CITY OF SOUTH FULTON, GEORGIA

2021

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021



CITY OF SOUTH FULTON, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021



Prepared by:
City of South Fulton, Georgia's Department of Finance and Administrative Services

INTRODUCTORY SECTION
(Unaudited)

- Table of Contents
- Letter of Transmittal
- GFOA Certificate of Achievement
- Organizational Chart
- List of Principal Officials



CITY OF SOUTH FULTON, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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GOVERNMENT OF THE CITY OF SOUTH FULTON, GEORGIA

TAMMI SADDLER JONES
CITY MANAGER

KAREN SLATON-DIXON
FINANCE DIRECTOR

March 17, 2023

Honorable Bill Edwards, Mayor
Members of the City Council, and
Citizens of South Fulton, Georgia

Ladies and Gentlemen:

The annual comprehensive financial report of the City of South Fulton, Georgia (the "City") for the fiscal year ended September 30, 2021, is hereby submitted. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the City.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The independent auditors have issued an unmodified or "clean" opinion on the City of South Fulton's financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. The basic audited financial statements with combining and individual fund statements and schedules along with required supplementary information follow the MD&A.

The statistical section contains selected historical financial data, debt statistics, and the miscellaneous social and economic data generally presented on a multi-year basis.

History-City of South Fulton

South Fulton is located in southern Fulton County and is bordered by Fairburn and East Point to the south, Lithia Springs and Douglasville to the west, and the City of Atlanta to the north and east. The City of South Fulton was originally unincorporated communities in Southern Fulton County. The City was chartered on May 1, 2017 and is comprised of 85.64 square miles that includes 17 parks totaling 692 acres, 9 Fire Stations, 4 Police Precincts and is situated only 10 miles west of the world's busiest airport, Hartsfield Jackson Atlanta International Airport.

Form of Government

The City of South Fulton operates under a mayor and council-city manager form of government. South Fulton City Council is comprised of a mayor and seven (7) council members. The City is divided into seven (7) council districts. The council members who are elected for the seven (7) districts must reside in the district that they represent.

The Council enacts ordinances, establishes policy, adopts the annual budget, and establishes the ad valorem tax millage rate for each year. The City Manager 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.

Services Provided

The services provided by the City under general governmental functions include police protection, fire services, planning and development, road maintenance, sidewalk and curb maintenance, and parks and cultural affairs operation and maintenance. These services are primarily funded by property taxes, franchise fees, occupational taxes, local option sales taxes, and miscellaneous service revenues.

In addition, the City provides fire inspection services, criminal history background checks, and solid waste services. These services are provided for a fee that is set forth by the City Council.

Economic Outlook

Located just 10 miles from downtown Atlanta and bordering Fulton Industrial District, the City of South Fulton is positioned for significant economic growth. Two major interstate highways that border the City, 1-285 to the south and 1-20 to the north, provide easy roadway access to and from the City. For commuters, the roadway access is supplemented by MARTA (Metropolitan Atlanta Rapid Transit Authority) rail station and several MARTA bus stops throughout the City limits. The City is also conveniently located, less than 5 miles from the Charlie Brown Airport in Fulton County.

At the time of incorporation and based on the 2017 census projections, the City of South Fulton ranked 8th in the state for consolidated governments and 4th for non-consolidated governments with 97,668 citizens. Current estimated citizenry has increased to 107,436 in 2020.

The impact of the global health crisis continues to have a direct negative financial impact on the City's operations and the surrounding area. It is worth noting that just as the global pandemic was unexpected, so were the economic stresses that followed.

The pandemic created an unprecedented burden on our workforce by delaying filling unfilled positions and postponing additions of new positions. This burden is felt by employees with increased workload as well as increasing costs to the City through overtime and compensatory time payouts and leave balances.

Despite the effects of the COVID-19 pandemic, the City has maintained its commitment to avoid layoffs and furloughs. Through sound financial decision making and the implementation of policies to mitigate the current impacts, the decisions made have provided a sustainable path forward into 2022 and beyond.

Budget

The budget is the City's annual financial operating plan. The annual budget includes the general fund, special revenue funds, capital projects funds, and TSPLOST funds. The budget encompasses a fiscal year that begins on October 1 and ends on September 30.

The City Manager is responsible for presenting a proposed budget to the Mayor and Council. This budget must be balanced within each fund. The budget must generally be approved prior to the start of the new fiscal year, although local statute does allow the City to operate for a period of no more than 30 days without an approved budget under certain circumstances.

Long-term Financial Planning

The City's policy is to maintain a minimum General Fund balance reserve equal to 2 and ½ months of prior fiscal year operating expenditures. As of September 30, 2021, the General Fund balance is $60,645,852 or 103% of annual operating expenditures. Excess fund balances over reserve requirements (if any) will be used to fund non-recurring expenditures. The City plans to develop a rolling 5-year capital plan to help dictate how to best use these excess funds.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Fulton, Georgia for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the first (1st) year that the City has received this award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

I would like to express my gratitude to the Mayor, City Council, and City Manager for their support and guidance in the preparation of this report. I would also like to express my appreciation to the City's staff for their assistance and cooperation in the preparation of the content of this report. Special thanks and consideration to the members of the Finance and Administrative Services team for their efforts in developing an award-winning report to represent the commitment to a resilient City of South Fulton.

Karen Slaton-Dixon

Karen Slaton-Dixon
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

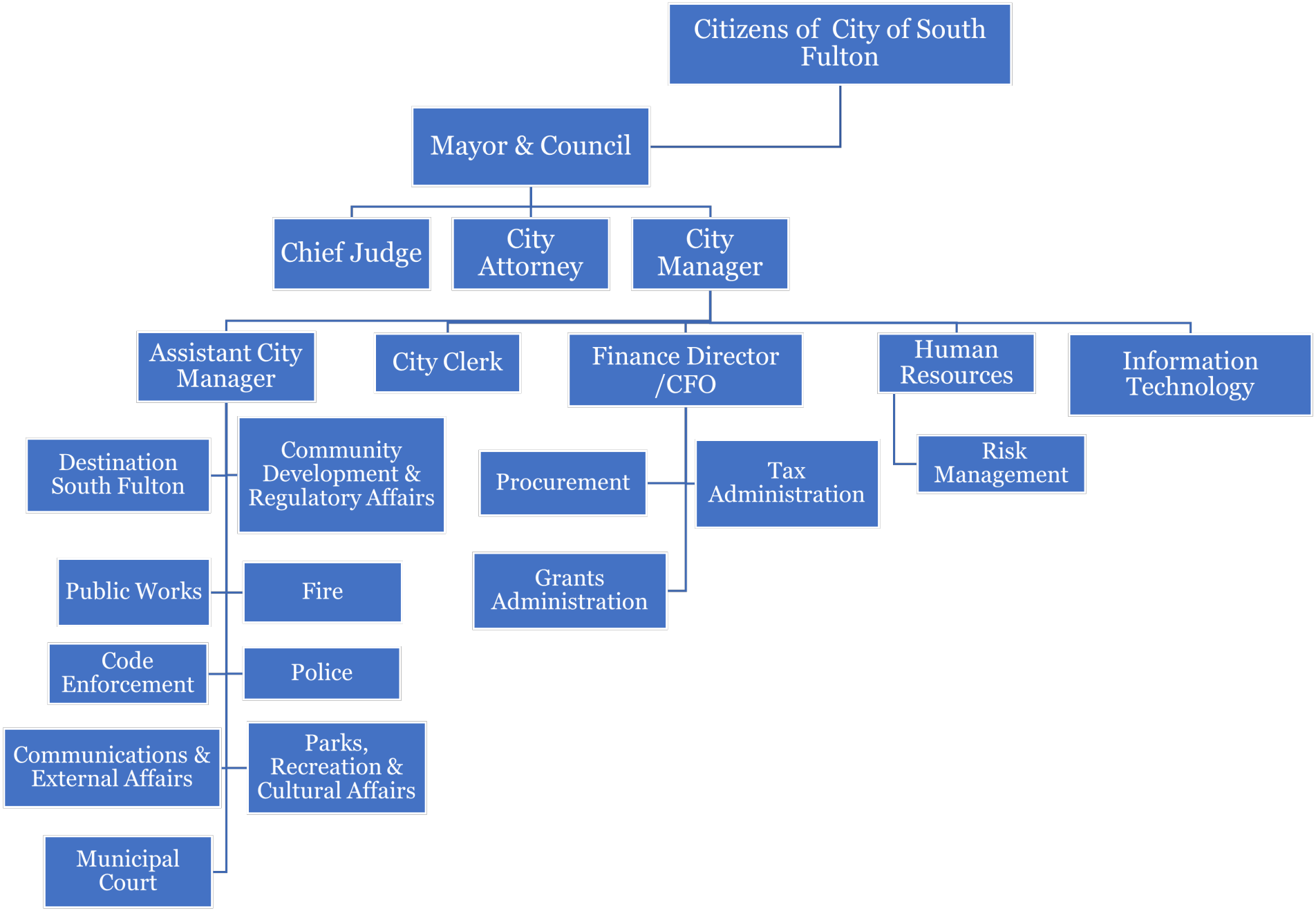
City of South Fulton
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO


Citizens of City of South Fulton
Mayor & Council
Chief Judge
City Attorney
City Manager
Assistant City Manager
City Clerk
Finance Director /CFO
Human Resources
Information Technology
Destination South Fulton
Community Development & Regulatory Affairs
Procurement
Tax Administration
Risk Management
Public Works
Fire
Grants Administration
Code Enforcement
Police
Communications & External Affairs
Parks, Recreation & Cultural Affairs
Municipal Court

City of South Fulton, Georgia

Elected Officials

khalid kamau

Mayor

City Council Members

Councilwoman

Catherine F. Rowell

District 1

Councilwoman

Carmalitha Gumbs

District 2

Councilwoman

Helen Z. Willis

District 3

Councilman

Jaceey Sebastian

District 4

Councilman

Corey A. Reeves

District 5

Councilwoman

Natasha Williams

District 6

Councilwoman

Linda Pritchett

District 7

City of South Fulton, Georgia

September 30, 2021

Appointed Executive Officials

Tammi Saddler Jones, ICMA-CM

City Manager

Corey E. Adams	**Vincent D. Hyman**	**Michael Sheridan**
City Clerk	City Attorney	Chief Judge

Executive Leadership & Department Heads

Donald Toms

Assistant City Manager

Gary Leftwich	**VACANT**
Communications & External Affairs Director	Community Development & Regulatory Affairs Director
Dionne Dixon	**VACANT**
Court Administrator	Economic Development Director

City of South Fulton, Georgia

September 30, 2021

Appointed Executive Officials

Karen Slaton- Dixon

Finance Director

Chad Jones

Fire Chief

Niki Graham

Human Resources Director

Namarr Strickland

Information Technology Director

Travis Landrum

Parks & Recreation Director

Keith Meadows

Police Chief

Antonio Valenzuela

Public Works Director

FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
    - Government-Wide Financial Statements
    - Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Combining, Individual Fund Statements and Schedules



MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council of the
City of South Fulton, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of South Fulton, Georgia** (the "City"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Fulton, Georgia as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of South Fulton, Georgia's basic financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of transportation special purpose local option sales tax proceeds, as required by the official code of Georgia 48-8-121, as well as the introductory and the statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2023 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
March 17, 2023

As management of the City of South Fulton, Georgia, (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 fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

CITY ACTIVITY HIGHLIGHTS

South Fulton was incorporated in May of 2017 and celebrated its fourth anniversary on May 1, 2021. Positioned in a metro area, South Fulton is a demographically diverse community and covers an 85 square mile area in southwest Fulton County, Georgia. City of South Fulton is the third largest City in Fulton County and the eighth largest City in the State of Georgia, serving a population of 107,436 (U.S. Census estimate for 2020). The City's daytime population remains consistent at of more than 120,000 as a result of the concentration of major industries and business districts located within the City limits, including wholesale trade, educational services, retail trade, waste management and remediation, and food services. The City is home to the South Fulton Parkway Corridor, which connects Hartsfield Jackson Atlanta International Airport to the City and the Old National Highway Corridor. The City is adjacent to the Fulton Industrial District, one of the largest industrial and business areas in the metro Atlanta region. The City also houses the Wolf Creek Amphitheater, an outdoor recreation and concert venue.

Policy making, and legislative authority of the government is vested in the Mayor and seven Council Members, who are elected for four-year terms. Council Members are elected by district, and the Mayor is elected at-large by popular vote. Terms of office begin after the certification of the election and swearing into office. The City operates under a council/manager form of government, where the Council is the legislative authority, and the Mayor possesses all the executive powers granted to the government under the constitution and laws of the State of Georgia and the City of South Fulton charter. The City Manager maintains all the administrative powers granted to the government under the constitution and laws of the State of Georgia and the City's charter. The City is empowered to levy a property tax on both real and personal property located within its boundaries and is qualified to levy all other taxes granted to municipalities within the State of Georgia.

