair and replacement, tree planting and landscape improvements, park facility renovations, etc. as well as multiple drainage and stormwater repair/improvement projects.

As the City's economic development efforts continue to fuel growth, the need to ensure vehicular and pedestrian safety is tantamount. 2022 saw multiple vehicular/pedestrian safety projects completed including Kimball Bridge Road Improvements (North Point Parkway to Waters Road); Webb Bridge Road multi-use trail and greenway connection; Providence Road Sidewalks (Mayfield Road to City limits); Charlotte Drive Sidewalks (Old Place Drive to Lillian Drive); etc.

The city's focus on quality of life culminated in multiple recreational improvements including completion of the Greenway Trail Head at Union Hill Park; multiple improvements at North Park including replacement of Ballfields 1-4 and 7-8, replacement of the artificial turf at Field 2, and construction of Bocce Ball Courts; multiple improvements at Webb Bridge Park including painting of facilities, resurfacing of tennis/pickleball courts, and repairs/replacement of playground equipment; construction of a new arena for the Wills Park Equestrian Center; design of the Alphaloop segment between Old Milton Parkway and Westside Parkway; etc.

MAJOR INITIATIVES PLANNED FOR FISCAL YEAR 2023

The City's capital plan for FY 2023 totals \$25.5 million and includes recommended capital initiatives totaling \$22.9 million with an additional \$2.6 million set aside for future capital investment. Specific initiatives include:

- Transportation (\$5.1 million) – Initiatives funded include: infrastructure maintenance initiatives (milling and resurfacing of streets, signal system, striping, traffic calming, landscaping, etc.); technology improvements for the Traffic Control Center; continued maintenance of our bridge infrastructure; design and construction of a pedestrian safety barrier at the City Center Town Green; etc.
- Drainage/Stormwater (\$4.2 million) – Initiatives funded include: storm-water system inspections and maintenance; pipe repair and replacement; design of drainage control measures; etc.
- Facility (\$1.7 million) - Initiatives funded include: fire station renovations; parking garage maintenance; roof replacements for the Alpharetta Community Center and Fire Station 84; replacement of gym flooring at the Alpharetta Community Center; HVAC replacements at multiple facilities; etc.
- Recreation (\$6.1 million) - Initiatives funded include: general park enhancements (fence replacement and repair, signage, new benches, and trash cans, etc.); design and construction of the Encore Parkway Greenway Connection/ Park; replacement of older wood light poles with concrete light poles with LED technology (multi-year initiative); greenway repairs and improvements; etc.
- Fleet/Equipment/Technology Replacement (\$5.8 million) – Initiatives funded include: replacement of fleet that balances the maximization of public investment in terms of years and mileage while ensuring fleet assets are reliable and functional to ensure continued service capabilities to our customers (public safety, public works, etc.); equipment aimed at maintaining a safe (public safety equipment including a fire station alerting system for our first responders) and efficient (general technology replacement for city staff) environment; funding for programming of a new City website; funding for upgrading the public safety computer-aided-dispatch and records management systems; etc.

These investments illustrate our commitment to ensuring quality of life enhancements to the business and residential community.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Alpharetta for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended June 30, 2021. This program recognizes those governments that go beyond the minimum requirements of generally accepted accounting principles to prepare ACFR's that represent the spirit of transparency and full disclosure. This award is valid for a period of one year only. We believe that our current ACFR continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

The City also received the GFOA *Popular Annual Financial Reporting Award* ("PAFR") for our annual citizens' report for the fiscal year ended June 30, 2021.

This program recognizes those governments that produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. This award is valid for a period of one year only. We believe that our current PAFR continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

Last but certainly not least, the City also received the GFOA's *Distinguished Budget Presentation Award* for its annual budget narrative for the fiscal year ended June 30, 2021. This program recognizes those governments that prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and have submitted it to GFOA to determine its eligibility for another award.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Department of Finance. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor, governing council, and city administrator for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Thomas G. Harris
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Alpharetta
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

ELECTED AND APPOINTED OFFICIALS JUNE 30, 2022

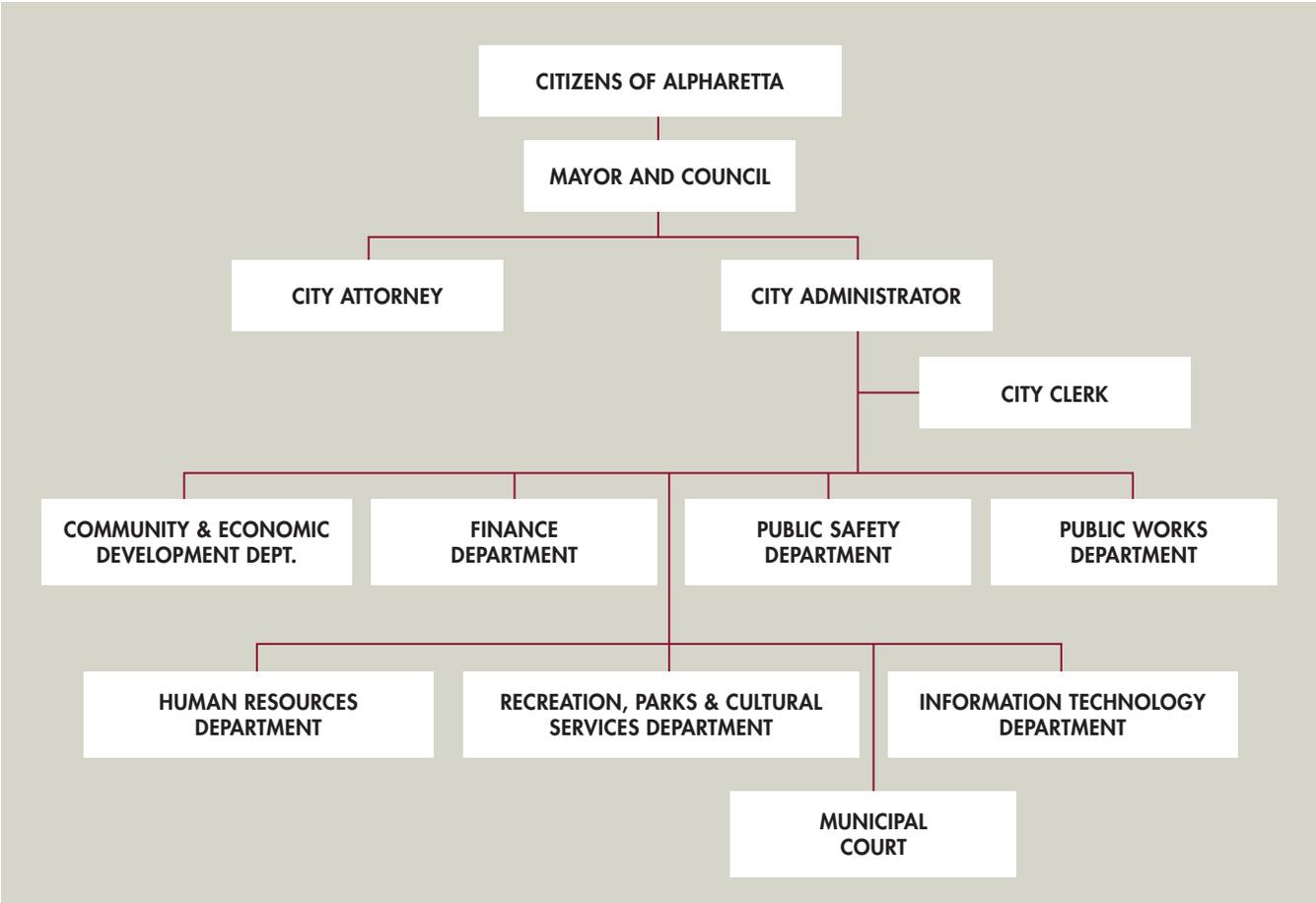
ELECTED OFFICIALS

Mayor	Jim Gilvin
Council Member – Post 1	Donald Mitchell
Council Member – Post 2	Brian Will
Council Member – Post 3	Doug DeRito
Council Member – Post 4	John Hipes
Council Member – Post 5	Jason Binder
Council Member – Post 6	Dan Merkel

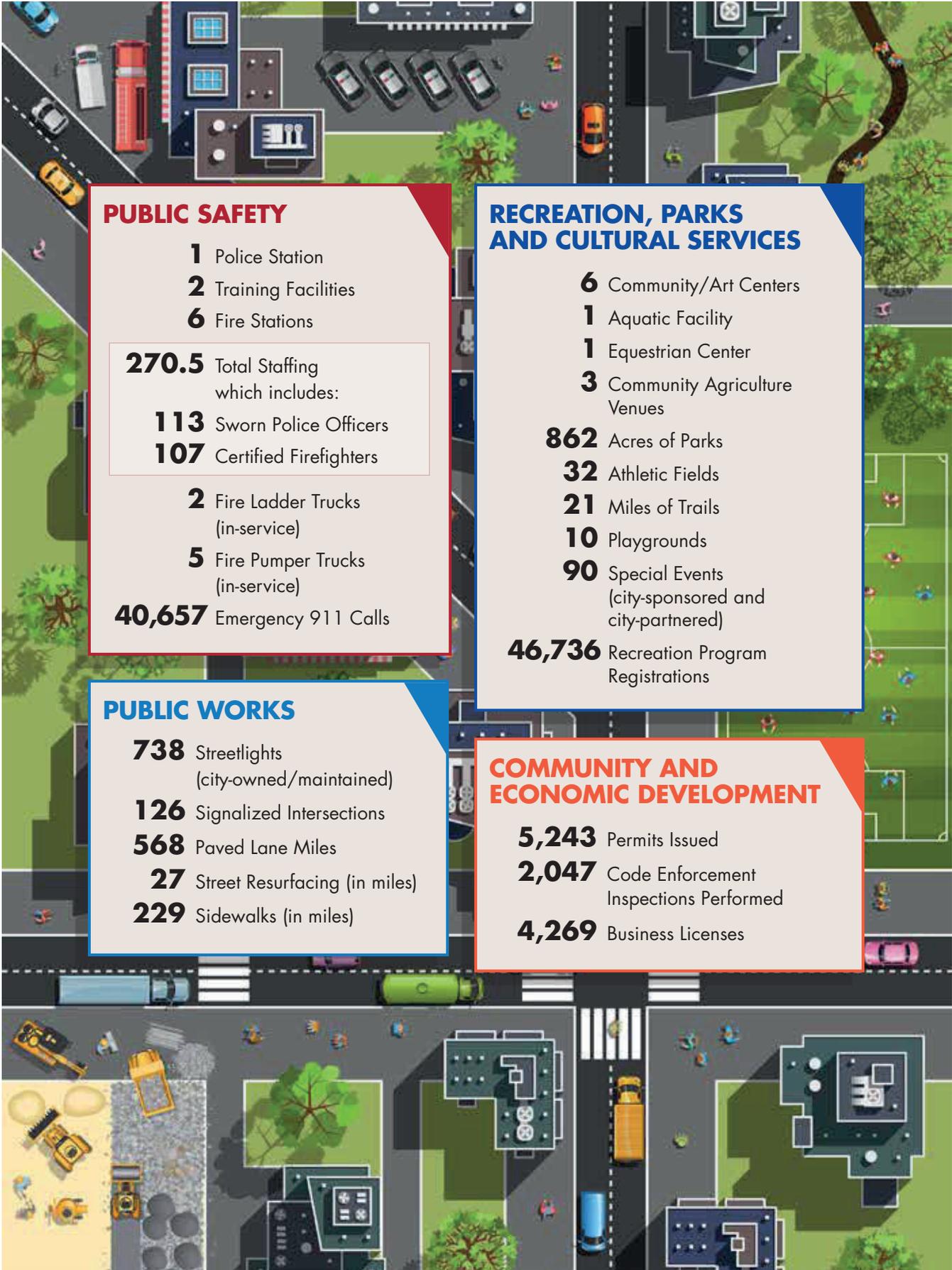
APPOINTED OFFICIALS

City Administrator	Chris Lagerbloom
City Attorney	Molly Esswein
City Clerk.	Lauren Shapiro
Finance Director	Thomas G. Harris
Assistant City Administrator	James Drinkard
Public Works Director	Pete Sewczwicz
Information Technology Director	Randy Bundy
Recreation, Parks & Cultural Services Director	Morgan Rodgers
Chief Clerk of the Municipal Court.	Brooke Lappin
Public Safety Director.	John Robison
Community Development Director	Kathi Cook
Municipal Judge	Vacant

STRUCTURE OF YOUR CITY GOVERNMENT JUNE 30, 2022



CITY DEPARTMENTS BY THE NUMBERS



PUBLIC SAFETY

- 1** Police Station
- 2** Training Facilities
- 6** Fire Stations

270.5 Total Staffing
which includes:
113 Sworn Police Officers
107 Certified Firefighters

- 2** Fire Ladder Trucks
(in-service)
- 5** Fire Pumper Trucks
(in-service)
- 40,657** Emergency 911 Calls

RECREATION, PARKS AND CULTURAL SERVICES

- 6** Community/Art Centers
- 1** Aquatic Facility
- 1** Equestrian Center
- 3** Community Agriculture
Venues

- 862** Acres of Parks
- 32** Athletic Fields
- 21** Miles of Trails
- 10** Playgrounds
- 90** Special Events
(city-sponsored and
city-partnered)

46,736 Recreation Program
Registrations

PUBLIC WORKS

- 738** Streetlights
(city-owned/maintained)
- 126** Signalized Intersections
- 568** Paved Lane Miles
- 27** Street Resurfacing (in miles)
- 229** Sidewalks (in miles)

COMMUNITY AND ECONOMIC DEVELOPMENT

- 5,243** Permits Issued
- 2,047** Code Enforcement
Inspections Performed
- 4,269** Business Licenses



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
Of the City Council
City of Alpharetta, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Alpharetta, Georgia** (the "City"), as of and for the fiscal 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 business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

INDEPENDENT AUDITOR'S REPORT

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the City's net OPEB liability (asset) and related ratios, the schedule of contributions – OPEB Plan, schedule of investment returns – OPEB Plan, schedule of changes in the City's net pension liability and related ratios, schedule of City contributions – retirement plan, schedule of pension investment returns – retirement plan, and the General Fund – budgetary comparison schedule – 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 schedules of projects constructed with transportation special purpose local option sales tax proceeds as required by the Official Code of Georgia 48-8-121 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 combining and individual fund financial statements and schedules and the schedules of projects constructed with transportation special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT

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 the *Government Auditing Standards*, we have also issued our report dated December 2, 2022 on our consideration of the City of Alpharetta, Georgia'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 the 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 2, 2022



FINANCIAL SECTION

Management's Discussion and Analysis



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Alpharetta (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities 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 beginning of this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$323,160,507 (total net position). Of this amount \$37,789,296 (unrestricted net position) may be used to meet the ongoing obligations of the government.
- The City's total net position increased by \$13,032,421.
- As of the close of the current fiscal year, the City of Alpharetta's governmental funds reported combined ending fund balances of \$138,490,442, an increase of \$42,990,244 from the prior year.
- At the end of the current fiscal year, unassigned fund balance in the General Fund was \$30,247,819 which represents approximately 38% of 2023 budgeted expenditures. By ordinance, the City has mandated that such balance not be less than 16% of budgeted expenditures. This requirement allows the City to maintain an adequate reserve to cover unforeseen emergencies and/or revenue shortfalls. Historically, when budgeting, the City has set the minimum for the emergency reserve at a level in excess of the ordinance requirement. For Fiscal year end 2022, the emergency reserve requirement totals 25% which equates to \$19,700,000. The surplus after such emergency reserve and other allowances will enable the City to fund one-time future capital in the amount of \$10,547,819 as part of the annual budget to be developed for fiscal year 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

The government-wide financial statements contain not only the City (known as the primary government), but also a legally separate authority for which the City is financially accountable. Financial information on this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 30 and 31 of this report.

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

The focus of governmental funds is narrower than that of the government-wide financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, 2017 T-SPLOST Capital Fund, 2022 Bond Construction Fund, and the American Rescue Plan Fund, all of which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements later in this document.

The basic governmental fund financial statements can be found on pages 32 through 34 of this report.

Proprietary funds. The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account

for its solid waste collection operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions of a government. The City uses internal service funds to account for risk management and medical insurance. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste activities and for risk management and medical insurance internal service funds.

The basic proprietary fund financial statements can be found on pages 35 through 37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Fiduciary Fund financial statements provide separate information for the pension and other post-employee benefit trust activities.

The basic fiduciary fund financial statements can be found on pages 38 and 39 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 40 through 70 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Alpharetta pertaining to the City's pension and other postemployment benefits to its employees. In addition, a budgetary comparison schedule for the General Fund is presented on a generally accepted accounting principal basis in this section. This schedule is intended to demonstrate the government's compliance with the legally adopted and amended budgets. Required supplementary information can be found on pages 71 through 76 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77 through 98 of this report.

CITY OF ALPHARETTA'S NET POSITION

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$157,119,212	\$116,264,636	\$2,256,207	\$3,039,137	\$159,375,419	\$119,303,773
Capital assets	340,104,182	334,780,384	—	—	340,104,182	334,780,384
Total assets	497,223,394	451,045,020	2,256,207	3,039,137	499,479,601	454,084,157
Deferred outflow of resources	15,339,108	1,520,186	—	—	15,339,108	1,520,186
Total deferred outflow of resources	15,339,108	1,520,186	—	—	15,339,108	1,520,186
Current liabilities	14,235,370	12,687,038	2,140,010	2,236,546	16,375,380	14,923,584
Non-current liabilities outstanding	173,914,923	121,102,693	222	300	173,915,145	121,102,993
Total liabilities	188,150,293	133,789,731	2,140,232	2,236,846	190,290,525	136,026,577
Deferred inflow of resources	1,367,677	9,449,680	—	—	1,367,677	9,449,680
Total deferred inflow of resources	1,367,677	9,449,680	—	—	1,367,677	9,449,680
Net investment in capital assets	229,294,901	227,123,239	—	—	229,294,901	227,123,239
Restricted	56,076,310	44,481,028	—	—	56,076,310	44,481,028
Unrestricted	37,673,321	37,721,528	115,975	802,291	37,789,296	38,523,819
Total net position	\$323,044,532	\$309,325,795	\$115,975	\$802,291	\$323,160,507	\$310,128,086

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Alpharetta, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$323,160,507 at the close of the most recent fiscal year. The largest portion of the City's net position (71%) reflects its net investment in capital assets (i.e., land, buildings, infrastructure, machinery, and equipment less any outstanding related debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (17%) represents resources that are subject to external restrictions on how they may be used. At the close of fiscal year 2022, the City's restricted net position was \$56,076,310 representing \$50,879,569 obligated for capital projects, \$1,143,173 restricted for tourism, \$1,095,855 restricted for the repayment of general obligation bond debt, \$340,977 restricted for law enforcement activities, and \$2,616,736 for emergency telephone activities.

The remaining balance in unrestricted net position of \$37,789,296 (12%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the Government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

CITY OF ALPHARETTA'S CHANGES IN NET POSITION

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2022	2021	2022	2021	2022	2021
Revenues						
<i>Program revenues:</i>						
Charges for services	\$17,594,045	\$16,022,063	\$5,129,955	\$4,403,138	\$22,724,000	\$20,425,201
Operating grants and contributions	343,255	4,406,840	—	—	343,255	4,406,840
Capital grants and contributions	1,728,113	15,034,235	—	—	1,728,113	15,034,235
<i>General revenues:</i>						
Property tax	35,491,615	34,693,764	—	—	35,491,615	34,693,764
Local option sales tax	34,444,987	29,078,454	—	—	34,444,987	29,078,454
Other taxes	25,039,126	20,848,396	—	—	25,039,126	20,848,396
Unrestricted investment earnings (losses)	(779,913)	168,428	(27,994)	1,623	(807,907)	170,051
Gain on sale of assets	93,964	—	—	—	93,964	—
Total revenues	113,955,192	120,252,180	5,101,961	4,404,761	119,057,153	124,656,941
Expenses						
General government	15,956,849	14,102,831	—	—	15,956,849	14,102,831
Public safety	38,314,600	33,800,622	—	—	38,314,600	33,800,622
Public works	26,051,729	36,021,581	—	—	26,051,729	36,021,581
Community development	8,716,191	6,927,901	—	—	8,716,191	6,927,901
Culture and recreation	8,069,132	585,966	—	—	8,069,132	585,966
Interest on long-term debt	3,127,954	2,782,224	—	—	3,127,954	2,782,224
Solid waste	—	—	5,788,277	4,749,994	5,788,277	4,749,994
Total expenses	100,236,455	94,221,125	5,788,277	4,749,994	106,024,732	98,971,119
Increase (decrease) in net position	13,718,737	26,031,055	(686,316)	(345,233)	13,032,421	25,685,822
Net position - beginning	309,325,795	283,294,740	802,291	1,147,524	310,128,086	284,442,264
Net position - ending	\$323,044,532	\$309,325,795	\$115,975	\$802,291	\$323,160,507	\$310,128,086

Governmental activities. Governmental activities increased the City's net position by \$13,718,737 (compared to an increase of \$26,031,055 in the prior year) accounting for all of the increase in the net position of the City (business-type activities had a decrease in net position of \$686,316). Key elements of this change from year to year are as follows:

- Total governmental program revenues decreased by \$15,797,725 primarily due to a decrease in operating and capital grant contributions of \$17,369,707 offset by an increase in charges for services by \$1,571,982.
- Total general revenues increased by \$9,471,120 from the prior year primarily due to an increase in hotel/motel occupancy tax proceeds, property taxes, and sales taxes as a result of

improving financial conditions as the overall economy began to recover from the adverse impact of the pandemic, and offset by a decrease in investment earnings proceeds.

- Total expenses of the governmental activities increased by \$6,015,330, primarily due to a rebound coming out of the pandemic. Culture and recreation increased \$7.5 million, general government increased \$1.8 million, and interest on long-term debt increased by \$0.4 million, offset by a decrease in public works of \$10.0 million as a result of the lag created by long-term projects that were delayed during the economic downturn created by the pandemic.

Business-type activities. Business-type activities decreased the City of Alpharetta's net position by \$686,316 as stated earlier.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

As of the end of fiscal year 2022, the City reported governmental funds combined ending fund balance of \$138,490,442, an increase of \$42,990,244 from the prior year. Approximately 22% of this balance or \$30,247,819 constitutes unassigned fund balance.

The remainder of the fund balance is categorized as restricted or assigned. Restricted fund balance consists of amounts restricted for capital projects of \$79,910,051, law enforcement of \$340,977, emergency telephone activities of \$2,616,736, tourism of \$1,143,173, and debt service of \$1,095,855. Assigned fund balance consists of amounts assigned for grant projects of \$265,456, capital projects of \$10,015,826, economic development \$214,749, and 2023 fiscal year expenditures of \$12,639,800.

General fund. The General Fund is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was \$42,887,619 which is an increase of \$7,211,020 from the prior year. In terms of liquidity, total fund balance represents approximately 54% of 2023 budgeted expenditures.

Approximately 71% of total fund balance, or \$30,247,819 constitutes unassigned fund balance. This balance represents approximately 38% of 2023 budgeted expenditures. By ordinance, the City has mandated that such balance not be less than 16% of budgeted expenditures. This requirement allows the City to maintain an adequate reserve to cover unforeseen emergencies and/or revenue shortfalls. Historically, when budgeting, the City has set the minimum for the emergency reserve at a level in excess of the ordinance requirement. For fiscal year end 2022, the emergency reserve requirement totals 25% which equates to \$19,700,000. The surplus after such emergency reserve and other allowances will enable the City to fund one-time future capital in the amount of \$10,547,819 as part of the annual budget to be developed for fiscal year 2024.

