Atlanta BeltLine Partnership, Inc.

FINANCIAL STATEMENTS

June 30, 2023 and 2022

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REPORT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Finance Committee of
Atlanta BeltLine Partnership, Inc.

Opinion

We have audited the accompanying financial statements of Atlanta BeltLine Partnership, Inc. (the Organization) (a nonprofit Organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlanta BeltLine Partnership, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended June 30, 2023, the Organization adopted FASB ASC 842, *Leases.* Our opinion is not modified with respect to this matter.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors’ Responsibilities for the Audit of the financial statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
November 13, 2023

FINANCIAL STATEMENTS

Atlanta BeltLine Partnership, Inc.
Statements of Financial Position

June 30,	**2023**	2022
Assets		
Current assets		
Cash and cash equivalents	**$ 25,538,130**	$ 12,643,071
Promises to give, net	**4,179,477**	5,915,035
Prepaid expenses and other assets	**41,638**	20,661
Total current assets	**29,759,245**	18,578,767
Non-current assets		
Promises to give, net	**17,643,150**	20,919,052
Operating lease right-of-use assets, net	**186,069**	-
Construction in progress	**14,690,313**	14,690,313
Property and equipment, net	**3,836**	20,727
Total non-current assets	**32,523,368**	35,630,092
Total assets	**$ 62,282,613**	$ 54,208,859
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	**$ 101,963**	$ 187,385
Due to related party	**2,418,494**	50,772
Promises to give payable	**720,000**	1,720,000
Current portion of property tax commitment	**177,929**	21,967
Current portion of note payable	**110,552**	100,000
Current portion of operating lease liabilities	**62,226**	-
Total current liabilities	**3,591,164**	2,080,124
Long-term liabilities		
Property tax commitment, less current portion	**2,503,324**	580,072
Note payable, less current portion	**-**	110,552
Operating lease liabilities, less current portion	**127,542**	-
Total long-term liabilities	**2,630,866**	690,624
Total liabilities	**6,222,030**	2,770,748
Net assets		
Without donor restrictions	**12,451,067**	14,032,945
With donor restrictions	**43,609,516**	37,405,166
Total net assets	**56,060,583**	51,438,111
Total liabilities and net assets	**$ 62,282,613**	$ 54,208,859

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

For the year ended June 30, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Contributions	$ 863,384	$ 14,865,248	**$ 15,728,632**
Gain on sale of contributed marketable securities	320,620	-	**320,620**
Interest and dividend income on contributed marketable securities	88,252	-	**88,252**
Government grants	78,000	-	**78,000**
Contributions of non-financial assets	48,522	-	**48,522**
Special event income	10,895	-	**10,895**
Other income	6,976	-	**6,976**
Net assets released from restrictions	8,660,898	(8,660,898)	**-**
Total revenue and other support	10,077,547	6,204,350	**16,281,897**
Expenses			
Program services			
Enable the Project	7,011,706	-	**7,011,706**
Engage the Public	478,327	-	**478,327**
Empower the Residents	3,218,822	-	**3,218,822**
Total program services	10,708,855	-	**10,708,855**
Supporting services			
General and administrative	447,371	-	**447,371**
Fundraising	503,199	-	**503,199**
Total supporting services	950,570	-	**950,570**
Total expenses	11,659,425	-	**11,659,425**
Change in net assets	(1,581,878)	6,204,350	**4,622,472**
Net assets at beginning of year	14,032,945	37,405,166	**51,438,111**
Net assets at end of year	$ 12,451,067	$ 43,609,516	**$ 56,060,583**

