Comprehensive Annual Financial Report and Independent Auditor's Report

For the fiscal years ended June 30, 2021 and June 30, 2020

The Housing Authority of the City of Atlanta, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT AND INDEPENDENT AUDITOR'S REPORT

THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA

For the fiscal years ended June 30, 2021 and June 30, 2020

Issued by the Finance Department of Atlanta Housing

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INTRODUCTORY SECTION

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July 27, 2022

Members of the Board of Commissioners
The Housing Authority of the City of Atlanta, Georgia

Introduction

We are pleased to present The Housing Authority of the City of Atlanta, Georgia (referred to as "Atlanta Housing," "AH" or "Authority") Comprehensive Annual Financial Report ("CAFR" or "Report") and Independent Auditor's Report for the fiscal years ended June 30, 2021 and June 30, 2020. This Report was prepared by the Authority's Finance staff and the Authority's financial statements included in this CAFR were audited by the public accounting firm CohnReznick LLP. The Independent Auditor's Report of CohnReznick LLP is presented as the first component of the Financial Section starting on page 19.

The independent audit of the financial statements of the Authority is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require an independent auditor to report not only on the fair presentation of the financial statements, but also on the Authority's internal controls and compliance with federal program requirements.

The data presented in this Report is the responsibility of the management of the Authority. To the best of our knowledge and belief, the information as presented is accurate in all material respects, is presented in a manner designed to fairly state the financial position and the results of operations of the Authority, and includes all necessary disclosures to enable the reader to gain a thorough understanding of the Authority's financial affairs. To provide a reasonable basis for making these representations, management of the Authority has established internal controls that are designed to protect its assets and the integrity of its operations, and to obtain reasonable, rather than absolute, assurance that the Authority's financial statements are free of any material misstatements, and presented in conformity with generally accepted accounting principles ("GAAP") as promulgated by the Governmental Accounting Standards Board ("GASB").

For a complete overview and analysis of the Authority's financial position and results of operations, please review the Management's Discussion and Analysis ("MD&A") located immediately following the report of the independent public accountants, in tandem with this transmittal letter. We invite the public to review AH's CAFR on its website, www.atlantahousing.org.

Profile of the Authority

Independent Public Jurisdiction: AH is a public body corporate and politic created by the City of Atlanta in 1938 pursuant to the Housing Authorities Laws of the State of Georgia. AH has broad corporate powers including, but not limited to: the power to acquire, manage, own, operate, develop and renovate housing; invest and lend money; create for-profit and not-for-profit entities; administer Housing Choice Vouchers ("HCV"s); issue bonds for affordable housing purposes; and acquire, own and develop commercial, retail and market-rate properties that benefit affordable housing.

AH has created affiliate entities to implement and execute a number of the Authority's program activities and initiatives. The financial statements of these affiliates are included in AH's financial statements as blended component units. AH has one affiliate that is not a component unit, but is considered a related entity; therefore, the financial activities for this entity have been excluded from the Authority's financial statements (see Note A of **Notes to the Financial Statements**, page 57, for further details).

Moving to Work ("MTW") Housing Authority: AH is one of the original 39 housing authorities (out of more than 3,400 in the country) designated as a Moving to Work housing authority. An MTW agency is one that is part of a demonstration created in the 1996 Congressional appropriation for the United States Department of Housing and Urban Development ("HUD"). MTW agencies have three statutory objectives:

1. Reduce costs and achieve greater cost-effectiveness in federal expenditures.
2. Give incentives to families with children where the head of household is working, seeking work or is preparing for work by participating in job training, educational programs or programs that assist people to obtain employment and become economically self-sufficient.
3. Increase housing choices for low-income families.

Having moved from "troubled agency" status in 1994 to "high performer" status in 1999, and sustaining that status thereafter, AH applied for and received the MTW designation in 2001. After extensive negotiations with HUD, AH executed its MTW Agreement with HUD on September 23, 2003, effective as of July 1, 2003. AH was able to retain the unique provisions under its original agreement when it negotiated and executed a 10-year extension of this agreement effective November 13, 2008, and further amended it on January 16, 2009, which extended the MTW Agreement until June 30, 2018. The Consolidated Appropriations Act of 2016 further extended the MTW status of all MTW agencies until the end of their fiscal year 2028.

AH's MTW Agreement provides substantial statutory and regulatory relief under the U.S. Housing Act of 1937, as amended. AH's program design for implementing its MTW Agreement is reflected in AH's multi-year strategic plan, known as Vision 2022, which was prepared leveraging the statutory and regulatory relief under its MTW Agreement combined with the guiding principles, the lessons learned and best practices from AH's Revitalization Program. Under its MTW Agreement, AH has the flexibility to develop policies and procedures that differ from those prescribed in regulations implementing Section 8 and 9 of the Housing Act of 1937. It also provides the flexibility to innovate and create new programs, and to create and implement local solutions to address local challenges in providing affordable housing opportunities to eligible low-income households in Atlanta. The success that AH has achieved as an innovator, fulfilling the promise of the MTW program envisioned by Congress, is apparent in a review of AH's many initiatives. For more details, see the Approved MTW

Activities section of AH's FY 2021 MTW Annual Report on AH's website at https://www.atlantahousing.org/wp-content/uploads/2021/10/HA-GA006-FY2021-Ann.-MTW-Report.pdf.

While statutory and regulatory flexibility are foundational elements of the MTW program, the Single Fund authority is essential to AH's financial viability. AH's MTW Agreement permits AH to combine its HCV funds, Public Housing Operating Subsidy and Capital Fund Program grants into an MTW Single Fund which may be used for MTW-eligible activities set forth in AH's MTW Annual Plan that best meet local low-income housing needs. The funding flexibility provided to AH under the MTW Agreement is essential to AH's continued success and long-term financial viability.

Governing Body and Strategic Guidance: Housing Authorities are unique in that state governments usually create them, the Federal government usually funds them through operating subsidies, and local government usually appoints their governing body. Atlanta Housing's governing body, the Board of Commissioners (the "Board") is comprised of seven members, including two resident members, appointed by the Mayor of the City of Atlanta, and confirmed by the Atlanta City Council. The Board appoints the President and Chief Executive Officer to administer the affairs of the Authority, including staff management of the Authority. AH is not considered a component unit of the City of Atlanta; therefore, AH's financial statements are not included in the City's financial statements.

The Board provides strategic guidance and oversight of AH's operations. AH's programs and actions are further guided by its business plan, as modified, refined and updated in its MTW Annual Plans, which are adopted by the Board. The underpinnings for the business plan are AH's Vision and Mission statements:

Our Vision*:* "Healthy Mixed-Income Communities; Healthy Self-Sufficient Families."

Our Mission*:* "Provide quality affordable housing in amenity-rich, mixed-income communities for the betterment of the community."

AH's business model positions it to achieve three goals:

Quality Living Environments — Provide quality affordable housing in healthy mixed-income communities with access to excellent quality-of-life amenities.

Self-Sufficiency — (a) Facilitate opportunities for families and individuals to build economic capacity and stability that will reduce their dependency on rental subsidy and help them, ultimately, to become financially independent; (b) facilitate and support initiatives and strategies to support great educational outcomes for children; and (c) facilitate and support initiatives that enable the elderly and persons with disabilities to live independently with enhanced opportunities for aging well, and to improve health and wellness for all residents.

Economic Viability — Maximize AH's financial soundness and viability to ensure sustainability of its investments and portfolio of properties.

In approaching its work, regardless of the funding source, strategy or programmatic initiative, AH applies the following five guiding principles:

1. End the practice of concentrating low-income families in distressed and isolated neighborhoods.
2. Create healthy mixed-use, mixed-income (children-centered) communities using a holistic and comprehensive approach to assure long-term market competitiveness and

sustainability of the community, and to support successful outcomes for families (especially children), with emphasis on excellent, high-performing neighborhood schools and high quality-of-life amenities, including first-class retail and green space. Create mixed-income communities with the goal of developing market-rate communities with a seamlessly integrated affordable residential component.

3. Develop communities through public/private partnerships using public and private sources of funding, private sector expertise and real estate market principles.
4. Support AH-assisted families with strategies and programs that help them achieve their life goals, focusing on financial self-sufficiency and educational advancement of the children with expectations and standards for personal responsibility benchmarked for success.

In addition to these strategic directions, and creatively using the tools and flexibility afforded by its MTW Agreement to implement housing policy reforms across all programs, during FY 2021 AH focused on the following priorities as articulated in Vision 2022.

Vision 2022

In the latter part of FY 2017, AH introduced its new strategic goals under the umbrella of the MTW Plan known as *Vision 2022*. AH strongly believes in the potential of the individual. Therefore, Vision 2022 takes a people-centered, holistic approach that creates opportunities for those we serve to live, work and thrive in innovative, safe and healthy communities. These three thrusts are the building blocks of our strategy:

- **Live:** AH will redefine its approach to affordable housing development to emphasize community development, alongside the creation of live-work-thrive innovation spaces.
- **Work:** AH will invest agency funding toward the agency's self-sufficiency programs, with a focus on family independence, student achievement, digital literacy/connectivity, health and volunteerism.
- **Thrive:** AH will streamline its service delivery approach by updating financial policies and protocols, continuing to reduce operational overhead, and identifying areas to preserve and increase quality affordable housing in the City of Atlanta.

AH believes that people, not buildings, are the heartbeat of a community. Thus, as we strive to increase access to quality housing for all, we also consider the needs of those we serve and ways in which we can improve their lives and the surroundings. That is the core of *Vision 2022*. It is a strategy about people and community — people living well and working toward total self-reliance in communities that thrive.

Vision 2022 is fully described on AH's website at https://www.atlantahousing.org/wp-content/uploads/2018/03/Vision2022_3.23.17.pdf.

Housing Profile: AH chartered a new course and embarked on an important and ambitious mission: to transform its delivery of affordable housing by ending the practice of concentrating low-income families and by abandoning the traditional 100% public housing model through implementation of a comprehensive and strategic Revitalization Program. Under AH's Revitalization Program, public-housing-assisted households were relocated to housing of their choice, primarily to private housing

(using tenant-based HCVs). After relocation, distressed and obsolete housing projects were demolished, and the sites remediated and prepared for development.

Through partnerships with excellent private-sector developers, market-rate, quality, mixed-use, mixed-income communities continue to be developed using public and private resources. AH's Revitalization Program is designed to intentionally de-concentrate poverty and create communities of choice, where Atlanta's families from every socio-economic status can live, learn, work, and play as they pursue their version of the American dream.

As of June 30, 2010, AH successfully completed the relocation of all affected public-housing-assisted households and, by December 31, 2010, AH had completed the demolition of the 12 remaining properties. With the completion of the relocation and demolition phases, AH no longer owns or operates any large-family public housing projects, thereby ending the era of warehousing low-income households in distressed and obsolete developments in isolated and depressed areas.

In 2012, AH used its MTW authority to design a reformulation demonstration by which HUD would replace public housing funding with HCV funding for selected communities in AH's real estate portfolio. Chosen communities would secure private financing for revitalization and HUD would provide sufficient HCV funding to pay for operating expenses as well as covering debt service. AH and HUD used the reformulation demonstration to convert Centennial Place I, II, III and IV to HCV funding in 2013.

At the same time, however, HUD created a program with similar aims known as the Rental Assistance Demonstration ("RAD") and notified AH that future conversions would use the RAD model. In 2017, Juniper & Tenth High-rise became AH's first conversion to HCV funding under RAD. Its tenants were temporarily relocated and the property remodeled with re-occupancy essentially completed by the end of FY 2018. HUD subsequently approved several more AH communities for RAD conversion and invited AH to convert the rest of its AH-Owned and AH-supported mixed-income, mixed-finance ("MIXED") properties, which AH plans to accomplish in the coming years. By June 30, 2021, AH had converted four AH-Owned communities and nine MIXED communities, and was working on the conversion of 10 additional communities, all projected to be closed in FY 2022 and FY 2023.

Choice Atlanta is Atlanta Housing's initiative as part of HUD's Choice Neighborhoods ("CN") program. AH as lead applicant, and the City of Atlanta as co-applicant, received a 2010 $250,000 Choice Neighborhoods Planning Grant and in 2015 a $30 million Choice Neighborhoods Implementation Grant ("CNIG") from HUD to create and implement a Neighborhood Transformation Plan for the former University Homes public housing site. Using HUD's Housing, People, and Neighborhood focus, the $30 million grant is being utilized to create 519 new housing units, provide supportive services and resources targeting affected AH-assisted households, and support critical neighborhood improvements.

As a result of the above-described strategic initiatives and leveraging more than $300 million in HOPE VI, other public housing development funds and MTW funds, which resulted in a total financial investment and economic impact of more than $2 billion, AH's portfolio of housing opportunities has changed dramatically since 1995. In 1994, AH owned and operated 14,300 public-housing-assisted units in 43 conventional public housing communities, and administered approximately 4,500 certificates and vouchers. As of June 30, 2021, AH's housing profile and operating activities have evolved into the following:

- Public-housing-assisted communities (seven senior high-rise buildings and two small-family developments) owned and operated through professional property management firms, with 1,261 housing units, all of which are well-located in economically integrated neighborhoods (referred to as AH-Owned residential communities);
- Operating subsidy for 1,562 Annual Contribution Contract ("ACC") (HUD-subsidized) units in 25 AH-Sponsored MIXED rental communities owned and operated by related public/private Owner Entities;
- Tenant-based HCV rental assistance for 11,359 units owned and operated by private rental property owners;
- HomeFlex (AH's project-based rental assistance program) for 1,521 units at 20 of the AH-Sponsored MIXED rental communities owned and operated by related public/private Owner Entities;
- Rental assistance for 4,841 HomeFlex units in 58 Stand Alone HomeFlex and Supportive Housing (HAVEN) communities owned and operated by unrelated private owners;
- Rental assistance for 1,340 HomeFlex units in the 13 communities that converted under HUD's RAD program;
- Additional rental assistance to 295 participants in a local short-term housing assistance program for homeless prevention;
- Mortgage assistance to 18 participants, who used their tenant-based HCVs for homeownership; and
- Down Payment Assistance ("DPA") loans to 261 new homeowners during FY 2021, bring the total to 1,432 first-time homebuyers since the inception of the program in 2005.

The implementation of these initiatives has also changed the mix of AH's revenue from HUD being primarily comprised of Section 9 Public Housing operating funds and capital funds in 1995 to being primarily comprised of HCV funds in FY 2021. During FY 2021, approximately 96% of AH's funds received from HUD were attributable to HCV funds.

Moreover, as a result of the strategic Revitalization Program and other initiatives, and the shift from a primarily Public Housing operating fund platform to the HCV fund platform, AH's operations are more stable and its financial position is stronger.

In addition to the above operating profile, AH is one of the 11 founding member organizations of National Housing Compliance, Inc. ("NHC"), a Georgia not-for-profit 501(c)(4) corporation that performs contract administration services as HUD's Performance Based Contract Administrator ("PBCA") for the states of Illinois and Georgia. NHC makes periodic contributions to members based on NHC's earned PBCA revenue in excess of NHC's operating expenses. As a member, AH receives non-federal contributions from NHC activities in Illinois and Georgia, which are included in AH's financial statements as operating revenue.

Budget Process and Monitoring: The annual budget for the Authority is prepared with significant involvement from the CEO and the executive and senior leadership staff, and the support and analysis of AH Financial Planning and Analytics staff. At the beginning of the budget process, the CEO and executive staff establish the key areas of focus for the coming year based on the agency's Strategic Plan and the MTW Annual Plan. AH then develops an annual budget to accomplish the goals and priorities of that plan.

On an annual basis, the Board approves the Authority's Comprehensive Operating and Capital Budget after the CEO has presented both the MTW Annual Plan and the Authority's proposed budget for public review and comment. Throughout the fiscal year, the Board-approved budget becomes the primary management tool to plan, control and evaluate spending for major activities and programs. Monthly actual-to-budget performance reports are reviewed by the Financial Planning and Analytics staff and the Authority's departments. Monthly actual-to-budget reviews are conducted at the management and executive levels, and budget revisions and actions to address variances against the budget are taken, as needed, to ensure appropriate budget control. A quarterly report is also submitted to the Board with a complete analysis and explanations of significant actual-to-budget variances.

Financial and Operational Oversight: There are several ways the Authority is ensuring financial and operational oversight. The key mechanisms are as follows:

- Three standing Board Committees which meet periodically with AH's senior management: Audit and Finance Committee; Operations Committee; and Real Estate Committee. Each committee has its own charter and is comprised of at least two Commissioners.
- An expanded Strategy, Policy and Regulatory Affairs department role and responsibility to ensure continued regulatory compliance, operational performance monitoring and productivity of real estate development, asset portfolio and HCV management.
- Financial and operational compliance audits (Business Process Review) conducted at least once a year at each of the communities where the Authority-assisted participants reside.

Economic Conditions and Financial Outlook

Our MD&A on page 23 provides a comprehensive analysis of national and local economic conditions and financial outlook, including the status and outlook of federal funding.

FY 2021 Accomplishments and Program Highlights

AH comprehensively operates the entire agency pursuant to its MTW Agreement, which was successfully extended to 2028 during 2016, and utilizes fungibility of its MTW Single Fund in operating and administering its programs. In cases where there are statutory requirements or grant provisions, AH complies with these terms as required. Each AH program is designed to economically and efficiently leverage all AH resources where possible, inclusive of finances and funding flexibility, knowledge and experience, grant funds, rental subsidies, partner relationships and land. Through its various housing solutions and programs, all supported by human development services, AH is able to meet a broad spectrum of housing needs for low-income families in the City of Atlanta.

Below are some of AH's FY 2021 major accomplishments and milestones, which demonstrate AH's continued strategic focus and commitment to its Vision and three primary statutory goals.

Real Estate Development and Public Housing

- As part of the University Choice Neighborhoods Program, in FY 2021, **lease-up was completed** at Ashley Scholars Landing I, a multifamily rental community of **135 units** (54 replacement/affordable, 54 workforce and 27 market units) that was developed in

2019. Ashley Scholars Landing I C, a **72-unit** multifamily rental community (25 replacement/affordable, 25 workforce and 22 market units) **financial closing occurred in July 2021**. Planning for the development of the last rental phase, Ashley Scholars Landing II, a **212-unit** multifamily rental community, is well underway with financial closing planned for CY 2022.

- Herndon Senior, the first phase of the development of Herndon Square, closed in December 2019 with **construction completion in April 2021**, providing **97** homes for independent seniors. Lease-up continued throughout the remainder of FY 2021.
- In December 2020, AH was awarded a $450,000 Choice Neighborhoods Planning Grant to advance the master planning of the 74-acre Bowen Homes and develop a community-driven Neighborhood Transformation Plan for the former Bowen Homes public housing site, the adjacent Carey Park neighborhood and a portion of the Donald Lee Holloway commercial corridor.
- AH has 107 acres at 6 sites actively in various stages of development with procured development partners and will issue Requests for Proposal for development partners in FY 2022 – FY 2023 for 5 sites to develop an additional 112 acres.
- Continued efforts to convert the public housing portfolio from Section 9-funded public housing to Section 8-funded HomeFlex under HUD's RAD program. At the end of FY 2021, AH had **converted 1,340 units at 13 communities**.
- **Positioned eight communities comprised of 650 affordable units for RAD conversion in FY 2021; however, the projects were delayed and are on track to close in FY 2022**, which include: Barge Road High-rise; Hightower Manor High-rise; Villages of Castleberry Hills II; and four Columbia MIXED communities.
- **Added 130 assisted units** through its private, multifamily HomeFlex program.
- **261 eligible and first-time homebuyers** received Down Payment Assistance from AH.

Supportive Housing

- **Increased Households Served to 26,507**, a 3.0% increase over FY 2020 Households Served.
- **295 families at risk of homelessness** were stabilized through short-term rental assistance under the Home Again program.

Human Development

- **$3.2 million invested to provide human development** services to help families overcome barriers to work.
- Provided **human development and case management services to more than 2,115 Housing Choice participants.**
- **29 students were awarded scholarships valued at more than $60,000** through AH's James Allen Community Scholars Award and University Choice Neighborhoods.
- AH's annual **Summer Internship Program hosted 15 students** residing in AH-assisted units, encouraging them to explore career options and opportunities.

Administration

- Again awarded the **Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada** ("GFOA") for its FY 2021 Budget.
- Again awarded a **Certificate of Achievement for Excellence in Financial Reporting** from GFOA for its FY 2020 Comprehensive Annual Financial Report.

We take our responsibility to serve the community and Atlanta's low-income families very seriously. Our MTW Agreement has allowed us to be innovative, engaging our partners and stakeholders in local problem-solving. We believe we are transforming the business of helping people.

Acknowledgments

We would like to take this opportunity, on behalf of the staff and residents of Atlanta Housing, to acknowledge the members of the Board for their tireless support and guidance.

The preparation of this Report has been accomplished through the hard work of the Finance Department and support of other staff members throughout the Authority. We also wish to express our appreciation to all the individuals who contributed to the preparation of this Report.

Eugene E. Jones Jr.
President and Chief Executive Officer

Kenneth A. Sedackas
Interim Chief Financial Officer

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

The Atlanta Housing Authority
Georgia

For the Fiscal Year Beginning

July 01, 2020

Christopher P. Morrill

Executive Director

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The Housing Authority of the City of Atlanta, Georgia

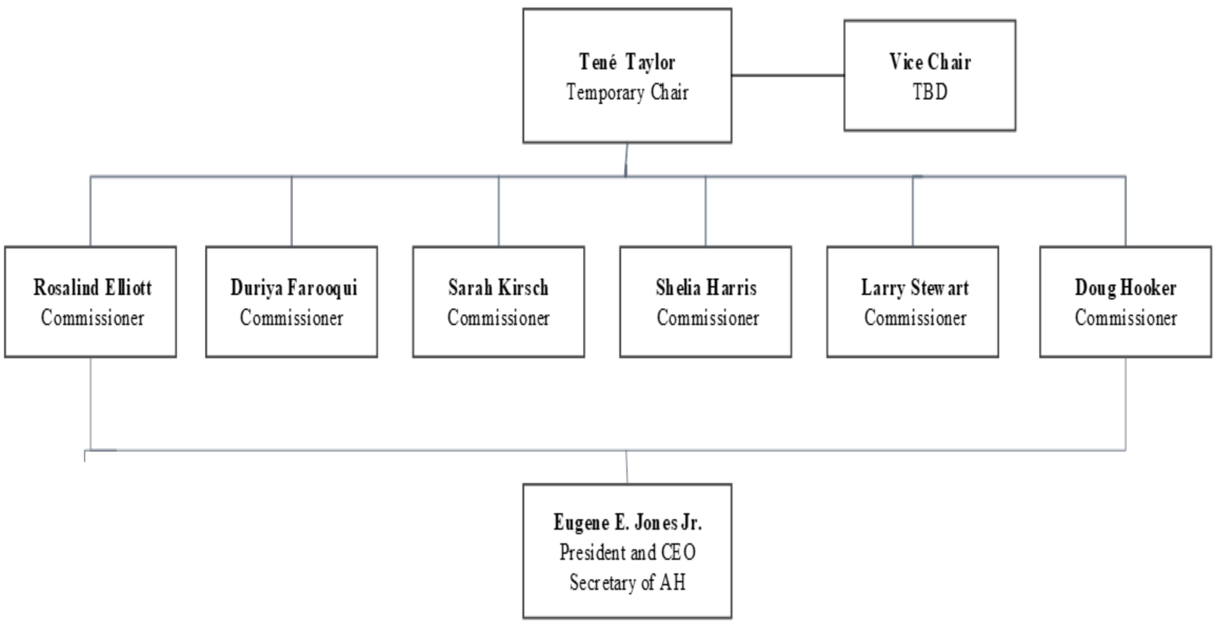
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

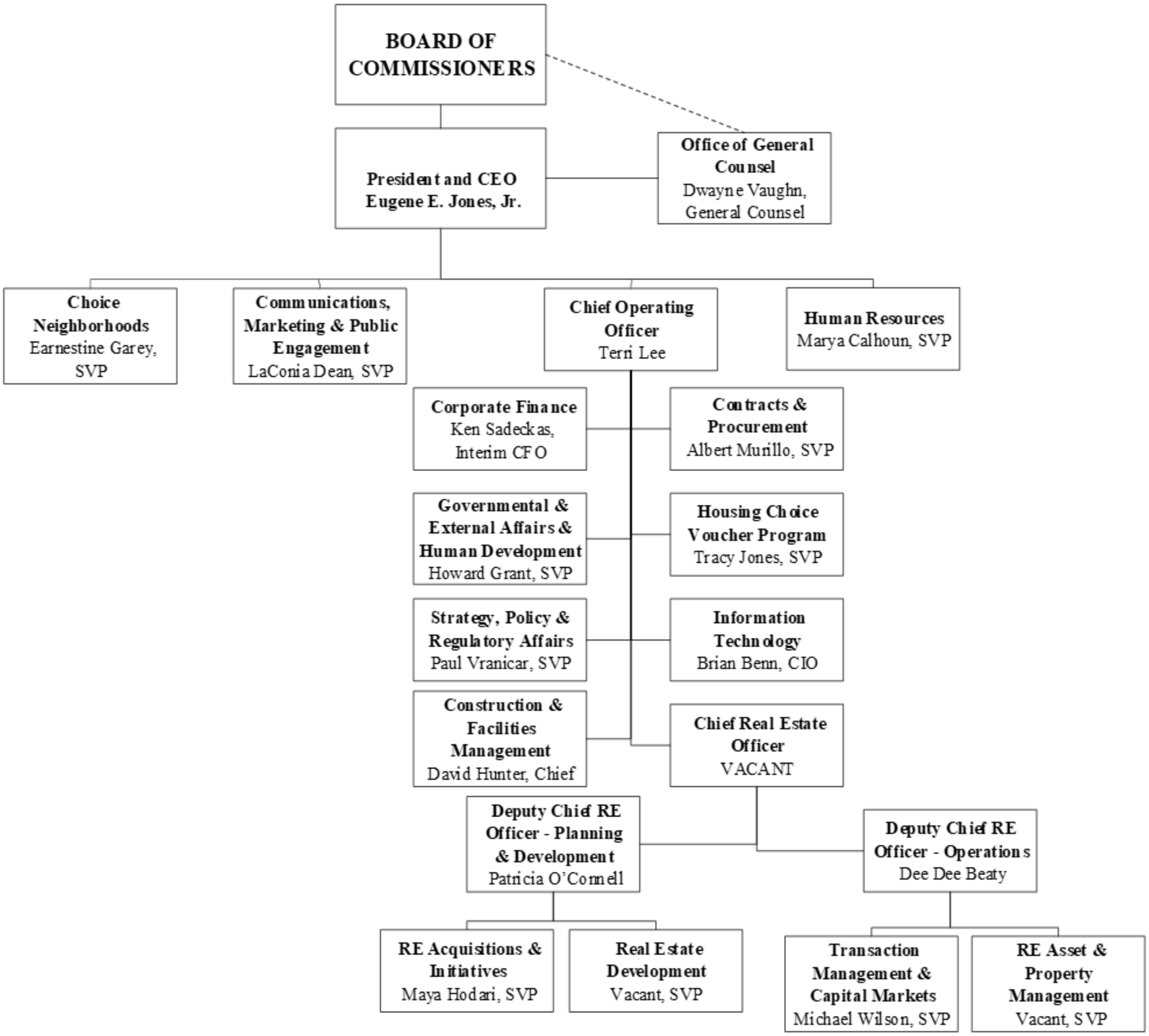
Executive Director/CEO

AH’s Board of Commissioners



As of July 2022

AH's Organizational Structure



As of July 2022

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FINANCIAL SECTION

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Independent Auditor's Report

To the Board of Commissioners
The Housing Authority of the City of Atlanta, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of The Housing Authority of the City of Atlanta, Georgia as of and for the years ended June 30, 2021 and June 30, 2020, and the related notes to the financial statements, which collectively comprise The Housing Authority of the City of Atlanta, Georgia'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 an opinion on these financial statements based on our audits. We conducted our audits 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Housing Authority of the City of Atlanta, Georgia as of June 30, 2021 and June 30, 2020, and the changes in its financial position and cash flows for the years 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 on pages 23 to 48 and the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Pension Plan Contributions on pages 90 and 91, respectively, 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 audits 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise The Housing Authority of the City of Atlanta, Georgia's basic financial statements. The introductory section, the Financial Data Schedules required by the U.S. Department of Housing and Urban Development ("HUD") and notes thereto, the Schedules of Related-Party Development Loans, the Schedules of Related-Party Other Loans and Fees Receivable, the Schedules of Related-Party Transactions, the Schedule of HUD-Funded Grants, the Schedule of RHF Program Completion Costs and Advances Program Certification, the Schedule of ROSS Program Completion Costs and Advances Program Certification, and the statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The HUD Financial Data Schedules and notes thereto, Schedules of Related-Party Development Loans, Schedules of Related-Party Other Loans and Fees Receivable, Schedules of Related-Party Transactions, Schedule of HUD-Funded Grants, Schedule of RHF Program Completion Costs and Advances Program Certification, and Schedule of ROSS Program Completion Costs and Advances Program Certification 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 audits 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 HUD Financial Data Schedules and related notes thereto, Schedules of Related-Party Development Loans, Schedules of Related-Party Other Loans and Fees Receivable, Schedules of Related-Party Transactions, Schedule of HUD-Funded Grants, Schedule of RHF Program Completion Costs and Advances Program Certification, and Schedule of ROSS Program Completion Costs and Advances Program Certification are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical information 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 September 29, 2022, on our consideration of The Housing Authority of the City of Atlanta, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Housing Authority of the City of Atlanta, Georgia'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 Housing Authority of the City of Atlanta, Georgia's internal control over financial reporting and compliance.

CohnReznick LLP

Charlotte, North Carolina
September 29, 2022

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The management of The Housing Authority of the City of Atlanta, Georgia (referred to as "Atlanta Housing," "AH" or "Authority") is providing this Management's Discussion and Analysis ("MD&A") as an analytical overview of AH's financial performance for the fiscal years ended June 30, 2021 ("FY 2021") and June 30, 2020 ("FY 2020"). This document should be read in conjunction with the Letter of Transmittal, AH's Financial Statements and accompanying Notes.

OVERVIEW OF FINANCIAL STATEMENTS

AH is pleased to present its Financial Statements for the fiscal years ended June 30, 2021, and June 30, 2020, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") as applied to governmental entities. GAAP requires the inclusion of three basic financial statements: statement of net position (balance sheet); statement of revenues, expenses and changes in net position; and statement of cash flows. In addition, GAAP requires the inclusion of this MD&A as required supplementary information.