The fund balance of the City's General Fund increased during fiscal year 2022 by \$7,211,020. Revenues exceeded expenditures by \$11,618,823; however, net transfers out were \$4,511,013 and offset in part by proceeds from sale of capital assets of \$103,210. Council approved the utilization of prior year fund balance for capital projects (\$5,836,799).

Other significant variances are explained below:

- From a year-to-year operational perspective, total revenues increased by \$5,165,416 primarily due to increases in sales tax and fines and forfeiture proceeds.
- Revenues of \$78,067,083 exceeded amounts budgeted by \$8,800,313. Specific revenue variances include the following: property taxes (\$2,381,804 greater than budget); sales and use taxes (\$4,303,362 greater than budget); other taxes (\$1,136,510 greater than budget); licenses and permits (\$524,337 greater than budget); and investment earnings (\$794,350 less than budget).
- Total expenditures increased by \$5,556,564 from the prior year primarily due to the following growth drivers: (1) general salary growth; (2) increases in healthcare costs; and (3) increases in overtime, seasonal/temporary salaries, and general benefits.
- Expenditures came in well under budget, at \$66,448,260 with \$3,338,010 of the budgetary appropriation unspent. Management continues to work with department heads to ensure only necessary purchases are made, and to ensure all departments do not exceed budget appropriations, which creates a budget conscious atmosphere throughout the City.

Capital Project Fund. Annually, City Council approves a capital program as part of the budget process. Funding for these projects comes primarily from available fund balance of the General Fund. The Capital Project Fund accounts for these activities. During the year, \$5,966,799 was transferred to this fund from the General Fund, while expenditures amounted to \$8,921,104. The above along with \$1,277,484 in additional revenue, decreased fund balance by \$933,076 to \$8,601,352 at year-end as compared to \$9,534,428 at end of the prior year.

2017 T-SPLOST Capital Fund. During fiscal year 2022, the 2017 TSPLOST Capital Fund received \$10,176,155 in sales tax proceeds and generated \$93,181 in investment income for a total revenue amount of \$10,269,336. Current expenditures amounted to \$3,037,888. The net amount resulted in an increase in fund balance of \$7,231,448 from \$34,358,331 to an ending fund balance of \$41,589,779.

2022 Bond Construction Fund. This fund is a capital project fund used to account for proceeds from issuance of 2022 General Obligation Bonds for the acquisition and construction of parks and greenways. Capital outlay expenditures in the amount of \$286,059 offset by investment earnings of \$56,202 resulted in a fund balance restricted for capital projects in the amount of \$29,275,999 at year end.

American Rescue Plan Fund. This is a new capital projects fund used to account for the proceeds that the City received from the American Rescue Plan Act which will fund various infrastructure improvements. The City received a total of \$6,644,511. Revenue in this fund is recognized as funds are expended which results in a zero ending fund balance. The City expended \$2,445,511 which is offset by revenue in the same amount which leaves an amount of \$4,199,000 to be used in subsequent years.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City accounts for business-type activities in the Solid Waste enterprise fund. The City utilizes governmental activities internal service funds to account for risk management services and medical insurance.

Solid Waste Fund. Unrestricted net position of the Solid Waste Fund at the end of the year amounted to \$115,975. The total decrease in net position for the Solid Waste Fund was \$345,233 compared to \$59,068 decrease in the prior year. Total operating revenue increased by \$726,817 to \$5,129,955. Investment earnings decreased by \$29,617 compared to \$51,009 decrease in the prior year. Total expenses increased by \$1,038,283 to \$5,788,277.

Risk Management Fund. Unrestricted net position of the risk management fund increased in the amount of \$169,635 from \$1,171,906 to \$1,341,541 as compared to a prior year increase in the amount of \$27,902. Total operating revenues increased by \$107,893 to \$1,655,115 while total operating expenses decreased by \$61,452 to \$1,459,876. Investment earnings decreased by \$26,802 as well.

Medical Insurance Fund. The Medical Insurance Fund is an internal service fund created to account for the amounts charged to the City and its employees to pay for the medical insurance plan. The City's medical insurance plan is a fully insured medical plan that is funded through the carrier as a shared return minimum premium arrangement. Funding to the medical insurance fund is based on the City's maximum exposure on the policy. Expenses reflect actual claims and administrative costs. Charges for services and investment earnings amounted to \$7,756,189 and operating expenses amounted to \$7,757,419 resulting in a decrease in net position of \$1,230 (as compared to a decrease of \$41,822 in the prior year) yielding a negative net position of \$40,603 at year-end.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City employs an annual mid-year budget process in order to realign appropriations made during the annual budget process with significant unexpected trends. This process ensures adjustments facilitating appropriations are aligned with expected resources. Additionally, the ordinance adopting the City's budget allows the Finance Director to amend the budget to: (1) reflect grant appropriations and expenditures upon receipt of an executed grant award document and/or intergovernmental agreement; and (2) reflect donation/contribution revenues and expenditures upon receipt of donation/contribution. Differences between the original budget and final amended budget are summarized as follows:

- During the year, there was an increase in total budgeted revenues in the amount of \$2,774,005 which consisted in part of increases of \$1,649,642 for property taxes, \$549,473 for sales and use taxes, and \$280,160 for Intergovernmental revenues. Total budgeted expenditures increased by \$2,774,005 from the beginning of the year consisting of an increase to total Public Safety for \$1,526,258, Public Works for \$354,860, Community Development for \$665,493, and Culture and Recreation for \$473,089. General Government budgeted expenditures decreased for \$267,970.
- Property taxes were \$2,381,804 more than budgeted, sales and uses taxes were \$4,303,362 more than budgeted, other taxes were \$1,136,510 more than budgeted. Fines and forfeitures were also \$918,013 more than budgeted. However, investment earnings were \$794,350 less than budgeted. The net result of all the revenue variances was that actual total revenues exceeded final budget total revenues by \$8,800,313.
- Total actual expenditures were \$3,338,010 less than final budgeted total expenditures. Management continues to work with department heads to ensure only necessary purchases are made and to ensure departments do not exceed budget appropriations, which generates a budget conscious atmosphere throughout the City. Among departments with larger favorable variances in expenditures were General Government which expended \$997,790 less than final budget, Public Safety which expended \$1,176,495 less than final budget, and Public Works which expended \$523,919 less than final budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Alpharetta's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$340,104,182 (net of accumulated depreciation). This investment in capital assets includes land and permanent improvements, buildings, improvements other than buildings, machinery and equipment, and infrastructure (park facilities, roads, highways, and bridges).

Larger additions to Capital Assets include:

- Additions to construction in progress for Kimball Bridge Road Improvements (\$2,688,214)
- Additions to construction in progress for Webb Bridge Road Improvements (\$1,388,727)
- Additions to construction in progress for Equestrian Center Improvements (\$940,878)
- Additions to construction in progress for North Point Parkway Improvements (\$847,669)
- Additions to construction in progress for Windward Parkway Improvements (\$741,208)

	CITY OF ALPHARETTA'S CAPITAL ASSETS	
	(net of depreciation)	
	<i>Governmental Activities</i>	
	2022	2021
Land and permanent improvements	\$94,979,917	\$92,882,328
Buildings	59,248,865	58,062,040
Improvements other than buildings	13,967,682	15,075,082
Machinery and equipment	10,180,329	7,904,296
Infrastructure	103,304,869	108,118,562
Construction in progress	58,422,520	52,738,076
Total	\$340,104,182	\$334,780,384

Additional information of the City's capital assets can be found in note IV.C on pages 54 through 55 of this report.

Long-term debt. At the end of the fiscal year 2022, the City's total outstanding debt was \$139,843,270. Total outstanding debt consists of \$134,602,977 of bonds, and \$5,240,293 of financed purchases payable.

	CITY OF ALPHARETTA'S OUTSTANDING DEBT	
	General Obligation Bonds and Notes	
	<i>Governmental Activities</i>	
	2022	2021
General obligation bonds	\$108,047,699	\$81,251,480
Revenue Bonds	26,555,278	27,422,724
Financed purchases payable	5,240,293	3,881,210
Total	\$139,843,270	\$112,555,414

The City's total debt increased by \$27,287,856 during the 2022 fiscal year (includes bond debt and capital leases) primarily due to the issuance of 2022 General Obligation Construction bonds. The City currently has an uninsured "AAA" rating from Standard & Poor's and an "Aaa" rating from Moody's for its general obligation debt. Keys to such elite ratings are a result of strong and proactive administration; effective debt management policies with moderate to low debt ratios; a vibrant and diverse economy; and a strong track

record of managing the financial positions supported by sufficient reserves established policies that guide management practices. State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation, less current debt issued. The City's outstanding obligation debt is significantly less than the legal debt limitation of \$683,511,318.

Additional information on the City's long-term debt can be found in note IV.E on pages 58 through 61 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Alpharetta, like many cities in our region and throughout the world, is in the midst of multiple disruptive economic pressures. As quickly as the COVID-19 pandemic and its associated social distancing measures drove a decline in economic activity, the current phase of post-lockdown economic activity coupled with Federal stimulus has resulted in a spike of economic growth. This strong economic growth can be witnessed in our revenue trends as well as our expenditure trends which seek to meet a spiking service demand from our customers while also covering unprecedented inflationary (e.g., labor costs) and market-based cost pressures (e.g., fuel, steel, concrete, wood, etc.).

Today, more than ever, governments need to be nimble to respond to market conditions.

Alpharetta's 2023 budget is focused on responding to market conditions in a prudent manner including maintaining a competitive compensation package for its staff and keeping up with market prices from our private service providers.

In light of the current economic challenges and its impact on City resources, staff has compiled a budget in line with our guiding principles that accomplishes the following:

- Tax-burden reductions for our homeowners in excess of \$5.4 million annually.
- Maintenance of the City's millage rate at 5.750 mills (flat with FY 2022) while covering debt service on the newly issued 2022 General Obligation Parks Bond.
- Focus on meeting spiking service demand (e.g., recreation programs) with the same high service levels our citizenry, business owners, and stakeholders expect from our City. This includes alignment of departmental operating budgets to ensure competitive compensation packages for staff and sufficient funding for private service providers.
- Capital investment focused on maintaining and improving City infrastructure and assets (\$22.9 million when including potential grant sources) while reserving sufficient funds to provide flexibility for future prioritized capital investment (\$2.6 million).



FINANCIAL SECTION

Basic Financial Statements



CITY OF ALPHARETTA
STATEMENT OF NET POSITION

June 30, 2022

	<i>Primary Government</i>		
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>
ASSETS			
Cash and cash equivalents	\$79,457,538	\$927,767	\$80,385,305
Investments	38,347,718	1,049,889	39,397,607
Receivables, net of allowance for uncollectibles	7,778,756	278,551	8,057,307
Prepaid items	297,349	—	297,349
Restricted cash equivalents	30,770,919	—	30,770,919
Net OPEB asset	466,932	—	466,932
Capital assets, non-depreciable	153,402,437	—	153,402,437
Capital assets, depreciable, net of accumulated depreciation	186,701,745	—	186,701,745
Total assets	497,223,394	2,256,207	499,479,601
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding	237,145	—	237,145
Pension related items	14,975,673	—	14,975,673
OPEB related items	126,290	—	126,290
Total deferred outflows of resources	15,339,108	—	15,339,108
LIABILITIES			
Accounts payable and other current liabilities	9,447,308	483,861	9,931,169
Unearned revenue	4,199,000	1,656,149	5,855,149
Interest payable	589,062	—	589,062
Noncurrent liabilities:			
Bonds payable, due within one year	3,870,000	—	3,870,000
Bonds payable, due in more than one year	130,732,977	—	130,732,977
Financed purchases payable, due within one year	798,495	—	798,495
Financed purchases payable, due in more than one year	4,441,798	—	4,441,798
Net pension liability, due in more than one year	29,150,619	—	29,150,619
Other noncurrent liabilities, due within one year	4,020,099	222	4,020,321
Other noncurrent liabilities, due in more than one year	900,935	—	900,935
Total liabilities	188,150,293	2,140,232	190,290,525
DEFERRED INFLOWS OF RESOURCES			
Pension related items	1,040,382	—	1,040,382
OPEB related items	327,295	—	327,295
Total deferred inflows of resources	1,367,677	—	1,367,677
NET POSITION			
Net investment in capital assets	229,294,901	—	229,294,901
Restricted for:			
Capital projects	50,879,569	—	50,879,569
Tourism	1,143,173	—	1,143,173
Debt service	1,095,855	—	1,095,855
Law enforcement	340,977	—	340,977
Emergency telephone activities	2,616,736	—	2,616,736
Unrestricted	37,673,321	115,975	37,789,296
Total net position	\$323,044,532	\$115,975	\$323,160,507

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

CITY OF ALPHARETTA
STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2022

Functions/Programs	<i>Net (Expense) Revenue and Changes in Net Position</i>						
	Expenses	Program Revenues			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$15,956,849	\$45,823	\$139,805	\$ —	\$(15,771,221)	\$ —	\$(15,771,221)
Public safety	38,314,600	8,639,005	37,636	—	(29,637,959)	—	(29,637,959)
Public works	26,051,729	—	71,642	943,692	(25,036,395)	—	(25,036,395)
Community development	8,716,191	6,334,158	1,500	784,421	(1,596,112)	—	(1,596,112)
Culture and recreation	8,069,132	2,575,059	92,672	—	(5,401,401)	—	(5,401,401)
Interest on long-term debt	3,127,954	—	—	—	(3,127,954)	—	(3,127,954)
Total governmental activities	100,236,455	17,594,045	343,255	1,728,113	(80,571,042)	—	(80,571,042)
Business-type activities:							
Solid waste	5,788,277	5,129,955	—	—	—	(658,322)	(658,322)
Total business-type activities	5,788,277	5,129,955	—	—	—	(658,322)	(658,322)
Total primary government	\$106,024,732	\$22,724,000	\$343,255	\$1,728,113	\$(80,571,042)	\$(658,322)	\$(81,229,364)
General revenues:							
Property taxes					35,491,615	—	35,491,615
Sales taxes					34,444,987	—	34,444,987
Franchise taxes					6,634,631	—	6,634,631
Hotel/Motel occupancy taxes					7,940,764	—	7,940,764
Business taxes					6,276,971	—	6,276,971
Other taxes					4,186,760	—	4,186,760
Gain on sale of assets					93,964	—	93,964
Unrestricted investment earnings (losses)					(779,913)	(27,994)	(807,907)
Total general revenues					94,289,779	(27,994)	94,261,785
Change in net position					13,718,737	(686,316)	13,032,421
Net position, beginning of year					309,325,795	802,291	310,128,086
Net position, end of year					\$323,044,532	\$115,975	\$323,160,507

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

CITY OF ALPHARETTA
BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2022

	General	Capital Project	2017 TSPLOST Capital Fund	2022 Bond Construction Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$19,496,422	\$4,830,322	\$44,410,677	\$ —	\$2,258,840	\$6,990,018	\$77,986,279
Investments	21,874,670	5,123,751	23,199	—	2,556,171	7,472,125	37,049,916
Taxes receivable, net	3,259,033	—	—	—	—	975,208	4,234,241
Accounts receivable, net	301,883	—	—	—	—	628,530	930,413
Intergovernmental	15,143	288,530	—	—	—	1,554,775	1,858,448
Due from other funds	2,762,506	—	—	—	—	—	2,762,506
Restricted cash equivalents	—	—	—	29,311,600	—	1,459,319	30,770,919
Total assets	\$47,709,657	\$10,242,603	\$44,433,876	\$29,311,600	\$4,815,011	\$19,079,975	\$155,592,722
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$2,332,299	\$1,360,133	\$843,774	\$33,656	\$591,111	\$522,821	\$5,683,794
Contracts payable	—	—	—	—	24,900	690,883	715,783
Retainage payable	—	281,118	100,028	—	—	133,610	514,756
Accrued liabilities	1,994,780	—	—	—	—	517,277	2,512,057
Unearned revenue	—	—	—	—	4,199,000	—	4,199,000
Due to other funds	—	—	1,900,295	1,945	—	860,266	2,762,506
Total liabilities	4,327,079	1,641,251	2,844,097	35,601	4,815,011	2,724,857	16,387,896
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	433,571	—	—	—	—	75,025	508,596
Unavailable revenue - other	61,388	—	—	—	—	144,400	205,788
Total deferred inflows of resources	494,959	—	—	—	—	219,425	714,384
FUND BALANCES							
Restricted for:							
Capital projects	—	302,217	41,589,779	29,275,999	—	8,742,056	79,910,051
Law enforcement	—	—	—	—	—	340,977	340,977
Emergency telephone activities	—	—	—	—	—	2,616,736	2,616,736
Tourism	—	—	—	—	—	1,143,173	1,143,173
Debt service	—	—	—	—	—	1,095,855	1,095,855
Assigned for:							
Grant projects	—	—	—	—	—	265,456	265,456
Capital projects	—	8,299,135	—	—	—	1,716,691	10,015,826
Economic development	—	—	—	—	—	214,749	214,749
Fiscal year 2023 budget	12,639,800	—	—	—	—	—	12,639,800
Unassigned	30,247,819	—	—	—	—	—	30,247,819
Total fund balances	42,887,619	8,601,352	41,589,779	29,275,999	—	16,135,693	138,490,442
Total liabilities, deferred inflows of resources, and fund balances	\$47,709,657	\$10,242,603	\$44,433,876	\$29,311,600	\$4,815,011	\$19,079,975	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	340,104,182
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows in the governmental funds.	714,384
Internal service funds are used by the City to charge costs to other funds. The assets and liabilities are included in the government activities.	1,300,938
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(142,913,362)
Prepaid items are costs applicable to future periods and, therefore, are not reported in governmental funds.	297,349
Net pension liability is not due and payable in the current period and is, therefore, not reported in governmental funds, along with deferred inflows/outflows to the Plan.	(15,215,328)
Net OPEB asset is not collectible in the current period and is, therefore, not reported in governmental funds, along with deferred inflows/outflows to the Plan.	265,927
Net position of governmental activities	\$323,044,532

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

CITY OF ALPHARETTA
**STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES**
 GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022

	General	Capital Project	2017 T-SPL/OST Capital Fund	2022 Bond Construction Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes:							
Property taxes	\$30,128,446	\$ —	\$ —	\$ —	\$ —	\$5,256,236	\$35,384,682
Sales and use taxes	20,552,835	—	10,176,155	—	—	3,715,997	34,444,987
Other taxes	17,098,362	—	—	—	—	7,940,764	25,039,126
Licenses and permits	3,253,437	—	—	—	—	—	3,253,437
Charges for services	4,028,980	—	—	—	—	3,502,209	7,531,189
Impact fees	—	—	—	—	—	1,939,187	1,939,187
Fines and forfeitures	2,974,013	—	—	—	—	267,522	3,241,535
Intergovernmental	433,160	472,873	—	—	2,445,511	2,733,166	6,084,710
Contributions and donations	102,115	784,421	—	—	—	63,442	949,978
Investment earnings (losses)	(604,350)	(117,437)	93,181	56,202	—	(207,509)	(779,913)
Other revenues	100,085	137,627	—	—	—	115,960	353,672
Total revenues	78,067,083	1,277,484	10,269,336	56,202	2,445,511	25,326,974	117,442,590
Expenditures							
Current:							
General government	10,724,748	—	—	—	—	168,088	10,892,836
Public safety	31,541,940	—	—	—	—	5,861,435	37,403,375
Public works	8,853,637	—	—	—	—	2,101,255	10,954,892
Community development	4,081,290	—	—	—	—	3,767,459	7,848,749
Culture and recreation	10,281,113	—	—	—	—	70,900	10,352,013
Capital outlay	—	8,884,307	3,037,888	286,059	2,445,511	6,677,276	21,331,041
Debt service:							
Principal	799,316	35,745	—	—	—	3,298,206	4,133,267
Interest and fiscal charges	166,216	1,052	—	—	—	3,287,421	3,454,689
Bond issuance costs	—	—	—	368,549	—	—	368,549
Total expenditures	66,448,260	8,921,104	3,037,888	654,608	2,445,511	25,232,040	106,739,411
Excess (deficiency) of revenues over expenditures	11,618,823	(7,643,620)	7,231,448	(598,406)	—	94,934	10,703,179
Other financing sources (uses):							
Proceeds from sale of capital assets	103,210	17,100	—	—	—	—	120,310
Issuance of bonds	—	—	—	27,335,000	—	—	27,335,000
Premium on issuance of bonds	—	—	—	2,539,405	—	—	2,539,405
Financed purchases	—	726,645	—	—	—	1,565,705	2,292,350
Transfers in	2,975,786	5,966,799	—	—	—	1,520,000	10,462,585
Transfers out	(7,486,799)	—	—	—	—	(2,975,786)	(10,462,585)
Total other financing sources (uses)	(4,407,803)	6,710,544	—	29,874,405	—	109,919	32,287,065
Net change in fund balances	7,211,020	(933,076)	7,231,448	29,275,999	—	204,853	42,990,244
Fund balances, beginning of year	35,676,599	9,534,428	34,358,331	—	—	15,930,840	95,500,198
Fund balances, end of year	\$42,887,619	\$8,601,352	\$41,589,779	\$29,275,999	\$ —	\$16,135,693	\$138,490,442

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds	\$42,990,244
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,922,547
The net effect of various miscellaneous transactions involving capital assets (i.e. donations and sales) is to increase net position.	401,251
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(4,008,959)
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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(27,347,142)
Internal service funds are used by management to charge the costs of insurance plans and workers' compensation insurance to individual funds. The net expense of the internal service funds is reported with governmental activities.	168,405
Prepaid items are costs applicable to future periods and, therefore, are not reported in the governmental funds.	41,368
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.	(3,448,977)
Change in net position - governmental activities	\$13,718,737

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

CITY OF ALPHARETTA
STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

June 30, 2022

ASSETS	<i>Business-type Activities - Enterprise Fund</i>	<i>Governmental Activities</i>
	<i>Solid Waste Fund</i>	<i>Internal Service Funds</i>
CURRENT ASSETS		
Cash and cash equivalents	\$927,767	\$1,471,259
Investments	1,049,889	1,297,802
Accounts receivable, net of allowance for uncollectibles	278,551	755,654
Total assets	2,256,207	3,524,715
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	481,388	20,918
Accrued salaries	2,473	—
Unearned revenue	1,656,149	—
Compensated absences payable	222	—
Claims payable, due within one year	—	1,682,468
Total current liabilities	2,140,232	1,703,386
NON-CURRENT LIABILITIES		
Claims payable, due in more than one year	—	520,391
Total noncurrent liabilities	—	520,391
Total liabilities	2,140,232	2,223,777
NET POSITION		
Unrestricted	115,975	1,300,938
Total net position	\$115,975	\$1,300,938

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

CITY OF ALPHARETTA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2022

	<i>Business-type Activities - Enterprise Fund</i>	<i>Governmental Activities</i>
	<i>Solid Waste Fund</i>	<i>Internal Service Funds</i>
OPERATING REVENUES		
Charges for services:		
Refuse collection charges	\$5,054,930	\$ —
Charges for service	—	9,366,088
Miscellaneous revenue	75,025	45,216
Total operating revenues	5,129,955	9,411,304
OPERATING EXPENSES		
Administration	5,788,277	98,438
Claims and judgements	—	6,375,437
Premiums	—	2,743,420
Total operating expenses	5,788,277	9,217,295
Operating income (loss)	(658,322)	194,009
NON-OPERATING REVENUES (EXPENSES)		
Investment earnings	(27,994)	(25,604)
Total non-operating revenues	(27,994)	(25,604)
Change in net position	(686,316)	168,405
NET POSITION, beginning of year	802,291	1,132,533
NET POSITION, end of year	\$115,975	\$1,300,938

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

CITY OF ALPHARETTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2022

	<i>Business-type Activities - Enterprise Fund</i>	<i>Governmental Activities</i>
	<i>Solid Waste Fund</i>	<i>Internal Service Funds</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$5,408,708	\$8,872,418
Payments to vendors/suppliers	(6,117,554)	(2,755,837)
Payments on claims	—	(6,153,112)
Payments to employees	(79,439)	—
Net cash used in operating activities	(788,285)	(36,531)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	18,607	(472,206)
Purchase of investments	—	175,589
Interest and dividends received	(27,994)	(25,604)
Net cash used in investing activities	(9,387)	(322,221)
Decrease in cash and cash equivalents	(797,672)	(358,752)
Cash and cash equivalents, beginning of year	1,725,439	1,830,011
Cash and cash equivalents, end of year	\$927,767	\$1,471,259
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating loss	\$(658,322)	\$194,009
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Increase in accounts receivable	(33,349)	—
Increase in due from other funds	—	(538,886)
Decrease in accounts payable	(408,903)	(12,417)
Increase in other accrued liabilities	312,367	—
Decrease in compensated absence	(78)	—
Increase in claims payable	—	320,763
Net cash provided by operating activities	\$(788,285)	\$(36,531)

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

CITY OF ALPHARETTA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

June 30, 2022

ASSETS	<u>Fiduciary Funds</u>
Cash	\$235,119
Accounts receivable	272,935
Investments:	
Money Market Funds	1,886,611
U.S. Treasuries	4,645,184
U.S. Agencies	8,311,997
Corporate and Foreign Agencies	9,663,895
Common Equity Securities	62,963,693
Preferred Equity Securities	16,395
Equity Mutual Funds	1,091,997
Exchange Traded Funds	56,758
Total assets	89,144,584
LIABILITIES	
Accounts payable	602,812
Total liabilities	602,812
NET POSITION	
Restricted for:	
Pensions	82,922,112
Post-employment benefits other than pensions	5,619,660
Net position restricted for retiree benefits	\$88,541,772

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

CITY OF ALPHARETTA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2022

	<i>Fiduciary Funds</i>
ADDITIONS	
Contributions:	
Employee contributions	\$312,555
Employer contributions	3,537,553
Total contributions	3,850,108
Investment income:	
Net depreciation of fair value of investments	(15,329,912)
Interest and dividends	2,524,976
Less investment expense	(531,339)
Net investment loss	(13,336,275)
Total additions	(9,486,167)
DEDUCTIONS	
Benefit payments	3,649,827
Administrative expenses	243,353
Total deductions	3,893,180
Change in net position	(13,379,347)
NET POSITION RESTRICTED FOR RETIREE BENEFITS	
Beginning of year	101,921,119
End of year	\$88,541,772

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

NOTES TO THE FINANCIAL STATEMENTS June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Alpharetta (the "City"), which was founded in 1858, operates under a charter adopted July 1, 1981, 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, parks and recreation amenities, sanitation services, and public works. The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable.

