

CITY OF BROOKHAVEN, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2021

Prepared by:
Finance Department

CITY OF BROOKHAVEN, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

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INTRODUCTORY SECTION



August 2, 2022

Honorable Mayor, Members of the City Council,
City Manager, Deputy City Manager, and Assistant City Manager
City of Brookhaven, Georgia

The Finance Department of the City of Brookhaven (the "City") is pleased to submit the Annual Comprehensive Financial Report of the City of Brookhaven, Georgia for the fiscal year ended December 31, 2021. The purpose of the report is to provide the Mayor, City Council, management, staff, the public and other interested parties with detailed information reflecting the City's financial condition.

THE REPORT

State law and independently ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report has been prepared in accordance with State statutes set forth in the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p.464), and as amended by the Act approved April 21, 1968 (GA Laws 1977, p.883). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position of the City of Brookhaven. We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The management of the City of Brookhaven has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Brookhaven's financial statements in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. Because the cost of internal controls should not outweigh their benefits, the City of Brookhaven's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Brookhaven's financial statements have been audited by Mauldin & Jenkins, LLC. The responsibility of the independent auditor was to provide reasonable assurance that the financial statements of the City of Brookhaven for the fiscal year ended December 31, 2021 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Brookhaven's financial statements for the fiscal year ended December 31, 2021 are fairly presented in conformity with GAAP. The auditors do not express an opinion on the effectiveness of the City's internal controls. However, they do provide a form of negative assurance as to the City's internal controls and compliance with applicable rules and regulations. The independent auditor's report is presented as the first component of the financial section of this report.

Also included in the report is the Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis. The basic financial statements, including the accompanying notes, represent the core of the financial section. These financial statements present the financial condition of the City of Brookhaven as a single entity, as well as the individual funds that account for the City's various governmental and business-type activities.

PROFILE OF THE CITY

After a July 31, 2012, voter referendum, approving the establishment of the City of Brookhaven, the City officially became the largest city in DeKalb County, Georgia on December 17, 2012. Brookhaven is in the northeast suburbs of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, scores of quality restaurants, quality shopping, and a large diverse international population.

Under the Charter, the Council is comprised of a Mayor and four Councilmembers who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with the Mayor and two Councilmembers alternating with the other two Councilmembers on odd-numbered years. The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day-to-day operations of the City.

The City provides a range of municipal services including general government, public safety (police), streets, parks and recreation, planning and zoning, code enforcement, and stormwater management. Sanitation collection services, fire protection, and emergency medical services are provided to residents via an intergovernmental agreement with DeKalb County. DeKalb County also provides water and sewer services to all municipalities, within its borders, including Brookhaven.

The annual budget of the City of Brookhaven serves as the foundation for the City's financial planning and control. The budget is prepared by the City Manager, transmitted to the City Council by the Mayor, and adopted by the City Council in accordance with policies and procedures established by the Brookhaven Charter and council ordinances. The appropriated budget is prepared and presented by fund, department (e.g. police) or function (e.g. debt service), and major cost category (e.g., personnel services). All expenditures of the City are made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Brookhaven Code ordinance. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors. Transfers among expenditure accounts in one department may occur with the approval of the Finance Director. Transfers between operating departments may occur with the approval of the City Council. Transfers between funds accomplished via budget amendment must be approved by the City Council. Budget amendments, increasing or decreasing fund appropriations, must also be approved by the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For all governmental funds with appropriated annual budgets, this comparison is presented in the required supplementary information (RSI) or combining fund section of this report.

ECONOMIC CONDITION AND OUTLOOK

Some of the factors, which will contribute to the future growth and development of the City of Brookhaven, are listed below:

Improved Transportation System

The City of Brookhaven is home to a heavy rail rapid transit station operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Opening in 1984, the Brookhaven station is a heavily travelled station with connections north and south. Transportation systems have a major impact on the growth and development of any community. With access to I-85 and I-285, the City's major local thoroughfares include Buford Highway (GA 13), Ashford Dunwoody Road, and the Peachtree Road. Also, the City has paved over 21.9 lane-miles during the last three years, while a total of over 7,405 linear feet of new sidewalks have been added during the same period.

Redevelopment of Existing Land/Properties

With most of the land/property in the City developed, the City's growth has been redevelopment in nature. This redevelopment includes mixed-use (commercial and residential), medical campuses, multiple family residences, and larger, modern homes. With an estimated population of 55,935 (Source: U.S. Census Bureau), the Community Development Department continues to work with developers and builders on projects promoting live-work-play communities, bike and pedestrian mobility, and neighborhood character preservation. Continuous measures have been implemented to make the City of Brookhaven aesthetically pleasing for its citizens and business owners such as design standards and overlay districts.

Recent Economic Development

The City continues its growth through mixed-use development, zoning improvements, and business attraction and retention.

Emory University announced its master plan for the Executive Park office park located on the City's Southern gateway near I-85 in 2018. The master plan calls for over 2 million square feet of new development totaling \$1 Billion in investment. The master plan will include a hospital, multi-family housing, and a hotel. As part of this effort, Emory University and the City of Brookhaven executed a Community Investment Agreement between the two organizations. The City's partnership with Emory places an emphasis on solving issues surrounding transit connectivity and alternate modes of transit for pedestrians and vehicles, and several other infrastructure priorities. The City plans to use the tax proceeds from the Emory Executive Park build-out to fund two pedestrian bridges - one over North Druid Hills and the other over I-85 – further enhancing the connectivity and prioritizing within the corridor. Despite the challenges of the COVID-19 pandemic, Emory University has managed to push forward on their construction schedule, with the first building, the Musculoskeletal Building being completed in 2021. With confidence that the project will move forward as planned within the anticipated phasing timeline, the Economic Development Department moved forward with leading conceptual design efforts for the North Druid Hills Pedestrian Bridge.

Children's Healthcare of Atlanta (CHOA), recognized by US News and World Reports as one of the top pediatric hospitals in the country, opened its 300,000 square foot Center for Advanced Pediatrics in late summer of 2018. Similar to Emory, Children's faced challenges as a result of the COVID-19 pandemic but has continued to forge ahead on its construction plans to complete two new hospital towers, new parking facilities, and more medical offices at their corporate campus in Brookhaven. The facility was in the area annexed into the City in 2014, and is expected to service 300,000 patients annually, provide for ancillary health services, and treat children with complex and chronic illnesses. At completion, the new hospital and its supporting buildings will total \$1.3 Billion in investment.

In 2020, 4004 Perimeter Summit, an 18-story, 355,000 square foot office tower in the Perimeter Parkway office development, became home to Rooms to Go's Atlanta area Headquarters and ~150 new employees; while construction and engineering firm Burns & McDonnell also announced its relocation to the building. Both organizations will be joining accounting firm Carr, Riggs, and Ingram, the 4004 Building's first tenant that announced its relocation to Brookhaven in 2019. Perimeter Summit is an 83-acre master planned development in the northern, I-285 area of the City currently consisting of three office buildings providing a total of more than 1.3 million square feet of Class A office space, two hotels (Hyatt Regency Villa Christina and Hilton Garden Inn) and residential housing. The Perimeter Summit development has over 300 residential condominiums and almost 200 hotel rooms.

Lastly, the City's Economic Development Department led the effort to complete the 5-year plan update for the Buford Highway Strategic and Economic Development Plan, which highlighted the need for a continued emphasis on increased housing options for all socioeconomic backgrounds, and the wide range of opportunity for impactful commercial redevelopment throughout the Buford Highway Corridor.

Budgetary Controls

The City of Brookhaven maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Governmental Fund Activities of the General Fund, SPLOST Fund, ARPA Fund, Confiscated Funds, Special Tax District Fund, Hotel/Motel Tax Fund, Streetlight Fund, E911 Fund, Grant Fund, Vehicle Capital Project Fund, Capital Project Fund, and Debt Service Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level.

A copy of the City of Brookhaven's annual budget can be obtained from the City of Brookhaven's Finance Department by calling (404) 637-0479. Copies of the annual budget or the various master plans can also be accessed through the respective department's web page at www.brookhavenga.gov.

Financial Policies

The City's Financial Management Policy guides management in the preparation of its annual budget and daily financial operations. The Policy provides standards for the use of contingencies, unexpected expenditures, the establishment of an unassigned fund balance reserve of 25% of annually budgeted following year expenditures in the General Fund, cash and investment management, grant management, purchasing policies, and internal control policies.

Internal accounting controls are business processes to provide reasonable assurance that the city is operating efficiently, reporting is reliable and that the City is in compliance with the applicable regulations and internal procedures as well as, preparing financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

Long-Term Financial Planning

The City actively engages in multi-year financial planning. The City has developed several master plans including parks, transportation and sidewalks, and stormwater infrastructure. The 2021 budget funded substantial progress on the City's master plan. As part of the annual five-year capital improvement program, future capital acquisitions and capital asset replacements are

considered in the strategic plan. The City uses various data in forecasts for future operating and capital needs in the preparation of the City's annual budget document.

MAJOR INITIATIVES

The 33,385 sq. ft. Public Safety Building broke ground on September 13, 2019 and is expected to be completed in 2022. Located on the banks of the Peachtree Creek Greenway within the Briarwood Road trail head, this City-owned facility will meet the current and future needs of the Police Department and Municipal Court, while also providing budgetary savings by avoiding annual lease expenses of approximately \$240,000.

The Park Bond Capital Improvement Program (funded with a \$40 Million G.O. bond issuance) continued through 2021. The Lynwood Park Recreation Center and the Briarwood Park Recreation Center improvements were both completed during the year using SPLOST revenue. Murphey Candler Park Athletic Facilities and the resurfacing of six tennis courts at Blackburn Park were also completed in 2021. The remaining master plan park projects in the Park Bond Program continued through design and permitting with plans to go to construction in 2022. Additional information about the Park Bond Program can be found at <https://www.brookhavenga.gov/parks-bond-ref>.

Peachtree Creek Greenway Project

The Peachtree Creek Greenway is a 12-mile multi-city trail project beginning just outside of I-285, following the North Fork of Peachtree Creek to its confluence with the South Fork, and linking with regional trails including the Atlanta Beltline. Brookhaven is leveraging the project to provide transportation and recreation alternatives, while encouraging development facing the creek. Plans call for a 2.7-mile multi-use trail and linear park featuring a series of paved multi-purpose and promenade trails near a revitalized corridor dotted with residences, offices, restaurants, bike rental stands, coffee shops, and picnic areas. Phase I of the Peachtree Greenway (Briarwood Road to North Druid Hills Road) opened in December 2019. Design for Phase II (North Druid Hills Road to the City of Atlanta line) began during 2020 and is underway. The amount of funding needed for the land acquisition for Phase II has not yet been approved, however the City is working closely with the Atlanta Regional Commission (ARC) as the project progresses to the next stage of development. Design of Phase III will be started in 2022 and continue into 2023.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) *Certificate of Achievement for Excellence in Financial Reporting* is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a *Certificate of Achievement*, a government unit must publish an easily readable and efficiently organized ACFR

whose contents conform to program standards. The document must satisfy both generally accepted accounting principles and applicable legal requirements. The City is submitting our fiscal year 2021 report expecting to receive the award for a sixth consecutive year.

I would like to thank all members of the Finance Department as well as all other departments who assisted with assembling the information presented in this report. I would like to acknowledge the City's auditors, Mauldin & Jenkins, LLC, with the assistance they provided in meeting the deadlines established for publication of the document.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Oscar Medina". The signature is fluid and cursive, with a large initial "O" and a long, sweeping tail.

Oscar Medina
Finance Director

CITY OF BROOKHAVEN, GEORGIA

LIST OF PRINCIPAL OFFICIALS

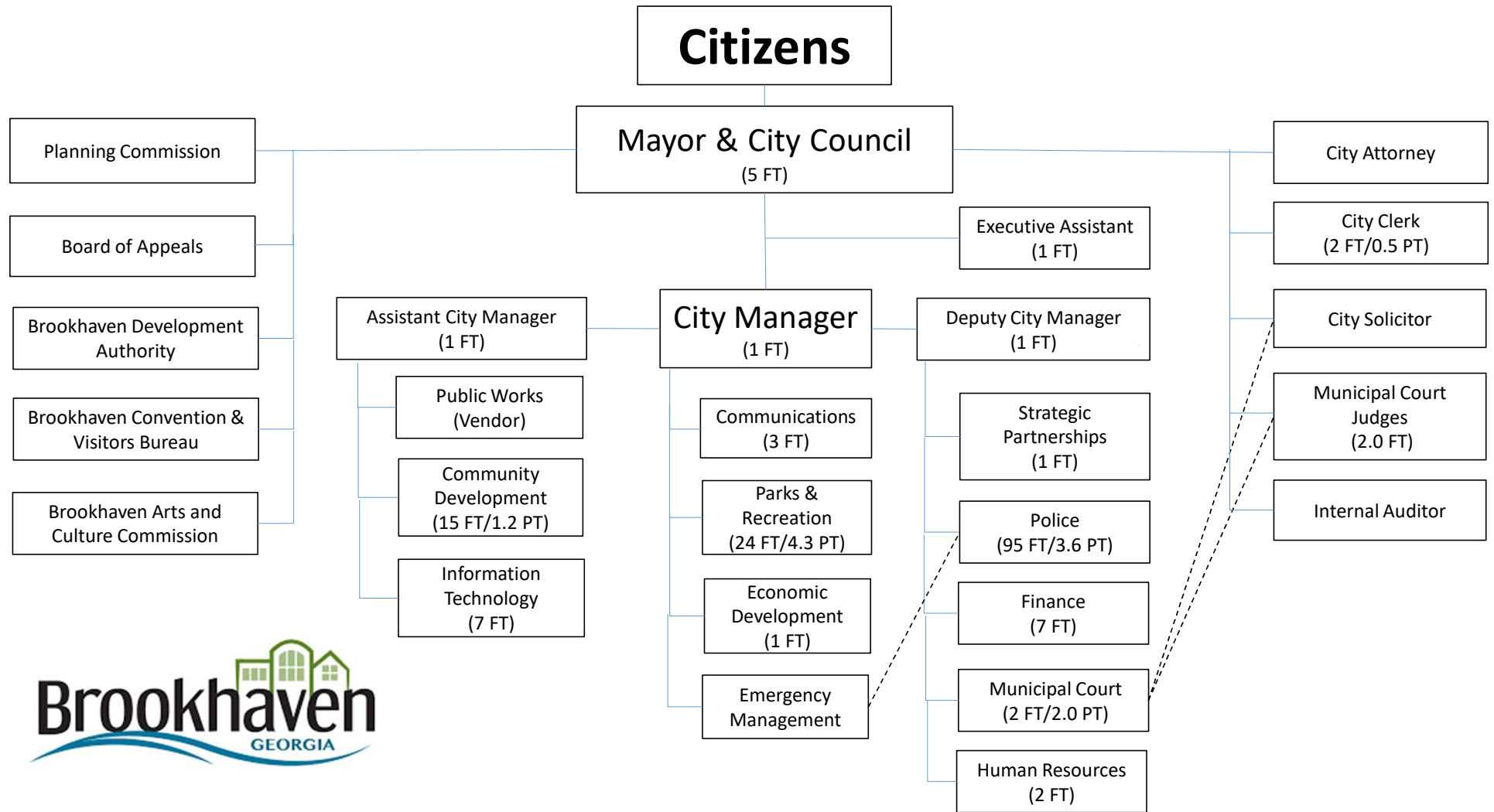
DECEMBER 31, 2021

LEGISLATIVE BRANCH

Mayor	John A. Ernst, Jr.
Council Member – District 1	Linley Jones
Council Member – District 2	John Park
Council Member – District 3	Madeleine Simmons
Council Member – District 4	John Funny

MANAGEMENT STAFF

City Manager	Christian Sigman
Deputy City Manager/CFO	Steve Chapman II
Assistant City Manager	Patrice Ruffin
City Clerk	Susan Hiott
Director of Human Resources	Lillian Young
Director of Finance	Oscar Medina
Communications Director	Burke Brennan
Director of Information Technology	Robert Mullis
Municipal Court Administrator	Shirley Archer
Police Chief	Gary Yandura
Director of Public Works	Don Sherrill
Director of Parks & Recreation	Brian Borden
Director of Community Development	Linda Abaray
Director of Economic Development	Shirlynn Brownell
Director of Strategic Partnerships	Patty Hansen





Government Finance Officers Association

Certificate of
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for Excellence
in Financial
Reporting

Presented to

**City of Brookhaven
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Brookhaven, Georgia** (the "City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 15 through 28) and the budgetary comparison information for the General Fund (on pages 64 through 65) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of projects constructed with 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 schedule of projects constructed with special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 2, 2022

CITY OF BROOKHAVEN, GEORGIA MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Brookhaven (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2021. We encourage readers to consider the information presented in conjunction with the basic financial statements, notes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal period by \$163,196,487. Of this amount, unrestricted net position of \$46,335,025 is available to meet the ongoing obligations of the government.
- As of the close of the fiscal period, the City's governmental funds reported combined ending fund balances of \$79,605,312.
- The City has increased the overall net position by \$17,128,137 in 2021.

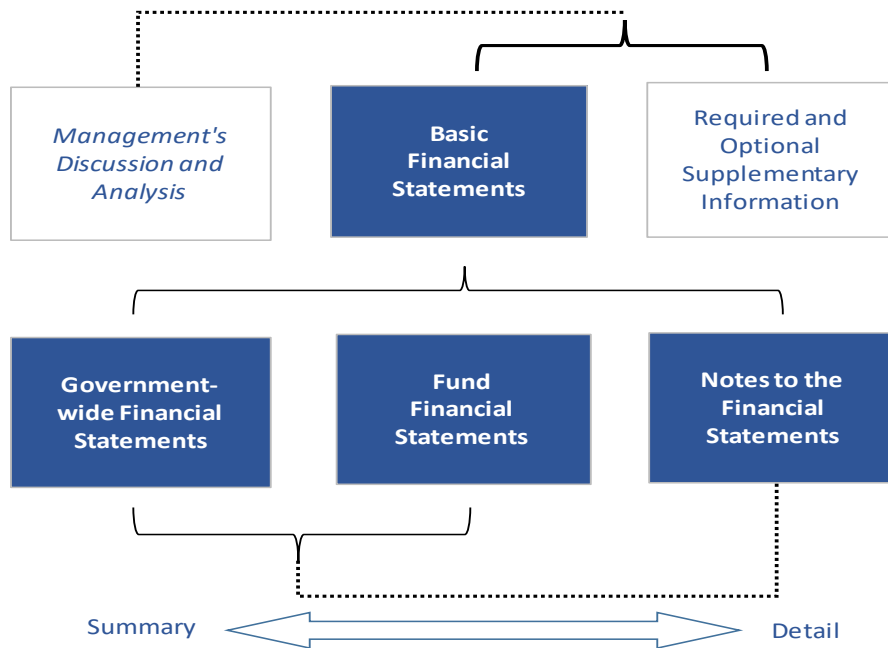
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is comprised of four segments as dictated by generally accepted accounting principles (GAAP); *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information* and *other supplementary information*. The basic financial statements include two kinds of statements that present different views of the City and are comprised of the following four components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements
- 4) Other supplementary information in addition to the basic financial statements

The aforementioned financial statements focus on both the City as a whole (government-wide) and on the major individual funds. The following graph shows the relationship between the Annual Comprehensive Financial Report and the basic financial statements and the Required Supplementary information ("RSI").