The financial statements provide both short- and long-term information about the Authority's financial condition. The financial statements also include notes that provide additional information, including a summary of significant accounting policies applied consistently in the preparation of the financial statements. As provided under GAAP, the Authority uses the accrual basis of accounting to prepare its financial statements. Under this basis of accounting, revenue is recognized in the period in which it is earned, and expense, including depreciation and amortization, is recognized in the period in which it is incurred. All assets and deferred outflows and liabilities and deferred inflows associated with the operations of the Authority are included in the statements of net position.

AH's results of operations are presented in the statements of revenues, expenses and changes in net position, where activities are categorized between operating and non-operating items. AH defines its operating revenues as income derived from operating funds received from HUD, tenant dwelling revenue, development and other grants used for operating expenses, as well as fees earned in conjunction with development activities under AH's development and revitalization program. Operating expenses for proprietary funds include the cost of housing assistance to low-income families, operating housing units and providing tenant services, revitalization, demolition and remediation, administrative expenses and depreciation on capital assets. Non-operating revenues and expenses include interest and investment income, gain from the sale of assets, adjustments to valuation allowances and interest expense. Capital contributions include MTW Single Fund and development grants used for capitalized expenditures, including loans, in connection with modernization, development and revitalization activities. See Note B.13 of the **Financial Statements** for further information.

FY 2021 OPERATION HIGHLIGHTS

Advancing Affordable Housing Opportunities

Using its available programs, AH continued to advance and facilitate quality affordable housing opportunities in a variety of healthy mixed-income communities for low-income families as follows:

Tenant-based Housing Choice Voucher Program

Under the HCV program, AH supported 10,704 households at the end of FY 2021 compared to 11,122 at the end of FY 2020, which includes in-jurisdiction participants, as well as participants who: (a) moved from AH's service area to a residence outside of AH's service area; (b) moved into AH's service area from other public housing agencies' service areas; (c) are searching for a new unit; or (d) received mortgage assistance for their homes in AH's service area. Significant FY 2021 accomplishments include:

- A total of **$123.7 million** provided in payments under the HCV program.
- 738 new households, before attrition, housed from the Housing Choice waiting list and for special programs.

HomeFlex Program

At the end of FY 2021, 7,702 households were supported under AH's HomeFlex program, including RAD converted units, compared to 7,664 at the end of FY 2020. This program includes payments to related Owner Entities (private-sector owners) of AH-Sponsored MIXED communities, unrelated private-sector owners of mixed-income communities and unrelated owners of Stand Alone HomeFlex and HAVEN communities. Significant FY 2021 accomplishments include:

- A total of **$53.4 million** provided in payments under this program.
- HomeFlex rental assistance provided to 4,841 households at 58 unrelated Stand Alone HomeFlex and Supportive Housing ("HAVEN") communities
- HomeFlex rental assistance provided to 1,521 households at 20 AH-Sponsored MIXED communities.
- RAD rental assistance provided to 1,340 households at 13 AH-Sponsored MIXED communities.

Operating Subsidy Provided to Owner Entities of AH-Sponsored MIXED Communities

AH closed out FY 2021 serving 1,562 families in public-housing-assisted units in 25 AH-Sponsored MIXED rental communities. In FY 2021, AH provided **$7.8 million** in operating subsidy to Owner Entities, in accordance with regulatory and operating agreements, to cover the operating costs of AH-assisted units in MIXED communities not covered by tenant rents.

Operating Expenses and Capital Improvements at AH-Owned Residential Communities

At the end of FY 2021, AH owned nine communities: seven senior high-rises which are dedicated to advancing the strategic goals of independent living and improving the quality of life for elderly and disabled persons; and two small-family communities.

FY 2021 OPERATION HIGHLIGHTS — continued

During FY 2021, AH:

- Funded **$9.9 million** in operating expenses, inclusive of site-based human development services, which were not covered by tenant rents, to support a total of 1,261 households.
- Invested **$3.2 million** for modernization and renovation construction projects designed to maintain AH's properties and to continue to improve the quality of life at AH-Owned senior high-rises and multifamily communities.
- Continued to realize substantial benefits from the energy and efficiency improvements completed during FY 2014 and funded under the Energy Performance Contract ("EPC") capital lease secured during FY 2012.

Achieving Our Vision:
Healthy Mixed-Income Communities;
Healthy Self-Sufficient Families

Real Estate Development and Revitalization Activities

AH funded **$28.9 million** in development and revitalization activities during FY 2021 as AH continued acquisitions and planning efforts to enhance its development capacity and continued to advance Master Plans for the redevelopment of its former public housing properties into MIXED communities.

FY 2021 development and revitalization activity highlights include:

University Homes Choice Neighborhoods Implementation Grant
(community is now known as *Scholars Landing*)

Pursuant to its $30 million University Homes Choice Neighborhoods Implementation Grant (CNIG) award in 2015, AH continued to administer CNIG activities designed to redevelop the former University Homes public housing site and revitalize the University Choice Neighborhood (UCN). Collectively, UCN is now comprised of Ashview Heights, Atlanta University Center and Vine City. Choice Neighborhoods Atlanta is a neighborhood transformation initiative focused on people, housing and neighborhood.

FY 2021 OPERATION HIGHLIGHTS — continued

During FY 2021, AH continued work on the CNIG Housing Component to redevelop the 26 acres of the former University Homes public housing community (Scholars Landing) with AH's development partner. AH also made investments in Neighborhood and People programs, and conducted activities toward the achievement of the UCN Transformation Plan milestones.

Working with its development partner to advance the housing component of the University Homes CNIG program, progress continued on the Scholars Landing buildout in FY 2021as follows:

Ashley I A/B (Ashley at Scholars Landing)

- The 135-unit multifamily rental community includes 54 HomeFlex, 54 Choice Neighborhoods workforce and 27 market-rate rental units
- Construction was completed in December 2019; lease-up activities continued in FY 2021 and it is now currently fully occupied.

Ashley I C

- Planning/predevelopment continued for the development of a 72-unit multifamily rental community, to be comprised of 25 low-income, 25 CN workforce and 22 market-rate rental units.
- Financial closing occurred and construction is ongoing.

Ashley II

- Planning/predevelopment continued for the development of a 212-unit multifamily rental community, to be comprised of 90 low-income, 24 Low Income Housing Tax Credit-only and 98 market-rate rental units.
- Financial closing is anticipated for CY 2022 with construction to immediately follow.

Roosevelt Hall

Design was completed, permits approved and construction started in FY 2021 on this innovative adaptive reuse of the original commercial and community building that supported the former residents of University Homes. With a $10 million investment, this building will be preserved to support future Choice Neighborhoods initiatives, community activities and the community engagement work of the adjacent Atlanta University Center schools. Construction is scheduled for completion in CY 2022.

FY 2021 OPERATION HIGHLIGHTS — continued

HUD's Rehabilitation Assistance Demonstration ("RAD") Program

During FY 2021, AH continued its efforts to convert its public housing portfolio from Section 9-funded public housing to Section 8-funded Project Based Voucher communities under HUD's RAD program.

- Work continued to convert Columbia Village, Hightower Manor, Barge Road and Villages at Castleberry Hills II to Section 8 funding sources and rehabilitation; and four Columbia properties for subsidy conversion only. Columbia Village and Hightower Manor closed in FY 2022. However, due to delays, Barge Road and Castleberry Hills II are now planned to close in FY 2023.

AH Co-investment Program

In addition to development on its vacant land, with a total $60 million planned investment, AH is partnering with the Atlanta BeltLine Inc., Invest Atlanta and development partners through AH's Co-Investment Program to increase the supply of affordable housing throughout the City of Atlanta. This innovative program allows AH to support shovel-ready affordable housing projects throughout the City of Atlanta that require gap financing.

- The program guidelines and activities were submitted to HUD as part of the MTW annual planning process for FY 2022 and final approval was received on September 29, 2021.
- In order to support the preservation of existing affordable housing and as a demonstration program, AH closed on London Townhomes, an investment of $7.4 million, with HUD approval in August 2020 for the renovation of 200 townhomes, providing 150 HomeFlex vouchers.
- Planning and predevelopment work was completed on a co-investment project known as 872 Memorial Drive or Madison Reynoldstown, in partnership with Atlanta BeltLine Inc. and its development partner. Financial closing occurred in December 2021.
- Deal negotiations and partnership discussions were initiated with private sector developers to secure co-investment funds for gap financing and, in some cases, for AH to acquire the land for a future ground lease. It is anticipated that approximately 1,100 affordable units will be created in FY 2022 and beyond through these unique partnerships.

Atlanta Civic Center

In FY 2021, AH performed due diligence on the 19.5-acre site and existing structures, and developed a revised development program that envisions a dense mixed-use, mixed-income urban development that will integrate mixed-income housing, diverse retail and commercial uses with preservation of the existing civic structures in order to create an economic and equitable development center for the Old Fourth Ward area.

AH issued a Request for Qualifications for development partners in late FY 2021, followed by a Request for Proposals to qualified developers who responded to the RFQ. Final selection of a development partner is planned for FY 2023.

Centennial Place (Techwood/Clark Howell Homes Revitalization)

Public improvement construction work funded by the City of Atlanta commenced in June 2019 on a road to accommodate the final phase of the Centennial development, Centennial Park North II and GA Tech. Construction was completed in FY 2022.

FY 2021 OPERATION HIGHLIGHTS — continued

CollegeTown at West End (Harris Homes Revitalization)

During FY 2020, AH worked with HUD to approve the disposition of approximately three acres of AH-Owned land to Truly Living Well ("TLW") Center for Natural Urban Agriculture in support of the existing TLW urban farm and educational center for commensurate benefits to the community and low-income families of CollegeTown. The financial closing to dispose of the land to TLW occurred in July 2020 (FY 2021).

Englewood Manor

- AH is advancing the redevelopment of the 30-acre former Englewood Manor public housing site, working with two development partners.
- In FY 2021, AH worked collaboratively with the developers on a final master and infrastructure plan to create an innovative green storm water/infrastructure plan that is designed to meet the stringent requirements of SITES certification for sustainable and resilient landscapes.
- In FY 2021, AH and its development partners worked with an architectural firm to develop the civil engineering drawings for construction with the goal to begin construction in FY 2023.
- In late FY 2021, AH initiated the entitlement process to rezone the site consistent with the master plan and to receive approval from the Atlanta Regional Commission for a Development of Regional Impact study focusing on transportation impacts of this large-scale development on a surrounding neighborhood.
- Community engagement continued throughout FY 2021.
- AH is working to finalize negotiations on an acquisition from the City of Atlanta of land parcels at 1111 and 360 Hill Street, located north of the former public housing site. The proposed transaction contemplates AH disposing of Jonesboro South to the City of Atlanta, purchasing 1111 and 360 Hill Street, with a lease-back agreement with the City of Atlanta for ongoing operations on 360 Hill Street through 2023.

Herndon Square (Herndon Homes Revitalization)

- Public improvements and infrastructure construction for Phase I started on the 12-acre site in 2019 and were completed in late FY 2021, with coverage of approximately 50% of the site.
- The first phase of development, Herndon Senior, closed in December 2019, for 97 affordable rental units for independent seniors and was completed in April 2021. The former residents of Herndon Homes were offered the first units to support their ability to return to the site if desired. Lease-up continued through the balance of FY 2021.
- Work continued on the development plan for the future phases of development with Phase II to include mixed-income multifamily rental units and potentially retail, depending on market conditions. Financial closing is expected in FY 2023.
- AH continued outreach activities to former Herndon Homes residents and community engagement with the neighborhood.

FY 2021 OPERATION HIGHLIGHTS — continued

Magnolia Park (part of Choice Neighborhoods)

- Following a request for proposals issued for the disposition and development of 30 scattered site properties on approximately 4 acres within the Vine City neighborhood with the University Choice Neighborhoods Program boundaries, three local developers were selected.
- Negotiating final business terms with two of the developers was put on hold in FY 2021 due to concerns about the effects of the pandemic upon the sale of homes. Negotiations continued with the third developer who proposed affordable rental housing; however, a final decision was withheld pending the acquisition of a parcel of land by the developer that was critical to the development plan. Construction is planned to begin in FY 2023.

West Highlands at Perry Boulevard (Perry Homes Revitalization)

- Based on a HUD approval in 2018, in FY 2021 AH continued to work on the land conveyance to the Homeowner Association related to the development of greenspace, parks, storm water management system and, with the City of Atlanta, public infrastructure.
- AH continued negotiations with the homeowner developer for West Highlands to purchase additional former Perry Homes land and off-site land that AH had purchased to support the redevelopment — with plans to develop an additional 499 for-sale homes on approximately 25 acres.
- The homeownership developer continued to construct for-sale affordable and market-rate housing on former Perry Homes land conveyed to the developer, selling 5–9 homes per month.

Bowen Homes

In December 2020, AH received a $450,000 Choice Neighborhood Planning Grant from the U.S. Department of Housing and Urban Development with the goal of creating a Neighborhood Transformation Plan ("Bowen NTP") for the 74-acre former Bowen Homes public housing site, the surrounding Carey Park neighborhood and a portion of the Donald Lee Hallowell Parkway. Implementation of this grant is made possible through partnerships with leveraged funding and in-kind investments from the City of Atlanta, Councilmember Hillis' office, Invest Atlanta, Atlanta Public Schools, Georgia Conservancy, The Trust for Public Land, Center for Hard to Recycle Materials, NPU-G, the community, and former residents of Bowen Homes.

In FY 2021, AH initiated the planning and design process with the procurement of two consultants to support the work related to master planning, civil design, community engagement and drafting the Bowen NTP. To support community outreach and engagement, AH established 8 neighborhood focus groups, a former Resident Advisory Committee and a neighborhood stakeholder Steering Committee. AH submitted a draft of the Neighborhood Transformation Plan in June 2022, with the final plan due in December 2022.

Mechanicsville (McDaniel Glenn Revitalization)

In FY 2021, AH advanced discussions with its development partner to complete the final phases of development of approximately 10 acres of the former McDaniel Glenn public housing land, currently vacant. Predevelopment work was initiated with start of construction on approximately 136 for-sale homes to begin in FY 2023.

FY 2021 OPERATION HIGHLIGHTS — continued

RFPs for Future Development of AH-Owned Vacant Land

In FY 2021, AH initiated planning and due diligence on 3 AH-Owned vacant land sites with plans to issue a Request for Proposal(s) for development partners in FY 2023: North Avenue (4 acres); Palmer House (1 acre); and Johnson Road (13 acres).

Homeownership Down Payment Assistance

Using its MTW flexibility, AH partnered with local lenders to provide $5.6 million in down payment assistance to 261 low-income, first-time homebuyers purchasing homes throughout the City of Atlanta. Homebuyers qualify for this program by earning 80% or less of the Area Median Income, or less than $68,960, for a family of four as of June 2021.

Wildwood

In January 2020, HUD approved the disposition of 15 acres and a non-dwelling building to a nonprofit educational organization that provides youth with an environmental and agricultural-focused learning experience. The property closed in March 2021.

Fulfilling our Mission:
To provide quality affordable housing in amenity-rich, mixed-income communities for the betterment of the community.

FY 2021 FINANCIAL HIGHLIGHTS

AH's financial position remained strong with a net position of **$507.6 million** at June 30, 2021.

- Total assets exceeded total liabilities at June 30, 2021, by $507.6 million (net position), representing a $22.4 million or 4.6% increase from the prior year. Unrestricted net position of $147.0 million at the end of FY 2021 consisted primarily of unrestricted cash and investments available primarily for MTW-authorized activities, as well as a working capital reserve to support liquidity for AH public housing operations. In addition to its $147.0 million unrestricted net position at June 30, 2021, AH had $119.3 million in funds held at HUD from unused HCV subsidy, which is available to AH for future uses, and for which AH has commitments in place with affordable-housing-related projects.
- The $22.4 million increase in net position year-over-year resulted primarily from the receipt of $26.0 million in HUD funds for development and modernization expenditures, offset primarily by a net operating loss of $3.0 million. In addition, the net increase was also partially offset by $0.4 million in net non-operating expenses, primarily caused by $5.2 million in valuation allowances and interest expense as well as $4.8 million in interest and investment income, and gain from the sale of lots for homeownership at West Highlands.
- AH's current ratio (ratio of current assets over current liabilities) that measures AH's liquidity decreased from 6.3 to 3.5 at the end of FY 2021. This was the result of investment in long-term government bonds which have since been called.
- Related-party development loans, receivables and investments in partnerships, net of allowance, increased by $4.9 million primarily due to new loans issued as part of Herndon Homes and London Townhomes developments, as well as property sales under RAD conversions and other homeownership land conveyance, which were partially offset by increased loan valuation allowances.
- Capital assets increased by $6.8 million primarily due to a $13.3 million increase in assets, including $6.9 million in building improvements and $2.7 million in furniture and equipment purchases for AH Headquarters and AH-Owned properties, $1.7 million for the acquisition of Harmony at Bakers Ferry, $0.9 million in site improvements, as well as other capital assets. This was offset by a $6.6 million in depreciation.
- Other non-current assets increased by $52.7 million due to the increase in investment of surplus cash in long-term bonds due to the low rates offered for short-term bonds in the market.
- The $0.7 million decrease in total liabilities reflects a $2.3 million increase in current liabilities offset by a reduction of $1.6 million in long-term debt due to payoff of EPC loans and a reduction of $0.6 million in net pension plan liabilities.

FINANCIAL ANALYSIS

CONDENSED STATEMENTS OF NET POSITION*

As of June 30,

(in millions)

	2021	2020	2019	2021 vs. 2020 Increase/ (Decrease)	2020 vs. 2019 Increase/ (Decrease)
ASSETS AND DEFERRED OUTFLOWS					
Current assets	$ 69.5	$ 112.1	$ 110.5	$ (42.7)	$ 1.6
Related-party development loans, receivables and investments in partnerships, net of allowance	216.5	211.6	187.0	4.9	24.6
Capital assets, net of accumulated depreciation	139.2	132.4	143.5	6.8	(11.1)
Other non-current assets and deferred outflows	113.4	60.7	48.7	52.7	12.0
Total non-current assets and deferred outflows	469.2	404.7	379.2	64.5	25.5
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 538.6	$ 516.9	$ 489.7	$ 21.8	$ 27.2
LIABILITIES AND DEFERRED INFLOWS					
Current liabilities	$20.1	$ 17.8	$ 17.3	$2.3	$ 0.5
Long-term debt, net of current portion	1.6	3.2	3.3	(1.6)	(0.1)
Net pension plan liability	0.2	0.8	0.9	(0.6)	(0.1)
Other non-current liabilities and deferred inflows	9.1	9.9	9.1	(0.8)	0.8
Total liabilities and deferred inflows	31.0	31.7	30.6	(0.7)	1.1
NET POSITION					
Net investment in capital assets	137.6	129.2	140.1	8.4	(10.9)
Restricted–Notes receivables, HUD and program reserves	223.0	215.1	252.5	8.0	(37.4)
Unrestricted	147.0	140.9	66.5	6.1	74.4
Total net position	507.6	485.2	459.1	22.4	26.1
LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 538.6	$ 516.9	$ 489.7	$ 21.8	$ 27.2

** As a result of rounding, the sum of individual line items may deviate slightly from the actual total.*

FINANCIAL ANALYSIS — continued

Total Assets and Deferred Outflows

June 30, 2021 vs. June 30, 2020

Total assets and deferred outflows increased by **$21.8 million** year-over-year primarily due to the following:

- ***Current assets*** decreased by **$42.7 million** year-over-year primarily due to changes in AH's investment portfolio as a response to market conditions. While many previous short-term investments matured and are held as cash, AH re-invested others in longer-term callable instruments to gain higher rates. The majority of these have been called since June 30, 2021.
- ***Total non-current assets*** increased by **$64.5 million** year-over-year primarily due to the following items:
  - An increase in ***Related-party development loans, receivables and investments in partnerships, net of allowance*** of **$4.9 million** primarily resulting from $6.4 million in new loans and development-related fees related to London Townhomes, as well as existing and prior year development at Herndon Homes Senior. These were partially offset by $1.5 million in loan repayments.
  - An increase in ***Capital assets, net of accumulated depreciation*** of **$6.8 million is** primarily due to a $13.3 million increase in assets, including $6.9 million in building improvements and $2.7 million in furniture and equipment purchases for AH Headquarters and AH-Owned properties, $1.7 million for the acquisition of Harmony at Bakers Ferry, $0.9 million in site improvements, as well as other capital assets. This was offset by a $6.6 million in depreciation (*see also Note H*).
  - An increase of ***Other non-current assets and deferred outflows*** of **$52.7 million** resulted from the increase in longer-term callable investments, as discussed above.

June 30, 2020 vs. June 30, 2019

Total assets and deferred outflows increased by **$27.2 million** year-over-year primarily due to the following:

- ***Current assets*** increased by **$1.6 million** year-over-year primarily due to funds being re-invested in shorter term maturity instruments as the interest rate environment continued to be uncertain, in addition to meeting HUD's cash management policy requiring AH to hold only minimal MTW Single Fund cash.

FINANCIAL ANALYSIS, Total Assets and Deferred Outflows — continued

- ***Total non-current assets and deferred outflows*** increased by **$25.5 million** year-over-year primarily due to the following items:
  - An increase in ***Related-party development loans, receivables and investments in partnerships, net of allowance*** of **$24.6 million** primarily resulting from $35.4 million in new loans and development-related fees related to RAD conversions for Peachtree Road and Marietta Road highrises and Villages at East Lake, as well as existing and prior year development and homeownership projects, namely, Herndon Homes Senior, Ashley 1 at Scholars Landing, Oasis at Scholars Landing and West Highlands. These were partially offset by $4.1 million of loan repayments and a $6.7 million increase in loan valuation allowances.
  - A decrease in ***Capital assets, net of accumulated depreciation*** of **$11.1 million** reflecting the disposition of Peachtree Road and Marietta Road highrises under RAD conversions, a structure on Civic Center property sold to Southface Energy Institute ("SEI") and depreciation, which together exceeded net additions to capital assets (*see also Note H*).
  - An increase of ***Other non-current assets and deferred outflows*** of **$12.0 million** due to an increase in investments, non-current of $14.0 million primarily from additional surplus cash investments and change in maturity mix of the investment portfolio, partially offset by a $1.9 million decrease in deferred outflows as a result of the pension plan termination requiring recognition of the entire deferred actuarial experience losses.

Total Liabilities and Deferred Inflows

June 30, 2021 vs. June 30, 2020

Total liabilities and deferred inflows decreased by **$0.7 million** year-over-year primarily due to the following:

- ***Current liabilities*** increased by **$2.3 million** year-over-year primarily due to a $1.9 million increase in accrued liabilities and a $0.6 million increase in accounts payable related to the timing of invoicing and payments, offset by a $0.2 million decrease in other current liabilities resulting from HUD advancing COVID-19-related funding.

- ***Long-term debt, net of current portion*** decreased by **$1.6 million**, corresponding to the principal portion of the EPC capital lease payments made during FY 2021.

- ***Net pension plan liability*** decreased by a net **$0.6 million** over FY 2020, due to the plan being closed in FY 2020 and AH keeping a liability for a participant who could not be located (*see also Note P)*.

- ***Other non-current liabilities*** decreased by **$0.8 million** primarily due to unrealized gains on additional land conveyed at West Highlands as part of the homeownership program.

FINANCIAL ANALYSIS, Total Liabilities and Deferred Inflows — continued

June 30, 2020 vs. June 30, 2019

Total liabilities and deferred inflows increased by **$1.1 million** year-over-year primarily due to the following:

- ***Current liabilities*** increased by **$0.5 million** year-over-year primarily due to a $0.3 million increase in accrued liabilities and a $0.2 million increase in other current liabilities related to the timing of invoicing and payments.
- ***Long-term debt, net of current portion*** decreased by **$0.1 million**, corresponding to the principal portion of the EPC capital lease payments made during FY 2020.
- ***Net pension plan liability*** decreased by a net **$0.1 million** over FY 2019, primarily due to lower experience loss on projected liability (*see also Note P)*.
- ***Other non-current liabilities and deferred inflows*** increased by **$0.8 million** primarily due to unrealized gains on additional land conveyed at West Highlands as part of the homeownership program, partially offset by a decrease in deferred inflows as a result of the pension plan termination requiring full recognition of prior year experience gains.

Total Net Position

June 30, 2021 vs. June 30, 2020

Total net position amounting to **$507.6 million** at June 30, 2020, represented a **$22.4 million** increase over the prior year as a result of the following:

- ***Net investment in capital assets*** includes land, buildings, improvements and equipment less related debt and escrow cash for debt repayment. The majority of these assets have restricted-use covenants tied to AH's ownership and cannot be used to liquidate liabilities. AH generally uses these assets to provide affordable housing to qualified income-eligible families. The **$8.4 million** increase year-over-year is primarily due to a $13.3 million increase in assets, including $6.9 million in building improvements and $2.7 million in furniture and equipment purchases for AH Headquarters and AH-Owned properties, $1.7 million for the acquisition of Harmony at Bakers Ferry, $0.9 million in site improvements, as well as other capital assets. This was offset by a $6.6 million in depreciation. See additional information under *Total Assets and Deferred Outflows* year-over-year analysis on page 33.
- ***Restricted–Notes receivable, HUD and program reserves*** net position, subject to both internal and external constraints, is calculated at the carrying value of restricted assets less related liabilities. This net position is restricted by time and/or purpose. The restricted net position includes cash subject to restrictions for HUD-funded programs, related-party development and other loans, and operating reserves required in conjunction with the AH-Sponsored MIXED communities. These assets cannot be used, pledged or mortgaged to a third party or seized, foreclosed upon or sold in the case of a default, ahead of any HUD lien or interest without HUD approval. This net position increased by **$8.0 million** year-over-year as a result of capital spending at AH-Owned properties offset by a reduction in the EPC capital lease.

FINANCIAL ANALYSIS, Total Net Position — continued

- ***Unrestricted*** net position, although referred to as unrestricted, remains subject to varying degrees of limitations. HUD approval is required, with some limited exceptions, to use or deploy these assets outside of the ordinary course of AH's business. AH's eligible business activities are set forth in its HUD-approved MTW Annual Plans. In all cases, AH's assets are subject to the limitations of AH's charter and the Housing Authorities Laws of the State of Georgia. Unrestricted net position increased by **$6.1 million** year-over-year primarily due to a net increase in unrestricted cash and investments resulting from investments and other income.

June 30, 2020 vs. June 30, 2019

Total net position amounting to $485.2 million at June 30, 2020, represented a **$26.1 million** increase over the prior year as a result of the following:

- ***Net investment in capital assets*** includes land, buildings, improvements and equipment less related debt and escrow cash for debt repayment. The majority of these assets have restricted-use covenants tied to AH's ownership and cannot be used to liquidate liabilities. AH generally uses these assets to provide affordable housing to qualified income-eligible families. The **$10.9 million** decrease year-over-year is primarily due to the disposition of Peachtree Road and Marietta Road highrises as part of their conversion under RAD, the disposition of a structure on Civic Center property to SEI, as well as annual depreciation. See additional information under *Total Assets and Deferred Outflows* year-over-year analysis on page 33.
- ***Restricted–Notes receivable, HUD and program reserves*** net position, subject to both internal and external constraints, is calculated at the carrying value of restricted assets less related liabilities. This net position is restricted by time and/or purpose. The restricted net position includes cash subject to restrictions for HUD-funded programs, related-party development and other loans, and operating reserves required in conjunction with the AH-Sponsored MIXED communities. These assets cannot be used, pledged or mortgaged to a third party or seized, foreclosed upon or sold in the case of a default, ahead of any HUD lien or interest without HUD approval. This net position decreased by **$37.4 million** year-over-year as a result of a $60.3 million reclassification to unrestricted following a comprehensive analysis on program income fund characterization finalized during FY 2020. In addition, $2.1 million of public improvement interest was reclassified from restricted to unrestricted cash. Partially offsetting these decreases are a $22.9 million increase in related-party development and other loans funded with capital contributions or resulting from property sales under RAD during the year, net of loan valuation allowance, and a $2.1 million net increase in restricted cash and investments from development-related and investment income.
- ***Unrestricted*** net position, although referred to as unrestricted, remains subject to varying degrees of limitations. HUD approval is required, with some limited exceptions, to use or deploy these assets outside of the ordinary course of AH's business. AH's eligible business activities are set forth in its HUD-approved MTW Annual Plans. In all cases, AH's assets are subject to the limitations of AH's charter and the Housing Authorities Laws of the State of Georgia. Unrestricted net position increased by **$74.4 million** year-over-year primarily due to a reclassification of program income and public improvement interest totaling $62.4 million as discussed above, as well as a $12.0 million net increase in unrestricted cash and investments resulting from investment and other income.

FINANCIAL ANALYSIS — continued

CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION*

Years ended June 30,

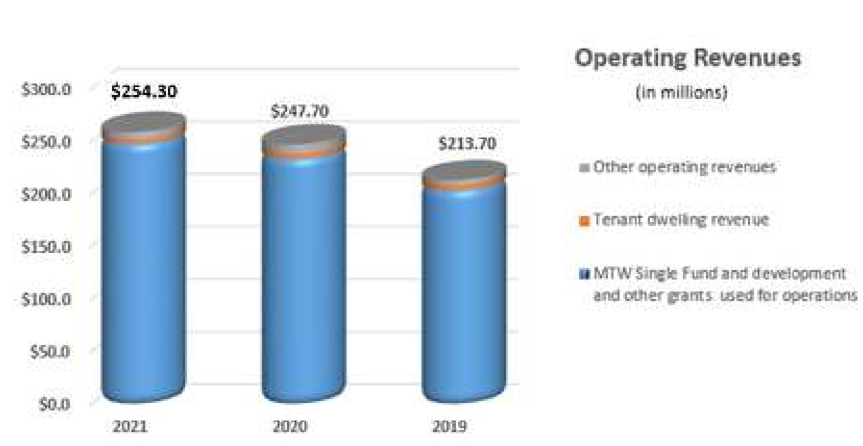
(in millions)

	2021	2020	2019	2021 vs. 2020 Increase/ (Decrease)	2020 vs. 2019 Increase/ (Decrease)
OPERATING REVENUES					
MTW Single Fund and development and other grants used for operating expenses	$ 243.3	$ 234.2	$ 204.1	$ 9.1	$ 30.1
Tenant dwelling revenues	4.2	4.8	5.1	(0.7)	(0.3)
Other operating revenues	6.9	8.7	4.5	(1.8)	4.2
Total operating revenues	254.4	247.7	213.7	6.6	34.0
OPERATING EXPENSES					
Housing assistance and operating subsidy payments	184.9	171.2	158.7	13.7	12.5
Administration and general, including direct operating divisions	52.8	56.2	45.7	(3.4)	10.5
Utilities, maintenance and protective services	9.3	10.0	9.5	(0.7)	0.4
Resident and participant services	3.2	3.1	3.2	0.1	(0.1)
Revitalization, demolition and remediation	0.6	0.5	1.9	0.1	(1.4)
Depreciation and amortization	6.6	6.0	7.0	0.6	(1.0)
Total operating expenses	257.4	246.9	226.0	10.5	20.9
NET OPERATING INCOME (LOSS)	(3.0)	0.8	(12.3)	(3.8)	13.1
NON-OPERATING REVENUES (EXPENSES)					
Interest and investment income	4.0	3.9	3.4	0.1	0.5
Gain (loss) on sale of assets	0.8	2.0	0.8	(1.2)	1.2
Valuation allowance	(5.0)	(11.4)	(10.5)	6.4	(0.9)
Interest expense	(0.2)	(0.2)	(0.3)	0.1	0.1
Total non-operating revenues (expenses)	(0.4)	(5.7)	(6.6)	5.3	0.9
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3.5)	(4.9)	(18.9)	1.5	14.0
CAPITAL CONTRIBUTIONS					
MTW Single Fund used for modernization and development capital expenditures and loans	25.5	12.1	7.9	13.4	4.2
Development grants used for development capital expenditures and loans	0.5	19.0	9.0	(18.5)	10.0
Total capital contributions	26.0	31.1	16.9	(5.1)	14.2
INCREASE (DECREASE) IN NET POSITION	22.4	26.1	(2.0)	(3.6)	28.0
NET POSITION — beginning of year	485.2	459.1	461.1	26.1	(2.0)
NET POSITION — end of year	$ 507.6	$ 485.2	$ 459.1	$ 22.4	$ 26.1

** As a result of rounding, the sum of individual line items may deviate slightly from the actual total.*

FINANCIAL ANALYSIS — continued

Operating Revenues



FY 2021 vs. FY 2020

Total operating revenues increased by **$6.6 million** year-over-year primarily due to a net $9.1 million increase in MTW Single Fund and development and other grants used for operating expenses, which is primarily comprised of HCV subsidy disbursements and Public Housing Operating Subsidy drawdowns used for operating expenses. Since HUD disburses these funds based on actual cash requirements, the increase is primarily explained by increased expenditures for Housing Assistance Payments ("HAP") and operating subsidy payments as well as increased administration expenses including direct operating divisions expenditures during the year. The increase in MTW Single Funds occurred despite the FY 2020 one-time funding of $2.0 million in CARES Act funding and $6.7 million for the termination of the defined benefit pension plan.