Blended component unit. The Development Authority of Alpharetta (the "Authority") promotes the industrial and economic development of the City. The Authority is legally separate from the City; however, the City appoints all of the Authority's Board members, and the City is obligated to fund a significant portion of the debt of the Authority through intergovernmental agreements. Separate financial statements for the Development Authority are not prepared.

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 unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

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

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 proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the fiscal year for which they are levied. As such, property tax revenues are recognized in the current fiscal year for the previous tax year's levy. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal year. 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.

Property taxes received up to sixty days after fiscal year end, local option sales tax, franchise taxes, intergovernmental revenues, and other various taxes coupled with licenses, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The **Capital Project Fund** accounts for the acquisition of capital expenditures greater than \$25,000 funded by sources other than general obligation bond proceeds from governmental funds.

The **Transportation Special Purpose Local Option Sales Tax (T-SPLOST) 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.

The **2022 Bond Construction Fund** is used to account for the 2022 General Obligation Bond proceeds for the acquisition and construction of parks and greenways.

The **American Rescue Plan Fund** is used to account for the grant money received under the American Rescue Plan Act in response to COVID-19.

The City reports the following major proprietary fund:

The **Solid Waste Fund** accounts for the activities associated with the collection of residential garbage, including recyclables, non-recyclables, and yard waste. Activity is rendered on a user charge basis.

The City also reports the following fund types:

The **special revenue funds** account for specific revenues, such as confiscations/forfeitures, hotel/motel tax revenues, impact fee revenues, various grants and contributions, development authority operations, and charges for operation of the City's Emergency 911 system, all of which are legally restricted or committed to expenditures for particular purposes.

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

The **capital project funds** account for the capital projects expenditures as they relate to proceeds from capital grants, transportation special purpose local option sales tax, 2016 general obligation bonds, and transfers from other funds of the City.

The **internal service funds** account for operations that provide services to other departments or agencies of the City on a cost reimbursement basis. The City uses the internal service funds to account for risk management and medical insurance.

The **pension and other employee benefit trust funds** are used to account for the accumulation of resources to be used for retirement annuity payments and employer portion of retiree health insurance premiums, at appropriate amounts and times in the future. Resources are contributed by the City at rates determined by actuarial computations as well as by employees for one of the plans.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund consists of administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND EQUITY

1. Cash, cash equivalents, 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.

State statutes authorize the City to invest in obligations issued by the United States Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the Georgia local government investment pool, repurchase agreements, and obligations of other political subdivisions of the state.

Investments for the City are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The City limits investments through policy to obligations issued by the United States Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, and obligations of any corporation of the U.S. Government.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All property tax receivables are shown net of an allowance for uncollectibles. Property taxes are levied on assessed property values as of January 1. The levy date is the date that the millage rate is set by the City Council and occurs on or about June 15. Tax notices are then mailed on or about October 1 of each year and are due 60 days from the billing date. The billings are considered past due if the payment is not rendered within the 60 day period after the respective tax billing date, at which time penalties and interest are assessed. Delinquent tax payments subject the property to lien. The City bills and collects its own property taxes.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods. These payments are accounted for using the purchases method and are recognized as expenditures in the fund financial statements when payment is made, and are recognized as prepaid items in the government-wide financial statements.

4. Restricted assets

Proceeds of the 2016 Series Bond Construction Issue and the 2022 Series Bond Construction Issue are classified as restricted assets on the balance sheet because they are maintained in a separate bank account and their use is limited by applicable bond covenants. The "bond construction" account is used to report those proceeds that are restricted for use in the construction of voter approved projects.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) 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 reports all infrastructure assets that it currently owns and has a responsibility for maintaining on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated acquisition value of the item at the date of its donation.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Buildings5 - 50
Improvements other than buildings7 - 45
Infrastructure	5 - 100
Machinery and equipment5 - 20

Estimated useful lives are adjusted by category according to asset longevity to ensure classes of assets are not fully depreciated and still in use.

6. Deferred outflows/inflows of resources

In addition to liabilities, the financial statements 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 one item that qualifies for reporting in this category. The item occurs only in the governmental funds and is reported as unavailable revenues from property taxes and other sources. These deferred inflows are unavailable and will be recognized as an inflow of resources in the period in which the amounts become available.

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. A deferred charge on refunding is reported as a deferred outflow of resources in the government-wide statement of net position for governmental activities. 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 remaining life of the refunded debt or the refunding debt.

The City has deferred inflows and outflows related to the recording of changes in its net pension and net OPEB liability (asset). Certain changes in the net pension and net OPEB liability (asset) are recognized as plan expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability and net OPEB liability (asset) for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into

plan expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability and the net OPEB liability (asset) are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into plan expense over the expected remaining service lives of Plan members. The difference between projected investment return on plan investments and actual return on those investments is also deferred and amortized against plan expense over a five year period.

7. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused paid time off benefits. All paid time off pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Long-term obligations

In the government-wide financial statements, and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. 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 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.

9. Pensions

The City of Alpharetta's Pension Plan (the "Plan") uses a single fiduciary fund to maintain its financial records. The fiduciary fund is accounted for on a flow of economic resources measurement focus. Revenues are recognized when earned and expenses are recognized at the time they are incurred. Employer contributions are recognized when due and employee contributions are recognized when due as deductions from the employees' payroll. Benefit payments are recognized when due and payable in accordance with the terms of the Plan. Contribution refunds are recognized when due and payable in accordance with the terms of the Plan and City procedures for termination.

10. OPEB

The City of Alpharetta's Postemployment Healthcare Benefits Plan (the "PHCB Plan") uses separate fiduciary funds to maintain the financial records of the OPEB Health Benefit Plan and the Retirement Reimbursement Plan. The fiduciary fund is accounted for on a flow of economic resources measurement focus. Revenues are recognized when earned and expenses are recognized at the time they are incurred. Employer contributions are recognized when due and employee contributions are recognized when due as deductions from the employees' payroll. Benefit payments are recognized when due and payable in accordance with the terms of the PHCB Plan. Contribution refunds are recognized when due and payable in accordance with the terms of the PHCB Plan and City procedures for termination.

11. 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, liabilities, and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific 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 a formal vote of the City Council. Only the City Council may modify or rescind the commitment. The City's Council would effectively commit fund balance through the approval of an ordinance; however, there are no commitments as of the fiscal year ended June 30, 2022.

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. Pursuant to the Ordinance passed by the Council adopting the fund balance policy, the Council retains the authority to assign fund balances for specific purposes.

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. The City, by ordinance, has created a minimum fund balance policy to be no less than 16% of the next fiscal year's budgeted expenditures, in order to maintain adequate reserves to cover unforeseen emergencies and/or revenue shortfalls. Current budgetary practice has been to reserve at least 21% for such purposes or an amount equal to 2.5 months of operating expenditures.

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, (3) Unassigned.

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

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

12. Management 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 amount of assets, deferred outflows of resources, deferred inflows of resources, and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

II. RECONCILIATION OF GOVERNMENT-WIDE 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 \$142,913,362 difference are as follows:

Bonds payable	\$(125,935,000)
Plus: Issuance premium	(8,667,977)
Deferred charge on refunding	525,020
Deferred gain on refunding	(287,875)
Financed purchases payable	(5,240,293))
Accrued interest payable	(589,062)
Compensated absences	(2,718,175)
<hr/>	
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$(142,913,362)

Another element of that reconciliation explains that “Net pension liability is not due and payable in the current period and is therefore not reported in governmental funds, along with related amounts.” The details of this \$15,215,328 difference are as follows:

Net pension liability	\$(29,150,619)
Deferred outflows of resources:	
Assumption changes in plan	5,614,105
Net difference between projected and actual investment earnings - pensions	9,361,568
Deferred inflows of resources:	
Difference between expected and actual experience	(958,530)
Assumption changes in plan	(81,852)
<hr/>	
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$(15,215,328)

Another element of that reconciliation explains that “Net OPEB liability (asset) is not due and payable in the current period and is therefore not reported in governmental funds, along with related amounts.” The details of this \$265,927 difference are as follows:

Net OPEB asset	\$466,932
Deferred outflows of resources:	
Difference between expected and actual experience	9,515
Assumption changes in plan	81,889
Net difference between projected and actual investment earnings - OPEB	34,886
Deferred inflow of resources:	
Difference between expected and actual experience	(154,255)
Assumption changes in plan	(173,040)
<hr/>	
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$265,927

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes 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.” The details of this \$4,922,547 difference are as follows:

Capital outlay	\$15,267,405
Depreciation expense	(10,344,858)
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$4,922,547

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., donations and sales) is to increase net position.” The details of this \$401,251 difference are as follows:

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.	\$(26,346)
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not current financial resources.	427,597
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$401,251

Another element of that 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 \$3,448,977 difference are as follows:

Compensated absences	\$117,217
Accrued interest	(8,938)
OPEB expense	19,063
Pension expense	3,321,635
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$3,448,977

Another element of that reconciliation states that “The issuance of long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$27,347,142 difference are as follows:

Principal repayments:	
General obligation bonds	\$3,200,000
Financed purchase payable	933,267
Issuance of bonds	(27,335,000)
Premium from issuance of bonds	(2,539,405)
Issuance of financed purchases	(2,292,350)
Amortization of deferred gain on refunding	71,969
Amortization of deferred charges on refunding	(131,255)
Amortization of bond premium	745,632
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$(27,347,142)

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects fund, which adopts a project-length budget. All annual appropriations lapse at fiscal year-end.

The appropriated budget is prepared by fund, department, and function. The City's department heads may make transfers of appropriations within departmental accounts of a specific fund. Transfers of appropriations between departments require the approval of the Council. 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.

The Council made supplemental budgetary appropriations during a mid-year review process. These changes are reflected in the budget and actual comparison schedules.

The following General Fund's department and special revenue fund had excesses of actual expenditures over appropriations for the fiscal year ended June 30, 2022:

General Fund	
Legal	\$312,905
Confiscated Assets Fund.	53,514
	<hr/>

These over expenditures were funded by greater than anticipated revenues and by available fund balance.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at fiscal year-end are not reported as reservations of fund balances and do not constitute expenditures or liabilities in governmental funds, except for the capital projects funds, because the commitments will be honored during the subsequent fiscal year from newly appropriated funds during the budget process.

IV. DETAILED NOTES ON ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Primary government

In accordance with the City's Cash and Investment Management Policies, safety of principal is the foremost objective of the investment program. As a result, credit risk and investment rate risk are aggressively mitigated. To the extent possible, the City shall attempt to match investments with anticipated cash flow requirements. Any investment exceeding a five (5) year maturity must be disclosed to the City Council in writing.

As a means of limiting exposure to credit risk, the risk of loss due to the failure of the security issuer or backer, the Government limits investments to obligations of the U.S. Government or obligations

explicitly guaranteed by the U.S. Government and those deposit-type items which can be collateralized at 110% of the face value. Additionally, investments held outside the pension plan must have a credit rating issued by a nationally recognized statistical rating organization (NRSROs) which is in the top category, i.e. "A3" or better from Moody's and "A-" or better from Standard & Poor's. All investments met these requirements.

As of June 30, 2022, the City of Alpharetta had the following cash equivalents and investments:

<i>Investment</i>	<i>Standard & Poor's Rating</i>	<i>Weighted Average Maturity</i>	<i>Fair Value</i>
Georgia Fund 1	AAAf	43 days	\$114,559,040
U.S. Treasuries	AA+	2.3 years	21,443,112
Mortgage Backed Securities	AA+	1.33 years	1,661,510
Fidelity Money Market Account	N/A	—	260,425
Deposits with financial institutions	N/A	—	12,629,744
Total			\$150,553,831
<i>As reported in the Statement of Net Position:</i>			
Cash and cash equivalents			\$80,385,305
Restricted cash and cash equivalents			30,770,919
Investments			39,397,607
Total			\$150,553,831

The investment in Georgia Fund 1 is reported as a cash equivalent.

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 City has the following recurring fair value measurements as of June 30, 2022:

<i>Investment</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Fair Value</i>
Fidelity Treasury money market			
Mutual fund	\$260,425	\$ —	\$260,425
U.S. Treasuries	—	21,443,112	21,443,112
Mortgage backed securities	—	1,661,510	1,661,510
Total investments by fair value level	\$260,425	\$23,104,622	\$23,365,047

The Fidelity Treasury Money Market Mutual Fund and the United States treasuries classified in Level 1 and Level 2, respectively, of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investment in the mortgage backed securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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

Through the structuring of the investment portfolio so that securities mature to meet cash requirements for ongoing operations, the City reduces exposure to interest rate risk. Interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, is also managed through the City's objective to hold investments until maturity. Meaning, the yield received on the life of the security for invested funds is greater than funds that are not invested due to an anticipated improvement to economic conditions.

The City's investment policy limits investments from any one issuer to no more than 5% of the total investment portfolio, excluding investments explicitly guaranteed by the U.S. Government. Thus, the City's concentration of investments into any single issuer is managed by expanding the exposure of the investment portfolio to multiple issuers.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Fitch's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. 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 month-

ly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

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 to be collateralized 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, all of the City's bank balances were insured or collateralized as defined by GASB and State statutes.

Pension Plan Trust Fund

The Pension Trust Fund's policy on authorized investments, including the proper asset allocation and benchmarking criteria, is established via an Investment Policy Statement (IPS) which is amended from time to time by the Board of Trustees. As permitted by state statutes, subject to certain limitations therein and within the IPS, the IPS generally authorizes the Pension Plan Trust Fund to invest in the following investments: cash and cash equivalents (including money market funds and stable value funds); investment grade domestic and international fixed income securities (government and corporate entity obligations, asset-backed securities, commercial paper or similar fixed income contracts); domestic and international equities (up to 75%); real estate investment trusts (REITs); and certain alternative investments (up to 5%). The Pension Plan Trust Fund may also invest in mutual funds, commingled funds, collective investment funds, common trusts, and group trusts as allowed by Georgia law.

The City's Pension Plan Trust Fund's policy specifies a target asset allocation mix to guide the pursuit of an optimal level of risk in relation to obtaining the long-term average annual return target of 7.50%. This asset allocation mix is as follows: Total Fixed Income targeted at 30%, with an acceptable range of 25% to 40%; Domestic Equities targeted at 50%, with an acceptable range of 36%

to 63%, International Equities targeted at 15%, with an acceptable range of 7.50% to 22.50%, Alternatives (Private Real Estate) targeted at 5%, with an acceptable range of 0% to 5%.

As of June 30, 2022, the Pension Plan Trust Fund had \$82,956,740 invested in the following types of investments:

<i>Investment</i>	<i>Fair Value</i>	<i>S&P Rating</i>
Money Market Funds	\$1,759,002	NR
U.S. Treasuries	4,210,180	NR
U.S. Government Agencies	8,311,997	NR
Corporate Bonds - Domestic	6,840,408	BBB- to A
Corporate Bonds - Foreign	457,132	BBB- to BB
Corporate Bonds - Variable	706,547	BBB- to A
Asset Backed Bonds	575,162	AA+ to AAA
Common Equity Securities	58,944,417	NR
Preferred Equity Securities	13,394	NR
Exchange Traded Funds	46,504	NR
Equity Mutual Funds	1,091,997	NR
Total	\$82,956,740	

N/A - these fund types are not rated.

<i>Investment</i>	<i>Fair Value</i>	<i>Average Maturity</i>
Money Market Funds	\$1,759,002	—
U.S. Treasuries	4,210,180	1.827
U.S. Government Agencies	8,311,997	3.481
Corporate Bonds - Domestic	6,840,408	2.612
Corporate Bonds - Foreign	457,132	0.216
Corporate Bonds - Variable	706,547	0.228
Asset Backed Bonds	575,162	0.087
Common Equity Securities	58,944,417	—
Preferred Equity Securities	13,394	—
Equity Mutual Funds	1,091,997	—
Exchanged Traded Funds	46,504	—
Total	\$82,956,740	

Equity securities, mutual funds, and exchange traded funds do not have a weighted average maturity

Credit risk: It is the Plan's policy to invest in the asset classes identified above by using open-ended mutual funds, exchange traded funds, or separately managed accounts. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P, or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Mutual funds invested in equities are also not classified by credit quality.

Concentration: On June 30, 2022, the Pension Plan Trust Fund did not have any debt or equity investments in any one organization,

other than those issued by the U.S. Government, which represented greater than 5% of Plan fiduciary net position.

Interest rate risk: The Pension Plan Trust Fund holds assets to collateralize the pension promises. The projected benefits extend out over 50+ years. The investment policy considers the duration of the assets and liabilities when managing interest rate risk in the bond portfolio. However, no formal policy to address potential fair value losses from rising interest rates has been adopted by the Board of Trustees.

Fair Value Measurements: The Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of June 30, 2022:

<i>Investment</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
Investments by Fair Value Level				
U.S. Treasuries	\$ —	\$4,210,180	\$ —	\$4,210,180
Money Market Funds	1,759,002	—	—	1,759,002
U.S Government Agencies	—	8,311,997	—	8,311,997
Common Equity Securities	58,855,693	88,724	—	58,944,417
Preferred Equity Securities	13,394	—	—	13,394
Equity Mutual Funds	1,091,997	—	—	1,091,997
Exchanged Traded Funds	46,504	—	—	46,504
Corporate and Foreign Bonds	—	8,579,249	—	8,579,249
Total investments by fair value level	\$61,766,590	\$21,190,150	\$ —	\$82,956,740

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Equity investments classified in Level 3 are valued using discounted cash flow techniques.

Rate of Return: For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on the Pension Trust Fund investments, net of investment expenses, was -13.10%. Over the trailing 3 year period through June 30, 2022, the Pension Fund's annualized money-weighted rate of return has averaged 4.00%/year net of investment expenses. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

OPEB Trust Fund

The OPEB Trust Fund's policy on authorized investments, including the proper asset allocation and benchmarking criteria, is established via an Investment Policy Statement (IPS) which is amended from time to time by the Board of Trustees. As permitted by state statutes, subject to certain limitations therein and within the IPS, the IPS generally authorizes the OPEB Trust Fund to invest in the following investments: cash and cash equivalents (including money market funds and stable value funds); investment grade domestic and international fixed income securities (government and corporate entity obligations, asset-backed securities, commercial paper or similar fixed income contracts); domestic and international equities (up to 75%); real estate investment trusts (REITs); and certain alternative investments (up to 5%). The OPEB Trust Fund may also

invest in mutual funds, commingled funds, collective investment funds, common trusts, and group trusts as allowed by Georgia law.

The City's Retiree Health Benefit Plan's policy specifies a target asset allocation mix to guide the pursuit of an optimal level of risk in relation to obtaining the long-term average annual return target of 7.50%. This asset allocation mix is as follows: Total Fixed Income targeted at 35%, with an acceptable range of 25% to 40%; Domestic Equities targeted at 50%, with an acceptable range of 35% to 65%, International Equities targeted at 15%, with an acceptable range of 10 to 25%.

As of June 30, 2022, the OPEB Plan Trust Fund had \$1,619,455 invested in the following types of investments:

<i>Investment</i>	<i>Fair Value</i>	<i>Rating</i>
Money Market Funds	\$24,595	NR
U.S. Treasuries	110,119	NR
Corporate Bonds - Domestic	234,419	A- to BBB-
Corporate Bonds - Foreign	9,035	A
Corporate Bonds - Variable	21,386	A- to BBB+
Asset Backed Bonds	19,555	AAA
Common Equity Securities	1,196,158	NR
Preferred Equity Securities	896	NR
Exchange Traded Funds	3,292	NR
Total	\$1,619,455	

N/A – these fund types are not rated.

<i>Investment</i>	<i>Fair Value</i>	<i>Average Maturity</i>
Money Market Funds	\$24,595	—
U.S. Treasuries	110,119	1.847
Corporate Bonds - Domestic	234,419	2.279
Corporate Bonds - Foreign	9,035	1.422
Corporate Bonds - Variable	21,386	2.804
Asset Backed Bonds	19,555	2.811
Common Equity Securities	1,196,158	—
Preferred Equity Securities	896	—
Exchange Traded Funds	3,292	—
Total	\$1,619,455	

Credit risk: It is the Plan's policy to invest in the asset classes identified above by using open-ended mutual funds, exchange traded funds, or separately managed accounts. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P, or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Mutual funds invested in equities are also not classified by credit quality.

Concentration: On June 30, 2022, the OPEB Plan Trust Fund did not have any debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented greater than 5% of OPEB Plan fiduciary net position.

Interest rate risk: The OPEB Plan Trust Fund holds assets to collateralize the OPEB promises. The projected benefits extend out over 50+ years. The investment policy considers the duration of the assets and liabilities when managing interest rate risk in the bond portfolio. However, no formal policy to address potential fair value losses from rising interest rates has been adopted by the Board of Trustees.

Fair Value Measurements. The Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of June 30, 2022:

<i>Investment</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
<i>Investments by Fair Value Level</i>				
U.S. Treasuries	\$ —	\$ 110,119	\$ —	\$110,119
Money Market Funds	24,595	—	—	24,595
Common Equity Securities	1,196,158	—	—	1,196,158
Preferred Equity Securities	896	—	—	896
Exchanged Traded Funds	3,292	—	—	3,292
Corporate and Foreign Bonds	—	284,395	—	284,395
Total investments by fair value level	\$1,224,941	\$394,514	\$ —	\$1,619,455

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Alternative and equity investments classified in Level 3 are valued using discounted cash flow techniques.