Financial Highlights

- The government-wide assets of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $364,142,599 (net position) which includes an unrestricted balance of $47,593,161.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $111,497,711 an increase of $38,189,330.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $60,114,088 or 103% of total General Fund expenditures. Unassigned General Fund balance increased $33,864,858 when compared to the prior fiscal year which may be used to meet the City's ongoing obligations to its citizens and creditors.

The Current Situation of South Fulton

On November 18, 2018, the City of South Fulton successfully transitioned all City services from Fulton County. The pace and breadth of policy development and organizational establishment since early 2017 has been significant. Rightly so, this has been the focus of the City since inception in 2017. The City Council has worked tirelessly to make decisions and advance the burgeoning City so that it is functional and operational. While the process has been fraught with disagreement at times, the intent and heart behind the City's development debates has been positive.

Now the City is turning its focus to more operational matters as there is a significant amount of organizational, process, technology, relational and policy matters yet to firmly establish. Being a new City, it brings with it the positive of a considerable amount of control and better services, but also brings a significant need for the development of new processes, systems, relationships, and direction.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all the City's assets, deferred inflows of resources, and liabilities, with the difference between these items reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are 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, culture and recreation, and housing and development and interest on long-term debt. The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of South Fulton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City are reported as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. 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 eleven (11) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund; TSPLOST Fund; Capital Grant Fund, Capital Projects Fund and Multiple Grant Fund, all of which are considered to be major funds. Data from the other six (6) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 17 through 19 of this report.

The City adopts an annual appropriated budget for its major governmental funds as well as its nonmajor governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

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 20 through 39 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedules for the General Fund and the Multiple Grant Fund as presented on a generally accepted accounting principal basis in this section. Required supplementary information can be found on pages 40-43 of this report.

Combining and individual fund statements and schedules. In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. This section can be found on pages 44 through 53 of this report.

Statistical section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information such as 10-year presentation of revenues, expenditures, and tax rates. The statistical section can be found on pages 54 through 70 of this report.

Government-wide Financial Analysis

Net position

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. The City's combined net position increased from $321,312,763 to $364,142,599 in 2021. Our analysis below focuses on the net position (**Table 1**) as compared to the previous fiscal year.

TABLE 1 City of South Fulton, Georgia's Statement of Net Position

	Governmental Activities		Business-type Activities		Total Prmary Government	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020
ASSETS						
Current assets	$ 165,750,857	$ 117,934,002	$ -	$ -	$ 165,750,857	$ 117,934,002
Capital assets, net	273,535,759	274,394,407	-	-	273,535,759	274,394,407
Total assets	439,286,616	392,328,409	-	-	439,286,616	392,328,409
LIABILITIES						
Other liabilities	21,580,381	18,762,919	-	-	21,580,381	18,762,919
Long-term liabilities	23,780,081	23,113,561	-	-	23,780,081	23,113,561
Total liabilities	45,360,462	41,876,480	-	-	45,360,462	41,876,480
DEFFERED INFLOWS OF RESOURCES						
Deferred revenues	29,783,555	29,139,166	-	-	29,783,555	29,139,166
Total deferred inflows of resources	29,783,555	29,139,166	-	-	29,783,555	29,139,166
NET POSITION						
Net Investment in capital assets	265,092,995	268,365,263	-	-	265,092,995	268,365,263
Restricted	51,456,443	29,289,044	-	-	51,456,443	29,289,044
Unrestricted (deficit)	47,593,161	23,658,456	-	-	47,593,161	23,658,456
Total net position	$ 364,142,599	$ 321,312,763	$ -	$ -	$ 364,142,599	$ 321,312,763

A significant portion of the City's net position, $265,092,995, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding and less accumulated depreciation (net capital assets). The amount of net investment in capital assets equals 72.8% of the total net position compared to 83.5% of the prior fiscal year. The City used its capital assets to provide various services to its citizens; consequently, these assets are not available for future spending, including the payment of the related debt. The City of South Fulton's total net position also includes $50,578,827 restricted for capital projects, $866,815 restricted for public safety, $9,749 restricted for hospitality and tourism, and $1,052 restricted for development. The City reported its unrestricted net position surplus of $47,593,161 which may be used to meet the City's ongoing obligations to its citizens and creditors.

Current assets increased by $47,816,855 or 41% from $117,934,002 to $165,750,857 from several factors. The TSPLOST Fund had current fiscal year unspent revenues of $8,648,652 and the General Fund contributed to the increase with excess revenues over expenditures of $32,832,121. Total liabilities increased $3,483,982 or 8%. Contributing to the increase was the issuance of $3 million of financed purchases for police vehicles and fire pumper trucks and general increases in vendor liabilities due to timing of payment of these liabilities.

Table 2 summarizes these changes in net position as described above.

TABLE 2 — City of South Fulton, Georgia's Statement of Activities

	Governmental Activities		Business-type Activities		Total Prmary Government	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020
REVENUES						
Program revenues						
Charges for services	$ 8,705,041	$ 4,827,449	$ -	$ -	$ 8,705,041	$ 4,827,449
Operating grants and contributions	34,114,476	22,953,889	-	-	34,114,476	22,953,889
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	29,040,306	29,389,742	-	-	29,040,306	29,389,742
Title ad valorem taxes	2,053,265	1,658,468	-	-	2,053,265	1,658,468
Sales taxes	27,738,613	24,254,078	-	-	27,738,613	24,254,078
Franchise taxes	7,533,433	4,113,950	-	-	7,533,433	4,113,950
Business taxes	1,971,342	1,772,707	-	-	1,971,342	1,772,707
Alcoholic beverage taxes	645,114	332,706	-	-	645,114	332,706
Hotel motel taxes	320,044	121,792			320,044	121,792
Transfer taxes	2,008,924	1,300,427	-	-	2,008,924	1,300,427
Insurance premium taxes	6,900,029	7,154,213			6,900,029	7,154,213
Other taxes	199,622	188,207			199,622	188,207
Miscellaneous revenues	92,476	311,258	-	-	92,476	311,258
Total revenues	121,322,685	98,378,886	-	-	121,322,685	98,378,886
EXPENSES						
General government	14,027,988	14,031,490	-	-	14,027,988	14,031,490
Judicial	785,886	778,800	-	-	785,886	778,800
Public safety	30,115,600	33,300,498	-	-	30,115,600	33,300,498
Public works	22,537,237	22,772,513	-	-	22,537,237	22,772,513
Culture and recreation	4,418,031	4,198,093	-	-	4,418,031	4,198,093
Housing and development	6,045,466	4,936,332	-	-	6,045,466	4,936,332
Interest charges	562,641	750,365	-	-	562,641	750,365
Total expenses	78,492,849	80,768,091	-	-	78,492,849	80,768,091
Change in net position	42,829,836	17,610,795	-	-	42,829,836	17,610,795
Beginning Net Position	321,312,763	303,701,968	-	-	321,312,763	303,701,968
Ending Net Position	$ 364,142,599	$ 321,312,763	$ -	$ -	$ 364,142,599	$ 321,312,763

Governmental activities. The net position for governmental activities increased by $42,829,836 in fiscal year 2021 and increased by $17,610,795 in fiscal year 2020. Most of the increase in net position in fiscal year 2021 is due to operating grants with an increase of $11,160,587 over fiscal year 2020. The City's governmental activities are heavily reliant on taxes to support operations. Taxes of $78,410,692 provided 65% of governmental revenues of general operations for fiscal 2021.

Operating grants increased over prior year attributable in part to CARES funding of $4,136,829. Charges for services increased $3,877,592 or 80% because of an increase in traffic camera revenue of approximately $4.2 million. Sales taxes increased $3,484,535 or 14% as a result of rebounding from the pandemic related decreases in retail activity from fiscal year 2020. Franchise taxes increased $3,419,483 or 83%.

Overall, governmental expenses decreased by $2,275,242 or 3% in fiscal year 2021. Public safety expenses decreased $3,184,898 or 10%; and housing and development expenses increased by $1,109,134 or 22%.

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. Following is analysis of the City's major funds.

General Fund. The General Fund is the chief operating fund of the City. As of September 30, 2021, the General Fund had unassigned fund balance of $60,114,088 which represents 103% of General Fund expenditures. Table 3 below compares operating results of the General Fund for fiscal years 2021 and 2020.

General Fund revenues increased $9,953,001 or 12.45%. Sales taxes increased $3,484,535 or 14.37% as retail sales rebounded from decreases realized during the pandemic. Franchise taxes increased $3,419,483 or 83.12% while Intergovernmental revenues decreased by $1,471,008 or 31.17% due to arrangements with Fulton County.

General Fund expenditures increased only $463,252 or 0.8%. General government, Judicial, Public works, Culture and recreation, and Housing and development expenditures increased $2,636,977 collectively. The increase in these departments was offset in large part by a decrease in expenditures in the Public Safety function due to $4.1 million of public safety expenditures being reimbursed through CARES funding and being reported in a separate special revenue fund, CARES Fund.

TSPLOST Fund. During fiscal year 2019, the City created a TSPLOST Fund. The City receives 16.6% distribution that is first distributed to the County and then to the City. The City received $18,930,625 in fiscal year 2021 and spent $10,281,973 leaving fund balance or unspent TSPLOST proceeds of $37,246,266 (cumulatively).

Capital Grant Fund. The City received $1,398,106 in fiscal year 2021 of LMIG (Local Maintenance Improvement Grants) grants from the Georgia Department of Transportation. The City spent $1,654,458 in fiscal 2021 on various road resurfacing projects.

Capital Projects Fund. The City maintains a Capital Projects Fund for the purpose of tracking various capital expenditures financed from a combination of transfers from the General Fund, financed purchase arrangements and the issuance of $17,020,000 of series 2020 revenue bonds through its Urban Redevelopment Agency. The City used $5,025,592 of these funds for various capital projects in fiscal year 2021, primarily road resurfacing.

Multiple Grant Fund. During fiscal year 2021, the City received $268,546 in grant funding and spent $926,474 in grant expenditures. The General Fund transferred $797,267 to the Multiple Grant Fund to cover the deficiency of revenues under expenditures and to eliminate the beginning fund balance deficit.

TABLE 3

City of South Fulton, Georgia's General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances

	9/30/2021	9/30/2020	$ Increase (Decrease)	% Increase (Decrease)	
Revenues:					
Property taxes	$ 28,910,905	$ 29,383,953	$ (473,048)	(1.61)	%
Title ad valorem taxes	2,053,265	1,658,468	394,797	23.80	
Sales taxes	27,738,613	24,254,078	3,484,535	14.37	
Business taxes	1,971,342	1,772,707	198,635	11.21	
Franchise taxes	7,533,433	4,113,950	3,419,483	83.12	
Insurance premium taxes	6,900,029	7,154,213	(254,184)	(3.55)	
Transfer taxes	2,008,924	1,300,427	708,497	54.48	
Alcoholic beverage excise taxes	645,114	332,706	312,408	93.90	
Other taxes	199,622	188,207	11,415	6.07	
Licenses & permits	3,016,223	3,615,853	(599,630)	(16.58)	
Intergovernmental	724,712	4,720,023	(3,995,311)	(84.65)	
Fines & forfeitures	4,857,223	429,389	4,427,834	1,031.19	
Charges for services	3,249,015	712,663	2,536,352	355.90	
Interest income	3,823	2,315	1,508	65.14	
Other revenues	88,653	308,943	(220,290)	(71.30)	
Total revenues	89,900,896	79,947,895	9,953,001	12.45	
Expenditures:					
General government	14,194,414	13,632,498	561,916	4.12	
Judicial	804,873	765,531	39,342	5.14	
Public safety	24,695,319	27,119,263	(2,423,944)	(8.94)	
Public works	8,377,394	7,997,993	379,401	4.74	
Culture and recreation	4,001,654	3,651,254	350,400	9.60	
Housing and development	6,151,402	4,845,484	1,305,918	26.95	
Debt service	418,219	168,000	250,219	148.94	
Total expenditures	58,643,275	58,180,023	463,252	0.80	
Excess of revenues over expenditures	31,257,621	21,767,872	9,489,749	43.60	
Other Financing Sources (Uses):					
Financed purchases from direct borrowings	3,364,412	-	3,364,412	100.00	
Transfers in	123,305	47,553	75,752	159.30	
Transfers out	(1,913,217)	(4,608,523)	2,695,306	(58.49)	
Total other financing sources (uses)	1,574,500	(4,560,970)	6,135,470	(134.52)	
Net change in fund balances	32,832,121	17,206,902	15,625,219	90.81	
Fund balances, beginning of fiscal year	27,813,731	10,606,829	17,206,902	162.22	
Fund balances, end of fiscal year	$ 60,645,852	$ 27,813,731	$ 32,832,121	118.04	%

General Fund Budgetary Highlights

The City's budget has utilized a conservative approach based on the relevant information available. Emphasis was given to ensuring financial stability and long-term viability while providing revenue enhancement, instituting financial priorities methodologies and disciplined decision making. The City will pursue these goals in five (5) priorities to better serve the Citizens of the City of South Fulton and the following are the priorities: Invest in Developing Strong Teams, Grow Infrastructure and Solidify Finances, Increase Community Collaboration and Quality of Life, Focus on Economic Development, Create an Efficient Government.