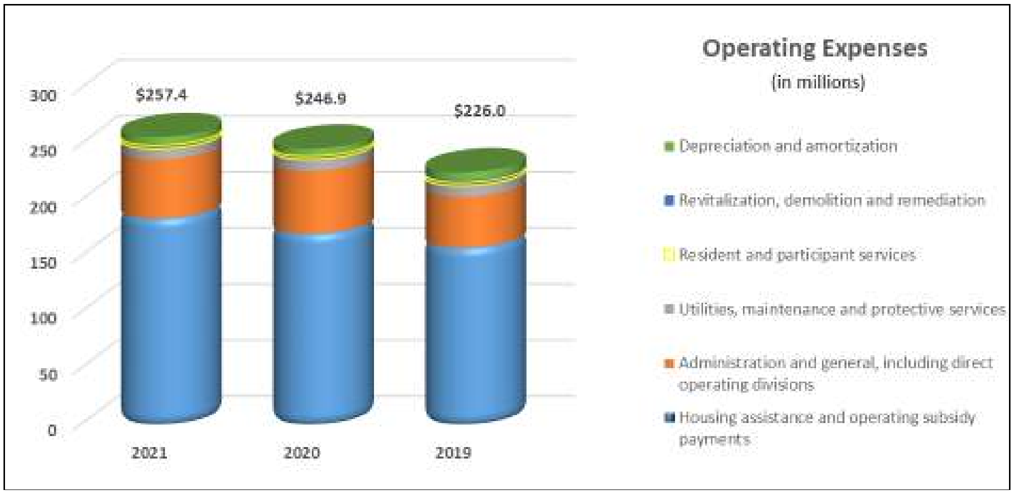
Finally, the increase in MTW Single Fund was marginally offset by $0.7 million reduction in tenant dwelling revenue due to AH-Owned properties converting under RAD and no longer reporting rental revenue to AH; and a net $1.8 million reduction in other operating revenues primarily driven by the FY 2020 recognition of $2.2 million of interest earned on City of Atlanta public improvement funds held by AH as described below.

FY 2020 vs. FY 2019

Total operating revenues increased by **$34.0 million** year-over-year primarily due to a $30.1 million increase in MTW Single Fund and development and other grants used for operating expenses, which is primarily comprised of HCV subsidy disbursements and Public Housing Operating Subsidy drawdowns used for operating expenses. Since HUD disburses these funds based on actual cash requirements, the increase is primarily explained by increased expenditures for HAP and operating subsidy payments as well as increased administration expenses including direct operating divisions expenditures during the year. The funds also included $6.7 million required for the termination of the defined benefit pension plan. HUD also disbursed an additional $3.0 million in CARES Act funding in response to the COVID-19 pandemic. Finally, AH recognized $2.2 million in other operating revenues when it determined that interest earned on City of Atlanta public improvement funds held by AH was unrestricted.

FINANCIAL ANALYSIS — continued

Operating Expenses



FY 2021 vs. FY 2020

Total operating expenses increased by **$10.5 million** year-over-year, with significant changes addressed below:

- ***Housing Assistance and Operating Subsidy Payments*** consists of payments to landlords, tenants and partners under the tenant-based HCV program, rental assistance paid to unrelated private-sector owners and related Owner Entities under the HomeFlex program, and operating subsidy paid to related Owner Entities of MIXED rental communities. In aggregate, those payments increased by a net of **$13.7 million** year-over-year as presented below:

Housing Assistance and Operating Subsidy Payments	**2021**	*(in millions)* **2020**	**2019**	**2021 vs. 2020 Increase/ (Decrease)**	**2020 vs. 2019 Increase/ (Decrease)**
Tenant-based HCV	$ 123.7	$ 113.4	$ 104.7	$ 10.3	$ 8.7
HomeFlex	53.4	46.9	41.1	6.5	5.8
MIXED Operating Subsidy	7.8	10.9	12.9	(3.1)	(2.0)
Total	$ 184.9	$ 171.2	$ 158.7	$ 13.7	$ 12.5

  - ***Tenant-based HCV*** HAP to landlords and tenants increased by $10.3 million year-over-year, due to an increase in the average cost per voucher as a result of increased rent costs and new programs.
  - ***HomeFlex*** subsidies paid to Owner Entities of AH-Sponsored MIXED communities, private-sector owners of mixed-income developments and owners of HAVEN communities increased by $6.5 million year-over-year primarily due to 130 new assisted units that came on line or converted during FY 2021, as well as full-year funding of the units that came on line during FY 2020.

FINANCIAL ANALYSIS, Operating Expenses — continued

  - ***MIXED Operating Subsidy*** for public-housing-assisted units in AH-Sponsored MIXED communities decreased by $3.1 million, primarily due to the full-year impact of the conversion of Villages of East Lake I and II and six Columbia communities to PBV funding under the RAD program in the second half of 2020, and to true-up adjustments of prior year operating subsidies.

- ***Administration and general**, **including direct operating divisions*** decreased by $3.4 million year-over-year primarily due to the one-time $6.7 million decrease pension expense resulting from the termination of the defined benefit pension plan and a $1.3 million litigation settlement in FY 2020. This was partially offset by an increase in salaries and employer-paid benefits of $5.2 million due to an increased number of employees, consulting and professional services of $0.7 million during the year. Partially offsetting these increases is an aggregate $1.1 million decrease from various other expenses.
- ***Utilities, maintenance and protective services*** decreased by **$0.7 million** year-over-year primarily due to the RAD conversions of Marietta Road and Peachtree Road highrises.
- ***Resident and participant services*** at $3.2 million remained basically at the same level of FY 2020.
- ***Revitalization, demolition and remediation*** expenses at $0.6 million remained basically at the same level of FY 2020.
- ***Depreciation and amortization*** increased by **$0.6 million** year-over-year primarily due to the depreciation of new assets at AH-Owned properties for site improvements, building improvements and furniture and equipment purchases.

FY 2020 vs. FY 2019

Total operating expenses increased by **$20.9 million** year-over-year, with significant changes addressed below:

- ***Housing Assistance and Operating Subsidy Payments*** consists of payments to landlords, tenants and partners under the tenant-based HCV program, rental assistance paid to unrelated private-sector owners and related Owner Entities under the HomeFlex program, and operating subsidy paid to related Owner Entities of MIXED rental communities. In aggregate, those payments increased by a net of **$12.5 million** year-over-year as presented below:
  - ***Tenant-based HCV*** HAP to landlords and tenants increased by $8.7 million year-over-year reflecting a 2.6% increase in lease-up of vouchers primarily from the waiting list, as well as a 10.9% increase in the average cost of HAP payments due to increased rents.
  - ***HomeFlex*** subsidies paid to Owner Entities of AH-Sponsored MIXED communities, private-sector owners of mixed-income developments and owners of HAVEN communities increased by $5.8 million year-over-year primarily due to 504 new assisted units and 918 new RAD PBV units that came on line or converted during FY 2020, as well as full-year funding of the units that came on line during FY 2019.

FINANCIAL ANALYSIS, Operating Expenses — continued

- ***MIXED Operating Subsidy*** for public-housing-assisted units in AH-Sponsored MIXED communities decreased by $2.0 million, primarily due to the conversion of Villages of East Lake I and II and six Columbia communities to PBV funding under the RAD program in the second half of 2020, partially offset by greater true-up adjustments of prior year operating subsidies and increased rents at various other communities.

- ***Administration and general, including direct operating divisions*** increased by **$10.5 million** year-over-year primarily due to increases in pension expense of $6.5 million resulting from the termination of the defined benefit pension plan, salaries and employer-paid benefits of $2.1 million due to an increased number of employees, consulting and professional services of $1.1 million, as well as a $1.3 million litigation settlement during the year. Partially offsetting these increases is an aggregate $0.5 million decrease from various other expenses.
- ***Utilities, maintenance and protective services*** increased by **$0.4 million** year-over-year primarily due to increased protective service expenses at the Civic Center.
- ***Resident and participant services*** at $3.1 million remained basically at the same level of FY 2019.
- ***Revitalization, demolition and remediation*** expenses decreased by **$1.4 million** year-over-year primarily due to a $1.0 million reduction in public improvement activity at the former Perry Homes site (West Highlands) and a $0.4 million decrease in public improvements at the Choice Neighborhoods sites.
- ***Depreciation and amortization*** decreased by **$1.0 million** year-over-year primarily due to the sale of two AH-Owned communities under the RAD conversion program, offset by minor increases at other properties as new assets were depreciated in FY 2020.

Non-Operating Revenues (Expenses)

FY 2021 vs. FY 2020

Total non-operating expenses decreased by **$5.3 million** year-over-year primarily due to the following offsetting changes:

- ***Interest and investment income*** increased by **$0.1 million** year-over-year primarily due to a $2.0 million increase in interest income earned on AH loans to partners resulting from the timing of cash flow distribution by partners, offset by a $1.9 million decrease in investment income resulting from the changes in the market.
- ***Gain (loss) on sale of assets*** decreased by **$1.2 million** year-over-year, primarily resulting from a $0.8 million gain from AH profit participation in the sale of land at the former Perry Homes in FY 2021 compared to the $2.0 million gain achieved in FY 2020.
- ***Valuation allowance*** decreased by **$6.4 million** year-over-year primarily explained by AH not taking any additional provision in FY 2021.
- ***Interest expenses*** at **$0.2 million** represent the interest on the EPC loan, which decreased slightly as properties were removed from the loan due to RAD conversion.

FINANCIAL ANALYSIS, Non-Operating Revenues (Expenses) — continued

FY 2020 vs. FY 2019

Total non-operating expenses decreased by **$0.9 million** year-over-year primarily due to the following offsetting changes:

- ***Interest and investment income*** increased by **$0.5 million** year-over-year primarily due to a $1.5 million increase in investment income from increased surplus cash investments, offset by a $1.0 million decrease in interest income earned on AH loans to partners resulting from the timing of cash flow distribution by partners.
- ***Gain (loss) on sale of assets*** increased by **$1.2 million** year-over-year, as the $2.0 million gain resulting from AH profit participation in the sale of land in FY 2020 at the former Perry Homes exceeded the $0.8 million profit participation realized by AH in FY 2019 upon the disposal by Integral Development of the last Centennial Park East parcel.
- ***Valuation allowance*** increased by **$0.9 million** year-over-year primarily explained by a $1.9 million additional valuation allowance taken on loans and receivables over the additional provision taken in FY 2019, offset by a $0.9 million decrease in FY 2020 DPA mortgages, which are fully reserved as they are expected to be forgiven at the end of their amortization period.
- ***Interest expenses*** at **$0.2 million** represent the interest on the EPC loan, which decreased slightly as properties were removed from the loan due to RAD conversion.

Capital Contributions

Capital contributions typically consist of reimbursements for capital expenditures and loans under capital grants, primarily from Capital Fund Program (CFP) and Choice Neighborhoods grants, for modernization, development, revitalization activities and loan reimbursements for projects converted under HUD's RAD Program. They may also include MTW funds used for capitalized expenditures and loans associated with development and revitalization activities.

FY 2021 vs. FY 2020

Capital contributions overall decreased by **$5.1 million** year-over-year primarily due to the following:

- ***MTW Single Fund used for modernization and development capital expenditures and loans*** increased by **$13.4 million** primarily due to MTW funds used for capital expenditures at AH-Owned properties in FY 2021.
- ***Development grants used for development capital expenditures and loans*** decreased by **$18.5 million** year-over-year primarily due to all RHF funds being expended in FY 2020; therefore, none were available in FY 2021.

FINANCIAL ANALYSIS, Capital Contributions — continued

FY 2020 vs. FY 2019

Capital contributions overall increased by **$14.2 million** year-over-year primarily due to the following:

- ***MTW Single Fund used for modernization and development capital expenditures and loans*** increased by **$4.2 million** primarily from a $3.1 million loan for Oasis at Scholars Landing, higher predevelopment and development loans of $1.2 million for London Townhomes, Ashley I C at Scholars Landing and Herndon Homes, as well as $0.6 million in increased MTW funds used for capital expenditures at AH-Owned properties in FY 2020, partially offset by lower Homeownership DPA of $0.7 million.
- ***Development grants used for development capital expenditures and loans*** increased by **$10.0 million** year-over-year primarily due to $7.4 million higher use in FY 2020 of RHF funds for the Herndon Homes development loan as well as for loans provided as part of Marietta Road and Peachtree Road highrise conversions under RAD. Also, contributing to the increase is the use of $2.6 million additional Choice Neighborhoods grants for the Ashley I at Scholars Landing construction loan.

ECONOMIC FACTORS

Economic Conditions and Financial Outlook

Most local and national economists have stated that Metropolitan-Atlanta and Georgia remain attractive places to live, work and invest because the fundamentals are quite strong. Metropolitan-Atlanta enjoys the benefits of moderate weather, an educated workforce, a concentration of excellent colleges and universities, and the Hartsfield-Jackson Atlanta International Airport. These strengths have helped Atlanta's recovery from the recession, and unemployment continued to decline until the effects of the novel coronavirus ("COVID-19") began to be felt in the spring of 2020.

As in the rest of the world, COVID-19 has had a significant impact on the City of Atlanta and the State of Georgia. During the last four months of FY 2020, the Governor declared a state of emergency and implemented restrictions on business operations, while the Atlanta Mayor imposed even more restrictive guidance. Together, these policies forced most students and employees to stay at home and many continue to do so. All of AH's employees and most of AH's residents and participants were affected. At the time of this writing, AH continues to operate remotely with a limited number of employees working full time at the headquarters building. The City of Atlanta is beginning to lift restrictions and may reinstate them if conditions warrant.

The U.S. Congress responded to COVID-19 by passing the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") which included funds for public housing. HUD authorized a total of more than $9 million in CARES Act funding to AH. These funds expired December 31, 2021 and AH used all the funds for costs directly or indirectly related to COVID-19.

HAP and Operating Subsidy expenses have risen slightly as layoffs of participants resulted in lower tenant contributions to their rents. These expenses may increase significantly if another round of COVID-19 occurs or will decrease as the pandemic subsides and the economy recovers.

It is uncertain at this time how long the pandemic will continue and if there will be subsequent increases in infections which will trigger more restrictions that may impact AH operations and its participants. In addition to the CARES Act funds, Congress is expected to grant additional COVID-19-related relief funds and AH has additional funds to respond to future expenses in the event they are required.

In addition to the impacts of COVID-19, AH faces uncertainty whether housing will be a prominent national priority following the 2022 Congressional elections.

While facing the above uncertainty, AH will continue to accomplish its mission. Some challenges that AH currently faces include:

- AH-Sponsored development activities, in partnership with private-sector developers, rely on private investment and conditions in the real estate and the financial markets. During FY 2021, the metropolitan-Atlanta real estate market continued to strengthen, especially in the multifamily rental market. Despite the pandemic, AH expects real estate development activities to continue to pick up as those markets improve and investors continue to return to the market.

ECONOMIC FACTORS, Economic Conditions and Financial Outlook — continued

- While households using tenant-based HCVs had a broader array of choices for their voucher use, this has now been tempered by higher rents and competition with market-rate tenants. This is particularly evident in the shortage of available one- and two-bedroom apartments. Consequently, AH continues to work with its Landlord Advisory Group and housing industry groups to identify and develop innovative strategies and implement aggressive marketing efforts to increase the engagement and support of private property owners.
- High rents for new properties and rising rents for existing properties are leading many AH voucher participants to port out (i.e., exit) AH's jurisdiction for more affordable housing in surrounding suburbs, thereby decreasing AH's administrative fees for ongoing operations.
- Interest rates in FY 2021 remained extremely low by historical measures and continued to make Low Income Housing Tax Credits less attractive for investors, thus encouraging AH to examine new funding strategies. Although actions by the federal government and external forces have resulted in increased interest rates, other factors, including the Georgia Department of Community Affairs' reaction to increased competition for the tax credits, may reduce AH's ability to access them.
- The growing employment market experienced in the past couple of years was put to a halt with the pandemic, thereby impacting working households and increases in wages. Therefore, AH is facing an increase in average housing assistance payments, which may continue should the pandemic persist.
- Because of the increased real estate development activities in Atlanta, construction costs continue to rise at exponential levels, translating into higher development costs for AH, and financial gaps in pro formas for some of AH's development partners.

In summary, while the strengthening of the Atlanta real estate market supports AH's development efforts, it will continue to challenge new and existing HCV holders looking for affordable housing in their preferred communities. It may also lead to demands from Housing Choice property owners and other AH partners for increased rents to align with rising market rents, and will eventually drive up the costs of the majority of AH's housing programs.

Key economic indicators for Metro Atlanta can be found in the **Statistical Information Section**.

Federal Funding — Status and Outlook

As in previous years, funding levels for AH's future years are uncertain. Congress passed and the President signed the Consolidated Appropriations Act, 2022 which will fund AH through December 2022, Congress, however, has not yet passed the Appropriations Act for 2023, which will provide AH funds for January–December 2023. It is possible the appropriations act will not be passed by both houses and signed by the President until after the Fall 2022 elections.

If that is the case, Congress will pass a Continuing Resolution or a series of them, to temporarily fund the Federal government. Typically, these provide for continued operations using the same funding levels as the previous year. Congress will continue to pass continuing resolutions until an appropriations act is passed.

ECONOMIC FACTORS, Federal Funding — Status and Outlook — continued

HUD holds over $100 million in prior year Housing Choice funds that AH did not use in the year in which they were appropriated. These funds remain available for AH to use for MTW-authorized activities. Since 2016, appropriations acts have provided that these funds are not subject to any offset by HUD, which would force AH to use the funds in lieu of newly appropriated funds for current year activities. It is possible Congress might change future law and allow such offsets. If they do, it is believed HUD will not offset funds obligated or committed to development projects or other activities.

Since AH has worked with a number of developers and governmental officials to create master development plans and other agreements for future years, AH has included language in the FY 2023 Budget resolution that pledges the use of MTW Housing Choice Voucher funds currently held by HUD to support these projects. AH believes such a pledge will support a case that these funds should not be offset.

RECENT ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has not issued any new pronouncements during FY 2021.

Please refer to Note U in the **Notes to Financial Statements** for additional information regarding each of the GASB pronouncements.

CONTACTING AH'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of AH's financial position and to demonstrate AH's accountability for the assets it manages to interested persons, including citizens of our local jurisdiction, creditors and other interested parties. If you have questions about this report or wish to request additional financial information, contact the Chief Finance Officer at The Housing Authority of the City of Atlanta, Georgia, 230 John Wesley Dobbs Avenue, N.E., Atlanta, Georgia 30303; telephone number (404) 817-7350.

BASIC FINANCIAL STATEMENTS

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF NET POSITION

As of June 30, 2021 and June 30, 2020

	2021	2020	Note
CURRENT ASSETS			
Cash	$ 61,031,872	$ 29,945,189	C
Receivables, net of allowance	1,751,351	2,203,766	D
Investments current	5,265,200	78,639,957	E
Prepaid expense	1,415,908	1,360,389	
Total current assets	69,464,331	112,149,301	
NON-CURRENT ASSETS			
Investments non-current	113,426,310	60,749,411	E
Related-party development and other loans, development receivables and investments in partnerships, net of allowances of $65,924,574 and $64,956,123 in 2021 and 2020, respectively	216,513,189	211,564,207	F
Capital assets, net of accumulated depreciation of $117,856,128 and $111,402,105 in 2021 and 2020, respectively	139,232,986	132,393,548	H
Total non-current assets	469,172,485	404,707,166	
TOTAL ASSETS	538,636,815	516,856,467	
DEFERRED OUTFLOWS	–	–	P
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 538,636,815	$ 516,856,467	

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF NET POSITION

As of June 30, 2021 and June 30, 2020

	2021	2020	Note
CURRENT LIABILITIES			
Accounts payable	$ 1,062,341	$ 386,582	
Accrued liabilities	12,286,527	10,414,547	J
Other current liabilities	6,644,820	6,847,809	K
Current portion of long-term debt	122,363	137,763	L
Total current liabilities	20,116,050	17,786,701	
NON-CURRENT LIABILITIES			
Long-term debt, net of current portion	1,596,593	3,152,290	L
Other non-current liabilities	9,079,624	9,917,478	M
Net pension plan liability	200,000	804,937	P
Total non-current liabilities	10,876,217	13,874,705	
TOTAL LIABILITIES	30,992,267	31,661,406	
DEFERRED INFLOWS	–	–	P
NET POSITION			S
Net investment in capital assets	137,609,629	129,230,309	
Restricted–Notes receivables, HUD and program reserves	223,035,374	215,068,526	
Unrestricted	146,999,545	140,896,226	
Total net position	507,644,548	485,195,061	
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 538,636,815	$ 516,856,467	

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years ended June 30, 2021 and June 30, 2020

	2021	2020
OPERATING REVENUES		
MTW Single Fund used for operating expenses	$ 242,340,065	$ 230,786,504
Tenant dwelling revenues	4,167,416	4,831,385
Development and other grants used for operating expenses	930,873	3,370,670
Contributions from National Housing Compliance	1,394,909	1,294,909
Other operating revenues	5,494,486	7,429,967
Total operating revenues	254,327,748	247,713,435
OPERATING EXPENSES		
Housing assistance and operating subsidy payments	184,886,843	171,172,558
Administration, including direct operating divisions	50,770,769	53,145,313
Utilities, maintenance and protective services	9,274,776	9,974,604
Resident and participant services	3,212,816	3,082,812
Revitalization, demolition and remediation	637,198	525,928
General expenses	1,995,446	3,036,830
Depreciation and amortization	6,615,296	5,995,576
Total operating expenses	257,393,144	246,933,621
NET OPERATING INCOME (LOSS)	(3,065,396)	779,814
NON-OPERATING REVENUES (EXPENSES)		
Interest income on development and other loans	2,402,617	381,737
Interest income on investments	1,560,273	3,521,145
Gain/(loss) on sale of assets	762,108	1,958,970
Valuation allowance increase	(5,003,720)	(11,393,067)
Interest expense on EPC capital lease	(154,176)	(216,750)
Total non-operating revenues (expenses)	(432,898)	(5,747,965)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,498,293)	(4,968,151)
CAPITAL CONTRIBUTIONS		
MTW Single Fund used for modernization and development capital expenditures and loans	25,483,404	12,073,374
Development grants used for development capital expenditures and loans	464,377	18,963,332
Total capital contributions	25,947,781	31,036,706
INCREASE (DECREASE) IN NET POSITION	22,449,488	26,068,555
NET POSITION — beginning of year	485,195,061	459,126,506
NET POSITION — end of year	$ 507,644,548	$ 485,195,061

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF CASH FLOWS

Years ended June 30, 2021 and June 30, 2020

	2021	2020
Increase (decrease) in cash		
Cash flows from operating activities		
MTW and grant funds used for operating expenses	$ 243,797,970	$ 235,964,753
Receipts from residents	4,133,498	4,771,639
Payments to landlords, tenants and partners	(185,357,570)	(172,234,409)
Payments to suppliers	(27,703,314)	(30,189,803)
Payments for employees	(35,834,071)	(37,255,154)
CARES Act funds, net of expenses	(672,510)	2,385,781
Other receipts	5,664,769	5,085,793
Net cash provided by (used in) operating activities	4,028,773	8,528,600
Cash flows from capital and related financing activities		
Capital contributions from MTW and grant funds	13,669,741	2,903,538
Acquisition, development and revitalization — capitalized expenditures	(2,731,365)	(979,362)
Modernization — AH-Owned properties	(10,840,404)	(2,345,378)
Proceeds from sale of capital assets	879,144	3,319,478
Payments on EPC capital lease, including interest	(1,824,090)	(284,631)
Net cash provided by (used in) capital and related financing activities	(846,974)	2,613,745
Cash flows from investing activities		
Capital contributions from MTW and grant funds	12,646,423	27,661,821
Development and other loans, net of reimbursements	(9,540,394)	(26,512,989)
Sale (purchase) of investments of surplus cash	20,697,858	(20,767,250)
Interest income on investments of surplus cash	1,698,381	2,968,613
Interest income on development and other loans	2,402,617	381,737
Net cash provided by (used in) investing activities	27,904,884	(16,268,068)
Net increase (decrease) in cash	31,086,683	(5,125,723)
Cash — beginning of year	29,945,189	35,070,912
Cash — end of year	$ 61,031,872	$ 29,945,189

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF CASH FLOWS — continued

Years ended June 30, 2021 and June 30, 2020

	2021	2020
Reconciliation of net operating income (loss) to net cash provided by (used in) operating activities		
Net operating income (loss)	$ (3,065,396)	$ 779,814
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities		
Depreciation and amortization	6,615,296	5,995,576
Changes in assets and deferred outflows and liabilities and deferred inflows relating to operating activities:		
Decrease (increase) in receivables	(1,304,238)	95,671
Decrease (increase) in prepaid expense	(55,519)	(500,275)
Decrease (increase) in deferred outflows	–	1,948,541
Increase (decrease) in accounts payable and accrued liabilities	2,646,542	190,300
Increase (decrease) in other current liabilities	5,542	(2,166,936)
Increase (decrease) in unearned revenue	(208,518)	2,411,368
Increase (decrease) in net pension plan liability and deferred inflows	(604,937)	(225,459)
Total changes in assets and deferred outflows and liabilities and deferred inflows relating to operating activities	478,873	1,753,210
Total adjustments	7,094,168	7,748,786
Net cash provided by (used in) operating activities	$ 4,028,773	$ 8,528,600

The accompanying notes are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A — ORGANIZATION AND NATURE OF OPERATIONS

1. *Organization*

The Housing Authority of the City of Atlanta, Georgia ("Atlanta Housing," "AH" or "Authority") is a public body corporate and politic created under the Housing Authorities Laws of the State of Georgia with a public mission and purpose. The primary purpose of AH is to facilitate affordable housing opportunities for low-income, elderly and disabled persons in the City of Atlanta ("City"). AH has broad corporate powers including, but not limited to, the power to acquire, manage, own, operate, develop and renovate housing; invest and lend money; create for-profit and not-for-profit entities; administer HCVs; issue bonds for affordable housing purposes; and acquire, own and develop commercial land, retail and market-rate properties that benefit affordable housing.

The governing body of AH is its Board which, pursuant to state laws, is comprised of seven members appointed by the Mayor of the City of Atlanta, and confirmed by the Atlanta City Council, and includes two resident commissioners. The resident commissioners serve 1-year terms and the five remaining members serve 5-year staggered terms. The Board appoints the President and Chief Executive Officer to operate the business of AH. The Board provides strategic guidance and oversight of AH's operations. AH is not considered a component unit of the City of Atlanta and is not included in the City's financial statements.

2. *Moving to Work (MTW) Agreement and MTW Single Fund*

AH is an MTW agency under HUD's MTW Demonstration Program which provides certain "high-performing" agencies with substantial statutory and regulatory relief and flexibility under the U.S. Housing Act of 1937, as amended ("1937 Act"), as reflected in an agreement between the selected agency and HUD. AH negotiated and entered into its MTW Agreement with HUD on September 25, 2003, which was effective from July 1, 2003, through June 30, 2010. In response to HUD's decision to introduce a standard form of agreement and expand the MTW Demonstration Program, AH successfully negotiated and executed an Amended and Restated MTW Agreement on November 13, 2008. On January 16, 2009, AH and HUD executed a further amendment to the Amended and Restated MTW Agreement. AH's MTW Agreement, as amended and restated, is referred to as the MTW Agreement.

In December 2015, AH's MTW Agreement was extended until June 30, 2028, under the same terms and conditions, as confirmed by HUD in a letter dated April 14, 2016. AH's MTW Agreement incorporates its legacy authorizations from its initial MTW Agreement and clarifies AH's ability to use MTW-eligible funds outside of Section 8 and Section 9 of the 1937 Act.

As authorized under its MTW Agreement, AH has combined its HCV funds, Public Housing Operating Subsidy and CFP grants into an MTW Single Fund, which may be used for MTW-eligible activities that best meet local low-income housing needs. Although the programmatic restrictions for the use of each of these funding sources have been waived under AH's MTW Agreement, the various funds that make up AH's MTW Single Fund continue to have different expiration dates, obligations, expenditure deadlines and drawdown conditions. AH has elected not to include RHF grants in its MTW Single Fund.

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS — continued

Since 2012, HUD disburses HCV funds based on a PHA's historical housing assistance payment spend rate and projected need, rather than in 12 equal installments of the full annual authorization. PHAs may request additional disbursements up to their annual authorization, but must expend all funds drawn or face further disbursement reductions in the future. With approximately 96% of AH's FY 2021 HUD funding coming from HCV funds (including the CARES Act), HUD's disbursement approach has major implications to AH's financial position and operations. In response to all of these factors, AH adopted a cash management strategy designed to meet such funding requirements while preventing the forfeiture of funds as a result of expenditure deadlines. This strategy requires AH to carefully manage its draws from the three components of AH's MTW Single Fund.

