



Atlanta BeltLine Partnership, Inc.

FINANCIAL STATEMENTS

June 30, 2022 and 2021



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REPORT





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
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 statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of Atlanta BeltLine Partnership, Inc. as of June 30, 2021, were audited by other auditors whose report dated October 15, 2021, expressed an unmodified opinion on those financial statements.

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 18, 2022



FINANCIAL STATEMENTS



Atlanta BeltLine Partnership, Inc.
Statements of Financial Position

<i>June 30,</i>	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 12,643,071	\$ 2,139,665
Promises to give, net	5,915,035	2,992,846
Prepaid expenses and other assets	20,661	32,259
Total current assets	18,578,767	5,164,770
Non-current assets		
Promises to give, net	20,919,052	947,366
Construction in progress	14,690,313	14,690,313
Property and equipment, net	20,727	345,778
Total non-current assets	35,630,092	15,983,457
Total assets	\$ 54,208,859	\$ 21,148,227
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 187,385	\$ 119,706
Construction accounts payable	-	2,528,084
Due to related party	1,770,772	1,858,309
Current portion of property tax commitment	21,967	7,884
Current portion of note payable	100,000	-
Contract liabilities	-	2,741
Total current liabilities	2,080,124	4,516,724
Long-term liabilities		
Property tax commitment, less current portion	580,072	245,808
Note payable, less current portion	110,552	-
Total long-term liabilities	690,624	245,808
Total liabilities	2,770,748	4,762,532
Net assets		
Without donor restrictions	14,032,945	14,022,215
With donor restrictions	37,405,166	2,363,480
Total net assets	51,438,111	16,385,695
Total liabilities and net assets	\$ 54,208,859	\$ 21,148,227

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

Atlanta BeltLine Partnership, Inc.
Statements of Activities

<i>For the year ended June 30, 2022</i>	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
In-kind donations - other	53,842	-	53,842
Loss on disposal of property and equipment	(260,677)	-	(260,677)
Other income	5,149	-	5,149
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			
<i>Program services</i>			
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
<i>Supporting services</i>			
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

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

Atlanta BeltLine Partnership, Inc.
Statements of Activities (Continued)

<i>For the year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Contributions	\$ 466,191	\$ 16,079,851	\$ 16,546,042
Government grants	-	230,353	230,353
In-kind donations of land	12,715,300	-	12,715,300
In-kind donations - other	131,236	-	131,236
Special event revenue	104,283	-	104,283
Other income	16,249	-	16,249
Net assets released from restrictions	15,555,008	(15,555,008)	-
Total revenue and other support	28,988,267	755,196	29,743,463
Expenses			
<i>Program services</i>			
Enable the Project	15,223,470	-	15,223,470
Engage the Public	517,845	-	517,845
Empower the Residents	692,343	-	692,343
Total program services	16,433,658	-	16,433,658
<i>Supporting services</i>			
General and administrative	264,339	-	264,339
Fundraising	364,676	-	364,676
Total supporting services	629,015	-	629,015
Total expenses	17,062,673	-	17,062,673
Change in net assets before loss due to theft	11,925,594	755,196	12,680,790
Loss due to theft	(2,506,552)	-	(2,506,552)
Change in net assets	9,419,042	755,196	10,174,238
Net assets at beginning of year	4,603,173	1,608,284	6,211,457
Net assets at end of year	\$ 14,022,215	\$ 2,363,480	\$ 16,385,695

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

Atlanta BeltLine Partnership, Inc.
Statements of Functional Expenses

For the year ended June 30, 2022

	Program Services				Supporting Services		Total
	Enable the Project	Engage the Public	Empower the Residents	Programs Subtotal	General and Administrative	Fundraising	
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 and amortization	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.

Atlanta BeltLine Partnership, Inc.
Statements of Functional Expenses (Continued)