1. Invest in Developing Strong Teams
    - Develop a cohesive servant-leader environment of trust and cooperation; commit to a shared vision while maintaining the epitome of professionalism.

2. Grow Infrastructure and Solidify Finances
    - Build and diversify our revenue sources to ensure financial adequacy and stability to reduce dependence on any single source.

3. Increase Community Collaboration and Quality of Life
    - Strengthen relationships with our county and state legislators and surrounding municipalities that will aid the City of South Fulton to take a regional approach to services. Launch initiatives and create change that will improve our quality of life.

4. Focus on Economic Development
    - Promote a healthy and prosperous economy that supports small businesses, entrepreneurs, tourism, and public-private partnerships. Define and promote who the City is and market it to stakeholders.

5. Create an Efficient Government
    - Provide quality and efficient services to improve the quality of life for residents and businesses. Services include fire, police, parks and recreation, courts, economic development, zoning and land use, public works, and sanitation.

The City will employ an annual mid-year budget process to review and re-align appropriations and priorities made during the annual budget process with any significant unexpected trends. This will ensure adjustments facilitating appropriations to be in alignment with expected resources. Differences between the original budget and final amended budget will then be resolved via official City Council action.

For fiscal 2021, revenues over expenditures for the General Fund were $31,175,914 better than the budgeted amount. Components of this variance are described below:

Total revenues were $18,011,137 more than the final budget. Sales taxes were $10,738,613 more than budgeted as the City rebounded from the reduced retail sales of the pandemic. Franchise taxes were $2,295,780 more than budgeted and Charges for services were $2,926,823 more than budgeted.

Total expenditures were $13,213,819 lower than budgeted as a factor of realigning expenditures within the General Fund to meet the operational needs of some departments. The Financial department expenditures were $1,456,810 lower than budgeted as the unallocated contingency balance was retained in part. Police and Fire department expenditures were $3,755,419 and $2,722,315, respectively, lower than budgeted because of transfers of personnel costs to the CARES Fund.

The Schedule of General Fund Revenues, Expenditures, and Changes in Fund Balance, Budget to Actual can be found on pages 40-42 of this report.

Capital Assets and Debt Administration

Capital assets. The City's capital assets for its governmental activities as of September 30, 2021 and 2020, amounted to $273,535,759 and $274,394,407, respectively. Capital assets decreased net $858,648 in fiscal year 2021 represented by increases in new assets that were more than offset by current year depreciation of existing assets of $7,516,809.

City of South Fulton, Georgia's Capital Assets (net of depreciation)

TABLE 4

	9/30/2021	9/30/2020
Land	$ 1,511,115	$ 1,511,115
Construction in Progress	2,959,287	324,438
Buildings	10,014,805	10,396,478
Vehicles	5,046,706	4,599,677
Furniture and fixtures	601,654	82,293
Machinery and equipment	4,570,507	5,093,946
Infrastructure	248,831,685	252,386,460
	$ 273,535,759	$ 274,394,407

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

Short-term borrowings. The City did not require short-term borrowing for fiscal 2021 and 2020, respectively.

Long-term debt and obligations. At the end of fiscal year September 30, 2021, the City's net long-term debt increased by $770,260 over the prior fiscal year. The largest increase was the issuance of $4,006,896 of financed purchases for police vehicles and fire pumper trucks. Compensated absences decreased $1,395,473 as personnel that were transferred from Fulton County to the City in fiscal year 2020 begin using their compensated absences.

TABLE 5

City of South Fulton, Georgia's Long-term Debt

	9/30/2021	9/30/2020
Financed purchases	$ 8,442,764	$ 5,637,031
Revenue Bonds	16,380,000	17,020,000
Compensated absences	2,855,937	4,251,410
	$ 27,678,701	$ 26,908,441

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

Economic Factors and Next Year's Budgets and Rates

These factors were considered in preparing the City's budget for the 2022 fiscal year.

A Safer, Stronger South Fulton

The City is committed to ensuring that all residents feel and are safe, providing an environment where businesses can succeed and thrive. To that end, the fiscal year 2022 budget includes the following investments:

- New vehicles to expand the public safety fleet, highlighted by several new additions to the fire apparatus fleet to include Fire Rescue Units and other response vehicles.
- Investments in public safety personnel, allowing the City to recruit and retain officers for our South Fulton Police Department as well welcome the Fulton Industrial Boulevard corridor into the City of South Fulton.
- Investments in essential software and technology to improve operations and efficiency.
- Expanding on the City's commitment to implement the police beat redesign study by funding the design and engineering phase for future fire station sites.
- Investments in the installation of an electric charging station to promote clean transportation.
- Initiating a pilot program for our public safety employees by offering a monthly housing allowance for those desiring to live within our city limits.

Transportation as a Tool for Transformation

In fiscal year 2021, the City's TSPLOST program resulted in more than 64 miles of paved road in a single fiscal year. The fiscal year 2022 budget expands on these investments by investing more than $1.5 million in city wide bridge maintenance. The City has also committed to focus heavily on expanding Public Works equipment, the installation of gateway signage, and implementing the City's Municipal Separate Storm Sewer System (MS4) Program.

High Performing Government

As our City continues to grow, we must approve these critical investments to ensure citizens have access to a high performing government. Building a government that works for the citizens of South Fulton streamlines processes and improves efficiency. Additionally, we must:

- Ensure all eligible South Fulton employees receive a 3% pay increase (mid-year).
- Expand the City's technology capabilities to continue to provide services online.
- Invest in facility upgrades and renovations in alignment with our strategic goal to enhance the quality of life with South Fulton.
- Increase staffing levels in various City departments to ensure efficient and effective operations.

The City will restrict the use of one-time revenues to capital projects when the City starts to accumulate fund balance.

Requests for Information

This annual comprehensive financial report is designed to provide a general overview of the City of South Fulton, Georgia's finances for all those with interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Department of Finance and Administrative Services, City of South Fulton, 5440 Fulton Industrial Blvd, South Fulton, GA 30336.

City of South Fulton, Georgia
5440 Fulton Industrial Blvd
Atlanta, GA 30336

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government	Component Unit
	Governmental Activities	Development Authority
ASSETS		
Cash and cash equivalents	$ 126,536,995	$ 173,370
Accounts receivable	2,621,320	-
Taxes receivable	31,577,330	-
Due from other governments	4,550,914	-
Prepaid items	459,376	-
Due from component unit	1,660	-
Inventories	3,262	-
Capital assets:		
Nondepreciable	4,470,402	-
Depreciable, net of accumulated depreciation	269,065,357	-
Total assets	439,286,616	173,370
LIABILITIES		
Accounts payable	17,107,099	-
Accrued liabilities	555,327	-
Due to other governments	19,335	
Due to primary government	-	1,660
Financed purchases from direct borrowings, due within one fiscal year	1,810,651	-
Financed purchases from direct borrowings, due in more than one fiscal year	6,632,113	-
Revenue bonds, due within one fiscal year	660,000	-
Revenue bonds, due in more than one fiscal year	15,720,000	-
Compensated absences, due within one fiscal year	1,427,969	-
Compensated absences, due in more than one fiscal year	1,427,968	-
Total liabilities	45,360,462	1,660
DEFERRED INFLOWS OF RESOURCES		
Deferred revenues	29,783,555	-
Total deferred inflows of resources	29,783,555	
NET POSITION		
Net investment in capital assets	265,092,995	-
Restricted for capital projects	50,578,827	-
Restricted for public safety	866,815	-
Restricted for hospitality and tourism	9,749	-
Restricted for development	1,052	
Unrestricted	47,593,161	171,710
Total net position	$ 364,142,599	$ 171,710

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

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Component Unit: Development Authority
Primary government:						
Governmental activities:						
General government	$ 14,027,988	$ -	$ -	$ -	$ (14,027,988)	$ -
Judicial	785,886	724,712	-	-	(61,174)	-
Public safety	30,115,600	4,618,849	13,785,745	-	(11,711,006)	-
Public works	22,537,237	-	20,328,731	-	(2,208,506)	-
Parks, recreation, and cultural affairs	4,418,031	193,086	-	-	(4,224,945)	-
Housing and development	6,045,466	3,168,394	-	-	(2,877,072)	-
Interest on long-term debt	562,641	-	-	-	(562,641)	-
Total governmental activities	$ 78,492,849	$ 8,705,041	$ 34,114,476	$ -	(35,673,332)	-
Component Unit:						
Development Authority	$ 7,875	$ -	$ -	$ -	-	(7,875)
General revenues:						
Property taxes					29,040,306	-
Title ad valorem taxes					2,053,265	-
Sales taxes					27,738,613	-
Franchise taxes					7,533,433	-
Business taxes					1,971,342	-
Alcoholic beverage taxes					645,114	-
Hotel/motel taxes					320,044	-
Transfer taxes					2,008,924	-
Insurance premium taxes					6,900,029	-
Other taxes					199,622	-
Interest					3,823	-
Miscellaneous revenues					88,653	-
Total general revenues					78,503,168	-
Change in net position					42,829,836	(7,875)
Net position, beginning of fiscal year					321,312,763	179,585
Net position, end of fiscal year					$ 364,142,599	$ 171,710

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

CITY OF SOUTH FULTON, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

ASSETS	General Fund	TSPLOST Fund	Capital Grant Fund	Capital Projects Fund	Multiple Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 63,704,215	$ 42,093,486	$ 504,775	$ 13,493,202	$ 6,377,185	$ 364,132	$ 126,536,995
Accounts receivable	180,845	1,606,514	-	-	642,543	191,418	2,621,320
Taxes receivable, net	31,577,330	-	-	-	-	-	31,577,330
Due from other governments	2,898,555	1,652,359	-	-	-	-	4,550,914
Due from other funds	4,107,490	317,701	-	-	797,267	5,690,148	10,912,606
Due from component unit	1,660	-	-	-	-	-	1,660
Inventory	3,262	-	-	-	-	-	3,262
Prepaid items	416,201	-	-	43,175	-	-	459,376
Total assets	$ 102,889,558	$ 45,670,060	$ 504,775	$ 13,536,377	$ 7,816,995	$ 6,245,698	$ 176,663,463
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE							
LIABILITIES							
Accounts payable	$ 10,376,511	$ 5,912,363	$ 260,150	$ 447,391	$ 8,548	$ 102,136	$ 17,107,099
Accrued liabilities	422,054	-	-	-	-	-	422,054
Due to other governments	19,335	-	-	-	-	-	19,335
Due to other funds	1,128,857	2,511,431	-	-	7,202,813	69,505	10,912,606
Total liabilities	11,946,757	8,423,794	260,150	447,391	7,211,361	171,641	28,461,094
DEFERRED INFLOWS OF RESOURCES							
Deferred revenues	29,783,555	-	-	-	-	-	29,783,555
Unavailable revenues - intergovernmental	-	-	-	-	605,634	5,676,259	6,281,893
Unavailable revenues - taxes	513,394	-	-	-	-	125,816	639,210
Total deferred inflows of resources	30,296,949	-	-	-	605,634	5,802,075	36,704,658
FUND BALANCE							
Fund balance:							
Nonspendable:							
Prepaid items	416,201	-	-	-	-	-	416,201
Inventory	3,262	-	-	-	-	-	3,262
Restricted for:							
Hospitality and tourism	-	-	-	-	-	9,749	9,749
Capital projects	-	37,246,266	244,625	13,087,936	-	-	50,578,827
Public safety	-	-	-	-	-	261,181	261,181
Development	-	-	-	-	-	1,052	1,052
Assigned for:							
Capital projects	-	-	-	1,050	-	-	1,050
Committed for:							
Tree replacement	112,301	-	-	-	-	-	112,301
Unassigned	60,114,088	-	-	-	-	-	60,114,088
Total fund balance	60,645,852	37,246,266	244,625	13,088,986	-	271,982	111,497,711
Total liabilities, deferred inflows of resources, and fund balance	$ 102,889,558	$ 45,670,060	$ 504,775	$ 13,536,377	$ 7,816,995	$ 6,245,698	
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.							273,535,759
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.							6,921,103
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.							(27,811,974)
Net position of governmental activities							$ 364,142,599