3. *Blended Component Units and Affiliate Entities*

To manage its business and financial affairs more effectively, AH has created affiliate entities to support its various ventures. While AH, the parent entity, manages federal programs, the affiliate entities support the various functions necessary to meet AH's mission of providing quality affordable housing and related services and amenities.

Certain of these affiliate entities are considered blended component units in accordance with generally accepted accounting principles. Because of the nature and significance of their operational or financial relationships with AH and the fact that they provide services entirely, or almost entirely, to AH or for the benefit of AH, these component units are included in AH's financial statements. Financial statements of each of the following blended component units are presented in Note T, except for the affiliates mentioned below with no activity.

- <u>230 John Wesley Dobbs Boulevard Ventures, Inc. ("JWD")</u> is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board in order to lessen the burdens of government by acquiring and holding title to real property and improvements, and by providing such real property and improvements to AH for an occupancy fee equivalent to its operating cost.
- <u>Atlanta Affordable Housing for the Future, Inc. ("AAHFI")</u> is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board in order to facilitate the revitalization of AH-Owned distressed public housing projects. AAHFI may participate in the revitalization of AH-Sponsored communities by holding limited partnership interests in either the related development project partnership (Owner Entity) or an interest in the general partner of the related development project partnership of the various public/private partnerships that own the MIXED (formerly known as "MIMF") rental communities.
- <u>Special Housing and Homeownership, Inc. ("SHHI")</u> is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board in order to develop, maintain and implement programs to assist income-eligible individuals in achieving the goal of homeownership.

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS — continued

- Renaissance Affordable Housing, Inc. ("RAH") is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board in order for AH to participate in the acquisition and development of certain properties to support the overall revitalization program at or near AH communities or other appropriate locations in metropolitan-Atlanta.
- Strategic Resource Development Corporation, Inc. ("SRDC") is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board to solicit and receive contributions and gifts, in any forms, and to use such funds for the intended purposes or any other purposes as determined by the Board of Directors.
- Westside Affordable Housing, Inc. ("WAH") is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AH Board in order for AH to participate in the acquisition and development of certain properties to support the overall revitalization program at or near AH communities or other appropriate locations in metropolitan-Atlanta.
- Atlanta Housing Investment Company, Inc. ("AHICI") is a for-profit corporation created at the direction of the AH Board in order to assist AH in its revitalization efforts at or near AH communities or other appropriate locations in metropolitan-Atlanta. AHICI participates in the revitalization of AH-Sponsored MIXED communities by holding partnership and financial interests in various transactions.
- Atlanta Housing Development Corporation ("AHDC") is a Georgia not-for-profit organization, organized solely to serve as an "instrumentality" of AH for the purpose of issuing tax-exempt bonds for construction, acquisition and rehabilitation of low-income housing pursuant to Section 11(b) of the Housing Act of 1937, as amended (42 U.S.C. Section 1437i). This entity had no activity in recent years.
- Community Renewal Partners LLC is a Georgia 501(c)(3) not-for-profit corporation created during FY 2019 at the direction of the AH Board in order for AH to participate in the acquisition and holding of properties transferred from the Fulton County District Attorney's office through the Project Shield Program. This entity had no activity in recent years.
- Buttermilk Bottom Renewal LLC is a Georgia 501(c)(3) not-for-profit corporation created during FY 2019 at the direction of the AH Board in order for AH to acquire and hold the Civic Center property. This entity had no activity in recent years.
- Atlanta Housing Partnership Investments LLC is a Georgia 501(c)(3) not-for-profit corporation created during FY 2019 at the direction of the AH Board in order for AH to invest in multifamily transactions. This entity had no activity in recent years.
- Housing Capital Investments Managing Member LLC is a Georgia 501(c)(3) not-for-profit corporation created during FY 2019 at the direction of the AH Board in order for AH to invest in multifamily transactions. This entity had no activity in recent years.

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS — continued

AH has one affiliate, Atlanta Housing Opportunity, Inc. (AHOI), which is not a component unit. It is, however, considered a related entity. AHOI is a Georgia not-for-profit corporation created at the direction of the AH Board in order to facilitate the Housing Opportunity Bond Program established by the City of Atlanta. The activities of AHOI are limited to participation in the Housing Opportunity Bond Program. Since the City of Atlanta is financially accountable and responsible for the debt of AHOI, the financial activity of AHOI is not included in AH's Financial Statements, but is included in the City of Atlanta's Financial Statements.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the accompanying financial statements.

1. *Basis of Preparation and Accounting*

The financial statements represent the combined net position and results of operations of AH and its blended component units and LLCs, and have been prepared in accordance with generally accepted accounting principles ("GAAP") of the United States of America as applied to governmental entities. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. AH and its blended component units and LLCs maintain their accounts substantially in accordance with the chart of accounts prescribed by HUD and are organized utilizing the fund accounting model. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. AH accounts for its operations in a single enterprise fund. Enterprise funds account for those operations financed and operated in a manner similar to a private business or where AH has decided that determination of revenue earned, costs incurred and net revenue over expense is necessary for management accountability.

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB No. 34, *"Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments.*" Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred regardless of the timing of the related cash flows. All assets and deferred outflows as well as liabilities and deferred inflows associated with the operation of the Authority are included in the statements of net position. The statements of revenues, expenses and changes in net position present increases (revenues and capital contributions) and decreases (expenses) in total net position.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

2. *Inter-company and Inter-program Receivables and Payables*

   Inter-company and inter-program receivables and payables are the result of the use of a central fund as the common paymaster for shared costs of AH. All inter-company and inter-program balances net to zero when combined and, hence, are eliminated for financial statement presentation. All programs aggregate into one single enterprise fund.

3. *Cash and Cash Equivalents*

   Cash is stated at cost, which approximates fair value, and consists primarily of cash in checking accounts. All funds on deposits are FDIC insured up to $250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD. HUD requires Housing Authorities to invest surplus HUD funds in obligations of the United States, certificates of deposit or any other federally insured investments.

4. *Investments*

   Investments are stated at fair value and consist of MTW working capital funds and unrestricted and restricted surplus program income funds invested in U.S. government securities and treasuries. It also includes operating reserves in escrow accounts primarily invested in money market accounts. Due to the nature of those investments, they are fully collateralized in accordance with guidance recommended by HUD.

5. *Fair Value Measurements*

   All of AH's investments are valued at fair value using Level 1 of the fair value hierarchy established by GAAP. Fair values determined using Level 1 are based on unadjusted quoted prices for identical assets or liabilities in active markets.

6. *Inventories*

   AH maintains no inventory. All supplies are expensed when purchased. Supplies on hand are nominal.

7. *Prepaid Expense*

   Payments made to vendors for goods or services exceeding $5,000 that will benefit periods beyond the fiscal year end are recorded as prepaid expense. Prepaid expense at June 30, 2021 and June 30, 2020 consisted primarily of prepaid insurance premiums, software licenses and service maintenance contracts.

8. *Valuation and Other Allowances*

   Management regularly evaluates the loans and certain other receivables for collectibility and records a valuation allowance for loans and other receivables it determines may not be fully collectible. AH adjusts the valuation allowance when appropriate.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

Under AH's DPA program, homeownership down payment loans are made to first-time homebuyers. These loans are fully reserved at closing. The homeowner is subject to AH's recapture policy as part of the terms and conditions of the DPA program. The term of the subsidy loan is usually for ten years and can be forgiven based on the following: 100% recapture is in effect during the first five years of the loan; and the loan amount begins to burn off at 20% increments yearly, starting in year six through year ten.

AH establishes an allowance for all unpaid balances from tenants and landlords for accounts receivable aged past 90 days.

9. *Capital Assets and Depreciation*

Capital assets include land, land improvements, buildings, equipment and modernization in process for improvements to land and buildings. Capital assets are defined by AH as assets with an initial cost of more than $5,000 and an estimated useful life of greater than one year.

Such assets are recorded at cost or acquisition value at the time of purchase or donation, respectively. Improvements and other capital activities are recorded as modernization in process until they are completed and placed in service.

The costs of normal and extraordinary maintenance and repairs that do not add value to the asset or extend the useful life of the asset are expensed as incurred. Generally, demolition costs, land preparation, soil remediation and other site improvement costs that do not add value are expensed as operating items.

Depreciation is calculated using the straight-line method assuming the following useful lives, based on a full year of depreciation in the year of acquisition, and no depreciation in the year of disposal:

Buildings	20–40 years
Building improvements	10–30 years
Building equipment	10–15 years
Land improvements	15 years
Equipment	3–10 years

Long-lived assets are reviewed annually for impairment under the provisions and in accordance with GASB No. 42, *"Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries."*

AH owns several paintings of historical significance, which are being preserved for future educational and exhibition purposes. These works of art, commissioned in the 1940s at minimal cost, have an appraised value in excess of $800,000, but have not been recorded on AH's books pursuant to the guidance of GASB No. 34.

10. *Accrued Compensated Absences*

A liability for compensated absences (i.e., vacation) is accrued as employees earn the right to receive the benefit. The accrued liability is classified under current liabilities, as vacation is expected to be taken in the ensuing year.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

11. Pension Plan

AH accounts for its defined benefit pension plan in accordance with GASB No. 68 and related amendments, which requires the liability of employers (net pension liability) to be recorded and included in employers' financial statements. The net pension liability is measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position (plan assets). AH's net pension liability was measured as of the end of its fiscal year (the measurement date) consistently applied from period to period.

The pension expense recognized during a fiscal year primarily results from changes in the components of the net pension liability; that is, changes in the total pension liability and in the pension plan's fiduciary net position.

Most changes in the net pension liability are required to be included in pension expense in the period of the change. Changes in the total pension liability resulting from current-period service cost, interest on the total pension liability and changes of benefit terms are required to be included in pension expense immediately. Projected earnings on the pension plan's investments are also required to be immediately included in the determination of pension expense.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs, and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees who are provided with benefits through the pension plan (active and inactive employees), beginning with the upcoming year. The effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the upcoming year. Changes in the net pension liability not included in pension expense are required to be reported as deferred outflows (losses) or deferred inflows (gains) related to pensions. The AH pension plan was terminated in FY 2020.

12. Restricted Assets

Certain assets may be classified as restricted assets on the statements of net position or accompanying notes because their use is restricted by time or specific purpose. AH's practice is to expend restricted assets prior to utilizing unrestricted assets if allowable for the intended purpose.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

13. Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues mainly include income derived from operating funds received from HUD, namely Section 8 and Section 9 subsidies, tenant dwelling revenues, development and other grants used for operating expenses, and various fees earned in conjunction with real estate development and oversight activities. When grant funds are used for operating expenses, AH recognizes operating revenues at the time such costs are incurred, pursuant to a drawdown process as expenses occur.

Operating expenses for proprietary funds include the cost of housing assistance to low-income families, operating housing units and providing tenant services, revitalization, demolition and remediation, administrative expenses and depreciation on capital assets.

Non-operating revenues and expenses include interest earned, primarily on a cash flow availability basis, on development and other loans and interest earned on investments of surplus cash, gain and loss from the sale of assets, adjustments to valuation allowances and interest expense.

Capital contributions include MTW Single Fund and development grants used for capitalized expenditures, including loans, in connection with modernization, revitalization and development activities.

As AH completes capital improvements eligible for grants, AH's right to be paid by HUD is perfected, and AH records the asset and corresponding capital grant revenue as the work progresses. The unexpended portions of the grants held by HUD for AH's account remain available for AH's use, subject to the terms of the grant agreements and other agreements with HUD. The unexpended portions of the grants as well as unused HCV subsidy held by HUD are not reflected in AH's financial statements.

14. Fee and Interest Income Recognition on Related-Party Development and Other Loans

In connection with its Revitalization Program, AH earns developer and other fees in its role as sponsor and co-developer. Developer and other fees are recorded as earned. Collection of developer fees are generally tied to equity payments from tax credit investors.

Interest on related-party development and other loans is subordinated and contingent on cash flows from the property for the most part. Recognition of interest income on those loans or any other loans does not occur until payments are received or are reasonably expected to be received.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

15. Unearned Revenue

Unearned revenue consists primarily of unrealized gains resulting from land conveyance as part of homeownership programs, which are treated as unearned revenue until more than 20% of the corresponding seller financing note is repaid in cash. Unearned revenue also arises when resources are received by the Authority before it has a legal claim to them, as and when monies are received prior to meeting all eligible requirements, and/or the occurrence of qualifying expenditures.

16. Income and Property Taxes

Income received or generated by AH is not generally subject to federal income tax, pursuant to Section 115 of the Internal Revenue Code ("IRC"). Although exempt from state and local property taxes, AH makes payments in lieu of taxes ("PILOT"), pursuant to agreements with the City of Atlanta, Atlanta Public Schools, and DeKalb and Fulton counties.

17. Self-insurance and Litigation Losses

AH recognizes estimated losses related to self-insured workers' compensation claims and litigation claims in the period in which the event giving rise to the loss occurred when the loss is probable and can be reasonably estimated (see also Note N).

18. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and deferred outflows and liabilities and deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Material estimates relate to the valuation of related-party development and other loans.

19. Risk Management

AH is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. AH carries commercial insurance and certain reserves deemed sufficient to cover potential uninsured losses.

20. Custodial Risk

Custodial risk for investments is the risk that in the event of failure of the counterparty to a transaction, AH will not be able to recover the value of the investments. As of June 30, 2021 and June 30, 2020, all of AH's investments were collateralized and registered in its name.

21. Concentration of Credit Risk, Credit Risk and Interest Rate Risk

Concentration of credit risk is the risk of loss that may occur to the amount of cash or investments in a single issuer. As of June 30, 2021 and June 30, 2020, this is not a risk, as all

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

AH's cash and investments were collateralized or issued by the U.S. Government or its agencies. Credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. The credit risk is measured by the credit quality rating of investments in securities, as described in a national statistical organization such as Standard & Poor's. AH's Investment Policy provides that investments in corporate bonds and other fixed-income securities must have a rating of AA+ or better.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. As of June 30, 2021 and June 30, 2020, this is not a risk, as all of AH's investments are primarily in money market and U.S. Government securities and treasuries which are usually held until maturity.

22. Budgets

On an annual basis, AH submits its Comprehensive Operating and Capital Budget to the Board for approval. Throughout the fiscal year, the Budget is used as a management tool to plan, control and evaluate spending for major activities and programs. Budgets are not required for financial statement presentation.

NOTE C — CASH AND CASH EQUIVALENTS

Cash consists primarily of cash in checking accounts. Cash is classified as "Unrestricted" and "Restricted" for financial presentation purposes based on HUD guidance:

- *Cash — Unrestricted* includes cash available for program purposes including current operations working capital and reserves. Because the funds are not tied to a certain program or property, they are classified as unrestricted. They remain subject, however, to varying degrees of restrictions. For example, HUD approval is required, with some limited exceptions, to use or deploy these funds strategically outside of the ordinary course of AH's business under the MTW Agreement. In all cases, AH's assets are subject to the limitations of AH's charter and the Housing Authorities Laws of the State of Georgia. It also includes NHC cash, which is non-federal.
- *Cash — Restricted* includes cash to be expended for specific purposes based on the source of the money. AH's restricted cash generally includes proceeds from the sale of property acquired with grant or development funds; program income from specific grants; income generated from development activities; resident security deposits; public improvement funds received from the City of Atlanta; and CARES Act funds received from HUD.

NOTE C — CASH AND CASH EQUIVALENTS — continued

Cash at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Unrestricted:		
MTW cash	$ 7,327,050	$ 7,505,483
MTW program income	27,527,544	4,261,081
Perry Bolton TAD program income	1,197,820	190,926
Non-federal funds (including NHC)	3,153,978	2,449,397
Component units	5,566,428	3,584,411
	44,772,819	17,991,298
Restricted:		
Development-related program income	5,442,486	2,445,372
Public improvement funds	3,471,313	3,508,677
Proceeds from disposition activity	3,933,625	1,866,419
Harris program income	1,156,193	1,156,193
Resident security deposits	222,041	227,343
CARES Act funds	1,764,647	2,449,140
Other	268,748	300,747
	16,259,053	11,953,891
	$ 61,031,872	$ 29,945,189

All funds on deposits are FDIC insured up to $250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD. At June 30, 2021 and June 30, 2020, the market value of collateral held by a third party on behalf of AH to cover deposits exceeding the FDIC-insured funds amounted to $53,668,343 and $25,051,995, respectively.

NOTE D — RECEIVABLES

Current receivables at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
HUD grants receivable	$ 147,187	$ 910,087
Other receivables (net of allowance of $940,750 and $763,514 in 2021 and 2020, respectively)	1,154,516	707,581
Interest receivable	438,002	576,109
Tenant dwelling rents (net of allowance of $16,048 and $1,015 in 2021 and 2020, respectively)	11,647	9,988
	$ 1,751,351	$ 2,203,766

HUD grants receivable consists primarily of expenditures associated with CNIG that have been expended by AH but not yet reimbursed by HUD.

NOTE D — RECEIVABLES — continued

Other receivables consist primarily of operating subsidy overpayments due by Owner Entities of MIXED rental communities resulting from annual subsidy true-ups; receivables from other housing authorities under HCV portability payments; and contributions earned, but yet to be received from NHC.

NOTE E — INVESTMENTS, CURRENT AND NON-CURRENT

Investments consist of surplus cash invested in accordance with AH's Surplus Cash Investment Policy as well as operating reserves deposited with escrow agents, which is further described below. In the case of investments made from surplus cash, the fund characterization of the cash invested dictates the investment classification as to unrestricted or restricted, which is further described in Note C.

Current investments are those for which the term will expire before the end of the upcoming year while non-current investments will expire beyond the end of the upcoming year.

Investments non-current restricted include operating reserves that are held by escrow agents at various banking institutions for the benefit of investors and Owner Entities of the MIXED rental communities. These reserves are restricted in accordance with agreements entered into in conjunction with the development of these properties. These reserves cannot be readily liquidated due to such restrictions. As the restrictions on these investments are not dictated by the source of funds, they are presented as Other Assets on the Financial Data Schedule of Combining Program Net Position provided in ***Other Supplementary Information***. These investments consisted primarily of deposits in money market funds.

Investments at June 30, 2021 and June 30, 2020 consisted of the following:

Investments current:

	2021	2020
Unrestricted:		
MTW Programs	$ 5,065,200	$ 18,483,480
Development-related program income	—	50,195,969
Perry Bolton TAD program income	200,000	—
Non-federal funds (including NHC)	—	5,980,032
Component Units	—	2,000,000
	5,265,200	76,659,481
Restricted		
Proceeds from disposition activity	—	—
Development-related program income	—	1,980,476
	—	1,980,476
	$ 5,265,200	$ 78,639,957

NOTE E — INVESTMENTS, CURRENT AND NON-CURRENT — continued

Investments non-current:

	2021	2020
Unrestricted:		
MTW Program	$ 32,558,720	$ 17,010,000
Non-federal funds (including NHC)	10,499,700	4,501,500
Perry Bolton TAD Program Income	10,000,000	10,997,120
Component Units	3,003,000	3,502,625
Development-related program income	50,724,980	16,497,313
	106,786,400	52,508,558
Restricted:		
Operating reserve in escrow	6,639,910	8,240,853
Development-related program income	—	—
	6,639,910	8,240,853
	$ 113,426,310	$ 60,749,411

NOTE F — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS

GAAP defines "related parties" as those parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties. Related-party development and other loans, development receivables and investments in partnerships at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Development loans (net of allowance of $59,014,758 and $59,014,758 in 2021 and 2020, respectively) *(Note 1)*	$ 198,719,594	$ 193,410,252
Other loans (net of allowance of $4,296,500 and $4,971,369 in 2021 and 2020, respectively) *(Note 1)*	12,646,565	14,162,234
Developer and other fees receivable (net of allowance of $1,198,821 and $1,250,614 in 2021 and 2020, respectively) *(Note 2)*	3,877,626	2,575,651
Predevelopment loans *(Note 1)*	1,269,404	1,416,070
Investments in partnerships (net of allowance of $414,494 and $414,494 in 2021 and 2020, respectively)	—	—
	$ 216,513,189	$ 211,564,207

Note 1: These items totaling $212,635,563 and $208,988,556 at June 30, 2021 and June 30, 2020, respectively, correspond to FDS line 171 — Notes, Loans and Mortgages Receivable — Non-Current.

Note 2: This item combined with Investments non-current (see Note E) totaling $117,303,936 and $63,325,062 at June 30, 2021 and June 30, 2020, respectively, correspond to FDS line 174 — Other Assets.

NOTE F — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS — continued

Development loans

AH makes primarily subordinated development loans (construction and permanent) to the Owner Entities (private-sector owners) in conjunction with financing arrangements related to the development or rehabilitation of AH-Sponsored MIXED rental communities. These loans are fully obligated by the Owner Entities at the financial closing and represent amounts up to AH's share of the development or rehabilitation budget for AH-assisted ACC or HomeFlex units. The loans are amortized over periods generally up to 55 years and bear interest at various rates, as agreed to by the Authority and individual Owner Entities, and approved by HUD. The respective loan agreements provide that these loans will be repaid by the Owner Entity to AH from either net cash flow or operating income, net project proceeds and/or condemnation proceeds for such phases to the extent such amounts are available.

Also included in development loans are Purchase Money Promissory Notes that AH may issue when AH-Owned communities are rehabilitated under HUD's RAD program.

For most of these development or rehabilitation projects, AH owns the land and enters into a long-term ground-lease agreement with the Owner Entity for periods up to 75 years, with some at market rates. At the end of the ground lease, the land and improvements revert to AH. Revenues derived from these leases are usually nominal.

Other loans and predevelopment loans

Other loans that support AH's mission are comprised of various financing arrangements and include: (i) loans to the Owner Entities of MIXED rental communities for acquisitions and site improvements; (ii) loans to private-sector development partners, representing the value of the lots conveyed supporting the financing and construction of single-family homes as a component of AH-homeownership programs; (iii) loans to the Owner Entities of MIXED rental communities in order to meet federal statutory requirements (these loans are fully reserved); and (iv) gap financing to facilitate the construction of properties with up to a 20-year renewable HomeFlex agreement with private owners.

Predevelopment loans are loans to development partners (typically an affiliate of the Owner Entity) prior to the financial closing to facilitate development of the site and are usually fully repaid at financial closing.

Developer and other fees receivable

AH earns developer and other fees associated with the construction, revitalization and oversight activities at the MIXED rental communities and from certain properties with HomeFlex agreements.

NOTE F — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS — continued

Related-party development income and expense

Related-party development income and expense for the years ended June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Type of income (expense)		
Interest income	$ 2,407,232	$ 381,737
Development-related income	2,827,449	4,477,616
Housing assistance payments to Owner Entities of the MIXED rental communities where AH has a Regulatory and Operating Agreement for public housing units	(7,914,767)	(10,914,426)
HomeFlex payments to related Owner Entities where AH has a HomeFlex Agreement	(25,247,881)	(19,612,640)

Other related-party information

Owner Entity financial statements are audited by independent accounting firms hired by the managing general partner of each respective Owner Entity. See Note B.14 and **Other Supplementary Information** for further related-party information.

NOTE G — OTHER RELATED-PARTY TRANSACTIONS

National Housing Compliance, Inc.

NHC was formed in August 1999 as a 501(c)(4) not-for-profit corporation pursuant to the laws of the State of Georgia for the purpose of administering HAP contracts between HUD and private owners of multifamily housing with PBRA. NHC, headquartered in Atlanta, Georgia, is comprised of 11 member organizations, including AH (“Members”). NHC earns fees for contract administration services as HUD’s Performance Based Contract Administrator (“PBCA”) for the states of Illinois and Georgia. NHC makes periodic contributions to Members based on NHC’s earned PBCA revenue in excess of NHC’s operating expenses. As a Member, AH received non-federal contributions of $1,394,909 and $1,294,909 for the years ended June 30, 2021 and June 30, 2020, respectively, from NHC activities in Illinois and Georgia. As NHC’s contributions are primarily used to fund unallowable federal expenses, they are included in operating revenues.

NOTE H — CAPITAL ASSETS

A summary of changes in capital assets of the Authority for the years ended June 30, 2021, and June 30, 2020, respectively, is presented below:

	Balance at June 30, 2020	Additions and reclasses	Disposals and reclasses	Balance at June 30, 2021
Capital assets, not being depreciated:				
Land	$ 97,438,078	$1,809,755	$ (13,395,103)	$ 85,852,730
Modernization in process	511,639	7,073,558	(153,824)	7,431,373
Total capital assets, not being depreciated	97,949,717	8,883,313	(13,548,927)	93,284,103
Depreciable capital assets:				
Land improvements	28,300,918	921,610	–	29,222,528
Buildings and improvements	83,680,858	13,883,385	–	97,564,243
Equipment	33,864,160	3,330,161	(176,080)	37,018,241
Total depreciable capital assets	145,845,936	18,135,156	(176,080)	163,805,012
Less accumulated depreciation				
Land improvements	(21,272,739)	(1,150,545)	–	(22,423,284)
Buildings and improvements	(62,923,037)	(3,415,962)	–	(66,338,999)
Equipment	(27,206,329)	(2,048,788)	161,272	(29,093,845)
Total accumulated depreciation	(111,402,105)	(6,615,296)	161,272	(117,856,128)
Total depreciable capital assets, net	34,443,831	11,519,861	(14,808)	45,948,884
Total capital assets, net	$ 132,393,548	$ 20,403,174	$ (13,563,735)	$ 139,232,986

	Balance at June 30, 2019	Additions and reclasses	Disposals and reclasses	Balance at June 30, 2020
Capital assets, not being depreciated:				
Land	$ 98,714,984	$ 82,951	$ (1,359,857)	$ 97,438,078
Modernization in process	1,023,758	252,451	(764,570)	511,639
Total capital assets, not being depreciated	99,738,742	335,402	(2,124,427)	97,949,717
Depreciable capital assets:				
Land improvements	28,597,592	896,411	(1,193,084)	28,300,918
Buildings and improvements	104,806,448	319,560	(21,445,150)	83,680,858
Equipment	37,362,269	2,537,836	(6,035,946)	33,864,160
Total depreciable capital assets	170,766,309	3,753,807	(28,674,180)	145,845,936
Less accumulated depreciation				
Land improvements	(20,829,549)	(1,077,359)	634,169	(21,272,739)
Buildings and improvements	(76,445,766)	(3,121,815)	16,644,544	(62,923,037)
Equipment	(29,778,039)	(1,796,402)	4,368,112	(27,206,329)
Total accumulated depreciation	(127,053,354)	(5,995,576)	21,646,825	(111,402,105)
Total depreciable capital assets, net	43,712,955	(2,241,769)	(7,027,355)	34,443,831
Total capital assets, net	$ 143,451,697	$ (1,906,367)	$ (9,151,782)	$ 132,393,548

NOTE H — CAPITAL ASSETS — continued

During FY 2021 AH acquired the following properties: 3650 Bakers Ferry Road SW for cash consideration of $1,678,137 on August 31, 2020; 0 Larkin Street for cash consideration of $81,618 on April 30, 2021.

The cost and accumulated depreciation of AH capital assets financed under an EPC capital lease at June 30, 2021 and June 30, 2020 were as follows:

	2021	2020
Building improvements	$ 3,646,507	$ 3,646,507
Equipment	3,561,600	3,561,600
	7,208,107	7,208,107
Accumulated depreciation	(5,115,187)	(4,526,381)
	$ 2,092,920	$ 2,681,726

NOTE I — OTHER NON-CURRENT ASSETS

Other non-current assets at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Public improvement advances due from the City of Atlanta and related entities*	$ –	$ –
Homeownership DPA loans (net of allowance of $27,197,036 and $22,378,454 in 2021 and 2020, respectively)	–	–
Owner Occupied Rehab Loans (net of allowance of $420,000 in 2021 and 2020, respectively)	–	–
	$ –	$ –

** These advances were entirely written off during 2020.*

Under its DPA program for first-time homebuyers earning 80% or less of AMI, AH issued payments of $5,603,515 and $4,940,225 during the years ended June 30, 2021 and June30, 2020, respectively. As described in Note B.8, Valuation and Other Allowances, these loans are fully reserved at closings.

NOTE J — ACCRUED LIABILITIES

Accrued liabilities at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Accrued expense	$ 7,517,946	$ 7,117,725
Wages and benefits	1,011,631	858,947
Compensated absences	2,670,745	1,579,033
Contract retention	492,591	131,412
Insurance, claims and litigation (Note N)	565,000	600,000
Interest payable	28,613	127,430
	$ 12,286,527	$ 10,414,547

Compensated absences at June 30, 2021 consisted of the following:

	Balance at June 30, 2020	Additions	Reductions	Balance at June 30, 2021
Compensated absences	$ 1,579,033	1,270,862	(179,150)	$ 2,670,745

Compensated absences at June 30, 2020 consisted of the following:

	Balance at June 30, 2019	Additions	Reductions	Balance at June 30, 2020
Compensated absences	$ 1,136,469	552,785	(110,221)	$ 1,579,033

The accrued liability for compensated absences is presented as a current liability as the compensated absences are expected to be taken within the next 12 months. Due to the COVID-19 pandemic, employees deferred taking vacations, resulting in a higher than usual balance at June 30, 2021 and June 30, 2020.

NOTE K — OTHER CURRENT LIABILITIES

Other current liabilities at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Public improvement advances received from the City of Atlanta and related entities	$ 3,412,160	$ 3,412,160
Unearned revenue — CARES Act	1,737,858	2,411,368
Unearned revenue — EHV	353,500	—
Unearned revenue — Other	110,492	—
Resident security deposits	222,041	227,343
Other	807,769	796,938
	$ 6,644,820	$ 6,847,809

NOTE L — LONG-TERM DEBT

Energy Performance Contract ("EPC") Capital Lease

An EPC is part of a HUD-sponsored program designed to incentivize local housing authorities to undertake energy-saving improvements at their properties. HUD allows such agencies to freeze the consumption base used to determine their utility funding at an agreed pre-constructed level for up to 20 years, so that the savings from such improvements can be used to finance the cost of water and energy conservation improvements. The EPC structure facilitates financing for the improvements to be repaid through future energy savings resulting from the improvements.

During FY 2012, AH consummated an EPC, which combined an EPC capital lease of $9,104,935 with MTW funds, to fund capital improvements for energy conservation and efficiency solutions at AH-Owned residential communities.

This project was completed at a total cost of $11,929,904, including capitalized interest. MTW funds of $2,249,034 were used to supplement the proceeds from the EPC capital lease.