Rate of Return: For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on the Retiree Health Benefit Plan's investments, net of investment expenses, was -13.38%. Over the trailing 3 year period through June 30, 2022, the Health Benefit Plan Fund's annualized money-weighted rate of return has averaged 4.64%/year net of investment expenses. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

OPEB Retirement Reimbursement Plan Fund

The OPEB Retirement Reimbursement Trust Fund's policy on authorized investments, including the proper asset allocation and benchmarking criteria, is established via an Investment Policy Statement (IPS) which is amended from time to time by the Board of Trustees. As permitted by state statutes, subject to certain limitations therein and within the IPS, the IPS generally authorizes the OPEB Retirement Reimbursement Trust Fund to invest in the following investments: cash and cash equivalents (including money market funds and stable value funds); investment grade domestic and international fixed income securities (government and corporate entity obligations, asset-backed securities, commercial paper or similar fixed income contracts); domestic and international equities (up to 75%); real estate investment trusts (REITs); and certain alternative investments (up to 5%). The OPEB Retirement Reimbursement

Trust Fund may also invest in mutual funds, commingled funds, collective investment funds, common trusts, and group trusts as allowed by Georgia law.

The City's Retiree Health Reimbursement Plan's policy specifies a target asset allocation mix to guide the pursuit of an optimal level of risk in relation to obtaining the long-term average annual return target of 7.50%. This asset allocation mix is as follows: Total Fixed Income targeted at 35%, with an acceptable range of 25% to 40%; Domestic Equities targeted at 50%, with an acceptable range of 35% to 65%; International Equities targeted at 15%, with an acceptable range of 10% to 25%.

As of June 30, 2022, the OPEB Retirement Reimbursement Plan Trust Fund had \$4,060,335 invested in the following types of investments:

<i>Investment</i>	<i>Fair Value</i>	<i>S&P Rating</i>
Money Market Funds	\$103,014	NR
U.S. Treasuries	324,885	NR
Corporate Bonds - Domestic	669,967	BBB-
Corporate Bonds - Foreign	24,093	A
Corporate Bonds - Variable	59,258	BB+ to A-
Asset Backed Bonds	46,933	AAA
Common Equity Securities	2,823,118	NR
Preferred Equity Securities	2,105	NR
Exchanged Traded Funds	6,962	NR
Total	\$4,060,335	

NR – these fund types are not rated.

<i>Investment</i>	<i>Fair Value</i>	<i>Average Maturity</i>
Money Market Funds	\$103,014	—
U.S. Treasuries	324,885	1.768
Corporate Bonds - Domestic	669,967	2.289
Corporate Bonds - Foreign	24,093	1.422
Corporate Bonds - Variable	59,258	2.824
Asset Backed Bonds	46,933	2.811
Common Equity Securities	2,823,118	—
Preferred Equity Securities	2,105	—
Exchanged Traded Funds	6,962	—
Total	\$4,060,335	

Credit risk: It is the Plan's policy to invest in the asset classes identified above by using open-ended mutual funds, exchange traded funds, or separately managed accounts. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P, or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Mutual funds invested in equities are also not classified by credit quality.

Concentration: On June 30, 2022, the OPEB Plan Retirement Reimbursement Plan Trust Fund did not have any debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented greater than 5% of OPEB Retirement Reimbursement Plan fiduciary net position.

Fair Value Measurements. The OPEB Retirement Reimbursement Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of June 30, 2022:

<i>Investment</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
<i>Investments by Fair Value Level</i>				
U.S. treasuries	\$ —	\$324,885	\$ —	\$324,885
Money market funds	103,014	—	—	103,014
Common equity securities	2,823,118	—	—	2,823,118
Preferred equity securities	2,105	—	—	2,105
Exchanged traded funds	6,962	—	—	6,962
Corporate and foreign bonds	—	800,251	—	800,251
Total investments by fair value level	\$2,935,199	\$1,125,136	\$ —	\$4,060,335

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

Rate of Return: For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on the Retiree Health Reimbursement Plan's investments, net of investment expenses, was -13.51%. Over the trailing 3 year period through June 30, 2022, the Health Reimbursement Plan Fund's annualized money-weighted rate of return has averaged 3.76%/year net of investment expenses. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

B. RECEIVABLES

Receivables as of fiscal year-end for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<i>General</i>	<i>Capital Projects</i>	<i>Nonmajor</i>	<i>Solid Waste</i>
Receivables:				
Taxes	\$3,733,183	\$ —	\$975,208	\$ —
Accounts	874,728	—	628,530	386,916
Intergovernmental	15,143	288,530	1,554,775	—
Gross receivables	4,623,054	288,530	3,158,513	386,916
Less allowance for uncollectibles	(1,046,995)	—	—	(108,365)
Net total receivables	\$3,576,059	\$288,530	\$3,158,513	\$278,551

C. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

Primary Government

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Transfers</i>	<i>Ending Balance</i>
Governmental activities:					
Capital assets, not being depreciated:					
Land and permanent improvements	\$92,882,328	\$2,097,589	\$ —	\$ —	\$94,979,917
Construction in progress	52,738,076	10,121,867	—	(4,437,423)	58,422,520
Total assets, not being depreciated	145,620,404	12,219,456	—	(4,437,423)	153,402,437
Capital assets, being depreciated:					
Buildings	82,226,499	39,520	—	3,119,186	85,385,205
Improvements other than buildings	40,883,105	—	—	—	40,883,105
Machinery and equipment	26,851,749	3,320,416	(1,745,290)	1,318,237	29,745,112
Infrastructure	206,220,536	115,610	—	—	206,336,146
Total assets, being depreciated	356,181,889	3,475,546	(1,745,290)	4,437,423	362,349,568
Less accumulated depreciation for:					
Buildings	(24,164,459)	(1,971,881)	—	—	(26,136,340)
Improvements other than buildings	(25,808,023)	(1,107,400)	—	—	(26,915,423)
Machinery and equipment	(18,947,453)	(2,336,274)	1,718,944	—	(19,564,783)
Infrastructure	(98,101,974)	(4,929,303)	—	—	(103,031,277)
Total accumulated depreciation	(167,021,909)	(10,344,858)	1,718,944	—	(175,647,823)
Total assets, being depreciated, net	189,159,980	(6,869,312)	(26,346)	4,437,423	186,701,745
Governmental activities capital assets, net	\$334,780,384	\$5,350,144	\$(26,346)	\$ —	\$340,104,182

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

Governmental activities:	
General government	\$4,332,023
Public safety	2,252,858
Public works	2,015,735
Culture and recreation	256,687
Community development	1,487,555
Total depreciation expense - governmental activities	\$10,344,858

Construction Commitments

The City has active construction projects as of June 30, 2022. The projects include street construction in areas with high congestion and commute times, sidewalks and pedestrian pathways in areas previously void of such amenities, park improvements, and the construction of public safety and general administration facilities. At fiscal year end the City's commitments with contractors include:

<i>Project</i>	<i>Spent-to-Date</i>	<i>Remaining Commitment</i>
Park, recreation, and art improvements	\$1,470,672	\$1,004,228
Sidewalk and pedestrian projects	1,141,512	160,985
Street and transportation improvements	48,389,763	11,180,682
Public safety facilities	630,795	106,604
Machinery, equipment, and technology	13,630,688	1,178,298
Economic development	30,113	45,140
General administrative facilities	243,237	11,991
Total	\$65,536,780	\$13,687,928

The projects above are being financed primarily through the Capital Projects Fund, the 2016 Bond Construction Fund, the TSPLOST Fund, and using funding borrowed from the Development Authority. Expenditures have also been incurred in the E911 fund primarily for administrative facilities.

D. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of due to/from other fund balances as of June 30, 2022, is as follows:

<i>Receivable Fund</i>	<i>Payable Fund</i>	<i>Amount</i>
General Fund	TSPLOST Fund	\$1,900,295
General Fund	2017 T-SPLOST Fund	1,945
General Fund	Nonmajor governmental funds	860,266
		<u>\$2,762,506</u>

Interfund transfers for the fiscal year ended June 30, 2022:

<i>Transfer in</i>	<i>Transfer out</i>	<i>Amount</i>
General Fund	Nonmajor governmental funds	\$2,975,786
Capital Project Fund	General Fund	5,966,799
Nonmajor governmental funds	General Fund	1,520,000
		<u>\$10,462,585</u>

Transfers are used to 1) move revenues from the Hotel/Motel Fund to the General Fund to pay a portion of the debt service associated with the construction of the convention center, 2) move unrestricted General Fund revenues to finance local match requirements for various grants that the City must account for in other funds, and 3) move revenues from the General Fund to the Stormwater Capital Projects Fund to fund various projects within the fund.

E. LONG-TERM DEBT

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The general obligation bonds issued are for governmental activities. The original amount of general obligation bonds issued as of June 30, 2022 is \$113,660,000.

In 2014, the City issued \$17,695,000 of general obligation refunding bonds for the purpose of partially paying the outstanding balance of the 2006 general obligation bonds. The 2014 series were issued with an interest rate of 2.34% and a maturity date of May 1, 2026. The bonds are payable on May 1 and November 1, serially to fiscal year 2026.

The reacquisition price exceeded the net carrying amount of the old debt by \$1,706,316. This amount is being amortized over the remaining life of the refunded debt. The current balance of the deferred charge resulting from the reacquisition price exceeding the net carrying amount of the old debt is \$525,020. The advance refunding was undertaken to reduce total debt service payments by \$960,303 and resulted in an economic gain and a present value of cash flow savings of \$846,536. The bonds were called and paid in full in November 2016 and there are no outstanding balances at June 30, 2022.

In 2016, the City issued \$50,855,000 of general obligation bonds for the purpose of (i) financing the acquisition and construction of improvements, expansions and extension to roads, streets, and bridges (the "Transportation Projects"), (ii) financing the acquisition, construction, and renovations for parks, recreation and cultural facilities, sidewalks and greenways, and (iii) paying all or a portion of the costs of issuance. The 2016 Series were issued with interest rates of 2.00% - 5.00% and a maturity of May 1, 2041. The bonds are payable on May 1 and November 1.

In 2020, the City issued \$17,775,000 of general obligation bonds for the purpose of (i) refunding a portion of the \$29,000,000 in original aggregate principal amount of the City of Alpharetta, Georgia General Obligation Bonds, Series 2012 maturing in the years 2021 through and including 2032 and (ii) paying all or a portion of the costs of issuance incident thereto. The 2020 Series were issued with interest rates of 3.00% - 5.00% and a maturity of May 1, 2032. The bonds are payable on May 1 and November 1.

The net carrying amount of the old debt exceeds the reacquisition price by \$503,781. This amount is being amortized over the remaining life of the refunding debt. The current balance of the deferred gain resulting from the net carrying amount of the old debt exceeding the reacquisition price is \$287,875. The current refunding was undertaken to reduce total debt service payments by \$4,711,528 and resulted in an economic gain and a present value of cash flow savings of \$3,316,612. The bonds were called and paid in full in April 2020 and there are no outstanding balances at June 30, 2022.

In 2022, the City issued \$27,335,000 of general obligation bonds for the purpose of (i) financing the acquisition, construction, and renovations for parks, recreation and cultural facilities, sidewalks and greenways, and (ii) paying all or a portion of the costs of issuance incident thereto. The 2022 Series were issued with interest rates of 3.00% - 5.00% and a maturity of May 1, 2046. The bonds are payable on May 1 and November 1.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 25-year serial bonds with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<i>Purpose</i>	<i>Maturity</i>	<i>Interest Rates</i>	<i>Amount</i>
Partial Refunding of Series 2006 Bonds	May 2026	2.34%	\$7,185,000
Road, Parks and Recreation Improvements	May 2041	2.0 - 5.0%	48,270,000
Refunding of Series 2012	May 2032	3.0 - 5.0%	17,335,000
Road, Parks and Recreation Improvements	May 2046	3.0 - 5.0%	27,335,000
			<u>\$100,125,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Governmental Activities</i>	
	<i>Principal</i>	<i>Interest</i>
2023	\$3,015,000	\$3,575,457
2024	3,295,000	3,300,401
2025	3,420,000	3,188,099
2026	3,540,000	3,070,545
2027	3,745,000	2,948,255
2028-2032	21,975,000	13,259,925
2033-2037	28,955,000	6,995,128
2038-2042	24,695,000	1,874,855
2043-2046	7,485,000	462,000
Total	<u>\$100,125,000</u>	<u>\$38,674,665</u>

Revenue Bonds

During fiscal year 2013, the Development Authority of Alpharetta issued \$4,130,000 of revenue bonds to finance the construction of an educational facility in the City of Alpharetta for Gwinnett Technical College. The 2013 series were issued with interest rates from 2% to 3.5% and a maturity date of May 1, 2033. The bonds are payable on May 1 and November 1, serially to fiscal year 2033. As of June 30, 2022, the outstanding amount on the bond is \$2,625,000.

During fiscal year 2016, the Development Authority of Alpharetta

issued \$24,720,000 of revenue bonds to finance the construction of a conference center. The 2016 series were issued with interest rates from 2% to 5.0% and a maturity date of May 1, 2041. The bonds are payable on May 1 and November 1, serially to fiscal year 2041. As of June 30, 2022, the outstanding amount on the bond is \$23,185,000.

The annual requirements to amortize the Development Authority's revenue bonds outstanding as of June 30, 2022 are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>
2023	\$855,000	\$798,853
2024	920,000	754,690
2025	985,000	719,190
2026	1,065,000	674,778
2027	1,140,000	626,028
2028-2032	6,580,000	2,703,635
2033-2037	7,240,000	1,702,650
2038-2041	7,025,000	540,150
Total	\$25,810,000	\$8,519,974

Financed Purchases – Direct Borrowing

In 2016, the City entered into two new financed purchase agreements for financing the acquisition of a new fire truck and police tasers. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). The financed purchase agreements bear interest of 1.32% and 2.43%. The term for the fire truck is 10 years and the tasers mature in 2023.

In 2017, the City entered into four new financed purchase agreements for financing the acquisition of three new fire trucks and heart-rate monitors. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). The financed purchase agreements bear interest of 2.08% - 2.93% for the firetrucks and 1.76% for the heart-rate monitors. The financed agreement for the three fire trucks matures in November 2025, November 2026, and November 2029. The financed agreement for the heart-rate monitors matured in November 2020.

In 2018, the City entered into a financed purchase agreement for financing the acquisition of mobile radios for public safety employees. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). The financed agreement bears interest of 2.73%. The lease term for the radios matures in November 2023.

In 2020, the City entered into three new financed purchase agreements for financing the acquisition of self-contained breathing apparatuses, a hanging sculpture, and a scorpion sculpture. The agreements

qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). The financed purchase agreement for the self-contained breathing apparatuses bear interest of 0% and matured in November 2020. The financed purchase agreement for the hanging sculpture bears interest of 2% and matured in October 2021. The financed purchase agreement for the scorpion sculpture bears interest of 2% and matures October 2023.

In 2021, the City entered into a new financed purchase agreement for financing the acquisition of an aerial ladder fire truck. The financed purchase agreement for the truck bears interest of 1.80% and matures in December 2033.

In 2022, the City entered into a new financed purchase agreement for financing the acquisition of heart monitors and AED replacements, mobile radios, and fire extrication equipment. The financed purchase agreement for the heart monitors and AED replacements bears interest of 0.95% and matures in May 2026. The financed purchase agreement for the mobile radios bears interest of 2.49% and matures in July 2028. The financed purchase agreement for the fire extrication equipment bears interest of 1.31% and matures in May 2026.

As of June 30, 2022, the City had \$9,069,673 of machinery and equipment under financed purchase agreements with accumulated depreciation of \$4,826,972. The amortization expense of \$743,643 for the financed purchases is included in depreciation expense.

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

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2023	\$668,379	\$69,996	\$738,375
2024	906,578	61,513	968,091
2025	838,210	48,120	886,330
2026	795,138	38,132	833,270
2027	546,987	26,730	573,717
2028-2032	1,258,968	78,504	1,337,472
2033-2034	226,033	6,011	232,044
Total	\$5,240,293	\$329,006	\$5,569,299

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$75,195,000	\$27,335,000	\$(2,405,000)	\$100,125,000	\$ 3,015,000
Plus issuance premium	6,056,480	2,539,405	(673,186)	7,922,699	—
Net bonds payable	81,251,480	29,874,405	(3,078,186)	108,047,699	3,015,000
Revenue bonds payable	26,605,000	—	(795,000)	25,810,000	855,000
Plus issuance premium	817,724	—	(72,446)	745,278	—
Net bonds payable	27,422,724	—	(867,446)	26,555,278	855,000
Financed purchases payable	3,881,210	2,292,350	(933,267)	5,240,293	798,495
Net pension liability	4,064,225	29,342,594	(4,256,200)	29,150,619	—
Claims and judgments	1,882,096	6,543,746	(6,222,983)	2,202,859	1,682,468
Compensated absences	2,600,958	4,942,702	(4,825,485)	2,718,175	2,337,631
Governmental activity Long-term liabilities	\$121,102,693	\$72,995,797	\$(20,183,567)	\$173,914,923	\$8,688,594

For governmental activities, compensated absences and the net pension liability are predominately liquidated by the General Fund and Emergency 911 fund and claims and judgments are liquidated by the Risk Management Fund and the Health Insurance Fund.

Business-type activities:

Compensated absences	\$301	\$5,367	\$(5,446)	\$222	\$222
Business-type activity Long-term liabilities	\$301	\$5,367	\$(5,446)	\$222	\$222

For business-type activities 100% of the compensated absences are considered due within one fiscal year, as the employee in the fund typically uses all vacation within a one year period.

Legal Debt Margin

The City is subject to a debt limit that is 10% of the total assessed value. At June 30, 2022, that amount was \$683,511,318. As of June 30, 2022, the total outstanding debt applicable to the debt limit was \$106,876,818 which is 15.64% of the total debt limit.

V. OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omission; and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. The City previously established a limited risk management program for workers' compensation.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage award. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent

claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Workers' compensation claims exceeding \$300,000 per incident and \$1,000,000 in the aggregate are also insured through a private insurance carrier, whereas liability claims below this threshold are paid directly by the City. It is the City's intention to maintain an equity balance equivalent to cover the unpaid claims.

Changes in the balances of risk management claims liabilities during the past two fiscal years are as follows:

	<i>Fiscal Year Ended June 30, 2022</i>	<i>Fiscal Year Ended June 30, 2021</i>
Unpaid claims, beginning of fiscal year	\$793,175	\$832,424
Claims incurred	733,500	705,000
Claims paid	(561,534)	(744,249)
Unpaid claims, end of fiscal year	\$965,141	\$793,175

Effective July 1, 2015, the City elected to change their medical insurance policy to a Shared Returns – Minimum Premium policy. Under the policy, the City is responsible for making minimum premium payments set to cover the costs for the plan administration, commissions, and insurance protection. Additionally, the City is responsible for any claims which are filed each month up to a certain maximum or cap based on

the specific plan terms. The monthly cap varies each month based on number of covered employees and the selected coverage. The plan is administered by Cigna and the claims are paid through an imprest bank account which is funded by the City. The changes in the medical claims liability is as follows:

	<i>Fiscal Year Ended June 30, 2022</i>	<i>Fiscal Year Ended June 30, 2021</i>
Unpaid claims, beginning of fiscal year	\$1,088,921	\$1,057,843
Claims incurred	5,810,246	6,152,131
Claims paid	(5,661,449)	(6,121,053)
Unpaid claims, end of fiscal year	\$1,237,718	\$1,088,921

B. CONTINGENT LIABILITIES

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

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

The City has the following encumbrances at year end for which expenditures will be incurred in the subsequent fiscal year:

General Fund	\$11,610
Capital Projects Fund	11,633,416
TSPLOST Fund	3,966,283
Nonmajor governmental funds	21,668,129

C. RELATED ORGANIZATIONS

The Alpharetta Convention and Visitors Bureau is also a separate legal entity from the City incorporated to promote tourism within the City of Alpharetta. The Mayor and Council appoint four of the ten directors to this entity. The City does not control the operations of the corporation and is not entitled to or otherwise have access to the bureau's economic resources. Separate financial statements are available by contacting the Alpharetta Convention and Visitors Bureau's administrative offices.

Alpharetta Convention and Visitors Bureau
178 S. Main Street, Suite 200
Alpharetta, Georgia 30009
(678) 297-2811

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 the City of Atlanta has paid on behalf of the City of Alpharetta since the 2004 fiscal year. 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, 40 Courtland Street NE, Atlanta, Georgia 30303.

The cities of Alpharetta, Milton, Roswell, and Sandy Springs have 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, 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. Of the estimated \$16 million required to initially capitalize the Authority, the City of Alpharetta is responsible for approximately \$3.7 million pursuant to the intergovernmental agreement between the cities. For the fiscal year ended June 30, 2022, the City of Alpharetta contributed \$441,671 to the Authority. Separate financial statements may be obtained from the City of Sandy Springs, who has been contracted by the Authority to serve as the accountants, at 1 Galambos Way, Sandy Springs, Georgia 30328.

D. RETIREMENT PLANS

1. Defined Benefit Pension Plan – Combined Plan

Plan Administration. The City of Alpharetta maintains a single-employer defined benefit pension plan, comprised of the City of Alpharetta Regular Defined Benefit Pension Plan (the “Regular Plan”) and the City of Alpharetta Enhanced Defined Benefit Pension Plan (the “Enhanced Plan” or in combination the “Plans”), for the employees of the City of Alpharetta. For all reporting, funding, accounting and actuarial purposes, the Plans have been merged into a single plan, The City of Alpharetta Combined Defined Benefit Plan (the “Combined Plan”) effective July 1, 2011 whereby the Plan assets are accumulated in aggregate and may legally be used to pay any benefits to any of the combined Plan members or beneficiaries. The Combined Plan is administered by a Board of Trustees, who has executed trust agreements with a financial institution to hold, manage, invest, and distribute contributions in accordance with the provisions of the Plans. The Board of Trustees consists of five members, the City Administrator, City Council member liaison to the Finance Department, the Finance Director, the City Attorney, and the Mayor’s designee. Benefit provisions are established and may be amended by the City Council. Annual contributions are determined through an actuarial valuation of the Combined Plan and are approved by City Council as part of the annual budgeting process. The Plans are closed to new entrants. The Regular Plan is funded by the City only while the Enhanced Plan is funded by both the City and the Plan participants.

The Combined Plan covers all full-time City employees and City officials. Employees become eligible to participate in the Combined Plan after one year of employment and are fully vested after five years of employment. Benefit provisions are established by a resolution of City Council. The Combined Plan provides retirement and death benefits to Plan members and beneficiaries. The Combined Plan does not issue separate stand-alone financial reports.

Plan Membership. At January 1, 2022, the date of the most recent actuarial valuation, there were 532 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	180
Vested terminated employees not yet receiving benefits	159
Active employees	193
<hr/>	
Total	532

Benefits. The Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as 2 percent of final average earnings per year of credited service. Participants who elected the enhanced formula and who are making employee contributions will receive an additional 0.5% of final average earnings multiplied by the years of credited service after December 31, 2007. A participant’s late retirement benefit is equal to the accrued benefit using all service and earnings as of termination. Plan members with 5 years of continuous service are eligible to retire at age 55. The participant may receive a monthly benefit equal to the benefit accrued at early retirement date reduced 3% for each year the payment date precedes the normal retirement date. Regular plan members who terminate on or after age 55 with the sum of age and vesting service equal to at least 80, public service plan members employed on July 1, 1999 who terminate on or after age 55 with at least 5 years of vesting service, and public service plan members not employed on July 1, 1999 who terminate on or after age 55 with at least 10 years of vesting service are eligible for unreduced early retirement. Death benefits are calculated as if the participant terminated on his date of death, survived until his date of retirement, elected a 50% joint and survivor benefit and died the next day. An unmarried participant will not be eligible for any pre-retirement death benefits. If a member terminates employment prior to completing ten years of continuous service, he or she shall be entitled to a refund of his or her accumulated contributions with interest.