For the year ended June 30, 2021

	Program Services				Supporting Services		Total
	Enable the Project	Engage the Public	Empower the Residents	Programs Subtotal	General and Administrative	Fundraising	
Salaries and wages	\$ 132,491	\$ 110,409	\$ 104,889	\$ 347,789	\$ 104,889	\$ 99,368	\$ 552,046
Employee benefits	14,422	12,018	11,417	37,857	11,417	10,816	60,090
Payroll taxes	10,384	8,653	8,220	27,257	8,220	7,788	43,265
Total payroll expense	157,297	131,080	124,526	412,903	124,526	117,972	655,401
Grants	14,987,105	210,690	264,234	15,462,029	-	-	15,462,029
Consultants and contractors	30,660	15,293	102,094	148,047	69,661	181,918	399,626
Depreciation and amortization	25,233	80,745	103,454	209,432	25,232	17,663	252,327
Rent and occupancy	13,818	44,219	56,655	114,692	13,818	9,673	138,183
Information technology	3,092	9,895	12,677	25,664	3,092	2,164	30,920
Advertising	580	2,639	9,664	12,883	1,756	10,968	25,607
Special events	-	-	-	-	-	17,747	17,747
Telephone	1,966	3,254	3,816	9,036	1,699	1,440	12,175
Other	1,009	3,903	4,336	9,248	1,610	1,047	11,905
Professional fees	-	-	-	-	11,236	-	11,236
Service fees	-	333	-	333	9,013	1,784	11,130
Insurance	793	2,536	3,249	6,578	793	555	7,926
Tour bus expense	-	6,957	-	6,957	-	-	6,957
Repairs and maintenance	606	1,940	2,485	5,031	606	424	6,061
Utilities	480	1,535	1,966	3,981	480	336	4,797
Supplies	478	1,528	1,958	3,964	478	334	4,776
Equipment rental	287	994	1,177	2,458	287	201	2,946
Bad debt	-	-	-	-	-	400	400
Travel, conferences and registration	66	55	52	173	52	50	275
Program events	-	249	-	249	-	-	249
Total	\$ 15,223,470	\$ 517,845	\$ 692,343	\$ 16,433,658	\$ 264,339	\$ 364,676	\$ 17,062,673

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

Atlanta BeltLine Partnership, Inc.
Statements of Cash Flows

<i>For the years ended June 30,</i>	2022	2021
Operating Activities		
Change in net assets	\$ 35,052,416	\$ 10,174,238
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	64,374	252,327
(Gain) loss on sale of property and equipment	260,677	-
Paycheck Protection Program grant	-	148,407
Forgiveness of Paycheck Protection Program grant	-	(148,407)
Changes in operating assets and liabilities		
Unconditional promises to give, net	(22,893,875)	(2,713,339)
Construction in progress additions	-	(10,471,628)
Prepaid expenses and other assets	11,598	3,452
Accounts payable and accrued expenses	67,679	(12,284)
Construction accounts payable	(2,528,084)	1,255,074
Due to related party	(87,537)	1,680,122
Refundable advance	-	(41,946)
Property tax commitment	348,347	253,692
Contract liabilities	(2,741)	(47,340)
Net cash provided by (used in) operating activities	10,292,854	332,368
Financing Activities		
Payments on note payable	(100,000)	-
Proceeds from note payable	310,552	-
Net cash provided by (used in) financing activities	210,552	-
Net change in cash and cash equivalents	10,503,406	332,368
Cash and cash equivalents at beginning of year	2,139,665	1,807,297
Cash and cash equivalents at end of year	\$ 12,643,071	\$ 2,139,665

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

Atlanta BeltLine Partnership, Inc. Notes to 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 October 2022, accomplishments include 9.2 miles of the mainline trail corridor, 10.3 miles of connector trails, 407 acres of new or improved greenspace, over \$8 billion in new private development representing more than 24,000 permanent jobs, and more than 4,400 affordable housing units created or preserved within the walking distance of the corridor. Significant milestones were reached in fiscal year 2022 with philanthropic contributions to the Organization, including the opening of the first phase of Westside Park in August 2021 and the opening of the first segment of the Southside Trail in September 2021.

The Organization successfully secured more than \$100 million in donations during fiscal year 2022 (including conditional pledges as further discussed in Note 2) to complete the 22-mile mainline trail corridor. These funds will be invested alongside funding from the Atlanta BeltLine Special Service District, the BeltLine Tax Allocation District, and federal and other public funding to provide the \$350 million needed to complete the 22-mile BeltLine trail corridor by 2030.

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.

- *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 2022, the Organization has raised more than \$144 million during the quiet phase of an approximately \$175 million multi-year campaign that will support 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 community support, favorable political will, and continued philanthropic investment through the completion of the project. The wide-ranging variety of events, activities, and programming is focused on the fitness and wellness areas.
- *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, valuation of in-kind donations, 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.

At June 30, 2021, contributions related to the Westside Park project of \$2,928,451 had not been recognized because the condition on which they depend had not yet been met. The conditions depend on certain construction milestones and the total amount of the contribution will depend on the final cost of the project. The conditions were met and the contribution was recorded during the year ended June 30, 2022.

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 \$70,500,000 have not been recorded in the statement of activities as of June 30, 2022 because the conditions on which they depend have not yet been met.

Atlanta BeltLine Partnership, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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, 2022 and 2021.

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.

Revenue Recognition

Special event revenue is accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Income from special events received in advance are deferred and recognized over the periods to which the dates and fees relate. These amounts are included in contract liabilities within the statements of financial position.

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.

Atlanta BeltLine Partnership, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

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 released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

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, 2022 and 2021, advertising costs totaled \$33,726 and \$25,607, respectively.

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, 2022 and 2021.