Long-term debt at June 30, 2021, consisted of the following:

	Balance at June 30, 2020	Additions	Reductions	Balance at June 30, 2021	Non-current	Current
EPC Capital Lease	$ 3,290,053	–	(1,571,097)	$ 1,718,956	$ 1,596,593	$ 122,363

Long-term debt at June 30, 2020 consisted of the following:

	Balance at June 30, 2019	Additions	Reductions	Balance at June 30, 2020	Non-current	Current
EPC Capital Lease	$ 3,405,110	–	(115,057)	$ 3,290,053	$ 3,152,290	$ 137,763

The EPC capital lease bears interest at 4.98% and has a term of 20 years, and is subject to prepayment penalty of 2% of principal amount. Under the terms and conditions of the EPC financing from Bank of America, AH is required to make monthly payments to a Debt Service Fund with Deutsche Bank. Interest expense incurred in connection with the EPC capital lease amounted to $154,176 and $216,750 for the years ended June 30, 2021 and June 30, 2020, respectively.

In December 2020, in preparation for the RAD conversion of two of its residential communities, AH reimbursed a portion of the EPC capital lease for an amount of $1,500,000 in principal, interest and penalty.

NOTE L — LONG-TERM DEBT — continued

Payments under the EPC capital lease scheduled for the next five years and thereafter are as follows:

	Principal	Interest	Total
2022	$ 122,363	$ 85,604	$ 207,967
2023	129,950	79,510	209,461
2024	136,682	73,039	209,721
2025	144,058	66,232	210,290
2026	153,791	59,058	212,849
2027 to 2032	1,032,113	174,748	1,206,859
	$ 1,718,956	$ 538,191	$ 2,257,147

NOTE M — OTHER NON-CURRENT LIABILITIES

Other non-current liabilities at June 30, 2021 and June 30, 2020 consisted of the following:

	2021	2020
Unrealized gain on land sale	$ 9,079,624	$ 9,917,478

In accordance with GAAP requirements for non-monetary transactions, gains on the sale of land conveyance are deferred due to the non-cash consideration received in exchange, thereby not meeting the revenue recognition criteria.

NOTE N — INSURANCE, CLAIMS AND LITIGATION

AH is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; cyber-attacks; terrorism; and natural disasters. AH carries general and auto insurance, and maintains certain reserves deemed sufficient to cover potential uninsured losses.

Self-insurance plan — workers' compensation

AH is self-insured for workers' compensation claims and has purchased excess work compensation insurance for its workers' compensation self-insurance plan, which limits its liability to $400,000 per accident. AH has a system in place to identify incidents that might give rise to workers' compensation claims. It uses this information to compute an estimate of loss due to claims asserted and incidents that have incurred but not been reported. Settled claims have not exceeded the self-insured retention at any point during the past five years. AH has recorded an estimated liability of $80,000 as of June 30, 2021 and June 30, 2020.

NOTE N — INSURANCE, CLAIMS AND LITIGATION — continued

Litigation and claims

AH is party to legal actions arising in the ordinary course of business. Certain actions are in various stages of the litigation process and their ultimate outcome cannot be determined currently.

Accordingly, potential liabilities in excess of insurance coverage may not be reflected in the accompanying financial statements. The financial statements include estimated liabilities in the amount of $485,000 and $520,000 as of June 30, 2021 and June 30, 2020, respectively. AH carries general and automobile liability insurance coverage with a self-insured limit of $100,000. AH also carries other liability coverage such as fiduciary and directors' and officers' liability with self-insured limits varying from $25,000 to $100,000.

Property damage losses

AH carries property damage insurance, which limits its losses to $50,000 in case of damages to its assets and properties.

NOTE O — CONTINGENCIES AND UNCERTAINTIES

Easements, liens and other contractual obligations

Generally, real property owned by AH under the public housing program or purchased using public housing development funds is subject to a HUD declaration of trust and most have various customary easements (e.g., utility rights-of-way). From time to time, mechanics' liens or other such liens may be recorded against AH-Owned property. Notwithstanding any such liens, under Georgia law, all real property owned by AH is exempt from levy and sale by virtue of execution, other judicial process or judgment. Additionally, real property owned by AH affiliate entities and leasehold interests in AH real property (ground leased to Owner Entities in connection with MIXED rental communities) may be subject to mortgage liens and other contractual obligations.

Valuation of related-party development and other loans

The multifamily rental housing market is affected by a number of factors such as overall economic conditions, unemployment rates, mortgage interest rates, supply and demand, changes in neighborhood demographics and growth of the metropolitan-Atlanta area. Because related-party development and other loans to Owner Entities of the MIXED rental communities are primarily subordinated and may be payable from net cash flows, local market conditions could affect the value of those loans as reflected on AH's books. AH's strategy is to closely monitor the performance of the properties and local market conditions in order to mitigate these risks.

NOTE P — DEFINED BENEFIT PENSION PLAN

Plan description

The Pension Plan for Employees of the Housing Authority of the City of Atlanta, Georgia (the "Plan") was a single-employer, non-contributory defined benefit pension plan under administrative services and investment contracts with Massachusetts Mutual Life Insurance Company, an insurance carrier, which maintains custody of Plan assets and administers the Plan. AH is not required to provide a separate audited GAAP-basis pension plan report. Assets of the Plan represent less than 1% of the insurance carrier's total assets. None of the Plan's investments was the property of AH.

The AH Board froze the Plan as of December 31, 2007. No employees hired or rehired on or after January 1, 2008, may be added to or accrue additional benefits under the Plan. The Board also froze benefit accruals under the Plan for all current participants, except certain vested employees whose age plus years of service equaled 60 at December 31, 2007, and who elected to continue accruals under the Plan (grandfathered employees) and who elected to take the lump-sum cash payments. As a result, on and after January 1, 2008, service is credited for active and accruing participants only.

In FY 2009, AH offered and made lump sum cash payments to those plan participants who were no longer employed with AH, had vested in a retirement benefit but who had not retired nor been certificated by the Plan administrator. AH is no longer liable to fund future retirement benefits for those 304 participants who elected to take their retirement benefit under the lump sum option. The Plan document received a favorable determination letter from the IRS on June 3, 2011. The Plan provides retirement, disability and death benefits to the eligible participants and their beneficiaries. A participant is vested in her or his accrued benefits after five years of service.

Monthly normal retirement benefits are calculated as 1.9% of one-twelfth of the participant's career earnings paid by AH as an active participant of the Plan plus one-twelfth of the benefit in Appendix A of the Plan document for service before January 1, 1971. Participants may retire at the later of age 65 and fifth anniversary of the effective date of participation. Any participant who has attained the age of 55 and has completed five years of service may elect for early retirement with reduced benefits. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately unless a disabled participant covered by AH's long-term disability plan elects for the deferred option. Vested participants are entitled to a death benefit payable at 50% of the amount that would have been payable to the participant under the 50% Joint and Survivor Option provided in the plan document. The Plan's benefit terms do not provide for a cost-of-living adjustment on post-retirement benefits.

During FY 2019, AH purchased an annuity contract from Massachusetts Mutual Life Insurance for 371 certificated retirees. As a result, AH has no more obligation for these certificated retirees, and the pension plan liability and plan fiduciary net position have been reduced accordingly.

Effective April 1, 2020, the Plan was terminated with credited services and earnings frozen for accruing participants at the end of day on March 31, 2020. On July 1, 2020, participants, other than retirees, were offered three benefit distribution options from which the participants had to make an election no later than August 31, 2020. The options offered were: 1) one-time lump sum; 2) immediate annuity; and 3) deferred annuity. The immediate annuity start date and distributions of lump sums began/were made on October 1, 2020. AH purchased an annuity contract to cover the deferred annuity payments for retirees and immediate and deferred annuities elected by participants after issuing a Request for Annuity Proposals to prospective insurance providers.

NOTE P — DEFINED BENEFIT PENSION PLAN — continued

At June 30, 2021 and 2020, the Plan included the following participants:

	2021	**2020**
Inactive participants or beneficiaries currently receiving benefits	—	138
Inactive participants entitled to but not yet receiving benefits	—	208
Active participants, accruing	—	5
	—	351

Net pension liability

AH's net pension liability at June 30, 2021 is an estimate of the cost for one participant who could not be located. The June 30, 2020 total pension liability measurement was performed in the context of the termination.

Actuarial assumptions

Not applicable for June 30, 2021; the total pension liability in the June 30, 2020 actuarial valuation was determined using the entry age actuarial cost method and the following actuarial assumptions applied to all periods included in the measurement, except as specifically noted:

	2021	**2020**
Inflation	not applicable	2.0%
Salary increases	not applicable	4.0%
Investment rate of return	not applicable	3.9%

2020 Mortality: RP-2019 Mortality Tables for Annuitants and Non Annuitants, fully generational with Scale MP-2019.

Plan Termination Assumptions

Lump Sum Election	60%
Discount rates —	
Segment 1 (less than 5 years)	2.13%
Segment 2 (between 5 to 20 years)	3.07%
Segment 3 (more than 20 years)	3.65%
Deferred & Immediate Annuity Election	40%
Discount rate (annuity contract)	1.5%
Mortality table	2020 IRC #430

NOTE P — DEFINED BENEFIT PENSION PLAN — continued

Changes in net pension liability

The net pension liability is comprised of the total pension liability less the Plan fiduciary net position (Plan net assets). A summary of changes in each of these components of the net pension liability for the year ended June 30, 2020 is presented below:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)–(b)
Balances at June 30, 2019	$ 25,819,254	$ 24,918,631	$ 900,623
Changes during the year			
Service cost	5,036		5,036
Interest	994,606		994,606
Difference between expected and actual experience	31,313		31,313
Contribution — employer		5,000,000	(5,000,000)
Projected earnings on Plan fiduciary net position		950,944	(950,944)
Difference between projected and actual earnings on Plan fiduciary net position		1,302,093	(1,302,093)
Purchase of an Annuity Contract for Certificated Retirees	6,058,397		6,058,397
Benefit payments	(1,070,944)	(1,138,943)	67,999
Net changes	6,018,408	6,114,094	(95,686)
Balances at June 30, 2020	$ 31,837,662	$ 31,032,725	$ 804,937

Sensitivity of the net pension liability to changes in the discount rate

Not applicable for June 30, 2021.

Pension expense

For the years ended June 30, 2021 and June 30, 2020, AH recorded pension expense in the amount of $0 and $6,723,082, respectively, comprised of the following components:

	2021	2020
Service cost	$ –	$ 5,036
Interest	–	994,606
Amortization of deferred inflows	–	(129,773)
Projected earnings on Plan fiduciary net position	–	(950,944)
Amortization of deferred outflows	–	1,948,541
Actuarial liability loss — current year	–	31,313
Actuarial asset gain — current year	–	(1,302,093)
Change in assumptions and other expense	–	6,126,396
Total pension expense	$ –	$ 6,723,082

Note: The contributions as of June 30, 2020 and actual expenses from the closing of the Plan resulted in an over-contribution of $1,600,457.41. AH is accruing as a liability $200,000 for one participant who could not be located and recognized the other $1,400,457.41 as miscellaneous income as of June 30, 2021.

NOTE P — DEFINED BENEFIT PENSION PLAN — continued

Deferred outflows and deferred inflows related to the Plan

Not applicable as of June 30, 2021; as a result of the Plan termination in fiscal year ending June 30, 2020, the deferred outflows and inflows were recognized during the year and included in the pension expense.

Funding policy

This is not applicable for FY 2021 as the pension plan was terminated as of June 30, 2020.

AH's funding policy is to contribute an amount equal to or greater than the minimum required contribution under Georgia State Code. The Actuarial Standard of Practice recommends the use of best-estimate range for each assumption, based on past experience, future expectations and application of professional judgment. The recommended contributions were computed as part of the actuarial valuations performed as of January 1, 2020. Beginning June 1996, AH's contributions were determined under the Projected Unit Credit Actuarial Cost method (pay-related benefit formula). For the fiscal year ended June 30, 2020, AH funded a pension payment of $5,000,000. Such payments were either equal to or greater than AH's minimum annual required contributions under Georgia State Code 47-20-10. Refer to **Required Supplementary Information** section for additional information.

NOTE Q — DEFERRED COMPENSATION AND DEFINED CONTRIBUTION PLANS

AH offers its employees a deferred compensation plan created in accordance with IRC Section 457 (the 457 Plan). The 457 Plan is available to all full-time eligible employees, except those who elected to stay in the Defined Benefit Pension Plan, and permits participants to defer a portion of their salary until future years. Effective February 1, 2008, all eligible employees had the option to participate in the 457 Plan with a deferral rate of 2%. Employees may change their deferral rate at any time. Employee contributions of $1,863,869 and $1,577,504 were made to the plan for the fiscal years ended June 30, 2021 and June 30, 2020, respectively.

In conjunction with changes made to the Defined Benefit Pension Plan, effective February 1, 2008, AH's Board also approved the creation of a Defined Contribution Plan under IRC Section 401(a) (the "401(a) Plan"), for all eligible employees. The 401(a) Plan provides an employer-matching contribution on amounts that employees defer into the 457 Plan, equal to 100% of the first 2% deferred by the participant. Additional matching contributions are allowed based on the participant's years of service as well as position level. In addition, further contributions can be made at the discretion of management. The employer contribution to the 401(a) Plan amounted to $933,606 and $935,354 for the fiscal years ended June 30, 2021 and June 30, 2020, respectively. Subject to a 3-year vesting period, amounts from these plans are available to participants at the time of termination, retirement, and death or emergency. As required by federal regulations, the funds are held in trust for the exclusive benefit of participants and their beneficiaries.

NOTE Q — DEFERRED COMPENSATION AND DEFINED CONTRIBUTION PLANS — continued

Under the Master Services Agreement, Principal Financial Services, Inc. was appointed Trustee, Custodian and Record-keeper of both plans. AH has no ownership in the plans' assets. Accordingly, the plans' assets are not reported in AH's financial statements. Upon receipt of appropriate approval, AH may amend, modify or terminate the plans.

NOTE R — LEASES

AH-Owned capital assets under leases

AH is party to lease agreements as lessor whereby it receives revenue for tenant dwellings leased in AH-Owned public-housing-assisted residential properties. These leases are for a 1-year period (which may or may not be renewed depending upon tenant eligibility and desire) and are considered operating leases for accounting purposes.

AH is the ground lessor to Owner Entities of most of the MIXED rental communities, as discussed further in Note F. Revenue derived from these leases is nominal.

The cost and accumulated depreciation of AH-Owned capital assets used in leasing activities as of June 30, 2021 and June 30, 2020, were as follows:

	2021	2020
Land	$ 23,101,605	$ 23,203,833
Modernization in process	94,090	–
Total capital assets, not being depreciated	23,195,696	23,203,833
Land improvements	23,185,952	22,765,983
Building and improvements	67,578,619	66,988,108
Equipment	22,560,408	20,210,422
Total depreciable capital assets	113,324,978	109,964,513
Less accumulated depreciation	(91,773,143)	(86,575,566)
Total depreciable capital assets, net	21,551,835	23,388,947
Total capital assets, net	$ 44,747,531	$ 46,592,780

Operating leases

AH is party to operating lease agreements as a lessee for office equipment used in the normal course of business. Lease payments over the remaining terms of these lease agreements are as follows:

Years ending June 30,	Amount
2022	$ 86,931
2023	40,682
Total	$ 127,613

NOTE R — LEASES — continued

The lease expense, including equipment servicing, incurred in connection with these operating leases amounted to $172,635 and $296,701 for the fiscal years ended June 30, 2021 and June 30, 2020, respectively, and is reported under administration, including direct operating divisions expenses.

In December 2016, AH entered into a land swap agreement with the City of Atlanta. The City of Atlanta currently has an operation on a portion of the property that cannot move until a new facility is available. Consequently, AH, as lessor, and the City of Atlanta, as lessee, have entered into a lease agreement for a period not to exceed 30 months at an annual rent of $69,815. In December 2019, this lease was extended through January 2021 with an annual rent of $10.

NOTE S — NET POSITION

Net position is comprised of three components: 1) net investment in capital assets; 2) restricted–expendable; and 3) unrestricted.

1. Net investment in capital assets represents the net book value of capital assets less the total outstanding debt used to acquire or lease those capital assets including cash in escrow for the next payment.
2. Restricted–Notes receivable, HUD and program reserves net position, subject to both internal and external constraints, is calculated at the carrying value of restricted assets less related liabilities. This net position is restricted by time and/or purpose. The restricted net position includes cash subject to restrictions for HUD-funded programs, related-party development and other loans, and investments associated with operating reserves required in conjunction with the AH-Sponsored MIXED rental development transactions.

   These assets cannot be used, pledged or mortgaged to a third party or seized, foreclosed upon or sold in the case of a default, ahead of any HUD lien or interest without HUD approval. In addition, the related-party development and other loans are not available to satisfy AH's obligations due to the long-term, contingent nature of the underlying notes (see also Note F, Note O and **Other Supplementary Information**).
3. Unrestricted net position, although referred to as unrestricted, remains subject to varying degrees of limitations. HUD approval is required, with some limited exceptions, to use or deploy these assets strategically outside of the ordinary course of AH's business. AH's eligible business activities are set forth in its HUD-approved MTW Business Plan, as amended from time to time by its MTW Annual Implementation Plans. In all cases, AH's assets are subject to the limitations of AH's charter and the Housing Authorities Laws of the State of Georgia.

NOTE T — COMBINING SCHEDULES OF BLENDED COMPONENT UNITS

AH's blended component units are created at the direction of the AH Board to assist the Authority with development and other acquisition activities in support of affordable housing. Under GASB Nos. 14 and 34, these blended component units are presented within the reporting entity of AH and are grouped under 6.2 Component Unit—Blended within the Financial Data Schedules presented in **Other Supplementary Information**. See also Note A.3 for additional information on AH's component units. Balances at June 30, 2021 and 2020, and activity for the years then ended were as follows:

Combining Statement of Net Position
As of June 30, 2021

	JWD	AAHFI	SHHI	RAH	SRDC	WAH	AHICI	Total Component Units
ASSETS								
Current and non-current assets	$ 4,481,583	$ 286,941	$ 1,359,815	$ -	$ 26,363	$ 2,077,526	$ 347,854	$ 8,580,082
Capital assets, net	8,814,251	-	-	-	-	36,660,946	-	45,475,197
TOTAL ASSETS	$ 13,295,834	$ 286,941	$ 1,359,815	$ -	$ 26,363	$ 38,738,472	$ 347,854	$ 54,055,279
LIABILITIES AND NET POSITION								
Current and non-current liabilities	$ 1,047,859	$ -	$ 1,315	$ -	$ -	$ 5,000	$ 5,000	$ 1,059,174
Long-term debt outstanding	-	-	-	-	-	-	-	-
Total liabilities	1,047,859	-	1,315	-	-	5,000	5,000	1,059,174
Net investment in capital assets	8,814,251	-	-	-	-	36,660,946	-	45,475,197
Restricted	-	-	-	-	25,623	135,100	-	160,723
Unrestricted	3,433,724	286,941	1,358,500	-	740	1,937,426	342,854	7,360,186
Total net position	12,247,975	286,941	1,358,500	-	26,363	38,733,472	342,854	52,996,105
TOTAL LIABILITIES AND NET POSITION	$ 13,295,834	$ 286,941	$ 1,359,815	$ -	$ 26,363	$ 38,738,472	$ 347,854	$ 54,055,279

Combining Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2021

	JWD	AAHFI	SHHI	RAH	SRDC	WAH	AHICI	Total Component Units
REVENUES								
Operating revenues	$ 2,119,557	$ 19,852	$ -	$ -	$ -	$ 39,021	$ 44,145	$ 2,222,575
Non-operating revenues	41,797	-	18,300	-	-	18,300	-	78,397
TOTAL REVENUES	2,161,354	19,852	18,300	-	-	57,321	44,145	2,300,973
EXPENSES								
Operating and other expenses	(2,005,824)	(818)	(17,691)	-	(678)	(93,428)	(6,535)	(2,124,973)
Operating transfers in (out)	-	-	-	-	-	-	-	-
TOTAL EXPENSES	(2,005,824)	(818)	(17,691)	-	(678)	(93,428)	(6,535)	(2,124,973)
CHANGE IN NET POSITION	155,529.68	19,034	609	-	(678)	(36,107)	37,610	175,998
NET POSITION - beginning of year	12,092,445	267,907	1,357,891	-	27,041	38,769,579	305,244	52,820,107
NET POSITION - end of year	$ 12,247,975	$ 286,941	$ 1,358,500	$ -	$ 26,363	$ 38,733,472	$ 342,854	$ 52,996,105

Note: The following affiliate entities had no activity in FY 2021 or FY 2020 and are not included in the Blended Component Units financials: Atlanta Housing Development Corporation, Community Renewal Partners LLC, Buttermilk Bottom Renewal LLC, Atlanta Housing Partnership Investments LLC, and Housing Capital Investments Managing Member LLC.

NOTE T — COMBINING SCHEDULES OF BLENDED COMPONENT UNITS — continued

Combining Statement of Net Position
As of June 30, 2020

	JWD	AAHFI	SHHI	RAH	SRDC	WAH	AHICI	Total Component Units
ASSETS								
Current and non-current assets	$ 5,441,184	$ 267,907	$ 1,357,951	$ -	$ 27,041	$ 2,104,328	$ 305,244	$ 9,503,654
Capital assets, net	7,317,976	-	-	-	-	36,678,267	-	43,996,243
TOTAL ASSETS	$ 12,759,160	$ 267,907	$ 1,357,951	$ -	$ 27,041	$ 38,782,595	$ 305,244	$ 53,499,897
LIABILITIES AND NET POSITION								
Current and non-current liabilities	$ 666,714	$ -	$ 60	$ -	$ -	$ 13,016	$ -	$ 679,790
Long-term debt outstanding	-	-	-	-	-	-	-	-
Total liabilities	666,714	-	60	-	-	13,016	-	679,790
Net investment in capital assets	7,317,975	-	-	-	-	36,678,267	-	43,996,242
Restricted	-	-	-	-	26,301	135,100	-	161,401
Unrestricted	4,774,470	267,907	1,357,891	-	740	1,956,212	305,244	8,662,464
Total net position	12,092,445	267,907	1,357,891	-	27,041	38,769,579	305,244	52,820,107
TOTAL LIABILITIES AND NET POSITION	$ 12,759,160	$ 267,907	$ 1,357,951	$ -	$ 27,041	$ 38,782,595	$ 305,244	$ 53,499,897

Combining Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2020

	JWD	AAHFI	SHHI	RAH	SRDC	WAH	AHICI	Total Component Units
REVENUES								
Operating revenues	$ 2,088,663	$ 11	$ -	$ -	$ 25,000	$ 434,174	$ 11,229	$ 2,559,076
Non-operating revenues	104,083	-	34,364	-	-	34,364	-	172,812
TOTAL REVENUES	2,192,746	11	34,364	-	25,000	468,538	11,229	2,731,888
EXPENSES								
Operating and other expenses	(2,148,835)	(5,854)	(22,028)	(1,510)	(2,106)	(259,420)	(12,816)	(2,452,570)
Operating transfers in (out)	-	50	30	1,510	30	60	50	1,730
TOTAL EXPENSES	(2,148,835)	(5,804)	(21,998)	-	(2,076)	(259,360)	(12,766)	(2,450,840)
CHANGE IN NET POSITION	43,911	(5,793)	12,366	-	22,924	209,178	(1,537)	281,048
NET POSITION - beginning of year	12,048,535	273,700	1,345,525	-	4,117	38,560,401	306,781	52,539,059
NET POSITION - end of year	$ 12,092,445	$ 267,907	$ 1,357,891	$ -	$ 27,041	$ 38,769,579	$ 305,244	$ 52,820,107

NOTE U — RECENT ACCOUNTING PRONOUNCEMENTS

GASB issued no new pronouncements during FY 2021.

NOTE V — SUBSEQUENT EVENTS

Events that occur after the date of the statement of net position but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the date of the statement of net position are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the date of the statement of net position, require disclosure in the accompanying notes.

NOTE V — SUBSEQUENT EVENTS — continued

Management has evaluated subsequent events through September 29, 2022, the date on which the financial statements were available to be issued. During this period, no material subsequent events have occurred which would require recognition or disclosure in AH's financial statements, except for the following events:

Pending Litigation

Between 1999 and 2002, AH and its development partner, Integral Development, LLC through its four special purpose LLCs (collectively, the "Developers"), entered into four Revitalization Agreements for the revitalization of Grady Homes, Capitol Gateway, Harris Homes and Carver Homes. In 2011, AH's then-CEO, executed Amendments to the Revitalization Agreements (the "2011 Amendments"), which provided options allowing the Developers to acquire certain vacant parcels on the four sites and other adjacent parcels totaling ±91.9 acres (called "Further Leverage Properties" or "FLP"s) through holding companies controlled by the Developers. The 2011 Amendments contemplated seller financing for purchases to the holding companies and potential subsequent sale by the Developers to third-party developers for a profit. The 2011 Amendments were never approved by the AH Board of Commissioners, or HUD as is normally required for such transactions. In 2016, the Developers sought to exercise the options on the FLPs. AH's then-Board of Commissioners refused to authorize the conveyances.

In 2017, litigation ensued with both parties asserting claims against the other. On December 18, 2019, AH and the Developers negotiated and executed a tentative Settlement Agreement, which was contingent upon HUD's approval of the dispositions of the FLPs. HUD reviewed the proposed dispositions of the FLPs and, on July 2, 2020, HUD specifically rejected the dispositions.

In February 2022, the parties negotiated a settlement of all remaining issues. Under the settlement: (i) Atlanta Housing will sell approximately fifty-four ((±54) acres of vacant land on or adjacent to the Properties for a cash price of $26 million with the closing on the property to occur within twelve (12) months after formal disposition approval by HUD; (ii) Developer will pay the purchase price for the ±54 acres using its own financing or resources; (iii) Atlanta Housing will convey approximately seven (7) acres on the former Capitol Homes site to be developed by the Developer into a public park; (iv) the parties will jointly develop approximately eight and eight tenths (±8.8) acres of property retained by Atlanta Housing on or adjacent to the former Carver Homes with the purposes of planning, constructing, and developing mixed-income housing with a strong affordability component; (v) the Developer Entities have agreed to dismiss the lawsuit and quitclaim, terminate and release any purchase rights and development rights to the balance of the property in dispute (approximately ±20 acres) upon fulfillment of the other settlement terms. The settlement was approved by the Board on February 16, 2022, and the Superior Court entered a Consent Order approving the Settlement on February 23, 2022. The parties are currently executing the timetable and other terms contained in the settlement.

As the settlement agreement proscribes AH's potential financial risk, Management does not believe the consummation of the settlement will affect AH's delivery of services, be of a material ultimate financial risk to AH, or pose a significant adverse effect on AH's overall financial position.

NOTE V — SUBSEQUENT EVENTS — continued

Pending Administrative Action

On November 4, 2020, HUD's Region IV Office of Fair Housing and Equal Opportunity ("FHEO") initiated a compliance review ("Review") of Atlanta Housing. The Review focused on overall compliance under Section 504 of the Rehabilitation Act of 1973 ("Section 504"), the Americans with Disabilities Act of 1990 ("ADA") and HUD's implementing regulations. Specifically, the Review looked at Atlanta Housing's policies, procedures and practices related to reasonable accommodation/reasonable modification requests at properties owned by Atlanta Housing as well as properties of third-party owners where Atlanta Housing had families receiving rental assistance between January 1, 2018 and September 30, 2020. HUD FHEO found some instances of concerns, which AH disputes. AH is actively negotiating a voluntary settlement agreement with HUD FHEO which could include changes to AH's policies and procedures for monitoring and addressing reasonable accommodation requests and establishment of a fund to address potential costs related to such reasonable accommodation requests. Management does not believe the amount would affect AH's delivery of services or be material and will await the conclusion of the negotiations. Management believes it can reach an amicable resolution with HUD FHEO and avoid adverse funding and related concerns.

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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

For years ended June 30, *

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	$ 5,036	$ 55,525	$ 86,857	$ 141,274	$ 154,807	$ 130,078	$ 166,019
Interest	994,606	1,794,096	1,782,631	2,072,456	1,980,774	2,009,842	2,093,307
Difference between expected and actual experience	31,313	694,316	(367,576)	3,174,248	3,595,608	(500,189)	(550,153)
Benefit payments	(1,070,944)	(2,256,671)	(2,931,794)	(2,914,748)	(2,905,948)	(2,850,564)	(2,873,036)
Change in Assumptions/Purchase of annuity contract	6,058,397	(20,118,978)	–	–	–	–	–
Net change in total pension liability	6,018,408	(19,831,712)	(1,429,882)	2,473,230	2,825,241	(1,210,833)	(1,163,863)
Total pension liability — beginning	25,819,254	45,650,966	47,080,848	44,607,618	41,782,377	42,993,210	44,157,073
Total pension liability — ending (a)	$ 31,837,662	$ 25,819,254	$ 45,650,966	$ 47,080,848	$ 44,607,618	$ 41,782,377	$ 42,993,210
Plan Fiduciary Net Position							
Contribution — employer	$ 5,000,000	$ 750,000	$ –	$ 7,500,000	$ 2,000,000	$ 1,000,000	$ 2,500,500
Projected earnings on Plan fiduciary net position	950,944	1,742,407	1,760,027	1,897,836	1,943,183	1,951,673	1,921,483
Difference between projected and actual earnings on Plan fiduciary net position	1,302,093	(243,336)	(377,821)	(77,007)	(958,302)	(746,677)	(194,549)
Benefit and other payments	(1,138,943)	(2,256,671)	(2,931,794)	(2,914,748)	(2,905,948)	(2,850,564)	(2,873,036)
Purchase of annuity for Certificated retirees	–	(20,118,978)	–	–	–	–	–
Net change in Plan fiduciary net position	6,114,094	(20,126,578)	(1,549,588)	6,406,081	78,933	(645,568)	1,354,898
Plan fiduciary net position — beginning	24,918,631	45,045,209	46,594,797	40,188,716	40,109,783	40,755,351	39,400,453
Plan fiduciary net position — ending (b)	$ 31,032,725	$ 24,918,631	$ 45,045,209	$ 46,594,797	$ 40,188,716	$ 40,109,783	$ 40,755,351
Net pension liability — ending (a)–(b)	$ 804,937	$ 900,623	$ 605,757	$ 486,051	$ 4,418,902	$ 1,672,594	$ 2,237,859
Plan fiduciary net position as a percentage of the total pension liability	97.5%	96.5%	98.7%	99.0%	90.1%	96.0%	94.8%
Covered payroll	$ 5,472,365	$ 4,528,732	$ 5,566,220	$ 6,850,751	$ 6,853,955	$ 7,676,909	$ 7,826,041
Net pension liability as a percentage of covered payroll	14.7%	19.9%	11.0%	7.1%	64.5%	21.8%	28.6%

* AH adopted the new pension accounting and reporting standard starting in FY 2014, therefore the information for a full 10-year disclosure is unavailable.
Note: The AH pension plan was closed out in FY 2020, but AH is maintaining a pension liability in FY 2021 for one participant who could not be located.