For the year ended June 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Contributions	$ 724,701	$ 38,346,958	$ 39,071,659
Government grants	-	66,800	66,800
Contributions of non-financial assets	53,842	-	53,842
Interest income	3,760	-	3,760
Other income	1,389	-	1,389
Loss on disposal of property and equipment	(260,677)	-	(260,677)
Net assets released from restrictions	3,372,072	(3,372,072)	-
Total revenue and other support	3,895,087	35,041,686	38,936,773
Expenses			
Program services			
Enable the Project	1,223,072	-	1,223,072
Engage the Public	464,879	-	464,879
Empower the Residents	1,274,023	-	1,274,023
Total program services	2,961,974	-	2,961,974
Supporting services			
General and administrative	461,267	-	461,267
Fundraising	461,116	-	461,116
Total supporting services	922,383	-	922,383
Total expenses	3,884,357	-	3,884,357
Change in net assets	10,730	35,041,686	35,052,416
Net assets at beginning of year	14,022,215	2,363,480	16,385,695
Net assets at end of year	$ 14,032,945	$ 37,405,166	$ 51,438,111

For the year ended June 30, 2023

	Program Services				Supporting Services		
	Enable the Project	Engage the Public	Empower the Residents	Programs Subtotal	General and Administrative	Fundraising	Total
Salaries and wages	$ 120,523	$ 148,881	$ 205,598	$ 475,002	$ 148,881	$ 85,077	**$ 708,960**
Employee benefits	9,014	11,135	16,851	37,000	11,135	6,363	**54,498**
Payroll taxes	7,808	9,645	16,321	33,774	10,396	5,511	**49,681**
Total payroll expense	137,345	169,661	238,770	545,776	170,412	96,951	**813,139**
Grants	6,823,947	204,166	2,223,162	9,251,275	-	-	**9,251,275**
Consultants and contractors	26,563	39,844	690,631	757,038	212,973	358,597	**1,328,608**
Rent and occupancy	6,261	13,661	16,507	36,429	12,523	7,969	**56,921**
Information technology	5,865	12,796	15,462	34,123	11,730	7,463	**53,316**
Advertising	2,075	8,820	10,377	21,272	14,009	16,603	**51,884**
Depreciation	1,858	4,054	4,898	10,810	3,716	2,365	**16,891**
Other	1,316	3,457	4,116	8,889	4,774	2,799	**16,462**
Service fees	-	97	-	97	6,789	2,812	**9,698**
Telephone	1,362	1,998	2,634	5,994	1,907	1,181	**9,082**
Supplies	954	2,082	2,515	5,551	1,908	1,214	**8,673**
Insurance	908	1,981	2,394	5,283	1,816	1,156	**8,255**
Meals and entertainment	1,306	1,613	2,226	5,145	923	1,613	**7,681**
Repairs and maintenance	793	1,730	2,090	4,613	1,585	1,009	**7,207**
Equipment rental	746	1,628	1,967	4,341	1,492	949	**6,782**
Program events	-	5,724	-	5,724	-	-	**5,724**
Tour bus expense	-	4,127	-	4,127	-	-	**4,127**
Interest	407	888	1,073	2,368	814	518	**3,700**
Total	$ 7,011,706	$ 478,327	$ 3,218,822	$ 10,708,855	$ 447,371	$ 503,199	**$ 11,659,425**

For the year ended June 30, 2022

	Program Services				Supporting Services		
	Enable the Project	Engage the Public	Empower the Residents	Programs Subtotal	General and Administrative	Fundraising	Total
Salaries and wages	$ 97,893	$ 120,927	$ 166,994	$ 385,814	$ 120,927	$ 69,101	$ 575,842
Employee benefits	9,803	12,109	16,722	38,634	12,109	6,920	57,663
Payroll taxes	7,410	9,153	12,640	29,203	9,153	5,230	43,586
Total payroll expense	115,106	142,189	196,356	453,651	142,189	81,251	677,091
Grants	1,053,781	216,100	366,182	1,636,063	-	-	1,636,063
Consultants and contractors	25,216	33,027	633,171	691,414	189,345	328,772	1,209,531
Rent and occupancy	7,623	16,631	20,096	44,350	15,245	9,701	69,296
Depreciation	7,082	15,450	18,668	41,200	14,162	9,012	64,374
Information technology	6,836	14,915	18,022	39,773	13,672	8,700	62,145
Professional fees	-	-	-	-	53,842	-	53,842
Advertising	1,298	5,902	6,593	13,793	9,283	10,650	33,726
Other	2,161	4,816	5,690	12,667	6,692	3,853	23,212
Service fees	-	88	-	88	10,163	4,206	14,457
Insurance	1,079	2,355	2,846	6,280	2,159	1,374	9,813
Telephone	1,177	1,793	2,341	5,311	1,728	1,034	8,073
Tour bus expense	-	6,629	-	6,629	-	-	6,629
Supplies	593	1,294	1,564	3,451	1,186	755	5,392
Equipment rental	405	884	1,068	2,357	810	516	3,683
Travel, conferences and registration	494	610	842	1,946	349	610	2,905
Program events	-	1,713	-	1,713	-	-	1,713
Repairs and maintenance	175	382	462	1,019	350	223	1,592
Utilities	46	101	122	269	92	59	420
Bad debt	-	-	-	-	-	400	400
Total	$ 1,223,072	$ 464,879	$ 1,274,023	$ 2,961,974	$ 461,267	$ 461,116	$ 3,884,357