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, 2022 and 2021, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 18, 2022, 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 September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The Organization adopted ASU 2020-07 during the year ended June 30, 2022. This change in accounting principle did not have an impact on the financial statements.

Accounting Guidance Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is now effective for fiscal years beginning after December 15, 2021, as a delay in adoption was recently approved. Early adoption is permitted. The Organization is currently evaluating the impact of the guidance on its financial statements.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

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.

<i>June 30,</i>	2022	2021
Total assets at year end	\$ 54,208,859	\$ 21,148,227
Less non-financial assets		
Prepaid expenses and other assets	(20,661)	(32,259)
Construction in progress	(14,690,313)	(14,690,313)
Property and equipment, net	(20,727)	(345,778)
Financial assets at year-end	39,477,158	6,079,877
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(37,405,166)	(2,363,480)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,071,992	\$ 3,716,397

The Organization is principally supported by its dues and fees charged for the services it provides. The board has approved for the Organization to set aside \$400,000 per year over the next three years for an operating reserve.

Note 4: PROMISES TO GIVE

Promises to give consist of the following:

<i>June 30,</i>	2022	2021
Receivable within one year	\$ 7,260,540	\$ 3,041,295
Receivable in one to five years	20,919,052	947,366
Total promises to give	28,179,592	3,988,661
Discounted at 2%	(1,345,505)	(48,449)
Promises to give, net	\$ 26,834,087	\$ 3,940,212

Bad debt expense totaled \$400 for both 2022 and 2021.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

Note 5: PROPERTY AND EQUIPMENT

The components of property and equipment at June 30, 2022 and 2021, are as follows:

	Estimated Useful Lives (in years)	2022	2021
Furniture, fixtures and equipment	5-7	\$ 116,695	\$ 141,400
Vehicles	5	165,612	165,612
Leasehold improvements	5	-	1,150,934
		282,307	1,457,946
Less accumulated depreciation		(261,580)	(1,112,168)
Property and equipment, net		\$ 20,727	\$ 345,778

Depreciation expense for the years ended June 30, 2022 and 2021 amounted to \$64,374 and \$252,327, respectively.

Note 6: LONG-TERM DEBT

In July 2021, a major foundation made a non-interest bearing, unsecured loan of \$310,552 to the Organization, which will be due in three annual installments of \$100,000, \$100,000, and \$110,552. The first installment was paid in June 2022.

Maturities of long-term debt subsequent to June 30, 2022, are as follows:

For the years ending June 30,

2023	\$ 100,000
2024	110,552
Total	\$ 210,552

Note 7: PROPERTY TAX COMMITMENT

During fiscal 2021, the Organization launched a new program, 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, 2022 and 2021 is \$602,039 and \$253,692, respectively. Total payments for this program were \$12,285 and \$792 during the years ended June 30, 2022 and 2021, respectively.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

Note 8: NET ASSETS

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	2022	2021
Time restricted	\$ 5,619,500	\$ 6,500
Purpose restricted		
Engage the Public	100,000	203,947
Empower the Residents	261,589	35,000
Capital campaign cash and pledges - Enable the Project	31,424,077	2,118,033
Total net assets with donor restrictions	\$ 37,405,166	\$ 2,363,480

A summary of the release of donor restrictions follows:

<i>For the years ended June 30,</i>	2022	2021
Time releases	\$ 500,000	\$ 265,991
Paycheck Protection Program	-	190,353
Purpose releases		
Engage the Public	353,997	333,053
Empower the Residents	594,911	116,070
Capital campaign cash and pledges - Enable the Project	1,923,164	14,649,541
Total net assets released from donor restrictions	\$ 3,372,072	\$ 15,555,008

Note 9: REVENUE

The Organization is recognizing revenue at a point in time for its special events. As of June 30, 2022, there were no contract liabilities to be satisfied. As of June 30, 2021, there is \$2,741 of contract liabilities to be satisfied, all of which was recognized in revenue in 2022. These contract liabilities are based upon the date of the event.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

Note 9: REVENUE (Continued)

Disaggregated Revenue

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	2022	2021
Contracts with customers		
Recognized at a point of time	\$ -	\$ 104,283
Grants and contributions (non-exchange)	39,138,459	16,776,395
In-kind donations (non-exchange)	53,842	12,846,536
Other revenue and losses (non-exchange)	(255,528)	16,249
Total revenue	\$ 38,936,773	\$ 29,743,463

The Organization's customers are primarily residents of the local community around the BeltLine in Atlanta, Georgia.