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

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	General Fund	TSPLOST Fund	Capital Grant Fund	Capital Projects Fund	Multiple Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	$ 28,910,905	$ -	$ -	$ -	$ -	$ 1,052	$ 28,911,957
Title ad valorem taxes	2,053,265	-	-	-	-	-	2,053,265
Sales taxes	27,738,613	-	-	-	-	-	27,738,613
Business taxes	1,971,342	-	-	-	-	-	1,971,342
Franchise taxes	7,533,433	-	-	-	-	-	7,533,433
Insurance premium taxes	6,900,029	-	-	-	-	-	6,900,029
Transfer taxes	2,008,924	-	-	-	-	-	2,008,924
Alcoholic beverage excise taxes	645,114	-	-	-	-	-	645,114
Other taxes	199,622	-	-	-	-	320,044	519,666
Licenses and permits	3,016,223	-	-	-	-	-	3,016,223
Fines and forfeitures	724,712	-	-	-	-	106,534	831,246
Charges for services	4,857,223	-	-	-	-	-	4,857,223
Intergovernmental	3,249,015	18,930,625	1,398,106	-	268,546	4,136,829	27,983,121
Interest income	3,823	-	-	-	-	-	3,823
Contributions and donations	66,500	-	-	-	-	-	66,500
Miscellaneous revenues	22,153	-	-	-	-	-	22,153
Total revenues	89,900,896	18,930,625	1,398,106	-	268,546	4,564,459	115,062,632
Expenditures:							
Current:							
General government	14,194,414	-	-	-	-	-	14,194,414
Judicial	804,873	-	-	-	-	-	804,873
Public safety	24,695,319	-	-	-	926,474	4,136,829	29,758,622
Public works	8,377,394	10,281,973	-	-	-	-	18,659,367
Parks, recreation, and cultural affairs	4,001,654	-	-	-	-	211,597	4,213,251
Housing and development	6,151,402	-	-	-	-	-	6,151,402
Capital outlay	-	-	1,654,458	3,040,007	-	-	4,694,465
Debt service:							
Principal	409,151	-	-	1,432,012	-	-	1,841,163
Interest	9,068	-	-	552,971	-	-	562,039
Debt issuance costs	-	-	-	602	-	-	602
Total expenditures	58,643,275	10,281,973	1,654,458	5,025,592	926,474	4,348,426	80,880,198
Excess (deficiency) of revenues over (under) expenditures	31,257,621	8,648,652	(256,352)	(5,025,592)	(657,928)	216,033	34,182,434
Other financing sources (uses):							
Financed purchases from direct borrowings	3,364,412	-	-	642,484	-	-	4,006,896
Transfers in	123,305	-	-	1,115,950	797,267	-	2,036,522
Transfers out	(1,913,217)	-	-	-	-	(123,305)	(2,036,522)
Total other financing sources (uses)	1,574,500	-	-	1,758,434	797,267	(123,305)	4,006,896
Net change in fund balances (deficits)	32,832,121	8,648,652	(256,352)	(3,267,158)	139,339	92,728	38,189,330
Fund balances (deficits), beginning of fiscal year	27,813,731	28,597,614	500,977	16,356,144	(139,339)	179,254	73,308,381
Fund balances, end of fiscal year	$ 60,645,852	$ 37,246,266	$ 244,625	$ 13,088,986	$ -	$ 271,982	$ 111,497,711

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

CITY OF SOUTH FULTON, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	38,189,330
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 depreciation expense exceeded capital outlay in the current period.		(858,648)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		6,259,704
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 and related items.		(2,165,733)
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 the governmental funds.		1,405,183
Change in net position - governmental activities	$	42,829,836

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

NOTES TO THE FINANCIAL STATEMENTS



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The City, which was incorporated by a voter approved referendum on November 8, 2016, commenced operations on May 1, 2017 pursuant to the election of a mayor and council on April 18, 2017. Policy-making and legislative authority are vested in the Mayor and City Council which consists of (7) seven council members and the Mayor. The government provides such services as general government administration, judicial services through its municipal court, code enforcement, building and zoning, housing and development, culture and recreation, and public works.

Discretely Presented Component Unit:

The South Fulton Development Authority (the "Development Authority") was established for the purposes of attracting development, industry, and employment opportunities to the City. The Board of the Development Authority is made up of nine (9) board members from the local community who are appointed by the Mayor and City Council. While there is a financial benefit or burden relationship as the City has provided support to the Development Authority, the Development Authority intends to issue debt on behalf of 3rd parties and will be collecting a fee to do so. It will not be functioning as a financing entity exclusively for the benefit of the City but rather for the community as a whole. Therefore, the Development Authority is reported in the City's financial statements as a proprietary type discretely presented component unit. Separate financial statements for the Development Authority are not prepared.

Blended Component Unit:

The South Fulton Downtown Development Authority (the "DDA") was established in 2020 by the City Council pursuant to the Georgia Downtown Development Authorities Law. It operates through a Board of Directors consisting of seven (7) members appointed by the City Council and Mayor and they may also be removed by the Mayor and City Council. The purpose of the DDA is to revitalize and redevelop the central business district of the City, promote the public good and general welfare, trade, commerce, industry and employment opportunities which exclusively benefits the City even though it does not provide services directly to it. The Downtown Development Authority will be reported in the City's financial statements as a blended component unit for the year ending September 30, 2021 as there is a financial benefit or burden relationship as the City will provide support to the DDA and the services provided by the DDA exclusively benefit the City of South Fulton even though it does not provide services directly to it. There was no reportable activity for the DDA for the fiscal year ended September 30, 2021.

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 non-fiduciary activities of the primary government. 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.

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 fiduciary 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. 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. As such, property tax revenues will be recognized in the current fiscal year for the previous tax year's levy. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are considered available if they are collected within 90 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 long-term liabilities, such as compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

The City reports the following major governmental funds:

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

The **TSPLOST Fund** accounts for proceeds of a sales tax levied in Fulton County, which will be used by the City for the exclusive purpose of transportation improvement projects within the City.

The **Capital Grant Fund** is a capital projects fund used to account for expenditures related to the construction, acquisition, and/or installation of the City's capital assets paid with capital grants from federal and state sources.

The **Capital Projects Fund** is used to account for expenditures related to the construction, acquisition, and/or installation of the City's capital assets as well as debt issued by the City which will be used by the City to fund various capital projects within the City.

The **Multiple Grant Fund** is used to account for proceeds of various grant revenues and the related expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City also reports the following fund types:

The **Special Revenue** funds are used to account for revenue sources which are legally restricted or committed to expenditures for specific purposes, such as, grants and hotel/motel taxes.

The **Capital Projects** funds are used to account for expenditures related to construction, acquisition, or installation of the City's capital assets.

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

D. Budgets

Formal budgetary accounting is employed as a management control device for the funds of the City. The governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual operating budget is 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 September 30, 2021, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedule. All appropriations lapse at fiscal year-end. The City does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

E. Cash and Cash Equivalents

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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."

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2021, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

I. Inventories

Inventories are valued at cost, which approximates market, using the weighted average cost method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

J. Capital Assets

Capital assets, which include buildings, parks, furniture and fixtures, vehicles and machinery and equipment and infrastructure, 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. 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:

Building	50 years
Vehicles	5 years
Furniture and fixtures	10 years
Machinery and equipment	5-10 years
Infrastructure	50 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The first item, *unavailable revenue*, is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and intergovernmental revenue as these amounts are deferred and will be recognized as inflows of resources in the period in which the amounts become available. Additionally, the City reports deferred revenues for the 2021 property tax digest which is levied for operation of the 2022 fiscal year and thus reported as deferred revenues in the fund and in the Statement of Net Position.

L. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources 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 purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment, 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 authority to assign fund balances remains with the City Council.

- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds. The City, by resolution, has created a minimum fund balance policy to be no less than two-and-one-half months of its prior fiscal year's actual operating expenditures of the General Fund, in order to cover unforeseen emergencies and/or revenue shortfalls. The City's resolution states the minimum fund balance policy is effective beginning the City's third fiscal year which will be fiscal year ending September 30, 2021.

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

Net Position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets.

Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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, deferred inflows of resources, 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.

N. Compensated Absences

The compensated absences policy of the City provides for accumulation of up to 120 hours per employee. For the City's government-wide statements, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned.

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 reconciliations between *fund balance – total governmental fund* 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 governmental funds." The details of this $27,811,974 difference are as follows:

Financed purchases from direct borrowings	$ (8,442,764)
Revenue bonds	(16,380,000)
Compensated absences	(2,855,937)
Accrued interest	(133,273)
Net adjustment to decrease *fund balances - total governmental funds* to arrive at *net position - governmental activities.*	$ (27,811,974)

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

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net change in fund balance 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 $858,648 difference are as follows:

Capital outlay	$	6,658,161
Depreciation expense		(7,516,809)
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	(858,648)

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this $2,165,733 difference are as follows:

Principal repayment on financed purchases	$	1,201,163
Principal repayment on bonds		640,000
Issuance of financed purchases		(4,006,896)
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities.*	$	(2,165,733)

Another element of that reconciliation explains 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 the governmental funds." The details of this $1,405,183 difference are as follows:

Compensated absences	$	1,395,473
Accrued interest		9,710
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities.*	$	1,405,183

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. 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 are allowed without City Council approval. Transfers of appropriations between non-departmental expenditure categories require the approval of the City Council. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

For the fiscal year ended September 30, 2021, expenditures exceeded final budget in the following fund departments, as follows:

General Fund:		
Mayor	$	4,729
Code enforcement		49,042
Debt Service		418,219
Hotel/Motel Tax Fund:		
Tourism	$	109,097
Transfers out		61,805

The excess of expenditures over budget were primarily funded by revenues exceeding budgeted expectations.

NOTE 4. DEPOSITS

Custodial Credit Risk – Deposits: State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of September 30, 2021, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of September 30, 2021, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

NOTE 4. DEPOSITS (CONTINUED)

Credit risk: State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The City has no investment policy that would further limit its investment choices.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1, which is also the lien date. The City contracts with Fulton County to bill and collect City of South Fulton property taxes. The taxes were levied on September 1 based on the assessed value of property as listed on the previous January 1 and were due on October 31. Property taxes levied on September 1, 2021 are for the year ended September 30, 2022 and property taxes are recorded as receivables and unavailable revenue when levied. Revenues are recognized in governmental funds when available.

Receivables at September 30, 2021, including any applicable allowances for uncollectible accounts, are as follows:

	General Fund	TSPLOST Fund	Multiple Grant Fund	Nonmajor Governmental	Total
Receivables:					
Accounts receivable	$ 180,845	$ 1,606,514	$ 642,543	$ 191,418	$ 2,621,320
Taxes	32,428,330	-	-	-	32,428,330
Other governments	2,898,555	1,652,359	-	-	4,550,914
Total receivables	35,507,730	3,258,873	642,543	191,418	39,600,564
Less allowance for uncollectible	851,000	-	-	-	851,000
Net total receivable	$ 34,656,730	$ 3,258,873	$ 642,543	$ 191,418	$ 38,749,564

NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the fiscal year ended September 30, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Nondepreciable capital assets:					
Land	$ 1,511,115	$ -	$ -	$ -	$ 1,511,115
Construction in progress	324,438	4,343,822	-	(1,708,973)	2,959,287
Total	1,835,553	4,343,822	-	(1,708,973)	4,470,402
Depreciable capital assets:					
Buildings	11,207,726	-	-	-	11,207,726
Vehicles	6,571,467	1,640,685	-	-	8,212,152
Furniture and fixtures	95,852	533,237	-	-	629,089
Machinery and equipment	5,854,201	140,417	-	-	5,994,618
Infrastructure	262,902,562	-	-	1,708,973	264,611,535
Total	286,631,808	2,314,339	-	1,708,973	290,655,120
Less accumulated depreciation for:					
Buildings	(811,248)	(381,673)	-	-	(1,192,921)
Vehicles	(1,971,790)	(1,193,656)	-	-	(3,165,446)
Furniture and fixtures	(13,559)	(13,876)	-	-	(27,435)
Machinery and equipment	(760,255)	(663,856)	-	-	(1,424,111)
Infrastructure	(10,516,102)	(5,263,748)	-	-	(15,779,850)
Total	(14,072,954)	(7,516,809)	-	-	(21,589,763)
Total capital assets being depreciated, net	272,558,854	(5,202,470)	-	1,708,973	269,065,357
Governmental activities capital assets, net	$ 274,394,407	$ (858,648)	$ -	$ -	$ 273,535,759

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

Governmental activities:	
General government	$ 66,446
Public safety	1,767,720
Public works	5,328,788
Parks, recreation, and cultural affairs	353,855
Total Depreciation Expense	$ 7,516,809

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the fiscal year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Financed purchases from direct borrowings	$ 5,637,031	$ 4,006,896	$ (1,201,163)	$ 8,442,764	$ 1,810,651
Revenue bonds from direct placement	17,020,000	-	(640,000)	16,380,000	660,000
Compensated absences	4,251,410	1,770,807	(3,166,280)	2,855,937	1,427,969
Total governmental activities long-term liabilities	$ 26,908,441	$ 5,777,703	$ (5,007,443)	$ 27,678,701	$ 3,898,620

The City's compensated absences will be liquidated by the General Fund and purchases from direct financing will be liquidated by the General Fund and the Capital Projects Fund.