Relationship Between Annual Comprehensive
Financial Report
and
Basic Financial Statements and Required
Supplementary Information (RSI)



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

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

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal period. 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).

Major Features of the City of Brookhaven's Government-wide and Fund Financial Statements

	Fund Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government	Activities of the City that are not proprietary, such as police, zoning, and parks	Activities the City operates similar to private business; stormwater utility
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures, and changes in fund balance	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

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, judicial, public safety, public works, housing and development, economic development and recreation. The business-type activities of the City include stormwater.

The government-wide financial statements contain not only the City itself (known as the primary government), but also a legally separate development authority and a legally separate convention and visitors bureau for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 29 and 30 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 governmental funds or proprietary funds.

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

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

The City maintains four major governmental funds. The City's major governmental funds are the General Fund, Special Purpose Local Option Sales Tax (SPLOST) Fund, Capital Projects Fund, and Debt Service Fund. 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 these major funds.

The City adopts an annual appropriated budget for its General, special revenue, and debt service funds. A project length budget is adopted for the capital project fund. A budgetary comparison statement has been provided for the General fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 31 through 33 of this report.

Proprietary Funds. Under GASB Statement No. 34, governments report two types of proprietary funds if applicable. The City maintains one proprietary fund. 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 Stormwater fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 34 through 36 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 37 through 63 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedule for the General fund as presented on a generally accepted accounting principal basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted and amended budget. Required supplementary information can be found on pages 64 and 65 of this report.

The combining fund financial statements for the nonmajor governmental funds are presented immediately following the required supplementary information. They can be found on pages 66 and 67 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

**City of Brookhaven, Georgia
Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Assets:						
Current assets	\$ 92,276,083	\$ 99,213,995	\$ 952,665	\$ 129,652	\$ 93,228,748	\$ 99,343,647
Capital assets, net	140,954,101	123,477,267	12,662,778	10,556,057	153,616,879	134,033,324
Total assets	233,230,184	222,691,262	13,615,443	10,685,709	246,845,627	233,376,971
Liabilities						
Current liabilities	11,898,442	8,538,837	87,346	137,744	11,985,788	8,676,581
Long-term liabilities	71,663,352	78,632,040	-	-	71,663,352	78,632,040
Total liabilities	83,561,794	87,170,877	87,346	137,744	83,649,140	87,308,621
Net Position						
Net investment in capital assets	97,992,025	88,049,917	12,662,778	10,556,057	110,654,803	98,605,974
Restricted	6,206,659	6,466,986	-	-	6,206,659	6,466,986
Unrestricted	45,469,706	41,003,482	865,319	(8,092)	46,335,025	40,995,390
Total net position	\$ 149,668,390	\$ 135,520,385	\$ 13,528,097	\$ 10,547,965	\$ 163,196,487	\$ 146,068,350

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities by \$163,196,487 at the close of the most recent fiscal year.

By far the largest portion of the City’s net position 67.8% reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City’s net position \$6,206,659 (3.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$46,335,025 or 28.4% may be used to meet the City’s ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental activities.

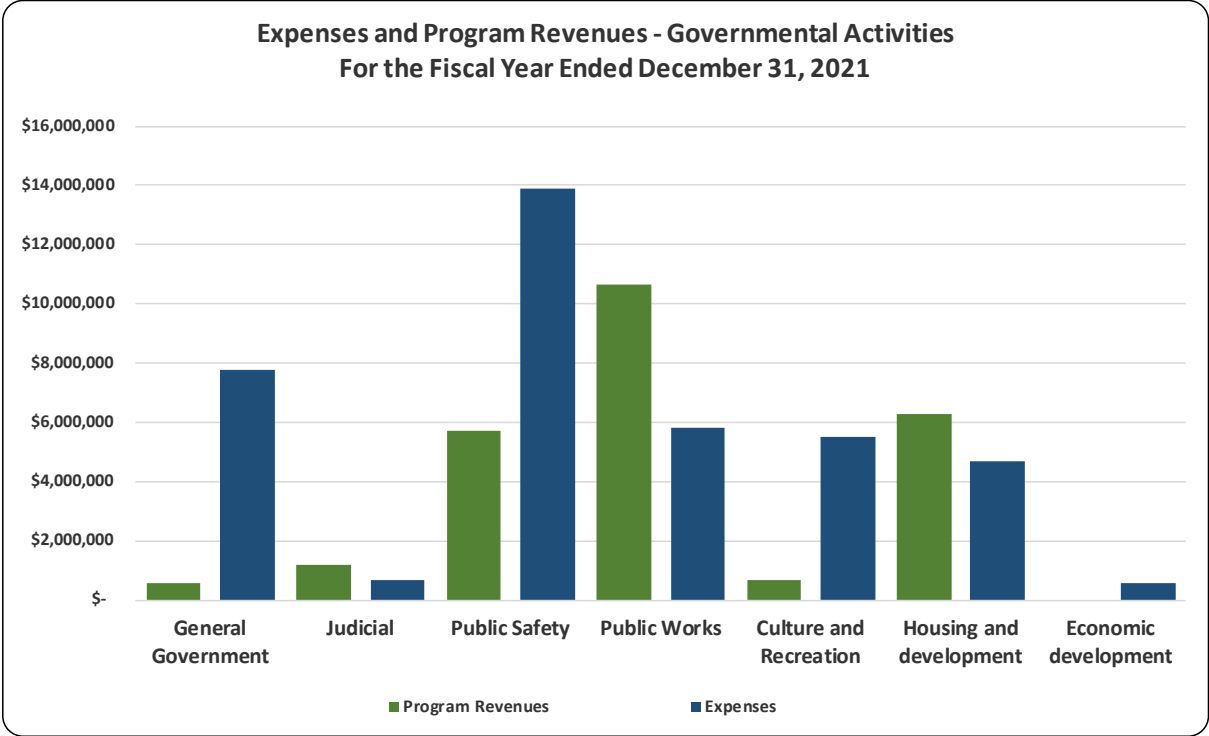
Governmental Activities. Governmental activities increased the City of Brookhaven’s net position by \$14,148,005, thereby accounting for 82.6% of the total increase in the net position of the City. Key elements of this increase are shown in detail in the table below.

City of Brookhaven, Georgia
Change in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 10,081,293	\$ 13,234,887	\$ 3,356,815	\$ 2,356,884	\$ 13,438,108	\$ 15,591,771
Operating grants & contributions	4,235,578	6,300,934	-	-	4,235,578	6,300,934
Capital grants & contributions	10,726,532	9,500,996	855,545	-	11,582,077	9,500,996
General revenues:						
Property taxes	16,647,451	14,096,790	-	-	16,647,451	14,096,790
Hotel/Motel tax	2,277,493	1,539,795	-	-	2,277,493	1,539,795
Franchise taxes	3,420,434	3,332,292	-	-	3,420,434	3,332,292
Business tax	5,753,831	5,749,738	-	-	5,753,831	5,749,738
Alcohol and excise taxes	1,653,881	1,575,639	-	-	1,653,881	1,575,639
Unrestricted						
Investment earnings	167,067	477,860	-	-	167,067	477,860
Miscellaneous	423,859	153,211	-	-	423,859	153,211
Gain on sale of capital assets	63,351	34,984	-	-	63,351	34,984
Total revenues	55,450,770	55,997,126	4,212,360	2,356,884	59,663,130	58,354,010
Expenses:						
General government	7,772,660	10,295,903	-	-	7,772,660	10,295,903
Judicial	682,042	637,769	-	-	682,042	637,769
Public safety	13,893,886	14,959,546	-	-	13,893,886	14,959,546
Public works	5,810,581	4,172,745	-	-	5,810,581	4,172,745
Housing and development	4,681,868	4,039,212	-	-	4,681,868	4,039,212
Culture and recreation	5,506,366	5,966,164	-	-	5,506,366	5,966,164
Economic development	542,679	267,860	-	-	542,679	267,860
Interest on long-term debt	2,090,519	2,213,432	-	-	2,090,519	2,213,432
Stormwater	-	-	1,554,392	1,722,331	1,554,392	1,722,331
Total expenses	40,980,601	42,552,631	1,554,392	1,722,331	42,534,993	44,274,962
Transfers	(322,164)	98,323	322,164	(98,323)	-	-
Changes in net position	14,148,005	13,542,818	2,980,132	536,230	17,128,137	14,079,048
Net position, beginning of year	135,520,385	121,977,567	10,547,965	10,011,735	146,068,350	131,989,302
Net position, end of year	\$ 149,668,390	\$ 135,520,385	\$ 13,528,097	\$ 10,547,965	\$ 163,196,487	\$ 146,068,350

- Charges for services decreased by \$3,153,594 or 23.8% due to significant decrease in building permits revenue collected in 2021. Most of the decrease is attributable to hospital building and trade permits issued to the Children’s Healthcare of Atlanta in 2020.
- Operating Grants and Contributions in 2021 decreased by \$2,065,356 or 32.8% compared to the prior fiscal year. The decrease is due to the CARES Act funds received by the City in 2020.
- Capital Grants and Contributions for governmental activities are up \$1,225,536 or 12.9% primarily due to the federal and state grant revenue received for the Hazard Mitigation Grant Program and Georgia Department of Transportation Highway Planning and Construction Grants.

- Property Tax revenues for the year increased primarily due to 2020 refunds for prior year property tax reassessments approved by the Board of Appeals and changes in the State of Georgia taxation for Motor Vehicles. In general, 2021 increases in property tax revenues is due to digest growth.
- Hotel/Motel tax revenues for 2021 increased by \$737,698 compared to the prior fiscal year. This 47.9% increase was due to the impact of the COVID-19 pandemic to the leisure and hospitality industries in 2020.
- The City’s unrestricted investment earnings decreased by \$310,793 or 65.0% due to lower interest rates and portion of the investments used to cover capital project costs.

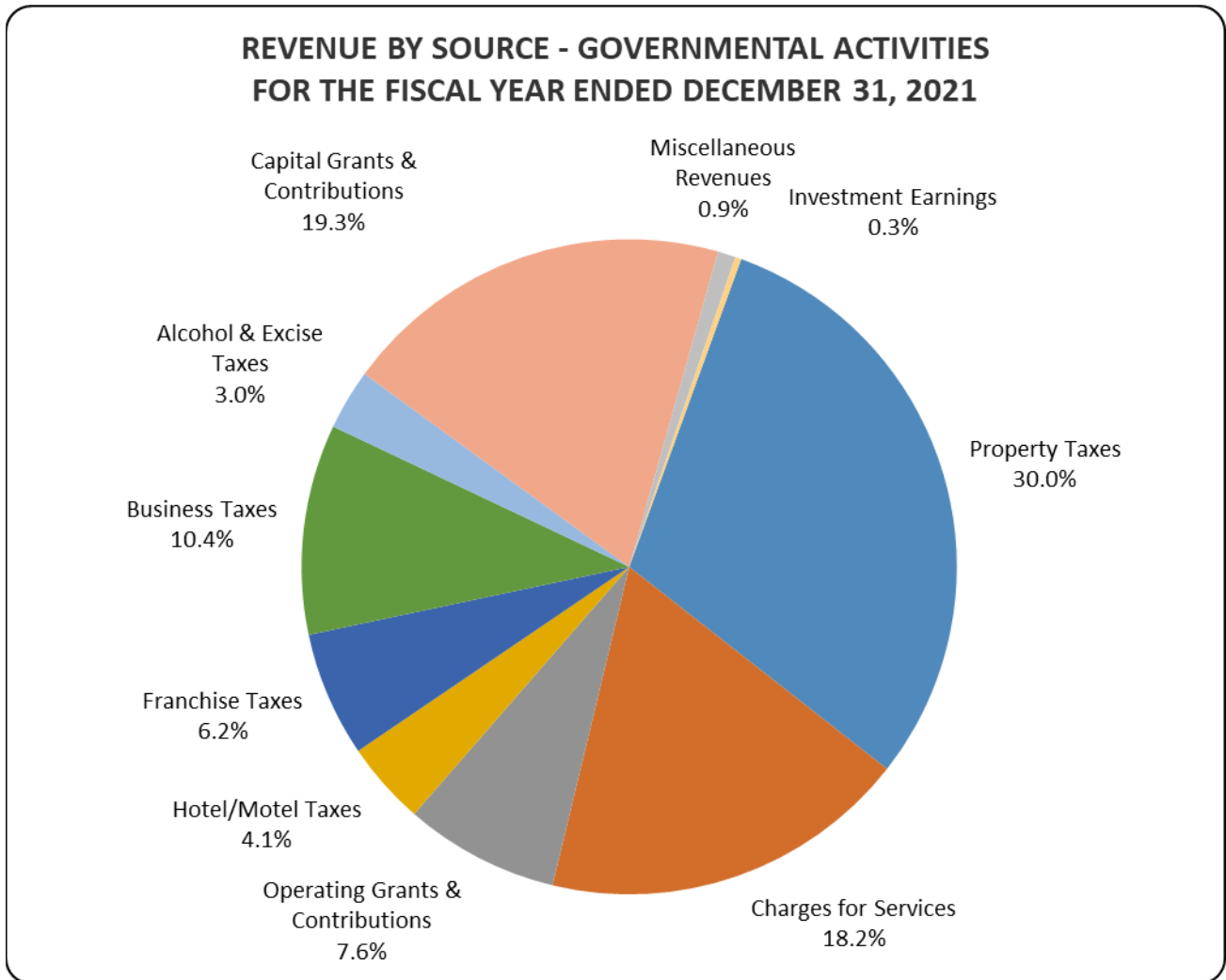


The decrease in governmental activities expenses of \$1,572,030 is attributed to the following major changes:

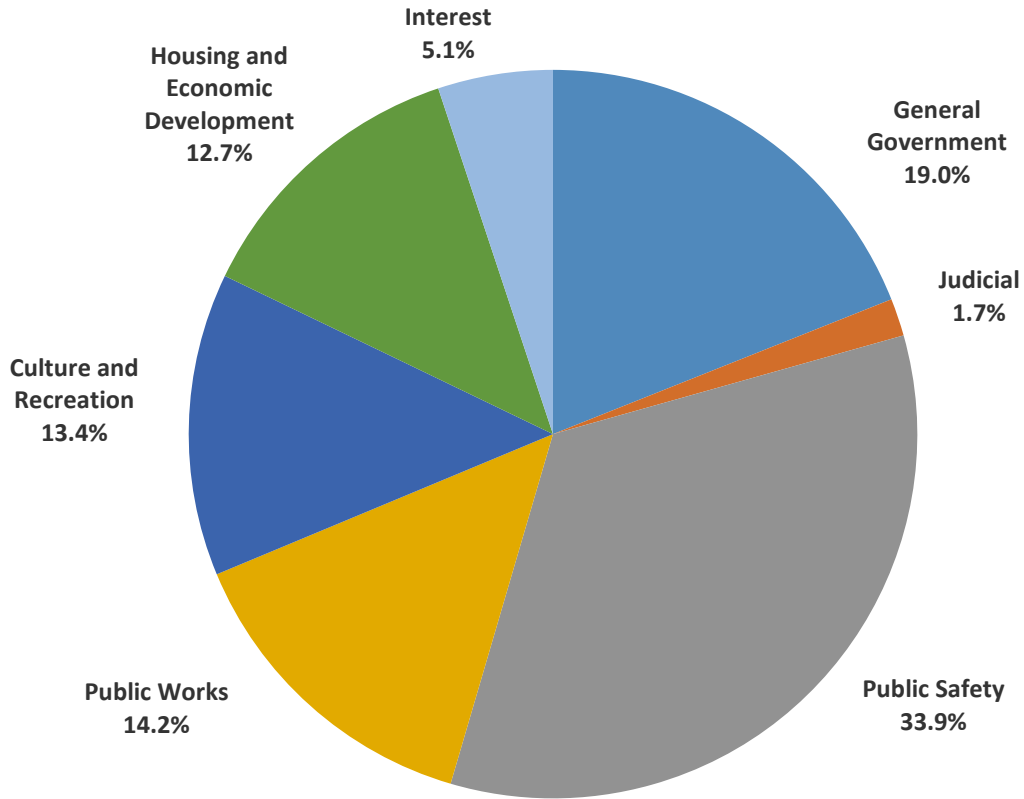
- General government expenses decreased by \$2,523,243 or 24.5% compared to the prior fiscal year. This decrease is primarily due to land acquisition in 2020.
- In 2021, the expenses for public safety decreased by \$1,065,660 or 7.1%. This change was due to several reasons among which CARES Act funding used for eligible costs.
- Housing and development expenses increased by \$642,656 or 15.9% from those for 2020. This difference is principally attributed to an increase to the leisure and hospitality industries in 2021 which resulted in a significant increase in hotel/motel revenue collections transferred over to the Brookhaven Convention and Visitors Bureau.

- Public works expenses increased by \$1,637,836 or 39.3% in 2021. This resulted primarily due to increases in activities requiring the use of current financial resources.
- Interest and fiscal charges on long-term debt decreased by \$122,913 or 5.6% compared to 2020. The decrease was primarily due to the reduction of outstanding debt.
- Economic development expenses increased by \$274,819 or 102.6% in 2021. This was primarily due to increases in professional services attributable to this function.

The charts on the next two pages denote the source of the City’s governmental revenues and expenses.



**EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**



Business-Type Activities. Business-type activities increased the City’s net position by \$2,980,132, thereby accounting for 17.4% of the total increase in the net position of the City. The sole business-type activity is its stormwater operations, which are accounted for in its Stormwater Fund. This fund is used to facilitate the repair, maintenance, and improvements to the City’s stormwater facilities.

	Stormwater Fund Operations					
	Operating Revenues		Operating Expenses		Income from Operations	
	2021	2020	2021	2020	2021	2020
Fund:						
Stormwater	\$3,356,815	\$2,356,884	\$1,554,392	\$1,722,331	\$1,802,423	\$634,553
Totals	\$3,356,815	\$2,356,884	\$1,554,392	\$1,722,331	\$1,802,423	\$634,553

Total operating revenues for the Stormwater Fund increased by \$999,931 or 42.4% from the previous year. The increase is mainly attributable to the increase in the stormwater annual rate of \$66 in 2020 to \$94 in 2021.

Stormwater assessment fees (computed based on a property's impervious surface area) were \$3,356,815; Capital grants increased \$855,545 for the Hazard Mitigation Grant Program. Depreciation on the capital assets accounted for 15.6% of the operating expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$79,605,312.