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

For the years ended June 30,	**2023**	2022
Operating Activities		
Change in net assets	**$ 4,622,472**	$ 35,052,416
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	**16,891**	64,374
Amortization of right-of-use assets	**(52,622)**	-
Loss on sale of property and equipment	**-**	260,677
Changes in operating assets and liabilities		
Unconditional promises to give, net	**5,011,460**	(22,893,875)
Prepaid expenses and other assets	**(20,977)**	11,598
Accounts payable and accrued expenses	**(85,422)**	67,679
Construction accounts payable	**-**	(2,528,084)
Due to related party	**2,367,722**	(30,037)
Promise to give payable	**(1,000,000)**	(57,500)
Operating lease liabilities	**56,321**	-
Property tax commitment	**2,079,214**	348,347
Performance obligation liabilities	**-**	(2,741)
Net cash provided by (used in) operating activities	**12,995,059**	10,292,854
Financing Activities		
Payments on note payable	**(100,000)**	(100,000)
Proceeds from note payable	**-**	310,552
Net cash provided by (used in) financing activities	**(100,000)**	210,552
Net change in cash and cash equivalents	**12,895,059**	10,503,406
Cash and cash equivalents, at beginning of year	**12,643,071**	2,139,665
Cash and cash equivalents, at end of year	**$ 25,538,130**	$ 12,643,071

Schedule of Noncash Transactions

Lease liabilities arising from obtaining right-of-use assets		
Operating leases	**$ 242,390**	$ -

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

Note 1: DESCRIPTION OF THE ORGANIZATION

Atlanta BeltLine Partnership, Inc. (the Organization), a nonprofit 501(c)(3) organization, was incorporated in 2005 under the laws of the state of Georgia. The Organization was established to advance the Atlanta BeltLine vision to be a catalyst for making Atlanta a global beacon for equitable, inclusive, and sustainable city life. Working in partnership with Atlanta BeltLine, Inc. (ABI), which implements the Atlanta BeltLine project, the Organization supports efforts to complete the Atlanta BeltLine by 2030, which is projected to create 22 miles of streetcar, 33 miles of trail, 1,300 acres of new or restored greenspace, 5,600 units of affordable housing, and public art.

The Atlanta BeltLine project was authorized by the City of Atlanta in 2005. Through September 2023, accomplishments include 9.3 miles of the mainline trail corridor, 10.3 miles of connector trails, 409 acres of new or improved greenspace, approximately $9 billion in new private development representing more than 24,000 permanent jobs, and more than 5,000 affordable housing units created or preserved within the walking distance of the corridor.

Significant milestones were reached in fiscal year 2023 with philanthropic contributions to the Organization, including substantial donations secured in the previous year. Segment 3 of the Westside Trail opened in October 2022, groundbreakings for two new trail segments on the Southside and Westside were held in March 2023, and the Atlanta BeltLine MarketPlace was launched in July 2022 to provide affordable commercial space on the BeltLine to minority-owned small businesses.