Contributions. For the Regular Plan, only the City makes contributions. For the Enhanced Plan, both the City and the Employees (at 2.5% of payroll) make contributions to the Plan. For fiscal year 2022, employees contributed \$312,555 to the Enhanced Plan. The City is required to contribute at an actuarially determined rate: the contribution rate for 2022 was 14.96% of payroll for the Combined Plan. The annual required contributions for the current fiscal year were determined as part of the January 1, 2022 actuarial valuations using the projected unit credit method. The actuarial assumptions included (a) a rate of return on the investments of present and future assets of 7.0% per year, compounded annually and net of investment expenses and (b) projected salary increases of 2.10% - 4.20% per year, adjusted for employee age, which includes 1.0% due to merit and 2.5% for inflation.

Financial statements. As of June 30, 2022, the Combined Plan's statement of fiduciary net position was as follows:

Assets	
Cash	\$218,622
Accounts receivable	257,490
Investments	
Money market funds	1,759,002
U.S. treasuries	4,210,180
U.S agencies	8,311,997
Corporate and foreign bonds	8,579,249
Common equity securities	58,944,417
Preferred equity securities	13,394
Equity mutual funds	1,091,997
Exchange traded funds	46,504
Total assets	83,432,852
Liabilities	
Accounts payable	510,740
Fiduciary Net Position	
Restricted for Pensions	\$82,922,112

For the fiscal year ended June 30, 2022, the Combined Plan's statement of changes in fiduciary net position was as follows:

Additions	
Contributions:	
Employee	\$312,555
Employer	2,934,025
Total contributions	3,246,580
Investment earnings:	
Net depreciation of fair value	(14,347,428)
Interest and dividends	2,364,715
Less investment expense	(516,408)
Net investment income	(12,499,121)
Deductions	
Benefit payments	3,568,937
Administrative expenses	212,901
Total deductions	3,781,838
Change in net position	(13,034,379)
Fiduciary net position - beginning	95,956,491
Fiduciary net position - ending	\$82,922,112

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of January 1, 2022 with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2022. The following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5%
Salary increases, including inflation	4.20% – under 30 years old
	3.90% – ages 30-34
	3.50% – ages 35-59
	2.60% – ages 60-64
	2.10% – ages 65+
Investment rate of return	7.0%, including inflation, net of investment expense

Mortality rates were based upon the PRI-2012 Employee Tables with the Retiree and Contingent Survivor Tables for annuitants projected forward with scale MP-2021.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of the most recent experience study which was performed in April 2015, taking into account ten years of data experience.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return

for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 are: Equities – 8.25%, International Equities – 9%, Fixed Income – 3.9%, and Alternatives – 7.5%.

Discount rate. The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended June 30, 2022, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2021	\$100,020,716	\$95,956,491	\$4,064,225
Changes for the fiscal year:			
Service cost	1,337,540	—	1,337,540
Interest	7,736,778	—	7,736,778
Differences between expected and actual experience	(1,009,620)	—	(1,009,620)
Assumption changes	7,555,159	—	7,555,159
Contributions - employer	—	2,934,025	(2,934,025)
Contributions - employee	—	312,555	(312,555)
Net investment income	—	(12,500,216)	12,500,216
Benefit payments, including refunds of employee contributions	(3,567,842)	(3,567,842)	—
Administrative expense	—	(212,901)	212,901
Net changes	12,052,015	(13,034,379)	25,086,394
Balances at 6/30/2022	\$112,072,731	\$82,922,112	\$29,150,619

The Plan's fiduciary net position as a percentage of the total pension liability 74.0%

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

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
\$45,641,420	\$29,150,619	\$15,480,540

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the fiscal year ended June 30, 2022, the City recognized pension expense of \$6,255,660. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ —	\$958,530
Changes in assumptions	5,614,105	81,852
Net difference between projected and actual earnings on pension plan investments	9,361,568	—
Total	\$14,975,673	\$1,040,382

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Fiscal Year Ending June 30,</i>	
2023	\$4,398,246
2024	3,842,645
2025	1,686,860
2026	4,007,540
	\$13,935,291

2. Defined Contribution Plan

Plan description and funding requirements. The City maintains a supplemental retirement plan for all employees entitled to the deferred compensation plan, a single-employer, defined contribution plan. Both full-time and part-time employees of the City are eligible to participate. This Plan is administered by Transamerica as a 401(a) and 457 plan, as defined by the Internal Revenue Service. At June 30, 2022, there were 586 employees and 531 participants. Plan provisions and contribution requirements are established and may be amended by the City Council (the "Board").

Employees may elect to contribute a portion of their pay, not to exceed the IRS guidelines, into the 457 Plan. Upon completion of one year of employment for full-time employees and three years of employment for part-time employees, the City will match the employee's contribution, up to 5% of the employee's annual salary, into the 401(a) plan. Additionally, the City is required to contribute 10% of the annual salary of all employees hired subsequent to June 30, 2009. The City Council has the ability to amend the Plan provisions. For the fiscal year ended June 30, 2022, the City's contribution to the 401(a) plan was \$2,994,297. The amount contributed by employees into the 457 plan was \$2,565,324.

E. OTHER POST-EMPLOYMENT BENEFITS

1. Defined Benefit Plan

Plan Administration and Benefits. The City of Alpharetta Retiree Benefit Plan (the “COARBP”) is a single employer defined benefit postretirement health care plan. Through June 30, 2011, the Plan operated on a “pay-as-you-go” basis. The City reports in the financial statements the “costs” associated with the future participation of retirees in this benefit. The Plan does not issue a separate stand-alone financial report. The Plan is administered by a Board of Trustees, who has executed trust agreements with a financial institution to hold, manage, invest, and distribute contributions in accordance with the provisions of the Plan. Benefit provisions are established and may be amended by the City Council.

Plan Membership. Membership of the COARBP Plan consisted of the following at July 1, 2022, the date of the latest actuarial valuation:

Active participants	423
Retirees and beneficiaries currently receiving benefits	4
Total	427

Contributions. The City Council has the authority to establish and amend the contribution requirements of plan members. The Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2022, the City’s average contribution rate was .04% of covered payroll. Plan members are not required to contribute to the plan. The City’s contribution is dependent on the employee’s number of years of creditable service. Retirees pay 100% of the blended premium afforded to the City. The Council may amend the benefit provisions.

Financial statements. As of June 30, 2022, the City of Alpharetta Retiree Benefit Plan’s statement of fiduciary net position was as follows:

Assets	
Cash	\$5,115
Accounts receivable	4,584
Investments:	
Money Market Funds	24,595
U.S. Treasuries	110,119
Corporate and Foreign Agencies	284,395
Common Equity Securities	1,196,158
Preferred Equity Securities	897
Exchange Traded Funds	3,292
Total assets	1,629,155
Liabilities	
Accounts payable	35,385
Fiduciary Net Position	
Restricted for postemployment benefits other than pensions	\$1,593,770

For the fiscal year ended June 30, 2022, the City of Alpharetta Retiree Benefit Plan's statement of changes in fiduciary net position was as follows:

Additions	
Contributions - employer	\$12,600
Investment income:	
Net depreciation of fair value	(294,977)
Interest and dividends	51,179
Less investment expense	(4,602)
Net investment income	(248,400)
Total additions	(235,800)
Deductions	
Benefit payments	33,214
Administrative expenses	9,128
	42,342
Change in net position	(278,142)
Fiduciary net position - beginning	1,871,912
Fiduciary net position - ending	\$1,593,770

Benefits. Eligible retirees are offered the same health and prescription drug coverage as active employees. The City provides an implicit rate plan, whereby eligible retirees who retire and receive a pension are entitled to continue to purchase health insurance coverage from the City until age 65, at the same rate as active employees.

Net OPEB Liability (Asset) of the City

Changes in Net OPEB Liability (asset) of the City. The City's Net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the Net OPEB liability (asset) was determined by an actuarial valuation as of July 1, 2021 with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of July 1, 2019 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.50%
Long-term expected rate of return on OPEB investments	3.5%, net of investment expense, including inflation
Healthcare cost trend rate	7.5% per annum, gradually decreasing to 3.50%
Inflation rate	2.50%
Salary increase	2.10% - 4.20% plus merit
Participation rate	30%

The total OPEB liability was rolled forward to June 30, 2022, utilizing update procedures incorporating the actuarial assumptions.

Mortality rates for pre-retirement were based on the RP-2014 Employee Tables for males and females; projected to be fully generational with MP-2017 Mortality Improvement Scale. Postretirement mortality rates were based on the RP-2014 Healthy Annuitant Tables for

males and females; projected to be fully generational with MP-2017 Mortality Improvement Scale.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period ending December 31, 2005. The population is too small to justify a statistically significant result.

The long-term expected rate of return on COARBP investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the major target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, are presented previously.

Discount rate. The discount rate used to measure the total OPEB liability was 3.50 percent. The projection of cash flows used to determine the discount rate assumed that the City will contribute at rates equal to the actuarially determined contribution rates. Based on those assumptions, the COARBP's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on COARBP investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate of 3.50% has remained consistent with the discount rate utilized to determine the total OPEB liability as of the beginning of the measurement period.

The components of the net OPEB liability (asset) of the City at June 30, 2022 were as follows:

	<i>Total OPEB Liability (a)</i>	<i>Plan Fiduciary Net Position (b)</i>	<i>Net OPEB Liability (Asset) (a) - (b)</i>
Balances at 6/30/21	\$1,190,465	\$1,871,912	\$(681,447)
Changes for the fiscal year:			
Service cost	72,776	—	72,776
Interest	42,359	—	42,359
Differences between expected and actual experience	(27,767)	—	(27,767)
Change of assumptions	(117,781)	—	(117,781)
Contributions - employer	—	12,600	(12,600)
Net investment income (loss)	—	(248,400)	248,400
Benefit payments, including refunds of employee contributions	(33,214)	(33,214)	—
Administrative expense	—	(9,128)	9,128
Net Changes	(63,627)	(278,142)	214,515
Balances at 6/30/2022	\$1,126,838	\$1,593,770	\$(466,932)

The Plan's fiduciary net position as a percentage of the total pension liability 141.4%

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

Sensitivity of the net OPEB liability (asset) to changes in the discount rate. The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5% decreasing to 2.5%) or 1-percentage-point higher (3.5% increasing to 4.5%) than the current discount rate:

	<u>1% Decrease (2.50%)</u>	<u>Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Net OPEB liability (asset)	\$(371,660)	\$(466,932)	\$(556,069)

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates. The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower (7.5% decreasing to 6.5%) or 1-percentage-point higher (9.5% decreasing to 8.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rates</u>	<u>1% Increase</u>
Net OPEB liability (asset)	\$(589,469)	\$(466,932)	\$(324,711)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2022 and the current sharing pattern of costs between employer and employee.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the City recognized OPEB income of \$16,389. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$9,515	\$154,255
Changes in assumptions	81,889	173,040
Net difference between projected and actual earnings on OPEB plan investments	34,886	—
Total	\$126,290	\$327,295

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Fiscal Year Ending June 30,</i>	
2023	\$(32,506)
2024	(33,822)
2025	(38,878)
2026	36,876
2027	(25,804)
Thereafter	(106,871)
Total	\$(201,005)

2. Defined Contribution Plan

Plan description and funding requirements. In the fiscal year 2019, the City created the OPEB Reimbursement Fund to account for the new retiree reimbursement benefit. Only full-time employees of the City are eligible to participate. Plan provisions and contribution requirements are established and may be amended by the City Council (the "Board").

Full-time employees who terminate employment with a minimum of 15 years of service and reach the age of 55 will be eligible to receive a monthly health reimbursement benefit as periodically determined

by the Board of Trustees. The monthly benefit is available to the participant to cover eligible medical expenses (of the participant or the participant's spouse or dependent) as defined under Section 213(d) of the IRS Code. The City funds this benefit at an amount equal to 2% of all Employees' annual regular wages. The City Council has the ability to amend the Plan provisions. For the fiscal year ended June 30, 2022, the City's contribution to the plan was \$595,841 (2% of the gross wages).

F. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City of Alpharetta. The tax is currently assessed at a rate of 8%. Revenues were \$7,940,764 for the fiscal year ended June 30, 2022. Of this amount 85%, or \$6,743,245, was expended. Expenditures of the

tax were used to promote tourism as required by O.C.G.A. 48-13-51. A portion of the tax is being held to pay a portion of the debt service associated with the construction of the convention center in accordance with O.C.G.A. 48-13-50.

G. TAX ABATEMENTS

For the year ended June 30, 2022, City's property tax revenues were reduced by \$224,786 and \$428,947 under agreements entered into by the City of Alpharetta Development Authority and Fulton County Development Authority, respectively. These authorities entered into agreements with various entities under the economic development

laws of the State of Georgia which qualify for disclosure under GASB Statement No. 77, *Tax Abatement Disclosures*. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

H. CONDUIT DEBT

To further the economic development in the City, the Development Authority has issued both traditional conduit tax-exempt private activity bonds (private activity bonds) for qualifying projects such as senior housing and bonds for title issued solely to provide property tax abatements (tax abatement bonds) to certain qualified developments. Neither the City nor the Development Authority, are liable for any

conduit debt and neither make any form of commitment to make payments in the event of default. At June 30, 2022, the outstanding principal payable for conduit debt of both private activity bonds (\$12,344,681) and tax abatement bonds (\$360,095,080) total \$372,439,761.

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FINANCIAL SECTION

Required Supplementary Information



CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
OPEB RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE CITY'S
NET OPEB LIABILITY (ASSET) AND RELATED RATIOS

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$72,776	\$70,315	\$91,360	\$84,028	\$56,869
Interest on total OPEB liability	42,359	39,261	42,465	38,813	38,402
Differences between expected and actual experience	(27,767)	11,695	(94,539)	(6,715)	(109,895)
Changes of assumptions and other inputs	(117,781)	—	(91,920)	—	158,319
Benefit payments	(33,214)	(34,792)	(21,875)	(9,094)	(7,686)
Net change in total OPEB liability	(63,627)	86,479	(74,509)	107,032	136,009
Total OPEB liability - beginning	1,190,465	1,103,986	1,178,495	1,071,463	935,454
Total OPEB liability - ending (a)	\$1,126,838	\$1,190,465	\$1,103,986	\$1,178,495	\$1,071,463
Plan fiduciary net position					
Contributions - employer	\$12,600	\$76,589	\$68,015	\$85,000	\$85,200
Net investment income (loss)	(248,400)	428,561	22,207	37,843	16,391
Benefit payments	(33,214)	(34,792)	(21,875)	(9,094)	(7,686)
Administrative expenses	(9,128)	(569)	(298)	(3,832)	—
Net change in plan fiduciary net position	(278,142)	469,789	68,049	109,917	93,905
Plan fiduciary net position - beginning	1,871,912	1,402,123	1,334,074	1,224,157	1,130,252
Plan fiduciary net position - ending (b)	\$1,593,770	\$1,871,912	\$1,402,123	\$1,334,074	\$1,224,157
City's net OPEB liability (asset) - ending (a) - (b)	\$(466,932)	\$(681,447)	\$(298,137)	\$(155,579)	\$(152,694)
Plan fiduciary net position as a percentage of the total OPEB liability	141.44%	157.24%	127.01%	113.20%	114.25%
Covered payroll	\$31,151,293	\$26,593,414	\$26,255,937	\$21,788,982	\$21,788,982
Net OPEB liability (asset) as a percentage of covered payroll	-1.5%	-2.6%	-1.1%	-0.7%	-0.7%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
OPEB RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$10,966	\$ —	\$ —	\$68,015	\$60,889
Contributions in relation to the actuarially determined contribution	12,600	76,589	68,015	85,000	85,200
Contribution deficiency (excess)	\$(1,634)	\$(76,589)	\$(68,015)	\$(16,985)	\$(24,311)
Covered payroll	\$31,151,293	\$26,593,414	\$26,255,937	\$21,788,982	\$21,788,982
Contributions as a percentage of covered payroll	0.04%	0.29%	0.26%	0.39%	0.39%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	July 1, 2019
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return on Investments	3.50%
Projected Salary Increases2.10% to 4.20%, including 2.5% for inflation
Cost-of-living Adjustment	None
Amortization Method	Level dollar, open
Remaining Amortization Period	5 years
Mortality:	
Pre-retirement	RP-2014 Employee tables for males and females; fully generational with MP-2017 Mortality Improvement Scale
Post-retirement	RP-2014 Healthy Annuitant tables for males and females; fully generational with MP-2017 Mortality Improvement Scale
Health Care Cost Trends	7.50% and gradually decreasing to an ultimate rate of 3.50%

(2) The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
OPEB RETIREMENT PLAN
SCHEDULE OF OPEB INVESTMENT RETURNS

	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment expenses for the City's OPEB Plan	-13.38%	29.80%	1.71%	1.68%	1.55%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

Page 1 of 2

	2022	2021	2020	2019	2018
Total pension liability					
Service cost	\$1,337,540	\$1,400,419	\$1,428,515	\$1,445,365	\$1,505,980
Interest on total pension liability	7,736,778	7,356,335	6,719,752	6,188,428	5,740,858
Differences between expected and actual experience	(1,009,620)	(354,879)	(250,486)	(273,013)	726,104
Changes of assumptions	7,555,159	(181,066)	415,494	2,229,270	199,517
Benefit payments, including refunds of employee contributions	(3,567,842)	(3,250,227)	(2,853,765)	(2,347,569)	(1,993,117)
Other charges	—	—	—	—	—
Net change in total pension liability	12,052,015	4,970,582	5,459,510	7,242,481	6,179,342
Total pension liability - beginning	100,020,716	95,050,134	89,590,624	82,348,143	76,168,801
Total pension liability - ending (a)	\$112,072,731	\$100,020,716	\$95,050,134	\$89,590,624	\$82,348,143
Plan fiduciary net position					
Contributions - employer	\$2,934,025	\$2,779,221	\$2,775,000	\$2,699,997	\$2,625,003
Contributions - employee	312,555	293,715	312,296	310,689	338,544
Net investment income (loss)	(12,500,216)	20,994,663	781,053	3,435,733	4,747,877
Benefit payments, including refunds of member contributions	(3,567,842)	(3,250,227)	(2,853,765)	(2,347,569)	(1,993,117)
Administrative expenses	(212,901)	(81,745)	(102,812)	(81,237)	(87,942)
Net change in plan fiduciary net position	(13,034,379)	20,735,627	911,772	4,017,613	5,630,365
Plan fiduciary net position - beginning	95,956,491	75,220,864	74,309,092	70,291,479	64,661,114
Plan fiduciary net position - ending (b)	\$82,922,112	\$95,956,491	\$75,220,864	\$74,309,092	\$70,291,479
City's net pension liability - ending (a) - (b)	\$29,150,619	\$4,064,225	\$19,829,270	\$15,281,532	\$12,056,664
Plan fiduciary net position as a percentage of the total pension liability	74.0%	95.9%	79.1%	82.9%	85.4%
Covered payroll	\$16,382,862	\$17,250,670	\$17,423,993	\$17,797,422	\$18,562,532
Net pension liability as a percentage of covered payroll	177.9%	23.6%	113.8%	85.9%	65.0%

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Notes to the Schedule: The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

Page 2 of 2

	2017	2016	2015	2014
Total pension liability				
Service cost	\$1,598,717	\$1,716,370	\$1,968,015	\$1,567,142
Interest on total pension liability	5,433,736	4,819,727	4,288,338	4,005,310
Differences between expected and actual experience	(1,092,001)	1,281,931	465,014	—
Changes of assumptions	186,911	178,382	(4,591,299)	—
Benefit payments, including refunds of employee contributions	(1,761,551)	(1,463,409)	(1,327,566)	(1,185,315)
Other charges	—	177,741	—	—
Net change in total pension liability	4,365,812	6,710,742	802,502	4,387,137
Total pension liability - beginning	71,802,989	65,092,247	64,289,745	59,902,608
Total pension liability - ending (a)	\$76,168,801	\$71,802,989	\$65,092,247	\$64,289,745
Plan fiduciary net position				
Contributions - employer	\$2,500,000	\$2,400,000	\$2,300,000	\$2,250,000
Contributions - employee	347,281	368,356	368,638	371,246
Net investment income (loss)	6,679,684	(36,548)	1,709,776	7,664,372
Benefit payments, including refunds of member contributions	(1,761,551)	(1,463,409)	(1,327,566)	(1,185,315)
Administrative expenses	(309,924)	(135,692)	(161,357)	(47,295)
Net change in plan fiduciary net position	7,455,490	1,132,707	2,889,491	9,053,008
Plan fiduciary net position - beginning	57,205,624	56,072,917	53,183,426	44,130,418
Plan fiduciary net position - ending (b)	\$64,661,114	\$57,205,624	\$56,072,917	\$53,183,426
City's net pension liability - ending (a) - (b)	\$11,507,687	\$14,597,365	\$9,019,330	\$11,106,319
Plan fiduciary net position as a percentage of the total pension liability	84.9%	79.7%	86.1%	82.7%
Covered payroll	\$19,186,755	\$20,234,162	\$20,306,168	\$20,203,287
Net pension liability as a percentage of covered payroll	60.0%	72.1%	44.4%	55.0%

Notes to the Schedule: The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$2,451,034	\$2,592,995	\$2,618,856	\$2,668,838	\$2,359,496
Contributions in relation to the actuarially determined contribution	2,934,025	2,779,221	2,775,000	2,699,997	2,625,003
Contribution deficiency (excess)	\$(482,991)	\$(186,226)	\$(156,144)	\$(31,159)	\$(265,507)
Covered payroll	\$16,382,862	\$17,250,670	\$17,423,993	\$17,797,422	\$18,562,532
Contributions as a percentage of covered payroll	17.91%	16.11%	15.93%	15.17%	14.14%
	2017	2016	2015	2014	2013
Actuarially determined contribution	\$2,287,519	\$2,289,533	\$2,003,761	\$2,200,896	\$2,601,891
Contributions in relation to the actuarially determined contribution	2,500,000	2,400,000	2,300,000	2,250,000	2,705,967
Contribution deficiency (excess)	\$(212,481)	\$(110,467)	\$(296,239)	\$(49,104)	\$(104,076)
Covered payroll	\$19,186,755	\$20,234,162	\$20,306,168	\$20,203,287	\$21,623,292
Contributions as a percentage of covered payroll	13.03%	11.86%	11.33%	11.14%	12.51%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	January 1, 2022
Cost Method	Entry age normal
Actuarial Asset Valuation Method	Market value
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	2.10% to 4.20%, which includes 2.5% for inflation
Cost-of-living Adjustment	None
Amortization Method	Level dollar for unfunded liability
Remaining Amortization Period	30 years (closed)

(2) Actuarial Assumption Changes

Expected investment return decreased from 7.50% to 7.00%.
Mortality assumptions changed from PRI-2012 Employee Tables projected forward with Scale MP-2020 to PRI-2012 Employee Tables projected forward with Scale MP-2021.