<u>Government Fund Balance</u>		<u>Purpose</u>	<u>2021</u>	<u>2020</u>	<u>Diff.</u>
Non-spendable "inherently non-expendable "such as deposits or inventory"		Prepaid Expenses	\$ 405,250	\$ 494,307	\$ (89,057)
		Advances to other funds	1,660,562	517,938	1,142,624
Restricted External "legal limitations" on use		Streetlighting	191,605	250,986	(59,381)
		Law Enforcement	838,889	968,721	(129,832)
		Public Safety	166,338	166,338	-
		Recreation	-	319,914	(319,914)
		Capital Projects	32,588,333	46,813,185	(14,224,852)
		Police Donations	67,561	67,561	-
		Debt Service	2,482,279	2,983,927	(501,648)
Assigned Limitations resulting from "intended use"		Subsequent year's budget: appropriation of fund balance	782,811	837,749	(54,938)
		Capital Projects	15,893,018	16,477,590	(584,572)
		Future Capital Improvements	11,966,511	11,377,680	588,831
		Tree Conservation	63,735	63,735	-
		Recreation	159,880	-	159,880
		Sidewalk bank	518,347	518,347	-
		Public safety	157,651	150,000	7,651
		General Fund	11,662,542	7,720,621	3,941,921
Unassigned "Residual" net resources					
TOTALS FOR GOVERNMENTAL FUNDS			<u>\$ 79,605,312</u>	<u>\$ 89,728,599</u>	<u>\$ (10,123,287)</u>

General Fund. The General Fund is the primary operating fund of the City. At the end of the current fiscal period, unassigned fund balance was \$11,662,542 while total fund balance was \$27,127,298. This balance includes \$405,229 in prepaid expenses and \$1,660,562 in advances to other funds as nonspendable fund balance, and \$67,561 in police donations as restricted fund balance. Additionally, \$13,331,404 was assigned for other purposes. This includes \$11,966,511 for future capital improvements, \$63,735 for tree conservation, \$518,347 for the sidewalk bank, and \$782,811 for subsequent year's budget. The fund balance increased by \$5,529,360 over the prior year primarily from a significant increase in transfers in from nonmajor governmental funds related to ARPA grant reimbursement of eligible expenditures recorded in the General Fund. The primary use of the fund balance will be for future capital improvements capital. The Unassigned Reserve accounts for 36.64% of FY 2022 approved budgetary expenditures which is above the 25% target set by the City's fund balance policy as approved by the City Council.

Special Purpose Local Option Sales Tax Fund (SPLOST). The SPLOST fund was set up to account for receipt of SPLOST sales tax revenues and associated expenditures for capital improvements. The City recognized \$8,867,549 (\$8,832,394 in intergovernmental revenues, and \$35,155 in investment income), while a total of \$13,663,919 was expended on SPLOST projects found on page 77 of this report. An improvement in general economic conditions from the COVID-19 pandemic effect in 2020 accounted for the increase in revenue over prior year.

Capital Projects Fund. The Capital Projects Fund was set up to capture the costs related to major projects that include, public safety, public works and recreation. The projects were funded using transfers from other funds, as well as, proceeds from issuance of revenue bonds in 2019. There was \$3.5 million spent on capital outlay with the bulk of the expenditures used for street paving, sidewalk projects, and park improvements. Expenditures decreased slightly from the prior year as there were fewer projects funded with Capital Project outlays in 2021. The total fund balance remains at \$39.1 million at the end of 2021 to be used for ongoing and future capital projects.

Debt Service Fund. The Debt Service Fund is used to account for the debt service expenditures of the City. Fund balance decreased by \$501,627 from the prior year. This was primarily the result of debt repayments exceeding transfers in the fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City utilized a conservative approach focusing on core services and accounting for the unknown while creating the budget. Emphasis was given to ensuring financial stability for the current period as well as long-term stability.

The City employs an annual mid-year budget process in order to re-align appropriations made during the annual budget process with significant unexpected trends. This ensures adjustments facilitating appropriations to be in alignment with expected resources. Throughout the year the City funded several purchases using fund balance to maintain a balanced budget.

The General Fund 2021 actual revenues were \$4.1 million or 14.1% greater than the amended budget. This variance is principally attributed to the \$3.7 million in building permit revenues received in excess of the amended budget. The 2021 expenditures were \$3.6 million or 10.9% less than the amended budget. Details of the original General fund budget and the amended budget are contained on pages 64 and 65 of this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities at December 31, 2021, amounts to \$153,616,879 (net of accumulated depreciation). This investment in capital assets includes land, structures, vehicles, as well as infrastructure assets such as streets, curbs, sidewalks, culverts and drainage ponds. The majority of the infrastructure assets were transferred to the City from DeKalb County. The City continues to work on projects and improvements.

The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government.

City of Brookhaven, Georgia
Capital Assets
(Net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 27,957,792	\$ 25,986,956	\$ 2,279,091	\$ 1,272,566	\$ 30,236,883	\$ 27,259,522
Construction in progress	41,693,440	24,065,773	557,117	306,712	42,250,557	24,372,485
Improvements	10,967,185	11,831,092	-	-	10,967,185	11,831,092
Buildings	1,495,937	1,232,270	-	-	1,495,937	1,232,270
Machinery and equipment	2,899,920	2,751,643	-	-	2,899,920	2,751,643
Infrastructure	55,939,827	57,609,533	-	-	55,939,827	57,609,533
Stormwater infrastructure	-	-	9,826,570	8,976,779	9,826,570	8,976,779
Totals	<u>\$ 140,954,101</u>	<u>\$ 123,477,267</u>	<u>\$ 12,662,778</u>	<u>\$ 10,556,057</u>	<u>\$ 153,616,879</u>	<u>\$ 134,033,324</u>

Additional information on the City's capital assets can be found in Note 6 on pages 51 and 52 of this report.

Long-Term Debt. At December 31, 2021, the City's long-term debt amounted to \$71,663,352. Parks General Obligation Bonds, Public Facilities Authority Revenue Bonds, Special Purpose Local Option Sales Tax (SPLOST) General Obligation Bonds, Notes Payable and any accrued compensated absences in the amount of \$1,013,729 make up these debt obligations. At the end of the fiscal year direct placement bonds amounted to \$14,939,350 and all of it resulted from the SPLOST General Obligation Bonds issuance in 2018 and 2020. Additionally, direct borrowings amounted for \$4,212,153 at the end of 2021 and all resulted from loan discussed in the paragraph below.

In 2017 the City took out a Georgia Environmental Finance Authority (GEFA) loan in the amount of \$5.2 million for the purchase of greenspace near the Peachtree DeKalb Airport utilizing a low interest rate loan acquired through the Clean Water State Revolving Fund. The principal balance at the end of 2021 was approximately \$4.2 million.

The City issued four bonds, the Parks General Obligation Bonds, the Public Facilities Authority Revenue Bonds, and the SPLOST General Obligation Bonds (issuance in 2018 and 2020) in the amount of \$38.9 million, \$12.6 million, \$12 million, and \$15 million, respectively. The Parks Bonds were issued to finance the cost of City Council approved Parks and Recreational Master Plans and other related park amenities, equipment, and real and personal property useful or desirable in connection therewith. The Public Facilities Authority Revenue Bonds were issued for the construction of the Peachtree Creek Greenway project, Phase I. The 2018 SPLOST General Obligation Bonds were issued to build the public safety/municipal court building. The 2020 SPLOST General Obligation Bonds were issued to fund various projects among which transportation improvements, pavement management, and existing capital asset maintenance.

Additional information on the City's long-term debt can be found in Note 7 on pages 53 through 58 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's management and elected officials considered many factors when adopting the budget for the fiscal year ending December 31, 2022.

- The City has an operating millage rate cap of 3.35 mills that is set by City Charter. The 2022 budget was prepared using the same rate as in FY 2021 of 2.740 mills. In 2019 the City added debt service millage rate of 0.680 mills to fund the Park Bonds that were approved on the voter ballot in November 2018. The adopted debt millage rate in 2021 was 0.570 mills.
- The 2022 preliminary consolidation and evaluation of digest report provided by DeKalb County anticipates a 6.67% net tax increase in the City operating tax digest and 6.67% net tax increase in the debt service tax digest over 2021.
- The City sees the biggest challenge in the upcoming budget year as continuing to strive to provide excellent customer service to citizens, while executing on completion of budgeted capital improvements throughout the City. Another major challenge in the FY 2022 budget year would be the revenue shortfalls due to the COVID-19 pandemic.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Brookhaven's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Brookhaven, 4362 Peachtree Road, Brookhaven, Georgia, 30319, or by calling (404) 637-0500.

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Convention and Visitors Bureau	Development Authority
ASSETS					
Cash and cash equivalents	\$ 83,867,590	\$ 1,066,510	\$ 84,934,100	\$ 971,966	\$ 199,895
Accounts receivable	3,482,484	986,335	4,468,819	142,706	-
Property taxes receivable, net	624,710	-	624,710	-	-
Due from other governments	1,280,911	-	1,280,911	-	-
Other receivables	36	-	36	-	-
Due from primary government	-	-	-	-	55,000
Intergovernmental receivable from component unit	1,514,922	-	1,514,922	-	-
Internal balances	1,100,180	(1,100,180)	-	-	-
Prepaid items	405,250	-	405,250	-	-
Security deposit	-	-	-	6,328	-
Real estate held for development	-	-	-	-	3,795,285
Capital assets:					
Nondepreciable	69,651,232	2,836,208	72,487,440	-	-
Depreciable, net of accumulated depreciation	71,302,869	9,826,570	81,129,439	44,512	-
Total assets	233,230,184	13,615,443	246,845,627	1,165,512	4,050,180
LIABILITIES					
Accounts payable	8,203,993	87,346	8,291,339	43,586	1,000
Retainage payable	1,603,886	-	1,603,886	-	-
Due to component unit	55,000	-	55,000	-	-
Accrued liabilities	1,506,535	-	1,506,535	6,188	-
Unearned revenue	529,028	-	529,028	6,985	-
Compensated absences, due within one year	1,013,729	-	1,013,729	23,166	-
Direct placement bonds payable, due within one year	5,677,576	-	5,677,576	-	-
Direct placement bonds payable, due in more than one year	9,261,774	-	9,261,774	-	-
Bonds payable, due within one year	990,000	-	990,000	-	-
Bonds payable, due in more than one year	50,508,120	-	50,508,120	-	-
Intergovernmental payable - primary government, due within one year	-	-	-	-	252,487
Intergovernmental payable - primary government, due in more than one year	-	-	-	-	1,262,435
Note payable from direct borrowing, due within one year	247,442	-	247,442	-	-
Note payable from direct borrowing, due in more than one year	3,964,711	-	3,964,711	150,000	-
Total liabilities	83,561,794	87,346	83,649,140	229,925	1,515,922
NET POSITION					
Net investment in capital assets	97,992,025	12,662,778	110,654,803	44,512	-
Restricted for streetlight service	220,094	-	220,094	-	-
Restricted for law enforcement	851,880	-	851,880	-	-
Restricted for public safety	166,338	-	166,338	-	-
Restricted for police donations	67,561	-	67,561	-	-
Restricted for economic development	-	-	-	891,075	-
Restricted for capital projects	4,900,786	-	4,900,786	-	-
Unrestricted	45,469,706	865,319	46,335,025	-	2,534,258
Total net position	\$ 149,668,390	\$ 13,528,097	\$ 163,196,487	\$ 935,587	\$ 2,534,258

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 7,772,660	\$ 578,359	\$ -	\$ -
Judicial	682,042	1,174,675	-	-
Public safety	13,893,886	1,472,596	4,235,578	-
Public works	5,810,581	354,031	-	10,274,045
Housing and development	4,681,868	6,046,621	-	252,487
Culture and recreation	5,506,366	455,011	-	200,000
Economic development	542,679	-	-	-
Interest and fiscal charges	2,090,519	-	-	-
Total governmental activities	40,980,601	10,081,293	4,235,578	10,726,532
Business-type activities:				
Stormwater	1,554,392	3,356,815	-	855,545
Total primary government	\$ 42,534,993	\$ 13,438,108	\$ 4,235,578	\$ 11,582,077
Component units:				
Convention and Visitors Bureau	\$ 1,168,184	\$ -	\$ 1,352,412	\$ -
Development Authority	89,137	337,900	-	-
Total component units	\$ 1,257,321	\$ 337,900	\$ 1,352,412	\$ -

General revenues:

- Property taxes
- Hotel/Motel taxes
- Franchise taxes
- Business taxes
- Alcohol & excise taxes
- Unrestricted investment earnings
- Miscellaneous revenues
- Gain on sale of capital assets

Transfers

- Total general revenues and transfers
- Change in net position

Net position, beginning of year, as restated

Net position, end of year

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

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

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Convention and Visitors Bureau	Development Authority
\$ (7,194,301)	\$ -	\$ (7,194,301)	\$ -	\$ -
492,633	-	492,633	-	-
(8,185,712)	-	(8,185,712)	-	-
4,817,495	-	4,817,495	-	-
1,617,240	-	1,617,240	-	-
(4,851,355)	-	(4,851,355)	-	-
(542,679)	-	(542,679)	-	-
(2,090,519)	-	(2,090,519)	-	-
<u>(15,937,198)</u>	<u>-</u>	<u>(15,937,198)</u>	<u>-</u>	<u>-</u>
-	2,657,968	2,657,968	-	-
<u>(15,937,198)</u>	<u>2,657,968</u>	<u>(13,279,230)</u>	<u>-</u>	<u>-</u>
-	-	-	184,228	-
-	-	-	-	248,763
-	-	-	<u>184,228</u>	<u>248,763</u>
16,647,451	-	16,647,451	-	-
2,277,493	-	2,277,493	-	-
3,420,434	-	3,420,434	-	-
5,753,831	-	5,753,831	-	-
1,653,881	-	1,653,881	-	-
167,067	-	167,067	3,030	57
423,859	-	423,859	-	-
63,351	-	63,351	-	-
<u>(322,164)</u>	<u>322,164</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>30,085,203</u>	<u>322,164</u>	<u>30,407,367</u>	<u>3,030</u>	<u>57</u>
14,148,005	2,980,132	17,128,137	187,258	248,820
135,520,385	10,547,965	146,068,350	748,329	2,285,438
<u>\$ 149,668,390</u>	<u>\$ 13,528,097</u>	<u>\$ 163,196,487</u>	<u>\$ 935,587</u>	<u>\$ 2,534,258</u>

CITY OF BROOKHAVEN, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2021

	General Fund	SPLOST Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 25,245,028	\$ 19,599,600	\$ 32,662,987	\$ 2,450,068	\$ 3,909,907	\$ 83,867,590
Accounts receivable	3,274,725	-	-	-	207,759	3,482,484
Taxes receivable, net of allowance	317,580	-	-	62,803	244,327	624,710
Intergovernmental receivable	-	866,633	130,000	-	284,278	1,280,911
Other receivables	-	-	36	-	-	36
Due from other funds	196,863	-	12,830,660	-	-	13,027,523
Prepaid items	405,229	-	-	21	-	405,250
Advances to other funds	1,660,562	-	-	-	-	1,660,562
Total assets	\$ 31,099,987	\$ 20,466,233	\$ 45,623,683	\$ 2,512,892	\$ 4,646,271	\$ 104,349,066
LIABILITIES						
Accounts payable	\$ 2,702,239	\$ 35,177	\$ 5,009,566	\$ -	\$ 457,011	\$ 8,203,993
Retainage payable	-	-	1,487,197	-	116,689	1,603,886
Accrued liabilities	488,012	-	-	-	-	488,012
Due to other funds	-	12,830,660	-	-	132,121	12,962,781
Due to component unit	55,000	-	-	-	-	55,000
Advances from other funds	-	-	-	-	625,124	625,124
Unearned revenue	529,028	-	-	-	-	529,028
Total liabilities	3,774,279	12,865,837	6,496,763	-	1,330,945	24,467,824
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	198,410	-	-	30,592	46,928	275,930
Total deferred inflows of resources	198,410	-	-	30,592	46,928	275,930
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	405,229	-	-	21	-	405,250
Advances to other funds	1,660,562	-	-	-	-	1,660,562
Restricted:						
Law enforcement	-	-	-	-	838,889	838,889
Public safety	-	-	-	-	166,338	166,338
Streetlight service	-	-	-	-	191,605	191,605
Police donations	67,561	-	-	-	-	67,561
Capital projects	-	7,600,396	24,987,937	-	-	32,588,333
Committed:						
Debt service	-	-	-	2,482,279	-	2,482,279
Assigned:						
Future capital improvements	11,966,511	-	-	-	-	11,966,511
Subsequent year's budget, appropriations of fund balance	782,811	-	-	-	-	782,811
Tree fund activities	63,735	-	-	-	-	63,735
Sidewalk bank	518,347	-	-	-	-	518,347
Public safety	-	-	-	-	157,651	157,651
Recreation	-	-	-	-	159,880	159,880
Capital projects	-	-	14,138,983	-	1,754,035	15,893,018
Unassigned	11,662,542	-	-	-	-	11,662,542
Total fund balances	27,127,298	7,600,396	39,126,920	2,482,300	3,268,398	79,605,312
Total liabilities, deferred inflows of resources, and fund balances	\$ 31,099,987	\$ 20,466,233	\$ 45,623,683	\$ 2,512,892	\$ 4,646,271	

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.	140,954,101
Long-term intergovernmental receivable is not due and payable in the current period and, therefore, is not reported in the governmental funds.	1,514,922
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(72,681,875)
Some revenues are not available in the current period and, therefore, are not reported in the governmental funds.	275,930
Net position of governmental activities	\$ 149,668,390

The accompanying notes are an integral part of these statements.