Since its inception, the Organization's role in furthering the Atlanta BeltLine vision has been instrumental to the Atlanta BeltLine's success. The Organization recruits and aligns private, corporate, and philanthropic partners to fulfill the Atlanta BeltLine vision. The Organization's strategic plan is organized around three areas: Enable the Project, Engage the Public and Empower the Residents of the 45 Atlanta BeltLine neighborhoods.

The Organization's programs consist of the following

- *Enable the Project* - Understanding that both local and federal funding sources alone cannot complete the vast network of parks, trails, and transit of the Atlanta BeltLine, the Organization helps to fill this funding gap by developing relationships and soliciting investment from the private sector and the philanthropic community. Through fiscal year 2023, the Organization has raised more than $150 million of an approximately $175 million multi-year campaign that supports BeltLine trails, parks, and programs.

- *Engage the Public* - The Atlanta BeltLine needs ongoing public support throughout its multi-year implementation. Since its inception, the Organization has engaged the public to sustain the community support, favorable political will, and continued philanthropic investment needed to complete the project. The wide-ranging portfolio educates the public about the Atlanta BeltLine, mobilizes volunteers to care for and support the project, and activates parks and trails through programming that supports community health and wellness.

- *Empower the Residents* - The Atlanta BeltLine provides parks, trails, and future transit that is attracting private investment and creating jobs. In collaboration with its partners, the Organization connects Atlanta BeltLine residents with resources to help them live, work, and thrive. Through philanthropic funding, the Organization's Legacy Resident Retention Program pays property tax increases through 2030 to allow at-risk homeowners to stay in their homes and to leverage the benefit of rising property values for generational wealth-building outcomes. The Organization offers a wide array of Home Empowerment workshops both in-person and virtually to connect residents with partners and resources to help them stay in their homes and mitigate displacement pressures. The Organization's workforce partnerships provide pathways for BeltLine residents to secure jobs near where they live.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowance for doubtful accounts, useful lives of property and equipment (depreciation expense), accrual of the property tax commitment, present value of right-of-use assets and lease liability, valuation of contributions of non-financial assets, and allocations used in the statement of functional expenses.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

In July 2021, the Organization received a grant of $80,000,000, of which $65,500,000 is contingent on meeting a project implementation timeline, specific performance goals over the next five years, and other performance measures. In April 2022, the Organization received a grant of $25,750,000, of which $5,000,000 is contingent on meeting specific implementation milestones. Accordingly, contributions of $57,500,000 and $70,500,000 have not been recorded in the statements of activities as of June 30, 2023 and 2022, respectively, because the conditions on which they depend have not yet been met.

Property and Equipment

All acquisitions of property and equipment in excess of $2,500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities the statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. The Organization did not have any net assets restricted in perpetuity for the years ended June 30, 2023 and 2022.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Contributions with donor restrictions that are both received and released within the same year are recorded as an increase in net assets with donor restrictions and as a satisfaction of program restrictions.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenue from special events is recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied. Revenue received in advance is deferred and recognized over the periods to which the dates and fees relate. There were no amounts included in performance obligation liabilities as of June 30, 2023 and 2022.

A portion of the Organization’s grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to Salaries and wages, payroll taxes, employee benefits, consultants and contractors, and travel, conferences and registration are allocated based on actual percentages of time spent in each functional area. Expenses related to rent and occupancy, equipment rental, information technology, insurance, depreciation and amortization, repairs and maintenance, supplies, telephone, utilities, and certain other expenses are allocated across functional areas based on square footage.

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2023 and 2022, advertising costs totaled $51,884 and $33,726, respectively.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. The Organization did not have any unrelated business income during the years ended June 30, 2023 and 2022.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740*, Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2023 and 2022, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 13, 2023, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective July 1, 2022, and recognized and measured leases entered into after July 1, 2022 (the beginning of the period of adoption) with certain practical expedients available. Lease disclosures for the year ended June 30, 2022, are made under prior lease guidance in FASB ASC 840.