Financed Purchases from Direct Borrowings

In May 2019, the City entered into an agreement with Enterprise Fleet Management to finance the purchase of ten (10) vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $317,937. Interest has been imputed at a rate of 1.88% and the City will make monthly payments through September 2023. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 78,995	$ 869	$ 79,864
2023	73,718	239	73,957
	$ 152,713	$ 1,108	$ 153,821

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

In October 2019, the City entered into an agreement with Enterprise Fleet Management to finance the purchase of twenty-seven (27) vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $863,111. Interest has been imputed at a rate of .69% and the City will make monthly payments through June 2024. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 215,844	$ 3,669	$ 219,513
2023	217,681	1,841	219,522
2024	76,721	169	76,890
	$ 510,246	$ 5,679	$ 515,925

In October 2020, the City entered into an agreement with Enterprise Fleet Management to finance the purchase of thirty (30) vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $1,081,755. Interest has been imputed at a rate of .19% and the City will make monthly payments through June 2025. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 269,554	$ 282	$ 269,836
2023	269,660	177	269,837
2024	269,808	4	269,812
2025	100,744	4	100,748
	$ 909,766	$ 467	$ 910,233

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

In November 2019, the City entered into an agreement with Motorola to finance the purchase of radio equipment for the City's Police Department. The radios are included in capital assets at a cost of $1,358,424. Interest has been imputed at a rate of 3.07% and the City will make monthly payments through December 2024. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 263,352	$ 33,860	$ 297,212
2023	271,438	25,775	297,213
2024	279,769	17,441	297,210
2025	288,358	8,852	297,210
	$ 1,102,917	$ 85,928	$ 1,188,845

In November 2019, the City entered into an agreement with KS Bank to finance the purchase of body cameras for the City's Police Department. The body cameras are included in capital assets at a cost of $1,313,435. Interest has been imputed at a rate of 2.87% and the City will make annual payments through November 2023. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 269,173	$ 23,847	$ 293,020
2023	276,898	16,122	293,020
2024	284,845	8,175	293,020
	$ 830,916	$ 48,144	$ 879,060

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

In September 2019, the City entered into an agreement with Jones Bridge Road Associates, LLC, to finance the purchase of a building located at 7490 Old National Hwy, Atlanta, GA, 30296, to be used as a Public Safety facility. The building is included in capital assets at a cost of $2,393,808. Interest has been imputed at a rate of 3.25% and the City will make monthly payments through December 2029. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 224,951	$ 7,557	$ 232,508
2023	229,842	7,721	237,563
2024	234,880	7,890	242,770
2025	240,069	8,064	248,133
2026	245,413	8,244	253,657
2027-2030	835,910	28,080	863,990
	$ 2,011,065	$ 67,556	$ 2,078,621

In September 2021, the City entered into an agreement with Georgia Municipal Association to finance the purchase of patrol vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $1,555,640. Interest has been imputed at a rate of 1.26% and the City will make monthly payments through September 2026. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 303,341	$ 17,849	$ 321,190
2023	307,186	14,005	321,191
2024	311,079	10,112	321,191
2025	315,021	6,170	321,191
2026	319,014	2,177	321,191
	$ 1,555,641	$ 50,313	$ 1,605,954

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

In September 2021, the City entered into an agreement with Georgia Municipal Association to finance the purchase of pumper trucks for the City's Fire Department. The vehicles are included in capital assets at a cost of $1,369,500. Interest has been imputed at a rate of 1.78% and the City will make monthly payments through September 2028. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 185,441	$ 24,377	$ 209,818
2023	188,742	21,076	209,818
2024	192,102	17,717	209,819
2025	195,521	14,297	209,818
2026	199,001	10,817	209,818
2027 - 2028	408,693	10,944	419,637
	$ 1,369,500	$ 99,228	$ 1,468,728

As of September 30, 2021, the City had $10,255,708 of assets, with associated accumulated depreciation of $1,461,307, financed. The related depreciation expense for these assets is included in the capital asset depreciation expense.

Revenue Bonds from Direct Placement

In December 2019, the Urban Redevelopment Authority issued direct placement, Series 2020 Revenue Bonds to finance the City's urban redevelopment project. The bonds were issued for an original amount of $17,020,000 bearing interest at 2.85% per annum payable semi-annually on February 1 and August 1 and maturing in February 2040. As of September 30, 2021, the outstanding principal is $17,020,000. The bonds are secured by an ad valorem tax levied by the City. In the event of default, outstanding bonds payable accrue additional interest, but there is no acceleration clause enforceable for immediate payment upon default. The debt service requirements to maturity are as follows:

NOTE 7. LONG-TERM DEBT (CONTINUED)

Revenue Bonds from Direct Placement (Continued)

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	$ 660,000	$ 457,425	$ 1,117,425
2023	680,000	438,330	1,118,330
2024	700,000	418,665	1,118,665
2025	720,000	398,430	1,118,430
2026	740,000	377,625	1,117,625
2027-2031	4,025,000	1,555,174	5,580,174
2032-2036	4,635,000	939,146	5,574,146
2037-2040	4,220,000	244,815	4,464,815
	$ 16,380,000	$ 4,829,610	$ 21,209,610

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2021 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Multiple Grant Fund	$ 1,526,554
General Fund	TSPLOST Fund	2,511,431
General Fund	Nonmajor Governmental Funds	69,505
TSPLOST	General Fund	317,701
Multiple Grant Fund	General Fund	797,267
Nonmajor Governmental Funds	Multiple Grant Fund	5,676,259
Nonmajor Governmental Funds	General Fund	13,889
	Total	$ 10,912,606

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

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

Receivable Fund	Payable Fund	Amount
General Fund	Development Authority	$ 1,660

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	$ 123,305
Capital Projects Fund	General Fund	1,115,950
Multiple Grant Fund	General Fund	797,267
	Total	$ 2,036,522

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

NOTE 9. HOTEL/MOTEL LODGING TAX

The City has levied an occupancy tax of 8% for the rent of a guest room at a hotel or motel in the City as authorized by the Official Code of Georgia Annotated (O.C.G.A.) §48-13-51(b). For the fiscal year ended September 30, 2021, the City collected $320,044 in hotel/motel tax revenues. Of this amount, $123,305 or $38.5% was transferred to the General Fund and the remaining portion was expended for hospitality and tourism as stipulated by O.C.G.A. §48-13-51(b).

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to liabilities enumerated in the balance sheet at September 30, 2021, the City has contractual commitments on uncompleted contracts of $519,443.

Litigation:

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

NOTE 11. 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 Fulton County has paid on behalf of the City of South Fulton. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree St NE, Atlanta, Georgia 30303.

NOTE 12. 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 participates in the Georgia Interlocal Risk Management Agency Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

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

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 for the past two years.

NOTE 13. TAX ABATEMENTS

Fulton County has entered into property tax abatement agreements with local businesses through the Development Authority of Fulton County, for the purpose of attracting or retaining businesses within the County. For the fiscal year ended September 30, 2021, the City of South Fulton's ad valorem tax revenues were reduced by $132,518 under agreements entered into by Fulton County.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF SOUTH FULTON, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property taxes	$ 29,104,109	$ 29,104,109	$ 28,910,905	$ (193,204)
Title ad valorem taxes	705,000	705,000	2,053,265	1,348,265
Sales taxes	17,000,000	17,000,000	27,738,613	10,738,613
Franchise taxes	3,570,000	5,237,653	7,533,433	2,295,780
Business taxes	1,600,000	1,600,000	1,971,342	371,342
Insurance taxes	7,100,000	7,100,000	6,900,029	(199,971)
Other taxes	30,000	30,000	199,622	169,622
Alcoholic beverage excise taxes	250,000	250,000	645,114	395,114
Transfer tax	800,000	800,000	2,008,924	1,208,924
Licenses and permits	4,067,500	4,067,500	3,016,223	(1,051,277)
Fines and forfeitures	84,700	65,000	724,712	659,712
Charges for services	536,400	1,930,400	4,857,223	2,926,823
Intergovernmental	4,000,596	3,999,997	3,249,015	(750,982)
Interest income	-	-	3,823	3,823
Contributions and donations	-	-	66,500	66,500
Miscellaneous revenues	370,100	100	22,153	22,053
Total revenues	69,218,405	71,889,759	89,900,896	18,011,137
Expenditures:				
Current:				
General government:				
Legislative:				
Personnel	941,409	941,409	813,263	128,146
Supplies	141,141	139,647	155,367	(15,720)
Other services and charges	243,859	239,354	198,806	40,548
Total Legislative	1,326,409	1,320,410	1,167,436	152,974
Mayor:				
Personnel	209,562	209,562	221,805	(12,243)
Supplies	13,042	8,492	7,633	859
Other services and charges	31,910	36,460	29,805	6,655
Total Mayor	254,514	254,514	259,243	(4,729)
City clerk:				
Personnel	373,531	373,531	339,549	33,982
Supplies	48,620	19,963	8,191	11,772
Other services and charges	515,150	822,807	571,931	250,876
Total City clerk	937,301	1,216,301	919,671	296,630
City manager:				
Personnel	880,204	880,204	899,494	(19,290)
Supplies	11,800	19,046	17,880	1,166
Other services and charges	196,333	189,088	157,504	31,584
Total City manager	1,088,337	1,088,338	1,074,878	13,460
Financial:				
Personnel	1,503,255	1,438,255	1,276,925	161,330
Supplies	17,500	12,300	7,273	5,027
Other services and charges	2,112,646	2,325,086	1,034,633	1,290,453
Total Financial	3,633,401	3,775,641	2,318,831	1,456,810
Law:				
Personnel	-	368,942	253,478	115,464
Supplies	-	14,500	6,534	7,966
Other services and charges	1,600,000	1,491,748	1,158,642	333,106
Total Law	1,600,000	1,875,190	1,418,654	456,536

(continued)

CITY OF SOUTH FULTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Human resources:				
Personnel	497,070	497,070	432,740	64,330
Supplies	6,500	6,500	5,724	776
Other services and charges	121,050	161,050	223,600	(62,550)
Total Human resources:	624,620	664,620	662,064	2,556
Communications:				
Personnel	353,705	353,705	324,677	29,028
Supplies	23,541	24,053	11,843	12,210
Other services and charges	238,373	264,229	95,448	168,781
Total Communications	615,619	641,987	431,968	210,019
IT and GIS:				
Personnel	695,662	695,662	413,778	281,884
Supplies	318,589	318,589	287,753	30,836
Other services and charges	1,480,584	1,811,652	1,185,530	626,122
Total IT and GIS	2,494,835	2,825,903	1,887,061	938,842
Purchasing:				
Personnel	291,302	291,304	253,057	38,247
Supplies	8,000	8,000	4,923	3,077
Other services and charges	41,500	84,160	78,608	5,552
Total Purchasing	340,802	383,464	336,588	46,876
General services administration:				
Personnel	587,814	587,814	591,720	(3,906)
Supplies	260,174	312,424	237,599	74,825
Other services and charges	3,403,625	3,866,241	2,862,241	1,004,000
Total General services administration	4,251,613	4,766,479	3,691,560	1,074,919
Risk management:				
Personnel	99,885	99,885	2,926	96,959
Supplies	2,737	18,093	7,456	10,637
Other services and charges	2,000	2,000	16,078	(14,078)
Total Risk management	104,622	119,978	26,460	93,518
Total General government	17,272,073	18,932,825	14,194,414	4,738,411
Judicial:				
Personnel	455,219	380,918	387,557	(6,639)
Supplies	17,000	35,500	26,099	9,401
Other services and charges	341,217	397,018	391,217	5,801
Total Judicial	813,436	813,436	804,873	8,563
Public safety:				
Police services:				
Personnel	13,003,602	12,903,602	8,849,033	4,054,569
Supplies	721,270	1,506,030	1,719,798	(213,768)
Other services and charges	446,625	431,865	517,247	(85,382)
Total Police	14,171,497	14,841,497	11,086,078	3,755,419
Fire services:				
Personnel	13,510,287	13,510,287	10,857,733	2,652,554
Supplies	688,218	617,718	622,882	(5,164)
Other services and charges	212,728	227,228	152,303	74,925
Total Fire services	14,411,233	14,355,233	11,632,918	2,722,315
E-911 services:				
Other services and charges	2,000,000	2,000,000	1,976,323	23,677
Total E-911 services	2,000,000	2,000,000	1,976,323	23,677
Total Public safety	30,582,730	31,196,730	24,695,319	6,501,411

(continued)