CITY OF BROOKHAVEN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	SPLOST Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 12,629,314	\$ -	\$ -	\$ 2,196,840	\$ 1,796,715	\$ 16,622,869
Hotel/Motel taxes	-	-	-	-	2,277,493	2,277,493
Franchise taxes	3,420,434	-	-	-	-	3,420,434
Alcohol excise taxes	1,329,170	-	-	-	-	1,329,170
Business taxes	5,753,831	-	-	-	-	5,753,831
Excise taxes	324,711	-	-	-	-	324,711
Licenses and permits	6,867,049	-	-	-	-	6,867,049
Intergovernmental	449,226	8,832,394	130,000	-	5,567,822	14,979,442
Charges for services	720,823	-	-	-	1,318,746	2,039,569
Fines and forfeitures	1,015,707	-	-	-	158,968	1,174,675
Contributions	37,670	-	200,000	-	-	237,670
Interest earned	33,358	35,155	133,237	-	472	202,222
Miscellaneous	386,189	-	-	-	-	386,189
Total revenues	<u>32,967,482</u>	<u>8,867,549</u>	<u>463,237</u>	<u>2,196,840</u>	<u>11,120,216</u>	<u>55,615,324</u>
Expenditures:						
Current:						
General government	7,629,025	-	3,116	-	-	7,632,141
Judicial	682,638	-	-	-	-	682,638
Public safety	10,775,024	310,304	423,065	-	2,439,624	13,948,017
Public works	1,447,764	233,291	440,822	-	1,689,516	3,811,393
Recreation	4,001,873	-	1,175,750	-	-	5,177,623
Housing and development	3,650,319	-	-	-	996,403	4,646,722
Economic development	541,533	-	-	1,146	-	542,679
Capital outlay	945,785	13,120,324	3,526,765	-	2,364,282	19,957,156
Debt service:						
Principal	-	-	-	6,832,804	-	6,832,804
Interest	-	-	-	2,248,625	-	2,248,625
Total expenditures	<u>29,673,961</u>	<u>13,663,919</u>	<u>5,569,518</u>	<u>9,082,575</u>	<u>7,489,825</u>	<u>65,479,798</u>
Excess (deficiency) of revenues over expenditures	3,293,521	(4,796,370)	(5,106,281)	(6,885,735)	3,630,391	(9,864,474)
Other financing sources (uses):						
Transfers in	5,559,208	-	2,021,398	6,384,108	2,480,987	16,445,701
Transfers out	(3,357,218)	(5,957,078)	-	-	(7,453,569)	(16,767,865)
Proceeds from sale of capital assets	33,849	-	-	-	29,502	63,351
Total other financing sources (uses)	<u>2,235,839</u>	<u>(5,957,078)</u>	<u>2,021,398</u>	<u>6,384,108</u>	<u>(4,943,080)</u>	<u>(258,813)</u>
Net change in fund balances	5,529,360	(10,753,448)	(3,084,883)	(501,627)	(1,312,689)	(10,123,287)
Fund balances, beginning of year	<u>21,597,938</u>	<u>18,353,844</u>	<u>42,211,803</u>	<u>2,983,927</u>	<u>4,581,087</u>	<u>89,728,599</u>
Fund balances, end of year	<u>\$ 27,127,298</u>	<u>\$ 7,600,396</u>	<u>\$ 39,126,920</u>	<u>\$ 2,482,300</u>	<u>\$ 3,268,398</u>	<u>\$ 79,605,312</u>

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

CITY OF BROOKHAVEN, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

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

Net change in fund balances - total governmental funds	\$ (10,123,287)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	17,476,834
The receipt of the principal of long-term intergovernmental receivable provides current financial resources to governmental funds. However, this transactions does not have any effect on net position.	(252,487)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	24,582
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount represents the effect of principal retirement and amortization of bond premiums during the current year.	6,937,235
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>85,128</u>
Change in net position - governmental activities	<u>\$ 14,148,005</u>

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

CITY OF BROOKHAVEN, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2021**

ASSETS	Stormwater Fund
CURRENT ASSETS	
Cash	\$ 1,066,510
Accounts receivable, net of allowance	986,335
Total current assets	<u>2,052,845</u>
NONCURRENT ASSETS	
Capital assets, non-depreciable	2,836,208
Capital assets, depreciable	11,441,521
Accumulated depreciation	<u>(1,614,951)</u>
Total capital assets, net	<u>12,662,778</u>
Total assets	<u>14,715,623</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	87,346
Due to other funds	<u>64,742</u>
Total current liabilities	<u>152,088</u>
NONCURRENT LIABILITIES	
Advances from other funds	<u>1,035,438</u>
Total liabilities	<u>1,187,526</u>
NET POSITION	
Investment in capital assets	12,662,778
Unrestricted	<u>865,319</u>
Total net position	<u>\$ 13,528,097</u>

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

CITY OF BROOKHAVEN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Stormwater Fund
OPERATING REVENUE	
Stormwater fees	\$ 3,356,815
Total operating revenues	3,356,815
OPERATING EXPENSES	
Cost of services	1,312,135
Depreciation	242,257
Total operating expenses	1,554,392
Operating income	1,802,423
NONOPERATING INCOME	
Intergovernmental	855,545
Income before transfers	2,657,968
Transfers in	322,164
Change in net position	2,980,132
Total net position, beginning	10,547,965
Total net position, ending	\$ 13,528,097

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE YEAR ENDED DECEMBER 31, 2021

	Stormwater Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 2,460,334
Payments to suppliers	(1,362,533)
Net cash provided by operating activities	<u>1,097,801</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(2,348,978)
Receipt of capital grants	855,545
Net cash used in capital and related financing activities	<u>(1,493,433)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer in from other funds	322,164
Advances from other funds	575,000
Repayment of advances from other funds	(57,500)
Net cash provided by noncapital financing activities	<u>839,664</u>
Net change in cash	444,032
Cash, beginning of year	<u>622,478</u>
Cash, end of year	<u>\$ 1,066,510</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 1,802,423
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	242,257
Change in assets and liabilities:	
Increase in accounts receivable	(896,481)
Decrease in accounts payable	(50,398)
Net cash provided by operating activities	<u>\$ 1,097,801</u>

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

CITY OF BROOKHAVEN, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City, which was incorporated in 2012, operates under a charter adopted December 17, 2012, as a municipal corporation governed by an elected mayor and a four-member council. The government provides such services as police protection, cultural and recreational activities, community development, economic and housing development, and public works.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable.

Blended Component Units

The Brookhaven Government Finance Corporation (the “BGFC”) has been included as a blended component unit in the accompanying financial statements. The City appoints the four member board. Although it is legally separate from the City, its sole purpose is to finance construction and acquisitions of the City. The debt and assets of the BGFC have been reported as a form of the City’s debt and assets and all debt service activity is reported as debt service activity of the City. Separate financial statements for the BGFC are not prepared. The City reports the BGFC as a debt service fund.

The Brookhaven Public Facilities Authority (the “BPFA”) has been included as a blended component unit in the accompanying financial statements. All members of the City Council serve as members for the Authority. Although it is legally separate from the City, its sole purpose is to serve as a financing partner for major City developments. The debt and assets of the BPFA have been reported as a form of the City’s debt and assets and all activity is reported as activity of the City. Separate financial statements for the BPFA are not prepared. The City reports the BPFA as a capital projects fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units

The Brookhaven Convention and Visitors Bureau (the "CVB") has been included as a discretely presented component unit in the accompanying financial statements. The CVB was formed in September 2015 as an organization exempt from federal income tax under Internal Revenue Code Section 501(c)(6). The CVB was formed to develop strategies and initiatives for promoting Brookhaven as a preferred destination for tourism. The City has the ability to impose its will on the CVB by significantly influencing the activities performed by the organization. Separate financial statements for the CVB are not prepared.

The Brookhaven Development Authority (the "DA") has been included as a discretely presented component unit in the accompanying financial statements. The DA is a public body corporate and politic organized under the Development Authorities Law OCGA 36-62-1, as amended, and pursuant to a resolution of the City Council adopted on April 9, 2013. The DA was formed to promote trade, commerce, industry and employment opportunities with the City. The DA operates under the direction of the City's Economic Development Director and meets on an as-needed basis. There are seven positions available on the DA's Board of Directors, and members are appointed by the City of Brookhaven's Mayor and Council. Members serve four year terms. The City has the ability to impose its will on the Development Authority by significantly influencing the activities performed by the organization. Separate financial statements for the Development Authority are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 activities of the primary government and its component units. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of 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.

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

Separate financial statements are provided for governmental funds, and proprietary funds. Major individual governmental 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 fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 all revenues except for grant revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers grant revenues to be available if collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under financed purchases are reported as other financing sources.

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

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 revenue of the enterprise fund are charges to customers for services provided. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance on or before November 30, 1989.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 **SPLOST Fund** is used to account for the special purpose local option sales tax revenue collected and payments made for capital project expenditures of those funds for major capital projects.

The **Capital Projects Fund** is used to account for the expenditures of money for major capital projects.

The **Debt Service Fund** is used to account for the debt service expenditures of the City.

The City reports the following major proprietary fund:

The **Stormwater Fund** is used to account for the charges and expenses of maintaining the City's stormwater infrastructure.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues which are either legally restricted or committed to expenditures for particular purposes.

The **Capital Projects Funds** are used to account for the expenditures of money for major capital projects. These funds are general in nature and may be used to finance any capital project that the City Council designates.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets

Formal budgetary accounting is employed as a management control device for the General Fund, special revenue funds, debt service fund, and capital projects funds of the City. The governmental funds budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted for the General Fund and each Special Revenue Fund each fiscal year through passage of an annual budget ordinance and amended as required. The City adopts project length budgets for the Capital Projects Funds. During the fiscal year ended December 31, 2021, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

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

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Certificates of deposit are non-participating interest earning investment contracts and are valued at cost. All other investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

F. Receivables

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

G. Interfund Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayments schedules, and are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

I. Capital Assets

Capital assets, which include improvements, machinery and equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The City has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Capital assets of the City are depreciated using the straight line method over the following useful lives:

Improvements	15-40 years
Buildings	50 years
Machinery and equipment	3-20 years
Infrastructure	7-60 years

J. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

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

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond payables are reported net of the applicable premium.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures. Issuance costs are expenses when incurred.

M. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets, 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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 through a resolution of the City Council. Only the City Council may modify or rescind the commitment, also through a resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The Fund Balance Policy, as adopted by the City Council, delegates the authority to the City manager or his or her designee to assign fund balance for particular 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. In the event that funds other than the General Fund include an unassigned fund balance, it would be a deficit.

The City's policy is to obtain and then maintain a minimum General Fund balance reserve equal to three months (25%) of annual budgeted 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 and (3) Unassigned.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Net Position – Net position represents the difference between assets, 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. The remaining portion of net position is reported as unrestricted.

The City applies restricted resources first to fund outlays for which both restricted and unrestricted net position is available.

N. Use of Estimates

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

O. Real Estate Held for Development

The City's real estate held for development consists of real estate properties held by the Development Authority. These properties are held with the intention of future development within the City's downtown area and are not held for income or profit purposes. As such, these assets are recorded at cost.

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$72,681,875 difference are as follows:

Bonds payable, net	\$ (66,437,470)
Notes payable	(4,212,153)
Accrued interest payable	(1,018,523)
Compensated absences (i.e., vacation)	<u>(1,013,729)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (72,681,875)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$17,476,834 difference are as follows:

Capital outlay	\$ 21,929,996
Depreciation expense	<u>(4,453,162)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ 17,476,834</u>

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” This amount is the net effect of these differences in the treatment of long-term debt. The details of this \$6,937,235 difference are as follows:

Principal payments	\$ 6,832,804
Amortization of bond premiums	<u>104,431</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u><u>\$ 6,937,235</u></u>

Another element of the reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$85,128 difference are as follows:

Compensated absences	\$ 31,453
Accrued interest	<u>53,675</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u><u>\$ 85,128</u></u>

NOTE 3. LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

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

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Finance Director. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget ordinance.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

For fiscal year 2021, the City spent more than the budgeted amount in the following departments:

General Fund:	
General government - human resources	\$ 2,976
Recreation - park operations	27,705
Recreation - recreation programming	38,740
Housing and development - code enforcement	2,175
Economic development	35,217
Transfers out	5,863
Debt Service Fund:	
Economic development	1,146
Debt service - interest	940

The excess of expenditures over budget noted above were funded by expending less than budget in other departments and use of other financing sources.

NOTE 4. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties or municipalities of the State of Georgia. 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. At December 31, 2021 the City's bank balances were under-collateralized by \$30,230,367.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect City of Brookhaven property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

Receivables at December 31, 2021, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts, are as follows:

	General Fund	SPLOST Fund	Capital Projects Fund
Receivables:			
Accounts	\$ 3,274,725	\$ -	\$ -
Taxes	333,713	-	-
Intergovernmental	-	866,633	130,000
Other receivables	-	-	36
Total receivables	3,608,438	866,633	130,036
Less allowance for uncollectibles	(16,133)	-	-
Net total receivable	\$ 3,592,305	\$ 866,633	\$ 130,036
		Nonmajor Governmental Funds	Stormwater
Receivables:			
Accounts	\$ -	\$ 207,759	\$ 1,005,493
Taxes	65,179	254,918	-
Intergovernmental	-	284,278	-
Other receivables	-	-	-
Total receivables	65,179	746,955	1,005,493
Less allowance for uncollectibles	(2,376)	(10,591)	(19,158)
Net total receivable	\$ 62,803	\$ 736,364	\$ 986,335

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Primary Government

Capital asset activity for the City for the year ended December 31, 2021 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 25,986,956	\$ 1,970,836	\$ -	\$ -	\$ 27,957,792
Construction in progress	24,065,773	18,616,359	-	(988,692)	41,693,440
Total	<u>50,052,729</u>	<u>20,587,195</u>	<u>-</u>	<u>(988,692)</u>	<u>69,651,232</u>
Capital assets, being depreciated:					
Improvements	16,132,159	-	-	315,719	16,447,878
Buildings	4,133,241	-	-	402,548	4,535,789
Machinery and equipment	11,315,608	1,342,801	(162,471)	-	12,495,938
Infrastructure	70,510,637	-	-	270,425	70,781,062
Total	<u>102,091,645</u>	<u>1,342,801</u>	<u>(162,471)</u>	<u>988,692</u>	<u>104,260,667</u>
Less accumulated depreciation for:					
Improvements	(4,301,067)	(1,179,626)	-	-	(5,480,693)
Buildings	(2,900,971)	(138,881)	-	-	(3,039,852)
Machinery and equipment	(8,563,965)	(1,194,524)	162,471	-	(9,596,018)
Infrastructure	(12,901,104)	(1,940,131)	-	-	(14,841,235)
Total	<u>(28,667,107)</u>	<u>(4,453,162)</u>	<u>162,471</u>	<u>-</u>	<u>(32,957,798)</u>
Capital assets, net depreciation	<u>73,424,538</u>	<u>(3,110,361)</u>	<u>-</u>	<u>988,692</u>	<u>71,302,869</u>
Governmental activities capital assets, net	<u>\$ 123,477,267</u>	<u>\$ 17,476,834</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,954,101</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 1,272,566	\$ 1,006,525	\$ -	\$ 2,279,091
Construction in progress	306,712	1,306,940	(1,056,535)	557,117
Total	<u>1,579,278</u>	<u>2,313,465</u>	<u>(1,056,535)</u>	<u>2,836,208</u>
Capital assets, being depreciated:				
Infrastructure	<u>10,349,473</u>	<u>35,513</u>	<u>1,056,535</u>	<u>11,441,521</u>
Less accumulated depreciation for:				
Infrastructure	<u>(1,372,694)</u>	<u>(242,257)</u>	<u>-</u>	<u>(1,614,951)</u>
Capital assets, net depreciation	<u>8,976,779</u>	<u>(206,744)</u>	<u>1,056,535</u>	<u>9,826,570</u>
Business-type activities capital assets, net	<u>\$ 10,556,057</u>	<u>\$ 2,106,721</u>	<u>\$ -</u>	<u>\$ 12,662,778</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

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

Governmental activities:			
General government	\$	81,615	
Public safety		923,592	
Public works		1,957,981	
Culture and recreation		1,452,437	
Housing and development		37,537	
		<u>4,453,162</u>	
Total depreciation expense - governmental activities		\$	<u><u>4,453,162</u></u>
Business-type activities:			
Stormwater	\$	242,257	
		<u><u>242,257</u></u>	

Component Unit – Convention and Visitors Bureau

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Leasehold improvements	\$ 67,019	\$ -	\$ -	\$ 67,019
Furniture and fixtures	33,253	-	-	33,253
Total	<u>100,272</u>	<u>-</u>	<u>-</u>	<u>100,272</u>
Less accumulated depreciation for:				
Leasehold improvements	(17,872)	(26,808)	-	(44,680)
Furniture and fixtures	(4,432)	(6,648)	-	(11,080)
Total	<u>(22,304)</u>	<u>(33,456)</u>	<u>-</u>	<u>(55,760)</u>
Total capital assets being depreciated, net	<u>\$ 77,968</u>	<u>\$ (33,456)</u>	<u>\$ -</u>	<u>\$ 44,512</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity of the City for the year ended December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Direct placement					
Bonds payable	\$ 20,586,904	\$ -	\$ (5,647,554)	\$ 14,939,350	\$ 5,677,576
Bonds payable	50,870,000	-	(940,000)	49,930,000	990,000
Plus: premium	1,672,551	-	(104,431)	1,568,120	-
Total bonds payable	<u>73,129,455</u>	<u>-</u>	<u>(6,691,985)</u>	<u>66,437,470</u>	<u>6,667,576</u>
Note payable					
from direct borrowing	4,457,403	-	(245,250)	4,212,153	247,442
Compensated absences	1,045,182	714,747	(746,200)	1,013,729	1,013,729
Governmental activity long-term liabilities	<u>\$ 78,632,040</u>	<u>\$ 714,747</u>	<u>\$ (7,683,435)</u>	<u>\$ 71,663,352</u>	<u>\$ 7,928,747</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Bonds payable

In May 2018, the City issued \$12,000,000 of direct placement Sales Tax Bonds for the purpose of financing capital projects improvements. The issuance of these bonds was approved by a Special Purpose Local Option Sales Tax (SPLOST) referendum in November 2017. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. Principal payments on the bonds are due annually commencing on July 1, 2019 until maturity July 1, 2024. Interest payments on the bonds are due semiannually commencing on January 1, 2019 until maturity at an interest rate of 2.75%.

In March 2020, the City issued \$15,000,000 of direct placement Sales Tax Bonds for the purpose of financing capital projects improvements. The issuance of these bonds was approved by a Special Purpose Local Option Sales Tax (SPLOST) referendum in November 2017. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. The bonds bear interest at a rate of 0.82%, and principal and interest payments on the bonds are due monthly commencing on May 1, 2020 until maturity May 1, 2024.

The sales and use tax proceeds received by the City in any year in which the bonds are outstanding must first be used to make debt service payments, and then may be used for City projects. Failure by the City to make debt service payments constitutes an event of default, however there are no acceleration clauses associated with the bonds.

The total debt service requirements to maturity for the City's direct placement bonds payable are as follows:

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 5,677,576	\$ 224,502	\$ 5,902,078
2023	5,707,846	139,232	5,847,078
2024	3,553,928	58,187	3,612,115
Total	<u>\$ 14,939,350</u>	<u>\$ 421,921</u>	<u>\$ 15,361,271</u>

In October 2018, the Brookhaven Public Facilities Authority issued \$12,640,000 of Series 2018 Revenue Bonds for the purpose of financing the construction of the multi-modal transportation system of trails, parks, and other facilities. Principal payments are due annually commencing on July 1, 2019 until maturity July 1, 2042. Interest payments are due semi-annually commencing on January 1, 2019 until maturity at an interest rate ranging from 3.00–5.00%.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Bonds payable (Continued)

The bonds are payable from and secured by ad valorem taxes levied by the City based on the dedicated millage rate authorized by law. Failure by the City to make contract payments to the Public Facilities Authority constitutes an event of default, however there are no acceleration clauses associated with the bonds.

In January 2019, the City issued \$38,855,000 of Series 2019 General Obligation Bonds for the purpose of financing capital project improvements, specifically parks and recreational master plans as well as other related park amenities, equipment and real property. Principal payments are due annually commencing on July 1, 2020 until maturity July 1, 2049. Interest payments are due semi-annually commencing on January 1, 2020 until maturity at an interest rate ranging from 3.00–5.00%.

The bonds are payable from and secured by ad valorem taxes levied by the City based on the dedicated millage rate authorized by law. Failure by the City to make contract payments on the bonds constitutes an event of default, however there are no acceleration clauses associated with the bonds.

The total debt service requirements to maturity for the City's bonds payable are as follows:

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 990,000	\$ 1,853,581	\$ 2,843,581
2023	1,035,000	1,804,081	2,839,081
2024	1,095,000	1,752,331	2,847,331
2025	1,165,000	1,697,581	2,862,581
2026	1,235,000	1,639,331	2,874,331
2027-2031	7,370,000	7,221,355	14,591,355
2032-2036	9,350,000	5,718,931	15,068,931
2037-2041	11,790,000	4,042,181	15,832,181
2042-2046	9,825,000	2,046,450	11,871,450
2047-2049	6,075,000	430,150	6,505,150
Total	<u>\$ 49,930,000</u>	<u>\$ 28,205,972</u>	<u>\$ 78,135,972</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Note payable from Direct Borrowing

On May 1, 2017, the City issued a note payable to borrow a total of \$5,700,000 from the Georgia Environmental Finance Authority (GEFA) for the purpose of acquiring a greenspace at the Peachtree DeKalb Airport. Additionally, the agreement with GEFA included a principal forgiveness component equal to approximately 8.77% of the face value of the note, or \$500,000. Principal and interest payments totaling \$23,660 are paid each month beginning June 1, 2017 through November 1, 2037 at an interest rate of .89%. The amortization schedule was revised after the Authority extended a six month, deferral period, during fiscal year 2020, requiring no debt service payments to be made by the City to alleviate the effects of COVID-19.