As a result of the adoption of the new lease accounting guidance, the Organization recognized on July 1, 2022, a lease liability of $281,145, which represents the present value of the remaining operating lease payments of $263,127, discounted using our incremental borrowing rate of 4.13%, and a right-of-use asset of $263,127.

The standard had a material impact on the Organization’s statement of financial position, but did not have an impact on the statements of activities nor statements of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases, while the accounting for finance leases remained substantially unchanged.

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

June 30,	**2023**	2022
Total assets at year end	**$ 62,282,613**	$ 54,208,859
Less non-financial assets		
Prepaid expenses and other assets	**(41,638)**	(20,661)
Operating lease right-of-use assets, net	**(186,069)**	-
Construction in progress	**(14,690,313)**	(14,690,313)
Property and equipment, net	**(3,836)**	(20,727)
Financial assets at year-end	**47,360,757**	39,477,158
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Board designated operating reserve	**(800,000)**	-
Restricted by donor with time or purpose restrictions	**(43,609,516)**	(37,405,166)
Financial assets available to meet cash needs for general expenditures within one year	**$ 2,951,241**	$ 2,071,992

The Organization is principally supported by contributions. The Organization has a operating reserve of $800,000 that could be utilized in the event of an unanticipated liquidity event.

Note 4: PROMISES TO GIVE

Promises to give consist of the following:

June 30,	**2023**	2022
Receivable within one year	**$ 5,951,259**	$ 7,260,540
Receivable in two to five years	**17,643,150**	20,919,052
Total promises to give	**23,594,409**	28,179,592
Discounted at 2%	**(1,771,782)**	(1,345,505)
Promises to give, net	**$ 21,822,627**	$ 26,834,087

Note 5: PROPERTY AND EQUIPMENT

The components of property and equipment consist of the following at June 30, 2023 and 2022:

	Estimated Useful Lives (in years)		2023		2022
Furniture, fixtures and equipment	5-7	**$**	**116,695**	$	116,695
Vehicles	5		**165,612**		165,612
Total depreciable property and equipment			**282,307**		282,307
Less accumulated depreciation			**(278,471)**		(261,580)
Total property and equipment, net		**$**	**3,836**	$	20,727

Depreciation expense for the years ended June 30, 2023 and 2022 amounted to $16,891 and $64,374, respectively.

Construction in progress at June 30, 2023 and 2022 totaling $14,690,313, represents work done for various projects on the BeltLine trail. The projects are expected to be completed during fiscal 2024.

Note 6: LEASES

The Organization has operating leases for office space and equipment. The leases have remaining lease terms of 2 to 4 years. The components of lease expense consist of the following:

For the year ended June 30,		2023
Operating lease cost	$	61,763

Weighted average remaining lease term and discount rates consist of the following:

For the year ended June 30,		2023
Right-of-use assets obtained in exchange for lease obligations		
Operating leases	$	242,390
Weighted average remaining lease term		
Operating leases		3.7 years
Weighted average discount rate		
Operating leases		4.13%

Note 6: LEASES (Continued)

Future minimum lease payments under non-cancellable leases as of June 30, 2023, are as follows:

For the years ending June 30,	Operating Leases
2024	$ 62,226
2025	63,958
2026	61,248
2027	9,629
2028	5,250
Total future minimum lease payments	202,311
Less imputed interest	(12,543)
Present value of lease liabilities	$ 189,768
Reported as of June 30, 2023	
Operating lease liabilities	$ 62,226
Other long-term liabilities	127,542
Total	$ 189,768

Minimum lease payments under the office operating lease as of June 30, 2022 for future years were as follows:

For the years ending June 30,	
2023	$ 61,536
2024	62,226
2025	63,958
2026	65,748
2027	9,629
Thereafter	750
Total future minimum lease payments	$ 263,847

Note 7: LONG-TERM DEBT

In July 2021, a major foundation made a non-interest bearing, unsecured loan of $310,552 to the Organization, which is due in three annual installments. The balance of the note payable at June 30, 2023 and 2022 was $110,552 and $210,552, respectively. The outstanding amount at June 30, 2023 is due in fiscal 2024.