SCHEDULE OF PENSION PLAN CONTRIBUTIONS

For years ended June 30,*

	2020	2019	2018	2017	2016	2015	2014
Actuarially determined employer contributions	$ –	$ 111,650	$ –	$ 784,941	$ 654,176	$ 387,153	$ 546,432
Cash contributions from AH	5,000,000	750,000	–	7,500,000	2,000,000	1,000,000	2,500,000
Contribution excess	$ 5,000,000	$ 638,350	$ –	$ 6,715,059	$ 1,345,824	$ 612,847	$ 1,953,568
Covered payroll	$ 5,472,365	$ 4,528,732	$ 5,566,220	$ 6,850,751	$ 6,853,955	$ 7,676,909	$ 7,826,041
Cash contribution as a percentage of covered payroll	91.4%	16.6%	–%	109.5%	29.2%	13.0%	31.9%

Notes to Schedule of Pension Plan Contributions:

The actuarially determined employer contributions are calculated as of January 1st of each calendar year and correspond to the minimum required contribution as determined under the Georgia State Code in effect as of the date of the valuation.

Methods and assumptions used to determine contributions are as follows:

Actuarial cost method	Projected Unit Credit
Amortization method	Plan asset related — 5 years
	Projected liability related — 1 year
Remaining amortization period	1 to 5 years
Asset valuation method	Market
Inflation	2.0%
Salary increases	4.0% including inflation
Investment rate of return	3.9% net of pension plan investment expense
Retirement age	65
Mortality	RP-2019 Mortality Tables for Annuitants and Non Annuitants, fully generational with Scale MP-2019

* AH adopted the new pension accounting and reporting standard starting in FY 2014, therefore the information for a full 10-year disclosure is unavailable.

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OTHER SUPPLEMENTARY INFORMATION

The Housing Authority of the City of Atlanta, Georgia

Financial Data Schedule of Combining Program Net Position
As of June 30, 2021

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	14.889 Choice Neighborhoods Implementation Grants	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.881 Moving to Work Demonstration Program	14.HCC HCV CARES Act Funding	14.CMT CARES Act Funding Transferred to MTW
111 Cash - Unrestricted	$6,078,216	$0	$0	$1,611	$0	$0	$805,295	$0	$0
112 Cash - Restricted - Modernization and Development	$0	$0	$0	$0	$0	$0	$0	$0	$0
113 Cash - Other Restricted	$0	$6,523	$0	$0	$0	$0	$0	$1,738,858	$0
114 Cash - Tenant Security Deposits	$222,041	$0	$0	$0	$0	$0	$0	$0	$0
115 Cash - Restricted for Payment of Current Liabilities	$95,599	$0	$0	$0	$0	$0	$0	$0	$25,789
100 Total Cash	$6,395,856	$6,523	$0	$1,611	$0	$0	$805,295	$1,738,858	$25,789
122 Accounts Receivable - HUD Other Projects	$0	$9,421	$0	$134,932	$0	$2,834	$0	$0	$0
124 Accounts Receivable - Other Government	$0	$0	$0	$0	$0	$0	$0	$0	$0
125 Accounts Receivable - Miscellaneous	$572,801	$1,481	$0	$0	$0	$0	$885,773	$0	$0
126 Accounts Receivable - Tenants	$27,694	$0	$0	$0	$0	$0	$0	$0	$0
126.1 Allowance for Doubtful Accounts -Tenants	-$16,048	$0	$0	$0	$0	$0	$0	$0	$0
126.2 Allowance for Doubtful Accounts - Other	-$42,658	-$1,481	$0	$0	$0	$0	-$521,041	$0	$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	$541,789	$9,421	$0	$134,932	$0	$2,834	$364,732	$0	$0
131 Investments - Unrestricted	$5,065,203	$0	$0	$0	$0	$0	$0	$0	$0
142 Prepaid Expenses and Other Assets	$22,395	$0	$0	$0	$0	$0	$253	$0	$0
144 Inter Program Due From	$0	$0	$0	$0	$0	$0	$144,327	$0	$0
150 Total Current Assets	$12,025,243	$15,944	$0	$136,543	$0	$2,834	$1,314,607	$1,738,858	$25,789
161 Land	$27,777,171	$0	$0	$500	$0	$0	$19,366,055	$0	$0
162 Buildings	$96,431,701	$0	$0	$0	$0	$0	$14,147,526	$0	$0
163 Furniture, Equipment & Machinery - Dwellings	$22,359,462	$0	$0	$0	$0	$0	$173,676	$0	$0
164 Furniture, Equipment & Machinery - Administration	$200,946	$0	$0	$0	$0	$0	$1,683,828	$0	$0
166 Accumulated Depreciation	-$93,154,926	$0	$0	$0	$0	$0	-$2,537,400	$0	$0
167 Construction in Progress	$5,772,495	$0	$0	$0	$0	$0	$165,972	$0	$0
160 Total Capital Assets, Net of Accumulated Depreciation	$59,386,849	$0	$0	$500	$0	$0	$32,999,657	$0	$0
171 Notes, Loans and Mortgages Receivable - Non-Current	$481,750	$0	$0	$0	$0	$0	$787,654	$0	$0
174 Other Assets	$0	$0	$0	$0	$0	$0	$32,558,720	$0	$0
180 Total Non-Current Assets	$59,868,599	$0	$0	$500	$0	$0	$66,346,031	$0	$0
290 Total Assets and Deferred Outflow of Resources	$71,893,842	$15,944	$0	$137,043	$0	$2,834	$67,660,638	$1,738,858	$25,789
312 Accounts Payable <= 90 Days	$485,376	$0	$0	$22,488	$0	$0	$185,897	$0	$1,408
321 Accrued Wage/Payroll Taxes Payable	$0	$0	$0	$0	$0	$0	$0	$0	$0
322 Accrued Compensated Absences - Current Portion	$0	$0	$0	$0	$0	$0	$50,472	$0	$0
324 Accrued Contingency Liability	$0	$0	$0	$0	$0	$0	$59,518	$0	$0
325 Accrued Interest Payable	$28,614	$0	$0	$0	$0	$0	$0	$0	$0
341 Tenant Security Deposits	$222,041	$0	$0	$0	$0	$0	$0	$0	$0
342 Unearned Revenue	$2,904	$0	$0	$0	$0	$0	$16,120	$1,738,858	$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$122,363	$0	$0	$0	$0	$0	$0	$0	$0
345 Other Current Liabilities	$874,897	$206	$0	$229	$0	$0	$374,419	$0	$0
346 Accrued Liabilities - Other	$2,188,464	$0	$0	$22,993	$0	$0	$2,770,056	$0	$24,381
347 Inter Program - Due To	$0	$36,321	$0	$123,825	$0	$2,834	$3,610	$0	$0
310 Total Current Liabilities	$3,924,659	$36,527	$0	$169,535	$0	$2,834	$3,460,092	$1,738,858	$25,789
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$1,596,593	$0	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$0	$0	$0	$0	$0	$0
357 Accrued Pension and OPEB Liabilities	$0	$0	$0	$0	$0	$0	$0	$0	$0
350 Total Non-Current Liabilities	$1,596,593	$0	$0	$0	$0	$0	$0	$0	$0
300 Total Liabilities	$5,521,252	$36,527	$0	$169,535	$0	$2,834	$3,460,092	$1,738,858	$25,789
508.4 Net Investment in Capital Assets	$57,763,497	$0	$0	$500	$0	$0	$32,999,656	$0	$0
511.4 Restricted Net Position	$481,749	$0	$0	$0	$0	$0	$787,654	$0	$0
512.4 Unrestricted Net Position	$8,127,344	-$20,583	$0	-$32,992	$0	$0	$30,413,236	$0	$0
513 Total Equity - Net Assets / Position	$66,372,590	-$20,583	$0	-$32,492	$0	$0	$64,200,546	$0	$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$71,893,842	$15,944	$0	$137,043	$0	$2,834	$67,660,638	$1,738,858	$25,789

14.PHC Public Housing CARES Act Funding	1 Business Activities	14.CFP MTW Demonstration Program for Capital Fund	2 State/Local	14.OPS MTW Demonstration Program for Low Rent	8 Other Federal Program 1	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
$0	$3,153,978	$0	$0	$0	$28,762,280	$4,854,734	$0	$80,800	$7,230	$43,744,144	$0	$43,744,144
$0	$0	$0	$0	$0	$3,933,625	$0	$0	$0	$0	$3,933,625	$0	$3,933,625
$0	$0	$0	$3,471,313	$0	$6,601,679	$160,723	$668,652	$353,500	$9,426	$13,010,674	$0	$13,010,674
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$222,041	$0	$222,041
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$121,388	$0	$121,388
$0	$3,153,978	$0	$3,471,313	$0	$39,297,584	$5,015,457	$668,652	$434,300	$16,656	$61,031,872	$0	$61,031,872
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$147,187	$0	$147,187
$0	$0	$0	$195,449	$0	$0	$0	$0	$0	$0	$195,449	$0	$195,449
$0	$173,079	$0	$0	$0	$214,424	$78,951	$97,950	$0	$12,611	$2,037,070	$0	$2,037,070
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$27,694	$0	$27,694
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$16,048	$0	-$16,048
$0	$0	$0	$0	$0	$0	$0	-$74,821	$0	$0	-$640,001	$0	-$640,001
$0	$173,079	$0	$195,449	$0	$214,424	$78,951	$23,129	$0	$12,611	$1,751,351	$0	$1,751,351
$0	$0	$0	$0	$0	$200,000	$0	$0	$0		$5,265,203	$0	$5,265,203
$0	$2,250	$0	$0	$0	$0	$2,364	$0	$0	$1,388,646	$1,415,908	$0	$1,415,908
$0	$178	$0	$0	$0	$3,431	$480,311	$0	$0	$265,595	$893,842	-$893,842	$0
$0	$3,329,485	$0	$3,666,762	$0	$39,715,439	$5,577,083	$691,781	$434,300	$1,683,508	$70,358,176	-$893,842	$69,464,334
$0	$111,793	$0	$0	$0	$0	$38,597,209	$0	$0	$0	$85,852,728	$0	$85,852,728
$0	$0	$0	$0	$0	$0	$16,127,663	$0	$0	$79,881	$126,786,771	$0	$126,786,771
$0	$0	$0	$0	$0	$0	$4,088,305	$0	$0	$323,360	$26,944,803	$0	$26,944,803
$0	$0	$0	$0	$0	$0	$0	$0	$0	$8,188,663	$10,073,437	$0	$10,073,437
$0	$0	$0	$0	$0	$0	-$14,830,886	$0	$0	-$7,332,918	-$117,856,130	$0	-$117,856,130
$0	$0	$0	$0	$0	$0	$1,492,906	$0	$0	$0	$7,431,373	$0	$7,431,373
$0	$111,793	$0	$0	$0	$0	$45,475,197	$0	$0	$1,258,986	$139,232,982	$0	$139,232,982
$0	$0	$0	$0	$0	$211,366,159	$0	$0	$0	$0	$212,635,563	$0	$212,635,563
$0	$12,224,040	$0	$0	$0	$69,518,176	$3,003,000	$0	$0	$0	$117,303,936	$0	$117,303,936
$0	$12,335,833	$0	$0	$0	$280,884,335	$48,478,197	$0	$0	$1,258,986	$469,172,481	$0	$469,172,481
$0	$15,665,318	$0	$3,666,762	$0	$320,599,774	$54,055,280	$691,781	$434,300	$2,942,494	$539,530,657	-$893,842	$538,636,815
$0	$0	$0	$0	$0	$0	$292,650	$1,483	$0	$73,039	$1,062,341	$0	$1,062,341
$0	$0	$0	$0	$0	$0	$36,643	$0	$0	$779,904	$816,547	$0	$816,547
$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,620,273	$2,670,745	$0	$2,670,745
$0	$0	$0	$0	$0	$0	$0	$0	$0	$425,482	$485,000	$0	$485,000
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$28,614	$0	$28,614
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$222,041	$0	$222,041
$0	$0	$0	$0	$0	$110,492	$0	$1,228	$353,500	$0	$2,223,102	$0	$2,223,102
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$122,363	$0	$122,363
$0	$0	$0	$3,490,989	$0	$781,323	$310	$1,974	$0	$105,900	$5,630,247	$0	$5,630,247
$0	$21,499	$0	$51,000	$0	$0	$724,570	$0	$0	$1,052,087	$6,855,050	$0	$6,855,050
$0	$34,966	$0	$0	$0	$206,978	$5,000	$0	$0	$480,308	$893,842	-$893,842	$0
$0	$56,465	$0	$3,541,989	$0	$1,098,793	$1,059,173	$4,685	$353,500	$5,536,993	$21,009,892	-$893,842	$20,116,050
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,596,593	$0	$1,596,593
$0	$0	$0	$0	$0	$9,079,624	$0	$0	$0	$0	$9,079,624	$0	$9,079,624
$0	$0	$0	$0	$0	$0	$0	$0	$0	$200,000	$200,000	$0	$200,000
$0	$0	$0	$0	$0	$9,079,624	$0	$0	$0	$200,000	$10,876,217	$0	$10,876,217
$0	$56,465	$0	$3,541,989	$0	$10,178,417	$1,059,173	$4,685	$353,500	$5,736,993	$31,886,109	-$893,842	$30,992,267
$0	$111,793	$0	$0	$0	$0	$45,475,197	$0	$0	$1,258,986	$137,609,629	$0	$137,609,629
$0	$0	$0	$195,449	$0	$220,731,720	$160,723	$668,652	$0	$9,426	$223,035,373	$0	$223,035,373
$0	$15,497,060	$0	-$70,676	$0	$89,689,637	$7,360,187	$18,444	$80,800	-$4,062,911	$146,999,546	$0	$146,999,546
$0	$15,608,853	$0	$124,773	$0	$310,421,357	$52,996,107	$687,096	$80,800	-$2,794,499	$507,644,548	$0	$507,644,548
$0	$15,665,318	$0	$3,666,762	$0	$320,599,774	$54,055,280	$691,781	$434,300	$2,942,494	$539,530,657	-$893,842	$538,636,815

The Housing Authority of the City of Atlanta, Georgia

Financial Data Schedule of Combining Program Revenues, Expenses and Changes in Net Position
As of June 30, 2021

	Project Total	14.879 Mainstream Vouchers	14.HCV MTW Demonstration Program for HCV program	14.889 Choice Neighborhoods Implementation Grants	14.MSC Mainstream CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.881 Moving to Work Demonstration Program	14.HCC HCV CARES Act Funding	14.CMT CARES Act Funding Transferred to MTW
70300 Net Tenant Rental Revenue	$4,120,286	$0	$0	$0	$0	$0	$0	$0	$0
70400 Tenant Revenue - Other	$47,129	$0	$0	$0	$0	$0	$0	$0	$0
70500 Total Tenant Revenue	$4,167,415	$0	$0	$0	$0	$0	$0	$0	$0
70600 HUD PHA Operating Grants	$0	$977,035	$237,908,444	$634,153	$22,533	$296,719	$0	$4,563,687	$0
70610 Capital Grants	$0	$0	$0	$268,928	$0	$0	$0	$0	$0
70710 Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0
70750 Other Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0
70700 Total Fee Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0
70800 Other Government Grants	$0	$0	$0	$0	$0	$0	$0	$0	$0
71100 Investment Income - Unrestricted	$0	$0	$0	$0	$0	$0	$271,985	$0	$0
71500 Other Revenue	$564,728	$0	$0	$0	$0	$0	$51	$0	$0
71600 Gain or Loss on Sale of Capital Assets	-$99,677	$0	$0	$0	$0	$0	$0	$0	$0
72000 Investment Income - Restricted	$0	$0	$0	$0	$0	$0	$0	$0	$0
70000 Total Revenue	$4,632,466	$977,035	$237,908,444	$903,081	$22,533	$296,719	$272,036	$4,563,687	$0
91100 Administrative Salaries	$0	$0	$0	$135,074	$0	$0	$640,736	$0	$2,075,605
91200 Auditing Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0
91300 Management Fee	$908,686	$59,673	$0	$0	$0	$0	$0	$0	$0
91400 Advertising and Marketing	$20,018	$0	$0	$0	$0	$0	$41,757	$0	$0
91500 Employee Benefit contributions - Administrative	$0	$0	$0	$34,137	$0	$0	$160,302	$0	$99
91600 Office Expenses	$347,282	$0	$0	$539	$0	$0	$16,765	$0	$682,376
91700 Legal Expense	$23,998	$0	$0	$43,273	$0	$0	$369,578	$0	$29,564
91800 Travel	$742	$0	$0	$0	$0	$0	$0	$0	$44
91900 Other	$1,418,793	$0	$0	$442,793	$0	$0	$2,284,828	$0	$11,003
91000 Total Operating - Administrative	$2,719,519	$59,673	$0	$655,816	$0	$0	$3,513,966	$0	$2,798,691
92100 Tenant Services - Salaries	$0	$0	$0	$0	$0	$205,486	$0	$0	$355,412
92200 Relocation Costs	$0	$0	$0	$1,330	$0	$0	$1,800	$0	$0
92300 Employee Benefit Contributions - Tenant Services	$0	$0	$0	$0	$0	$91,233	$0	$0	$114,085
92400 Tenant Services - Other	$0	$0	$0	$0	$0	$0	$0	$0	$1,361,038
92500 Total Tenant Services	$0	$0	$0	$1,330	$0	$296,719	$1,800	$0	$1,830,535
93100 Water	$286,803	$0	$0	$0	$0	$0	$331	$0	$0
93200 Electricity	$1,154,509	$0	$0	$0	$0	$0	$119,644	$0	$0
93300 Gas	$155,619	$0	$0	$0	$0	$0	$4,380	$0	$0
93600 Sewer	$692,440	$0	$0	$0	$0	$0	$467	$0	$0
93000 Total Utilities	$2,289,371	$0	$0	$0	$0	$0	$124,822	$0	$0
94200 Ordinary Maintenance and Operations - Materials and Other	$272,304	$0	$0	$0	$0	$0	$7,792	$0	$50,255
94300 Ordinary Maintenance and Operations Contracts	$3,335,863	$0	$0	$0	$0	$0	$505,860	$0	$0
94000 Total Maintenance	$3,608,167	$0	$0	$0	$0	$0	$513,652	$0	$50,255
95200 Protective Services - Other Contract Costs	$921,657	$0	$0	$0	$0	$0	$586,333	$0	$0
95300 Protective Services - Other	$27,184	$0	$0	$0	$0	$0	$11,291	$0	$0
95000 Total Protective Services	$948,841	$0	$0	$0	$0	$0	$597,624	$0	$0
96110 Property Insurance	$156,216	$0	$0	$0	$0	$0	$2,108	$0	$0
96120 Liability Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0
96130 Workmen's Compensation	$91,689	$0	$0	$0	$0	$0	$0	$0	$0
96140 All Other Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0
96100 Total insurance Premiums	$247,905	$0	$0	$0	$0	$0	$2,108	$0	$0
96200 Other General Expenses	$10,885,832	$1,872	$0	$0	$0	$0	$907,142	$0	$0
96210 Compensated Absences	$0	$0	$0	$0	$0	$0	$11,934	$0	$0
96300 Payments in Lieu of Taxes	$687,106	$0	$0	$0	$0	$0	$0	$0	$0
96400 Bad debt - Tenant Rents	$26,956	$0	$0	$0	$0	$0	$0	$0	$0
96500 Bad debt - Mortgages	$0	$0	$0	$0	$0	$0	$0	$0	$0
96000 Total Other General Expenses	$11,599,894	$1,872	$0	$0	$0	$0	$919,076	$0	$0
96720 Interest on Notes Payable (Short and Long Term)	$154,176	$0	$0	$0	$0	$0	$0	$0	$0
96700 Total Interest Expense and Amortization Cost	$154,176	$0	$0	$0	$0	$0	$0	$0	$0
96900 Total Operating Expenses	$21,567,873	$61,545	$0	$657,146	$0	$296,719	$5,673,048	$0	$4,679,481
97000 Excess of Operating Revenue over Operating Expenses	-$16,935,407	$915,490	$237,908,444	$245,935	$22,533	$0	-$5,401,012	$4,563,687	-$4,679,481
97100 Extraordinary Maintenance	$420,319	$0	$0	$0	$0	$0	$499,317	$0	$0
97300 Housing Assistance Payments	$0	$931,866	$0	$0	$22,533	$0	$163,046,066	$7,884	$1,038,566
97400 Depreciation Expense	$4,936,780	$0	$0	$0	$0	$0	$482,286	$0	$0
90000 Total Expenses	$26,924,972	$993,411	$0	$657,146	$22,533	$296,719	$169,700,717	$7,884	$5,718,047
10010 Operating Transfer In	$0	$0	$0	$0	$0	$0	$250,713,847	$0	$5,718,047
10020 Operating transfer Out	$0	$0	-$237,908,444	-$278,928	$0	$0	-$51,325,012	-$4,555,803	$0
10091 Inter Project Excess Cash Transfer In	$24,187	$0	$0	$0	$0	$0	$0	$0	$0
10092 Inter Project Excess Cash Transfer Out	-$24,187	$0	$0	$0	$0	$0	$0	$0	$0
10093 Transfers between Program and Project - In	$26,271,537	$0	$0	$0	$0	$0	$0	$0	$0
10094 Transfers between Project and Program - Out	-$2,550	$0	$0	$0	$0	$0	-$26,353,960	$0	$0
10100 Total Other financing Sources (Uses)	$26,268,987	$0	-$237,908,444	-$278,928	$0	$0	$173,034,875	-$4,555,803	$5,718,047
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$3,976,481	-$16,376	$0	-$32,993	$0	$0	$3,606,194	$0	$0
11020 Required Annual Debt Principal Payments	$100,510	$0	$0	$0	$0	$0	$0	$0	$0
11030 Beginning Equity	$62,396,109	-$4,207	$0	$501	$0	$0	$60,594,352	$0	$0
11170 Administrative Fee Equity	$0	$0	$0	$0	$0	$0	$0	$0	$0
11180 Housing Assistance Payments Equity	$0	$0	$0	$0	$0	$0	$0	$0	$0
11190 Unit Months Available	33528	876	0	0	0	0	241350	0	0
11210 Number of Unit Months Leased	32355	839	0	0	0	0	202476	0	0
11270 Excess Cash	$7,133,739	$0	$0	$0	$0	$0	$0	$0	$0
11610 Land Purchases	$81,618	$0	$0	$0	$0	$0	$0	$0	$0
11620 Building Purchases	$590,511	$0	$0	$0	$0	$0	$0	$0	$0
11630 Furniture & Equipment - Dwelling Purchases	$2,113,236	$0	$0	$0	$0	$0	$0	$0	$0
11640 Furniture & Equipment - Administrative Purchases	$0	$0	$0	$0	$0	$0	$0	$0	$0
11660 Infrastructure Purchases	$442,005	$0	$0	$0	$0	$0	$0	$0	$0

The Housing Authority of the City of Atlanta, Georgia

14.PHC Public Housing CARES Act Funding	1 Business Activities	14.CFP MTW Demonstration Program for Capital Fund	2 State/Local	14.OPS MTW Demonstration Program for Low Rent	8 Other Federal Program 1	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$4,120,286	$0	$4,120,286
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$47,129	$0	$47,129
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$4,167,415	$0	$4,167,415
$1,963,336	$0	$0	$0	$12,474,867	$0	$0	$9,502,230	$80,800		$268,423,804	$0	$268,423,804
$0	$0	$330,537	$0	$0	$0	$0	$0	$0	$0	$599,465	$0	$599,465
$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,249,790	$1,249,790	-$1,249,790	$0
$0	$30,000	$0	$0	$0	$0	$0	$0	$0	$0	$30,000	$0	$30,000
$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,249,790	$1,249,790	-$1,249,790	$0
$0	$0	$0	$195,449	$0	$0	$0	$0	$0	$0	$195,449	$0	$195,449
$0	$145,521	$0	$0	$0	$951,729	$78,397	$0	$0	$0	$1,447,632	$0	$1,447,632
$0	$1,873,710	$0	$0	$0	$2,758,482	$2,222,577	$0	$0	$1,576,387	$8,995,935	-$2,119,455	$6,876,480
$0	$0	$0	$0	$0	$856,613	-$5,720	$0	$0	$10,892	$762,108	$0	$762,108
$0	$0	$0	$0	$0	$2,498,177	$0	$0	$0	$0	$2,498,177	$0	$2,498,177
$1,963,336	$2,049,231	$330,537	$195,449	$12,474,867	$7,065,001	$2,295,254	$9,502,230	$80,800	$2,837,069	$288,369,775	-$3,369,245	$285,000,530
$0	$637,727	$0	$0	$0	$0	$0	$0	$0	$24,037,834	$27,526,976	$0	$27,526,976
$0	$0	$0	$0	$0	$0	$0	$0	$0	$164,000	$164,000	$0	$164,000
$0	$0	$0	$0	$0	$5,813	$43,750	$1,062,124	$0	$0	$2,080,046	-$1,249,790	$830,256
$0	$17,537	$0	$0	$0	$0	$3,496	$0	$0	$41,157	$123,965	$0	$123,965
$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,835,631	$7,030,169	$0	$7,030,169
$0	$55,707	$0	$37,578	$0	$21,945	$15,563	$0	$0	$3,516,475	$4,694,230	$0	$4,694,230
$0	$0	$0	$0	$0	$0	$0	$0	$0	$654,634	$1,121,047	$0	$1,121,047
$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,209	$18,995	$0	$18,995
$0	$313,100	$0		$0	$2,764	$185,584	$0	$0	$4,731,264	$9,390,129	-$2,119,455	$7,270,674
$0	$1,024,071	$0	$37,578	$0	$30,522	$248,393	$1,062,124	$0	$39,999,204	$52,149,557	-$3,369,245	$48,780,312
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$560,898	$0	$560,898
$38,384	$0	$0	$0	$0	$0	$0	$0	$0	$0	$41,514	$0	$41,514
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$205,318	$0	$205,318
$746,466	$244,902	$0	$0	$0	$0	$0	$0	$0	$55,810	$2,408,216	$0	$2,408,216
$784,850	$244,902	$0	$0	$0	$0	$0	$0	$0	$55,810	$3,215,946	$0	$3,215,946
$0	$0	$0	$0	$0	$0	$8,329	$0	$0	$0	$295,463	$0	$295,463
$0	$0	$0	$0	$0	$0	$169,672	$0	$0	$0	$1,443,825	$0	$1,443,825
$0	$0	$0	$0	$0	$0	$9,060	$0	$0	$0	$169,059	$0	$169,059
$0	$0	$0	$0	$0	$0	$14,515	$0	$0	$0	$707,422	$0	$707,422
$0	$0	$0	$0	$0	$0	$201,576	$0	$0	$0	$2,615,769	$0	$2,615,769
$0	$0	$0	$0	$0	$0	$141,034	$0	$0	$58,347	$529,732	$0	$529,732
$0	$0	$0	$0	$0	$0	$388,903	$0	$0	$47,717	$4,278,343	$0	$4,278,343
$0	$0	$0	$0	$0	$0	$529,937	$0	$0	$106,064	$4,808,075	$0	$4,808,075
$0	$0	$0	$0	$0	$0	$179,863	$0	$0	$0	$1,687,853	$0	$1,687,853
$0	$0	$0	$0	$0	$0	$23,422	$0	$0	$0	$61,897	$0	$61,897
$0	$0	$0	$0	$0	$0	$203,285	$0	$0	$0	$1,749,750	$0	$1,749,750
$0	$0	$0	$0	$0	$139	$27,720	$0	$0	$0	$186,183	$0	$186,183
$0	$0	$0	$0	$0	$0	$5,595	$0	$0	$186,260	$191,855	$0	$191,855
$0	$0	$0	$0	$0	$0	$2,059	$0	$0	$176,071	$269,819	$0	$269,819
$0	$0	$0	$0	$0	$0	$1,599	$0	$0	$240,902	$242,501	$0	$242,501
$0	$0	$0	$0	$0	$139	$36,973	$0	$0	$603,233	$890,358	$0	$890,358
$0	$60,202	$0	$0	$0	$6,002	$5,333	$17,762	$0	$7,643	$11,891,788	$0	$11,891,788
$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,057,231	$1,069,165	$0	$1,069,165
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$687,106	$0	$687,106
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$26,956	$0	$26,956
$0	$0	$0	$0	$0	$5,003,719	$0	$0	$0	$0	$5,003,719	$0	$5,003,719
$0	$60,202	$0	$0	$0	$5,009,721	$5,333	$17,762	$0	$1,064,874	$18,678,734	$0	$18,678,734
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$154,176	$0	$154,176
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$154,176	$0	$154,176
$784,850	$1,329,175	$0	$37,578	$0	$5,040,382	$1,225,497	$1,079,886	$0	$41,829,185	$84,262,365	-$3,369,245	$80,893,120
$1,178,486	$720,056	$330,537	$157,871	$12,474,867	$2,024,619	$1,069,757	$8,422,344	$80,800	-$38,992,116	$204,107,410	$0	$204,107,410
$0	$0	$0	$0	$0	$0	$128,251	$0	$0	$0	$1,047,887	$0	$1,047,887
$16,242	$0	$0	$0	$0	$0	$0	$8,931,590	$0	$0	$173,994,747	$0	$173,994,747
$0	$0	$0	$0	$0	$0	$765,506	$0	$0	$430,723	$6,615,295	$0	$6,615,295
$801,092	$1,329,175	$0	$37,578	$0	$5,040,382	$2,119,254	$10,011,476	$0	$42,259,908	$265,920,294	-$3,369,245	$262,551,049
$768,470	$0	$0	$175,773	$0	$12,012,609	$0	$0	$0	$39,415,559	$308,804,305	-$308,804,305	$0
-$1,930,714	$0	-$330,537	$0	-$12,474,867	$0	$0	$0	$0	$0	-$308,804,305	$308,804,305	$0
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$24,187	-$24,187	$0
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$24,187	$24,187	$0
$0	$0	$0	$0	$0	$331,422	$0	$0	$0	$0	$26,602,959	-$26,602,959	$0
$0	$0	$0	-$246,449	$0	$0	$0	$0	$0	$0	-$26,602,959	$26,602,959	$0
-$1,162,244	$0	-$330,537	-$70,676	-$12,474,867	$12,344,031	$0	$0	$0	$39,415,559	$0	$0	$0
$0	$720,056	$0	$87,195	$0	$14,368,650	$176,000	-$509,246	$80,800	-$7,280	$22,449,481	$0	$22,449,481
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$100,510	$0	$100,510
$0	$14,888,797	$0	$37,578	$0	$296,052,707	$52,820,107	$1,196,342	$0	-$2,787,219	$485,195,067	$0	$485,195,067
$0	$0	$0	$0	$0	$0	$0	-$11,442	$0	$0	-$11,442	$0	-$11,442
$0	$0	$0	$0	$0	$0	$0	$698,538	$0	$0	$698,538	$0	$698,538
0	0	0	0	0	0	0	8940	0	0	284694	0	284694
0	0	0	0	0	0	0	8523	0	0	244193	0	244193
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,133,739	$0	$7,133,739
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$81,618	$0	$81,618
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$590,511	$0	$590,511
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,113,236	$0	$2,113,236
$0	$0	$0	$0	$0	$0	$0	$0	$0	$643,179	$643,179	$0	$643,179
$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$442,005	$0	$442,005

NOTE A — BASIS OF PRESENTATION

The accompanying financial data schedules of Combining Program Net Position and Combining Program Revenues, Expenses and Changes in Net Position have been prepared using the basis of accounting required by HUD's Real Estate Assessment Center ("REAC"), as modified in accordance with the provisions, policies and requirements contained in AH's MTW Agreement.