The total debt service requirements to maturity for the City's note payable from direct borrowing are as follows:

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 247,442	\$ 36,480	\$ 283,922
2023	249,653	34,269	283,922
2024	251,884	32,038	283,922
2025	254,135	29,787	283,922
2026	256,406	27,516	283,922
2027-2031	1,316,813	102,799	1,419,612
2032-2036	1,376,712	42,900	1,419,612
2037	259,108	1,154	260,262
Total	<u>\$ 4,212,153</u>	<u>\$ 306,943</u>	<u>\$ 4,519,096</u>

B. Discretely Presented Component Unit – Development Authority

The following is a summary of long-term debt activity for the year ended December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Intergovernmental payable - primary government	\$ 1,767,409	\$ -	\$ (252,487)	\$ 1,514,922	\$ 252,487
Total intergovernmental payable	<u>\$ 1,767,409</u>	<u>\$ -</u>	<u>\$ (252,487)</u>	<u>\$ 1,514,922</u>	<u>\$ 252,487</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Development Authority (Continued)

Intergovernmental payable from Direct Borrowing

The City of Brookhaven has issued a no-interest loan to the Brookhaven Development Authority in the original amount of \$1,712,370 for the sale of real property previously purchased by the City. The property was acquired by the Development Authority for strategic economic development purposes within the City. Payments are due annually through December 2027. The outstanding balance on the loan as of December 31, 2021 is \$1,027,422. This amount is recorded as an intergovernmental receivable by the City at December 31, 2021.

In February 2020, the City of Brookhaven issued a no-interest loan to the Brookhaven Development Authority in the amount of \$650,000 in order to finance the Development Authority's purchase of a property located at 2068 Druid Hills Road. The property was acquired by the Development Authority for strategic economic development purposes within the City. Payments are due annually through December 2027. The outstanding balance on the loan as of December 31, 2021 is \$487,500. This amount is also recorded as an intergovernmental receivable by the City at December 31, 2021.

C. Discretely Presented Component Unit – Convention and Visitors Bureau (CVB)

Notes payable from Direct Borrowing

The following is a summary of long-term debt activity for the year ended December 31, 2021:

	Beginning			Ending	Due Within
	Balance, as restated	Additions	Reductions	Balance	One Year
Notes payable from direct borrowing	\$ 150,000	\$ 159,000	\$ (159,000)	\$ 150,000	\$ -
Compensated absences	24,440	25,990	(27,264)	23,166	23,166
Total long-term liabilities	<u>\$ 174,440</u>	<u>\$ 184,990</u>	<u>\$ (186,264)</u>	<u>\$ 173,166</u>	<u>\$ 23,166</u>

On June 16, 2020, the CVB entered into a disaster assistance loan agreement with the U.S. Small Business Administration for a total of \$150,000 for the purpose of alleviating economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter. Principal payments are due monthly from June 16, 2025 through June 16, 2050, and interest payments are due monthly beginning January 16, 2023 through June 16, 2050 at an interest rate of 2.75%. The outstanding balance on the loan as of December 31, 2021 is \$150,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

C. Discretely Presented Component Unit – Convention and Visitors Bureau (CVB) (Continued)

Notes payable from Direct Borrowing (Continued)

On January 23, 2021, the CVB entered into a note payable agreement of \$79,500 with the Small Business Administration (SBA) through the Paycheck Protection Program provision created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The program was implemented by the Small Business Administration with the support from the Department of the Treasury to provide the resources required by small business to maintain their payroll, hire back employees who may have been laid off because of COVID-19, and cover applicable overhead. On June 14, 2021, under provisions of the program, the \$79,500 loan balance, as well as accrued interest of \$300, was forgiven by the Small Business Administration.

On April 1, 2021, the CVB entered into a second note payable agreement of \$79,500 with the Small Business Administration (SBA) through the Paycheck Protection Program provision created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). On August 10, 2021, under provisions of the program, the \$79,761 loan balance, including accrued interest of \$261, was forgiven by the Small Business Administration.

The total debt service requirements to maturity for the CVB's note payable from direct borrowing are as follows:

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ -	\$ -
2023	-	8,297	8,297
2024	-	8,297	8,297
2025	2,217	6,080	8,297
2026	4,287	4,010	8,297
2027-2031	23,293	18,193	41,486
2032-2036	26,722	14,764	41,486
2037-2041	30,656	10,830	41,486
2042-2046	35,169	6,316	41,485
2047-2050	27,656	1,382	29,038
Total	<u>\$ 150,000</u>	<u>\$ 78,169</u>	<u>\$ 228,169</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2021, is as follows:

Due to/from other funds and advances to/from other funds:

Receivable fund	Payable fund	Amount
General Fund	Stormwater Fund	\$ 64,742
General Fund	Nonmajor governmental funds	132,121
Capital Projects Fund	SPLOST Fund	12,830,660
		\$ 13,027,523

Advances from	Advances to	Amount
General Fund	Stormwater Fund	\$ 1,035,438
General Fund	Nonmajor governmental funds	625,124
		\$ 1,660,562

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The advance from the General Fund to the nonmajor governmental funds is being used to fund a capital paving project. The advance from the General Fund to the Stormwater Fund is comprised of two loans: one related to a capital project and one for stormwater repairs, maintenance and operations.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	\$ 5,559,208
Capital Projects Fund	General Fund	876,231
Capital Projects Fund	Nonmajor governmental funds	1,145,167
Debt Service Fund	SPLOST Fund	5,957,078
Debt Service Fund	Nonmajor governmental funds	427,030
Nonmajor governmental funds	General Fund	2,480,987
Stormwater Fund	Nonmajor governmental funds	322,164
		\$ 16,767,865

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) move SPLOST proceeds to the Debt Service to fund debt service as allowed in the referendum.

Due to/from primary government and component unit:

Receivable	Payable	Amount
Brookhaven Development Authority	General Fund	\$ 55,000

NOTES TO FINANCIAL STATEMENTS

NOTE 9. OPERATING LEASES

The government leases the office facilities (city hall, police station and municipal court) under non-cancelable operating leases. The City accrues rent expense in an amount such that the total rent expense under the lease is recognized ratably over the lease term. The lease expense for the city hall facility and the police station/municipal court were \$335,261 and \$244,997, respectively for the year ended December 31, 2021.

The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	<u>City Hall</u>	<u>Police Station/ Municipal Court</u>	<u>Total</u>
2022	\$ 335,057	\$ 251,016	\$ 586,073
2023	343,433	257,364	600,797
2024	352,019	-	352,019
Total lease payments	<u>\$ 1,030,509</u>	<u>\$ 508,380</u>	<u>\$ 1,538,889</u>

The CVB leases its office facility under a non-cancelable operating lease. The CVB accrues rent expense in an amount such that the total rent expense under the lease is recognized ratably over the lease term. The lease expense for the CVB's office was \$77,330 for the year ended December 31, 2021. The future minimum lease payments for this lease is as follows

<u>Year Ending December 31,</u>	<u>CVB Office</u>
2022	\$ 79,297
2023	20,296
Total lease payments	<u>\$ 99,593</u>

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

The City is a defendant in various lawsuits. The total range of amounts for these cases that is reasonably possible of resulting in a liability is \$1,000 to \$6,200,000.

The City has entered several public/private contractual partnerships for outsourced services and operations. Through these contracts with private companies, an array of operational services are provided via outsourcing. These contracts are operating contracts for which the City is continually monitoring its outsourcing needs as compared to providing services in-house. Currently, these contracts are approximately \$3.9 million annually. The contracts were bid for four annual service periods and run through the year ending December 31, 2022.

As of December 31, 2021, construction commitments on uncompleted contracts were \$15,149,990.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

The City of Brookhaven offers two Retirement Plans for City employees. The 401(a) and 457 plans are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. The City matches employee contributions for the 457 plan at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following thirty days of employment and are fully vested after twelve months. On December 31, 2021 there were 129 employees participating in the plan who contributed \$964,101, while the City's contributions totaled \$1,020,775.

Part-time employees are eligible on the first day of the month, following thirty days of employment to contribute to the 457 plan, however there is no City Match contribution to the 401(a) plan. On December 31, 2021, there were 3 employees participating in the plan who contributed \$12,030.

The City also contributes the Social Security withholding amount (6.2% for 2021) to a social security replacement 401(a) plan for each eligible employee. All participants are fully vested in their social security replacement plan at all times. On December 31, 2021 there were 146 employees participating in the plan with total contributions from the City of \$723,111.

NOTE 12. JOINT VENTURE

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 DeKalb County has paid on behalf of the City of Brookhaven. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree Street NE, Suite 100, Atlanta, Georgia 30303.

NOTE 13. HOTEL/MOTEL LODGING TAX

The City has levied an 8% lodging tax. The Official Code of Georgia Annotated (O.C.G.A) 48-13-51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended December 31, 2021, the City received \$2,277,493 in hotel/motel taxes. Of this amount, \$2,277,493 or 100% was used for the promotion of tourism, conventions, or trade shows and/or remitted to the Brookhaven Convention and Visitors Bureau in accordance with O.C.G.A 48-13-51 as of December 31, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the previous three years.

NOTE 15. TAX ABATEMENTS

For the year ended December 31, 2021, City property tax revenues were reduced by \$217,791 under agreements entered into by the DeKalb County Development Authority and Brookhaven Development Authority. 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.

<u>Company</u>	<u>Taxes Owed</u>	<u>Taxes Paid</u>	<u>Amount Abated</u>	<u>Abatement Ends</u>
Town Brookhaven	\$ 172,682	\$ 131,607	\$ 41,075	2024
Perimeter Summit	348,493	247,746	100,747	2024-2033
The Prelude at Clairmont	73,647	50,816	22,831	2024
Joint Development Authority	78,912	25,774	53,138	2030
	<u>\$ 673,734</u>	<u>\$ 455,943</u>	<u>\$ 217,791</u>	

NOTE 16. RESTATEMENTS

In accordance with GASB Statement No. 84, *Fiduciary Activities*, management of the City has determined that the activity of the City's Municipal Court Fund should be consolidated and reported within the City's General Fund. As a result, the previously reported net position of the Municipal Court Fund as of December 31, 2020 is restated to be zero. The City's municipal court activity is properly accounted for within the City's General Fund as of December 31, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RESTATEMENTS (CONTINUED)

Management has determined that a restatement to opening net position of the Convention and Visitors Bureau (CVB) was required for the year ended December 31, 2021. In the prior year, the CVB did not include its compensated absences balance as a liability in accordance with GASB. A prior period adjustment was required for fiscal year 2021 to restate the opening balance of net position for the CVB.

In addition, management has determined that a restatement to opening fund balance of the CVB and net position was required for the year ended December 31, 2021 to properly record the CVB's revenues which were overstated in the prior year.

The restatements are as follows:

Beginning net position, CVB, as previously reported	\$ 860,889
Record compensated absences liability	(24,440)
To correct revenues that were previously overstated	<u>(88,120)</u>
Beginning net position, CVB, as restated	<u><u>\$ 748,329</u></u>
Beginning fund balance, CVB, as previously reported	\$ 933,710
To correct revenues that were previously overstated	<u>(88,120)</u>
Beginning fund balance, CVB, as restated	<u><u>\$ 845,590</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BROOKHAVEN, GEORGIA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 11,962,560	\$ 11,962,560	\$ 12,629,314	\$ 666,754
Franchise taxes	3,625,000	3,625,000	3,420,434	(204,566)
Alcohol excise taxes	1,196,398	1,196,398	1,329,170	132,772
Business taxes	5,684,573	5,684,573	5,753,831	69,258
Excise taxes	376,149	376,149	324,711	(51,438)
Licenses and permits	2,947,100	3,155,100	6,867,049	3,711,949
Intergovernmental	252,487	449,226	449,226	-
Charges for services	483,873	483,873	720,823	236,950
Fines and forfeitures	1,225,000	1,561,895	1,015,707	(546,188)
Contributions	-	-	37,670	37,670
Interest earned	50,000	50,000	33,358	(16,642)
Miscellaneous	86,000	356,000	386,189	30,189
Total revenues	<u>27,889,140</u>	<u>28,900,774</u>	<u>32,967,482</u>	<u>4,066,708</u>
Expenditures:				
Current:				
General government:				
Mayor and council	275,350	442,350	388,410	53,940
District 1 (1)	43,226	43,226	40,154	3,072
District 2 (1)	34,784	34,784	31,916	2,868
District 3 (1)	26,665	26,665	23,114	3,551
District 4 (1)	35,536	35,536	33,026	2,510
Mayor (1)	49,891	49,891	45,248	4,643
City manager	664,024	855,983	852,040	3,943
City clerk	386,112	400,385	368,602	31,783
Finance and administration	2,505,687	2,388,051	2,145,798	242,253
Legal	560,000	878,200	878,191	9
Data processing	1,665,630	1,719,294	1,648,549	70,745
Human resources	297,869	355,869	358,845	(2,976)
Public information	529,514	529,514	493,137	36,377
Contingency	502,487	861,921	321,995	539,926
Total general government	<u>7,576,775</u>	<u>8,621,669</u>	<u>7,629,025</u>	<u>992,644</u>
Judicial	<u>1,034,261</u>	<u>1,371,156</u>	<u>682,638</u>	<u>688,518</u>
Public safety:				
Police	4,064,614	4,078,774	3,619,009	459,765
Police patrol	6,047,845	6,046,604	5,562,904	483,700
Police CID	1,576,227	1,596,289	1,593,111	3,178
Total public safety	<u>11,688,686</u>	<u>11,721,667</u>	<u>10,775,024</u>	<u>946,643</u>
Public works	<u>1,600,554</u>	<u>1,615,554</u>	<u>1,447,764</u>	<u>167,790</u>
Recreation				
Parks and recreation administration	990,937	1,775,376	1,607,987	167,389
Park operations	1,596,956	1,508,560	1,536,265	(27,705)
Recreation programming	524,920	588,920	627,660	(38,740)
Aquatics	225,801	250,101	229,961	20,140
Total recreation	<u>3,338,614</u>	<u>4,122,957</u>	<u>4,001,873</u>	<u>121,084</u>

(1) - Represents charter mandated salaries and benefits

Continued

CITY OF BROOKHAVEN, GEORGIA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS) FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Housing and development				
Community development	\$ 1,060,540	\$ 997,235	\$ 658,542	\$ 338,693
Planning and zoning	364,170	653,191	492,333	160,858
Land development	402,101	402,101	392,986	9,115
Building	1,041,860	1,249,860	1,141,198	108,662
Code enforcement	528,000	528,000	530,175	(2,175)
Fire	446,376	495,942	435,085	60,857
Total housing and development	<u>3,843,047</u>	<u>4,326,329</u>	<u>3,650,319</u>	<u>676,010</u>
Economic development	<u>197,203</u>	<u>506,316</u>	<u>541,533</u>	<u>(35,217)</u>
Capital Outlay	<u>419,750</u>	<u>1,000,733</u>	<u>945,785</u>	<u>54,948</u>
Total expenditures	<u>29,698,890</u>	<u>33,286,381</u>	<u>29,673,961</u>	<u>3,612,420</u>
Excess (deficiency) of revenues over expenditures	(1,809,750)	(4,385,607)	3,293,521	7,679,128
Other financing sources (uses):				
Transfers in	1,575,000	1,400,000	5,559,208	4,159,208
Transfers out	(200,000)	(3,351,355)	(3,357,218)	(5,863)
Proceeds from sales of capital assets	-	-	33,849	33,849
Total other financing sources (uses)	<u>1,375,000</u>	<u>(1,951,355)</u>	<u>2,235,839</u>	<u>4,187,194</u>
Net change in fund balance	(434,750)	(6,336,962)	5,529,360	11,866,322
Fund balance, beginning of year	<u>21,597,938</u>	<u>21,597,938</u>	<u>21,597,938</u>	<u>-</u>
Fund balance, end of year	<u>\$ 21,163,188</u>	<u>\$ 15,260,976</u>	<u>\$ 27,127,298</u>	<u>\$ 11,866,322</u>

NONMAJOR GOVERNMENTAL FUNDS

Confiscated Assets Fund – To account for the use of the City’s share of monies that have been forfeited through the court system and are restricted for law enforcement purposes.

The **ARPA Fund** is used to account for the American Rescue Plan Act (“ARPA”) grant revenue received by the City for COVID-19 relief.

Grant Fund – To account for federal and state funded initiatives and projects that are restricted for the specific purposes of those initiatives and projects.

Special Tax District No. 1 Fund – To account for the cost of providing public safety services in the Special Tax District created by the City, which is restricted by City ordinance.

Lavista Park Special District Tax Fund – To account for the cost of providing services in the Lavista Park Special Tax District created by the City, which is restricted by City ordinance.

Hotel/Motel Tax Fund – To account for the 8% lodging tax levied in the City, which is restricted by State law.

Streetlight Fund – To account for special assessments to defray the costs of operating, maintaining and repairing the street lighting system in the City and are restricted for these purposes.

Emergency 911 Fund – To account for the monthly 911 charges that are required to be spent on the cost of providing emergency 911 services as restricted by State law.

Vehicle Capital Project Fund – To account for the resources needed to purchase vehicles for the City’s fleet. These amounts are assigned by City Council.

Public Facilities Authority – To account for the financing and funding for local and public facilities for the City.