CITY OF SOUTH FULTON, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Public works:				
Personnel	490,188	490,188	494,365	(4,177)
Supplies	652,000	854,500	854,850	(350)
Other services and charges	7,570,963	7,595,778	7,028,179	567,599
Total Public works	8,713,151	8,940,466	8,377,394	563,072
Parks, recreation, and cultural affairs:				
Personnel	3,458,847	3,458,847	2,747,014	711,833
Supplies	763,443	1,002,026	804,022	198,004
Furniture and Fixtures	-	-	30,000	(30,000)
Other services and charges	578,008	547,131	420,618	126,513
Total Parks, recreation, and cultural affairs	4,800,298	5,008,004	4,001,654	1,006,350
Housing and development:				
Planning and zoning:				
Personnel	2,501,941	2,501,941	2,281,337	220,604
Supplies	19,400	26,528	14,150	12,378
Other services and charges	1,278,707	3,242,594	2,792,030	450,564
Total Planning and zoning	3,800,048	5,771,063	5,087,517	683,546
Economic development:				
Personnel	412,985	412,985	289,594	123,391
Supplies	2,505	24,231	21,920	2,311
Other services and charges	65,229	708,312	703,329	4,983
Total Economic development	480,719	1,145,528	1,014,843	130,685
Code enforcement:				
Personnel	-	-	49,042	(49,042)
Total Economic development	-	-	49,042	(49,042)
Total Housing and development	4,280,767	6,916,591	6,151,402	814,231
Debt service:				
Principal	1,115,950	-	409,151	(409,151)
Interest	-	-	9,068	(9,068)
Total debt service	1,115,950	-	418,219	(418,219)
Total expenditures	67,578,405	71,808,052	58,643,275	13,213,819
Excess of revenues over expenditures	1,640,000	81,707	31,257,621	31,175,914
Other financing sources (uses)				
Proceeds from financed purchase	-	-	3,364,412	3,364,412
Transfers in	100,000	100,000	123,305	23,305
Transfers out	(1,800,002)	(3,885,952)	(1,913,217)	1,972,735
Total other financing sources (uses)	(1,700,002)	(3,785,952)	1,574,500	1,996,040
Net change in fund balance	(60,002)	(3,704,245)	32,832,121	33,171,954
Fund balance, beginning of fiscal year	27,813,731	27,813,731	27,813,731	-
Fund balance, end of fiscal year	$ 27,753,729	$ 24,109,486	$ 60,645,852	$ 33,171,954

CITY OF SOUTH FULTON, GEORGIA

MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 1,064,889	$ 1,211,502	$ 268,546	$ (942,956)
Total revenues	1,064,889	1,211,502	268,546	(942,956)
Expenditures:				
Public safety	1,064,889	2,211,502	926,474	1,285,028
Total expenditures	1,064,889	2,211,502	926,474	1,285,028
Deficiency of revenues under expenditures	-	(1,000,000)	(657,928)	342,072
Other financing sources:				
Transfers in	-	1,000,000	797,267	(202,733)
Total other financing sources	-	1,000,000	797,267	(202,733)
Net change in fund balances	-	-	139,339	139,339
Fund balances (deficit), beginning of fiscal year	(139,339)	(139,339)	(139,339)	-
Fund balances (deficit), end of fiscal year	$ (139,339)	$ (139,339)	$ -	$ 139,339



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Confiscated Assets Fund – This fund accounts for the use of confiscated assets by the Police Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

CARES Fund – This fund is used to account for the proceeds and expenditures related to the CARES Act grant.

American Rescue Plan Fund – This fund is used to account for the proceeds and expenditures related to the American Rescue Plan Act grant.

Eastside TAD Fund – This fund is used to account for the tax revenues and development expenditures related to the Eastside Tax Allocation District (TAD).

Westside TAD Fund – This fund is used to account for the tax revenues and development expenditures related to the Westside Tax Allocation District (TAD).

Hotel/Motel Fund – This fund accounts for the collection of the restricted portion of hotel/motel taxes as required by the Official Code of Georgia Annotated (OCGA) §48-13-51(b).

CITY OF SOUTH FULTON, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

ASSETS	Confiscated Assets Fund	CARES Fund	American Rescue Plan Fund	Eastside TAD Fund	Westside TAD Fund	Hotel/Motel Tax Fund	Total Nonmajor Governmental Funds
Cash	$ 254,267	$ -	$ -	$ 316	$ 736	$ 108,813	$ 364,132
Accounts receivable	-	-	-	37,467	88,349	65,602	191,418
Due from other funds	13,889	-	5,676,259	-	-	-	5,690,148
Total assets	$ 268,156	$ -	$ 5,676,259	$ 37,783	$ 89,085	$ 174,415	$ 6,245,698
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Due to other funds	$ 6,975	$ -	$ -	$ -	$ -	$ 62,530	$ 69,505
Accounts payable	-	-	-	-	-	102,136	102,136
Total liabilities	6,975	-	-	-	-	164,666	171,641
DEFERRED INFLOWS OF RESOURCES							
Unavailable - property taxes	-	-	-	37,467	88,349	-	125,816
Unavailable - intergovernmental	-	-	5,676,259	-	-	-	5,676,259
Total deferred inflows of resources	-	-	5,676,259	37,467	88,349	-	5,802,075
FUND BALANCES							
Restricted for:							
Hospitality and tourism	-	-	-	-	-	9,749	9,749
Public safety	261,181	-	-	-	-	-	261,181
Development	-	-	-	316	736	-	1,052
Total fund balances	261,181	-	-	316	736	9,749	271,982
Total liabilities, deferred inflows or resources, and fund balances	$ 268,156	$ -	$ -	$ 316	$ 736	$ 174,415	$ 6,245,698

CITY OF SOUTH FULTON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Confiscated Assets Fund	CARES Fund	American Rescue Plan Fund	Eastside TAD Fund	Westside TAD Fund	Hotel/Motel Tax Fund	Total Nonmajor Governmental Funds
REVENUES							
Property taxes	$ -	$ -	$ -	$ 316	$ 736	$ -	$ 1,052
Hotel/motel taxes	-	-	-	-	-	320,044	320,044
Intergovernmental	-	4,136,829	-	-	-	-	4,136,829
Fines and forfeitures	106,534	-	-	-	-	-	106,534
Total revenues	106,534	4,136,829	-	316	736	320,044	4,564,459
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	4,136,829	-	-	-	-	4,136,829
Parks, recreation, and cultural affairs	-	-	-	-	-	211,597	211,597
Housing and development	-	-	-	-	-	-	-
Total expenditures	-	4,136,829	-	-	-	211,597	4,348,426
Excess of revenues over expenditures	106,534	-	-	316	736	108,447	216,033
OTHER FINANCING USES:							
Transfers out	-	-	-	-	-	(123,305)	(123,305)
Total other financing uses	-	-	-	-	-	(123,305)	(123,305)
Net change in fund balances	106,534	-	-	316	736	(14,858)	92,728
FUND BALANCES, beginning of fiscal year	154,647	-	-	-	-	24,607	179,254
FUND BALANCES, end of fiscal year	$ 261,181	$ -	$ -	$ 316	$ 736	$ 9,749	$ 271,982

CITY OF SOUTH FULTON, GEORGIA

CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ -	$ -	$ 106,534	$ 106,534
Total revenues	-	-	106,534	106,534
Net change in fund balances	-	-	106,534	106,534
Fund balances, beginning of fiscal year	154,647	154,647	154,647	-
Fund balances, end of fiscal year	$ 154,647	$ 154,647	$ 261,181	$ 106,534

CITY OF SOUTH FULTON, GEORGIA
CARES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental revenues	$ 4,136,829	$ 4,136,829	$ 4,136,829	$ -
Total revenues	4,136,829	4,136,829	4,136,829	-
Expenditures:				
Public safety	4,136,829	4,136,829	4,136,829	-
Total expenditures	4,136,829	4,136,829	4,136,829	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	$ -	$ -	$ -	$ -

CITY OF SOUTH FULTON, GEORGIA
AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental revenues	$ -	$ 5,676,259	$ -	$ (5,676,259)
Total revenues	-	5,676,259	-	(5,676,259)
Net change in fund balances	-	5,676,259	-	(5,676,259)
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	$ -	$ 5,676,259	$ -	$ (5,676,259)

CITY OF SOUTH FULTON, GEORGIA
EASTSIDE TAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property Tax	$ -	$ -	$ 316	$ 316
Total revenues	-	-	316	316
Net change in fund balances	-	-	316	316
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	$ -	$ -	$ 316	$ 316

CITY OF SOUTH FULTON, GEORGIA
WESTSIDE TAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property Tax	$ -	$ -	$ 736	$ 736
Total revenues	-	-	736	736
Net change in fund balances	-	-	736	736
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	$ -	$ -	$ 736	$ 736

CITY OF SOUTH FULTON, GEORGIA

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Hotel/motel taxes	$ 100,000	$ 164,000	$ 320,044	$ 156,044
Total revenues	100,000	164,000	320,044	156,044
Expenditures:				
Tourism	70,000	102,500	211,597	(109,097)
Total expenditures	70,000	102,500	211,597	(109,097)
Excess of revenues over expenditures	30,000	61,500	108,447	46,947
Other financing uses:				
Transfers out	(30,000)	(61,500)	(123,305)	(61,805)
Total other financing uses	(30,000)	(61,500)	(123,305)	(61,805)
Net change in fund balances	-	-	(14,858)	(14,858)
Fund balances, beginning of fiscal year	24,607	24,607	24,607	-
Fund balances, end of fiscal year	$ 24,607	$ 24,607	$ 9,749	$ (14,858)

CITY OF SOUTH FULTON, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
Corridor Resurfacing	$ 4,358,198	$ 4,358,198	$ 480,628	$ 1,400,657	$ 1,881,285	0%
Subdivisions Resurfacing	9,441,915	9,441,915	8,441,395	5,801,330	14,242,725	151%
Bridges	19,567,840	19,567,840	19,607	99,552	119,159	1%
ATMS - Flat Shoals Road	1,000,000	1,000,000	-	253,059	253,059	25%
OSI Projects	-	1,065,726	-	1,347,696	1,347,696	126%
Bike/Ped Projects	-	53,000	-	59,600	59,600	112%
Quick Response Projects (2%)	969,439	969,439	-	509,473	509,473	53%
PM/CM (5.5%)	3,077,183	3,077,183	387,009	810,606	1,197,615	39%
TOTAL TSPLOST	$ 38,414,575	$ 39,533,301	$ 9,328,639	$ 10,281,973	$ 19,610,612	

Note: TSPLOST projects in the City of South Fulton city limits will be completed with the TSPLOST revenue collected by Fulton County and distributed monthly to the City.



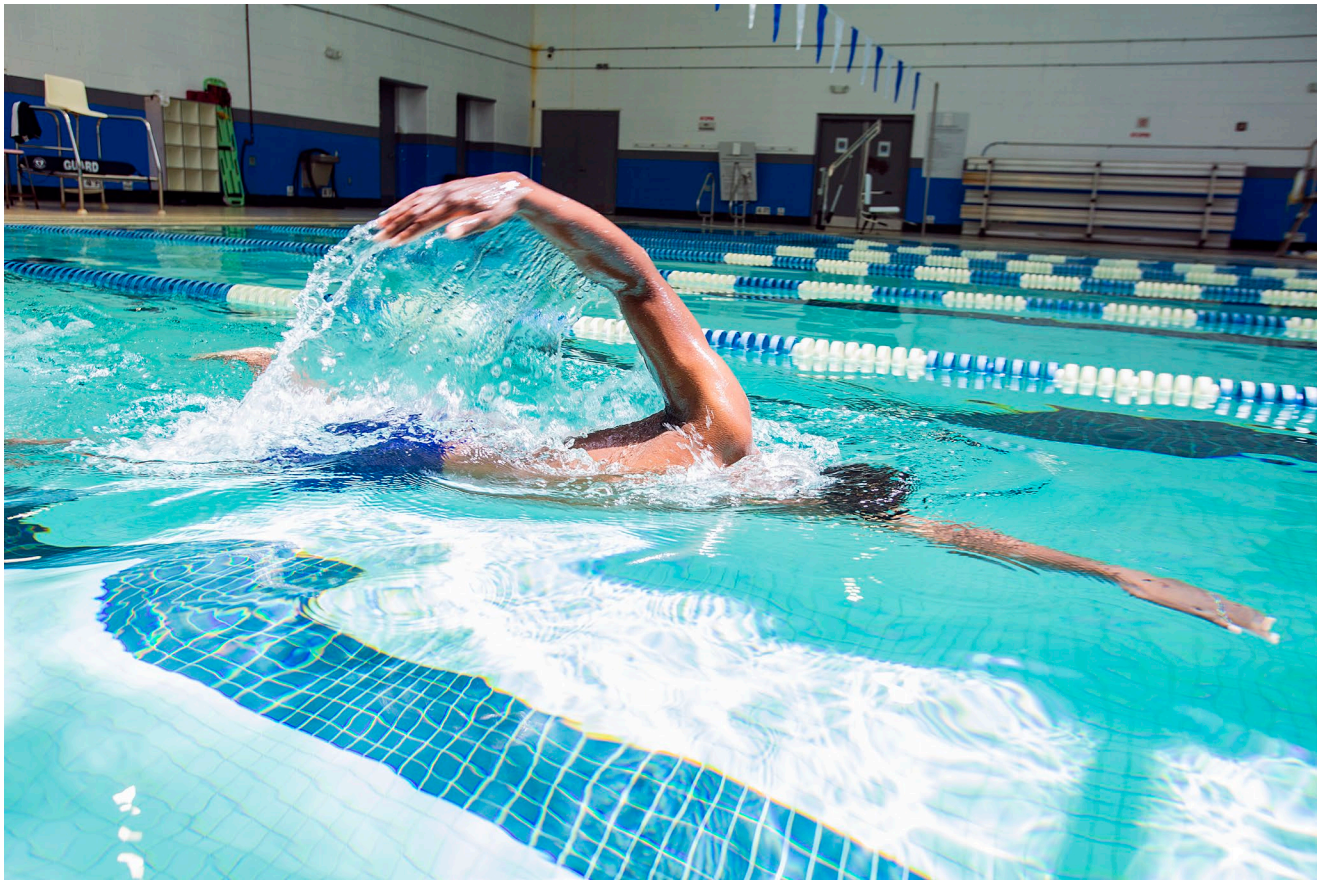
COMPONENT UNIT

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

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Development Authority Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to suppliers and service providers	$ (7,875)
Net cash used in operating activities	(7,875)
Net decrease in cash and cash equivalents	(7,875)
Cash and cash equivalents:	
Beginning of fiscal year	181,245
End of fiscal year	$ 173,370
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (7,875)
Net cash used in operating activities	$ (7,875)



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of South Fulton, Georgia'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.