Contract Balances

<i>June 30,</i>	2022	2021
Contract liabilities, beginning of year	\$ 2,741	\$ 50,081
Contract liabilities, end of year	\$ -	\$ 2,741

Note 10: GIFTS IN KIND

Donated services, materials, and property are included in the accompanying statement of activities are summarized as follows:

<i>For the years ended June 30,</i>	2022	2021
Advertising and other supplies	\$ 20,000	\$ 8,500
Land	-	12,715,300
Construction fees	-	120,000
Legal, accounting, and other professional fees	33,842	2,736
Total revenue	\$ 53,842	\$ 12,846,536

The Organization's policy related to gifts-in-kind 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 gifts-in-kind received by the Organization for the year ended June 30, 2022 and 2021, were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

Atlanta BeltLine Partnership, Inc. Notes to Financial Statements

Note 11: LOSS DUE TO THEFT

During the year ended June 30, 2021, the Organization was notified that the construction company performing work at Westside Park had not received payments totaling \$2,529,320. The Organization immediately investigated and uncovered it had been the victim of a sophisticated ACH fraud scheme. The Organization immediately notified the Federal Bureau of Investigation, the involved financial institutions, and other appropriate organizations, along with engaging the Organization's Board Chair and Treasurer. The investigation remains open and has been transferred to the Department of Homeland Security, where it has been consolidated with other cases involving the same suspect(s).

The theft did not involve staff from the Organization nor from any of the other companies impacted by this scheme. The Organization's email and financial systems were not compromised. The hackers infiltrated the email system of one of the companies involved in the approval chain for invoices and used it to send fraudulent payment information to the Organization. Following discovery of the theft, the Organization immediately upgraded its process for verifying ACH payment information and engaged an outside audit firm to conduct a full-scale review of the Organization's internal controls. Though the Organization's email system was not compromised, enhanced protections were implemented as a further safeguard. The involved financial institutions were able to recover \$22,768 in stolen funds. The unrecovered total of \$2,506,552 has been recorded as Loss Due to Theft in the Statement of Activities.

After the fraud was discovered, and prior to the end of the 2021 fiscal year, a recovery plan was initiated to pay the construction company for the invoices for which they had not received payment. The scope of the construction contract that had an original amount of \$17,028,306, was reduced to \$14,690,313 to contain costs. The Organization funded \$100,600 from existing unrestricted operating funds and initiated a board campaign that raised \$124,400. The construction company forgave \$120,000 of their fees, which has been recorded as an in-kind donation in the Statement of Activities. A major foundation authorized \$1,800,000 of the remaining conditional grant for the project to be used for loss recovery. Finally, the company whose email system was compromised contributed \$51,000.

In July 2021, the recovery plan was finalized. A major foundation made a non-interest bearing, unsecured loan of \$310,552 to the organization, as further discussed in Note 6. The Organization made a first payment of \$100,000 on the unsecured loan in June 2022.

The US Department of Homeland Security continues to actively investigate the fraud case and will update the Organization on any resolution or additional recovery of stolen funds.

Note 12: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash deposits with financial institutions at June 30, 2022 and 2021 in excess of federally insured limits of \$12,530,331 and \$1,830,941, respectively.

Atlanta BeltLine Partnership, Inc. Notes to Financial Statements

Note 13: COMMITMENTS

The Organization leases certain office equipment and office space accounted for as operating leases. The leases expire in various years through 2027.

Minimum lease payments under non-cancellable operating leases are 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

Rent expense for the years ended June 30, 2022 and 2021 was \$65,937 and \$96,940, respectively.

Note 14: RELATED PARTIES

The Organization works in partnership with ABI to fulfill the Atlanta BeltLine vision. Payments to ABI during the years ended June 30, 2022 and 2021 totaled \$1,380,931 and \$2,482,755, 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, 2022 and 2021 is \$1,770,772 and \$1,858,309, respectively. The amount due to ABI as of June 30, 2022 and 2021 includes the balance for the construction of a portion of the Westside BeltLine Connector of \$1,722,086 and \$1,779,585. ABI used funds from a loan agreement with InvestAtlanta to pay the Path Foundation for Westside BeltLine Connector construction.

Additionally, for the year ended June 30, 2021, \$12,715,300 of land was donated to ABI. There was no land donated to ABI during the year ended June 30, 2022.

Note 15: PAYCHECK PROTECTION PROGRAM

In April 2020, in response to the global pandemic, the Organization applied for and received a \$148,408 loan through the Paycheck Protection Program (PPP) under the CARES Act. Expenses incurred for eligible purposes as of June 30, 2020 totaling \$106,462 were recognized and included in contributions in the Statement of Activities. The remaining \$41,946 at June 30, 2020 was recorded as a refundable advance in the Statement of Financial Position. The full amount was forgiven in May 2021, and the refundable advance of \$41,946 has been included in contributions in the Statement of Activities for the year ended June 30, 2021.

In February 2021, the Organization received a second PPP loan from the totaling \$148,407. The full amount was expended for eligible purposes as of June 30, 2021 and has been recorded as contributions in the Statement of Activities. The loan was formally forgiven in November 2021.

Atlanta BeltLine Partnership, Inc.
Notes to Financial Statements

Note 16: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.