CITY OF BROOKHAVEN, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Special Revenue Funds							Capital Projects Funds		Total Nonmajor Governmental Funds	
	Confiscated Assets Fund	ARPA Fund	Grant Fund	Special Tax District No. 1 Fund	Lavista Park Special District Tax Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund		Public Facilities Authority
ASSETS											
Cash and cash equivalents	\$ 666,601	\$ -	\$ -	\$ -	\$ 898,398	\$ -	\$ 293,705	\$ 123,622	\$ 1,927,581	\$ -	\$ 3,909,907
Accounts receivable	-	-	-	-	-	-	-	207,759	-	-	207,759
Taxes receivable, net of allowance	-	-	-	26,621	8,743	168,553	40,410	-	-	-	244,327
Intergovernmental receivable	-	-	284,278	-	-	-	-	-	-	-	284,278
Total assets	<u>\$ 666,601</u>	<u>\$ -</u>	<u>\$ 284,278</u>	<u>\$ 26,621</u>	<u>\$ 907,141</u>	<u>\$ 168,553</u>	<u>\$ 334,115</u>	<u>\$ 331,381</u>	<u>\$ 1,927,581</u>	<u>\$ -</u>	<u>\$ 4,646,271</u>
LIABILITIES											
Accounts payable	\$ -	\$ -	\$ 19,346	\$ -	\$ -	\$ 142,706	\$ 114,021	\$ 7,392	\$ 173,546	\$ -	\$ 457,011
Retainage payable	-	-	-	-	116,689	-	-	-	-	-	116,689
Due to other funds	-	-	106,274	-	-	25,847	-	-	-	-	132,121
Advances from other funds	-	-	-	-	625,124	-	-	-	-	-	625,124
Total liabilities	<u>-</u>	<u>-</u>	<u>125,620</u>	<u>-</u>	<u>741,813</u>	<u>168,553</u>	<u>114,021</u>	<u>7,392</u>	<u>173,546</u>	<u>-</u>	<u>1,330,945</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - property taxes	-	-	-	12,991	5,448	-	28,489	-	-	-	46,928
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,991</u>	<u>5,448</u>	<u>-</u>	<u>28,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,928</u>
FUND BALANCES											
Restricted:											
Law enforcement	666,601	-	158,658	13,630	-	-	-	-	-	-	838,889
Public safety	-	-	-	-	-	-	-	166,338	-	-	166,338
Streetlight service	-	-	-	-	-	-	191,605	-	-	-	191,605
Assigned:											
Public safety	-	-	-	-	-	-	-	157,651	-	-	157,651
Recreation	-	-	-	-	159,880	-	-	-	-	-	159,880
Capital projects	-	-	-	-	-	-	-	-	1,754,035	-	1,754,035
Total fund balances	<u>666,601</u>	<u>-</u>	<u>158,658</u>	<u>13,630</u>	<u>159,880</u>	<u>-</u>	<u>191,605</u>	<u>323,989</u>	<u>1,754,035</u>	<u>-</u>	<u>3,268,398</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 666,601</u>	<u>\$ -</u>	<u>\$ 284,278</u>	<u>\$ 26,621</u>	<u>\$ 907,141</u>	<u>\$ 168,553</u>	<u>\$ 334,115</u>	<u>\$ 331,381</u>	<u>\$ 1,927,581</u>	<u>\$ -</u>	<u>\$ 4,646,271</u>

CITY OF BROOKHAVEN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds							Capital Projects Funds		Total Nonmajor Governmental Funds	
	Confiscated Assets Fund	ARPA Fund	Grant Fund	Special Tax District No. 1 Fund	Lavista Park Special District Tax Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund		Public Facilities Authority Fund
Revenues											
Property taxes	\$ -	\$ -	\$ -	\$ 951,737	\$ 414,341	\$ -	\$ 430,637	\$ -	\$ -	\$ -	\$ 1,796,715
Hotel/Motel taxes	-	-	-	-	-	2,277,493	-	-	-	-	2,277,493
Intergovernmental	-	4,235,578	1,332,244	-	-	-	-	-	-	-	5,567,822
Charges for services	-	-	-	-	-	-	-	1,318,746	-	-	1,318,746
Fines and forfeitures	158,968	-	-	-	-	-	-	-	-	-	158,968
Interest earned	397	-	75	-	-	-	-	-	-	-	472
Total revenues	159,365	4,235,578	1,332,319	951,737	414,341	2,277,493	430,637	1,318,746	-	-	11,120,216
Expenditures											
Current:											
Public safety	31,472	-	50,021	947,036	-	-	-	1,411,095	-	-	2,439,624
Public works	-	-	-	-	1,199,498	-	490,018	-	-	-	1,689,516
Housing and development	-	-	-	-	-	996,403	-	-	-	-	996,403
Capital outlay	-	-	7,823	-	-	-	-	-	1,000,595	1,355,864	2,364,282
Total expenditures	31,472	-	57,844	947,036	1,199,498	996,403	490,018	1,411,095	1,000,595	1,355,864	7,489,825
Excess (deficiency) of revenues over expenditures	127,893	4,235,578	1,274,475	4,701	(785,157)	1,281,090	(59,381)	(92,349)	(1,000,595)	(1,355,864)	3,630,391
Other Financing Sources (Uses)											
Transfers in	-	-	-	-	1,025,123	-	-	100,000	-	1,355,864	2,480,987
Transfers out	-	(4,235,578)	(1,536,901)	-	(400,000)	(1,281,090)	-	-	-	-	(7,453,569)
Proceeds from sales of capital assets	-	-	-	-	-	-	-	-	29,502	-	29,502
Total other financing sources (uses)	-	(4,235,578)	(1,536,901)	-	625,123	(1,281,090)	-	100,000	29,502	1,355,864	(4,943,080)
Net change in fund balances	127,893	-	(262,426)	4,701	(160,034)	-	(59,381)	7,651	(971,093)	-	(1,312,689)
Fund balances, beginning of year	538,708	-	421,084	8,929	319,914	-	250,986	316,338	2,725,128	-	4,581,087
Fund balances, end of year	\$ 666,601	\$ -	\$ 158,658	\$ 13,630	\$ 159,880	\$ -	\$ 191,605	\$ 323,989	\$ 1,754,035	\$ -	\$ 3,268,398

CITY OF BROOKHAVEN, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,524,505	\$ 2,524,505	\$ 2,196,840	\$ (327,665)
Total revenues	<u>2,524,505</u>	<u>2,524,505</u>	<u>2,196,840</u>	<u>(327,665)</u>
Expenditures:				
Current:				
Economic development	-	-	1,146	(1,146)
Debt service:				
Principal	6,833,898	6,833,898	6,832,804	1,094
Interest	2,247,685	2,247,685	2,248,625	(940)
Total expenditures	<u>9,081,583</u>	<u>9,081,583</u>	<u>9,082,575</u>	<u>(992)</u>
Deficiency of revenues over expenditures	(6,557,078)	(6,557,078)	(6,885,735)	(328,657)
Other financing sources:				
Transfers in	6,557,078	6,557,078	6,384,108	(172,970)
Total other financing sources	<u>6,557,078</u>	<u>6,557,078</u>	<u>6,384,108</u>	<u>(172,970)</u>
Net change in fund balances	-	-	(501,627)	(501,627)
Fund balances, beginning of year	<u>2,983,927</u>	<u>2,983,927</u>	<u>2,983,927</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,983,927</u>	<u>\$ 2,983,927</u>	<u>\$ 2,482,300</u>	<u>\$ (501,627)</u>

CITY OF BROOKHAVEN, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 50,050	\$ 50,050	\$ 158,968	\$ 108,918
Interest	-	-	397	397
Total revenues	<u>50,050</u>	<u>50,050</u>	<u>159,365</u>	<u>109,315</u>
Expenditures:				
Public safety	50,050	50,050	31,472	18,578
Capital outlay	-	80,000	-	80,000
Total expenditures	<u>50,050</u>	<u>130,050</u>	<u>31,472</u>	<u>98,578</u>
Net change in fund balances	-	(80,000)	127,893	207,893
Fund balances, beginning of year	<u>538,708</u>	<u>538,708</u>	<u>538,708</u>	<u>-</u>
Fund balances, end of year	<u>\$ 538,708</u>	<u>\$ 458,708</u>	<u>\$ 666,601</u>	<u>\$ 207,893</u>

CITY OF BROOKHAVEN, GEORGIA
ARPA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,235,578	\$ 4,235,578	\$ 4,235,578	\$ -
Total revenues	<u>4,235,578</u>	<u>4,235,578</u>	<u>4,235,578</u>	<u>-</u>
Excess of revenues over expenditures	4,235,578	4,235,578	4,235,578	-
Other financing uses:				
Transfers out	(4,235,578)	(4,235,578)	(4,235,578)	-
Total other financing uses	<u>(4,235,578)</u>	<u>(4,235,578)</u>	<u>(4,235,578)</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BROOKHAVEN, GEORGIA
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,588,037	\$ 2,249,983	\$ 1,332,244	\$ (917,739)
Interest	-	-	75	75
Total revenues	<u>1,588,037</u>	<u>2,249,983</u>	<u>1,332,319</u>	<u>(917,664)</u>
Expenditures:				
Public safety	-	71,379	50,021	21,358
Capital outlay	-	59,362	7,823	51,539
Total expenditures	<u>-</u>	<u>130,741</u>	<u>57,844</u>	<u>72,897</u>
Excess of revenues over expenditures	1,588,037	2,119,242	1,274,475	(844,767)
Other financing uses:				
Transfers out	<u>(1,588,037)</u>	<u>(2,119,242)</u>	<u>(1,536,901)</u>	<u>582,341</u>
Total other financing uses	<u>(1,588,037)</u>	<u>(2,119,242)</u>	<u>(1,536,901)</u>	<u>582,341</u>
Net change in fund balances	-	-	(262,426)	(262,426)
Fund balances, beginning of year	<u>421,084</u>	<u>421,084</u>	<u>421,084</u>	<u>-</u>
Fund balances, end of year	<u>\$ 421,084</u>	<u>\$ 421,084</u>	<u>\$ 158,658</u>	<u>\$ (262,426)</u>

CITY OF BROOKHAVEN, GEORGIA
SPECIAL TAX DISTRICT NO. 1 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 982,759	\$ 982,759	\$ 951,737	\$ (31,022)
Total revenues	<u>982,759</u>	<u>982,759</u>	<u>951,737</u>	<u>(31,022)</u>
Expenditures:				
Public safety	982,759	982,759	947,036	35,723
Total expenditures	<u>982,759</u>	<u>982,759</u>	<u>947,036</u>	<u>35,723</u>
Net change in fund balances	-	-	4,701	4,701
Fund balances, beginning of year	<u>8,929</u>	<u>8,929</u>	<u>8,929</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,929</u>	<u>\$ 8,929</u>	<u>\$ 13,630</u>	<u>\$ 4,701</u>

CITY OF BROOKHAVEN, GEORGIA
LAVISTA PARK SPECIAL TAX DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 400,000	\$ 400,000	\$ 414,341	\$ 14,341
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>414,341</u>	<u>14,341</u>
Expenditures:				
Public works	400,000	1,345,038	1,199,498	145,540
Total expenditures	<u>400,000</u>	<u>1,345,038</u>	<u>1,199,498</u>	<u>145,540</u>
Deficiency of revenues over expenditures	-	(945,038)	(785,157)	159,881
Other financing sources (uses):				
Transfers in	-	1,025,124	1,025,123	(1)
Transfers out	-	(400,000)	(400,000)	-
Total other financing sources	<u>-</u>	<u>625,124</u>	<u>625,123</u>	<u>(1)</u>
Net change in fund balances	-	(319,914)	(160,034)	159,880
Fund balances, beginning of year	<u>319,914</u>	<u>319,914</u>	<u>319,914</u>	<u>-</u>
Fund balances, end of year	<u>\$ 319,914</u>	<u>\$ -</u>	<u>\$ 159,880</u>	<u>\$ 159,880</u>

CITY OF BROOKHAVEN, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,200,000	\$ 3,200,000	\$ 2,277,493	\$ (922,507)
Total revenues	<u>3,200,000</u>	<u>3,200,000</u>	<u>2,277,493</u>	<u>(922,507)</u>
Expenditures:				
Housing and development	1,400,000	1,400,000	996,403	403,597
Total expenditures	<u>1,400,000</u>	<u>1,400,000</u>	<u>996,403</u>	<u>403,597</u>
Excess of revenues over expenditures	1,800,000	1,800,000	1,281,090	(518,910)
Other financing uses:				
Transfers out	(1,800,000)	(1,800,000)	(1,281,090)	518,910
Total other financing uses	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>(1,281,090)</u>	<u>518,910</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BROOKHAVEN, GEORGIA
STREETLIGHT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 422,000	\$ 422,000	\$ 430,637	\$ 8,637
Total revenues	<u>422,000</u>	<u>422,000</u>	<u>430,637</u>	<u>8,637</u>
Expenditures:				
Public works	460,000	493,572	490,018	3,554
Total expenditures	<u>460,000</u>	<u>493,572</u>	<u>490,018</u>	<u>3,554</u>
Net change in fund balances	(38,000)	(71,572)	(59,381)	12,191
Fund balances, beginning of year	<u>250,986</u>	<u>250,986</u>	<u>250,986</u>	<u>-</u>
Fund balances, end of year	<u>\$ 212,986</u>	<u>\$ 179,414</u>	<u>\$ 191,605</u>	<u>\$ 12,191</u>

CITY OF BROOKHAVEN, GEORGIA
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 1,126,039	\$ 1,126,039	\$ 1,318,746	\$ 192,707
Total revenues	<u>1,126,039</u>	<u>1,126,039</u>	<u>1,318,746</u>	<u>192,707</u>
Expenditures:				
Public safety	<u>1,426,039</u>	<u>1,445,754</u>	<u>1,411,095</u>	<u>34,659</u>
Total expenditures	<u>1,426,039</u>	<u>1,445,754</u>	<u>1,411,095</u>	<u>34,659</u>
Deficiency of revenues over expenditures	(300,000)	(319,715)	(92,349)	227,366
Other financing sources:				
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total other financing sources	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balances	(200,000)	(219,715)	7,651	227,366
Fund balances, beginning of year	<u>316,338</u>	<u>316,338</u>	<u>316,338</u>	<u>-</u>
Fund balances, end of year	<u>\$ 116,338</u>	<u>\$ 96,623</u>	<u>\$ 323,989</u>	<u>\$ 227,366</u>

CITY OF BROOKHAVEN, GEORGIA

**SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

PROJECT	ORIGINAL ESTIMATED COST	REVISED ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL	ESTIMATED PERCENT COMPLETE
SPLOST:						
Pavement management	\$ 14,000,000	\$ 14,000,000	\$ 6,554,791	\$ 14,635	\$ 6,569,426	46.92 %
Existing capital asset maintenance	7,078,569	7,078,569	2,262,558	306,091	2,568,649	36.29
Transportation improvements	11,111,889	11,111,889	9,103,322	1,763,008	10,866,330	97.79
Public safety facilities and equipment	15,000,000	15,796,671	4,216,486	11,580,185	15,796,671	100.00
Total SPLOST	<u>\$ 47,190,458</u>	<u>\$ 47,987,129</u>	<u>\$ 22,137,157</u>	<u>\$ 13,663,919</u>	<u>\$ 35,801,076</u>	

COMPONENT UNITS

CITY OF BROOKHAVEN, GEORGIA

**BALANCE SHEET
COMPONENT UNIT - CONVENTION AND VISITORS BUREAU
DECEMBER 31, 2021**

ASSETS

Cash	\$	971,966
Accounts receivable		142,706
Security deposit		<u>6,328</u>
Total assets	\$	<u><u>1,121,000</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$	43,586
Deferred lease liability		<u>6,985</u>
Total liabilities		<u>50,571</u>

FUND BALANCE

Restricted for economic development		<u>1,070,429</u>
Total liabilities and fund balance	\$	<u><u>1,121,000</u></u>

CITY OF BROOKHAVEN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - CONVENTION AND VISITORS BUREAU
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES

Intergovernmental	\$	1,352,412
Interest		<u>3,030</u>
Total revenues		<u>1,355,442</u>

EXPENDITURES

Economic development		<u>1,130,603</u>
Total expenditures		<u>1,130,603</u>

Net change in fund balance		224,839
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FUND BALANCE, beginning of year, as restated		<u>845,590</u>
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FUND BALANCE, end of year		<u><u>\$ 1,070,429</u></u>
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CITY OF BROOKHAVEN, GEORGIA

**BALANCE SHEET
COMPONENT UNIT - DEVELOPMENT AUTHORITY
DECEMBER 31, 2021**

ASSETS	
Cash	\$ 199,895
Land held for redevelopment	3,795,285
Due from primary government	<u>55,000</u>
Total assets	<u>\$ 4,050,180</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	<u>\$ 1,000</u>
Total liabilities	<u>1,000</u>
FUND BALANCE	
Unassigned	<u>4,049,180</u>
Total liabilities and fund balance	<u>\$ 4,050,180</u>

CITY OF BROOKHAVEN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES

Charges for services	\$	337,900
Interest		<u>57</u>
Total revenues		<u>337,957</u>

EXPENDITURES

Housing and development		89,137
Debt service-principal		<u>252,487</u>
Total expenditures		<u>341,624</u>

Net change in fund balance		(3,667)
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FUND BALANCE, beginning of year		<u>4,052,847</u>
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FUND BALANCE, end of year		<u><u>\$ 4,049,180</u></u>
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STATISTICAL SECTION

This part of the City of Brookhaven’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.

	<u>Page</u>
Financial Trends	82
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	87
These schedules contain information to help the reader assess the City’s most significant local revenue source, property tax.	
Debt Capacity	91
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	96
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	98
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year. Note that 2013 was the first year of operations.

CITY OF BROOKHAVEN, GEORGIA

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities									
Net investment in capital assets	\$ 97,992,025	\$ 88,049,917	\$ 79,892,779	\$ 83,202,488	\$ 72,013,003	\$ 64,370,907	\$ 65,484,793	\$ 66,691,916	\$ 60,658,099
Restricted	6,206,659	6,466,986	11,695,428 ⁽¹⁾	2,720,707	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	45,469,706	41,003,482	30,389,360	29,553,636	23,830,990	19,974,759	13,305,139	9,000,585	3,551,798
Total governmental activities net position	\$ 149,668,390	\$ 135,520,385	\$ 121,977,567	\$ 115,476,831	\$ 98,568,537	\$ 86,750,843	\$ 80,992,678	\$ 77,265,835	\$ 65,638,673
Business-type activities									
Investment in capital assets	\$ 12,662,778	\$ 10,556,057	\$ 8,498,288	\$ 8,227,377	\$ 7,412,334	\$ 7,146,150	\$ 6,860,091	\$ 6,825,621	\$ 6,487,443
Unrestricted	865,319	(8,092) ⁽²⁾	1,513,447	1,247,610	1,693,080	1,864,710	1,805,995	1,349,322	1,079,849
Total business-type activities net position	\$ 13,528,097	\$ 10,547,965	\$ 10,011,735	\$ 9,474,987	\$ 9,105,414	\$ 9,010,860	\$ 8,666,086	\$ 8,174,943	\$ 7,567,292
Primary government									
Net investment in capital assets	\$ 110,654,803	\$ 98,605,974	\$ 88,391,067	\$ 91,429,865	\$ 79,425,337	\$ 71,517,057	\$ 72,344,884	\$ 73,517,537	\$ 67,145,542
Restricted	6,206,659	6,466,986	11,695,428	2,720,707	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	46,335,025	40,995,390	31,902,807	30,801,246	25,524,070	21,839,469	15,111,134	10,349,907	4,631,647
Total primary government net position	\$ 163,196,487	\$ 146,068,350	\$ 131,989,302	\$ 124,951,818	\$ 107,673,951	\$ 95,761,703	\$ 89,658,764	\$ 85,440,778	\$ 73,205,965

(1) Additional SPLOST collections not spent.

(2) Increase in capital assets.