Note 8: PROPERTY TAX COMMITMENT

During fiscal 2021, the Organization launched the Legacy Resident Retention Program (LRRP), which is a resource for eligible homeowners to cover the cost of any increases in property tax bills through 2030, or as long as program funds are available. Payments are made directly to the County Tax Assessor, and the homeowners do not have to repay any of the funds paid on their behalf by the program. The estimated liability for this program based on the number of participants enrolled at June 30, 2023 and 2022 is $2,681,253 and $602,039, respectively. Total payments for this program were $75,970 and $12,285 during the years ended June 30, 2023 and 2022, respectively.

Note 9: NET ASSETS

A summary of net assets without donor restrictions follows:

June 30,	**2023**	2022
Undesignated	**$ 11,651,067**	$ 14,032,945
Board designated		
Operating reserve	**800,000**	-
Total net assets without donor restrictions	**$ 12,451,067**	$ 14,032,945

A summary of net assets with donor restrictions follows:

June 30,	**2023**	2022
Time restricted	**$ 4,857,316**	$ 5,619,500
Purpose restricted		
Engage the Public	**45,000**	100,000
Empower the Residents	**64,863**	261,589
Capital campaign cash and pledges - Enable the Project	**38,642,337**	31,424,077
Total net assets with donor restrictions	**$ 43,609,516**	$ 37,405,166

A summary of the release of donor restrictions follows:

For the years ended June 30,	**2023**	2022
Time releases	**$ 850,000**	$ 500,000
Purpose releases		
Engage the Public	**107,500**	353,997
Empower the Residents	**296,727**	594,911
Capital campaign cash and pledges - Enable the Project	**7,406,671**	1,923,164
Total net assets released from donor restrictions	**$ 8,660,898**	$ 3,372,072

Note 10: CONTRIBUTIONS OF NON-FINANCIAL ASSETS

Donated services and property included in the accompanying statements of activities are summarized as follows:

For the year ended June 30, 2023	Donated Services	Donated Land	Total
Program services			
Enable the Project	$ -	$ 48,522	**$ 48,522**
Total contributed services and property	$ -	$ 48,522	**$ 48,522**

For the year ended June 30, 2022	Donated Services	Donated Land	Total
Supporting services			
General and administrative	$ 33,842	$ -	$ 33,842
Fundraising	20,000	-	20,000
Total contributed services and property	$ 53,842	$ -	$ 53,842

The Organization's policy related to contributions of non-financial assets is to utilize the assets to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

All contributions of non-financial assets received by the Organization for the years ended June 30, 2023 and 2022 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

Note 11: CONCENTRATIONS

The Organization maintains cash deposits with financial institutions at June 30, 2023 and 2022 in excess of federally insured limits of $25,041,065 and $12,530,331, respectively.

For the years ended June 30, 2023 and 2022, contributions received from two donors account for 89% and 74%, respectively, of total revenue. Management believes that there are no foreseeable negative contingencies related to this concentration.

Note 12: RELATED PARTIES

The Organization works in partnership with ABI to fulfill the Atlanta BeltLine vision. Payments to ABI during the years ended June 30, 2023 and 2022 totaled $4,685,111 and $1,323,431, respectively. Payments to ABI are given in the form of grants for capital projects on the BeltLine, grants for operating projects, or for shared expenses. The amount due to ABI as of June 30, 2023 and 2022 is $2,234,746 and $50,772, respectively.

Note 12: RELATED PARTIES (Continued)

During fiscal 2021, the Organization promised to pay the balance of a loan incurred by ABI in the amount of $2,700,000. The outstanding balance of this promise to give payable at June 30, 2023 and 2022 was $720,000 and $1,720,000, respectively. Payments during the years ended June 30, 2023 and 2022 totaled $1,000,000 and $57,500, respectively. There is no set payment schedule for this promise to give. The Organization is making payments as funds are available.