Page

Financial Trends **54**

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 **56**

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

Debt Capacity **63**

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 **66**

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 **69**

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.

CITY OF SOUTH FULTON, GEORGIA

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

	2021	2020	2019	2018	2017
Governmental activities:					
Net investment in capital assets	$ 265,092,995	$ 268,365,263	$ 270,736,966 *1*	$ 13,090,650	$ 291,584
Restricted	51,456,443	29,289,044	22,457,468 *2*	-	-
Unrestricted	47,593,161	23,658,456	10,507,534	(7,935,621)	(6,155,811)
Total governmental activities net position	364,142,599	321,312,763	303,701,968	5,155,029	(5,864,227)
Business-type activities:					
Unrestricted	-	- *3*	196,528 *3*	-	-
Total business-type activities net position	-	-	196,528	-	-
Primary government:					
Net investment in capital assets	265,092,995	268,365,263	270,736,966	13,090,650	291,584
Restricted	51,456,443	29,289,044	22,457,468	-	-
Unrestricted	47,593,161	23,658,456	10,704,062	(7,935,621)	(6,155,811)
Total primary government net position	$ 364,142,599	$ 321,312,763	$ 303,898,496	$ 5,155,029	$ (5,864,227)

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019 and 2020.
Note: Fiscal period 2017 was the City's first period of operation and consisted of five (5) months of activity.

1 Increase in net investment in capital assets in fiscal year 2019 is the result of the City receiving donated infrastructure capital assets from Fulton County in the amount of $262,902,561.

2 Increase in restricted net position in fiscal year 2019 is due to the City receiving $21,257,861 of intergovernmental revenue from Fulton County relating to TSPLOST.

3 During fiscal year 2019, the City created a Development Fund which was reported as a blended component unit - Proprietary Fund. During fiscal year 2020, management reclassified this fund to a discretely presented component unit.

CITY OF SOUTH FULTON, GEORGIA

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

	2021	2020	2019	2018	2017
Expenses					
Governmental activities:					
General government	$ 14,027,988	$ 14,031,490	$ 7,562,293	$ 4,508,869	$ 1,375,830
Judicial	785,886	778,800	849,522	622,080	10,278
Public safety	30,115,600	33,300,498	26,421,034	32,787,168	12,113,136
Public works	22,537,237	22,772,513	16,615,373	7,339,476	1,798,802
Parks, recreation, and cultural affairs	4,418,031	4,198,093	2,642,631	4,987,263	1,813,405
Housing and development	6,045,466	4,936,332	4,192,784	2,828,989	862,905
Interest on long-term debt	562,641	750,365	62,810	322,566	20,233
Total governmental activities expenses	78,492,849	80,768,091	58,346,447	53,396,411	17,994,589
Business-type activities:					
Development	-	-	3,472 *3*	-	-
Total business-type activities expenses	-	-	3,472	-	-
Program revenues					
Governmental activities:					
Charges for services:					
General government	-	1,494	518	650	250,382
Judicial	724,712	429,389	452,019	274,348	-
Public safety	4,618,849	491,023	353,659	166,004	503,671
Parks, recreation, and cultural affairs	193,086	194,990	559,745	338,751	140,843
Housing and development	3,168,394	3,710,553	2,278,878	1,927,579	495,833
Operating grants and contributions	34,114,476	22,953,889	27,066,418 *2*	3,630,149	-
Capital grants and contributions	-	-	262,902,562 *1*	13,029,454	157,313
Total governmental activities program revenues	42,819,517	27,781,338	293,613,799	19,366,935	1,548,042
Net (expense)/revenue:					
Governmental activities	(35,673,332)	(52,986,753)	235,267,352	(34,029,476)	(16,446,547)
Business-type activities	-	-	(3,472)	-	-
Total primary government net (expense) revenue	$ (35,673,332)	$ (52,986,753)	$ 235,263,880	$ (34,029,476)	$ (16,446,547)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	$ 29,040,306	$ 29,389,742	$ 30,265,167	$ 14,625,008	$ -
Title ad valorem taxes	2,053,265	1,658,468	395,350	854,804	340,407
Sales taxes	27,738,613	24,254,078	26,442,415	24,650,013	9,708,371
Franchise taxes	7,533,433	4,113,950	3,058,729	1,760,981	328,410
Business taxes	1,971,342	1,772,707	2,050,459	1,946,092	15,647
Alcoholic beverage excise taxes	645,114	332,706	262,382	301,332	113,744
Hotel/motel taxes	320,044	121,792	123,192	93,044	-
Transfer taxes	2,008,924	1,300,427	638,534	277,621	-
Insurance premium taxes	6,900,029	7,154,213	8,400	4,809	-
Other taxes	199,622	188,207	7,621	2,762	75,668
Interest	3,823	2,315	1,121	232	73
Miscellaneous revenues	88,653	308,943	174,744	573,570	-
Gain on sale of capital assets	-	-	-	9,937	-
Transfers	-	-	(200,000)	-	-
Total governmental activities	78,503,168	70,597,548	63,228,114	45,100,205	10,582,320
Business-type activities:					
Transfers	-	-	200,000	-	-
Total business-type activities	-	-	200,000	-	-
Total primary government	$ 78,503,168	$ 70,597,548	$ 63,428,114	$ 45,100,205	$ 10,582,320
Change in Net Position					
Governmental and business-type activities	$ 42,829,836	$ 17,610,795	$ 298,691,994	$ 11,070,729	$ (5,864,227)

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019 and 2020.
Note: Fiscal period 2017 was the City's first period of operation, and consisted of five months of activity.

1 Increase in capital grants and contributions in fiscal year 2019 is the result of the City receiving donated infrastructure capital assets from Fulton County in the amount of $262,902,561.
2 Increase in operating grants and contributions in fiscal year 2019 is due to the City receiving $21,257,861 of intergovernmental revenue from Fulton County relating to TSPLOST.
3 During fiscal year 2019, the City created a Development Fund which was reported as a blended component unit - Proprietary Fund. During fiscal year 2020, management reclassified this fund to a discretely presented component unit.

CITY OF SOUTH FULTON, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST FIVE FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Taxes	TAVT Taxes	Sales Taxes	Franchise Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes (1)	Total
2017	$ -	$ 340,407	$ 9,708,371	$ 328,410	$ 15,647	$ -	$ 189,412	$ 10,582,247
2018	14,625,008	854,804	24,650,013	1,760,981	1,946,092	93,044	586,524	44,516,466
2019	30,265,167	395,350	26,442,415	3,058,729	2,050,459	123,192	916,937	63,252,249
2020	29,389,742	1,658,468	24,254,078	4,113,950	1,772,707	121,792	8,975,553	70,286,290
2021	29,040,306	2,053,265	27,738,613	7,533,433	1,971,342	320,044	9,753,689	78,410,692

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019 and 2020.

Notes:

(1) Includes Alcoholic Beverage taxes, Transfer taxes, Insurance Premium taxes, and Other taxes.

CITY OF SOUTH FULTON, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS
(modified accrual basis of accounting)

	2021	2020	2019	2018	2017
General Fund					
Nonspendable - Prepaid items	$ 416,201	$ 1,133,837	$ 1,202,681	$ 266,617	$ 22,720
Nonspendable - Inventory	3,262	3,175	29,354	23,289	-
Committed - Tree replacement	112,301	427,489	-	-	-
Unassigned	60,114,088	26,249,230	9,374,794	(8,980,724)	(6,562,595)
Total General fund	$ 60,645,852	27,813,731	$ 10,606,829	$ (8,690,818)	$ (6,539,875)
All Other Governmental Funds					
Nonspendable - Prepaid items	$ -	$ -	$ 62,131	$ 1,042,234	$ -
Restricted - Hospitality and tourism	9,749	24,607	13,663	51,473	-
Restricted - Capital projects	37,490,891	29,098,591	22,289,952	-	-
Restricted - Public safety	261,181	154,647	142,654	-	-
Restricted - Development	1,052	-	-	-	-
Committed - Capital projects	13,087,936	16,355,094	-	-	-
Assigned - Capital projects	1,050	1,050	1,059,381	489,967	-
Unassigned (deficit)	-	(139,339)	(409,568)	(409,568)	-
Total all other governmental funds	$ 50,851,859	$ 45,494,650	$ 23,158,213	$ 1,174,106	$ -

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019 and 2020.
Note: Fiscal period 2017 was the City's first period of operation, and consisted of five months of activity.

CITY OF SOUTH FULTON, GEORGIA

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

	2021	2020	2019	2018	2017
Revenues					
Taxes	$ 78,282,343	$ 70,280,501	$ 63,072,251	$ 44,575,456	$ 10,198,183
Licenses and permits	3,016,223	3,615,853	2,209,578	1,822,564	716,326
Fines and forfeitures	831,246	498,933	668,616	278,348	33,130
Charges for services	4,857,223	712,663	766,625	606,420	641,273
Intergovernmental	27,983,121	22,803,351	27,153,510	3,122,290	-
Interest income	3,823	2,315	1,121	232	73
Contributions and donations	66,500	11,500	1,600	10,600	-
Miscellaneous revenues	22,153	297,443	173,144	573,570	-
Total revenues	115,062,632	98,222,559	94,046,445	50,989,480	11,588,985
Expenditures					
Current:					
General government	14,194,414	13,632,498	7,447,034	4,339,235	1,510,101
Judicial	804,873	765,531	838,857	612,473	10,278
Public safety	29,758,622	27,667,294	27,128,928	31,764,104	12,113,136
Public works	18,659,367	17,326,632	11,355,545	7,339,476	1,798,802
Parks, recreation, and cultural affairs	4,213,251	3,714,549	2,443,333	4,862,923	1,813,405
Housing and development	6,151,402	4,845,484	4,139,461	2,735,477	862,905
Capital outlay	4,694,465	10,353,823	1,849,565	-	-
Debt service:					
Principal	1,841,163	598,781	5,743	-	-
Interest	562,039	369,764	62,810	322,566	20,233
Debt issuance costs	602	380,601	-	-	-
Total expenditures	80,879,596	79,654,957	55,271,276	51,976,254	18,128,860
Excess (deficiency) of revenues over (under) expenditures	34,183,036	18,567,602	38,775,169	(986,774)	(6,539,875)
Other financing sources (uses)					
Financed purchases from direct borrowings	4,006,896	3,534,970	2,706,585	-	-
Proceeds from sale of capital assets	-	-	-	9,937	-
Bond issuance	-	17,020,000	-	-	-
Transfers in	2,036,522	4,656,076	1,142,288	1,083,805	-
Transfers out	(2,036,522)	(4,656,076)	(1,342,288)	(1,083,805)	-
Total other financing sources (uses)	4,006,896	20,554,970	2,506,585	9,937	-
Net change in fund balances	$ 38,189,932	$ 39,122,572	$ 41,281,754	$ (976,837)	$ (6,539,875)
Debt service as a percentage of noncapital expenditures	3.2%	1.4%	0.1%	0.6%	0.1%

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019 and 2020.
Note: Fiscal period 2017 was the City's first period of operation, and consisted of five months of activity.