CITY OF BROOKHAVEN, GEORGIA

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses									
Governmental activities:									
General government	\$ 7,772,660	\$ 10,295,903	\$ 6,849,657	\$ 6,374,028	\$ 5,896,748	\$ 5,101,706	\$ 4,525,493	\$ 5,211,523	\$ 3,942,196
Judicial	682,042	637,769	926,444	552,602	580,297	584,753	601,508	508,592	468,589
Public safety	13,893,886	14,959,546	12,734,669	11,808,133	11,552,258	10,595,386	11,301,632	7,876,343	6,324,863
Public works	5,810,581	4,172,745	5,325,777	5,163,842	6,628,883	4,295,145	4,225,043	5,614,702	3,070,672
Housing and development	4,681,868	4,039,212	6,471,942	4,869,152	4,644,383	3,736,194	2,898,485	2,442,100	1,272,777
Culture and recreation	5,506,366	5,966,164	5,533,860	4,205,797	5,695,736	4,423,411	3,506,276	1,766,940	595,935
Community development	542,679	267,860	287,647	316,878	-	146,983	146,642	76,515	11,794
Interest and fiscal charges	2,090,519	2,213,432	2,821,100 ⁽¹⁾	708,232	95,950	28,226	61,895	101,252	81,633
Total governmental activities expenses	40,980,601	42,552,631	40,951,096	33,998,664	35,094,255	28,911,804	27,266,974	23,597,967	15,768,459
Business-type activities:									
Stormwater	1,554,392	1,722,331	1,549,238	1,429,534	1,853,950	1,488,786	1,122,485	1,206,891	441,792
Total business-type activities expenses	1,554,392	1,722,331	1,549,238	1,429,534	1,853,950	1,488,786	1,122,485	1,206,891	441,792
Total primary government expenses	\$ 42,534,993	\$ 44,274,962	\$ 42,500,334	\$ 35,428,198	\$ 36,948,205	\$ 30,400,590	\$ 28,389,459	\$ 24,804,858	\$ 16,210,251
Program Revenues									
Governmental activities:									
Charges for services:									
General government	\$ 578,359	\$ 636,156	\$ 643,698	\$ 549,408	\$ 142,787	\$ 530,353	\$ 836,595	\$ 499,051	\$ 438,665
Judicial	1,174,675	954,672	1,774,371	1,242,168	979,400	1,332,434	1,395,173	1,354,603	359,364
Public safety	1,472,596	1,514,585	1,633,572	1,323,529	1,320,894	1,538,695	771,697	356,111	1,700
Public works	354,031	331,045	331,045	74,674	-	-	412,402	429,769	362,219
Housing and development	6,046,621	9,577,148 ⁽⁴⁾	3,336,286	5,228,029	3,150,238	2,995,110	1,523,186	2,237,592	1,652,368
Culture and recreation	455,011	221,281	496,685	467,052	327,876	470,656	240,247	127,830	26,856
Capital grants and contributions	10,726,532	9,500,996	8,717,845	6,366,880	2,492,933	326,032	400,655	2,147,621	-
Operating grants and contributions	4,235,578	6,300,934 ⁽³⁾	-	-	-	-	-	-	-
Total governmental activities program revenues	25,043,403	29,036,817	16,933,502	15,251,740	8,414,128	7,193,280	5,579,955	7,152,577	2,841,172
Business-type activities:									
Charges for services:									
Stormwater	3,356,815	2,356,884	2,018,424	1,999,107	1,988,504	1,581,760	1,613,628	1,538,632	1,466,735
Capital grants and contributions	855,545	-	-	-	-	251,800	-	275,910	-
Total business-type activities program revenues	4,212,360	2,356,884	2,018,424	1,999,107	1,988,504	1,833,560	1,613,628	1,814,542	1,466,735
Total primary government program revenues	\$ 29,255,763	\$ 31,393,701	\$ 18,951,926	\$ 17,250,847	\$ 10,402,632	\$ 9,026,840	\$ 7,193,583	\$ 8,967,119	\$ 4,307,907

(continued)

CITY OF BROOKHAVEN, GEORGIA

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (expense)/revenue									
Governmental activities	\$ (15,937,198)	\$ (13,515,814)	\$ (24,017,594)	\$ (18,746,924)	\$ (26,680,127)	\$ (21,718,524)	\$ (21,687,019)	\$ (16,445,390)	\$ (12,927,287)
Business-type activities	2,657,968	634,553	469,186	569,573	134,554	344,774	491,143	607,651	1,024,943
Total primary government net expense	<u>\$ (13,279,230)</u>	<u>\$ (12,881,261)</u>	<u>\$ (23,548,408)</u>	<u>\$ (18,177,351)</u>	<u>\$ (26,545,573)</u>	<u>\$ (21,373,750)</u>	<u>\$ (21,195,876)</u>	<u>\$ (15,837,739)</u>	<u>\$ (11,902,344)</u>
General Revenues and Other Changes in Net Position									
Governmental activities:									
Property taxes	\$ 16,647,451	\$ 14,096,790	\$ 13,873,420	\$ 10,090,399	\$ 9,454,749	\$ 7,684,986	\$ 6,516,128	\$ 6,594,450	\$ 5,747,333
Sales taxes	-	-	-	1,631,933	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,277,493	1,539,795	3,753,577	3,758,787	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	3,420,434	3,332,292	4,001,898	2,661,917	4,630,027	4,111,311	4,398,368	3,056,603	1,472,669
Business taxes	5,753,831	5,749,738	5,818,439	5,834,215	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Alcohol & excise taxes	1,653,881	1,575,639	1,792,340	1,688,504	1,468,069	1,396,966	1,109,297	881,643	741,592
Insurance premium	-	-	-	-	-	-	-	-	57,663
Unrestricted investment earnings	167,067	477,860	1,101,288	181,473	43,259	9,677	3,166	4,782	2,607
Miscellaneous	423,859	153,211	220,442	276,355	424,329	403,235	377,765	73,955	30,986
Gain on sale of capital asset	63,351	34,984	-	9,331,635	7,429,465	-	-	-	-
Special item - donation of infrastructure at incorporation	-	-	-	-	-	-	-	-	62,252,906
Transfers	(322,164)	98,323	(43,074)	200,000	40,000	-	-	-	-
Total governmental activities	<u>30,085,203</u>	<u>27,058,632</u>	<u>30,518,330</u>	<u>35,655,218</u>	<u>38,497,821</u>	<u>27,476,689</u>	<u>25,413,862</u>	<u>23,203,008</u>	<u>78,565,960</u>
Business-type activities:									
Special item - donation of infrastructure at incorporation	-	-	-	-	-	-	-	-	6,542,349
Unrestricted investment earnings	-	-	24,488	-	-	-	-	-	-
Transfers	322,164	(98,323)	43,074	(200,000)	(40,000)	-	-	-	-
Total business-type activities	<u>322,164</u>	<u>(98,323)</u>	<u>67,562</u>	<u>(200,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,542,349</u>
Total primary government	<u>\$ 30,407,367</u>	<u>\$ 26,960,309</u>	<u>\$ 30,585,892</u>	<u>\$ 35,455,218</u>	<u>\$ 38,457,821</u>	<u>\$ 27,476,689</u>	<u>\$ 25,413,862</u>	<u>\$ 23,203,008</u>	<u>\$ 85,108,309</u>
Change in Net Position									
Governmental activities	\$ 14,148,005	\$ 13,542,818	\$ 6,500,736	\$ 16,908,294	\$ 11,817,694	\$ 5,758,165	\$ 3,726,843	\$ 6,757,618	\$ 65,638,673
Business-type activities	2,980,132	536,230	536,748	369,573	94,554	344,774	491,143	607,651	7,567,292
Total primary government	<u>\$ 17,128,137</u>	<u>\$ 14,079,048</u>	<u>\$ 7,037,484</u>	<u>\$ 17,277,867</u>	<u>\$ 11,912,248</u>	<u>\$ 6,102,939</u>	<u>\$ 4,217,986</u>	<u>\$ 7,365,269</u>	<u>\$ 73,205,965</u>

(1) The City began making debt service payments on SPLOST, Revenue and General Obligation bonds in 2019.

(2) The HOST program collections ended in 2018.

(3) Receipt of COVID-19 CRF Funds in 2020.

(4) Hospital building and trade permits issued to Children's Healthcare of Atlanta.

CITY OF BROOKHAVEN, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE YEARS
(modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013
General fund									
Nonspendable:									
Prepaid items	\$ 405,229	\$ 494,307	\$ 441,756	\$ 502,823	\$ 697,283	\$ 431,443	\$ 425,023	\$ 227,320	\$ 165,450
Advances to other funds	1,660,562	517,938	-	-	-	-	-	-	-
Restricted:									
Streetlight service	-	-	-	-	-	-	368,189	415,981	377,994
Police donations	67,561	67,561	45,732	30,928	30,928	31,569	-	-	-
Committed:									
Brookhaven heights land purchase	-	-	1,100,000	-	-	-	-	-	-
Assigned:									
Tree fund activities	63,735	63,735	53,312	54,837	43,969	21,369	27,086	-	-
Future capital improvements	11,966,511	11,377,680	3,264,105	1,867,906	933,953	933,953	-	-	-
Assigned for subsequent year budget	782,811	837,749	340,880	731,443	173,719	550,043	-	-	-
Development Authority loan for land purchase	-	-	650,000	-	-	-	-	-	-
Sidewalk bank	518,347	518,347	405,719	74,674	-	-	-	-	-
Capital projects	-	-	-	592,022	-	-	-	-	-
Unassigned	11,662,542	7,720,621	9,485,378	9,761,810	8,565,833	6,253,311	4,553,079	1,104,971	(108,876)
Total general fund	\$ 27,127,298	\$ 21,597,938	\$ 15,786,882	\$ 13,616,443	\$ 10,445,685	\$ 8,221,688	\$ 5,373,377	\$ 1,748,272	\$ 434,568
All other governmental funds									
Nonspendable:									
Prepaid items	\$ 21	\$ -	\$ 137,500	\$ 198,917	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:									
Law enforcement	838,889	968,721	986,929	690,401	300,353	194,165	21,665	13,748	-
E-911 operations	-	-	-	-	-	167,434	54,460	54,460	-
Capital projects	32,588,333	46,813,185	51,191,153 (1)	-	-	-	-	-	-
Public safety	166,338	166,338 (3)	-	12,073,120	-	-	-	-	-
Tourism	-	-	-	1,513,801	1,485,020	1,660,476	1,758,432	1,089,145	543,839
Streetlight service	191,605	250,986	297,391	327,538	335,582	337,995	-	-	506,943
Public works	-	-	197,257	140,541	562,446	-	-	-	-
Recreation	-	319,914	-	-	-	-	-	-	-
Debt service	-	-	577,691	-	-	-	-	-	-
Multi-modal transportation projects	-	-	- (2)	12,577,699	-	-	-	-	-
Committed:									
Debt service	2,482,279	2,983,927	3,067,712	1,615,613	1,194,763	-	-	-	-
Assigned:									
HOST activities	-	-	545,069	113,127	1,661,404	9,486,486	8,699,500	7,115,659	3,740,069
Capital projects	15,893,018	16,477,590	10,779,757	14,330,684	10,975,319	3,028,983	-	-	-
Public works	-	-	-	200,000	-	-	-	-	-
Recreation	159,880 (4)	-	-	-	-	-	-	-	-
Public safety	157,651	150,000	271,829	174,961	286,966	-	-	-	-
Unassigned	-	-	-	-	-	(76,521)	(288,119)	-	-
Total all other governmental funds	\$ 52,478,014	\$ 68,130,661	\$ 68,052,288	\$ 43,956,402	\$ 16,801,853	\$ 14,799,018	\$ 10,245,938	\$ 8,273,012	\$ 4,790,851

(1) The City issued Series 2019 General Obligation Bonds in 2019.
(2) The City spent remaining bond proceeds on its outstanding Revenue Bonds in 2019.
(3) Change in accounting for E911 collections resulted in fund balance being reported as restricted in 2020.
(4) Reclassification of fund balance in 2021.

CITY OF BROOKHAVEN, GEORGIA

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues									
Property taxes	\$ 16,622,869	\$ 14,315,223	\$ 13,686,421	\$ 10,093,068	\$ 9,425,609	\$ 8,100,863	\$ 7,515,590	\$ 6,627,845	\$ 5,682,476
Sales taxes	-	-	-	(4)	1,631,933	6,691,614	6,911,336	5,738,333	6,360,077
Hotel/Motel taxes	2,277,493	1,539,795	3,753,577	3,758,787	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	3,420,434	3,332,292	4,001,898	(3)	2,661,917	(3)	4,630,027	4,111,311	3,961,934
Alcohol excise taxes	1,329,170	1,296,488	1,323,470	1,155,312	1,138,944	1,089,937	818,244	810,836	741,592
Business taxes	5,753,831	5,749,738	5,818,439	5,834,215	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Excise taxes	324,711	279,151	468,870	533,192	329,125	307,029	291,053	70,807	57,663
Licenses and permits	6,867,049	10,439,887	4,199,025	5,745,897	3,207,348	3,445,759	2,043,013	2,667,375	2,033,031
Intergovernmental	14,979,442	15,793,911	(7)	8,643,412	(2)	2,492,933	(1)	316,032	300,655
Charges for services	2,039,569	1,840,328	2,242,261	1,896,795	1,734,627	2,206,972	1,847,239	1,030,145	442,827
Fines and forfeitures	1,174,675	954,672	1,774,371	1,242,168	979,220	1,214,517	1,289,048	1,307,436	359,364
Contributions	237,670	257,450	41,168	134,271	37,239	74,283	137,658	30,250	-
Interest earned	202,222	538,366	1,307,784	261,940	43,259	9,677	3,166	4,782	2,607
Miscellaneous	386,189	95,761	179,274	242,084	387,090	328,952	240,107	43,705	36,936
Total revenues	55,615,324	56,433,062	47,439,970	41,377,992	39,413,344	35,075,846	31,456,845	27,535,687	19,089,369
Expenditures									
General government	7,632,141	10,581,290	6,741,648	6,324,000	5,775,672	4,740,681	4,420,143	5,107,867	4,129,445
Judicial	682,638	634,502	922,688	555,029	576,361	565,815	582,977	489,077	478,426
Public safety	13,948,017	14,129,307	11,973,669	10,914,971	10,505,639	9,342,980	8,978,542	7,256,316	8,167,651
Public works	3,811,393	2,378,566	2,830,775	2,758,917	4,562,868	2,093,179	2,176,941	2,757,346	1,139,744
Culture and recreation	5,177,623	4,790,917	4,434,946	3,179,824	5,426,618	2,633,492	2,266,481	1,734,171	595,935
Housing and development	4,646,722	4,655,073	6,458,587	4,859,290	4,631,453	3,713,479	2,883,570	2,443,380	1,259,431
Community development	-	-	-	-	-	-	100,560	76,515	11,794
Economic development	542,679	267,860	289,495	316,878	-	-	-	-	-
Capital outlay	19,957,156	20,406,743	23,907,407	(5)	16,378,130	12,933,727	3,778,129	3,735,866	2,097,406
Debt service									
Principal	6,832,804	4,844,905	2,556,999	(6)	494,368	684,080	773,391	764,022	672,157
Interest	2,248,625	2,899,751	760,926	48,977	40,656	33,309	65,968	105,587	22,879
Issuance cost	-	91,966	760,934	347,884	57,000	-	-	-	-
Total expenditures	65,479,798	65,680,890	61,638,074	46,178,268	45,174,074	27,674,455	25,975,070	22,739,822	16,758,838
Excess (deficiency) of revenues over (under) expenditures	(9,864,474)	(9,247,818)	(14,198,104)	(4,800,276)	(5,760,730)	7,401,391	5,481,775	4,795,865	2,330,531
Other financing sources (uses)									
Proceeds from sale of capital assets	63,351	38,924	33,380	10,000,000	4,747,562	-	-	-	21,915
Issuance of financed purchase	-	-	-	-	-	-	116,256	-	2,872,973
Issuance of note payable	-	-	-	-	5,200,000	-	-	-	-
Issuance of bonds	-	15,000,000	38,855,000	24,640,000	-	-	-	-	-
Issuance of bonds premium	-	-	1,619,123	285,583	-	-	-	-	-
Transfers in	16,445,701	10,231,394	19,922,762	11,156,025	20,105,500	5,475,295	2,292,461	1,734,906	2,459,475
Transfers out	(16,767,865)	(10,133,071)	(19,965,836)	(10,956,025)	(20,065,500)	(5,475,295)	(2,292,461)	(1,734,906)	(2,459,475)
Total other financing sources (uses)	(258,813)	15,137,247	40,464,429	35,125,583	9,987,562	-	116,256	-	2,894,888
Net change in fund balances	\$ (10,123,287)	\$ 5,889,429	\$ 26,266,325	\$ 30,325,307	\$ 4,226,832	\$ 7,401,391	\$ 5,598,031	\$ 4,795,865	\$ 5,225,419
Debt service as a percentage of noncapital expenditures	20.85%	17.14%	8.62%	0.89%	2.18%	3.09%	3.35%	3.65%	0.45%

(1) Intergovernmental revenues increased during 2017 as a result of additional State funding for road improvements.

(2) Intergovernmental revenues increased during 2018 as a result of the new SPLOST program.

(3) Franchise tax revenues decreased during 2018 as a result of an overpayment in prior years by Atlanta Gas Light, but increased in 2019 as Atlanta Gas Light remitted 2019 franchise revenues to the City after correction on overpayment calculation.

(4) The HOST program collections ended in 2018.

(5) The City incurred significant capital outlay expenditures on the Peachtree Creek Greenway project in 2019.

(6) The City began making principal payments on its outstanding SPLOST and Revenue Bonds in 2019.

(7) The City collected approximately \$6.3 million of CARES grant funding due to the COVID-19 pandemic.

CITY OF BROOKHAVEN, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY LAST NINE YEARS

Fiscal Year	Real Property			Personal Property	
	Residential	Commercial	Industrial	Motor Vehicle	Other (1)
2013	\$ 1,523,386,393	\$ 649,523,762	\$ 12,668,560	\$ -	\$ 72,178,713
2014	1,733,667,148	750,897,616	13,633,280	82,633,320	200,673,125
2015	2,060,648,765	864,293,618	20,659,330	67,891,300	218,557,894
2016	2,180,835,535	1,092,206,786	19,896,863	47,578,450	150,094,412
2017	2,318,323,246	1,215,555,686	21,372,467	40,040,890	158,162,722
2018	2,511,412,782	1,559,080,844	30,815,467	22,420,340	157,409,307
2019	2,731,917,283	1,883,878,228	36,157,554	16,582,860	147,905,844
2020	2,954,535,264	1,931,492,642	26,063,955	11,979,940	150,957,833
2021	3,252,997,905	1,835,968,402	19,834,958	8,987,470	141,133,115

Source: Georgia Department of Revenue

(1) Includes aircraft, boats, equipment and other miscellaneous personal property.

Public Utility	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ -	\$ 254,330,508	\$ 2,003,426,920	2.850	\$ 5,008,567,300	40%
14,644,304	432,899,327	2,363,249,466	2.795	5,908,123,665	40%
17,710,345	646,602,506	2,603,158,746	2.740	6,507,896,865	40%
20,281,585	728,901,965	2,781,991,666	2.740	6,954,979,165	40%
24,103,976	760,277,266	3,017,281,721	2.740	7,543,204,303	40%
26,441,934	824,190,700	3,483,389,974	2.740	8,708,474,935	40%
27,904,818	874,002,733	3,970,343,854	3.420	9,925,859,635	40%
29,870,584	953,916,175	4,150,984,043	3.310	10,377,460,108	40%
31,592,678	1,041,762,260	4,248,752,268	2.740	10,621,880,670	40%

CITY OF BROOKHAVEN, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Per \$1000 of Assessed Value) LAST NINE YEARS

Calendar Year	City of Brookhaven			DeKalb County					DeKalb County Schools Millage	State	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Fire District Millage	Hospital Millage	Total County Millage			
2013	2.850	-	2.850	10.710	1.920	2.820	0.800	16.250	23.980	0.150	43.230
2014	2.795	-	2.795	8.220	1.680	2.870	0.800	13.570	23.900	0.100	40.365
2015	2.740	-	2.740	10.390	0.640	2.750	0.890	14.670	23.730	0.050	41.190
2016	2.740	-	2.740	8.760	0.490	2.570	0.740	12.560	23.730	-	39.030
2017	2.740	-	2.740	8.693	0.794	3.080	0.740	13.307	23.280	-	39.327
2018	2.740	-	2.740	9.638	0.733	2.687	0.726	13.784	23.180	-	39.704
2019	2.740	0.680	3.420	9.304	0.953	2.709	0.648	13.614	23.080	-	40.114
2020	2.740	0.570	3.310	9.366	0.909	2.792	0.642	13.709	23.080	-	40.099
2021	2.740	0.570	3.310	9.108	0.504	2.996	0.356	12.964	23.080	-	39.354

Source: DeKalb County Tax Commissioner

The City's operating legal millage rate is capped at 3.35.