CITY OF ALPHARETTA
 REQUIRED SUPPLEMENTARY INFORMATION
 RETIREMENT PLAN
SCHEDULE OF PENSION INVESTMENT RETURNS

	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
Annual money-weighted rate of return, net of investment expenses for the City's Pension Plan	-13.10	28.00%	1.03%	4.88%	7.16%
	<i>2017</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>	
Annual money-weighted rate of return, net of investment expenses for the City's Pension Plan	11.37%	0.07%	3.13%	16.89%	

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF ALPHARETTA

REQUIRED SUPPLEMENTARY INFORMATION: GENERAL FUND BUDGETARY COMPARISON SCHEDULE – GAAP BASIS

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Property taxes	\$26,097,000	\$27,746,642	\$30,128,446	\$2,381,804
Sales and use taxes	15,700,000	16,249,473	20,552,835	4,303,362
Franchise taxes	6,620,000	6,620,000	6,634,631	14,631
Business taxes	6,057,500	6,166,902	6,276,971	110,069
Other taxes	3,050,250	3,050,250	4,186,760	1,136,510
Licenses and permits	2,729,100	2,729,100	3,253,437	524,337
Charges for services	3,741,450	3,903,700	4,028,980	125,280
Fines and forfeitures	2,056,000	2,056,000	2,974,013	918,013
Intergovernmental	117,678	397,838	433,160	35,322
Contributions and donations	87,749	104,404	102,115	(2,289)
Investment earnings (loss)	190,000	190,000	(604,350)	(794,350)
Other revenues	46,038	52,461	100,085	47,624
Total revenues	66,492,765	69,266,770	78,067,083	8,800,313
Expenditures:				
Current:				
General government:				
City clerk	438,715	447,191	425,307	21,884
Mayor and council	386,092	386,092	350,347	35,745
Municipal court	1,055,011	1,125,287	1,080,027	45,260
Legal	750,000	750,000	1,062,905	(312,905)
City administrator	1,690,087	1,109,169	1,015,000	94,169
Finance	3,478,691	3,518,190	3,451,126	67,064
Human resources	689,600	696,560	606,074	90,486
Technology services	2,022,562	2,210,299	1,894,045	316,254
Non-departmental	1,479,750	1,479,750	839,917	639,833
Total general government	11,990,508	11,722,538	10,724,748	997,790
Public safety	31,192,177	32,718,435	31,541,940	1,176,495
Public works	9,022,696	9,377,556	8,853,637	523,919
Community development	3,773,624	4,439,117	4,081,290	357,827
Culture and recreation	10,089,025	10,562,114	10,281,113	281,001
Debt service				
Principal	783,579	802,894	799,316	3,578
Interest	160,656	163,616	166,216	(2,600)
Total expenditures	67,012,265	69,786,270	66,448,260	3,338,010
Excess (deficiency) of revenues over expenditures	(519,500)	(519,500)	11,618,823	12,138,323
Other financing sources (uses):				
Proceeds from sale of capital assets	\$107,000	\$107,000	\$103,210	\$(3,790)
Transfers in	2,062,500	2,062,500	2,975,786	913,286
Transfers out	(7,486,799)	(7,486,799)	(7,486,799)	—
Total other financing sources (uses)	(5,317,299)	(5,317,299)	(4,407,803)	909,496
Net change in fund balances	(5,836,799)	(5,836,799)	7,211,020	13,047,819
Fund balances, beginning of fiscal year	35,676,599	35,676,599	35,676,599	—
Fund balances, end of fiscal year	\$29,839,800	\$29,839,800	\$42,887,619	\$13,047,819

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes other than capital projects or debt service.

Hotel Motel Fund – This fund is used to account for the occupancy tax collected by the City from area hotels and motels, and distributed based upon state statute. The City is currently collecting this tax at a rate of 8%.

Impact Fee Fund – Established to account for fees assessed upon development activity, these fees are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the City's impact fee ordinance, as required by state law.

Confiscated Assets Fund – Established to account for funds received from the enforcement of drug laws, shared revenues resulting from the confiscation of property from drug offender's arrests that can be used by law enforcement to aid in that activity. Funds cannot be used to supplant the normal operating budget of the Police Department, as required by state law.

Grant Operating Fund – This fund is used to account for the funds received from external sources as they relate to grants awarded to the City. Matching funds, which are the City's responsibility, are also recorded within this fund.

Emergency 911 Fund – This fund is used to account for funds received from users, or potential users, of the Emergency 911 System. Revenues received by the City of Alpharetta are paid directly from wired or wireless telecommunication providers, with expenditures occurring to maintain and run the system within the City, as required by state law.

Development Authority – This fund is used to account for the activity of the blended component unit. The Authority promotes the public good and general welfare, trade, commerce, industry, general tax base, and the employment opportunities in the City.

CAPITAL PROJECTS FUNDS

Grant Capital Fund is used to track capital projects as they relate to proceeds from grants awarded to the City. Matching funds, which are the City's responsibility, are recorded within this fund.

Stormwater Capital Fund – This fund accounts for stormwater and drainage maintenance, repair, and improvement projects.

2022 Transportation Special Purpose Local Option Sales Tax (T-SPLOST 2) 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.

2016 Bond Construction Fund – This fund accounts for the 2016 General Obligation Bond proceeds for the acquisition and construction of parks, greenways, roads, streets and bridges.

DEBT SERVICE FUND

Debt Service Fund – This fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

CITY OF ALPHARETTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2022 – Page 1 of 2

	<i>Special Revenue Funds</i>					
	<i>Hotel Motel</i>	<i>Impact Fee</i>	<i>Confiscated Assets</i>	<i>Grant Operating</i>	<i>E911</i>	<i>Development Authority</i>
ASSETS						
Cash and cash equivalents	\$538,952	\$2,398,884	\$246,283	\$57,807	\$1,031,543	\$216,318
Investments	609,893	2,714,649	94,694	65,416	1,167,323	—
Taxes receivable, net	889,753	—	—	—	—	—
Accounts receivable	—	—	—	—	628,530	—
Intergovernmental receivable	—	—	—	8,041	—	—
Restricted cash	—	—	—	—	—	—
Total assets	\$2,038,598	\$5,113,533	\$340,977	\$131,264	\$2,827,396	\$216,318

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND FUND BALANCES**

LIABILITIES

Accounts payable	\$174,501	\$182,032	\$ —	\$8,708	\$22,297	\$478
Contracts payable						
Retainage payable	—	28,224	—	—	—	—
Accrued expenditures	389,267	—	—	—	128,010	—
Due to other funds	331,657	—	—	—	—	1,091
Total liabilities	895,425	210,256	—	8,708	150,307	1,569

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DEFERRED INFLOWS OF RESOURCES

Unavailable revenue - property taxes	—	—	—	—	—	—
Unavailable revenue - other	—	—	—	5,541	60,353	—
Total deferred inflows of resources	—	—	—	5,541	60,353	—

FUND BALANCES

Restricted:						
Capital projects	—	4,903,277	—	—	—	—
Law enforcement	—	—	340,977	—	—	—
Emergency telephone system activities	—	—	—	—	2,616,736	—
Tourism	1,143,173	—	—	—	—	—
Debt service	—	—	—	—	—	—
Assigned for:						
Grant projects	—	—	—	117,015	—	—
Economic development	—	—	—	—	—	214,749
Stormwater projects	—	—	—	—	—	—
Total fund balances	1,143,173	4,903,277	340,977	117,015	2,616,736	214,749
Total liabilities, deferred inflows of resources, and fund balances	\$2,038,598	\$5,113,533	\$340,977	\$131,264	\$2,827,396	\$216,318

CITY OF ALPHARETTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2022 – Page 2 of 2

	<i>Capital Project Funds</i>					<i>Total Nonmajor Governmental Funds</i>
	<i>Grant Capital Fund</i>	<i>Stormwater Capital Fund</i>	<i>2022 T-SPLOST Fund</i>	<i>2016 Bond Construction Fund</i>	<i>Debt Service Fund</i>	
ASSETS						
Cash and cash equivalents	\$45,003	\$810,759	\$1,130,832	\$ —	\$513,637	\$6,990,018
Investments	50,927	917,479	1,279,683	—	572,061	7,472,125
Taxes receivable, net	—	—	—	—	85,455	975,208
Accounts receivable	—	—	—	—	—	628,530
Intergovernmental receivable	296,728	—	1,250,006	—	—	1,554,775
Restricted cash	—	—	—	1,459,319	—	1,459,319
Total assets	\$392,658	\$1,728,238	\$3,660,521	\$1,459,319	\$1,171,153	\$19,079,975
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$110,872	\$11,547	\$12,113	\$ —	\$273	\$522,821
Contracts payable				690,883		690,883
Retainage payable	54,839	—	—	50,547	—	133,610
Accrued expenditures	—	—	—	—	—	517,277
Due to other funds	—	—	—	527,518	—	860,266
Total liabilities	165,711	11,547	12,113	1,268,948	273	2,724,857
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	—	—	—	—	75,025	75,025
Unavailable revenue - other	78,506	—	—	—	—	144,400
Total deferred inflows of resources	78,506	—	—	—	75,025	219,425
FUND BALANCES						
Restricted:						
Capital projects	—	—	3,648,408	190,371	—	8,742,056
Law enforcement	—	—	—	—	—	340,977
Emergency telephone system activities	—	—	—	—	—	2,616,736
Tourism	—	—	—	—	—	1,143,173
Debt service	—	—	—	—	1,095,855	1,095,855
Assigned for:						
Grant projects	148,441	—	—	—	—	265,456
Economic development	—	—	—	—	—	214,749
Stormwater projects	—	1,716,691	—	—	—	1,716,691
Total fund balances	148,441	1,716,691	3,648,408	190,371	1,095,855	16,135,693
Total liabilities, deferred inflows of resources, and fund balances	\$392,658	\$1,728,238	\$3,660,521	\$1,459,319	\$1,171,153	\$19,079,975

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022 – Page 1 of 2

	<i>Special Revenue Funds</i>					
	<i>Hotel Motel</i>	<i>Impact Fee</i>	<i>Confiscated Assets</i>	<i>Grant Operating</i>	<i>E911</i>	<i>Development Authority</i>
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Hotel/Motel taxes	7,940,764	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Impact fees	—	1,939,187	—	—	—	—
Charges for services	—	—	—	—	3,502,209	—
Forfeiture income	—	—	267,522	—	—	—
Intergovernmental	—	—	—	36,681	965,885	—
Contributions	—	—	—	63,442	—	—
Investment earnings (losses)	(25,695)	(64,244)	1	(1,780)	(26,247)	4
Other revenues	—	—	—	6,248	—	109,712
Total revenues	7,915,069	1,874,943	267,523	104,591	4,441,847	109,716
Expenditures:						
Current:						
General government	—	—	—	1,500	—	158,088
Public safety	—	—	127,545	16,284	5,717,606	—
Culture and recreation	—	—	—	70,900	—	—
Community development	3,767,459	—	—	—	—	—
Public works	—	781,381	—	—	—	—
Capital outlay	—	—	—	—	—	—
Debt service:						
Principal	595,000	—	—	—	298,206	—
Interest	744,963	—	—	—	4,577	—
Total expenditures	5,107,422	781,381	127,545	88,684	6,020,389	158,088
Excess (deficiency) of revenues over expenditures	2,807,647	1,093,562	139,978	15,907	(1,578,542)	(48,372)
Other financing sources (uses):						
Transfers out	(2,975,786)	—	—	—	—	—
Transfers in	—	—	—	—	—	—
Proceeds from sale of capital assets	—	—	—	—	1,565,705	—
Total other financing sources (uses)	(2,975,786)	—	—	—	1,565,705	—
Net change in fund balances	(168,139)	1,093,562	139,978	15,907	(12,837)	(48,372)
Fund balances, beginning of fiscal year	1,311,312	3,809,715	200,999	101,108	2,629,573	263,121
Fund balances, end of fiscal year	\$1,143,173	\$4,903,277	\$340,977	\$117,015	\$2,616,736	\$214,749

continued
on next page →

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2022 – Page 2 of 2

	<i>Capital Project Funds</i>					<i>Total Nonmajor Governmental Funds</i>
	<i>Grant Capital Fund</i>	<i>Stormwater Capital Fund</i>	<i>2022 T-SPLOST Fund</i>	<i>2016 Bond Construction Fund</i>	<i>Debt Service Fund</i>	
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$5,256,236	\$5,256,236
Hotel/Motel taxes	—	—	—	—	—	7,940,764
Other taxes	—	—	3,715,997	—	—	3,715,997
Impact fees	—	—	—	—	—	1,939,187
Charges for services	—	—	—	—	—	3,502,209
Forfeiture income	—	—	—	—	—	267,522
Intergovernmental	1,730,600	—	—	—	—	2,733,166
Contributions	—	—	—	—	—	63,442
Investment earnings (losses)	(12,927)	(22,265)	1,204	4,949	(60,509)	(207,509)
Other revenues	—	—	—	—	—	115,960
Total revenues	1,717,673	(22,265)	3,717,201	4,949	5,195,727	25,326,974
Expenditures:						
Current:						
General government	—	—	—	—	8,500	168,088
Public safety	—	—	—	—	—	5,861,435
Culture and recreation	—	—	—	—	—	70,900
Community development	—	—	—	—	—	3,767,459
Public works	—	1,251,081	68,793	—	—	2,101,255
Capital outlay	1,737,594	—	—	4,939,682	—	6,677,276
Debt service:						
Principal	—	—	—	—	2,405,000	3,298,206
Interest	—	—	—	—	2,537,881	3,287,421
Total expenditures	1,737,594	1,251,081	68,793	4,939,682	4,951,381	25,232,040
Excess (deficiency) of revenues over expenditures	(19,921)	(1,273,346)	3,648,408	(4,934,733)	244,346	94,934
Other financing sources (uses):						
Transfers out	—	—	—	—	—	(2,975,786)
Transfers in	—	1,520,000	—	—	—	1,520,000
Proceeds from sale of capital assets	—	—	—	—	—	1,565,705
Total other financing sources (uses)	—	1,520,000	—	—	—	109,919
Net change in fund balances	(19,921)	246,654	3,648,408	(4,934,733)	244,346	204,853
Fund balances, beginning of fiscal year	168,362	1,470,037	—	5,125,104	851,509	15,930,840
Fund balances, end of fiscal year	\$148,441	\$1,716,691	\$3,648,408	\$190,371	\$1,095,855	\$16,135,693

HOTEL MOTEL FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Hotel/Motel taxes	\$5,500,000	\$ 7,940,764	\$ 7,940,764	\$ —
Investment earnings (losses)	10,000	10,000	(25,695)	(35,695)
Total revenues	5,510,000	7,950,764	7,915,069	(35,695)
Expenditures:				
Current:				
Community development	2,412,250	4,049,736	3,767,459	282,277
Debt service:				
Principal	595,000	595,000	595,000	—
Interest	744,963	744,963	744,963	—
Total expenditures	3,752,213	5,389,699	5,107,422	282,277
Excess of revenues over expenditures	1,757,787	2,561,065	2,807,647	246,582
Other financing uses:				
Transfers out	(2,062,500)	(2,977,786)	(2,975,786)	2,000
Total other financing uses	(2,062,500)	(2,977,786)	(2,975,786)	2,000
Net changes in fund balances	(304,713)	(416,721)	(168,139)	248,582
Fund balances, beginning of fiscal year	1,311,312	1,311,312	1,311,312	—
Fund balances, end of fiscal year	\$1,006,599	\$894,591	\$1,143,173	\$248,582

IMPACT FEE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Impact fees	\$ —	\$328,634	\$1,939,187	\$1,610,553
Investment earnings (losses)	—	—	(64,244)	(64,244)
Total revenues	—	328,634	1,874,943	1,546,309
Expenditures:				
Current:				
Public works	193,100	2,059,715	781,381	1,278,334
Total expenditures	193,100	2,059,715	781,381	1,278,334
Net changes in fund balances	(193,100)	(1,731,081)	1,093,562	2,824,643
Fund balances, beginning of fiscal year	3,809,715	3,809,715	3,809,715	—
Fund balances, end of fiscal year	\$3,616,615	\$2,078,634	\$4,903,277	\$2,824,643

CONFISCATED ASSETS FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Forfeiture income	\$ —	\$ —	\$267,522	\$267,522
Investment earnings	—	—	1	1
Total revenues	—	—	267,523	267,523
Expenditures:				
Current:				
Public safety	—	74,031	127,545	(53,514)
Total expenditures	—	74,031	127,545	(53,514)
Net changes in fund balances	—	(74,031)	139,978	214,009
Fund balances, beginning of fiscal year	200,999	200,999	200,999	—
Fund balances, end of fiscal year	\$200,999	\$126,968	\$340,977	\$ 214,009

GRANT OPERATING FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Intergovernmental	\$ —	\$66,829	\$36,681	\$(30,148)
Contributions	—	56,045	63,442	7,397
Other revenues	—	6,248	6,248	—
Investment earnings (losses)	—	—	(1,780)	(1,780)
Total revenues	—	129,122	104,591	(24,531)
Expenditures:				
Current:				
General government	—	70,974	1,500	69,474
Public safety	—	78,732	16,284	62,448
Culture and recreation	—	80,524	70,900	9,624
Total expenditures	—	230,230	88,684	141,546
Net changes in fund balances	—	(101,108)	15,907	117,015
Fund balances, beginning of fiscal year	101,108	101,108	101,108	—
Fund balances, end of fiscal year	\$101,108	\$ —	\$117,015	\$117,015

DEVELOPMENT AUTHORITY**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Investment earnings	\$ —	\$ —	\$4	\$4
Other income	—	376,920	109,712	(267,208)
Total revenues	—	376,920	109,716	(267,204)
Expenditures:				
Current:				
General government	—	376,920	158,088	218,832
Total expenditures	—	376,920	158,088	218,832
Net changes in fund balances	—	—	(48,372)	(48,372)
Fund balances, beginning of fiscal year	263,121	263,121	263,121	—
Fund balances, end of fiscal year	\$263,121	\$263,121	\$214,749	\$(48,372)

EMERGENCY 911 FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Charges for services	\$3,410,000	\$3,410,000	\$3,502,209	\$92,209
Intergovernmental	1,250,000	1,281,388	965,885	(315,503)
Investment earnings (losses)	18,482	18,482	(26,247)	(44,729)
Total revenues	4,678,482	4,709,870	4,441,847	(268,023)
Expenditures:				
Current:				
Public safety	4,401,704	7,209,364	5,717,606	1,491,758
Debt service:				
Principal	297,200	298,206	298,206	—
Interest	29,578	29,578	4,577	25,001
Total expenditures	4,728,482	7,537,148	6,020,389	1,516,759
Deficiency of revenues over expenditures	(50,000)	(2,827,278)	(1,578,542)	1,248,736
Other financing sources:				
Issuance of financed purchase	—	1,565,705	1,565,705	—
Total other financing sources	—	1,565,705	1,565,705	—
Net changes in fund balances	(50,000)	(1,261,573)	(12,837)	1,248,736
Fund balances, beginning of fiscal year	2,629,573	2,629,573	2,629,573	—
Fund balances, end of fiscal year	\$2,579,573	\$1,368,000	\$2,616,736	\$1,248,736

DEBT SERVICE FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2022

	<i>Budget</i>		<i>Actual</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Property taxes	\$4,752,000	\$4,752,000	\$5,256,236	\$504,236
Investment earnings (losses)	13,000	13,000	(60,509)	(73,509)
Total revenues	4,765,000	4,765,000	5,195,727	430,727
Expenditures:				
Current:				
General government	16,000	673,628	8,500	665,128
Debt service:				
Principal	2,405,000	2,405,000	2,405,000	—
Interest and fiscal charges	2,537,881	2,537,881	2,537,881	—
Total expenditures	4,958,881	5,616,509	4,951,381	665,128
Net changes in fund balances	(193,881)	(851,509)	244,346	1,095,855
Fund balances, beginning of fiscal year	851,509	851,509	851,509	—
Fund balances, end of fiscal year	\$657,628	\$ —	\$1,095,855	\$1,095,855

2017 SCHEDULE OF PROJECTS CONSTRUCTED
WITH PROCEEDS FROM TRANSPORTATION
SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST)

For the Fiscal Year Ended June 30, 2022

Project	Estimated Cost		Expenditures			Project Completion
	Original	Current	Prior	Current	Total	
TSPLOST TIER 1:						
Congestion Relief						
Haynes Bridge Road/ Old Milton Parkway/ McGinnis Ferry Road/ Windward Parkway Business District/ Union Hill	\$32,647,634	\$13,733,132	\$3,589,427	\$1,241,865	\$4,831,292	35.18%
Operations and Safety						
Academy St./Webb Bridge Road/ Bicycle Improvements, Morris Road, Bethany at Mayfield Intersection, and Bethany at Mid Broadwell Road Intersection	20,656,029	32,154,630	7,617,960	1,443,286	9,061,246	28.18%
TSPLOST TIER 2:						
Kimball Bridge Road Operations and Ped/Bike Improvements	4,906,529	1,359,742	1,066,826	52,175	1,119,001	82.30%
Adaptive Traffic Signals/ ITS Milling/Resurfacing	1,500,000	2,000,000	—	—	—	0.00%
Pedestrian/Bicycle Improvements	1,000,000	4,398,000	929,439	300,562	1,230,001	27.97%
Debt Service	1,000,000	—	—	—	—	0.00%
Quick Response Projects	1,000,000	—	—	—	—	0.00%
TSPLOST TIER 3:						
Bridges						
Academy St./Webb Bridge Road/ Ga 400 Bridge Improvements and Kimball Bridge/Ga 400 Improvements	7,293,644	4,886,000	737,429	—	737,429	15.09%
Commuter Bike Corridor	500,000	—	—	—	—	0.00%
Ga 400 Bottlenecks	1,650,000	—	—	—	—	0.00%
TOTAL TSPLOST	\$72,153,836	\$58,531,504	\$13,941,081	\$3,037,888	\$16,978,969	

2022 SCHEDULE OF PROJECTS CONSTRUCTED
WITH PROCEEDS FROM TRANSPORTATION
SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST)

For the Fiscal Year Ended June 30, 2022

<i>Project</i>	<i>Estimated Cost</i>		<i>Expenditures</i>			<i>Project Completion</i>
	<i>Original</i>	<i>Current</i>	<i>Prior</i>	<i>Current</i>	<i>Total</i>	
TSPLOST TIER 1:						
Pedestrian/Bike Improvements	\$27,445,000	\$27,445,000	\$ —	\$50,995	\$50,995	0.19%
Operations and Safety Improvements Marietta St. and Roswell St./ Tradewinds Ripple Effect/Cumming St.	11,607,526	11,607,526	—	3,925	3,925	0.03%
Roadway Project Webb Bridge Road Improvements	13,000,000	13,000,000	—	13,873	13,873	
TSPLOST TIER 2:						
Congestion Relief Kimball Bridge Rd.	2,000,000	2,000,000	—	—	—	0.00 %
Operations and Safety Improvements Academy St.	7,185,740	7,185,740	—	—	—	0.00 %
TSPLOST TIER 3:						
Operations and Safety Improvements Roundabouts	5,500,000	5,500,000	—	—	—	0.00%
Pedestrian/Bicycle Improvements	500,000	500,000	—	—	—	0.00%
Maintenance and Safety Enhancements	2,500,000	2,500,000	—	—	—	0.00%
Program Management	685,740	685,740	—	—	—	0.00%
TOTAL TSPLOST	\$70,424,006	\$70,424,006	\$ —	\$68,793	\$68,793	

CITY OF ALPHARETTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2022

ASSETS	<i>Governmental Activities - Internal Service Funds</i>		
	<i>Risk Management Fund</i>	<i>Medical Insurance Fund</i>	<i>Total</i>
CURRENT ASSETS:			
Cash and cash equivalents	\$1,091,934	\$379,325	\$1,471,259
Accounts receivables	—	755,654	755,654
Investments	1,235,666	62,136	1,297,802
Total assets	2,327,600	1,197,115	3,524,715
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	20,918	—	20,918
Claims payable, due within one year	444,750	1,237,718	1,682,468
Total current liabilities	465,668	1,237,718	1,703,386
NON-CURRENT LIABILITIES:			
Claims payable, due in more than one year	520,391	—	520,391
Total non-current liabilities	520,391	—	520,391
Total liabilities	986,059	1,237,718	2,223,777
NET POSITION (DEFICIT)			
Unrestricted	1,341,541	(40,603)	1,300,938
Total net position	\$1,341,541	\$(40,603)	\$1,300,938