CITY OF SOUTH FULTON, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF ALL TAXABLE PROPERTY
LAST FIVE CALENDAR YEARS

Tax Year	Real	Personal	Motor Vehicle	Public Utility	Total Property: Total Taxable Assessed Value	Total Property: Estimated Actual Taxable Value	Total Direct Tax Rate	Assessed Value as a % of Actual Value
2017	$ 1,905,777,870	$ 960,655,460	$ 59,199,320	$ 144,357,012	$ 3,069,989,662	$ 7,674,974,155	7.149	40%
2018	2,408,502,730	765,227,830	-	143,445,632	3,317,176,192	8,292,940,480	11.579	40%
2019	2,718,707,870	497,655,930	4,376,100	149,500,033	3,370,239,933	8,425,599,833	11.579	40%
2020	3,058,256,040	369,378,820	4,055,560	166,813,111	3,598,503,531	8,996,258,828	12.899	40%
2021	3,422,604,840	334,206,280	3,621,500	126,432,190	3,886,864,810	9,717,162,025	12.899	40%

Source: GA Dept of Revenue - Tax Digest Consolidated Summary

CITY OF SOUTH FULTON, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
DIRECT AND OVERLAPPING GOVERNMENTS
LAST FIVE CALENDAR YEARS

(rate per $1,000 of assessed value)

	South Fulton			Fulton County			School District				
Tax Digest Year	Operating Millage	Debt Service	Total	Operating Millage	Debt Service Millage	Total Fulton County Millage	Operating Millage	Debt Service Millage	Total School District Millage	State	Total Direct & Overlapping Rates
2017	7.149	0.000	7.149	10.380	0.250	10.630	18.546	0.000	18.546	0.000	36.325
2018	11.579	0.000	11.579	10.200	0.230	10.430	17.796	0.000	17.796	0.000	39.805
2019	11.579	0.000	11.579	9.899	0.220	10.119	17.796	0.000	17.796	0.000	39.494
2020	12.899	0.000	12.899	9.899	0.220	10.119	17.796	0.000	17.796	0.000	40.814
2021	12.899	0.000	12.899	9.899	0.220	10.119	17.590	0.000	17.590	0.000	40.608

Source: GA Dept of Revenue - Property Tax Millage Rates

CITY OF SOUTH FULTON, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND FOUR YEARS AGO

	2021			2017		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GEORGIA POWER COMPANY	$ 42,323,792	1	1.09%			
NATIONAL DISTRIBUTING CO INC	24,969,600	2	0.64%			
CSX TRANSPORTATION INC.	20,777,010	3	0.53%			
DEVELOPMENT AUTHORITY OF FULTON COUNTY	18,470,609	4	0.48%			
BELLSOUTH TELECOMMUNICATIONS LLC	15,187,858	5	0.39%			
GEORGIA TRANSMISSION CORPORATION	15,109,927	6	0.39%			
CEAI SANDTOWN VISTA LLC & ZP FUND III LLC	15,052,680	7	0.39%			
UNITED NATURAL FOODS INC	13,790,200	8	0.35%			
WALTON LAKES LLC	13,106,040	9	0.34%			
CLPF FAIRBURN INDUSTRIAL LLC	12,335,160	10	0.32%			
				$ 61,845,410	1	2.01%
COCA COLA COMPANY, THE				36,380,330	2	1.19%
K P R US LLC				29,901,710	3	0.97%
COX ENTERPRISES INC				27,073,110	4	0.88%
HOMER LEASE COMPANY INC				26,017,040	5	0.85%
NATIONAL DISTRIBUTING CO INC				22,444,510	6	0.73%
UNITED NATURAL FOODS INC				15,864,840	7	0.52%
INTERCONTINENTAL EXCHANGE HOLDINGS INC				13,965,000	8	0.45%
CEAI SANDTOWN VISTA LLC & ZP FUND III LLC				12,950,830	9	0.42%
SVC MANUFACTURING INC				12,056,440	10	0.39%
WALTON LAKES LLC						
	$ 191,122,876		4.92%	$ 258,499,220		8.42%

CITY OF SOUTH FULTON, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST FIVE FISCAL YEARS

Fiscal Year Ended Sept 30	Total Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collected in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2017*	$ 14,415,354	$ -	0.0%	$ 13,965,433	$ 13,965,433	96.88%	$ 449,921
2018	28,734,768	2,534,295	8.8%	25,792,862	28,327,157	98.58%	407,611
2019	27,536,893	4,168,449	15.1%	23,239,038	27,407,487	99.53%	129,406
2020	29,459,979	806,861	2.7%	28,504,667	29,311,528	99.50%	148,451
2021	30,291,136	1,102,223	3.6%	-	1,102,223	3.64%	29,188,913

Source: City of South Fulton Finance Department

* 2017 Taxes delayed, due date 1/15/2018

CITY OF SOUTH FULTON, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST FIVE FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities			Percentage of Personal Income (1)	Per Capita (1)
	Financed Purchases	Revenue Bonds	Total		
2017	$ -	$ -	$ -	- %	$ -
2018	-	-	-	-	-
2019	2,700,842	-	2,700,842	-	93.68
2020	5,637,031	17,020,000	22,657,031	-	683.76
2021	8,442,764	16,380,000	24,822,764	-	801.12

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report for fiscal year 2019, 2020 and 2021.

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

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

CITY OF SOUTH FULTON, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
as of September 30, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping Debt			
Fulton County, Georgia	$ 389,616,000	4.31 %	$ 16,800,242
Fulton County School District	28,124,664	8.12 %	2,282,598
City of South Fulton, Georgia direct debt	24,822,764	100 %	24,822,764
Total direct and overlapping debt	$ 442,563,428		$ 43,905,604

Source: Fulton County Annual Comprehensive Financial Report 2020

Assessed value data used to estimate applicable percentages provided by the State Department of Revenue.

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

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

CITY OF SOUTH FULTON, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST FIVE FISCAL YEARS

	2017	2018	2019	2020	2021
Debt limit	$ 767,497,416	$ 331,717,619	$ 337,023,993	$ 359,850,353	$ 388,686,481
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	$ 767,497,416	$ 331,717,619	$ 337,023,993	$ 359,850,353	$ 388,686,481
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin	
Assessed value	$ 3,886,864,810
Add back: exempt real property	-
Total assessed value	3,886,864,810
Debt limit (10% of total assessed value)	388,686,481
Debt applicable to limit	
General obligation bonds	-
Legal debt margin	$ 388,686,481

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 the general obligation bonds.

CITY OF SOUTH FULTON, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS INFORMATION
LAST FIVE FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2017	95,158	$ 2,429,003,108	$ 25,526	34.7	19,077	3.81 %
2018	97,277	2,683,483,322	27,586	36.3	18,828	3.70
2019	99,357	2,864,462,310	28,830	35.3	18,760	7.30
2020	99,152	3,285,500,672	33,136	34.9	21,906	5.50
2021	98,586	3,054,687,210	30,985	37.3	27,933	5.60

(1) Source: U. S. Bureau of Labor Statistics
(2) Source: Fulton County Board of Education
(3) Bureau of Labor Statistics July, 2017

Note: 2017 population, per capita, and personal income are estimates based on past regional trends.
Note: School enrollment is based on beginning of school year.

CITY OF SOUTH FULTON, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND THREE YEARS AGO

	2021			2018		
Employer	Employees (1)	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment (1)
WALMART T STORES EAST LP	803	1	4.51 %			
ALL-N--1 SECURITY SERVICES, INC	400	2	2.25			
PEPSICO-GATORADE	384	3	2.16			
GENERAL WHOLESALE COMPANY	382	4	2.14			
DIAZ WHOLESALE & MFG.CO	375	- 5	2.11			
GEIGER INTERNATIONAL	268	6	1.50			
HOOD CONTAINER CORP	259	7	1.45			
CKS PACKAGING	245	8	1.38			
ATLANTA BEVERAGE COMPANY	225	9	1.26			
HALPERNS STEAK AND SEAFOOD COMPANY	225	10	1.26			
KROGER				233	1	5.83 %
MCDONALDS				184	2	4.61
HOME DEPOT				174	3	4.36
THE JON SMITH GROUP LLC				115	4	2.88
ARBOR TERRACE AT CASCADE				88	5	2.20
FRANKS DETAIL INC				61	6	1.53
STEELCASE INC				54	7	1.35
COMPREHENSIVE THERAPY CONSULTANTS INC				51	8	1.28
C H ROBINSON COMPANY INC				45	9	1.13
KEDPLASMA LLC				38	10	0.95
Totals	3,566		20.02 %	1,043		26.12 %

(1) Source: South Fulton Business Permit Renewals

CITY OF SOUTH FULTON, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST FIVE FISCAL YEARS

Function/Program	2017	2018	2019	2020	2021
General Government					
Legislative	-	-	-	-	14
Administration	3	6	8	8	12
City Clerk	3	3	4	3	5
Finance	2	9	15	14	20
Licensing	3	3	3	3	3
Purchasing	1	1	3	3	4
Legal	-	-	-	-	5
Human Resources	2	3	5	3	5
Communication	1	2	5	4	5
Risk Management	-	-	-	-	1
Information Technology	2	2	9	4	10
Development Services	7	23	23	-	-
General Services	-	-	-	-	14
Judicial					
Municipal Court	-	5	7	7	8
Housing & Development					
Community Development & Regulatory Affairs	7	23	23	-	28
Economic Development	-	1	4	2	7
Code Enforcement	15	17	15	32	19
Public Safety					
Police	161	161	178	154	246
Fire	173	173	178	159	202
Public Works					
Building & Grounds	-	-	15	12	15
Stormwater	-	-	-	-	3
Parks and Recreation					
Parks and Recreation	80	64	77	48	77
Cultural Affairs	-	-	-	-	10
Total	460	496	572	456	713

Source: City of South Fulton Human Resources Department

Notes: All full-time employees, except sworn fire and police employees, are scheduled to work 2,080 hours per year (including vacation and sick).

Fire Department employees are scheduled to work 2,750 hours per year (including sick and vacation).

Police Department employees are scheduled to work 2184 hours per year (including sick and vacation)
Headcount number is inclusive of vacant, funded positions

CITY OF SOUTH FULTON, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS

Function	2017	2018	2019	2020	2021
General Government					
Ordinances approved	41	52	36	39	35
Software applications supported	N/A	N/A	N/A	N/A	N/A
Grants managed	0	2	3	5	19
Police					
Calls for Service					
Part 1 Crimes Reported	-	49,718	77,536	91,690	83,539
Traffic citation issued	-	4,789	4,032	3,375	2,802
Physical Arrest	-	426	5,156	4,339	6,907
	-	1,011	2,031	1,809	2,536
Fire					
Incident responses*	4,541	13,048	15,946	17,097	18,161
Average response time	6:54	7:02	7:03	0	10:16
Fire Safety education classes	90	539	127	58	2
Smoke Alarm Installed	94	207	273	88	34
Inspection conducted	667	539	867	1,238	1,389
Public works					
Average days to repair pothole	N/A	8	4	3	3
Traffic signaled timed	N/A	N/A	N/A	N/A	N/A
Community Development					
New building permits issued	N/A	2,194	2,643	2,654	4,549
Parcels annexed	0	0	1	0	0
Culture and Recreation					
Annual program	N/A	N/A	N/A	N/A	N/A

Source: Various City and County departments.

Police, Fire, Public Works, Community Development Services, and
Culture and Recreation were not part of City of South Fulton for Fiscal Year 2017.

*Total Emergency Call Volume 17,097. South Fulton 15,948 and FID 1,149 (estimated)

CITY OF SOUTH FULTON, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST FIVE FISCAL YEARS

Function/Program	2017	2018	2019	2020	2021
Police					
Police Stations	-	3	4	4	4
Patrol units and support vehicles	-	113	139	139	173
Police motorcycles	-	8	8	8	8
Segway	-	2	2	2	2
Fire (Services transferred in 2018)					
Fire Stations	-	9	9	9	9
Ladder units - front line	2	2	2	2	2
Ladder units - reserved	1	-	1	1	1
Engines - front line	10	9	9	9	9
Engines - reserved	2	1	2	2	2
Public Works					
Streets paved - (miles)	514	518	534	534	534
Streets Unpaved - (miles)	25	22	20	20	20
General Government					
Land (acres)					
Buildings					
Owned	-	27	27	27	27
Leased	-	5	5	5	5
Vehicles					
Owned	-	249	249	247	247
Leased	-	10	26	27	31
Parks - active and passive					
Park acreage (excluding Tom Lowe)	693	693	720	720	720
Greenway and walking trails (miles)*	2	2	2	2	2
Adaptive athletic fields	7	7	7	7	7
Athletic fields	29	29	29	29	29
Swimming pools**	2	2	2	2	2
Tennis courts	47	47	47	47	47
Recreation buildings	9	9	10	10	10
Playgrounds/ADA	14/1	14/1	14/1	14/1	14/1
Picnic shelters/restrooms	20	20	20	20	20
Concession Stands/Offices	5	5	5	5	5
Restrooms (outdoor)	22	22	22	22	22
Basketball Courts (outdoor)	5	5	5	5	5
Gymnasiums	3	3	3	3	3

Notes:

*Outdoor walking trails are at Sandtown, Trammell Crow, Wilkerson Mill, Cedar Grove, and Creel Parks. There is one indoor walking track at Welcome All Park. Estimated total miles are 2 for all trails/tracks.

**Total swimming pools to include one (1) lap pool (25 yards with 7 lanes, shallow end 4 ft., middle 5 ft., deep end 12 ft.) and one (1) splash pool (30 ft. x 30 ft. and 3 ft in depth).

***43 hard surface courts and 4 clay courts.

Source: Various City Departments