REAC requires certain items on the Schedule of Combining Net Position to be classified entirely as short- or long-term. These items, however, are allocated between short- and long-term in the financial statements prepared in accordance with GAAP. In addition, REAC does not provide for presenting items on the Financial Data Schedule of Combining Program Revenues, Expenses and Changes in Net Position as operating or non-operating. Therefore, there are differences in classifications and presentation between these schedules and the financial statements. Total assets and deferred outflows, total liabilities and deferred inflows, and net position and changes in net position reported in these schedules, however, agree with the financial statements prepared in accordance with GAAP.

The financial data schedules are presented by program in accordance with HUD requirements. Below are definitions of the main programs under which AH conducts its operations.

<u>Project Total</u>

Primarily represents, in aggregate, operating and modernization expenditures and tenant rental revenues, where applicable, associated with the properties and communities, either directly owned by AH or in partnership with Owner Entities of MIXED rental communities, including all related assets and liabilities thereof. This program also includes funds drawn from the RHF grant primarily for reimbursement of development and revitalization expenditures. It also includes liabilities and interest expense associated with the EPC capital lease.

<u>14.881 Moving to Work Demonstration Program (MTW Single Fund)</u>

As defined under Note A.2 of the **Financial Statements**, this program essentially includes MTW-eligible activity other than those reported under Project Total, which is described above.

Additionally, the programs below were created for MTW Agencies to report grant and subsidy revenues received from HUD. The grant and subsidy revenues are then transferred to the MTW Single Fund. Therefore, these programs are exclusively used as pass-through programs and allow a separate reporting of each of the HUD program funds included in the MTW Single Fund.

a. <u>14. OPS MTW Demonstration Program for Low Rent</u> includes all funds drawn under the Section 9 Public Housing Operating fund.
b. <u>14. CFP MTW Demonstration Program for Capital Fund</u> includes funds drawn under CFP.
c. <u>14. HCV MTW Demonstration Program for HCV Program</u> includes funds received under the Section 8 HCV program (MTW vouchers and RAD vouchers).

NOTE A — BASIS OF PRESENTATION — continued

14.871 Housing Choice Vouchers

Includes the subsidy received, housing assistance payments and an administrative fee allocated from the COCC program in connection with the VASH program, Family Unification Program ("FUP") and Non-elderly Disabled including Mainstream 1-year vouchers. These vouchers are not part of the MTW Single Fund.

14.879 Mainstream Vouchers

Includes the subsidy received, housing assistance payments and an administrative fee allocated from the COCC program in connection with the Mainstream 5-year vouchers. These vouchers are not part of the MTW Single Fund.

2 State/Local

Primarily includes funds received from the City of Atlanta and related agencies in connection with public improvement work to be carried out on development projects, as well as other development grants provided or fees paid by the City of Atlanta and related agencies, where applicable.

8 Other Federal

Primarily includes development and revitalization activities resulting from AH's role as sponsor and co-developer of MIXED rental communities. Those activities primarily include predevelopment and development loans to Owner Entities of the MIXED rental communities, developer and other fees earned from the deals as well as interest revenue on the loans. For further information, refer to Note F of the **Notes to the Financial Statements**.

This program also includes unrestricted and restricted cash and investments associated with program income received over the years from repayments of loans and other receivables as well as from disposals of assets.

1 Business Activities

Includes entrepreneurial activities that generate non-federal funds. Primarily, as a member of National Housing Compliance, Inc., AH receives contributions, which are included in this program as unrestricted (non-federal) cash and investments. It also includes expenses (not allowable under HUD regulations) paid with non-federal funds. For further information, refer to Note G of the **Notes to the Financial Statements**.

COCC

Comprised of operating and administrative expenses incurred by the operating and administrative departments overseeing and/or supporting AH's various projects and programs, net of management fees allocated.

6.2 Component Unit — Blended

Includes all activities of AH's blended component units as described in Note A.3 of the **Financial Statements**. See Note T of the **Notes to the Financial Statements** for balances and activity for FY 2021 and 2020.

NOTE A — BASIS OF PRESENTATION — continued

14. PHC — Public Housing CARES Act Funding

Includes supplemental Operating Funds received under the CARES Act for all projects as restricted cash, cash restricted for payments of current liabilities and project-associated COVID-19 expenses and accrued expenses, if any.

14. HCC — HCV CARES Act Funding

Includes supplemental HCV administrative fees received under the CARES Act as restricted cash, cash restricted for payments of current liabilities, unearned revenue for fees not yet recognized, non-MTW voucher supplemental rent and other COVID-19-related expenses, accrued expenses, if any, and funds transferred out to cover expenses in other CARES Act programs such as PHC and MTC.

14. MSC — Mainstream CARES Act Funding

Includes supplemental Mainstream voucher administrative fees received under the CARES Act as restricted cash, cash restricted for payments of current liabilities, unearned revenue for fees not yet recognized, Mainstream voucher supplemental rent, and other COVID-19-related expenses and accrued expenses, if any.

14. CMT — CARES Act Funding Transferred to MTW

Includes supplemental funds transferred in from other CARES Act programs used to support AH's MTW Program expenses, incurred either directly or indirectly for COVID-19-related expenses.

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY DEVELOPMENT LOANS

Years Ended June 30, 2021 and June 30, 2020

Owner Entity:	Effective Date	Interest Rate	Maturity Date	Outstanding Balance as of June 30, 2021	Outstanding Balance as of June 30, 2020
Capitol Gateway Partnership I, L.P.	9/15/2008	1.000%	12/31/2072	$ 10,084,861	$ 10,084,861
Capitol Gateway Partnership II, L.P.	11/29/2006	4.890%	11/1/2058	1,434,211	1,436,874
Capitol Gateway Partnership II, L.P.	11/29/2006	1.000%	11/1/2072	2,405,708	2,405,708
Carver Redevelopment Partnership I, L.P.	9/1/2006	1.000%	7/20/2060	7,700,000	7,700,000
Carver Redevelopment Partnership I, L.P.	7/21/2000	0.500%	1/1/2059	500,000	500,000
Carver Redevelopment Partnership I, L.P.	9/1/2006	5.210%	12/31/2055	874,250	874,250
Carver Redevelopment Partnership II, L.P.	12/2/2002	4.920%	7/20/2060	740,000	740,000
Carver Redevelopment Partnership III, L.P.	3/31/2006	1.000%	7/20/2060	8,430,000	8,430,000
Carver Redevelopment Partnership V, L.P.	8/15/2009	0.500%	7/20/2060	6,240,000	6,240,000
CCH John Eagan I Homes, L.P.	8/12/1998	1.000%	8/12/2055	5,896,000	5,896,000
CCH John Eagan II Homes, L.P.	11/17/2000	1.000%	11/30/2057	4,536,000	4,536,000
Centennial Place Partnership I, LP	6/11/2015	0.500%	6/11/2070	4,044,270	4,044,270
Centennial Place Partnership II, LP	12/4/2015	0.500%	12/4/2070	4,098,304	4,150,000
Centennial Place Partnership III, LP	12/29/2016	0.500%	12/28/2071	4,266,771	4,266,771
Centennial Place Partnership IV, LP	12/28/2018	1.000%	12/28/2075	4,235,060	4,235,060
Centennial Place Partnership IV, LP	12/28/2018	0.500%	12/28/2075	2,560,438	2,560,438
Columbia at Mechanicsville Apartments, L.P.	12/19/2006	0.000%	12/31/2063	5,115,000	5,115,000
Columbia at Mechanicsville Apartments, L.P.	2/19/2020	0.000%	2/19/2060	88,287	88,287
Columbia Commons, L.P.	3/30/2007	5.010%	12/30/2059	2,800,000	2,800,000
Columbia Commons, L.P.	3/30/2007	5.010%	10/30/2059	625,221	625,221
Columbia Commons, L.P.	2/19/2020	0.000%	2/19/2060	73,345	73,345
Columbia Creste, L.P.	8/7/2007	5.210%	10/30/2059	4,900,000	4,900,000
Columbia Creste, L.P.	8/7/2007	5.210%	10/30/2059	346,290	346,290
Columbia Estates, L.P.	3/30/2007	5.010%	10/30/2059	3,750,000	3,750,000
Columbia Estates, L.P.	3/30/2007	5.010%	10/30/2059	816,413	816,413
Columbia Estates, L.P.	2/26/2020	0.000%	2/26/2060	76,410	76,410
Columbia Grove, L.P.	7/23/2008	4.600%	7/31/2055	4,303,896	4,303,896
Columbia Grove, L.P.	7/23/2008	4.600%	7/31/2055	162,773	162,773
Columbia Park Citi Residences, L.P.	10/5/2006	5.210%	10/30/2059	4,575,000	4,575,000
Columbia Park Citi Residences, L.P.	10/5/2006	5.210%	10/30/2059	253,164	253,164
Columbia Park Citi Residences, L.P.	3/11/2020	0.000%	3/11/2060	94,704	94,704
Columbia Senior Residences at Mechanicsville, L.P.	12/20/2006	4.900%	12/31/2063	4,349,852	4,349,852
Columbia Village, L.P.	8/14/1998	6.504%	6/12/2040	2,250,000	2,250,000
East Lake Redevelopment II, L.P.	7/29/1999	0.000%	7/29/2039	-	-
East Lake Redevelopment, L.P.	12/13/1996	0.000%	12/12/2036	-	-
Grady Multifamily I, LP	12/18/2009	0.500%	12/1/2067	6,248,181	6,423,179
Grady Multifamily II, L.P.	12/18/2012	2.000%	12/17/2067	5,394,541	5,432,980
Grady Redevelopment Partnership I, L.P.	9/20/2007	1.000%	9/1/2067	2,559,025	2,577,376
Grady Senior Partnership II, LP	3/12/2010	0.500%	12/1/2067	1,967,744	2,106,132
Harris Redevelopment Partnership I, L.P.	1/1/2006	1.000%	10/31/2063	7,925,000	7,925,000
Harris Redevelopment Partnership V, LP	12/18/2009	0.500%	10/1/2063	8,459,085	8,528,879
Herndon Homes Phase I, LLC	3/13/2019	3.000%	12/18/2094	4,113,000	4,113,000
Herndon Homes Phase I, LLC	12/18/2019	3.000%	12/18/2059	7,060,688	2,537,003
John Hope Community Partnership I, L.P.	6/1/2018	0.000%	5/31/2075	875,152	875,152
John Hope Community Partnership II, L.P.	5/12/1999	1.000%	5/11/2054	7,980,000	7,980,000
Juniper and Tenth, LP	11/22/2016	0.500%	11/21/2066	3,662,500	3,662,500
Kimberly Associates I, L.P.	12/30/1999	6.470%	12/30/2054	2,605,000	2,605,000
Kimberly Associates II, L.P.	8/29/2001	5.720%	12/30/2054	1,507,000	1,507,000
Kimberly Associates III, L.P.	11/15/2002	5.340%	12/30/2054	1,305,000	1,305,000
Marietta Road Senior Tower, LLC	1/30/2020	3.000%	1/30/2051	2,600,000	2,600,000
Marietta Road Senior Tower, LLC	1/30/2020	3.000%	10/31/2061	6,200,000	6,200,000
Mechanicsville Apartments Phase 3, L.P.	12/14/2007	4.720%	12/31/2059	5,965,395	5,965,395
Mechanicsville Apartments Phase 4, L.P.	12/21/2007	0.000%	12/31/2059	5,494,000	5,494,000
Mechanicsville Apartments Phase 6, L.P.	1/14/2011	2.500%	12/31/2063	5,158,796	5,158,796
Mercy Housing Georgia VI, L.P.	7/20/2007	1.000%	10/1/2063	5,600,000	5,600,000
Peachtree Road Senior Tower, LLC	4/15/2020	3.000%	5/1/2052	3,100,000	3,100,000
Peachtree Road Senior Tower, LLC	4/15/2020	3.000%	1/31/2062	7,200,000	7,200,000
Piedmont Senior Tower, LLC	11/29/2017	2.600%	5/1/2034	1,912,025	2,034,077
Piedmont Senior Tower, LLC	11/29/2017	2.600%	11/29/2067	8,901,096	9,000,000
Piedmont Senior Tower, LLC	11/29/2017	2.600%	5/1/2020	3,300,000	3,300,000
TBG London Townhomes, L.P.	8/1/2020	3.000%	N/A	237,701	-
TBG London Townhomes, L.P.	8/1/2020	2.500%	11/1/2067	1,094,065	-
The New Villages of Castleberry Hill I, LP	6/1/2018	1.000%	5/31/2075	3,744,848	3,744,848
UH Scholars Partnership III, LP	9/25/2018	0.500%	9/25/2060	8,393,500	8,168,529
UH Senior Partnership II, LP	12/24/2013	1.000%	12/17/2066	1,500,000	1,500,000
UH Senior Partnership II, LP	2/27/2015	0.000%	2/27/2065	450,000	450,000
UH Senior Partnership II, LP	12/23/2019	2.000%	12/31/2059	3,027,280	3,083,074
Villages of East Lake Redevelopment, L.P.	11/22/2019	0.000%	11/22/2061	18,269,103	18,269,103
West End Phase III Redevelopment Partnership, L.P.	5/19/2000	6.200%	5/31/2034	1,298,400	1,298,400
				257,734,352	252,425,010
Valuation allowance				(59,014,758)	(59,014,758)
				$ 198,719,594	**$ 193,410,252**

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY OTHER LOANS AND FEES RECEIVABLE

As of June 30, 2021

Owner Entity:	Other Loans	Developer and Other Fees Long Term	Predevelopment Loans Long Term	Investment In Partnership
Adamsville Green, L.P.	$ 1,614,792	$ -	$ -	$ -
Brock Built Homes, LLC	8,558,000	-	-	-
Campbell Stone, L.P.	1,500,000	-	-	-
Capitol Gateway Partnership I, L.P.	181,236	97,836	-	-
Capitol Gateway Partnership II, L.P.	-	54,207	-	-
Carver Redevelopment Partnership I, L.P.	225,792	64,187	-	-
Carver Redevelopment Partnership II, L.P.	-	87,718	-	-
Carver Redevelopment Partnership III, L.P.	111,500	67,708	-	-
Carver Redevelopment Partnership V, L.P.	-	119,160	-	-
Carver Senior Building, L.P.	-	-	-	-
CCH John Eagan I Homes, L.P.	46,565	-	-	-
CCH John Eagan II Homes, L.P.	-	-	-	-
Centennial Park North II, LLC	-	-	-	-
Centennial Place Developer, LLC	-	59,582	-	-
Centennial Place Partnership I, L.P.	-	68,204	-	-
Centennial Place Partnership II, L.P.		42,274		
Centennial Place Partnership III, L.P.	-	65,647	-	-
Columbia at Mechanicsville Apartments, L.P.	-	8,469	-	-
Columbia Commons, L.P.	-	-	-	82,580
Columbia Creste, L.P.	148,009	121,414	-	-
Columbia Estates, L.P.	168,791	35,507	-	-
Columbia Grove, L.P.	227,999	64,855	-	-
Columbia Heritage Senior Residences, L.P.	-	119,373	-	-
Columbia Park Citi Residences, L.P.	117,687	30,754	-	-
Columbia Senior Residences at Edgewood, L.P.	862,477	-	-	-
Columbia Senior Residences at Mechanicsville, L.P.	-	21,252	-	-
Columbia Village, L.P.	-	-	-	111,914
Cosby Spear, L.P.	-	-	-	-
East Lake Redevelopment II, L.P.	-	-	-	-
East Lake Redevelopment, L.P.	-	-	-	-
Gates Park Crossing HFOP Apartments, L.P.	1,203,535	250,054	-	-
Gates Park Crossing HFS Apartments, L.P.	1,074,078	249,875	-	-
Grady Multifamily I, L.P.	-	61,040	-	-
Grady Multifamily II, L.P.	-	58,817	-	-
Grady Redevelopment Partnership I, L.P.	-	38,538	-	-
Grady Senior Partnership II, L.P.	-	66,875	-	-
Grady Senior Partnership III, L.P.	-	-	-	-
Harmony at Bakers Ferry, LP	-	-	90,818	-
Harris Redevelopment Partnership I, L.P.	351,060	88,083	-	-
Harris Redevelopment Partnership II, L.P.	97,544	28,541	-	-
Harris Redevelopment Partnership Phase V, L.P.	-	63,903	-	-
Harris Redevelopment Partnership Phase VI, L.P.	-	18,136	-	220,000
Harris Redevelopment, LLC	-	-	8,468	-
Herndon Homes Phase I, LLC	-	186,118	-	-
Hightower Manor Redevelopment, L.P.	-	-	275,000	-
John Hope Community Partnership I, L.P.	-	-	-	-
John Hope Community Partnership II, L.P.	-	-	-	-
Juniper and Tenth, L.P.	-	35,255	-	-
Kimberly Associates I, L.P.	152,484	-	-	-
Kimberly Associates II, L.P.	70,335	7,833	-	-
Kimberly Associates III, L.P.	22,080	92,567	-	-
Legacy Partnership III, L.P.	-	-	-	-
Legacy Partnership IV, L.P.	-	-	-	-
Marietta Road Senior Tower, LLC	-	705,046	-	-
Mechanicsville Apartments Phase 3, L.P.	-	34,627	-	-
Mechanicsville Apartments Phase 4, L.P.	-	73,668	-	-
Mechanicsville Apartments Phase 6, L.P.	-	73,659	-	-
Mechanicsville I Homeownership	-	-	-	-
Mercy Housing Georgia VI, L.P.	111,296	7,799	-	-
Peachtree Road Senior Tower, LLC	-	970,200	-	-
Piedmont Senior Tower, LLC	-	56,744	-	-
Quest Community Development Organization, Inc.	-	10,000	-	-
RVG Reynoldstown II, LP	-	-	402,777	-
TBG Englewood Multifamily, LP	-	10,000	-	-
TBG Englewood Senior, LP	-	10,000	-	-
TBG London Townhomes, L.P.	-	631,893	-	-
UH Scholars Partnership III, L.P.	-	92,207	-	-
UH Scholars Partnership IV, L.P.	-	-	69,341	-
UH Scholars Partnership Vine Street, L.P.	-	-	423,000	-
UH Senior Partnership I, L.P.	-	26,820	-	-
UH Senior Partnership II, L.P.	-	-	-	-
West End Phase III Redevelopment Partnership, L.P.	97,805	-	-	-
	16,943,065	5,076,447	1,269,404	414,494
Valuation allowance	(4,296,500)	(1,198,821)	-	(414,494)
	$ 12,646,565	**$ 3,877,626**	**$ 1,269,404**	**$ -**

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY OTHER LOANS AND FEES RECEIVABLE

As of June 30, 2020

Owner Entity:	**Other Loans**	**Developer and Other Fees Long Term**	**Predevelopment Loans Long Term**	**Investment In Partnership**
Adamsville Green, L.P.	$ 1,643,109	$ 3,500	$ -	$ -
Brock Built Homes, LLC	10,018,000	-	-	-
Campbell Stone, L.P.	1,500,000	-	-	-
Capitol Gateway Partnership I, L.P.	181,236	-	-	-
Carver Redevelopment Partnership I, L.P.	225,792	28,129	-	-
Carver Redevelopment Partnership II, L.P.	-	52,448	-	-
Carver Redevelopment Partnership III, L.P.	111,500	-	-	-
Carver Redevelopment Partnership V, L.P.	-	75,324	-	-
CCH John Eagan I Homes, L.P.	46,565	-	-	-
Centennial Place Partnership I, L.P.	-	59,582	-	-
Columbia at Mechanicsville Apartments, L.P.	-	8,469	-	-
Columbia Commons, L.P.	-	-	-	82,580
Columbia Creste, L.P.	148,009	121,414	-	-
Columbia Estates, L.P.	168,791	35,518	-	-
Columbia Grove, L.P.	227,999	64,855	-	-
Columbia Heritage Senior Residences, L.P.	-	91,899	-	-
Columbia Park Citi Residences, L.P.	117,687	44,312	-	-
Columbia Senior Residences at Edgewood, L.P.	889,829	-	-	-
Columbia Senior Residences at Mechanicsville, L.P.	-	8,034	-	-
Columbia Village, L.P.	-	-	-	111,914
Cosby Spear, L.P.	-	8,250	-	-
Gates Park Crossing HFOP Apartments, L.P.	1,203,535	250,054	-	-
Gates Park Crossing HFS Apartments, L.P.	1,066,578	257,375	-	-
Grady Multifamily II, L.P.	-	2,203	-	-
Harris Redevelopment Partnership I, L.P.	351,060	17,069	-	-
Harris Redevelopment Partnership II, L.P.	84,800	-	-	-
Harris Redevelopment Partnership Phase VI, L.P.	-	18,136	-	220,000
Harris Redevelopment, LLC	-	-	8,468	-
Herndon Homes Phase I, LLC	-	474,053	-	-
Hightower Manor Redevelopment, L.P.	-	-	275,000	-
Kimberly Associates I, L.P.	152,484	-	-	-
Kimberly Associates II, L.P.	70,335	7,833	-	-
Kimberly Associates III, L.P.	22,080	92,567	-	-
Marietta Road Senior Tower, LLC	-	697,396	-	-
Mechanicsville Apartments Phase 3, L.P.	-	34,627	-	-
Mechanicsville Apartments Phase 4, L.P.	-	73,668	-	-
Mechanicsville Apartments Phase 6, L.P.	-	73,659	-	-
Mechanicsville I Homeownership	-	3,250	-	-
Mercy Housing Georgia VI, L.P.	111,296	20,732	-	-
Peachtree Road Senior Tower, LLC	-	970,200	-	-
Piedmont Senior Tower, LLC	-	77,406	-	-
TBG London Townhomes, L.P.	-	-	869,746	-
UH Scholars Partnership III, L.P.	-	144,302	-	-
UH Scholars Partnership IV, L.P.	-	10,000	-	-
UH Scholars Partnership Vine Street, L.P.	-		262,856	-
West End Phase III Redevelopment Partnership, L.P.	97,805	-	-	-
	18,438,490	3,826,264	1,416,070	414,494
Valuation allowance	(4,276,256)	(1,250,613)	-	(414,494)
	$ 14,162,234	**$ 2,575,651**	**$ 1,416,070**	**$ -**

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY TRANSACTIONS

Year ended June 30, 2021

Owner Entity:	Interest Income received on Loans	Development Related Income	Housing Assistance Payments Operating Subsidy	Housing Assistance Payments HomeFlex [1]
834 Thurmond Street, LLC	$ -	$ 10,000	$ -	$ -
Adamsville Green, L.P.	48,939	-	-	572,413
ASL Homeownership, LLC	-	10,000	-	-
Atlanta Housing Opportunity Inc.	-	30,000	-	-
Brock Built Homes, LLC	-	490,883	-	-
Campbell Stone, L.P.	113,224	-	-	1,509,581
Capitol Gateway Partnership I, L.P.	91,678	104,308	334,841	-
Capitol Gateway Partnership II, L.P.	75,977	54,207	195,592	162,249
Carnegie Library, LLC	-	15,628	-	-
Carver Redevelopment Partnership I, L.P.	12,192	36,058	550,582	-
Carver Redevelopment Partnership II, L.P.	18,865	35,270	69,273	-
Carver Redevelopment Partnership III, L.P.	36,266	67,708	465,122	-
Carver Redevelopment Partnership V, L.P.	31,496	59,999	200,045	-
Carver Senior Building, L.P.	-	40,809	-	546,517
CCH John Eagan I Homes, L.P.	-	-	476,557	-
CCH John Eagan II Homes, L.P.	-	-	204,753	-
Centennial Place Partnership I, L.P.	-	42,681	-	422,514
Centennial Place Partnership II, L.P.	67,207	36,774	-	377,764
Centennial Place Partnership III, L.P.	-	42,375	-	455,319
Centennial Place Partnership IV, L.P.	-	23,272	-	509,551
Columbia at Mechanicsville Apartments, L.P.	-	-	20,830	670,472
Columbia Commons, L.P.	80,408	-	17,941	333,162
Columbia Creste, L.P.	-	-	430,787	-
Columbia Estates, L.P.	160,394	14,383	7,501	318,006
Columbia Grove, L.P.	-	-	260,902	-
Columbia Heritage Senior Residences, LP	-	35,966	-	1,047,045
Columbia Park Citi Residences, L.P.	55,787	16,568	-	349,404
Columbia Senior Residences at Edgewood, L.P.	33,358	44,145	-	1,171,140
Columbia Senior Residences at Mechanicsville, L.P.	-	13,218	9,679	880,922
Columbia Village, L.P.	-	-	141,220	-
East Lake Redevelopment II, L.P.		-	84,162	661,192
East Lake Redevelopment, L.P.		-	-	319,216
Gates Park Crossing HFOP Apartments, L.P.	-	-	-	1,135,052
Gates Park Crossing HFS Apartments, L.P.	-	-	-	816,727
Grady Multifamily I, L.P.	33,114	61,040	165,103	71,606
Grady Multifamily II, L.P.	108,966	58,817	193,259	-
Grady Redevelopment Partnership I, L.P.	26,361	38,538	166,001	625,067
Grady Senior Partnership II, L.P.	10,557	34,715	-	838,933
Grady Senior Partnership III, L.P.	-	87,042	-	899,246
Harmony at Bakers Ferry, L.P.	-	5,000	-	-
Harris Redevelopment Partnership I, L.P.	5,034	71,014	264,835	-
Harris Redevelopment Partnership II, L.P.	-	61,419	-	704,043
Harris Redevelopment Partnership Phase V, L.P.	43,023	63,903	490,741	-
Harris Redevelopment Partnership Phase VI, L.P.	-	7,800	179,291	-
Harris VII Homeownership Offsite	-	38,957	-	-
Herndon Homes Phase I, LLC	133,953	-	-	97,696
Juniper and Tenth, L.P.	-	35,255	-	899,176
Kimberly Associates I, L.P.	-	-	377,220	-
Kimberly Associates II, L.P.	-	-	217,754	-
Kimberly Associates III, L.P.	-	-	183,791	-
Marietta Road Senior Tower, LLC		30,600	-	888,228
Mechanicsville Apartments Phase 3, L.P.	3,761	15,662	545,392	223,742
Mechanicsville Apartments Phase 4, L.P.	-	-	485,731	273,572
Mechanicsville Apartments Phase 6, L.P.	-	-	17,623	527,069
Mercy Housing Georgia VI, L.P.	41,650	-	607,983	979,173
Peachtree Road Senior Tower, LLC	-	10,200	-	1,368,208
Piedmont Senior Tower, LLC	1,073,263	48,631	-	1,354,306
RVG Reynoldstown II, L.P.	-	5,000	-	-
TBG Englewood Multifamily, LP	-	10,000	-	-
TBG Englewood Senior, LP	-	10,000	-	-
TBG London Townhomes, L.P.	9,708	851,772	-	-
The New Villages of Castleberry Hills I, L.P.		4,317	-	487,948
The New Villages of Castleberry Hills II, LP	-	-	478,218	-
UH Senior Partnership I, L.P.	-	44,052	-	728,919
UH Senior Partnership II, L.P.	66,244	-	-	488,151
UH Scholars Partnership III, L.P.	-	9,462	-	557,116
Villages of East Lake Redevelopment, L.P.	-	-	-	977,436
West End Phase III Redevelopment Partnership, L.P.	25,807	-	72,038	-
	$ 2,407,232	**$ 2,827,449**	**$ 7,914,767**	**$ 25,247,881**

[1] *HomeFlex payments listed are related-party only and, as a result, are not all-inclusive. However, inclusive of payments for RAD converted units.*

The Housing Authority of the City of Atlanta, Georgia
SCHEDULE OF RELATED-PARTY TRANSACTIONS
Year ended June 30, 2020