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2022

	<i>Governmental Activities - Internal Service Funds</i>		
	<i>Risk Management Fund</i>	<i>Medical Insurance Fund</i>	<i>Total</i>
OPERATING REVENUES			
Charges for services:			
Charges for service	\$1,609,899	\$7,756,189	\$9,366,088
Miscellaneous revenue	45,216	—	45,216
Total operating revenues	1,655,115	7,756,189	9,411,304
OPERATING EXPENSES			
Administration	98,438	—	98,438
Claims and judgements	565,191	5,810,246	6,375,437
Premiums	796,247	1,947,173	2,743,420
Total operating expenses	1,459,876	7,757,419	9,217,295
Operating income (loss)	195,239	(1,230)	194,009
NON-OPERATING REVENUES			
Investment earnings (losses)	(25,604)	—	(25,604)
Total non-operating revenues (expenses)	(25,604)	—	(25,604)
Change in net position	169,635	(1,230)	168,405
NET POSITION (DEFICIT), beginning of year	1,171,906	(39,373)	1,132,533
NET POSITION (DEFICIT), end of year	\$1,341,541	\$(40,603)	\$1,300,938

CITY OF ALPHARETTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2022

	<i>Governmental Activities - Internal Service Funds</i>		
	<i>Risk Management Fund</i>	<i>Medical Insurance Fund</i>	<i>Total</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$1,657,213	\$7,215,205	\$8,872,418
Payments to vendors/suppliers	(808,664)	(1,947,173)	(2,755,837)
Payments on claims	(491,663)	(5,661,449)	(6,153,112)
Net cash provided by (used in) operating activities	356,886	(393,417)	(36,531)
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of investments	(472,206)	—	(472,206)
Purchase of investments	—	175,589	175,589
Interest and dividends received	(25,604)	—	(25,604)
Net cash used in investing activities	(497,810)	175,589	(322,221)
Decrease in cash and cash equivalents	(140,924)	(217,828)	(358,752)
Cash and cash equivalents, beginning of year	1,232,858	597,153	1,830,011
Cash and cash equivalents, end of year	\$1,091,934	\$379,325	\$1,471,259
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$195,239	\$(1,230)	\$194,009
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
(Increase) decrease in due from other funds	2,098	(540,984)	(538,886)
Decrease in accounts payable	(12,417)	—	(12,417)
Increase in claims payable	171,966	148,797	320,763
Net cash provided by (used in) operating activities	\$356,886	\$(393,417)	\$(36,531)

COMBINING STATEMENT OF FIDUCIARY NET POSITION**FIDUCIARY FUNDS**

June 30, 2022

ASSETS	<i>Pension Plan</i>	<i>OPEB Plan</i>	<i>OPEB Retirement Reimbursement Plan</i>	<i>Total</i>
Cash	\$218,622	\$5,116	\$11,381	\$ 235,119
Accounts receivable	257,490	4,584	10,861	272,935
Investments:				
Money Market Funds	1,759,002	24,595	103,014	1,886,611
U.S. Treasuries	4,210,180	110,119	324,885	4,645,184
U.S. Agencies	8,311,997	—	—	8,311,997
Corporate and Foreign Bonds	8,579,249	284,395	800,251	9,663,895
Common Equity Securities	58,944,417	1,196,158	2,823,118	62,963,693
Preferred Equity Securities	13,394	896	2,105	16,395
Equity Mutual Funds	1,091,997	—	—	1,091,997
Exchange Traded Funds	46,504	3,292	6,962	56,758
Total assets	83,432,852	1,629,155	4,082,577	89,144,584
LIABILITIES				
Accounts payable	510,740	35,385	56,687	602,812
Total liabilities	510,740	35,385	56,687	602,812
NET POSITION				
Restricted for:				
Pensions	82,922,112	—	—	82,922,112
Postemployment benefits other than pensions	—	1,593,770	4,025,890	5,619,660
Net position restricted for retiree benefits	\$82,922,112	\$1,593,770	\$4,025,890	\$88,541,772

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2022

ADDITIONS	<i>Pension Plan</i>	<i>OPEB Plan</i>	<i>OPEB Retirement Reimbursement Plan</i>	<i>Total</i>
Contributions:				
Employee contributions	\$312,555	\$ —	\$ —	\$312,555
Employer contributions	2,934,025	12,600	590,928	3,537,553
Total contributions	3,246,580	12,600	590,928	3,850,108
Investment income:				
Net appreciation of fair value of investments	(14,347,428)	(294,977)	(687,507)	(15,329,912)
Interest and dividends	2,364,715	51,179	109,082	2,524,976
Less investment expense	(516,408)	(4,602)	(10,329)	(531,339)
Net investment income	(12,499,121)	(248,400)	(588,754)	(13,336,275)
Total additions	(9,252,541)	(235,800)	2,174	(9,486,167)
DEDUCTIONS				
Benefit payments	3,568,937	33,214	47,676	3,649,827
Administrative expenses	212,901	9,128	21,324	243,353
Total deductions	3,781,838	42,342	69,000	3,893,180
Change in net position	(13,034,379)	(278,142)	(66,826)	(13,379,347)
NET POSITION RESTRICTED FOR RETIREE BENEFITS				
Beginning of year	95,956,491	1,871,912	4,092,716	101,921,119
End of year	\$82,922,112	\$1,593,770	\$4,025,890	\$88,541,772

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STATISTICAL SECTION



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

Contents Pages

Financial Trends 101–106

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 107-110

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

Debt Capacity 111-112

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 113

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 114–116

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 comprehensive annual financial report for the relevant year.

CITY OF ALPHARETTA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	2022	2021	2020	2019	2018
<i>Governmental activities</i>					
Net investment in capital assets	\$229,294,901	\$227,123,239	\$223,789,948	\$214,287,654	\$207,591,819
Restricted	56,076,310	44,481,028	40,012,955	31,734,150	21,779,964
Unrestricted	37,673,321	37,721,528	20,239,066	24,935,364	26,815,118
Total governmental activities net position	\$323,044,532	\$309,325,795	\$284,041,969	\$270,957,168	\$256,186,901
<i>Business-type activities</i>					
Unrestricted	\$115,975	\$802,291	\$1,147,524	\$1,206,592	\$1,186,192
Total business-type activities net position	\$115,975	\$802,291	\$1,147,524	\$1,206,592	\$1,186,192
<i>Primary government</i>					
Net investment in capital assets	\$229,294,901	\$227,123,239	\$223,789,948	\$214,287,654	\$207,591,819
Restricted	56,076,310	44,481,028	40,012,955	31,734,150	21,779,964
Unrestricted	37,789,296	38,523,819	21,386,590	26,141,956	28,001,310
Total primary government net position	\$323,160,507	\$310,128,086	\$285,189,493	\$272,163,760	\$257,373,093
	2017 ²	2016	2015	2014 ¹	2013
<i>Governmental activities</i>					
Net investment in capital assets	\$156,743,582	\$215,676,760	\$201,023,973	\$201,359,025	\$203,216,963
Restricted	60,101,289	9,761,642	7,791,738	9,614,036	8,063,704
Unrestricted	31,781,332	21,343,378	19,004,765	17,825,182	29,004,650
Total governmental activities net position	\$248,626,203	\$246,781,780	\$227,820,476	\$228,798,243	\$240,285,317
<i>Business-type activities</i>					
Unrestricted	\$1,133,212	\$1,123,990	\$967,766	\$1,013,492	\$1,026,865
Total business-type activities net position	\$1,133,212	\$1,123,990	\$967,766	\$1,013,492	\$1,026,865
<i>Primary government</i>					
Net investment in capital assets	\$156,743,582	\$215,676,760	\$201,023,973	\$201,359,025	\$203,216,963
Restricted	60,101,289	9,761,642	7,791,738	9,614,036	8,063,704
Unrestricted	32,914,544	22,467,368	19,972,531	18,838,674	30,031,515
Total primary government net position	\$249,759,415	\$247,905,770	\$228,788,242	\$229,811,735	\$241,312,182

1. 2014 was restated for the implementation of GASB Statement No. 68 and 71.

2. 2017 was restated for the implementation of GASB Statement No. 75.

CITY OF ALPHARETTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 Accrual Basis of Accounting – Page 1 of 2

Expenses	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities ¹ :										
General government	\$15,956,849	\$14,102,831	\$12,897,560	\$15,780,792	\$21,454,576	\$29,135,914	\$11,509,627	\$12,065,471	\$11,463,544	\$12,321,146
Public safety	38,314,600	33,800,622	45,004,360	33,611,899	32,400,805	30,123,186	30,252,024	32,637,732	27,912,188	26,435,109
Public works	26,051,729	36,021,581	17,502,024	21,553,723	10,681,676	14,533,961	19,358,138	17,529,801	14,035,094	17,291,919
Community development	8,716,191	6,927,901	7,480,557	7,319,083	6,553,596	5,772,585	5,416,361	5,183,616	4,774,226	8,668,317
Culture and recreation	8,069,132	585,966	10,995,696	10,465,655	14,990,020	10,686,154	9,191,257	8,111,598	7,834,329	7,139,273
Interest on long-term debt	3,127,954	2,782,224	3,931,148	3,583,252	3,995,843	3,835,898	1,556,382	1,606,823	1,807,273	1,860,527
Total governmental activities expenses	100,236,455	94,221,125	97,811,345	92,314,404	90,076,516	94,087,698	77,283,789	77,135,041	67,826,654	73,716,291
Business-type activities:										
Solid Waste	5,788,277	4,749,994	4,319,502	4,226,955	3,818,643	3,274,907	3,077,407	3,264,095	3,213,392	3,197,191
Total business-type activities expenses	5,788,277	4,749,994	4,319,502	4,226,955	3,818,643	3,274,907	3,077,407	3,264,095	3,213,392	3,197,191
Total primary government expenses	\$106,024,732	\$98,971,119	\$102,130,847	\$96,541,359	\$93,895,159	\$97,362,605	\$80,361,196	\$80,399,136	\$71,040,046	\$76,913,482
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$45,823	700,631	\$75,708	\$98,287	\$131,490	\$128,321	\$3,614,607	\$3,318,538	\$2,843,024	\$2,967,937
Public safety	8,639,005	7,552,607	6,807,102	7,779,202	6,948,160	7,253,818	4,811,153	5,752,584	5,138,078	5,156,890
Public works	—	—	—	—	—	—	32,726	32,726	88,191	36,268
Community development	6,334,158	5,727,862	4,627,300	5,628,275	4,921,134	6,121,104	4,765,125	3,628,850	2,725,927	1,577,213
Culture and recreation	2,575,059	2,040,963	2,553,164	2,559,400	2,283,361	2,158,072	2,248,077	1,820,871	1,709,555	2,023,639
Operating grants and contributions	343,255	4,406,840	673,654	658,226	918,641	576,130	591,849	636,727	397,870	398,524
Capital grants and contributions ²	1,728,113	15,034,235	11,110,983	3,422,011	4,300,025	10,320,847	17,803,410	3,299,374	1,662,642	4,733,378
Total governmental activities program revenues	19,665,413	35,463,138	25,847,911	20,145,401	19,502,811	26,558,292	33,866,947	18,489,670	14,565,287	16,893,849
Business-type activities:										
Charges for service:										
Solid waste	5,129,955	4,403,138	4,207,802	4,188,117	3,851,806	3,275,135	3,225,033	3,215,238	3,194,769	3,204,318
Total business-type activities program revenues	5,129,955	4,403,138	4,207,802	4,188,117	3,851,806	3,275,135	3,225,033	3,215,238	3,194,769	3,204,318
Total primary government program revenues	\$24,795,368	\$39,866,276	\$30,055,713	\$24,333,518	\$23,354,617	\$29,833,427	\$37,091,980	\$21,704,908	\$17,760,056	\$20,098,167
Net (Expense)/Revenue										
Governmental activities	\$(80,571,042)	\$(58,757,987)	\$(71,963,434)	\$(72,169,003)	\$(70,573,705)	\$(67,529,406)	\$(43,416,842)	\$(58,645,371)	\$(53,261,367)	\$(56,822,442)
Business-type activities	(658,322)	(346,856)	(111,700)	(38,838)	33,163	228	147,626	(48,857)	(18,623)	7,127
Total primary government net expense	\$(81,229,364)	\$(59,104,843)	\$(72,075,134)	\$(72,207,841)	\$(70,540,542)	\$(67,529,178)	\$(43,269,216)	\$(58,694,228)	\$(53,279,990)	\$(56,815,315)

continued

1. The changes in expenses are primarily due to capital expenditure variances from year to year.

2. Prior to 2010 the City charged depreciation expense related to City's infrastructure to the general government function and in 2010 began charging to the public works function.

CITY OF ALPHARETTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 Accrual Basis of Accounting – Page 2 of 2

continued

**General Revenues
and Other Changes
in Net Position**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
Property taxes	\$35,491,615	\$34,693,764	\$32,927,048	\$31,569,551	\$27,953,119	\$27,218,360	\$25,833,303	\$24,216,991	\$23,681,167	\$23,055,884
Sales taxes	34,444,987	29,078,454	27,059,918	28,112,776	26,669,576	14,943,853	14,953,985	14,757,780	13,575,938	12,173,275
Franchise taxes	6,634,631	6,858,414	6,880,108	6,787,133	6,177,460	6,357,342	6,630,390	6,682,041	6,235,684	6,346,008
Hotel/Motel occupancy tax	7,940,764	3,890,093	6,672,097	9,051,333	7,665,868	9,566,630	6,391,857	4,637,950	4,137,790	3,859,498
Business taxes	6,276,971	6,198,056	5,975,012	5,555,835	5,387,059	5,160,501	4,981,704	4,425,286	4,227,363	4,072,729
Other taxes	4,186,760	3,901,833	3,209,346	3,321,352	3,129,297	3,092,041	3,003,685	2,767,730	2,243,736	2,318,455
Unrestricted investment earnings	(779,913)	168,428	2,015,281	2,541,290	1,152,024	560,590	201,044	75,916	124,173	97,018
Gain on sale of capital assets	93,964	—	309,425	—	—	2,656,725	351,990	103,910	—	—
Miscellaneous	—	—	—	—	—	—	30,188	—	—	—
Transfers	—	—	—	—	—	—	—	—	—	—
Total governmental activities	94,289,779	84,789,042	85,048,235	86,939,270	78,134,403	69,556,042	62,378,146	57,667,604	54,225,851	51,922,867
Business-type activities:										
Unrestricted investment earnings	(27,994)	1,623	52,632	59,238	19,817	8,994	8,598	3,131	5,250	3,090
Miscellaneous	—	—	—	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—	—	—	—
Total business-type activities	(27,994)	1,623	52,632	59,238	19,817	8,994	8,598	3,131	5,250	3,090
Total primary government	\$94,261,785	\$84,790,665	\$85,100,867	\$86,998,508	\$78,154,220	\$69,565,036	\$62,386,744	\$57,670,735	\$54,231,101	\$51,925,957
Change in Net Position										
Governmental activities	\$13,718,737	\$26,031,055	\$13,084,801	\$14,770,267	\$7,560,698	\$2,026,636	\$18,961,304	\$(977,767)	\$964,484	\$(4,899,575)
Business-type activities	(686,316)	(345,233)	(59,068)	20,400	52,980	9,222	156,224	(45,726)	(13,373)	10,217
Total primary government	\$13,032,421	\$25,685,822	\$13,025,733	\$14,790,667	\$7,613,678	\$2,035,858	\$19,117,528	\$(1,023,493)	\$951,111	\$(4,889,358)

CITY OF ALPHARETTA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

<i>Fiscal Year</i>	<i>Property Tax</i>	<i>Sales Tax</i>	<i>Franchise Tax</i>	<i>Hotel/Motel Occupancy Tax</i>	<i>Business Taxes</i>	<i>Other Taxes</i>	<i>Total</i>
2013	\$23,055,884	\$12,173,275	\$6,346,008	\$3,859,498	\$4,072,729	\$2,244,577	\$51,751,971
2014	23,681,167	13,575,938	6,235,684	4,137,790	4,227,363	2,318,455	54,176,397
2015	24,216,991	14,757,780	6,682,041	4,637,950	4,425,286	2,243,736	56,963,784
2016	25,833,303	14,953,985	6,630,390	6,391,857	4,981,704	2,767,730	61,558,969
2017	27,218,360	14,943,853	6,357,342	9,566,630	5,160,501	3,003,685	66,250,371
2018	27,953,119	26,669,576	6,177,460	7,665,868	5,387,059	3,092,041	76,945,123
2019	31,569,551	28,112,776	6,787,133	9,051,333	5,555,835	3,129,297	84,205,925
2020	32,927,048	27,059,918	6,880,108	6,672,097	5,975,012	3,209,346	82,723,529
2021	34,693,764	29,078,454	6,858,414	3,890,093	6,198,056	3,901,833	84,620,614
2022	35,491,615	34,444,987	6,634,631	7,940,764	6,276,971	4,186,760	94,975,728

CITY OF ALPHARETTA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019	2018
General fund					
Assigned:					
Book revenue	\$ —	\$ —	\$ —	\$ —	\$ —
Subsequent budget appropriations	12,639,800	5,836,799	5,289,252	5,537,018	6,100,065
Unassigned	30,247,819	29,839,800	21,336,799	22,289,252	18,537,018
Total general fund	\$42,887,619	\$35,676,599	\$26,626,051	\$27,826,270	\$24,637,083
All other governmental funds					
Restricted:					
Capital projects	\$79,910,051	\$43,612,453	\$52,425,466	\$57,996,237	\$53,096,354
Law enforcement	340,977	200,999	266,485	494,638	323,177
Emergency telephone services	2,616,736	2,629,573	2,242,426	1,808,567	1,851,911
Tourism	1,143,173	1,311,312	1,966,633	2,697,154	1,770,515
Debt service	1,095,855	851,509	648,200	1,223,954	1,032,049
Promotion of tourism	—	—	—	—	—
Assigned:					
Grant projects	265,456	269,470	203,703	393,439	260,549
Economic development	214,749	263,121	—	—	—
Capital projects	10,015,826	10,685,162	8,414,274	10,613,617	14,294,222
Unassigned	—	—	—	—	—
Total all other governmental funds	\$95,602,823	\$59,823,599	\$66,167,187	\$75,227,606	\$72,628,777

	2017	2016	2015	2014	2013
General fund					
Assigned					
Book revenue	\$17,973	\$17,973	\$17,973	\$ —	\$ —
Subsequent budget appropriations	8,842,313	6,049,857	5,018,236	4,105,260	5,684,667
Unassigned	19,600,065	21,222,540	18,549,859	16,768,236	15,266,611
Total general fund	\$28,460,351	\$27,290,370	\$23,586,068	\$20,873,496	\$20,951,278
All other governmental funds					
Restricted:					
Capital projects	\$60,610,599	\$27,175,844	\$2,986,088	\$14,896,779	\$28,411,579
Law enforcement	1,460,509	1,752,596	1,974,755	2,099,710	2,116,404
Emergency telephone services	1,827,068	2,122,857	2,150,699	3,971,699	3,325,910
Tourism	1,505,262	950,567	—	—	—
Debt service	1,250,405	814,051	845,511	913,165	745,672
Promotion of tourism	—	—	—	—	11,114
Assigned:					
Grant projects	38,982	39,857	364,190	698,318	325,292
Economic development	—	—	—	—	—
Capital projects	15,130,110	6,114,004	5,667,535	6,747,056	6,415,189
Unassigned	(197,470)	(2,286,335)	—	—	—
Total all other governmental funds	\$81,625,465	\$36,683,441	\$13,988,778	\$29,326,727	\$41,351,160

Note: During 2012 the City issued \$29,000,000 of general obligation bonds, which remained unspent at year-end.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Modified Accrual Basis of Accounting – Page 1 of 2

	2022	2021	2020	2019	2018
Revenues					
Property taxes	\$35,384,682	\$34,460,884	\$32,987,329	\$31,514,266	\$27,920,695
Sales tax	34,444,987	29,078,454	26,893,744	28,112,776	26,669,576
Other taxes	25,039,126	20,848,396	22,736,563	24,715,653	22,359,684
Licenses and permits	3,253,437	3,056,142	3,268,383	4,198,814	3,403,611
Intergovernmental	6,084,710	15,517,798	6,224,666	4,711,704	3,774,694
Contributions and donations	949,978	476,104	346,781	451,910	467,484
Charges for services	7,531,189	7,775,975	6,610,279	7,280,653	6,317,352
Impact fees	1,939,187	2,098,746	866,093	960,432	1,346,589
Fines and forfeitures	3,241,535	1,658,072	1,891,476	2,229,991	2,054,812
Investment earnings	(779,913)	168,428	2,015,281	2,541,290	1,152,024
Miscellaneous	353,672	4,305,688	177,702	149,788	167,268
Total revenues	117,442,590	119,444,687	104,018,297	106,867,277	95,633,789
Expenditures					
General government	10,892,836	10,110,392	10,472,664	10,042,217	16,560,677
Public safety	37,403,375	33,118,441	32,918,201	31,684,766	31,843,942
Public works	10,954,892	17,263,357	15,249,332	12,275,846	9,939,770
Community development	7,848,749	5,645,010	7,302,285	7,210,012	6,539,525
Culture and recreation	10,352,013	8,892,644	9,455,863	9,921,813	21,102,795
Capital outlay	21,331,041	35,979,693	31,618,916	22,551,277	15,696,812
Intergovernmental	—	—	—	—	—
Debt service:					
Principal	4,133,267	3,786,926	3,912,526	3,903,709	3,727,824
Interest	3,454,689	3,529,781	3,906,807	3,622,560	3,700,476
Other charges	368,549	—	—	—	—
Total expenditures	106,739,411	118,326,244	114,836,594	101,212,200	109,111,821
Excess (deficiency) of revenues over (under) expenditures	10,703,179	1,118,443	(10,818,297)	5,655,077	(13,478,032)
Other financing sources (uses)					
Transfers in	10,462,585	6,000,643	14,818,304	15,415,517	16,897,064
Transfers out	(10,462,585)	(6,000,643)	(14,818,304)	(15,415,517)	(16,897,064)
General obligation bond proceeds	27,335,000	—	17,775,000	—	—
Premium on bond issuance	2,539,405	—	5,501,675	—	—
Payments to refunding escrow	—	—	(23,886,801)	—	—
Financed purchases	2,292,350	1,311,250	235,805	—	504,024
Issuance of intergovernmental payable	—	—	—	—	—
Sale of capital assets	120,310	131,483	931,980	132,939	154,052
Total other financing sources (uses)	32,287,065	1,442,733	557,659	132,939	658,076
Net change in fund balances	42,990,244	\$2,561,176	\$(10,260,638)	\$5,788,016	\$(12,819,956)
Debt service as a percentage of noncapital expenditures					
	8.7%	8.1%	8.7%	7.4%	6.2%
Total debt service expenditures	7,956,505	7,316,707	7,819,333	7,526,269	7,428,300
Total non-capital expenditures	91,472,006	90,574,213	90,045,947	101,212,200	119,325,254

continued
on next page →

CITY OF ALPHARETTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Modified Accrual Basis of Accounting – Page 2 of 2