CITY OF BROOKHAVEN, GEORGIA

PRINCIPAL TAXPAYERS CURRENT AND EIGHT YEARS AGO

Taxpayer	2021			2013		
	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
DEVELOPMENT AUTHORITY DEKALB	\$ 77,945,439	1	1.83 %	\$ 20,196,001	4	1.01 %
BOF GA LENOX PARK LLC	76,907,880	2	1.81			
EUEP LLC	47,430,422	3	1.12			
20 PERIMETER SUMMIT LLC	38,978,600	4	0.92	27,118,720	3	1.35
GOODWYNN OWNER LLC	36,000,000	5	0.85	19,620,000	5	0.98
LION GABLES REALTY LP	35,842,600	6	0.84			
PERIMETER SUMMIT PARCEL 2 LP	34,400,000	7	0.81			
3450 BLAIR CIRCLE LLC	32,910,000	8	0.77			
DEVELOPMENT AUTH OF DEKALB	30,616,960	9	0.72			
DEVELOPMENT AUTHORITY	30,608,520	10	0.72			
AT&T MOBILITY, LLC				35,585,501	1	1.78
CRAFT LLC				31,234,985	2	1.56
50 LINCOLN COURT, LLC				16,400,000	6	0.82
POST GLEN, LLC				15,760,000	7	0.79
MID AMERICA APARTMENTS LP				14,344,520	8	0.72
BIR LENOX, LLC				13,800,000	9	0.69
MANUFACTURERS LIFE INSURANCE				12,320,200	10	0.61
	<u>\$ 441,640,421</u>		<u>10.39 %</u>	<u>\$ 206,379,927</u>		<u>10.30 %</u>

Source: DeKalb County Tax Commissioner

CITY OF BROOKHAVEN, GEORGIA

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST NINE YEARS**

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 5,595,364	\$ 5,501,908	98.3%	\$ 89,525	\$ 5,591,433	99.93%
2014	6,373,661	6,299,520	98.8%	68,403	6,367,923	99.91%
2015	7,054,126	6,975,703	98.9%	65,197	7,040,900	99.81%
2016	8,004,716	7,848,448	98.0%	156,268	8,004,716	100.00%
2017	8,802,942	8,641,016	98.2%	159,123	8,800,139	99.97%
2018	10,175,123 (1)	9,942,376	97.7%	-	9,942,376	97.71%
2019	12,659,916	12,304,135	97.2%	106,792	12,410,927	98.03%
2020	13,056,554	12,860,526	98.5%	9,926	12,870,452	98.57%
2021	13,818,687	13,473,682	97.5%	200,549	13,674,231	98.95%

Source: DeKalb County Tax Commissioner

(1) 2018 Tax Levy was adjusted to reflect billing adjustments made by DeKalb County.

CITY OF BROOKHAVEN, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST NINE YEARS

Fiscal Year	Governmental Activities					Total	Percentage of Personal Income (1)	Per Capita (1)
	Financed	Revenue Bonds Payable	Direct Placement	General Obligation Bonds Payable	Notes Payable From			
	Purchases From Direct Borrowings		SPLOST Bonds Payable		Direct Borrowings			
2013	\$ 2,872,973	\$ -	\$ -	\$ -	\$ -	\$ 2,872,973	0.09%	\$ 61
2014	2,200,816	-	-	-	-	2,200,816	0.06%	44
2015	1,553,050	-	-	-	-	1,553,050	0.04%	30
2016	779,659	-	-	-	-	779,659	0.03%	15
2017	254,512	-	-	-	5,061,067	5,315,579	0.13%	101
2018	-	12,925,583	-	12,000,000	4,821,211	29,746,794	1.18%	556
2019	-	12,595,990	10,000,000	40,397,878	4,579,212	67,573,080	2.19%	1,248
2020	-	12,367,036	20,586,904	40,175,515	4,457,403	77,586,858	2.32%	1,397
2021	-	12,128,513	14,939,350	39,369,607	4,212,153	70,649,623	1.98%	1,263

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

CITY OF BROOKHAVEN, GEORGIA

SUMMARY OF DEBT SERVICE DUE ON OUTSTANDING CITY OBLIGATIONS DECEMBER 31, 2021

Date	GEFA	Public Facilities Bond	SPLOST GO Bond	GO Bond Series 2019	GO Bond Series 2020	Total	% of Debt Service Remaining
12/31/2022	\$ 283,922	\$ 674,731	\$ 2,165,000	\$ 2,168,850	\$ 3,737,078	\$ 9,029,581	90.79%
12/31/2023	283,922	672,981	2,110,000	2,166,100	3,737,078	8,970,081	81.64%
12/31/2024	283,922	680,731	2,055,000	2,166,600	1,557,115	6,743,368	74.76%
12/31/2025	283,922	697,481	-	2,165,100	-	3,146,503	71.55%
12/31/2026	283,922	707,731	-	2,166,600	-	3,158,253	68.32%
12/31/2027	283,922	726,731	-	2,165,850	-	3,176,503	65.08%
12/31/2028	283,922	738,981	-	2,167,850	-	3,190,753	61.83%
12/31/2029	283,922	754,731	-	2,162,350	-	3,201,003	58.56%
12/31/2030	283,922	778,731	-	2,149,600	-	3,212,253	55.28%
12/31/2031	283,922	794,781	-	2,151,750	-	3,230,453	51.99%
12/31/2032	283,922	814,931	-	2,146,550	-	3,245,403	48.68%
12/31/2033	283,922	839,031	-	2,139,750	-	3,262,703	45.35%
12/31/2034	283,922	861,219	-	2,148,450	-	3,293,591	41.99%
12/31/2035	283,922	887,156	-	2,155,800	-	3,326,878	38.59%
12/31/2036	283,922	915,869	-	2,160,175	-	3,359,966	35.17%
12/31/2037	260,266	942,075	-	2,163,144	-	3,365,485	31.73%
12/31/2038	-	970,650	-	2,167,969	-	3,138,619	28.53%
12/31/2039	-	997,300	-	2,166,169	-	3,163,469	25.30%
12/31/2040	-	1,032,025	-	2,166,050	-	3,198,075	22.04%
12/31/2041	-	1,059,475	-	2,167,325	-	3,226,800	18.75%
12/31/2042	-	1,029,824	-	2,166,675	-	3,196,499	15.49%
12/31/2043	-	-	-	2,169,100	-	2,169,100	13.27%
12/31/2044	-	-	-	2,169,425	-	2,169,425	11.06%
12/31/2045	-	-	-	2,167,650	-	2,167,650	8.85%
12/31/2046	-	-	-	2,168,775	-	2,168,775	6.64%
12/31/2047	-	-	-	2,167,625	-	2,167,625	4.43%
12/31/2048	-	-	-	2,169,200	-	2,169,200	2.21%
12/31/2049	-	-	-	2,168,325	-	2,168,325	0.00%
	<u>\$ 4,519,096</u>	<u>\$ 17,577,165</u>	<u>\$ 6,330,000</u>	<u>\$ 60,558,807</u>	<u>\$ 9,031,271</u>	<u>\$ 98,016,339</u>	

Note: Total payments above represent principal and interest for each outstanding debt.

CITY OF BROOKHAVEN, GEORGIA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2021**

<u>Governmental Unit</u>	<u>Net Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City of Brookhaven (1)</u>	<u>Amount Applicable to City of Brookhaven</u>
Debt repaid with property taxes:			
DeKalb County	\$ 210,590,000	12.90%	\$ 27,165,266
Fulton-DeKalb Hospital Authority	33,630,000	12.90%	4,338,135
DeKalb County Board of Education	<u>218,089,000</u>	12.90%	<u>28,132,607</u>
Total overlapping debt	462,309,000		59,636,008
City direct debt			
Bonds payable	66,437,470	100.00%	66,437,470
Notes payable	<u>4,212,153</u>	100.00%	<u>4,212,153</u>
Total direct and overlapping debt	<u>\$ 532,958,623</u>		<u>\$ 130,285,631</u>

Source: Assessed value data used to estimate applicable percentages and debt outstanding obtained from DeKalb County's Finance Department.

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 business of the City of Brookhaven, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

CITY OF BROOKHAVEN, GEORGIA

LEGAL DEBT MARGIN INFORMATION

LAST THREE FISCAL YEARS

(amounts expressed in thousands)

	<u>Fiscal Year</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Debt Limit	\$ 529,051	\$ 510,490	\$ 484,435
Total Net Debt Applicable to Limit	<u>39,370</u>	<u>40,176</u>	<u>40,398</u>
Legal Debt Margin	<u>\$ 489,681</u>	<u>\$ 470,315</u>	<u>\$ 444,037</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.44%	7.87%	8.34%
Assessed Value	\$ 4,248,752	\$ 4,150,984	\$ 3,970,344
Add Back: Exempt Real Property	<u>1,041,762</u>	<u>953,916</u>	<u>874,003</u>
Total Assessed Value	5,290,514	5,104,900	4,844,347
Debt Limit (10% of Total Assessed Value)	529,051	510,490	484,435
Debt Applicable to Limit:			
General Obligation Debt	39,370	40,176	40,398
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>-</u>	<u>-</u>	<u>(614)</u>
Total Net Debt Applicable to Limit	<u>39,370</u>	<u>40,176</u>	<u>39,784</u>
Legal Debt Margin	<u>\$ 489,681</u>	<u>\$ 470,315</u>	<u>\$ 444,651</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Note: The City had no General Obligation debt prior to 2019.

CITY OF BROOKHAVEN, GEORGIA
SPLOST BONDS REVENUE COVERAGE
LAST FOUR FISCAL YEARS

Fiscal Year	Gross Revenue (1)	Operating Expenditures	Net Revenue Available for Debt Service	Debt Service Requirements (2)			Bond Coverage Ratio
				Principal	Interest	Total	
2018	\$ 5,562,331	\$ 4,363,371	\$ 1,198,960	\$ -	\$ -	\$ -	-
2019	7,755,244	6,198,532	1,556,712	2,000,000	363,917	2,363,917	66%
2020	7,395,695	11,667,220	(4,271,525)	4,413,096	353,290	4,766,386	-90%
2021	8,867,549	13,663,919	(4,796,370)	5,647,554	309,524	5,957,078	-81%

(1) Total revenues include interest.

(2) Represents principal and interest for SPLOST bonds only.

CITY OF BROOKHAVEN, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST NINE YEARS

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income (1b)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2013	47,253	\$ 3,288,667	\$ 69,597	32.8	7,591	6.2%
2014	50,181	3,408,093	67,916	33.3	7,903	4.5%
2015	51,910	3,596,169	69,277	33.6	8,117	N/A
2016	52,444	2,582,710	71,743	33.4	7,804	3.4%
2017	52,382	4,131,002	78,863	34.1	7,910	4.1%
2018	53,518	2,521,661	47,118	33.4	8,198	2.1%
2019	54,145	3,086,319	57,001	34.1	7,932	1.8%
2020	55,554	3,342,295	60,163	34.2	7,668	3.0%
2021	55,935	3,563,283	63,704	34.5	7,664	1.8%

(1) Source: U.S. Census Bureau

(1b) Source: BEA.gov Regional Bearfacts

(2) Source: DeKalb County Schools

(3) Source: Bureau of Labor Statistics for regional data

N/A - Not Available

CITY OF BROOKHAVEN, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND SIX YEARS AGO

Employer	2021			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
AT&T Mobility Services, LLC	1,296	1	11.65 %	1,606	1	11.12 %
AT&T Services, Inc.	1,143	2	10.28	1,430	2	9.90
Autotrader	495	3	4.45			
Kroger Company	260	4	2.34			
ABM	200	5	1.80			
Publix Super Markets #1363	188	6	1.69			
Rooms To GO	168	7	1.51			
Publix Super Markets #601	124	8	1.12			
SSC Atlanta Operating CO LLC	117	9	1.05			
Costco Wholesale #1084	110	10	0.99			
Carr Riggs & Ingram LLC				387	7	2.68
Insight Global, LLC				270	9	1.87
Cox Communications				1,142	3	7.90
Verizon Telematics, Inc				629	4	4.35
Crawford and Company				554	5	3.83
SAP America, Inc				454	6	3.14
United Healthcare Services				372	8	2.57
NDC Health Corporation				251	10	1.74
	4,101		36.88 %	7,095		49.11 %

Source: 2021 and 2015 individual employer's business filings.

Note: Data prior to 2015 is not available.

CITY OF BROOKHAVEN, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST NINE YEARS

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	26	27	24	24	26	21	12	9	7
Judicial	-	3	1	3	3	5	7	4	1
Public safety									
Police officers	70	76	72	74	76	75	75	59	57
Civilians	14	14	11	8	8	11	6	6	6
Public works	-	-	-	-	-	-	2	-	-
Culture and recreation	21	7	7	10	7	11	10	7	-
Housing and development	13	15	11	12	11	12	11	7	3
Total	<u>144</u>	<u>142</u>	<u>126</u>	<u>131</u>	<u>131</u>	<u>135</u>	<u>123</u>	<u>92</u>	<u>74</u>

Source: City of Brookhaven Human Resources Department

CITY OF BROOKHAVEN, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST NINE YEARS

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government									
Ordinances approved	75	81	78	57	47	26	38	63	68
Resolutions	52	57	40	68	45	35	36	31	38
Open records requests	732	496	473	477	408	346	349	261	140
Information system service calls	2,459	2,230	1,742	2,786	2,165	2,168	2,921	2,312	N/A
Facebook "likes"	9,165	8,671	6,799	6,002	4,136	4,153	1,837	N/A	N/A
Constant contact (eBlast)	4,801	4,507	4,291	3,927	3,277	3,161	2,516	2,338	1,716
Judicial									
Municipal court									
Case filings:	6,663	5,312 (1)	8,648	7,194	5,146	5,848	9,148	10,512	5,338
City Code	330	308	310	830	789	867	922	730	819
Misdemeanors	904	663	777	30	11	27	39	211	349
Parking	304	165	173	245	113	254	261	156	3
Traffic	5,125	4,176	7,388	6,089	4,233	4,700	7,926	9,415	4,167
Number of Court Dockets	185	119	100	103	105	119	175	257	103
Number of Defendants on Docket	5,142	3,620	5,577	5,146	6,559	4,751	6,582	10,403	3,282
Public Safety									
Police									
Calls for service	85,811	91,159	94,046	80,827	46,512	54,000	59,494	N/A	N/A
Custodial arrests	1,681	2,281	3,061	2,278	1,868	2,271	2,177	1,116	427
Traffic citations issued	12,276	11,364	8,395	6,815	8,757	5,559	8,070	8,324	3,753
Average response time (all calls)	5m46s	6m25s	7m11s	6m11s	6m33s	6m15s	7m20s	7m18s	N/A
Average response time (high priority calls)	3m34s	3m49s	3m53s	4m20s	4m34s	4m12s	3m58s	3m40s	N/A
Public Works									
Lane-miles paved	10.1	4.9	6.9	13.8	26.1	9.4	20.2	20.2	N/A
Linear feet new sidewalks	2,495	3,523	1,387	13,900	4,810	4,330	2,610	5,230	N/A
Street maintenance work orders completed	226	211	369	288	478	267	133	229	132
Stormwater work orders completed	151	190	192	190	130	160	134	84	50
Signal/sign work orders completed	180	190	170	137	199	235	235	182	23
Right-of-way work orders completed	137	170	178	77	139	110	61	129	62

Continued

CITY OF BROOKHAVEN, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST NINE YEARS

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013
Culture and Recreation									
Park acres maintained	340	341	335	332	276	271	224	224	224
Program participants	2,500	1,712	9,091	10,515	7,283	2,866	2,949	2,666	40
Aquatics program participants	20,500	4,074 (1)	23,872	20,683	11,589	8,851	10,499	N/A	N/A
Athletic program participants	9,206	9,486	12,602	7,498	6,715	6,775	6,775	4,013	N/A
Community Development									
Special land use permits (SLUPS)	1	1	1	7	6	3	12	6	2
Variances	67	69	55	74	72	68	74	79	54
Code enforcement inspections	18,649	16,376	13,948	5,169	6,271	6,620	7,751	8,905	N/A
Building inspections	13,469	12,102	11,507	10,946	10,490	9,254	8,905	15,697	998
Development inspections	3,276	3,609	3,593	3,201	4,150	4,084	2,511	2,653	N/A
Tree removal permits	538	476	539	538	419	378	265	115	N/A
Land disturbance permits issued	47	40	38	44	36	28	20	9	N/A
Plat reviews	30	65	67	58	56	66	58	31	N/A
Plats approved	16	21	16	15	26	21	19	15	N/A

(1) Decrease attributable to temporary shutdown and delayed operations as a result of COVID-19 in 2020.

Source: Various City departments

N/A: Not Available

CITY OF BROOKHAVEN, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST NINE YEARS

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government									
Buildings (1)	1	1	1	1	1	1	1	1	1
Vehicles	-	-	-	-	-	-	1	1	1
Judicial									
Building (1)	1	1	1	1	1	1	1	1	1
Public Safety									
Police stations (1)	1	1	1	1	1	1	1	1	1
Police substations	-	-	1	1	1	1	1	1	1
Police vehicles	128	109	101	97	65	65	60	54	49
Patrol zones	8	8	6	6	6	6	10	10	10
Public Works									
Miles of streets (lane miles)	260.4	260.4	260.4	120.0	120.0	120.0	119.2	117.4	117.4
Miles of sidewalks	78.1	78.1	76.0	70.0	67.4	66.5	64.6	63.0	63.0
Number of traffic signals	53	53	51	51	51	50	50	47	47
Miles of storm sewer	113	113	113	113	113	113	113	113	113
Culture and Recreation									
Parks acreage	340 (2)	341	335	332	332	271	224	224	224
Parks	19	19	18	15	14	14	11	11	11
Tennis courts	26	26	28	28	28	28	30	30	30
Soccer fields	4	2	2	2	2	2	2	2	2
Baseball/Softball fields	14	14	14	14	14	14	14	14	14
Multipurpose fields	3	3	3	5	5	5	5	5	5
Community centers	3	3	3	2	2	2	3/2	3/2	3/2
Swimming pools	3	3	3	3	3	3	3	3	3
Vehicles	8	3	3	3	2	2	2	2	2
Housing and Development									
Vehicles	10	10	7	6	5	5	3	1	-

Source: Various City departments

(1) Reflects building operating lease

(2) Park acreage decrease was due to an updated survey