Owner Entity:	Interest Income received on Loans	Development Related Income	Housing Assistance Payments: Operating Subsidy	Housing Assistance Payments: HomeFlex [1]
Adamsville Green, L.P.	$ 49,709	$ 7,000	$ -	$ 578,368
Brock Built Homes, LLC	-	710,499	-	-
Campbell Stone, L.P.	29,591	-	-	1,480,854
Capitol Gateway Partnership I, L.P.	-	22,939	297,931	-
Capitol Gateway Partnership II, L.P.	-	-	257,024	143,268
Carver Redevelopment Partnership I, L.P.	-	-	631,433	-
Carver Redevelopment Partnership II, L.P.	-	-	115,307	-
Carver Redevelopment Partnership III, L.P.	-	-	366,961	-
Carver Redevelopment Partnership V, L.P.	-	-	259,883	-
Carver Senior Building, L.P.	-	-	-	555,286
CCH John Eagan I Homes, L.P.	-	-	504,512	-
CCH John Eagan II Homes, L.P.	-	-	561,003	-
Centennial Park North II, LLC	-	419,457	-	-
Centennial Place Partnership I, L.P.	-	-	-	373,528
Centennial Place Partnership II, L.P.	-	-	-	362,672
Centennial Place Partnership III, L.P.	-	-	-	387,418
Centennial Place Partnership IV, L.P.	-	-	-	233,937
Columbia at Mechanicsville Apartments, L.P.	-	-	360,388	335,104
Columbia Commons, L.P.	-	-	203,086	97,357
Columbia Creste, L.P.	-	-	337,756	-
Columbia Estates, L.P.	-	14,394	284,544	55,293
Columbia Grove, L.P.	-	-	179,675	-
Columbia Heritage Senior Residences, LP	-	8,492	-	1,037,600
Columbia Mechanicsville Scattered Sites, L.P.	-	3,250	-	-
Columbia Park Citi Residences, L.P.	-	30,126	340,084	65,444
Columbia Senior Residences at Edgewood, L.P.	-	11,229	-	1,163,691
Columbia Senior Residences at Mechanicsville, L.P.	-	-	250,149	611,249
Columbia Village, L.P.	-	-	144,126	-
East Lake Redevelopment II, L.P.	15,441	-	642,302	676,503
East Lake Redevelopment, L.P.	9,726	-	422,321	328,467
Gates Park Crossing HFOP Apartments, L.P.	-	-	-	1,128,236
Gates Park Crossing HFS Apartments, L.P.	-	-	-	792,735
Grady Multifamily I, L.P.	-	-	287,757	80,823
Grady Multifamily II, L.P.	-	-	233,388	-
Grady Redevelopment Partnership I, L.P.	-	-	159,910	639,163
Grady Senior Partnership II, L.P.	-	-	-	858,520
Grady Senior Partnership III, L.P.	-	-	-	907,274
Harris Redevelopment Partnership I, L.P.	-	-	364,550	-
Harris Redevelopment Partnership II, L.P.	-	-	-	694,735
Harris Redevelopment Partnership Phase V, LP	-	-	511,241	-
Harris Redevelopment Partnership Phase VI, LP	-	-	179,164	-
Harris VII Homeownership Offsite	-	23,015	-	-
Herndon Homes Phase I, LLC	13,350	698,155	-	-
John Hope Community Partnership II, L.P.	-	-	318,465	-
Juniper and Tenth, L.P.	-	-	-	870,669
Kimberly Associates I, L.P.	-	-	368,904	-
Kimberly Associates II, L.P.	-	-	203,396	3,341
Kimberly Associates III, L.P.	-	-	175,505	4,947
Marietta Road Senior Tower, LLC		758,046	-	377,205
Mechanicsville Apartments Phase 3, L.P.	-	15,662	438,593	196,112
Mechanicsville Apartments Phase 4, L.P.	-	-	400,753	249,478
Mechanicsville Apartments Phase 6, L.P.	-	-	231,912	304,028
Mercy Housing Georgia VI, L.P.	73,899	42,624	730,530	950,140
Peachtree Road Senior Tower, LLC	-	1,010,850	-	-
Piedmont Senior Tower, LLC	144,272	39,079	-	1,315,681
TBG London Townhomes, L.P.	-	5,000	-	-
The New Villages of Castleberry Hills I, LP	25,124	38,549	51,436	387,482
UH Senior Partnership I, L.P.	-	-	-	733,509
UH Senior Partnership II, L.P.	20,624	-	-	414,281
UH Scholars Partnership III, L.P.	-	347,501	-	218,242
Villages of East Lake Redevelopment, L.P.	-	271,750	-	-
West End Phase III Redevelopment Partnership, L.P.	-	-	100,437	-
	$ 381,737	**$ 4,477,616**	**$ 10,914,426**	**$ 19,612,640**

[1] *HomeFlex payments listed are related-party only and, as a result, are not all-inclusive. However, inclusive of payments for RAD converted units.*

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF HUD-FUNDED GRANTS

As of and Year Ended June 30, 2021

	Original Grant Award	Grant Drawdown			Expenditures			HUD Receivable/ (Payable)	Remaining Grant Award
Program	Authorized	Cumulative as of June 30, 2020	Year ended June 30, 2021	Cumulative as of June 30, 2021	Cumulative as of June 30, 2020	Year ended June 30, 2021	Cumulative as of June 30, 2021	Balance as of June 30, 2021	Unexpended Balance as of June 30, 2021
Capital Fund Program Grants:									
GA06P006501-17 Capital Fund Program 2017	$ 10,408,220	$ 1,005,965	$ 330,537	$ 1,336,502	$ 1,005,965	$ 330,537	$ 1,336,502	-	$ 9,071,718
GA06P006501-18 Capital Fund Program 2018	16,140,505	-	-	-	-	-	-	-	16,140,505
GA06P006501-19 Capital Fund Program 2019	16,398,914	287,472	-	287,472	287,472	-	287,472	-	16,111,442
GA01E006501-19 Capital Fund Program 2019	247,000	-	-	-	-	-	-	-	247,000
GA06P006501-20 Capital Fund Program 2020	16,689,508	-	-	-	-	-	-	-	16,689,508
GA06P006501-21 Capital Fund Program 2021	14,130,801	-	-	-	-	-	-	-	14,130,801
Total Capital Fund Program Grants	**74,014,948**	**1,293,437**	**330,537**	**1,623,974**	**1,293,437**	**330,537**	**1,623,974**	-	**72,390,974**
HOPE VI Grants:									
GA4A006CNG114 2014/2015 Choice Neighborhood Implementation Grant	30,000,000	12,945,946	1,029,767	13,975,714	13,207,564	768,150	13,975,714	-	16,024,286
GA4A006CNP120 2020 Choice Neighborhood Implementation Grant	450,000	-	-	-	-	-	-	-	450,000
Total HOPE VI Grants	**30,450,000**	**12,945,946**	**1,029,767**	**13,975,714**	**13,207,564**	**768,150**	**13,975,714**	**-**	**16,474,286**
Replacement Housing Factor Grants:									
* GA01R006502-17 RHF 2017-2	1,272,118	708,286	563,832	1,272,118	1,272,118	-	1,272,118	-	-
Total Replacement Housing Factor Grants	**1,272,118**	**708,286**	**563,831**	**1,272,118**	**1,272,118**	**-**	**1,272,118**	**-**	**-**
Resident Opportunity & Self Sufficiency Grants:									
* FSS20GA3292 ROSS 2020	276,021	133,309	142,712	276,021	160,274	115,747	276,021	-	-
FSS21GA3965 ROSS 2021	276,021	-	178,138	178,138	-	178,138	178,138	-	97,883
Total Resident Opportunity & Self Sufficiency Grants	**552,042**	**133,309**	**320,850**	**454,159**	**160,274**	**293,885**	**454,159**	**-**	**97,883**
Total HUD-Funded Grants	**$ 106,289,108**	**$ 15,080,978**	**$ 2,244,986**	**$ 17,325,965**	**$ 15,933,393**	**$ 1,392,572**	**$ 17,325,965**	**$ -**	**$ 88,963,143**

* Grants completed in year ended June 30, 2021

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RHF PROGRAM COMPLETION COSTS AND ADVANCES PROGRAM CERTIFICATION

Contract completed during the year ended June 30, 2021

GRANT NAME		RHF Year 2017-2
PROJECT NUMBER		GA01R006502-17
GRANT AWARD EFFECTIVE DATE*		July 6, 2017
CONTRACT COMPLETION DATE		July 1, 2020
BUDGET	$	1,272,118
ADVANCES	$	1,272,118
COSTS		1,272,118
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	$	-
AMOUNT TO BE RECAPTURED BY HUD	$	-

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF ROSS PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION

Contract completed during the year ended June 30, 2021

GRANT NAME		ROSS 2020
PROJECT NUMBER		FSS20GA3292
GRANT AWARD EFFECTIVE DATE*		March 2, 2020
CONTRACT COMPLETION DATE		November 17, 2020
BUDGET	$	276,021
ADVANCES	$	276,021
COSTS		276,021
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	$	-
AMOUNT TO BE RECAPTURED BY HUD	$	-

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

STATISTICAL INFORMATION

STATEMENTS OF NET POSITION

As of June 30, 2012 to June 30, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
CURRENT ASSETS										
Cash										
Unrestricted	$ 44,772,819	$ 17,991,298	$ 16,587,120	$ 12,244,484	$ 27,181,054	$ 65,220,665	$ 69,105,488	$ 75,430,713	$ 57,173,407	$ 60,542,870
Restricted	16,259,053	11,953,891	18,483,792	36,561,259	43,505,358	56,655,221	53,126,304	51,739,171	41,376,473	40,800,144
Total cash	61,031,872	29,945,189	35,070,912	48,805,743	70,686,412	121,875,886	122,231,792	127,169,884	98,549,880	101,343,014
Investments, short-term	5,265,200	78,639,957	71,827,395	73,195,197	18,999,225	–	–	–	–	2,395,868
Receivables, net of allowance	1,751,351	2,203,766	2,786,958	2,694,220	1,532,293	2,139,916	2,613,931	2,025,560	2,943,202	4,350,989
Prepaid expense	1,415,908	1,360,389	860,114	1,079,981	992,051	1,166,983	1,065,152	1,072,733	988,049	2,311,642
Total current assets	69,464,331	112,149,301	110,545,379	125,775,141	92,209,981	125,182,785	125,910,875	130,268,177	102,481,131	110,401,513
NON-CURRENT ASSETS										
Investments, long-term	113,426,310	60,749,411	46,794,723	29,648,338	20,814,071	8,824,307	9,694,557	9,328,012	9,341,052	9,359,926
Related-party development and other loans, development receivables and investments in partnerships, net of allowances	216,513,189	211,564,207	186,972,191	179,278,993	176,307,994	177,946,199	176,075,137	173,640,209	174,908,333	167,930,497
Capital assets, net of accumulated depreciation	139,232,986	132,393,548	143,451,697	146,876,898	124,966,922	136,284,103	145,264,440	151,038,298	158,435,819	151,092,159
Other non-current assets, net of allowance	–	–	–	–	–	14,248,743	9,444,402	5,838,576	25,409,850	25,065,563
Total non-current assets	469,172,485	404,707,166	377,218,611	355,804,229	322,088,987	337,303,352	340,478,536	339,845,095	368,095,054	353,448,145
TOTAL ASSETS	538,636,815	516,856,467	487,763,990	481,579,370	414,298,968	462,486,137	466,389,411	470,113,272	470,576,185	463,849,658
DEFERRED OUTFLOWS	–	–	1,948,541	1,445,335	5,398,551	5,267,381	901,516	193,549	–	–
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 538,636,815	$ 516,856,467	$ 489,712,531	$ 483,024,705	$ 419,697,519	$ 467,753,518	$ 467,290,927	$ 470,306,821	$ 470,576,185	$ 463,849,658
CURRENT LIABILITIES										
Accounts payable	$ 1,062,341	$ 386,582	$ 399,066	$ 405,614	$ 354,209	$ 597,901	$ 398,835	$ 684,617	$ 3,395,211	$ 1,102,938
Accrued liabilities	12,286,527	10,414,547	10,160,851	7,239,316	8,194,323	9,281,521	10,079,969	9,923,312	8,212,829	11,158,326
Other current liabilities	6,644,820	6,847,809	6,607,108	7,354,440	7,460,174	7,743,869	8,281,552	8,058,007	7,989,674	7,713,304
Current portion of long-term debt	122,363	137,763	115,057	244,371	238,685	254,268	223,177	198,878	463,396	–
Total current liabilities	20,116,050	17,786,701	17,282,081	15,243,741	16,247,391	17,877,559	18,983,533	18,864,814	20,061,110	19,974,568
NON-CURRENT LIABILITIES										
Long-term debt, net of current portion	1,596,593	3,152,290	3,290,053	5,616,792	5,861,163	8,312,280	8,566,548	8,789,725	8,988,602	9,293,862
Other non-current liabilities	9,079,624	9,917,478	8,983,495	–	22,486	2,983,741	2,438,836	2,506,290	1,489,305	1,341,235
Net pension plan liability	200,000	804,937	900,623	605,757	486,051	4,418,902	1,672,594	2,237,859	–	–
Total non-current liabilities	10,876,217	13,874,705	13,174,171	6,222,549	6,369,700	15,714,923	12,677,978	13,533,874	10,477,907	10,635,097
TOTAL LIABILITIES	30,992,267	31,661,406	30,456,252	21,466,290	22,617,091	33,592,482	31,661,511	32,398,688	30,539,017	30,609,665
DEFERRED INFLOWS	–	–	129,773	461,122	855,229	923,653	1,006,989	550,153	–	–
NET POSITION										
Invested in capital assets, net of related debt	137,609,629	129,230,309	140,167,742	141,220,763	118,867,074	127,717,556	136,474,715	142,049,69	148,983,821	141,798,296
Restricted–Notes receivable, HUD, program reserves	223,035,374	215,068,526	252,458,484	246,932,485	241,011,264	232,858,440	228,405,882	224,622,010	215,762,032	214,894,907
Unrestricted	146,999,545	140,896,226	66,500,280	72,944,045	36,346,861	72,661,387	69,741,830	70,686,275	75,291,315	76,546,790
Total net position	507,644,548	485,195,061	459,126,506	461,097,293	396,225,199	433,237,383	434,622,427	437,357,980	440,037,168	433,239,993
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 538,636,815	$ 516,856,467	$ 489,712,531	$ 483,024,705	$ 419,697,519	$ 467,753,518	$ 467,290,927	$ 470,306,821	$ 470,576,185	$ 463,849,658

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years ended June 30, 2012 to June 30, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
OPERATING REVENUES										
MTW Single Fund used for operations	$ 242,340,065	$ 230,786,504	$ 199,546,087	$ 234,207,383	$ 170,343,418	$ 183,182,507	$ 181,358,237	$ 198,835,971	$ 194,538,496	$ 196,943,569
ARRA grant used for operations	-	–	–	–	–	–	–	–	–	235,428
Tenant dwelling revenue	4,167,416	4,831,385	5,099,216	5,364,571	5,834,563	6,065,683	5,876,474	5,794,940	5,595,112	5,435,556
Development grants used for operations	930,873	3,370,670	4,600,841	2,733,981	1,603,084	3,364,537	1,779,653	1,360,826	1,871,668	3,302,837
Fees earned from NHC	1,394,909	1,294,909	1,194,909	1,132,909	1,135,749	1,018,345	630,872	845,317	820,022	1,302,261
Other operating revenues	5,494,486	7,429,967	3,241,820	3,414,887	3,465,853	2,824,867	1,558,848	3,486,292	4,068,455	2,715,078
Total operating revenues	254,327,748	247,713,435	213,682,873	246,853,731	182,382,667	196,455,939	191,204,084	210,323,346	206,893,753	209,934,729
OPERATING EXPENSES										
Housing assistance and operating subsidy payments	184,886,843	171,172,558	158,690,971	144,374,146	140,105,876	136,313,227	135,920,454	139,600,411	138,884,767	140,645,448
Administration including direct operating divisions	50,770,769	53,145,313	43,182,736	44,933,456	40,840,372	35,245,986	35,469,507	42,153,856	49,021,007	47,326,831
Utilities, maintenance and protective services	9,294,776	9,974,604	9,538,984	9,929,308	10,462,840	11,034,296	12,495,604	12,855,476	13,095,127	13,809,507
Resident and participant services	3,212,816	3,082,812	3,177,038	3,253,123	3,443,628	3,161,177	3,214,506	2,888,452	3,614,930	4,033,862
Revitalization, demolition and remediation	637,198	525,928	1,915,253	3,646,297	3,885,063	3,474,924	1,788,284	1,741,887	1,005,036	3,040,768
General expenses	1,995,446	3,036,830	2,442,020	2,388,563	2,298,988	2,922,669	1,896,019	2,460,498	1,497,724	1,589,610
Depreciation and amortization	6,615,296	5,995,576	7,014,817	7,189,426	8,706,718	9,579,660	11,905,128	14,769,400	11,252,920	7,724,701
Total operating expenses	257,393,144	246,933,621	225,961,819	215,714,319	209,743,485	201,731,939	202,689,502	216,469,980	218,371,511	218,170,727
NET OPERATING INCOME (LOSS)	(3,065,396)	779,814	(12,278,946)	31,139,412	(27,360,818)	(5,276,000)	(11,485,418)	(6,146,634)	(11,477,758)	(8,235,998)
NON-OPERATING REVENUES (EXPENSES)										
Interest Income on development and other loans	2,402,617	381,737	1,368,559	491,925	1,577,873	1,332,490	917,974	516,285	685,019	1,153,962
Interest Income on investments	1,560,273	3,521,145	2,061,351	640,270	42,390	–	–	–	–	–
Gain/(loss) on sale of assets	762,108	1,958,970	770,955	(8,895)	(1,021,986)	555,253	(1,610,978)	3,073,744	(22,645)	7,570
Valuation Allowance	(5,003,720)	(11,393,067)	(10,532,612)	(6,502,265)	(16,748,120)	(1,728,240)	–	(1,310,053)	(367,413)	(845,009)
Interest expense	(154,176)	(216,750)	(267,897)	(315,422)	(428,455)	(434,013)	(444,322)	(461,699)	(232,730)	(713,807)
Total non-operating revenues (expenses)	(432,898)	(5,747,965)	(6,599,644)	(5,694,387)	(16,578,298)	(274,510)	(1,137,326)	1,818,277	62,231	(397,284)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,498,293)	(4,968,151)	(18,878,590)	25,445,025	(43,939,116)	(5,550,510)	(12,622,744)	(4,328,357)	(11,415,527)	(8,633,282)
CAPITAL CONTRIBUTIONS										
MTW Single Fund used for modernization of AH-Owned properties and capital expenditures	25,483,404	12,073,374	7,877,163	39,427,069	3,096,412	3,579,449	5,935,592	4,537,078	12,186,023	4,492,985
Development grants used for development capital expenditures and loans	464,377	18,963,332	9,030,640	–	3,830,520	586,017	3,951,599	1,838,783	6,026,678	1,572,218
Total capital contributions	25,947,781	31,036,706	16,907,803	39,427,069	6,926,932	4,165,466	9,887,191	6,375,861	18,212,701	6,065,203
INCREASE (DECREASE) IN NET POSITION	**22,449,488**	**26,068,555**	**(1,907,787)**	**64,872,094**	**(37,012,184)**	**(1,385,044)**	**(2,735,553)**	**2,047,504**	**6,797,174**	**(2,568,079)**
NET POSITION — beginning of year	**485,195,061**	**459,126,506**	**461,097,293**	**396,225,199**	**433,237,383**	**434,622,427**	**437,357,980**	**440,037,168**	**433,239,993**	**435,808,072**
Change in accounting policy*	–	–	–	–	–	–	–	(4,726,691)	–	–
NET POSITION — end of year	**$ 507,644,548**	**$ 485,195,061**	**$ 459,126,506**	**$ 461,097,293**	**$ 396,225,199**	**$ 433,237,383**	**$ 434,622,427**	**$ 437,357,981**	**$ 440,037,167**	**$ 433,239,993**

* During FY 2015, AH adopted the accounting standard under GASB No. 68, *Accounting and Financial Reporting for Pension* and, accordingly, changed its accounting policy for its defined benefit pension plan, which was previously accounted for on a cash basis. Although the new pension accounting standard was adopted during FY 2015, amounts previously reported in FY 2014 financial statements were restated as if the standard had been adopted on July 1, 2013.

The Housing Authority of the City of Atlanta, Georgia

Families Served by Community & Program Type

As of June 30, 2012 to June 30, 2021

Community & Program Type	Type of Assistance	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
AH-Owned Communities	Public Housing	1,261	1,261	1,586	1,586	1,793	1,932	1,942	1,942	1,942	1,943
MIXED Communities (AH-Sponsored Communities)	Public Housing	1,562	1,562	2,155	2,155	2,221	2,221	2,221	2,522	2,471	2,471
	HomeFlex	1,521	1,358	1,521	1,543	1,543	1,780	1,748	1,387	1,409	1,327
	LIHTC-only	1,081	1,088	1,084	1,131	1,171	1,138	1,167	1,176	1,112	1,055
	RAD PBV	1,340	1,503	423	423	149					
HomeFlex Communities (Stand Alone Communities)	HomeFlex	4,841	4,803	4,230	4,012	3,447	3,271	3,244	3,040	2,949	2,953
	LIHTC-only	1,588	1,585	1,589	1,595	1,525	1,482	1,494	1,644	1,644	1,670
Housing Choice Tenant-Based *	Housing Choice Voucher	9,597	9,393	9,094	8,608	8,381	8,009	7,526	7,292	7,043	6,878
Housing Choice Port-out	Housing Choice Voucher	1,745	1,711	1,860	2,029	2,086	1,973	2,016	2,303	2,265	2,399
Housing Choice Homeownership-Mortgage Assistance	Housing Choice Voucher	17	18	19	23	25	30	37	59	62	83
Homeownership - Downpayment Assistance	MTW	1,659	1,225	993	724	553	472	384	315	277	246
Short-Term Housing Assistance	MTW	295	244	380	215	199	26	-			
TOTAL		**26,507**	**25,751**	**24,934**	**24,044**	**23,093**	**22,334**	**21,779**	**21,680**	**21,174**	**21,025**

** Included in this number are 531 participants searching for a unit.*

Number of Households by Income Group (percent of Area Median Income ("AMI"))
As of June 30, 2021 and June 30, 2020

Community & Program Type	FY 2020 Households by Income Group					FY 2021 Households by Income Group					2020 vs 2021	
	≤ 30% AMI	31 - 50% AMI	51 - 80% AMI	> 80% AMI	Total	≤ 30% AMI	31 - 50% AMI	51 - 80% AMI	> 80% AMI	Total	# Change	% Change
AH-Owned Communities	1,099	117	11	3	1,230	1,100	89	12	4	1,205	-25	-2.0%
MIXED Communities*	1,978	683	155	16	2,832	2,260	617	127	13	3,017	185	6.5%
RAD PBV Conversions	963	248	67	9	1,287	1,017	202	38	6	1,263	-24	-1.9%
HomeFlex Communities*	3,424	1,012	135	4	4,575	3,710	787	92	5	4,594	19	0.4%
Housing Choice: Tenant-Based	6,489	2,230	620	54	9,393	7,032	2,025	523	34	9,614	221	2.4%
Housing Choice Port Out	1,459	212	39	1	1,711	1,745	0	0	0	1,745	34	2.0%
Totals:	**15,412**	**4,502**	**1,027**	**87**	**21,028**	**16,864**	**3,720**	**792**	**62**	**21,438**	**410**	**1.9%**

The total number of households in 2021 that were earning 50% or less than Area Median Income (AMI) was 20,584 or 96% of total households.
The 854 remaining households, or 4% of total households, were earning more than 50% of AMI.

NOTE:

** AH does not capture household characteristics for LIHTC-only units within MIXED and HomeFlex communities.*

Number of Households by Family Size

As of June 30, 2021 and June 30, 2020

Community & Program Type	FY 2020 Households by Family Size						FY 2021 Households by Family Size						2020 vs 2021	
	1 Member	2 Member	3 Member	4 Member	5+ Member	Total	1 Member	2 Member	3 Member	4 Member	5+ Member	Total	# Change	% Change
AH-Owned Communities	1,099	78	15	14	24	1,230	1,081	75	12	14	23	1,205	-25	-2.0%
MIXED Communities*	1,617	559	355	183	118	2,832	1,723	601	369	195	129	3,017	185	6.5%
RAD PBV Conversions	797	234	146	64	46	1,287	819	215	141	52	36	1,263	-24	-1.9%
HomeFlex Communities*	3,353	823	241	104	54	4,575	3,344	844	249	104	53	4,594	19	0.4%
Housing Choice: Tenant-Based	2,955	2,372	1,747	1,179	1,140	9,393	3,091	2,387	1,804	1,190	1,142	9,614	221	2.4%
Housing Choice Port Out	337	309	327	362	376	1,711	350	311	334	370	380	1,745	34	2.0%
Totals:	**10,158**	**4,375**	**2,831**	**1,906**	**1,758**	**21,028**	**10,408**	**4,433**	**2,909**	**1,925**	**1,763**	**21,438**	**410**	**1.9%**

NOTE:

** AH does not capture household characteristics for LIHTC-only units within MIXED and HomeFlex communities.*

The Housing Authority of the City of Atlanta, Georgia

Number of Households by Unit Size

As of June 30, 2021 and June 30, 2020

Community & Program Type	FY 2020 Households by Unit Size						FY 2021 Households by Unit Size						2020 vs 2021	
	0/1 BRs	2 BRs	3 BRs	4 BRs	5+ BRs	Total	0/1 BRs	2 BRs	3 BRs	4 BRs	5+ BRs	Total	# Change	% Change
AH-Owned	1,137	45	19	29	0	1,230	1,114	45	20	26	0	1,205	-25	-2.0%
MIXED	1,276	1,153	377	27	0	2,833	1,368	1,209	413	27	0	3,017	184	6.5%
RAD PBV Conversions	736	354	177	19	0	1,286	776	317	153	17	0	1,263	-23	-1.8%
HomeFlex	2,985	1,387	199	4	0	4,575	3,009	1,381	199	5	0	4,594	19	0.4%
Housing Choice: Tenant-Based	2,323	3,423	2,770	758	119	9,393	2,470	3,449	2,788	907	0	9,614	221	2.4%
Housing Choice: Ports	329	563	604	184	31	1,711	1,745	0	0	0	0	1,745	34	2.0%
Totals:	**8,786**	**6,925**	**4,146**	**1,021**	**150**	**21,028**	**10,482**	**6,401**	**3,573**	**982**	**0**	**21,438**	**410**	**1.9%**

NOTE:

** AH does not capture household characteristics for LIHTC-only units within MIXED and HomeFlex communities.*

The Housing Authority of the City of Atlanta, Georgia

Full-Time Employees by Department

As of June 30, 2019 to June 30, 2021

Personnel Summary*	2021	2020	2019
Operating Divisions			
Housing Choice Administration	17	12	11
Housing Services	51	60	63
Inspections Services	29	24	24
Real Estate Operations	2	4	1
Real Estate Asset & Property Management	19	19	8
Real Estate Planning & Development	16	14	15
Real Estate Transactions Management & Capital Markets	9	8	12
Construction and Facilities Management**	17	11	11
Total Operating Divisions	**160**	**152**	**145**
Corporate Support			
Executive Office	2	2	2
Office of Chief Operating Officer	2	1	2
Office of General Counsel	14	12	13
Corporate Finance	21	16	15
Information Technology, Record & Information Management**	43	46	39
Office of Strategy, Policy & Regulatory Affairs	13	12	20
Government, External Affairs & Human Development	23	22	21
Communications, Marketing & Public Engagement	8	8	6
Contracts & Procurement	16	14	12
Human Resources	8	9	5
Total Corporate Support	**150**	**142**	**135**
Choice Neighborhoods	**11**	**12**	**12**
Grand Total	**321**	**306**	**292**

** Information reflects full-time regular headcount in payroll system on the last day of each fiscal year.*

*** Transfer of employees between these departments in 2021 while prior year information was unadjusted.*

The Housing Authority of the City of Atlanta, Georgia

Metro Atlanta Key Economic Indicators

Years 2011 to 2019*

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Population[1]	5,366,462	5,444,473	5,510,530	5,593,204	5,686,048	5,787,965	5,872,432	5,945,303	6,020,364
Annual Net Population Gain	63,864	78,011	66,057	82,674	92,844	101,917	84,467	72,871	75,061
Annual Growth Rate	1.2%	1.5%	1.2%	1.5%	1.7%	1.8%	1.5%	1.2%	1.3%
Labor Force[2]	2,760,194	2,791,002	2,789,870	2,800,382	2,835,028	2,936,885	3,029,401	3,056,740	3,090,100
Employment[2]	2,486,895	2,545,474	2,572,589	2,611,988	2,672,682	2,786,479	2,892,848	2,941,061	2,989,672
Unemployment Rate[2]	9.9%	8.8%	7.8%	6.7%	5.7%	5.1%	4.5%	3.8%	3.2%
Nonagricultural Employment[2]	2,312,100	2,354,900	2,415,100	2,503,900	2,582,700	2,665,300	2,727,800	2,785,600	2,849,400
Annual Net Job Creation[2]	35,900	42,800	60,200	88,800	78,800	82,600	62,500	57,800	63,800
Annual Growth Rate	1.6%	1.9%	2.6%	3.7%	3.1%	3.2%	2.3%	2.1%	2.3%
Gross Domestic Product (billions, current dollars)[3]	$277.4	$287.6	$299.9	$319.9	$340.3	$361.2	$380.2	$397.3	TBD
Total Personal Income (billions)[3]	$219.1	$226.6	$230.5	$250.3	$266.0	$278.2	$295.3	$312.2	TBD
Per Capita Personal Income[3]	$40,825	$41,625	$41,817	$44,744	$46,757	$48,052	$50,269	$52,473	TBD
Total Housing Units Authorized by Building Permits[4]	8,634	14,380	24,297	26,683	30,342	36,357	33,832	39,441	32,729
Single Family	6,214	9,167	14,824	16,984	19,995	23,100	24,973	26,506	26,166
Multifamily & Apartments	2,420	5,213	9,473	9,699	10,347	13,257	8,859	12,935	6,563
Hartsfield-Jackson Atlanta International Airport[5]									
Total Operations (takeoffs & landings)	923,996	930,310	911,074	868,359	882,497	898,356	880,342	895,682	904,301
Total Passengers	92,389,023	95,513,828	94,431,224	96,178,899	101,491,106	104,171,935	103,934,717	107,394,029	110,531,300
International Passengers	9,856,954	9,854,343	10,258,133	10,784,219	11,233,303	11,475,615	12,065,290	12,501,023	12,655,294
Total Freight (metric tons)	663,162	654,013	616,365	601,270	626,201	648,595	691,269	693,790	639,276

**Note: No data available for 2020 or 2021*

Sources:

1: Population figures for 2011–2019 are July 1 annual estimates by the U.S. Census Bureau; April 1, 2010 Census count was 5,286,728; all population figures based on 29-county Atlanta MSA delineation

2: Georgia Department of Labor; U.S. Bureau of Labor Statistics, not seasonally adjusted

3: U.S. Bureau of Economic Analysis, current dollars

4: U.S. Census Bureau, Manufacturing & Construction Division

5: Hartsfield-Jackson Atlanta International Airport

Metro Atlanta Top Twenty Employers

Years 2018–2019*

Rank	Employer	Full-Time Equivalent (FTE) Headcount*	Primary Facility Type
1	Delta Air Lines	34,500	Corporate HQ/Airport (FORTUNE #75)
2	Emory University & Emory Healthcare	32,091	Educational Institution/Healthcare
3	The Home Depot	16,510	Corporate HQ (FORTUNE #23)
4	Northside Hospital	16,000+	Healthcare
5	Piedmont Healthcare	15,900	Healthcare
6	Publix Super Markets	15,591	Division HQ
7	WellStar Health System	15,353	Healthcare
8	The Kroger Co.	15,000+	Division HQ
9	AT&T	15,000	Division HQ/Regional HQ
10	UPS	14,594	Corporate HQ (FORTUNE #44)
11	Marriott International	12,000+	Hotels
12	Children's Healthcare of Atlanta	9,000	Healthcare
13	Cox Enterprises	8,894	Corporate HQ
14	Centers for Disease Control and Prevention (CDC)	8,403	Federal Government Agency HQ
15	The Coca-Cola Company	8,000	Corporate HQ (FORTUNE #87)
16	Southern Company (includes Georgia Power)	7,753	Corporate HQ (FORTUNE #126)
17	Grady Health System	7,600	Healthcare
18	SunTrust Bank	7,478	Corporate HQ (FORTUNE #303)
19	Georgia Institute of Technology (Georgia Tech)	7,139	Educational Institution
20 T	State Farm	6,000	Hub
20 T	Turner	6,000	Corporate HQ

**Note: No data available for 2020 or 2021*

Source: https://www.metroatlantachamber.com/assets/top_employers_2018_2019_1_23_19_6a7P4J4.pdf