	2017	2016	2015	2014	2013
Revenues					
Property taxes	\$27,262,172	\$25,841,451	\$24,274,577	\$23,696,658	\$23,127,131
Sales tax	17,412,634	14,953,985	14,757,780	13,575,938	12,173,275
Other taxes	21,707,749	21,007,620	18,520,227	16,837,353	16,596,690
Licenses and permits	4,222,432	3,814,821	2,912,433	2,400,059	1,859,213
Intergovernmental	12,733,728	8,870,676	3,570,796	2,691,949	8,104,863
Contributions and donations	953,912	793,450	171,226	536,309	116,510
Charges for services	6,364,262	6,788,274	6,502,793	5,563,630	5,136,187
Impact fees	1,449,478	1,425,667	529,004	337,108	158,038
Fines and forfeitures	2,463,790	2,453,134	3,537,448	2,865,931	3,356,903
Investment earnings	560,590	201,044	75,916	124,173	97,018
Miscellaneous	196,279	200,484	305,071	222,412	357,667
Total revenues	95,327,026	86,350,606	75,157,271	68,851,520	71,083,495
Expenditures					
General government	27,000,660	10,222,722	10,182,488	9,900,168	9,235,058
Public safety	28,912,695	28,735,794	30,830,566	26,448,052	25,074,754
Public works	8,820,932	7,288,023	7,008,688	6,819,823	6,700,695
Community development	5,738,401	5,356,302	5,127,170	4,742,837	4,340,018
Culture and recreation	13,248,613	8,129,640	6,670,048	6,248,603	6,128,106
Capital outlay	19,496,900	22,500,926	23,759,144	23,061,757	15,166,479
Intergovernmental	—	—	20,000	40,000	4,130,000
Debt service:					
Principal	3,597,331	2,964,225	2,772,528	2,609,414	4,576,564
Interest	3,378,768	1,476,940	1,574,813	1,638,871	1,966,171
Other charges	361,301	—	—	170,000	—
Total expenditures	110,555,601	86,674,572	87,945,445	81,679,525	77,317,845
Excess (deficiency) of revenues over (under) expenditures	(15,228,575)	(323,966)	(12,788,174)	(12,828,005)	(6,234,350)
Other financing sources (uses)					
Transfers in	13,218,136	12,184,381	9,325,180	9,750,177	8,994,917
Transfers out	(13,218,136)	(12,184,381)	(9,325,180)	(9,750,177)	(8,994,917)
General obligation bond proceeds	50,855,000	—	—	17,695,000	—
Premium on bond issuance	1,527,686	—	—	—	—
Payments to refunding escrow	—	—	—	(17,518,423)	—
Financed purchases	3,695,447	709,742	—	—	3,290,981
Issuance of intergovernmental payable	—	24,720,000	—	—	4,130,000
Sale of capital assets	5,262,447	1,293,189	162,797	549,213	95,230
Total other financing sources (uses)	61,340,580	26,722,931	162,797	725,790	7,516,211
Net change in fund balances	\$46,112,005	\$26,398,965	\$(12,625,377)	\$(12,102,215)	\$1,281,861
Debt service as a percentage of noncapital expenditures					
	6.3%	5.1%	4.9%	5.2%	8.5%
Total debt service expenditures	6,976,099	4,441,165	4,347,341	4,248,285	6,542,735
Total non-capital expenditures	110,555,601	86,674,572	87,945,445	81,679,525	77,317,845

CITY OF ALPHARETTA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

<i>Fiscal Year</i>	<i>Property Tax</i>	<i>Sales Tax</i>	<i>Franchise Tax</i>	<i>Motor Vehicle Tax</i>	<i>Alcoholic Beverage Tax</i>	<i>Other Taxes</i>	<i>Total</i>
2013	\$23,127,131	\$12,173,275	\$6,346,008	\$1,202,974	\$1,712,952	\$7,334,756	\$51,897,096
2014	23,696,658	13,575,938	6,235,684	895,290	1,774,662	7,931,717	54,109,949
2015	24,274,577	14,757,780	6,682,041	622,507	1,998,770	9,216,909	57,552,584
2016	25,841,451	14,953,985	6,630,390	449,164	2,053,173	11,874,893	61,803,056
2017	27,262,172	17,412,634	6,357,342	302,977	2,113,121	12,934,309	66,382,555
2018	27,920,695	26,669,576	6,177,460	222,688	2,210,031	13,749,505	76,949,955
2019	31,514,266	28,112,776	6,787,133	169,870	2,330,292	15,428,358	84,342,695
2020	32,987,329	26,893,744	6,880,108	124,551	2,199,245	13,532,659	82,617,636
2021	34,460,884	29,078,454	6,858,414	102,545	2,339,660	11,547,777	84,387,734
2022	35,384,682	34,444,987	6,634,631	92,728	2,764,435	15,547,332	94,868,795

Note: Other taxes include intangible, real estate transfer, hotel/motel, business & occupation, insurance premium, and financial institution taxes.

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

<i>Fiscal Year</i>	<i>Real Property</i>		<i>Personal Property</i>		<i>Less: Tax Exempt Real Property</i>	<i>Total Taxable Assessed Value</i>	<i>Total Direct Tax Rate</i>	<i>Estimated Actual Taxable Value</i>	<i>Assessed Value as a Percentage of Actual Value</i>
	<i>Residential</i>	<i>Commercial</i>	<i>Motor Vehicles</i>	<i>Other</i>					
2013	\$1,899,875,770	\$2,558,697,811	\$201,312,700	\$10,760	\$533,072,610	\$4,126,824,431	5.75	\$11,649,742,603	40.00%
2014	1,859,569,100	2,526,630,701	218,557,340	10,760	527,564,070	4,077,203,831	5.75	11,511,919,753	40.00%
2015	1,924,974,730	2,513,543,524	186,312,400	23,862	529,904,910	4,094,949,606	5.75	11,562,136,290	40.00%
2016	2,169,172,670	2,755,306,162	130,611,730	29,923	523,053,335	4,532,067,150	5.75	12,637,801,213	40.00%
2017	2,238,392,880	2,907,419,873	91,948,620	64,228	642,812,340	4,595,013,261	5.75	13,094,564,003	40.00%
2018	2,274,153,290	3,058,277,943	62,542,690	662,682	640,291,164	4,755,345,441	5.75	13,489,091,513	40.00%
2019	2,831,212,300	3,067,760,757	44,032,240	161,090	567,088,190	5,376,078,197	5.75	14,857,915,968	40.00%
2020	3,044,152,260	3,269,109,969	33,599,820	—	926,375,778	5,766,798,069	5.75	15,934,655,123	40.00%
2021	3,242,898,630	3,328,479,833	26,148,000	101,306	1,087,813,540	5,509,814,229	5.75	16,494,069,423	40.00%
2022	3,395,284,680	3,420,217,761	19,610,740	—	1,078,993,638	5,756,119,543	5.75	17,087,782,953	40.00%

Source: Georgia Department of Revenue, Property Tax Division

Notes:

Property in the County is assessed annually. The County assesses property at approximately 40 percent of actual value for all types of real and personal property.

Estimated actual value is calculated by dividing the assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

Homestead exemption was increased to \$30,000 per household in fiscal year 2008.

Homestead exemption was increased to \$35,000 per household in fiscal year 2011.

Homestead exemption was increased to \$40,000 per household in fiscal year 2012.

Homestead exemption was increased to \$45,000 per household in fiscal year 2020.

Floating exemption included beginning fiscal year 2021.

Senior basic homestead exemption was increased to \$25,000 for residents 65 and older in fiscal year 2021.

Senior additional exemption, income based, was eliminated in fiscal year 2021.

CITY OF ALPHARETTA
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUE)
 LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	City of Alpharetta			Fulton County			School District			State	Direct & Overlapping Rates
		General Obligation			General Obligation			General Obligation				
		Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2013	2012	4.820	0.930	5.750	10.281	0.270	10.551	18.502	0.000	18.502	0.200	35.003
2014	2013	4.870	0.880	5.750	10.211	0.270	10.481	18.502	0.000	18.502	0.150	34.883
2015	2014	4.950	0.800	5.750	11.781	0.270	12.051	18.502	0.000	18.502	0.100	36.403
2016	2015	5.000	0.750	5.750	10.450	0.250	10.700	18.483	0.000	18.483	0.000	34.933
2017	2016	4.620	1.130	5.750	10.450	0.250	10.700	18.483	0.000	18.483	0.000	34.933
2018	2017	4.720	1.030	5.750	10.380	0.025	10.405	18.546	0.000	18.546	0.000	34.701
2019	2018	4.770	0.980	5.750	10.200	0.230	10.430	17.796	0.000	17.796	0.000	33.976
2020	2019	4.820	0.930	5.750	9.899	0.220	10.119	17.796	0.000	17.796	0.000	33.665
2021	2020	4.935	0.815	5.750	9.776	0.220	9.996	17.796	0.000	17.796	0.000	33.542
2022	2021	4.935	0.815	5.750	9.330	0.210	9.540	17.590	0.000	17.590	0.000	32.880

Source: Georgia Department of Revenue, Property Tax Division

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

CITY OF ALPHARETTA
SALES TAX RATES - ALL OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS

Fiscal Year	State of Georgia	Local Option Sales Tax	Metropolitan Atlanta Regional Transportation	Fulton County Board of Education	Transportation Special Purpose Local Option Sales Tax	Total Overlapping Rates
2013	4.00%	1.00%	1.00%	1.00%	0.00%	7.00%
2014	4.00	1.00	1.00	1.00	0.00	7.00
2015	4.00	1.00	1.00	1.00	0.00	7.00
2016	4.00	1.00	1.00	1.00	0.00	7.00
2017	4.00	1.00	1.00	1.00	0.00	7.00
2018	4.00	1.00	1.00	1.00	0.75	7.75
2019	4.00	1.00	1.00	1.00	0.75	7.75
2020	4.00	1.00	1.00	1.00	0.75	7.75
2021	4.00	1.00	1.00	1.00	0.75	7.75
2022	4.00	1.00	1.00	1.00	0.75	7.75

Source: Georgia Department of Revenue, Property Tax Division

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

The City of Alpharetta received 5.8367% of the Local Option Sales Tax collected on a county-wide basis.

CITY OF ALPHARETTA
PRINCIPAL PROPERTY TAXPAYERS
 CURRENT AND NINE YEARS AGO

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Avalon	\$74,184,810	1	1.29%	\$ —		1.19%
32000 Gardner Drive Apartments	60,000,000	2	1.04	29,015,280	4	0.63
F7 NWO LLC	56,060,120	3	0.97			
GGP North Point Inc	49,263,320	4	0.86	56,513,390	3	
Sanctuary Acquisitions West LLC	43,826,080	5	0.76	58,889,740	2	
Lakeside at Milton Park LLC	37,001,840	6	0.64			
NPMC Retail LLC	32,667,800	7	0.57			
BRI 1870 North Point LLC	30,826,000	8	0.54			
BOF GA Royal Center	30,291,360	9	0.53			
PPF Amlı Mansell Road LLC	29,600,000	10	0.51			
BRE COH GA LLC				65,493,880	1	0.71
CH Realty IV Royal Centre LLC				28,907,300	5	0.57
Metropolitan Life Ins. Co.				25,370,760	6	0.56
AMLı at Milton Park LLC				22,826,000	7	0.44
Northside Ventures Inc.				22,172,000	8	0.39
CP Venture Two LLC				21,877,600	9	0.37
Imperatum Georgia Corp				21,619,970	10	0.36
Totals	\$443,721,330		7.71%	\$352,685,920		5.22%

Source: Fulton County Board of Assessors

CITY OF ALPHARETTA
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Pct. of Levy		Amount	Pct. of Levy
2013	2012	\$21,542,122	\$21,113,760	98.01%	\$406,632	\$21,520,392	99.90%
2014	2013	21,419,762	21,144,336	98.71	246,482	21,390,818	99.86
2015	2014	22,169,757	22,009,987	99.28	136,442	22,146,429	99.89
2016	2015	24,397,030	23,810,905	97.60	563,328	24,374,233	99.91
2017	2016	25,768,440	25,141,619	97.57	596,471	25,738,090	99.88
2018	2017	26,519,657	26,254,863	99.00	232,901	26,487,764	99.88
2019	2018	30,495,690	30,064,201	98.59	391,818	30,456,019	99.87
2020	2019	30,711,202	30,370,825	98.89	283,415	30,654,240	99.81
2021	2020	31,622,508	31,417,169	99.35	19,188	31,436,357	99.41
2022	2021	32,433,102	31,952,847	98.52	—	31,952,847	98.52

Source: Fulton County Tax Commissioner's Office

CITY OF ALPHARETTA
RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	<i>Governmental Activities</i>					Net Total Primary Government	Percentage of Est. Actual Taxable Value of Property	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes Payable	Fund Balance Restricted to Debt Service				
2013	\$48,753,210	\$ —	\$2,525,200	\$4,784,225	\$(745,672)	\$55,316,963	0.47 %	1.97 %	892
2014	48,541,210	—	2,088,963	4,626,050	(913,165)	54,343,058	0.47	1.98	872
2015	46,403,302	—	1,638,734	4,358,750	(845,511)	51,555,275	0.45	1.96	818
2016	44,084,193	—	1,784,850	28,803,150	(814,051)	73,858,142	0.58	2.72	1,160
2017	93,809,170	—	4,758,516	28,522,600	(1,250,405)	125,839,881	0.96	4.26	1,941
2018	91,088,614	—	4,465,217	28,232,100	(1,032,049)	122,753,882	0.91	4.05	1,866
2019	88,239,519	—	3,773,607	27,730,000	(1,267,709)	118,475,417	0.80	3.55	1,788
2020	84,270,023	—	3,271,886	27,340,000	(675,820)	114,206,089	0.72	3.23	1,699
2021 ²	81,251,480	27,422,724	3,881,210	—	(911,954)	111,643,460	0.68	2.91	1,696
2022	108,047,699	26,555,278	5,240,293	—	(1,170,881)	138,672,389	0.81	3.38	2,059

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

1. See the Schedule of Demographic and Economic Statistics within this section for personal income and population data.
2. The Development Authority became a blended component unit in FY2021, and therefore the notes payable from the City to the Development Authority were removed and the Development Authority's General Obligation debt was added to governmental activities totals.

CITY OF ALPHARETTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property ¹	Per Capita ²
2013	\$48,753,210	0.41 %	\$775
2014	48,541,210	0.41	765
2015	46,403,302	0.39	723
2016	44,084,193	0.34	679
2017	93,809,170	0.71	1,428
2018	91,088,614	0.67	1,369
2019	88,239,519	0.59	1,313
2020	84,270,023	0.52	1,244
2021	81,251,480	0.49	1,637
2022	108,047,699	0.77	1,979

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

1. See the Schedule on Assessed Value and Estimated Actual Value of Taxable Property for property value data.
2. Population data can be found in the schedule of Demographic and Economic Statistics.

CITY OF ALPHARETTA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2022

	<i>Net General Obligation Bonded Debt Outstanding</i>	<i>Percentage Applicable to City of Alpharetta¹</i>	<i>Amount Applicable to City of Alpharetta</i>
Overlapping General Obligation Debt:			
Fulton County, Georgia	\$228,617,629	7.1%	\$16,231,852
Fulton County Board of Education	—	16.2%	—
Subtotal, overlapping debt	228,617,629		16,231,852
City of Alpharetta direct debt	139,843,270	100.0%	139,843,270
Total direct and overlapping debt	\$368,460,899		\$156,075,122

Sources: Assessed value data used to estimate applicable percentages provided by Fulton County Board of Assessors.
Debt outstanding data provided by the Fulton County Board of Education.

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 government's boundaries and dividing it by the County's total taxable assessed value.

CITY OF ALPHARETTA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt limit	\$683,511,318	\$659,762,777	\$637,386,205	\$594,316,639	\$539,563,661	\$523,782,560	\$505,512,049	\$462,485,482	\$460,476,790	\$465,989,704
Total net debt applicable to limit	106,876,818	107,762,250	83,621,823	87,015,564	90,056,565	92,558,764	43,270,142	45,562,966	47,655,000	48,007,538
Legal debt margin	\$576,634,500	\$552,000,527	\$553,764,382	\$507,301,075	\$449,507,096	\$431,223,796	\$462,241,907	\$416,922,516	\$412,821,790	\$417,982,166

Total net debt applicable to the limit as a percentage of debt limit	16%	16%	13%	15%	17%	18%	9%	10%	10%	10%
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LEGAL DEBT MARGIN CALCULATION FOR CURRENT FISCAL YEAR

Assessed value	\$5,756,119,543
Add back: exempt real property	1,078,993,638
Total assessed value	6,835,113,181
Debt limit (10% of total assessed value)	683,511,318
Debt applicable to limit:	
General obligation bonds	108,047,699
Less: Amount set aside for repayment of general obligation debt	(1,170,881)
Total net debt applicable to limit	106,876,818
Legal debt margin	\$576,634,500

CITY OF ALPHARETTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

<i>Fiscal Year</i>	<i>Population¹</i>	<i>Personal Income</i>	<i>Per Capita Personal Income²</i>	<i>Median Age³</i>	<i>Education Levels in Years of Formal Schooling</i>	<i>School Enrollment⁴</i>	<i>Unemployment Rate²</i>
2013	61,981	\$2,800,921,390	\$45,190	36.8	16.0	11,861	6.2%
2014	62,298	2,750,020,614	44,143	35.8	16.0	11,818	5.9
2015	63,038	2,636,312,198	41,821	36.4	16.0	11,603	4.8
2016	63,693	2,716,124,292	42,644	36.4	16.0	11,388	4.3
2017	64,820	2,953,069,560	45,558	37.0	16.0	11,173	4.3
2018	65,799	3,034,189,287	46,113	37.4	16.0	12,695	2.9
2019	66,255	3,334,746,660	50,332	37.3	16.0	11,668	2.5
2020	67,208	3,530,839,488	52,536	37.6	16.0	12,078	11.8
2021	65,818	3,842,257,386	58,377	37.6	16.0	12,727	2.1
2022	66,127	4,022,703,791	60,833	39.9	16.0	12,918	1.9

Data sources:

1. Bureau of the Census/County Regional Planning Commission
2. State Department of Labor
3. State Department of Commerce

Fiscal Years 2013 through 2016 have been adjusted based upon trend data.

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

CITY OF ALPHARETTA
PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 as of December 31

<i>Employer</i>	<i>2022</i>			<i>2013</i>		
	<i>Employees</i>	<i>Rank</i>	<i>% of Total City Employment</i>	<i>Employees</i>	<i>Rank</i>	<i>% of Total City Employment</i>
ADP, Inc.	2,231	1	3.46%	2,024	1	2.70%
Fiserv	2,088	2	3.24			
Equifax Information Services	1,669	3	2.59			
Lexis Nexis Risk Solutions	1,384	4	2.14	1,483	3	1.98
MCI Communications Services, LLP	1,095	5	1.70			
ET Securities, LLC	878	6	1.36			
Ernst & Young U.S. LLP	806	7	1.25			
Hewlett Packard Enterprise Company	738	8	1.14	892	6	1.19
Synchrony Financial	600	9	0.93			
Locumtenens.com	496	10	0.77			
McKesson				1,775	2	2.37
Comcast of Georgia				1,000	4	1.33
Verizon				920	5	1.23
UPS Supply Chain Solutions				800	7	1.07
GE Consumer Finance - America				624	8	0.83
E*Trade Financial				537	9	0.72
Coca-Cola Refreshments				529	10	0.71
	11,985		18.58%	10,584		14.13%

CITY OF ALPHARETTA

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										
Mayor and City Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
City Administration	6.0	6.0	7.0	8.0	10.0	10.0	11.0	11.0	14.0	14.0
Finance	22.5	22.5	22.5	22.5	22.5	22.5	22.5	25.0	22.5	25.0
Human Resources	3.0	3.0	3.0	3.0	2.0	2.0	2.0	3.0	3.0	3.0
Municipal Court	7.0	8.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0
Information Technology	13.0	13.0	13.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Community Development	32.0	32.0	30.0	28.0	26.0	26.0	23.0	23.0	23.0	20.0
Public Safety	265.5	258.5	258.5	253.0	253.0	251.0	246.5	246.0	246.0	240.0
Public Works	51.0	52.0	52.0	52.0	52.0	52.0	55.0	59.0	59.0	62.0
Culture and Recreation	48.0	51.0	51.0	51.0	51.0	51.0	51.0	54.0	51.0	51.0
Total	455.0	453.0	452.0	444.5	444.5	442.5	439.0	449.0	446.5	443.0

Source: City of Alpharetta Budget Office

Full-time positions are counted as "1". Part-time positions are counted as "0.5".

Unfunded positions were removed from the authorized FTE count.

CITY OF ALPHARETTA
OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Ordinances approved	14	32	29	14	19	14	22	14	13	10
Special events held	90	38***	67***	116	115	119	115	127	104	95
Court cases heard	9,376	10,019	11,186	11,749	11,320	14,400	14,938	10,996	13,791	17,498*
Bond rating	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aa1-AAA
Software applications supported	143	136	137	136	103	99	123	115	124	157
Grants managed	10	9	9	9	10	39	32	35	42	44
Police										
Calls for service	19,516	17,516	19,007	21,181	80,773	80,105	68,484	71,302	77,967	77,156
Part 1 crimes reported	N/A**	N/A**	N/A**	N/A**	1,563	1,515	1,626	1,577	1,655	1,627
Traffic citations issued	11,104	8,871	10,775	17,817	17,176	20,764	14,375	22,316	26,478	24,316
Fire										
Incident responses	7,238	6,429	6,810	8,976	7,219	7,037	6,515	6,374	6,305	5,984
Average response time	5:03	6:36	6:14	6:47	4:29	3:04	6:06	6:10	3:29	3:40
Fire safety programs conducted	344	106***	261	315	616	401	257	149	159	146
Inspections conducted	6,663	7082***	9,020	10,958	12,333	10,215	9,494	8,914	7,253	7,048
Highways and streets										
Traffic signals timed	126	125	125	124	126	126	57	56	49	54
Average days to repair pothole	1	1	1	1	1	1	2	1	1	1
Stormwater plans reviewed	109	121	136	144	160	162	128	122	106	163
Community development										
New building permits issued	5,243	5,024	998	5,717	5,902	5,333	4,816	5,018	3,892	3,287
Culture and recreation										
Park acres maintained	392	392	392	360	360	360	320	320	312	312
Greenway acres maintained	254	254	250	250	250	250	250	250	206	206
Annual program registrants	53,150	52,668	15,811***	52,085	52,823	41,025	38,400	41,450	37,310	36,191

Source: Various City departments

* Revised count due to improvement in court case management system

** Indicators are no longer available

*** Decline due to COVID-19 restrictions

CITY OF ALPHARETTA
CAPITAL ASSET STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations	2	2	2	1	1	1	1	1	1	1
Patrol units and support vehicles	174	176	182	171	168	172	158	158	158	155
Police motorcycles	9	9	7	6	6	6	8	8	8	8
Fire										
Fire stations	6	6	6	6	6	6	6	6	6	6
Ladder units - in service	2	1	1	1	1	1	1	1	1	1
Ladder units - reserve	1	1	1	1	1	1	1	1	1	1
Pumper units - in service	6	6	6	6	6	6	6	6	6	6
Pumper units - reserve	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)*	225	225	224	227	225	225	223	225	214	214
Streets - unpaved (miles)	1	1	1	1	2	2	2	2	1	1
Sidewalk (miles)	229	229	229	223	223	220	220	220	214	212
Drainage - piped (miles)	129	126	121	121	121	128	128	128	99	99
Drainage - open (miles)*	54	54	58	58	57	58	57	58	35	35
Culture and recreation										
Parks - active and passive	28	28	19	16	16	16	15	15	15	15
Park acreage	866	866	862	832	832	832	800	797	764	764
Greenway and walking trails (miles)	18	20	17	17	17	17	17	17	12	12
Adaptive athletic fields	1	1	1	1	1	1	1	1	1	1
Athletic fields	32	32	28	28	28	28	28	28	28	29
Equestrian facilities	1	1	1	1	1	1	1	1	1	1
Skating rinks**	—	2	1	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	1	1	1	1	1
Tennis courts***	13	15	17	17	17	17	17	17	17	17
Recreation buildings	27	27	27	26	26	26	21	20	20	20
Playgrounds	10	10	10	8	8	8	8	8	8	8
Picnic shelters/restrooms	37	37	37	34	34	34	24	24	24	24
Pickleball courts***	10	6	—	—	—	—	—	—	—	—

Sources: Various government departments

Note: Capital asset indicators are not available for the general government function

* Change due to update of GIS records

**Previously stated as hockey rinks but are no-longer used for hockey

***Tennis courts were converted into Pickleball courts



2 Park Plaza
Alpharetta, GA 30009